Global Markets in 30 Charts

# Amadeus Weekly

## Quick recap

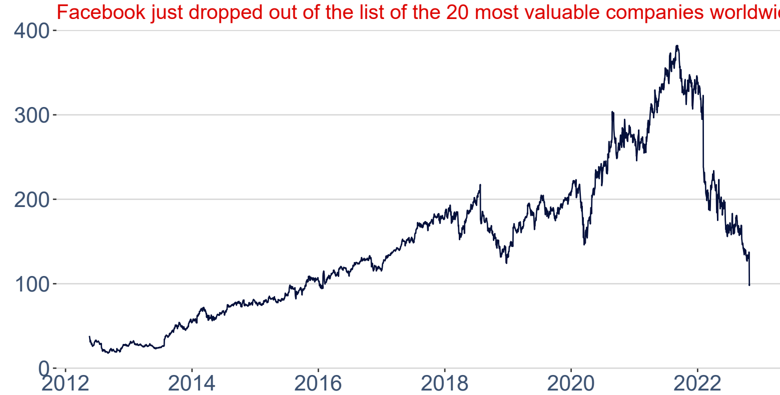
- President Xi's decision to stuff the standing committee with loyalists sent shockwaves through the country's stock market as even pessimistic investors had hoped to see at least one or two moderate and economically concerned politicians in the powerful committee.
- The panic selling in Chinese stocks contrasts with an ongoing recovery of the GBP and Gilts as investors have gained confidence that with the appointment of Rishi Sunak, an adult finally took over again.
- While China crashed, most other Asian markets ended the week higher despite declining on Friday. Singapore's banks and industrials delivered strong earnings - probably helped by investors fleeing Hong Kong.
- The S&P 500 and the STOXX 600 also finished higher, helped by surprisingly resilient German GDP figures, some relief over falling gas prices and lower benchmark yields in the U.S. on the back of mixed data.

## Overview



**To the moon and back**

Facebook just dropped out of the list of the 20 most valuable companies worldwide




It was a brutal week for big tech, led by disappointing results from Meta and Amazon, exacerbated by warnings over slowing advertising demand from Alphabet.
Ironically, it is also the week when Elon Musk closed the $44bn takeover of Twitter - which could have hardly been timed worse and is reportedly costing the banks that are backing it a figure north of 1bn. While the decline in Facebook was worsened by Zuckerberg's ambitious but struggling metaverse expansion, this week's orchestrated sell-offs across big tech are a reminder of the industry's historically high valuation and the fact that even the mighty corporations may eventually fail.

