

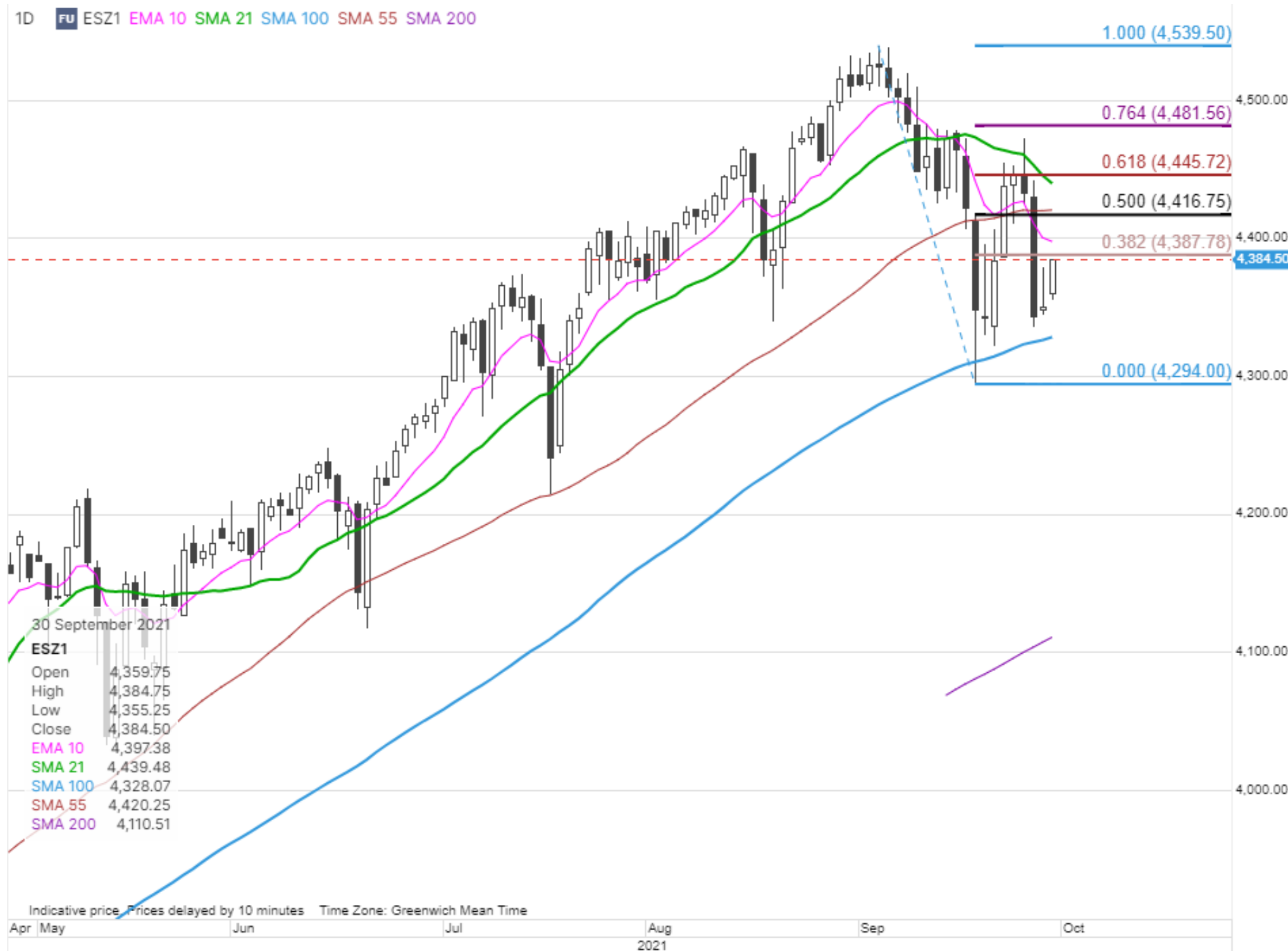


Questions and comments to [Marketcall@SaxoBank.com](mailto:Marketcall@SaxoBank.com)

# The Saxo Market Call podcast - Thursday, September 30, 2021

**NOTE: The slides here that accompany the podcast will occasionally mention financial instruments that are not tradable for all retail clients, depending on the relevant appropriateness test. Financial instruments mentioned can range from low to high risk, and our thoughts on the market should not be viewed as investment recommendations, but inspiration and information to gain a better understanding of current market dynamics.**

