



Questions and comments to Marketcall@SaxoBank.com

The Saxo Market Call podcast - Friday, October 8, 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.

Quarterly Outlook Webinar on Friday at 13 CET – www.webinars.saxo

Quarterly Outlook Q4 2021: This Time is Different

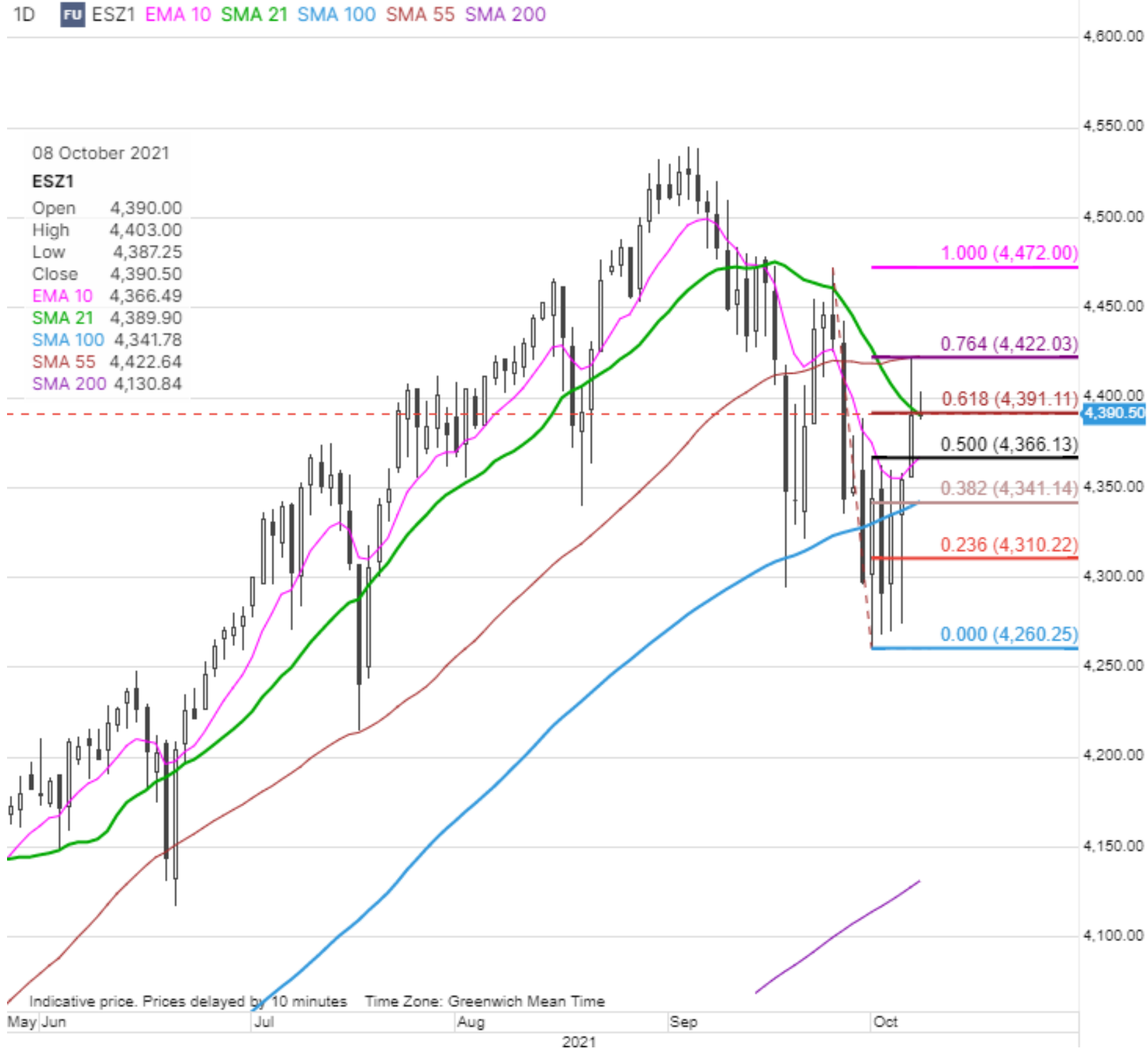
Plan your investment strategy for Q4 2021 with expert commentary from our team of in-house analysts. Discover what they believe will be important for the financial markets and how different asset classes will behave.

[Watch intro video](#)



Source: Saxo Group

S&P 500 – that didn't take long: crude oil and yields a threat to comeback



Source: Saxo Group

Saxo equity themes performance overview

Sorted on one-day return

Theme	1D	MTD	YTD	1Y	5Y
Bubble Stocks	3.5	2.4	-9.5	20.9	1,565.6
3D Printing	3.0	1.9	13.9	48.9	83.8
E-commerce	2.8	0.1	-11.7	13.5	508.1
Cannabis	2.8	-1.1	20.4	102.6	690.1
Gaming	2.8	-0.2	-16.8	-3.3	368.2
China Consumer & Technology	2.3	0.4	-16.0	11.0	358.9
MSCI EM (USD)	2.1	0.0	-1.2	15.4	53.6
Green Transformation	1.9	-2.1	-4.8	56.2	809.7
India (GDRs)	1.9	1.1	33.8	63.7	109.2
Battery	1.9	-1.4	6.2	95.6	485.1
NextGen Medicine	1.9	-2.5	-4.6	35.2	890.2
Cyber Security	1.7	3.7	16.9	42.6	327.7
Financial Trading	1.6	2.7	25.3	44.1	241.2
Commodity Sector	1.6	1.9	17.8	48.9	135.9
Mega Caps	1.5	1.8	16.0	32.2	329.7
Semiconductors	1.4	-0.8	15.4	48.2	412.6
MSCI World (USD)	1.0	1.4	14.6	28.3	94.4
Logistics	0.9	0.4	34.7	58.5	181.3
Travel	0.5	1.9	13.5	48.1	69.0
Crypto & Blockchain	-1.3	12.7	85.4	789.7	NA

Source: Bloomberg and Saxo Group

10-year US Treasury yields might break above 1.60% amid strong job figures as safe-haven demand wanes following the extension of the debt-ceiling.

Debt-ceiling crisis delayed until December

T-Bill yields drop within range of the o/n RRP rate



Source: Bloomberg.