## Markets at a glance

**S&P 500**
Index level


**STOXX 600**
Index level


**SMI Index**
Index level


**MSCI China**
Index level


**10Yr Treasury**
Yield in %

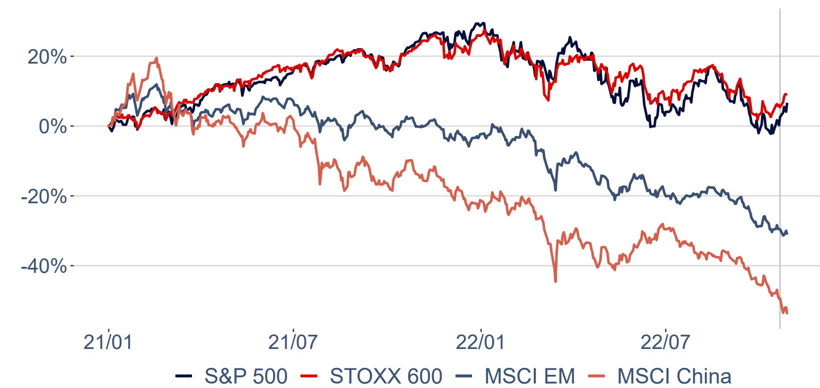

**US High Yield Spreads**
CDX Spread in bp


**Gold**
Price in USD


**Crude Oil**
Price in USD

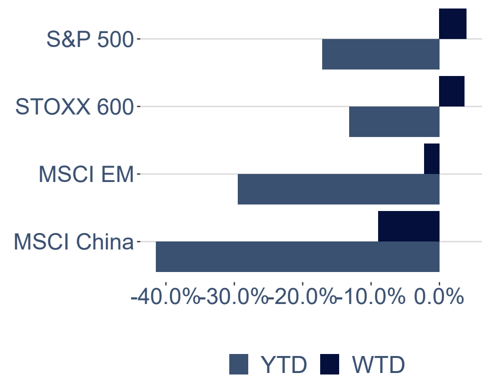
## Major Equity Markets

**Broad Markets**
Total return %



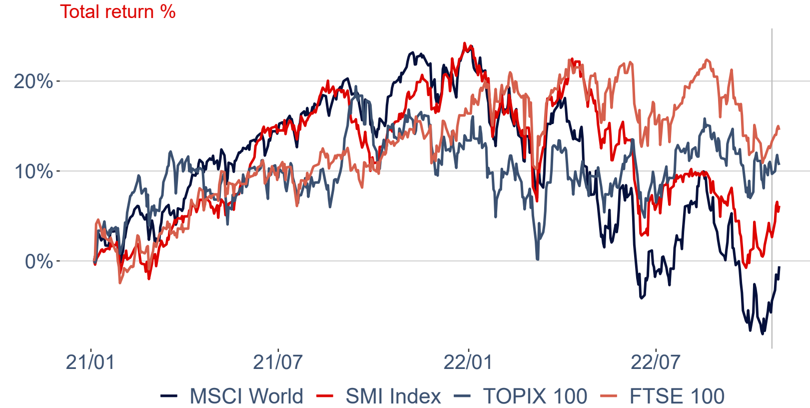

Source: Amadeus Capital SA 2022-10-29

**Broad Markets**
Total return %



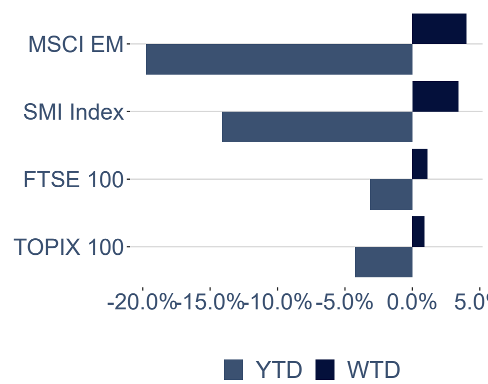

## Major Equity Markets

**Broad Markets**
Total return %



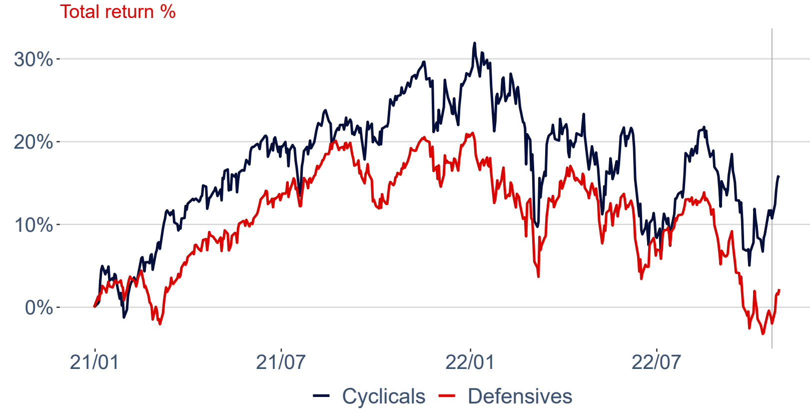

Source: Amadeus Capital SA 2022-10-29