# S&P 500 – bounces as yields, energy pressure ease, what about USD?



## Saxo equity themes performance overview

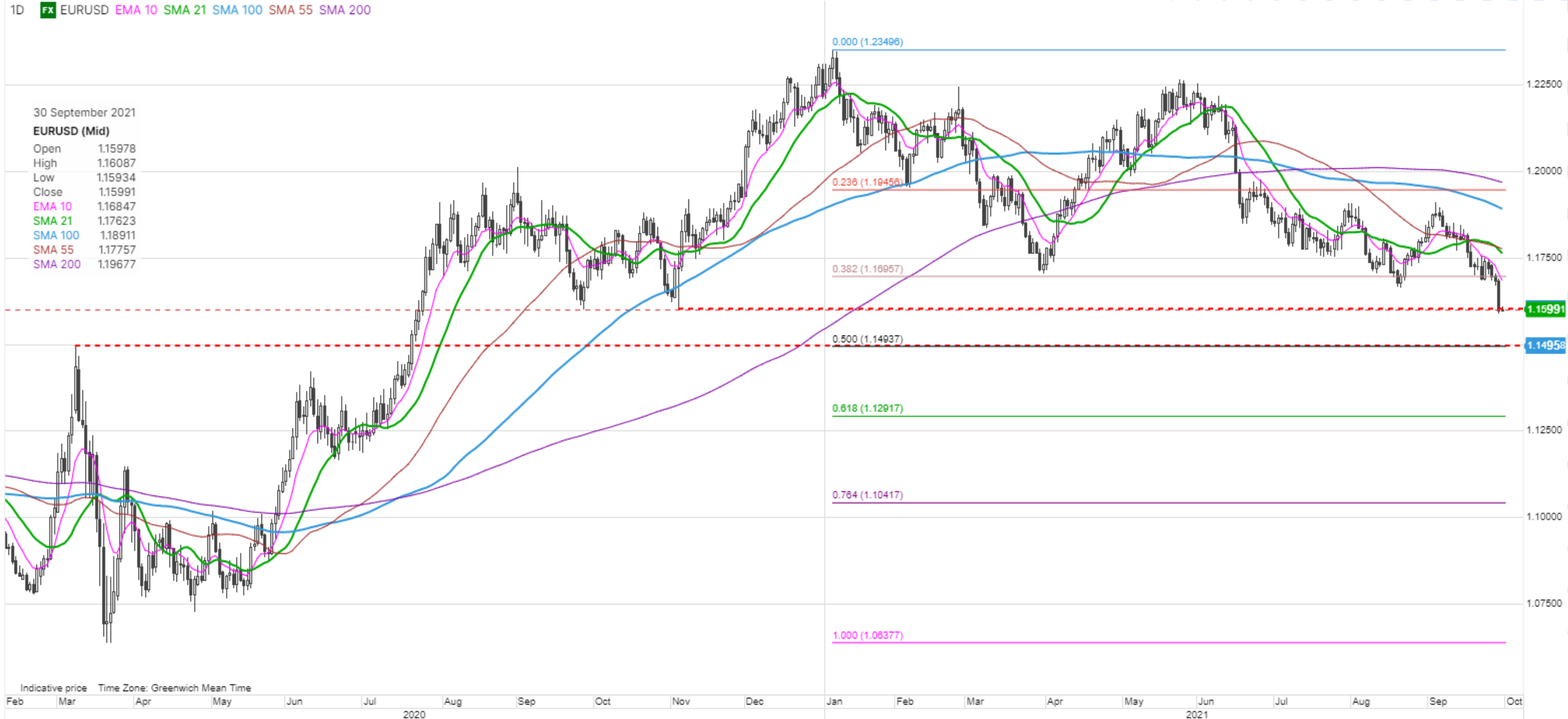
Sorted on one-day return

Theme	1D	MTD	YTD	1Y	5Y
India (GDRs)	0.6	-2.4	32.6	68.9	104.0
MSCI World (USD)	-0.1	-3.5	13.9	30.2	93.7
Mega Caps	-0.1	-2.3	14.5	34.3	355.8
Financial Trading	-0.2	-4.5	22.6	45.7	237.0
Travel	-0.3	6.0	12.1	54.2	43.3
Cyber Security	-0.4	-6.4	12.5	44.0	306.3
China Consumer & Technology	-0.5	-4.2	-16.8	13.3	368.2
Commodity Sector	-0.6	-0.9	15.8	50.1	118.1
MSCI EM (USD)	-0.7	-4.1	-1.4	19.5	50.8
Logistics	-0.8	-0.9	35.2	64.1	176.6
Battery	-1.0	-7.2	7.0	104.2	489.6