UST 10-year yields are not capped any longer by debt-ceiling crisis



Source: Saxo Group and Bloomberg.

European government bonds are vulnerable to higher yields in the US, especially after the ECB Minutes.

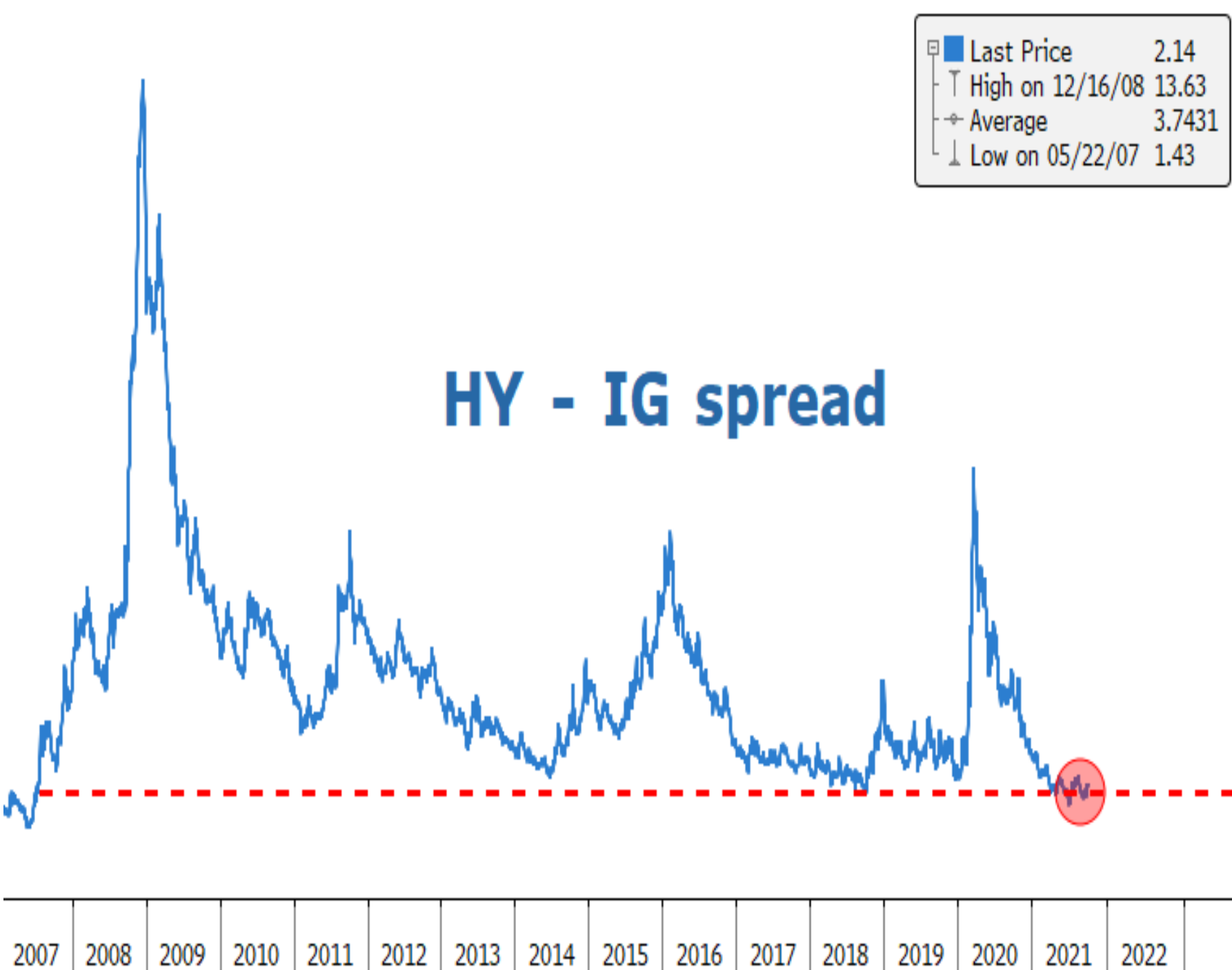
10-year Bund yields are poised to rise during the last quarter of the year



Source: Saxo Group and Bloomberg.

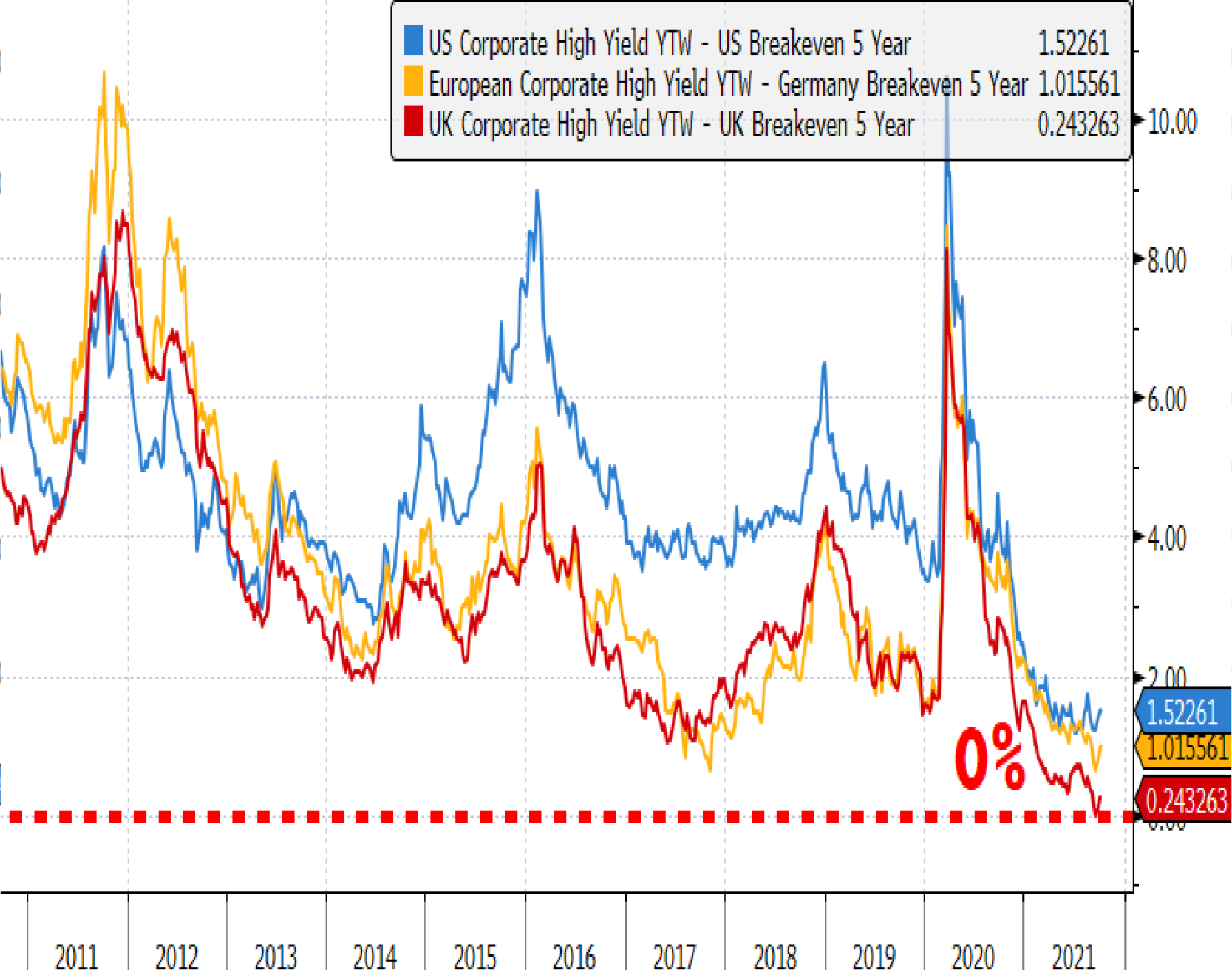
Despite government bond yields rose, junk bonds spreads remain resilient, with the exception of Asia.