**Broad Markets**
Total return %



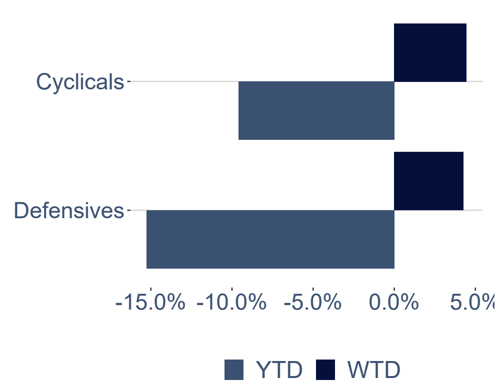

## Equity Sectors

**Cyclicals vs Defensives Europe**
Total return %

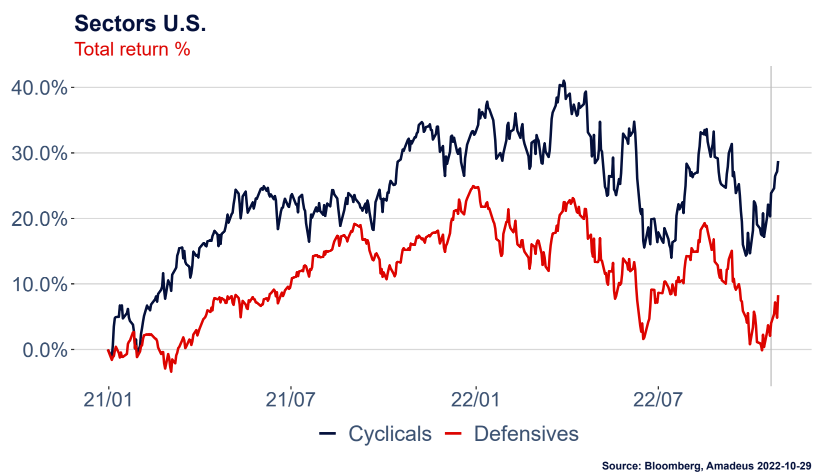


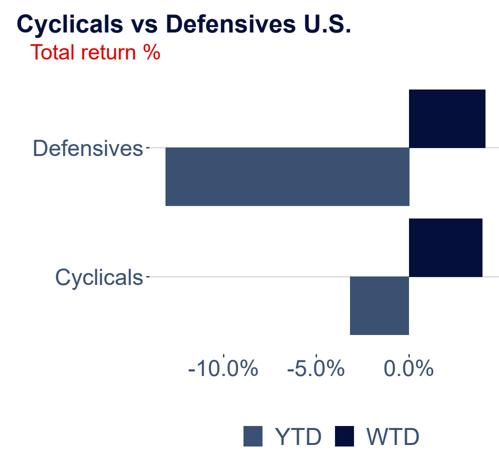

Source: Bloomberg, Amadeus 2022-10-29

**Cyclicals vs Defensives Europe**
Total return %

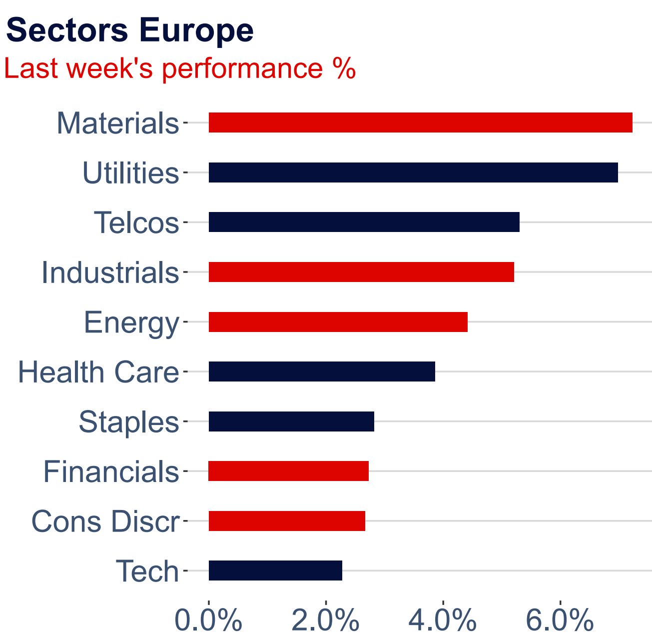


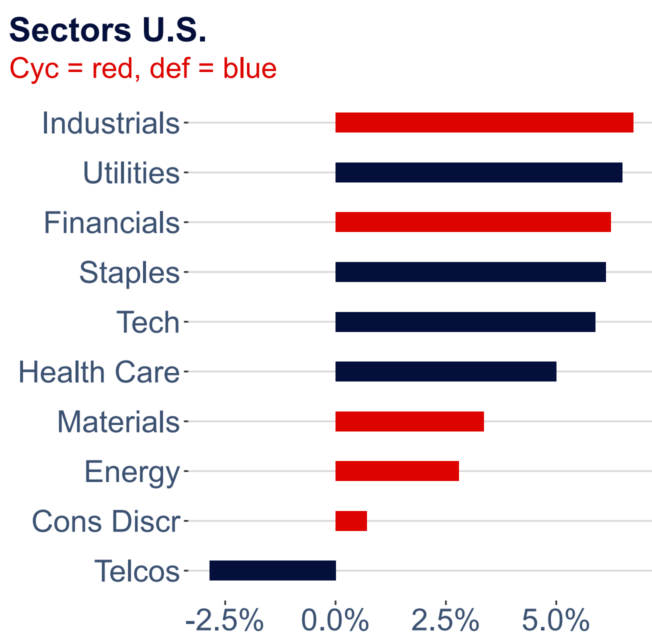
## Equity Sectors



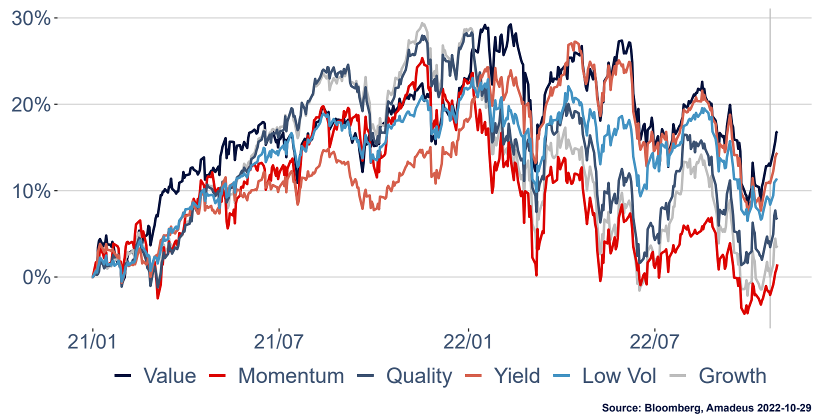

## Equity Sectors



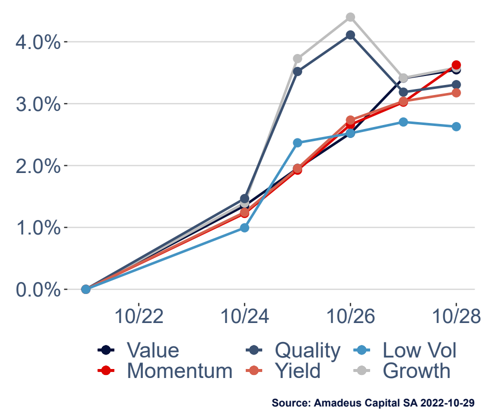



## Equity Styles

**Styles Europe**
Total return %




**Styles Europe**
Total return %



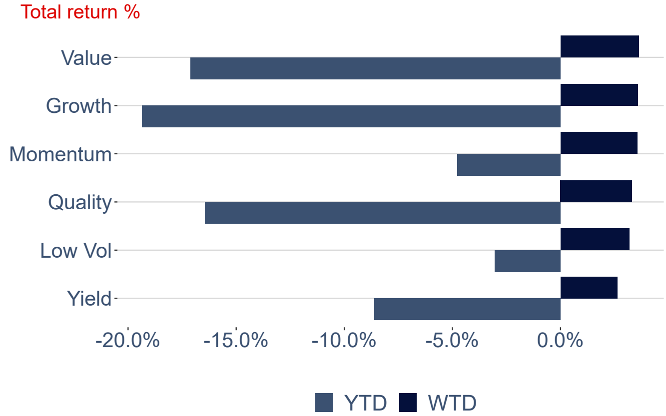

