

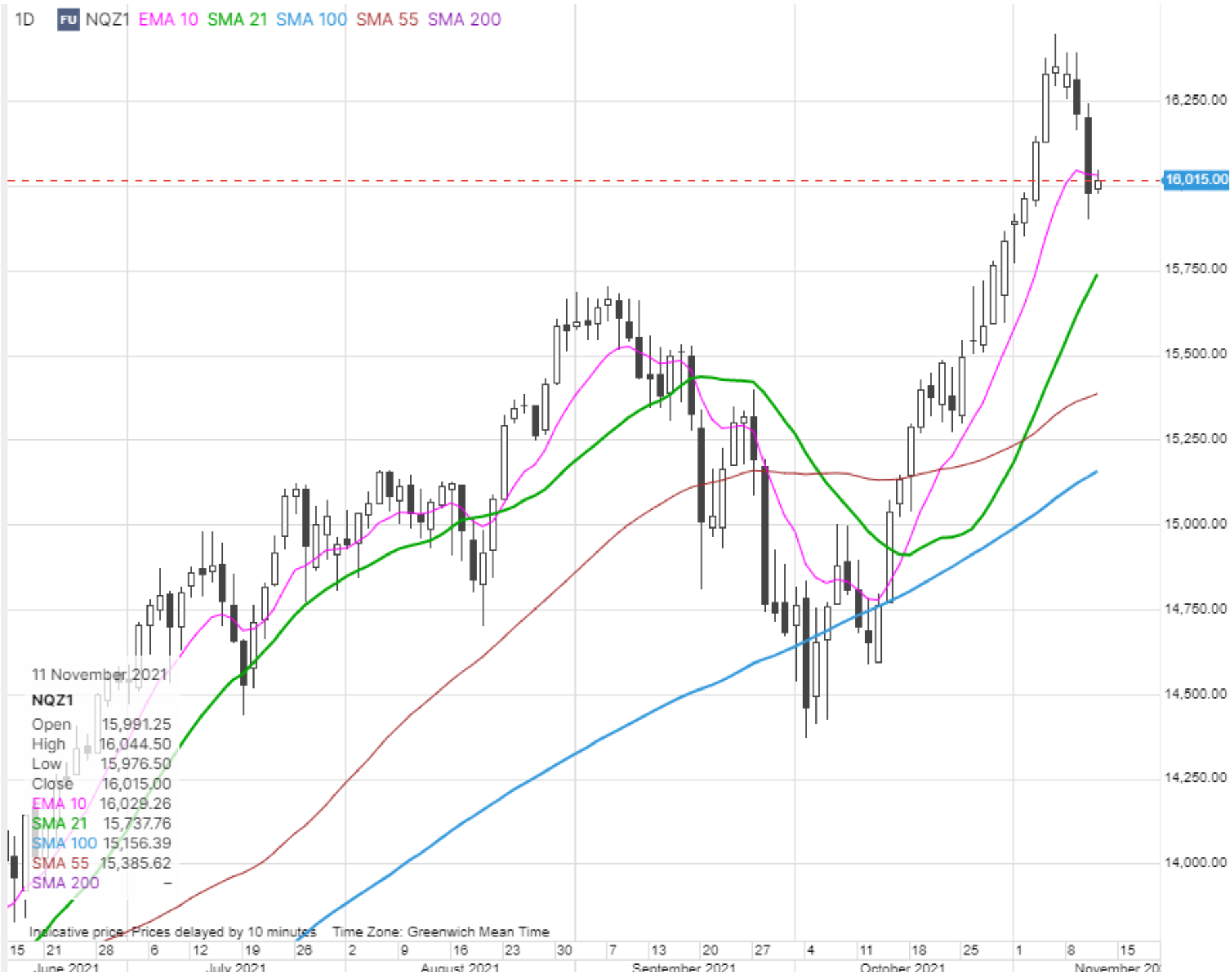


Questions and comments to Marketcall@SaxoBank.com

The Saxo Market Call podcast - Thursday, November 11, 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.

US CPI spooks market, sending yields higher. Rivian sticks first close at \$100.