HY-IG spread remain among the tightest since 2007



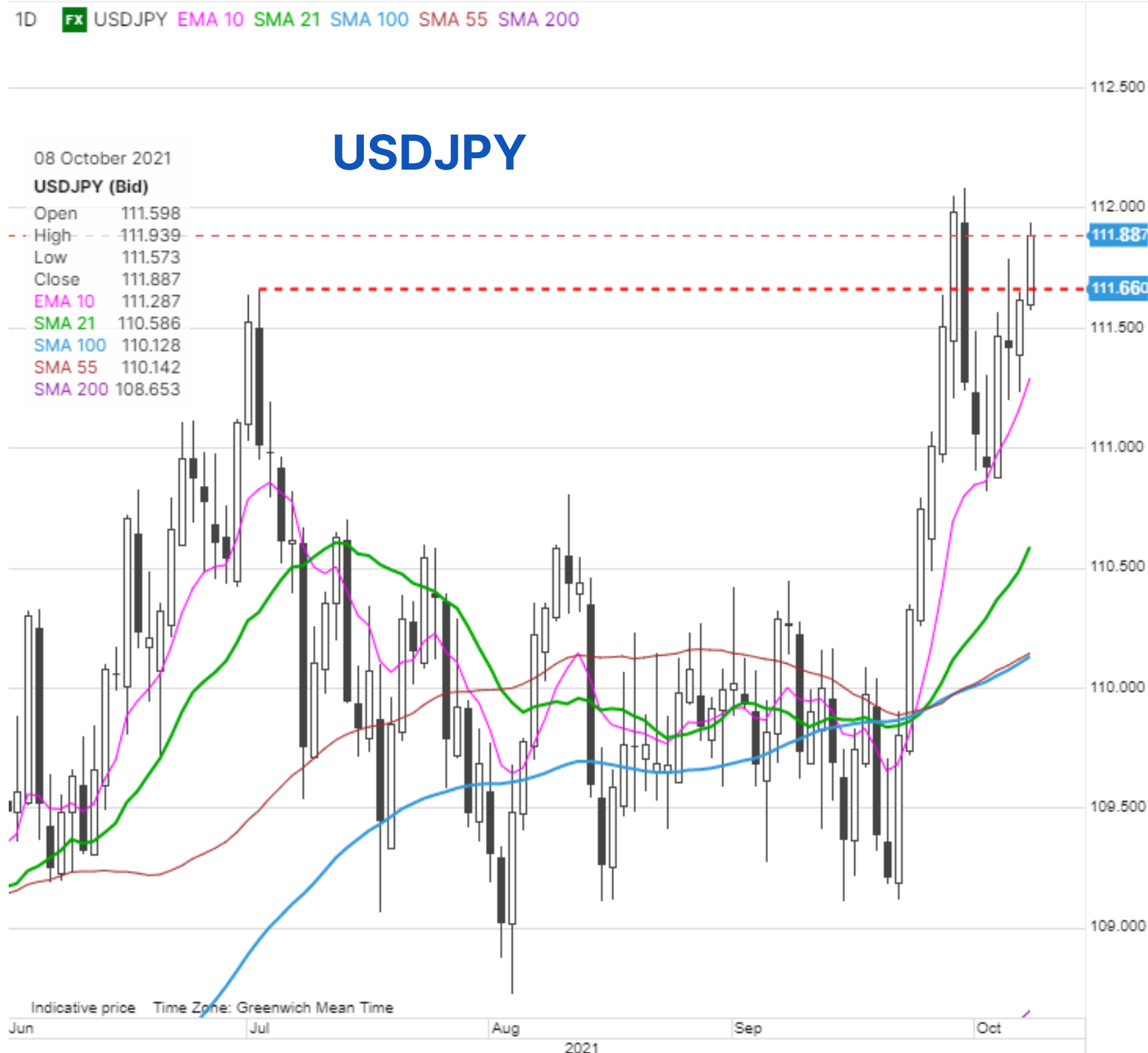
Source: Saxo Group and Bloomberg.

Junk bonds still offer a positive real yield, except for UK HY bonds



Source: Saxo Group and Bloomberg.