## Equity Styles

**Styles U.S.**
Total return %

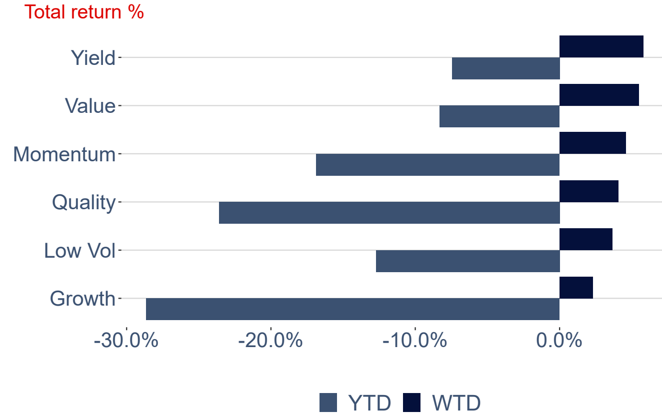

**Styles U.S.**
Total return %


## Equity Styles

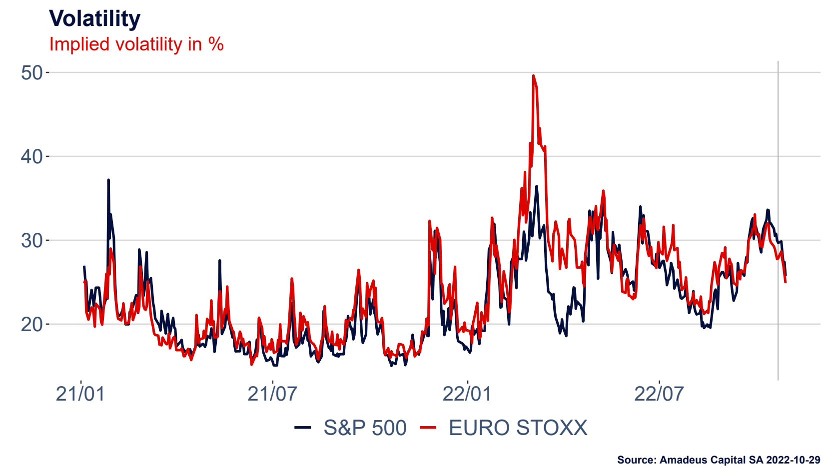
**Styles Europe**
Total return %

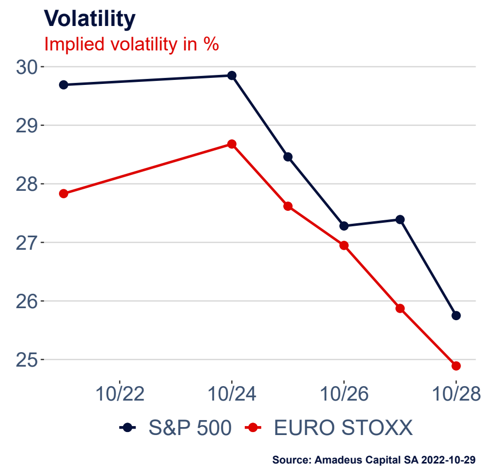



**Styles U.S.**
Total return %

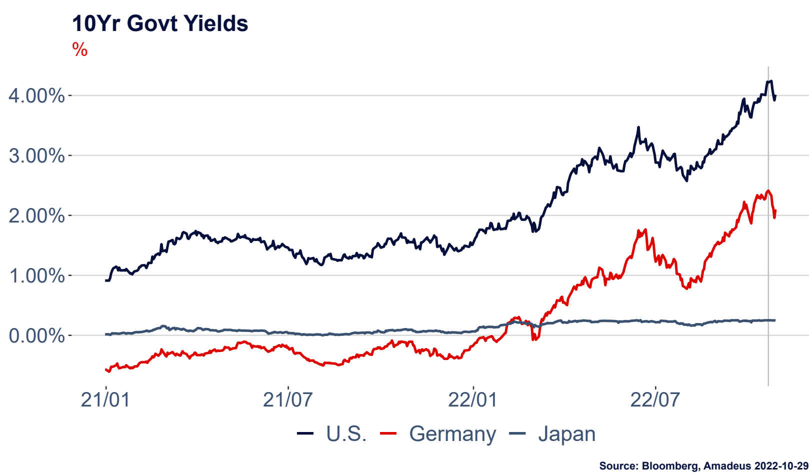


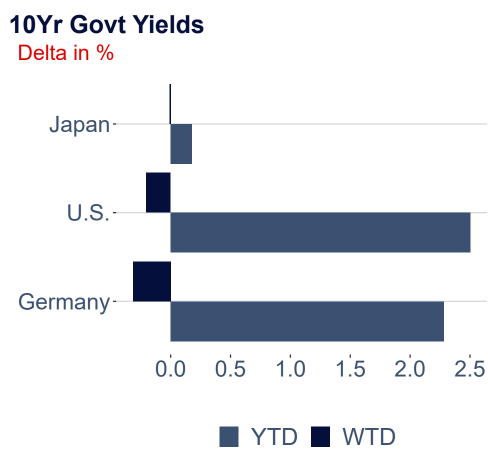
## Volatility



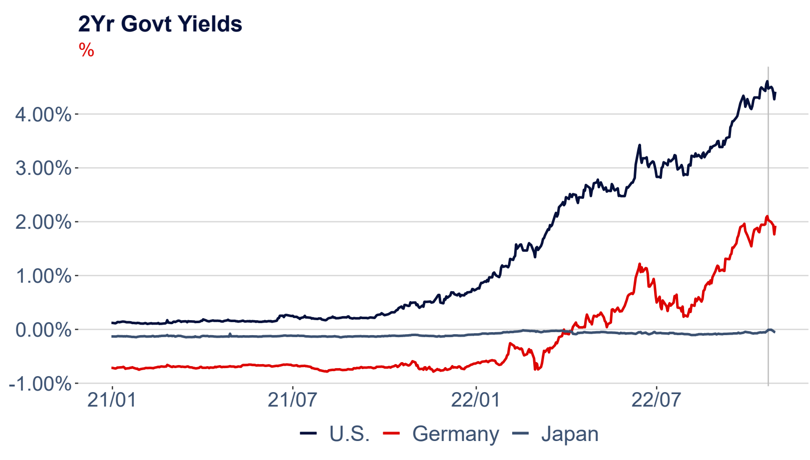



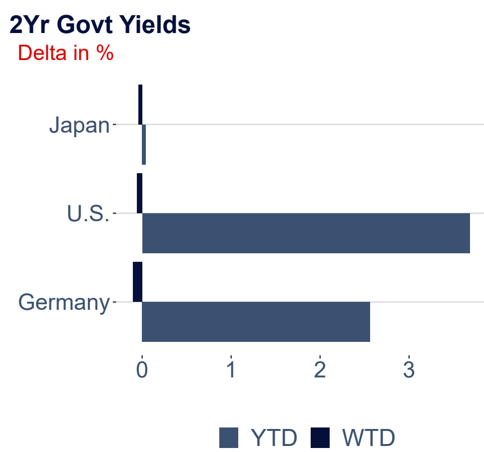

## Government Bond Yields



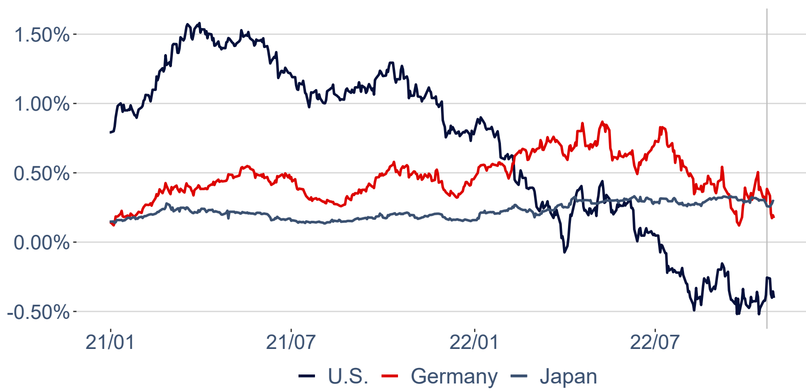

## Government Bond Yields



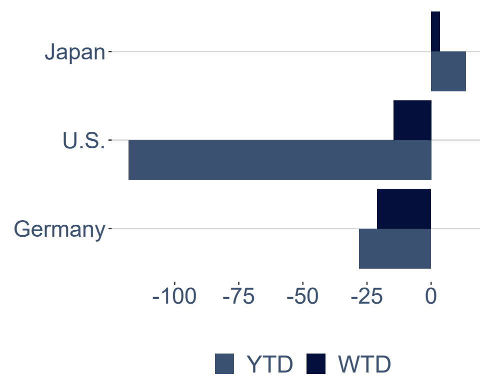
## Government Bond Yields

**Steepness of the curve**
10Yr - 2Yr Govt Yields %