Green Transformation	-1.0	-6.6	-3.1	78.3	804.2
Gaming	-1.3	-7.9	-17.8	-3.8	401.9
NextGen Medicine	-1.4	-8.9	-3.3	47.1	940.1
3D Printing	-1.6	-4.6	11.5	56.4	94.5
Semiconductors	-1.7	-3.0	16.4	55.2	438.3
Bubble Stocks	-1.8	-6.6	-13.0	24.0	1,431.7
Crypto & Blockchain	-1.9	-16.7	60.9	653.6	NA
E-commerce	-1.9	-9.9	-11.4	18.4	579.3
Cannabis	-2.0	-11.2	21.7	113.3	1,117.4

Source: Bloomberg and Saxo Group

Source: Saxo Group

# FX: capitulation day in EURUSD. To what degree is it end-of-quarter?



# FX: USD stronger across the board, while USDCNH curiously stable



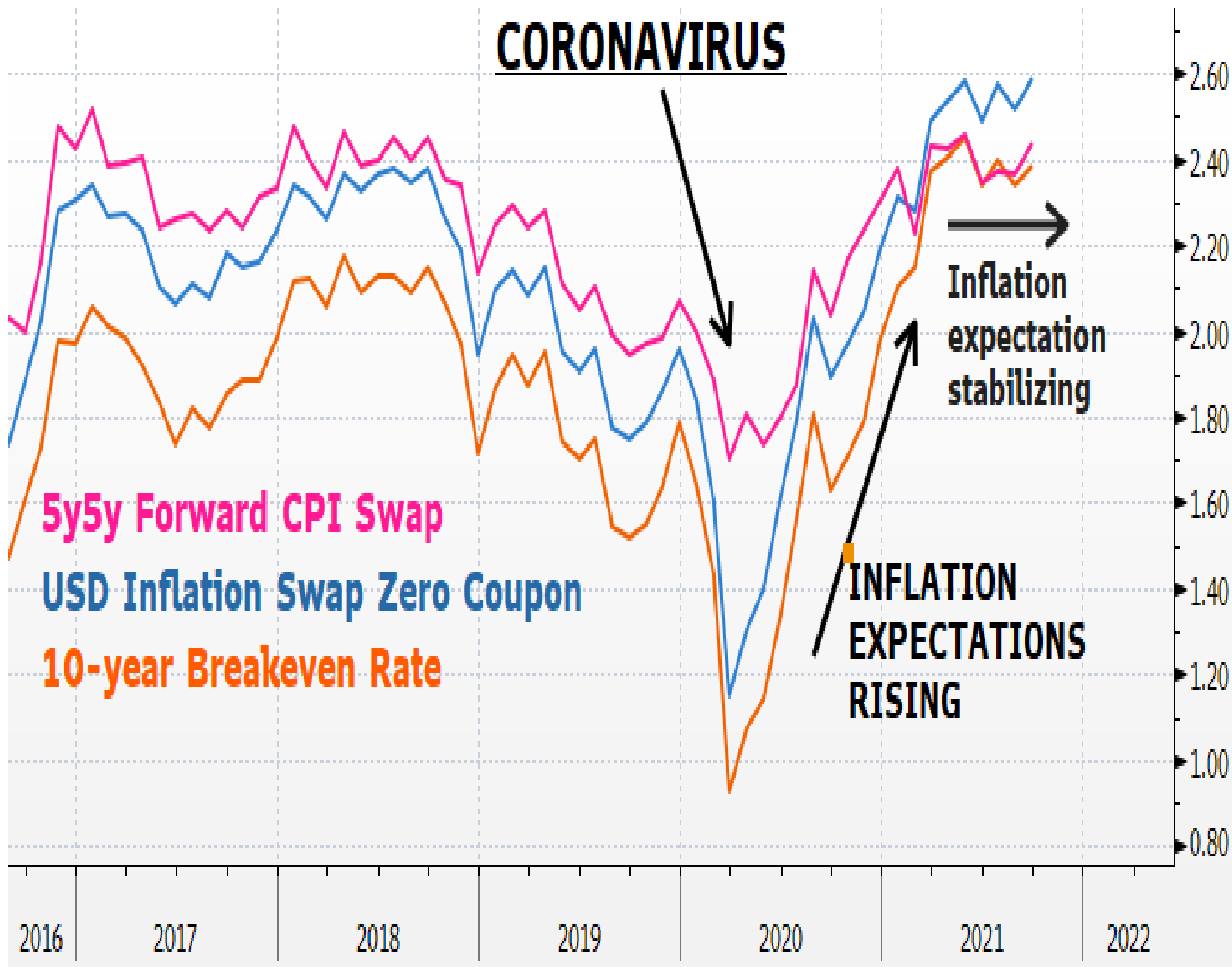
**FX Board - Trend Evolution for G10 FX + CNH** Thursday, September 30, 2021