FX: USDJPY traditionally sensitive to US data, yield direction

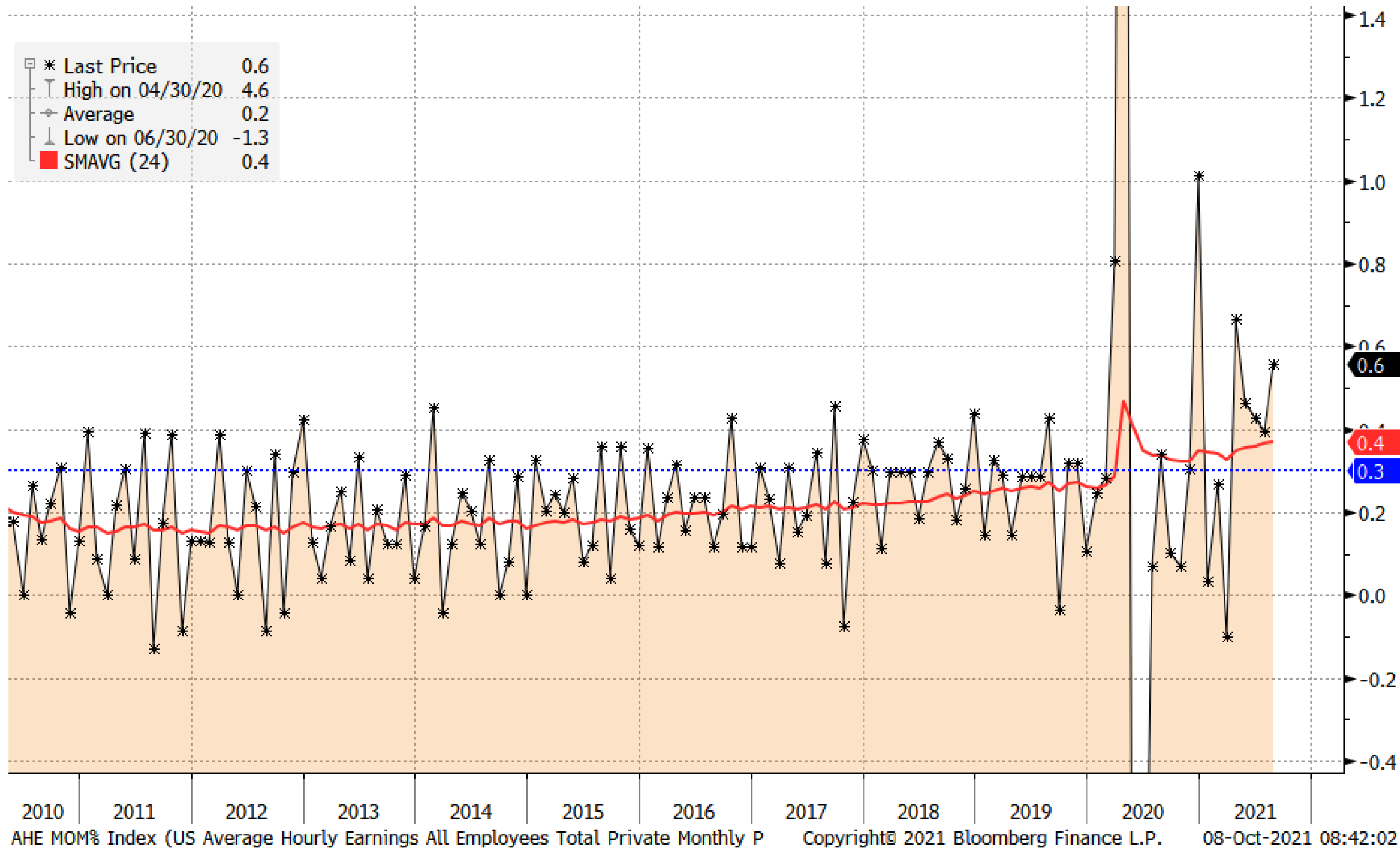


FX Board - Trend Evolution for G10 FX + CNH Friday, October 8, 2021 **SAXO BANK**