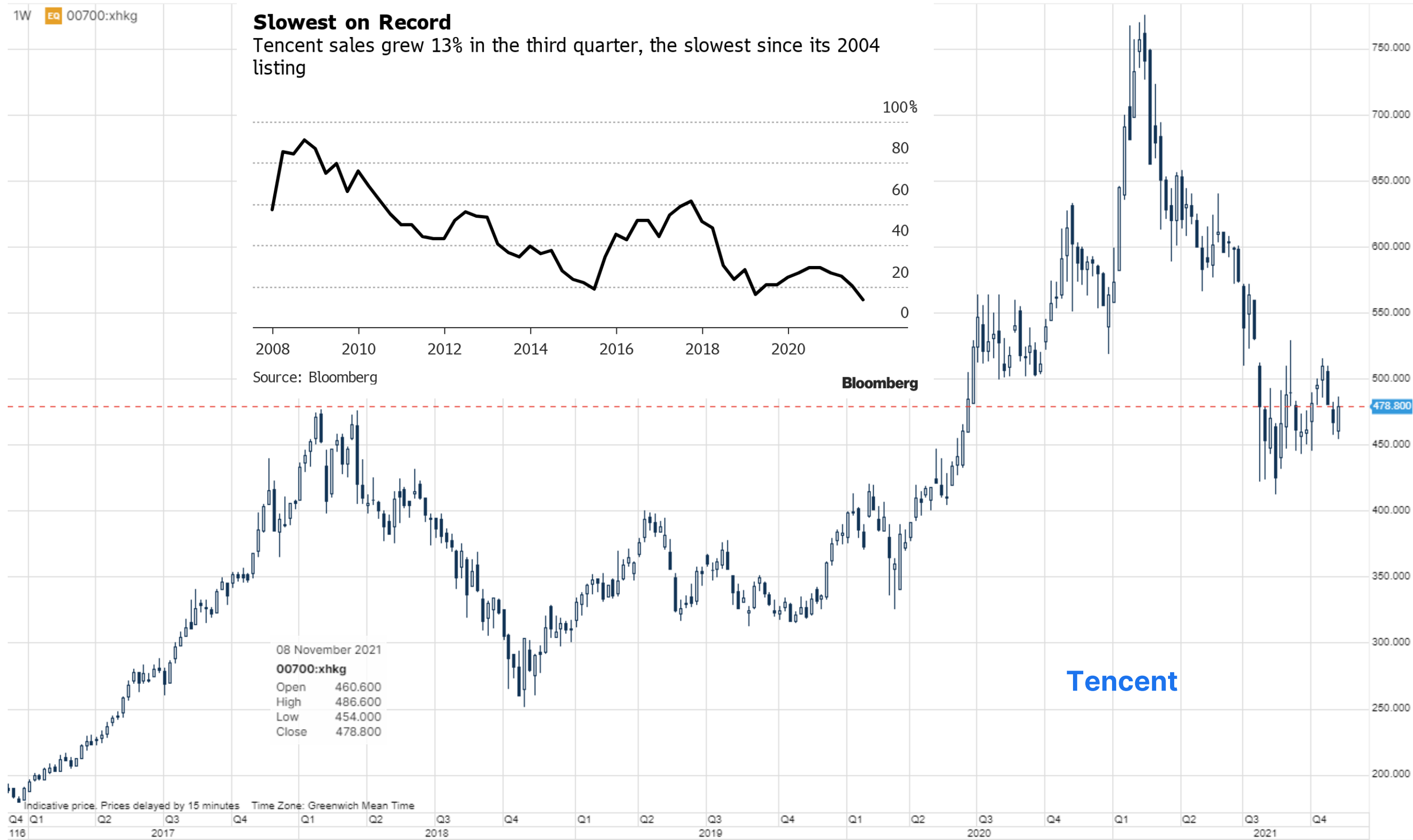
Saxo equity themes performance overview

Sorted on one-day return

| Theme | 1D | MTD | YTD | 1Y | 5Y |
|-----------------------------|------|------|-------|-------|---------|
| Gaming | 0.4 | 4.2 | -12.3 | 3.3 | 389.6 |
| China Consumer & Technology | 0.1 | -0.1 | -14.1 | -4.1 | 366.0 |
| MSCI EM (USD) | 0.1 | 0.8 | 0.5 | 10.2 | 58.3 |
| Payments | -0.6 | -4.3 | -3.8 | 16.6 | 343.5 |
| Defence | -0.7 | 2.1 | 11.4 | 21.5 | 85.1 |
| E-commerce | -0.7 | 0.7 | -12.9 | 12.7 | 545.2 |
| MSCI World (USD) | -0.8 | 0.9 | 20.5 | 29.5 | 105.4 |
| Mega Caps | -0.8 | 3.0 | 33.8 | 50.9 | 376.2 |
| Green Transformation | -1.1 | -1.2 | 10.3 | 67.5 | 986.0 |
| Commodity Sector | -1.1 | 0.2 | 21.4 | 40.3 | 139.9 |
| India (GDRs) | -1.1 | 0.5 | 39.4 | 62.3 | 113.4 |
| Logistics | -1.3 | -1.3 | 34.5 | 50.5 | 192.2 |
| Financial Trading | -1.4 | 0.2 | 30.1 | 51.6 | 263.8 |
| Travel | -1.5 | 3.3 | 14.7 | 25.8 | 64.3 |
| Battery | -1.9 | 1.7 | 20.5 | 93.3 | 539.9 |
| Cyber Security | -2.3 | 3.4 | 29.0 | 62.2 | 360.8 |
| Bubble Stocks | -2.3 | -0.8 | -5.4 | 20.7 | 1,700.5 |
| Semiconductors | -2.5 | 6.4 | 31.9 | 57.1 | 448.5 |
| 3D Printing | -3.5 | 4.0 | 19.1 | 46.3 | 118.3 |
| NextGen Medicine | -3.7 | -2.5 | -7.3 | 19.8 | 1,044.3 |
| Crypto & Blockchain | -4.3 | 15.1 | 144.8 | 860.4 | NA |
| Cannabis | -4.9 | 3.7 | 13.1 | 36.4 | 579.7 |