Aggregate	EUR	USD	CNH	JPY	GBP	CHF	AUD	CAD	NZD	SEK	NOK	XAU	XAG
Trends ->	-0.9	4.4	4.2	-2.1	-3.7	-0.3	-0.7	2.6	-3.2	-1.8	1.7	-2.5	-5.9
2D Change	0.0	2.2	1.9	0.4	-1.2	0.4	0.3	0.6	-2.0	-0.7	-1.9	0.6	-2.0
5D Change	0.5	3.1	3.3	-2.7	-1.7	0.9	1.2	3.3	-3.8	-1.8	-2.2	0.4	-0.9
↑ Momentum													
Trend readings for last five weeks													
Date	EUR	USD	CNH	JPY	GBP	CHF	AUD	CAD	NZD	SEK	NOK	XAU	XAG
30-Sep	-0.9	4.4	4.2	-2.1	-3.7	-0.3	-0.7	2.6	-3.2	-1.8	1.7	-2.5	-5.9
29-Sep	-0.8	3.8	3.6	-2.3	-3.4	-0.4	-1.1	2.3	-2.6	-1.4	2.4	-2.8	-5.2
28-Sep	-0.9	2.2	2.3	-2.5	-2.4	-0.7	-1.0	1.9	-1.2	-1.1	3.6	-3.1	-3.8
27-Sep	-1.7	1.3	1.4	-2.0	-1.3	-0.9	-1.2	1.4	-0.5	-0.7	4.3	-2.9	-4.1
24-Sep	-1.4	1.2	1.1	-1.0	-1.9	-0.9	-2.0	0.3	-0.1	0.4	4.4	-3.1	-4.9
23-Sep	-1.4	1.3	0.9	0.6	-1.9	-1.2	-1.9	-0.8	0.6	0.1	3.9	-3.0	-4.9
22-Sep	-1.2	2.1	1.5	2.9	-2.3	-1.0	-2.5	-2.1	0.1	-0.4	3.2	-1.4	-4.9
21-Sep	-0.6	2.1	0.8	3.6	-1.5	-1.4	-2.7	-2.9	0.4	-0.2	2.5	-1.7	-6.0
20-Sep	-0.6	1.9	1.1	2.9	-0.8	-3.1	-2.2	-2.7	1.3	0.1	2.3	-2.7	-6.4
17-Sep	-0.9	1.1	1.3	1.4	0.3	-4.1	-2.0	-2.0	1.6	0.3	3.1	-3.2	-5.4
16-Sep	-1.1	-0.3	1.1	0.9	0.2	-3.6	-2.3	-1.9	2.0	0.9	4.0	-2.7	-3.7
15-Sep	-1.0	-1.1	1.2	0.5	0.0	-2.6	-1.8	-2.4	2.4	0.9	4.0	-0.8	-1.8
14-Sep	-0.7	-0.7	1.2	-0.2	0.2	-2.6	-1.0	-2.9	3.0	0.6	3.2	-0.5	-1.9
13-Sep	-0.6	-0.8	0.8	-0.8	0.4	-2.8	0.1	-2.8	3.5	0.2	2.8	-1.3	-2.0
10-Sep	-0.2	-0.8	0.6	-0.7	0.3	-2.0	0.3	-3.2	3.6	-0.1	2.4	-1.4	-1.5
9-Sep	0.1	-0.9	0.1	-0.9	-0.4	-2.3	0.9	-3.1	3.7	0.6	2.2	-1.1	-0.7
8-Sep	0.7	-0.8	0.0	-1.8	-1.1	-3.0	1.6	-2.8	4.0	1.0	2.2	-0.8	-0.2
7-Sep	0.7	-1.7	-0.8	-2.2	-1.4	-2.8	2.3	-2.0	4.0	1.6	2.4	0.0	0.8
6-Sep	0.4	-2.7	-1.1	-2.3	-1.5	-2.7	2.9	-1.2	4.3	1.5	2.3	1.4	1.1
3-Sep	0.4	-2.8	-0.8	-2.3	-1.5	-2.5	2.4	-1.5	4.2	1.7	2.6	1.2	0.2
2-Sep	0.8	-2.0	-0.4	-2.1	-1.8	-2.0	1.0	-1.8	3.4	1.4	3.5	0.9	-1.4
1-Sep	0.6	-1.2	0.2	-1.5	-2.1	-1.4	0.0	-2.0	2.7	1.1	3.5	1.6	-0.9
31-Aug	0.2	-0.9	0.4	-1.0	-1.9	-0.9	-1.4	-1.6	2.0	1.2	4.0	1.8	-1.4
30-Aug	0.1	-0.4	0.4	-0.5	-1.7	-0.5	-1.8	-1.4	1.0	1.0	4.0	1.8	-1.3
27-Aug	0.1	0.1	0.7	-0.1	-1.6	0.7	-2.1	-1.5	0.9	0.3	2.6	1.8	-1.9