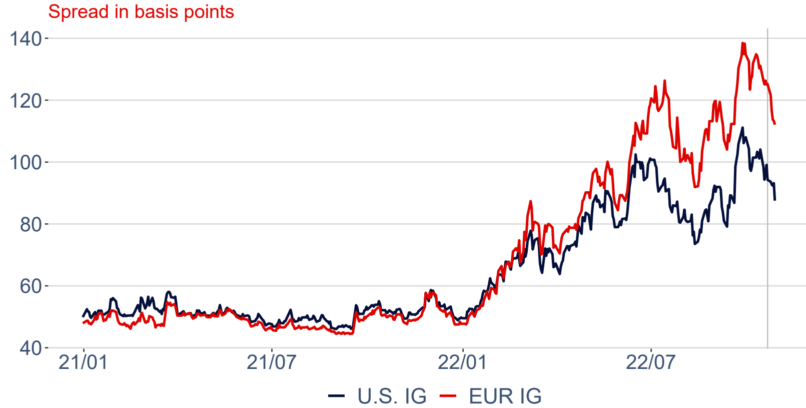

Source: Amadeus Capital SA 2022-10-29

**10Yr-2Yr Govt Yields**
Delta in bp



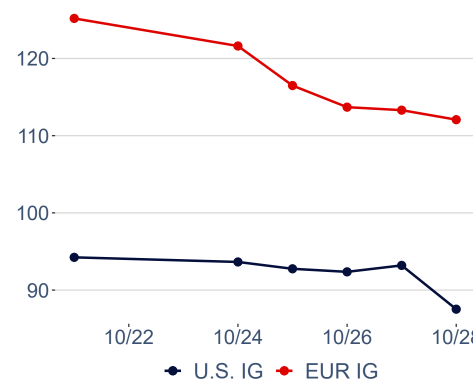

## Credit Spreads

**Investment grade credit spreads**
Spread in basis points




Source: Amadeus Capital SA 2022-10-29

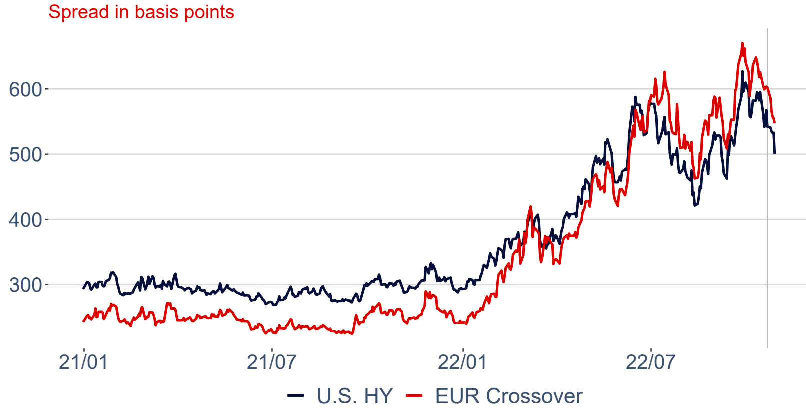
**Investment grade credit spreads**
Spread in basis points




Source: Amadeus Capital SA 2022-10-29

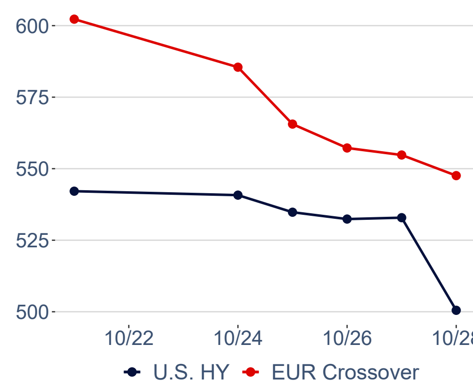
## Credit Spreads

**High yield credit spreads**
Spread in basis points




Source: Amadeus Capital SA 2022-10-29

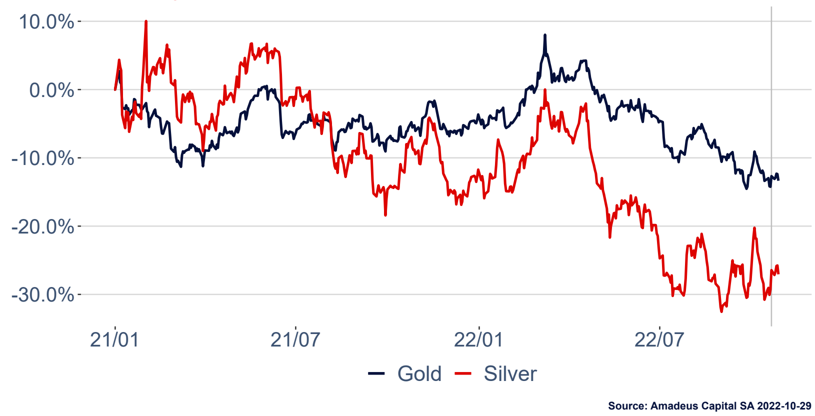
**High yield credit spreads**
Spread in basis points