Source: Bloomberg and Saxo Group

Tencent is not cheap at 20x fwd EV/EBITDA if growth coming down



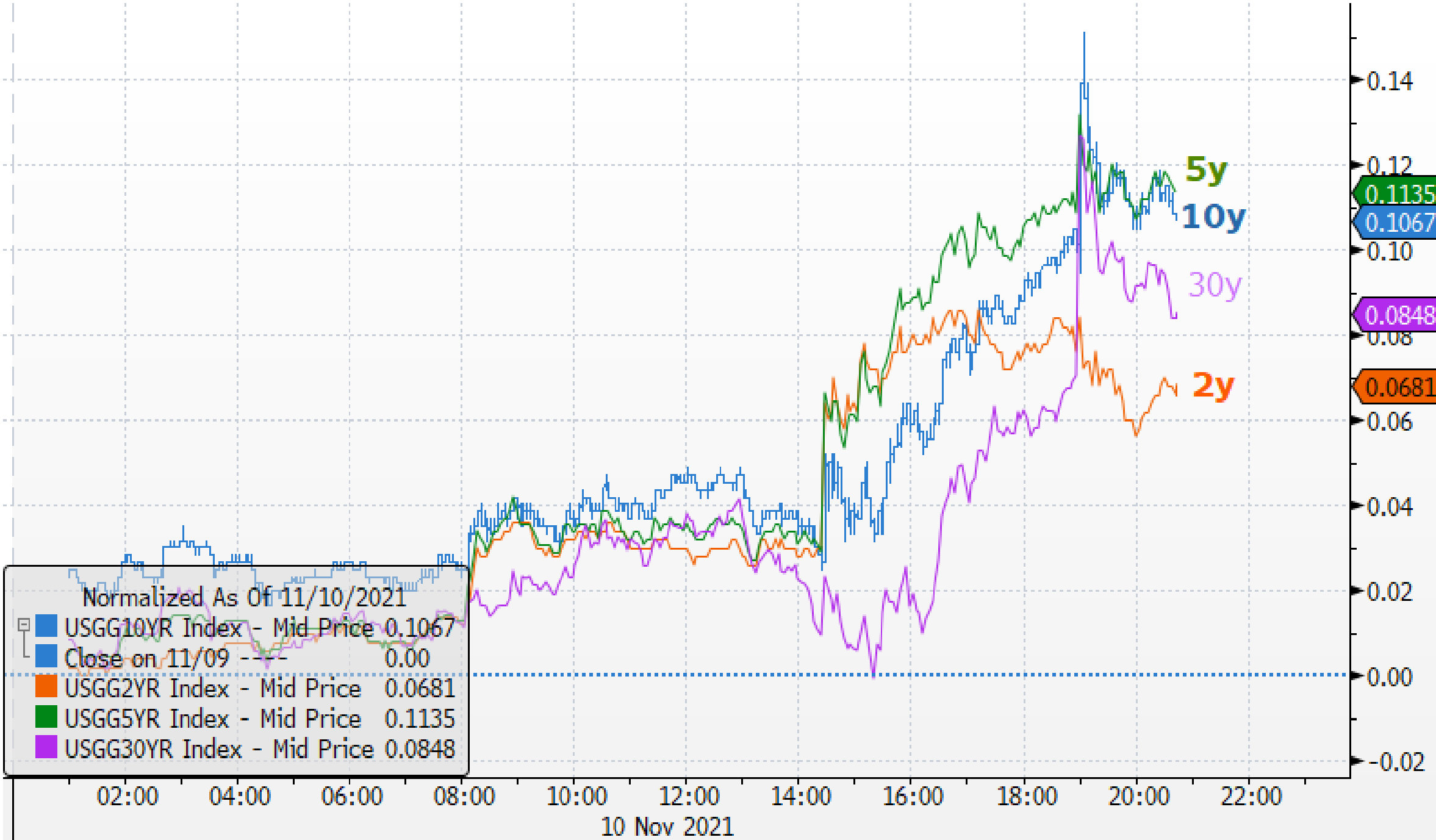
Source: Saxo Group

EuroDollar STIRs price in higher Fed rate expectations



Investors don't agree with last week's bond rally. 3-year, 10-year and 30-year auction tail, inflation remains a focus.