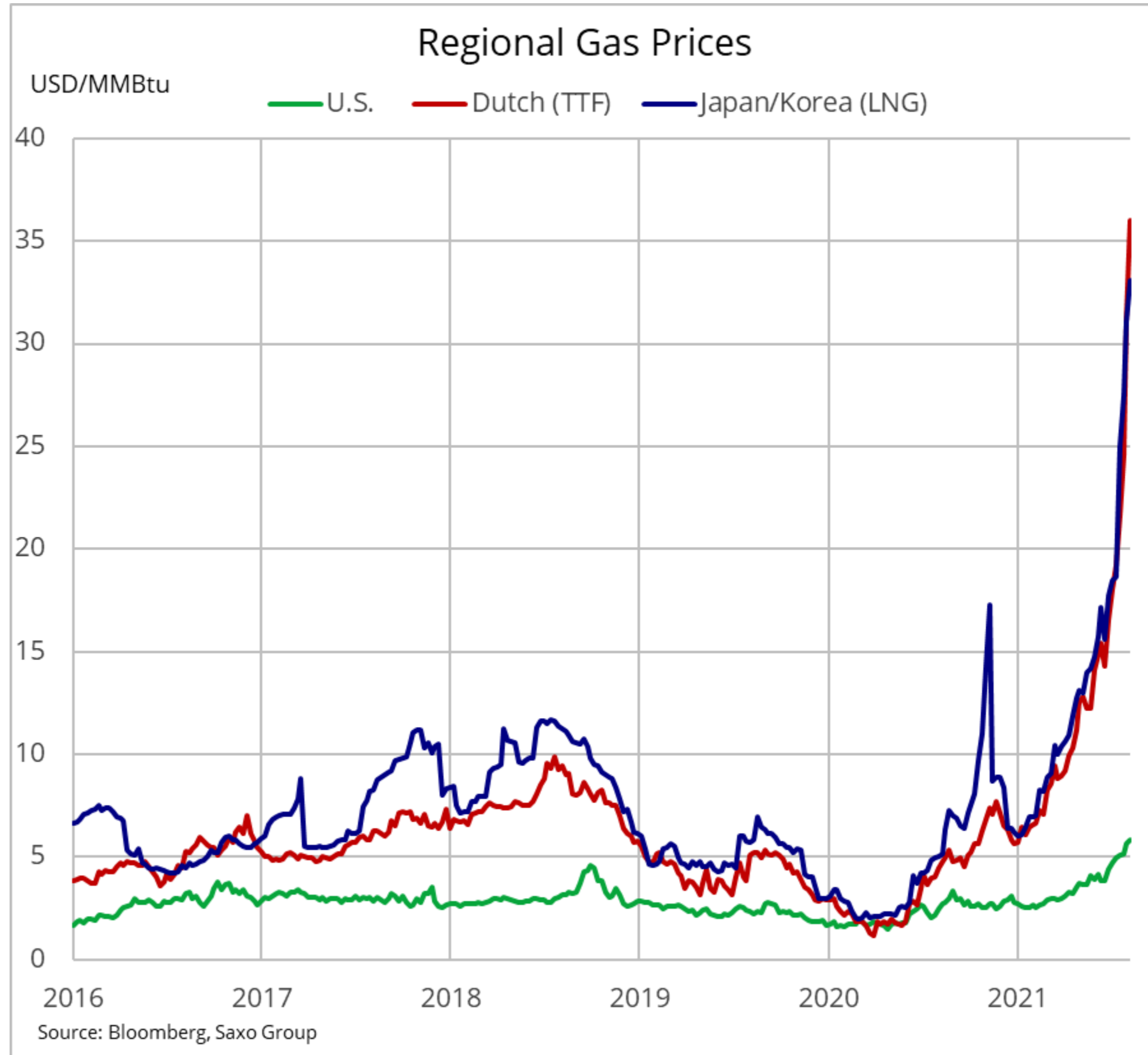
Aggregate	EUR	USD	CNH	JPY	GBP	CHF	AUD	CAD	NZD	SEK	NOK	XAU	XAG
Trends ->	-4.4	1.6	2.3	-2.6	-0.6	-0.2	1.9	4.1	-2.5	-3.1	3.6	-0.2	-1.5
2D Change	-0.3	0.0	-0.1	-0.8	0.6	-0.3	1.2	0.7	0.1	-0.3	-0.8	-0.1	0.1
5D Change	-1.5	-1.3	-2.3	-1.5	2.6	0.5	2.0	1.4	0.3	-1.7	1.4	0.4	1.7
↑ Momentum													
Trend readings for last five weeks													
Date	EUR	USD	CNH	JPY	GBP	CHF	AUD	CAD	NZD	SEK	NOK	XAU	XAG
8-Oct	-4.4	1.6	2.3	-2.6	-0.6	-0.2	1.9	4.1	-2.5	-3.1	3.6	-0.2	-1.5
7-Oct	-4.4	1.5	2.2	-2.1	-0.8	0.0	1.6	3.8	-2.7	-3.0	4.0	-0.3	-1.4
6-Oct	-4.1	1.6	2.4	-1.8	-1.2	0.1	0.7	3.4	-2.6	-2.8	4.5	0.0	-1.6
5-Oct	-3.8	1.3	2.4	-2.0	-1.6	-0.3	0.5	3.1	-2.1	-1.8	4.5	-0.3	-1.9
4-Oct	-3.4	1.8	3.1	-1.2	-2.5	-0.1	0.2	2.9	-2.3	-1.6	3.4	-0.1	-2.3
1-Oct	-2.9	2.9	4.6	-1.1	-3.2	-0.7	-0.1	2.7	-2.8	-1.4	2.3	-0.6	-3.2
30-Sep	-2.0	3.8	4.5	-1.5	-3.6	-0.4	-0.5	2.8	-3.1	-1.2	1.3	-1.3	-4.5
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