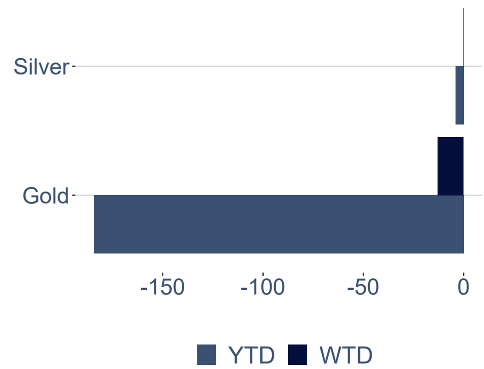

Source: Amadeus Capital SA 2022-10-29

## Precious Metals

**Precious metals**
Price change %



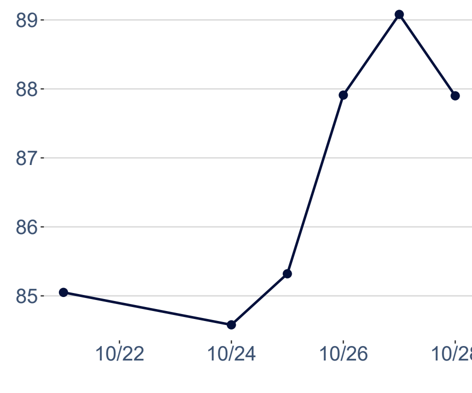

**Precious metals**
Price change in USD




## Commodities

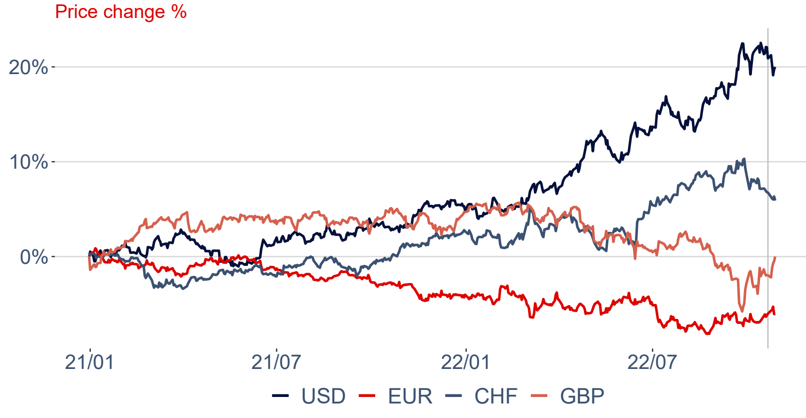
**Crude oil**
Price in USD


**Crude oil**
Price in USD

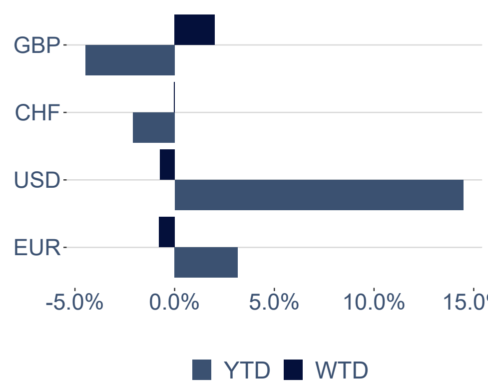



## Currencies

**Trade weighted currencies**
Price change %

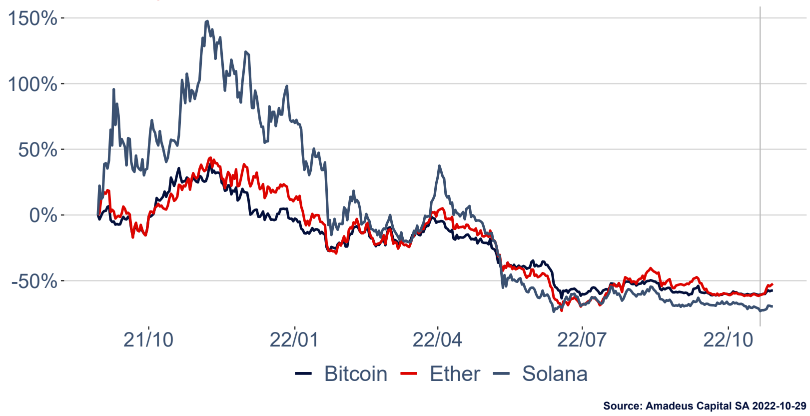



**Trade weighted currencies**
Price change %

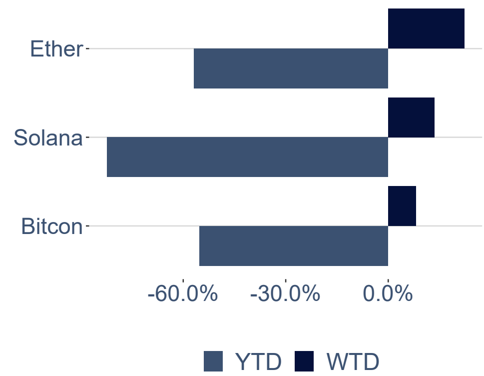


## Cryptocurrencies

**Marjor cryptocurrencies in USD**
Price change %




**Major cryptocurrencies in USD**
Price change %



## Major Events Last Week

China's official GDP and Industrial Production figures beat forecasts this week but hardly made a difference as new Covid lockdowns have been announced while investors increasingly lose confidence in Xi's ability to lead the country. In Europe, the ECB lifted rates by another 75bp, in line with consensus expectations. While recent declines in gas spots mirror the crash of crude during the Covid pandemic, most observers consider it a technical correction with little relevance for the playing out of the continent's energy crisis. Also, in the context of inflation, the Economist published this interesting read on Sunday last week - highly recommended.