Source: Saxo Group

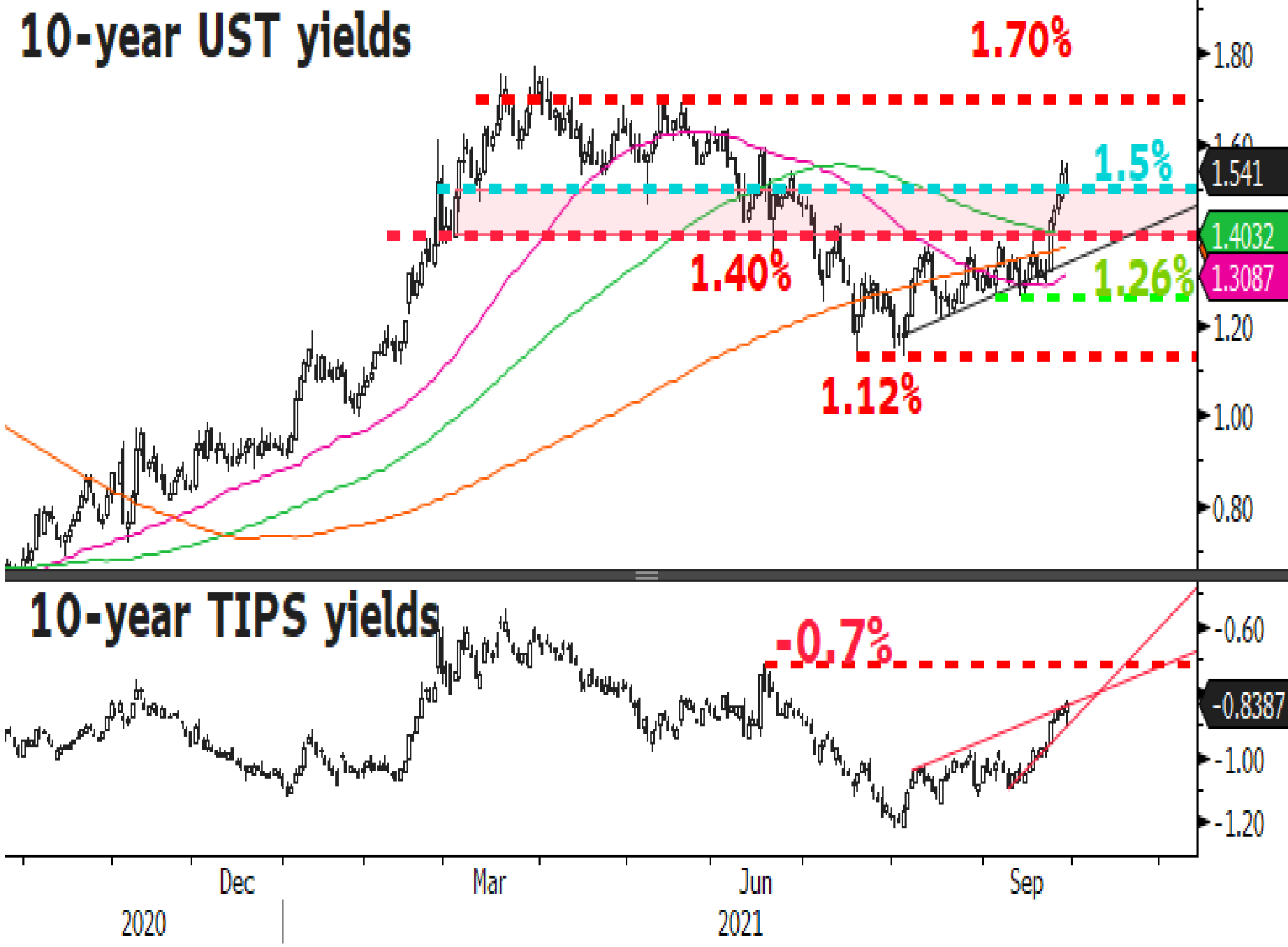
# Monetary policy expectations are driving yields, not the debt ceiling nor inflation expectations