Source: Saxo Group

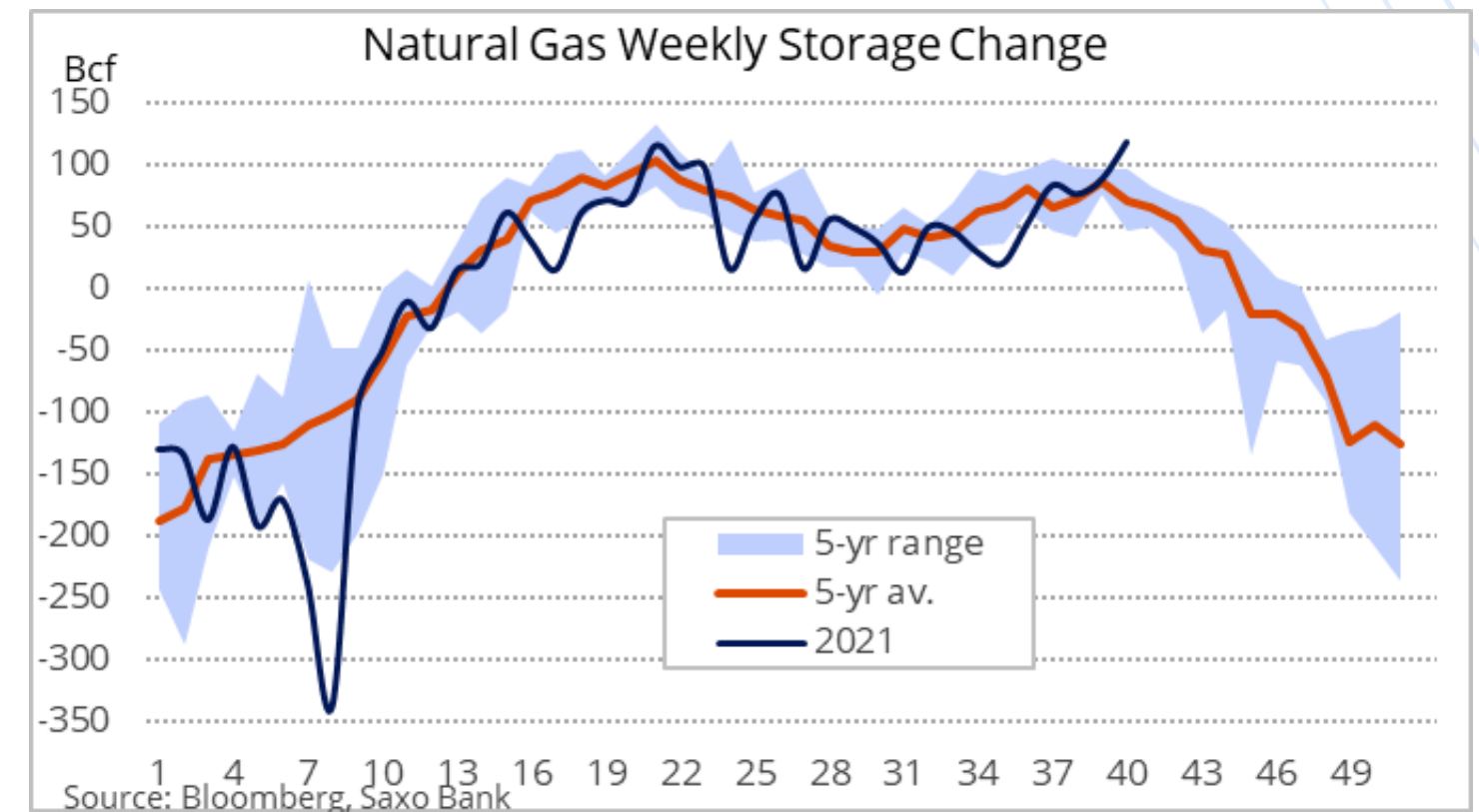
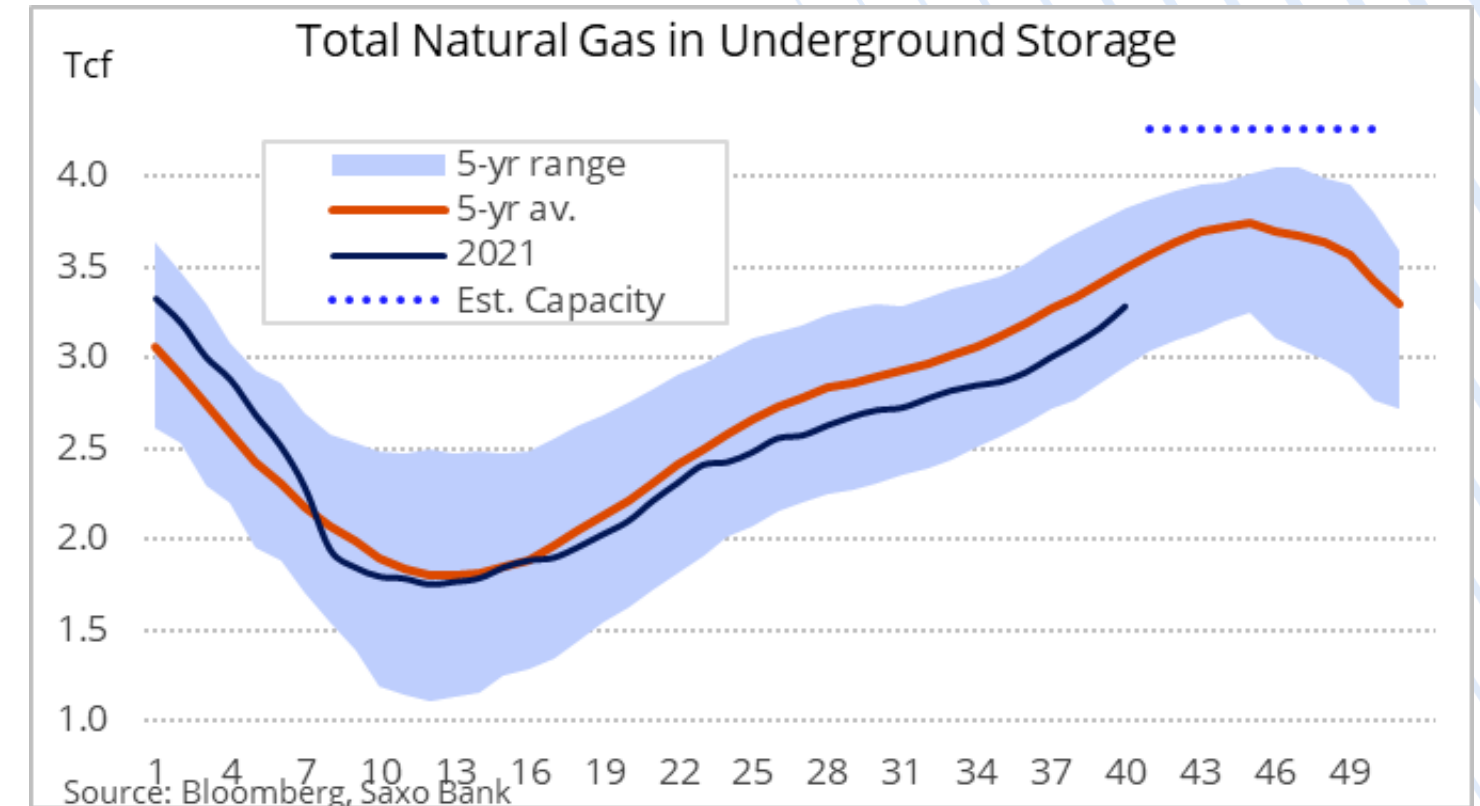
US Average Hourly Earnings – also a key focus in today’s US data