| Date | Zone | Event | Previous | Forecast | Actual |
|---|---|---|---|---|---|
| 22/10/2022 | China | GDP (YoY) (Q3) | 0.4% | 3.4% | 3.9% |
| 22/10/2022 | China | Industrial Production (YoY) (Sep) | 4.2% | 4.5% | 6.3% |
| 24/10/2022 | New Zealand | New Zealand - Labor Day | - | - | - |
| 24/10/2022 | India | India - Diwali - Laxmi Puja | - | - | - |
| 24/10/2022 | Singapore | Singapore - Diwali | - | - | - |
| 24/10/2022 | Germany | German Manufacturing PMI (Oct) | 47.8 | 47 | 45.7 |
| 24/10/2022 | United Kingdom | Composite PMI | 49.1 | 48.1 | 47.2 |
| 24/10/2022 | United Kingdom | Manufacturing PMI | 48.4 | 48 | 45.8 |
| 24/10/2022 | United Kingdom | Services PMI | 50 | 49.6 | 47.5 |
| 25/10/2022 | Germany | German Ifo Business Climate Index (Oct) | 84.4 | 83.3 | 84.3 |
| 25/10/2022 | United States | CB Consumer Confidence (Oct) | 107.8 | 106.5 | 102.5 |
| 25/10/2022 | Australia | CPI (QoQ) (Q3) | 1.8% | 1.6% | 1.8% |
| 26/10/2022 | India | India - Diwali-Balipratipada | - | - | - |
| 26/10/2022 | United States | New Home Sales (Sep) | 677K | 585K | 603K |
| 26/10/2022 | Canada | BoC Monetary Policy Report | - | - | - |
| 26/10/2022 | Canada | BoC Interest Rate Decision | 3.25% | 4% | 3.75% |
| 26/10/2022 | United States | Crude Oil Inventories | -1.725M | 1.029M | 2.588M |
| 26/10/2022 | Canada | BOC Press Conference | - | - | - |
| 26/10/2022 | Japan | BoJ Outlook Report (YoY) | - | - | - |
| 27/10/2022 | Eurozone | Deposit Facility Rate (Oct) | 0.75% | 1.5% | 1.5% |
| 27/10/2022 | Eurozone | ECB Marginal Lending Facility | 1.5% | 0% | 2.25% |
| 27/10/2022 | Eurozone | ECB Monetary Policy Statement | - | - | - |
| 27/10/2022 | Eurozone | ECB Interest Rate Decision (Oct) | 1.25% | 2% | 2% |
| 27/10/2022 | United States | Core Durable Goods Orders (MoM) (Sep) | 0.3% | 0.2% | -0.5% |
| 27/10/2022 | United States | GDP (QoQ) (Q3) | -0.6% | 2.4% | 2.6% |
| 27/10/2022 | United States | Initial Jobless Claims | 214K | 220K | 217K |
| 27/10/2022 | Eurozone | ECB Press Conference | - | - | - |
| 27/10/2022 | Eurozone | ECB President Lagarde Speaks | - | - | - |
| 27/10/2022 | Japan | BoJ Monetary Policy Statement | - | - | - |
| 27/10/2022 | Japan | BoJ Outlook Report (YoY) | - | - | - |
| 28/10/2022 | Japan | BoJ Press Conference | - | - | - |
| 28/10/2022 | Eunada | German GDP (QoQ) (Q3) | 0.1% | -0.2% | 0.3% |
| 28/10/2022 | Russia | Interest Rate Decision (Oct) | 7.5% | 7.5% | 7.5% |
| 28/10/2022 | Germanz | German CPI (YoY) (Oct) | 10% | 10.1% | 10.4% |
| 28/10/2022 | United States | Core PCE Price Index (MoM) (Sep) | 0.5% | 0.5% | 0.5% |
| 28/10/2022 | Canada | GDP (MoM) (Aug) | 0.1% | 0.1% | 0.1% |
| 28/10/2022 | Canada | GDP (MoM) | 0.1% | 0% | 0% |
| 28/10/2022 | United States | Pending Home Sales (MoM) (Sep) | -1.9% | -5% | -10.2% |

## The Week Ahead

The coming week will bring some more news on Eurozone inflation (forecasted to reach 10.2%) and the state of the U.S. labour market. Initial claims were lower than expected this week and are expected to increase slightly, while Nonfarm Payrolls are anticipated to decline to 200k alongside unemployment rates inching slightly higher.
The most interesting event in the coming week, however, will be the publication of the FOMC statement and the FOMC press conference on Wednesday. Powell is expected to raise rates by another 75bp bringing the Fed Funds Rate to 3.75%-4%, but on the back of worsening conditions in real estate markets and already tight financial conditions, investors are eagerly waiting for statements that may indicate some kind of pause or deceleration of hikes.

