# 60 SECOND SNAPSHOT

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## THIS WEEK IN 30 SECONDS...

Earnings continue to flood into the market this week. The big tech stocks will be in focus with Microsoft up first on the 24th. Just last week the software company announced they will cut 10,000 jobs, 5% of their global workforce as market headwinds persist. Following that, Tesla will post their Q4 earnings on the 25th. Tesla's stock had a torrid 2022 and recently missed order targets in its Asian business. And on the 27th one of the world's largest oil producer, Chevron will post their Q4 earnings. Analysts are confident of strong earnings after the rise in oil prices throughout last year.

From a macro perspective, attention this week will stay on US markets. Inflation data continues to be closely monitored in particular at the core level. On the 27th the core personal expenditure price index will be released. The index measures the prices paid by domestic consumers in the US excluding energy and food. This measure is often used by the Federal Reserve as the key indicator for core inflation.

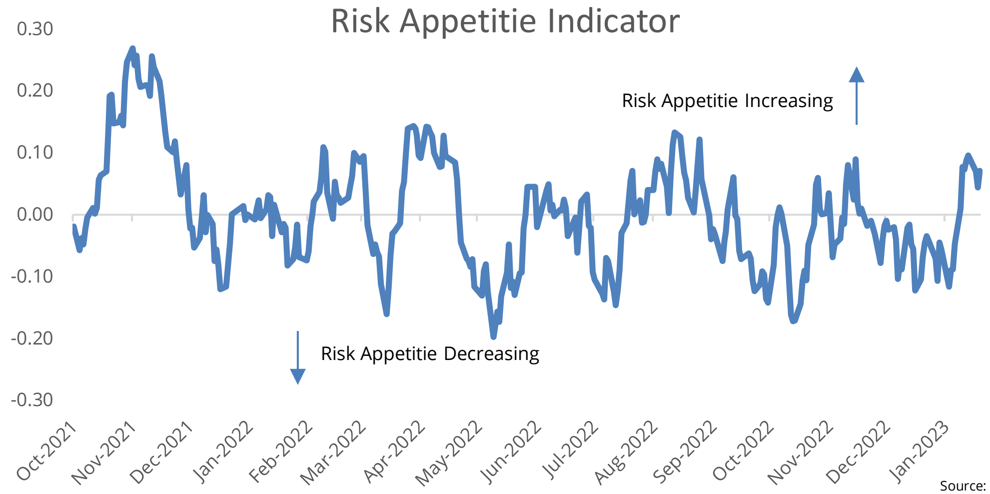
## LAST WEEK IN 30 SECONDS...

Netflix stock had a fantastic Q4 earnings report despite the online streaming platform missing their earnings per share targets. Revenue came in at $7.85bn, up 1.8% from last year. However the real excitement came from subscriber growth numbers. Netflix added 7.66m subscribers over Q4, nearly double what analysts expected. Goldman Sachs also published their quarterly earnings with a net income of $1.3bn, falling short of the $2.2bn analysts forecasted. The stock fell c.6.1% over the week.

At a macro level UK inflation data for December was published, hitting 10.5%. Despite headline inflation falling for the second consecutive month, core inflation remained at 6.3%. However, global central banks will be concerned with comments coming from the International Energy Agency last week, citing global oil demand will reach record levels in 2023.

## GLOBAL RISK APPETITIE INDICATOR TO PULL BACK?

The start of year rally in markets is already stalling, and there is a growing risk now that markets are beginning to focus on weaker growth as opposed to the somewhat better inflation outlook. A key indicator in this regard is our risk appetite index, which measures whether investors globally are moving capital towards riskier or safer assets. As the chart below shows, our risk appetite index has hit a local high - indeed the last few times it hit such a level, equities sold off. In that sense, it suggests that safer than riskier assets may perform in weeks ahead. During much of 2022, bond prices and equities fell as inflation rose, but the correlation between them is shifting, raising the prospect that bonds can perform while equities stall. While this is something of a more tactical indicator, the broader picture from our investment process also supports a cautious outlook.




Source: Reuters

| Equities | Region | 1-Week Change | Year-to-date |
|---|---|---|---|
| NASDAQ Composite | US | 0.6% | 6.5% |
| FTSE World € | Global | -0.4% | 3.4% |
| Eurofirst 300 | Europe | -0.1% | 6.4% |
| SHANGHAI Comp | China | 2.2% | 5.7% |
| NIKKEI 225 | Japan | 1.7% | 1.8% |

| Forex | Value | 1-Week Change | Year-to-date |
|---|---|---|---|
| EUR/USD | $1.08 | 0.0% | 1.5% |
| EUR/GBP | £0.88 | -1.2% | -1.3% |
| EUR/YEN | ¥140.72 | 1.9% | -0.1% |
| USD/YEN | ¥129.93 | 1.9% | -1.5% |
| BTC/USD | $22,777 | 8.6% | 37.3% |

| Commodities | Value | 1-Week Change | Year-to-date |
|---|---|---|---|
| WTI Crude Oil | $80.61 | 1.0% | 0.5% |
| Brent Crude Oil | $87.65 | 2.7% | 3.2% |
| Gold per Oz | $1,928.55 | 0.9% | 6.2% |
| DJ UBS Index | $112.13 | 0.5% | -0.6% |

| Bonds 10 Year | Yield | 1-Week Change | Year-to-date |
|---|---|---|---|
| Germany | 2.17% | 0.03% | -0.39% |
| Ireland | 2.60% | 0.01% | -0.52% |
| U.K. | 3.38% | 0.01% | -0.29% |
| Italy | 3.97% | -0.02% | -0.72% |
| USA | 3.48% | -0.03% | -0.35% |

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