EU and Asian gas consumers looking enviously towards the US



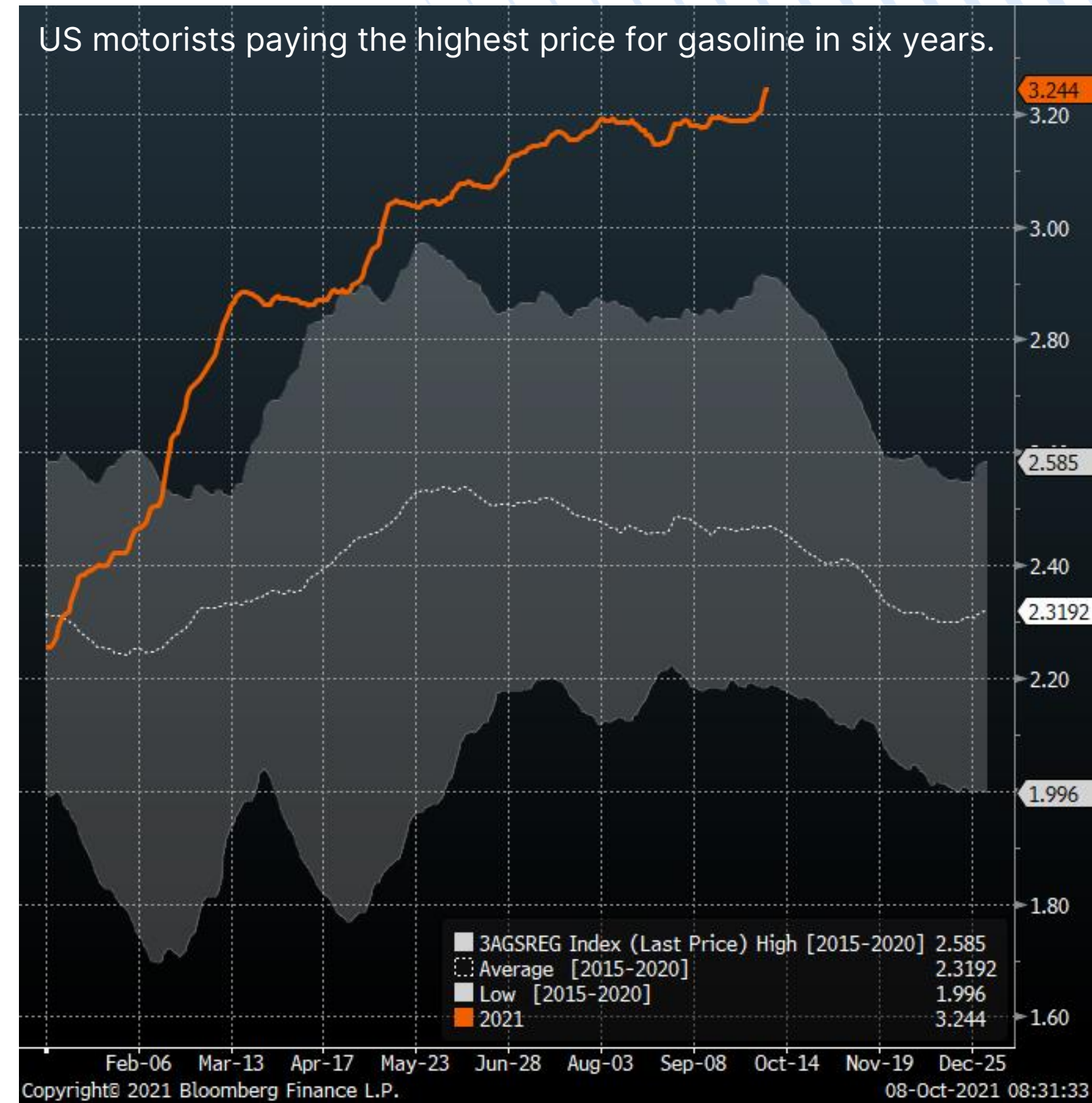
Source: Bloomberg



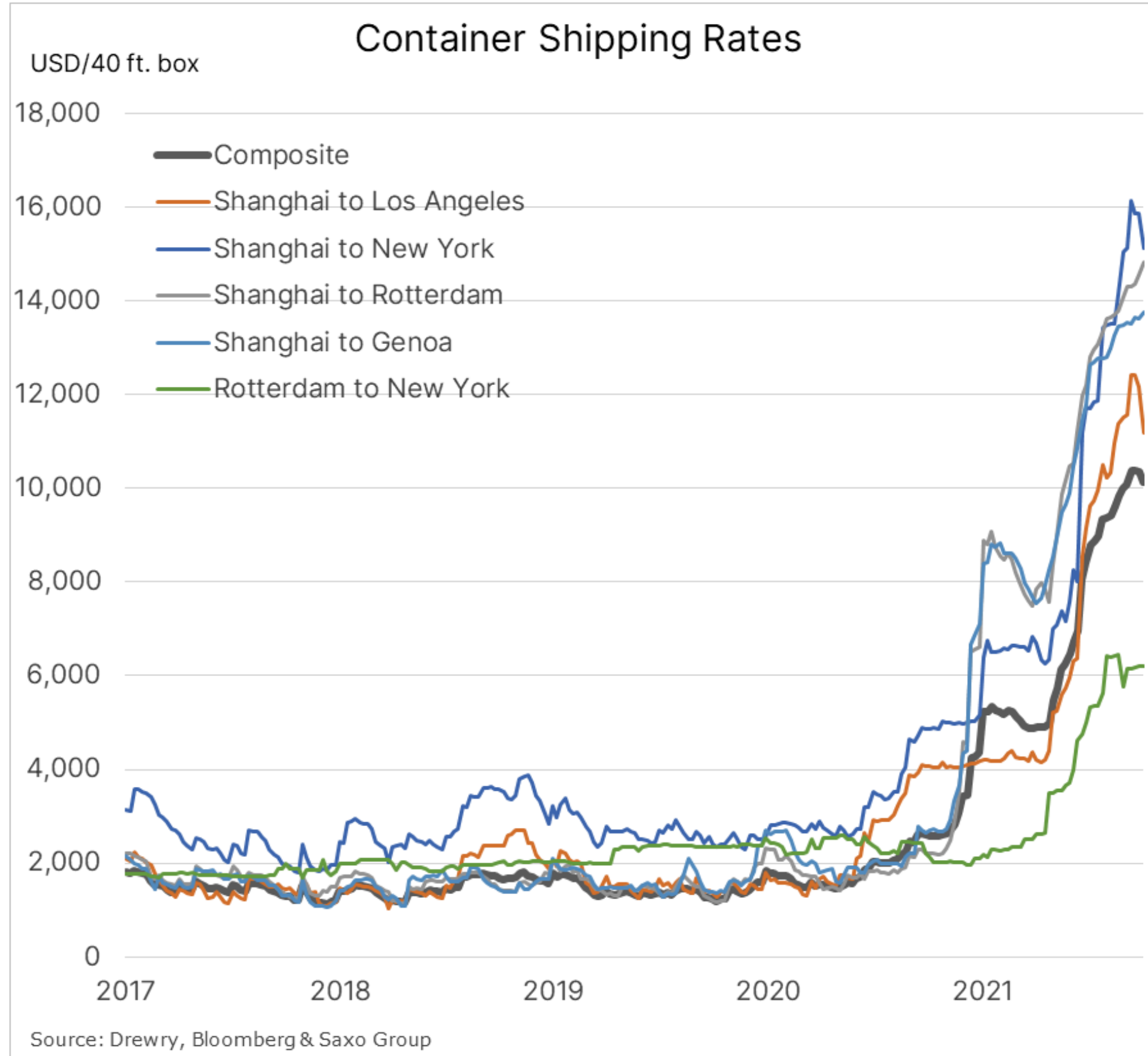
WTI crude oil: Highest weekly close since 2014