| Date | Zone | Event | Previous | Forecast | Actual |
|---|---|---|---|---|---|
| 30/10/2022 | Australia | Retail Sales (MoM) (Sep) | 0.6% | 0.6% | - |
| 30/10/2022 | China | Manufacturing PMI (Oct) | 50.1 | 50 | - |
| 31/10/2022 | Eurozone | CPI (YoY) (Oct) | 9.9% | 10.2% | - |
| 31/10/2022 | China | Caixin Manufacturing PMI (Oct) | 48.1 | 49 | - |
| 31/10/2022 | Australia | RBA Interest Rate Decision (Nov) | 2.6% | 2.85% | - |
| 01/10/2022 | United Kingdom | Manufacturing PMI (Oct) | 45.8 | 45.8 | - |
| 01/10/2022 | Brazil | BCB Copom Meeting Minutes | - | - | - |
| 01/10/2022 | United States | ISM Manufacturing PMI (Oct) | 50.9 | 49.9 | - |
| 01/10/2022 | United States | JOLTs Job Openings (Sep) | 10.053M | 10.000M | - |
| 01/10/2022 | New Zealand | Employment Change (QoQ) (Q3) | 0.1% | 0.5% | - |
| 01/10/2022 | New Zealand | RBNZ Press Conference | - | - | - |
| 02/10/2022 | Eurozone | German Manufacturing PMI (Oct) | 45.7 | 45.7 | - |
| 02/10/2022 | Eurozone | German Unemployment Change (Oct) | 14K | 13K | - |
| 02/10/2022 | United States | ADP Nonfarm Employment Change (Oct) | 208K | 190K | - |
| 02/10/2022 | United States | Crude Oil Inventories | 2.588M | - | - |
| 02/10/2022 | United States | FOMC Statement | - | - | - |
| 02/10/2022 | United States | Fed Interest Rate Decision | 3.25% | - | - |
| 02/10/2022 | United States | FOMC Press Conference | - | - | - |
| 03/10/2022 | United Kingdom | Composite PMI (Oct) | 47.2 | 47.2 | - |
| 03/10/2022 | United Kingdom | Services PMI (Oct) | 47.5 | 47.5 | - |
| 03/10/2022 | United Kingdom | BoE Interest Rate Decision (Nov) | 2.25% | 3% | - |
| 03/10/2022 | United States | Initial Jobless Claims | 217K | 220K | - |
| 03/10/2022 | United States | ISM Non-Manufacturing PMI (Oct) | 56.7 | 55.4 | - |
| 04/10/2022 | United Kingdom | Construction PMI (Oct) | 52.3 | 48 | - |
| 04/10/2022 | Eurozone | ECB President Lagarde Speaks | - | - | - |
| 04/10/2022 | United States | Nonfarm Payrolls (Oct) | 263K | 200K | - |
| 04/10/2022 | United States | Unemployment Rate (Oct) | 3.5% | 3.6% | - |
| 04/10/2022 | Canada | Employment Change (Oct) | 21.1K | 5.0K | - |
| 04/10/2022 | Canada | Ivey PMI (Oct) | 59.5 | - | - |

## About Amadeus

We cater to wealthy families and institutions with a pronounced ownership approach, making sure that the interests of our clients and ourselves are aligned by investing alongside them.

We offer a special know-how in niche strategies and we provide access to exclusive investment opportunities through our network
Amadeus Capital finds itself in the centre of a full-service ecosystem controlled by the Brockmann family, which allows us to easily connect all aspects of private wealth management.

While we are proud of our heritage, we constantly seek to adapt to a rapidly changing financial industry and don‘t shy away from undertaking the necessary investments to stay ahead of the curve.

We actively foster and cultivate an entrepreneurial corporate culture, encourage continuous innovation and work closely together with our external network of specialists and consultants.

Amadeus Capital merged in 2019 with Nucleo Capital, a Geneva based multi-family office created in 2005 by Laurent Timonier; further to the merger Laurent Timonier and Marovita Holding are the sole shareholders of Amadeus Capital.

Amadeus Capital is a member of the Swiss Association of Asset Managers and is audited by Ernst & Young.

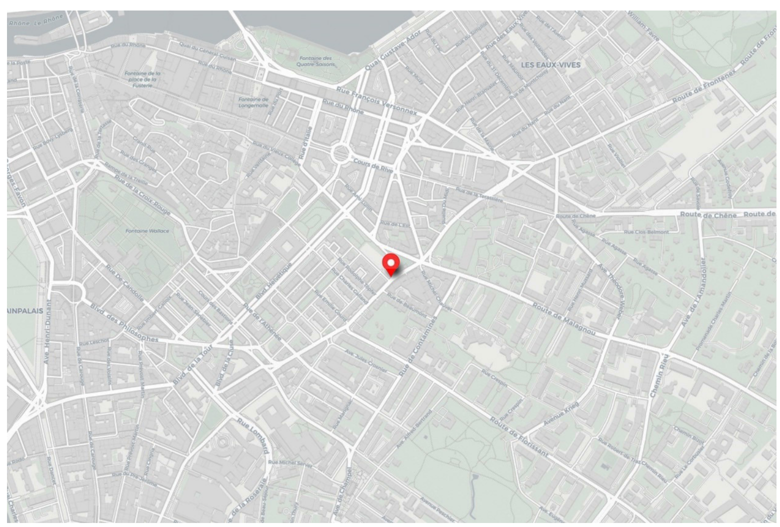
## Where to find us

**Address**
Amadeus Capital SA
14, rue Rodolphe-Toepffer
1206 Geneva - Switzerland

**Contact**
https://investing.amadeus.ch/contact-us/

**Web**
https://amadeus.ch/
https://investing.amadeus.ch/
https://quantamental.amadeus.ch/

**Blog & Newsletter Subcription**
https://investing.amadeus.ch/blog/



## Disclaimer

This presentation is proprietary to Amadeus Capital SA ("Amadeus"). This presentation does not purport to be all-inclusive or to necessarily contain all relevant information and may be subject to updating, withdrawal, revision or amendment. No representation or warranty, express or implied, is or will be given by Amadeus, their advisers or any of their respective directors, shareholders, partners or employees as to the accuracy or completeness of this presentation or the information or opinions contained therein.

Please consult a competent legal, regulatory, compliance, tax, accounting or other applicable professional as Amadeus does not provide any such advice and makes no representations or warranties in this regard. For the avoidance of doubt, Amadeus makes no representation or warranty about the suitability and/or appropriateness of any product or service for end-clients in any jurisdiction.
The content of this presentation and any and all discussions, negotiations and communications between the addressee and Amadeus and their respective directors, shareholders, employees, advisers and/or representatives will remain subject to the conclusion of a final and binding contract and/or the delivery of a finalized signed-off specification document.

The addressee of this presentation must make their own independent assessment of the information provided by Amadeus and is recommended to seek independent advice on the contents hereof from a person specializing in advising on matters contained herein. Neither Amadeus nor any of their advisers, nor their respective directors, partners, representatives, agents, consultants or employees shall be liable for any direct, indirect or consequential loss or damage suffered by any person relying on statements or omissions from this presentation and to the maximum extent permitted by law, all conditions, warranties and other terms which might be implied by statute, common law or the law of equity and any such liability are expressly excluded.



Contact: digital@amadeus.com