Inflation expectations are not driving nominal yields higher



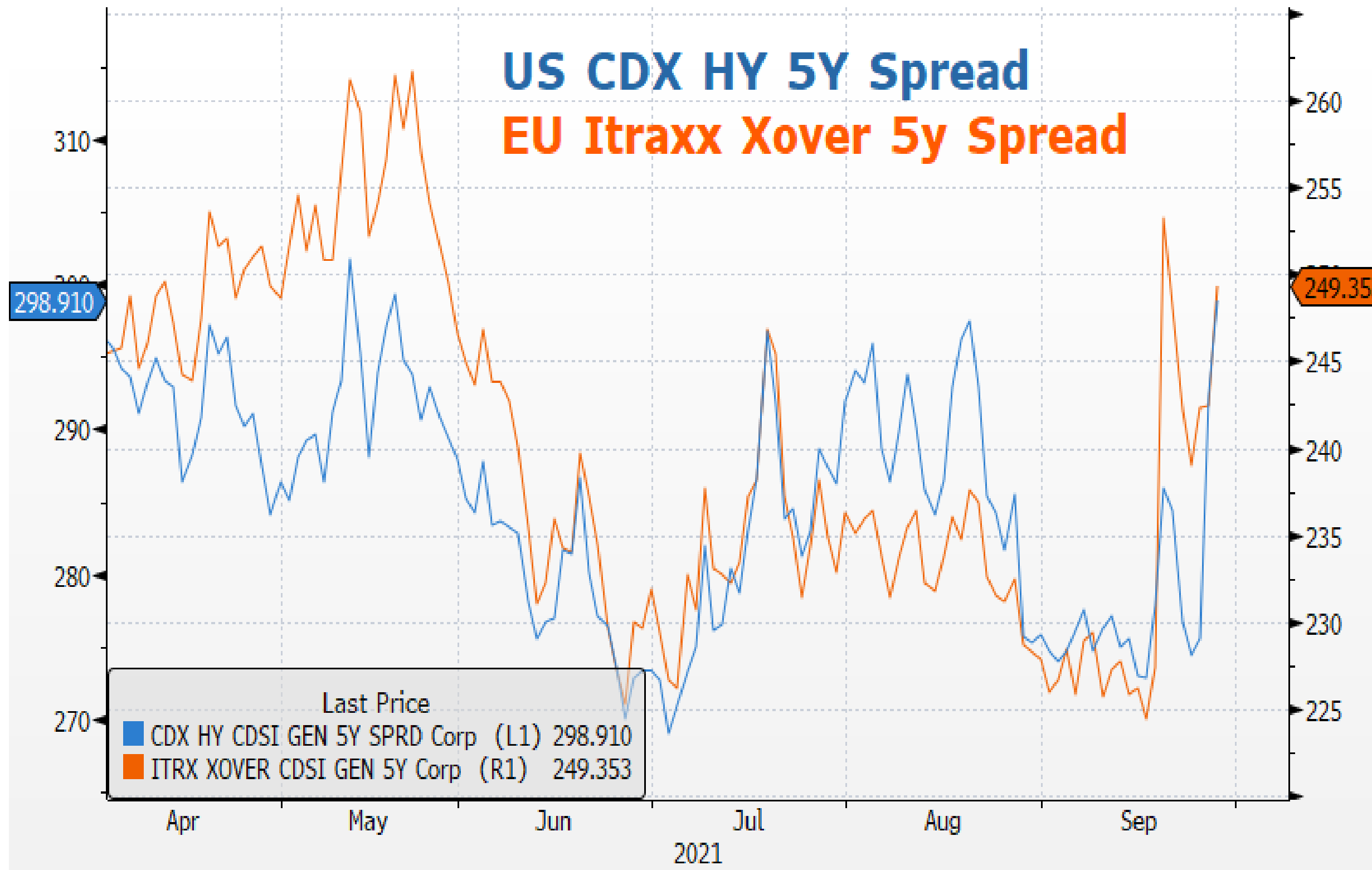
Source: Saxo Group and Bloomberg.