Source: Saxo Group



Container freights leveling off but high prices still point to supply problems



Macro – Calendar Highlights

Today's Calendar Highlights (all times GMT)

1100 – UK Bank of England Quarterly Bulletin

1205 – US Secretary of Treasury Yellen, ECB President Lagarde speak at B20 event in Italy

1230 – US Sep. Change in Nonfarm Payrolls

1230 – US Sep. Unemployment Rate

1230 – US Sep. Average Hourly Earnings

1230 – Canada Sep. Net Change in Employment / Unemployment Rate

1300 – ECB's Panetta to Speak

Upcoming Economic Calendar Highlights

MON: Norway Sep. CPI

TUE: Australia Sep. NAB Business Survey, UK Sep. Jobless Claims Change, UK Aug. Average Weekly Earnings, Germany Oct. ZEW Survey, US Aug. JOLTS Job Openings

WED: Australia Oct. Consumer Confidence, UK Aug. Manufacturing Production, UK Aug. GDP, Euro Zone Aug. Industrial Production, EIA & OPEC Monthly Oil Market Reports, **US Sep. CPI**, **US FOMC Minutes**, **US Fed's Brainard to Speak**

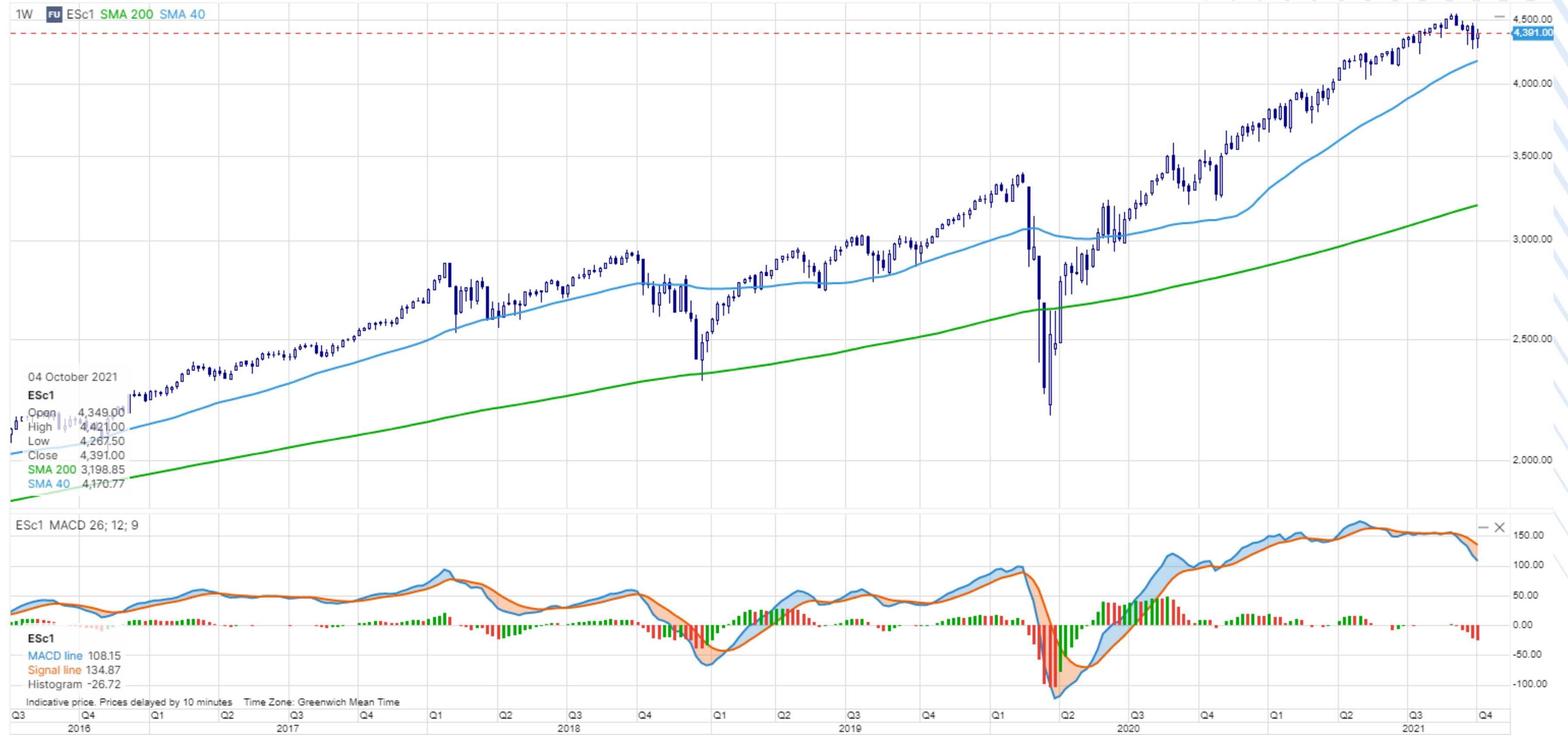
THU: Australia Sep. Employment Change/Unemployment Rate, **China Sep. CPI/PPI**, Sweden Sep. CPI, US Sep. PPI, IEA's Oil Market Report

FRI: **US Sep. Retail Sales**, US Oct. Empire Manufacturing, US October Preliminary 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 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 change: -0.07%, Monthly: 1.52%, Yearly: 35.75%.
- US Tech 100 NAS**: 13,674.79 USD. Daily change: -0.02%, Monthly: -2.10%, Yearly: 42.48%.
- US 500**: 4,206.67 USD. Daily change: -0.05%, Monthly: -0.11%, Yearly: 37.68%.
- Germany 30**: 15,591.67 EUR. Daily change: -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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