Real rates are rising fast



Source: Saxo Group and Bloomberg.

# Junk begins to feel the pain coming from rising rates.



Source: Saxo Group and Bloomberg.

**Ahern Rentals (construction equipment company)**

- Had to pull bond sales because creditors were demanding more Safeguards and a yield of 10.5%
- S&P said the company might suffer a downgrade

**Jun bonds' spreads continue to widen, however CCC are still outperforming BBs and Bs showing that investors are still hunting for yield**

# Cotton surge continues on weather related tight supply and high freight costs

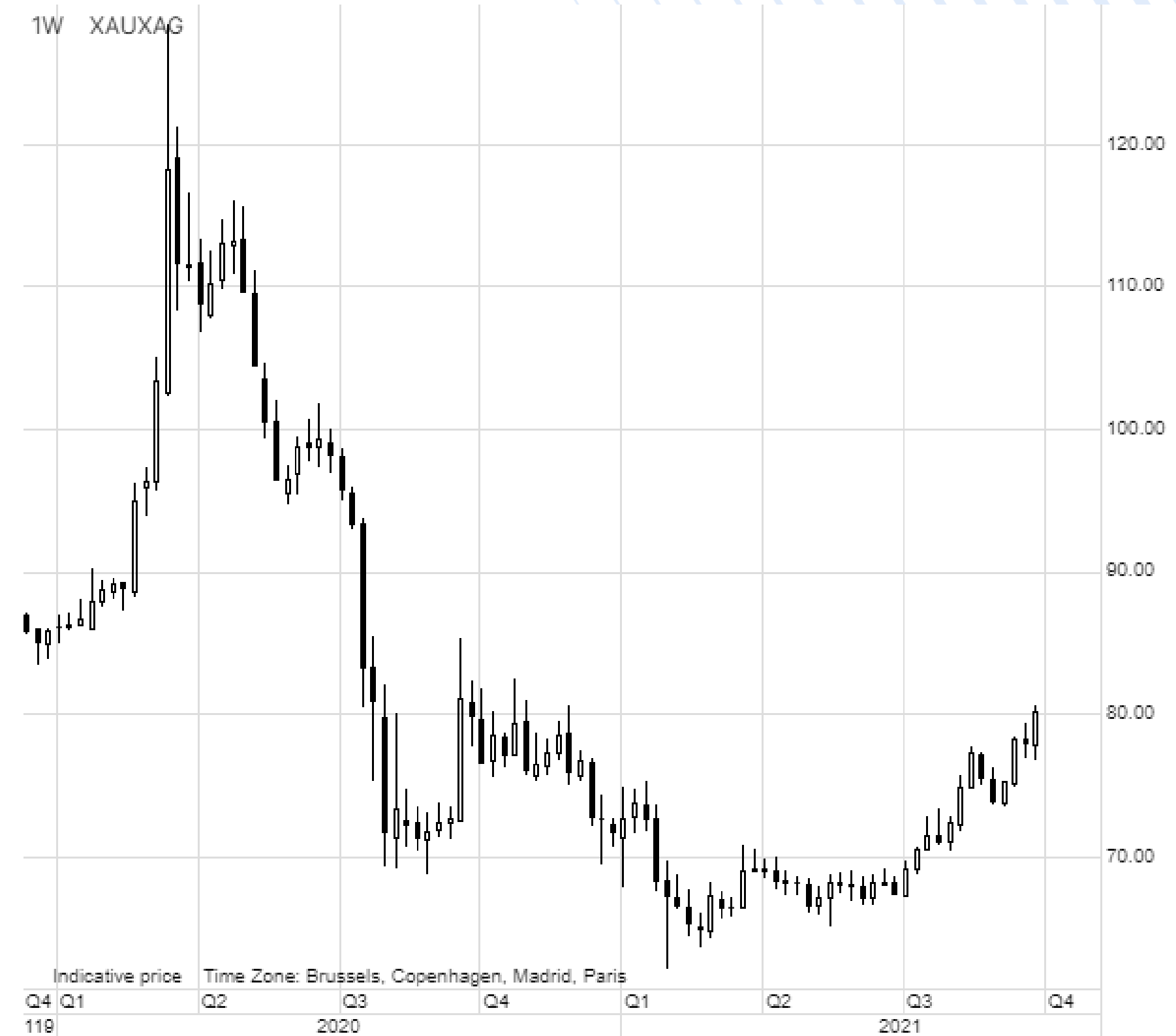


Source: Saxo Group

# Silver slumps below \$22 with XAUXAG >80 telling a story



Source: Saxo Group



Source: Saxo Group

# Macro – Calendar Highlights

## Today's Calendar Highlights (all times GMT)

0755 – Germany Sep. Unemployment Change

1200 – Poland Central Bank meeting minutes

**1200 – Germany Sep. Flash CPI**

**1230 – Czech Central Bank Repurchase Rate**

1230 – US Weekly Initial Jobless Claims and Continuing Claims

1345 – US Sep. Chicago PMI

1400 – US Fed Chair Powell and Treasury Secretary Yellen before House panel

1400 – US Fed's Williams (voter) to speak

1430 – DOE's Weekly Natural Gas Storage Change

1500 – US Fed's Bostic (voter) to speak

1530 – US Fed's Harker (non-voter) to speak

1600 – USDA's Grains Quarterly Stock Report & Wheat production

1630 – US Fed's Evans (voter) to speak

**1800 – Mexico Central Bank Rate Decision**

2100 – New Zealand Sep. ANZ Consumer Confidence

2350 – Japan Q3 Tankan Survey

## Upcoming Economic Calendar Highlights

**FRI: Euro Zone Flash Sep. CPI, US Aug. PCE Inflation**, US Sep. ISM Manufacturing, US Sep. Final University of Michigan Sentiment.

**October – OECD tax negotiations update (ahead of G20)**

**October 30-31 – G20 Summit**

# Appendix: 5-year chart of S&P 500 index



# Appendix: Where do you find the equity theme baskets?

The screenshot displays the SaxoTraderGO interface. At the top, the navigation bar includes 'TRADING', 'RESEARCH', and 'ACCOUNT'. The 'RESEARCH' tab is highlighted with a red box. Below the navigation bar, a secondary menu lists various market categories: Overview, Hot Topics, Quarterly Outlook, Forex, Stocks, Commodities, Bonds, ETFs, Crypto, Education, Trade Signals, News, Market Analysis, Calendar, and Equities. The 'Stocks' category is also highlighted with a red box.

The main content area features four equity baskets, each with a line chart and performance metrics:

- US 30 Wall Street**: 34,581.20 USD. Daily: -0.07%, Monthly: 1.52%, Yearly: 35.75%.
- US Tech 100 NAS**: 13,674.79 USD. Daily: -0.02%, Monthly: -2.10%, Yearly: 42.48%.
- US 500**: 4,206.67 USD. Daily: -0.05%, Monthly: -0.11%, Yearly: 37.68%.
- Germany 30**: 15,591.67 EUR. Daily: -0.03%, Monthly: 2.62%, Yearly: 30.62%.

Below the baskets is a section titled 'Latest articles' with a 'See All' link. It contains four article cards:

- Amazon**: EQUITIES | 01-Jun-2021 12:50 | 8 Minutes to read. Pricing power and valuation discount drive logistics returns in the future.
- Dragon**: EQUITIES | 01-Jun-2021 00:00 | 8 Minutes to read. Macro Dragon Reflections: Is Beyond Meat the next GameStop? Thoughts on the Jan-Feb Short Squeeze.... THE HIVE, AMC, GME, BB & BYND...
- Ship**: EQUITIES | 28-May-2021 10:50 | 6 Minutes to read. Additions to crypto basket; JD Logistics rides the e-commerce bonanza.
- Map**: EQUITIES | 27-May-2021 02:00 | 5 Minutes to read. Upcoming catalysts.

At the bottom, there is a section titled 'Saxo's Equity Baskets' with a 'See All' link. It features four theme baskets:

- Logistics**: Represented by an image of a cargo ship.
- Semiconductors**: Represented by an image of a microchip.
- Financial Trading**: Represented by an image of a computer monitor displaying a stock market chart.
- Crypto and Blockchain**: Represented by an image of a Bitcoin coin.

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