Intraday rise in yields across the curve



Source: Saxo Group and Bloomberg.

30-year bond auction:

Tailed 5.2bps the **biggest on record for the 30y tenor.**

Indirect bidders were down to 59%, the lowest since Novembre 2019.

These week's auctions set a troubling context for next week's 20-year bond sale.

While in the US inflation affect the belly of the curve, in Europe it looks to move the long part of the yield curve.

Bund spread between 10y and 2y yields



Source: Saxo Group and Bloomberg.

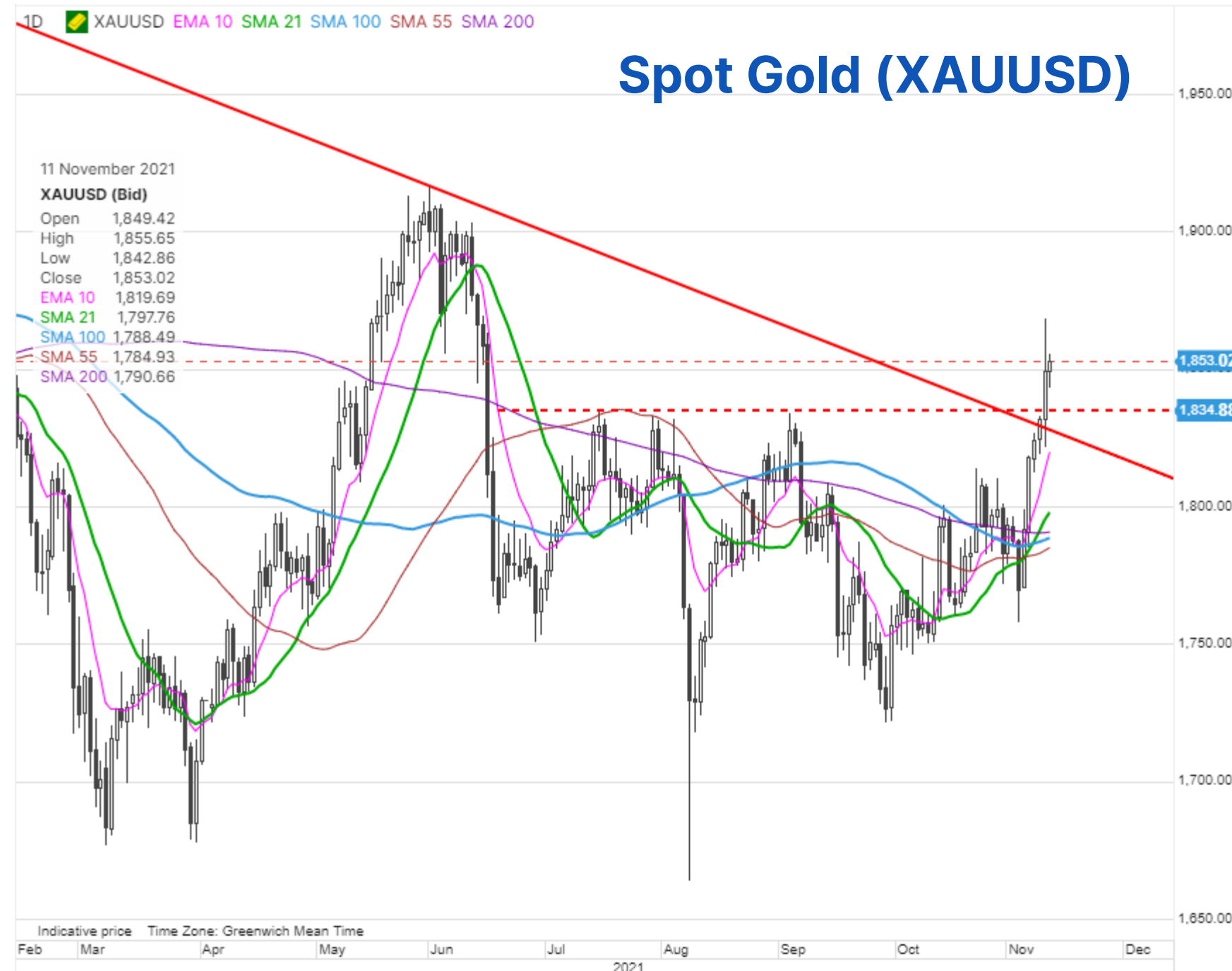
The market continues to price 4 rate hikes in the UK in 2022. Thus, there is still room for Gilts to rise this week amid GDP data.

Gilts have more room to rally before resuming their rise

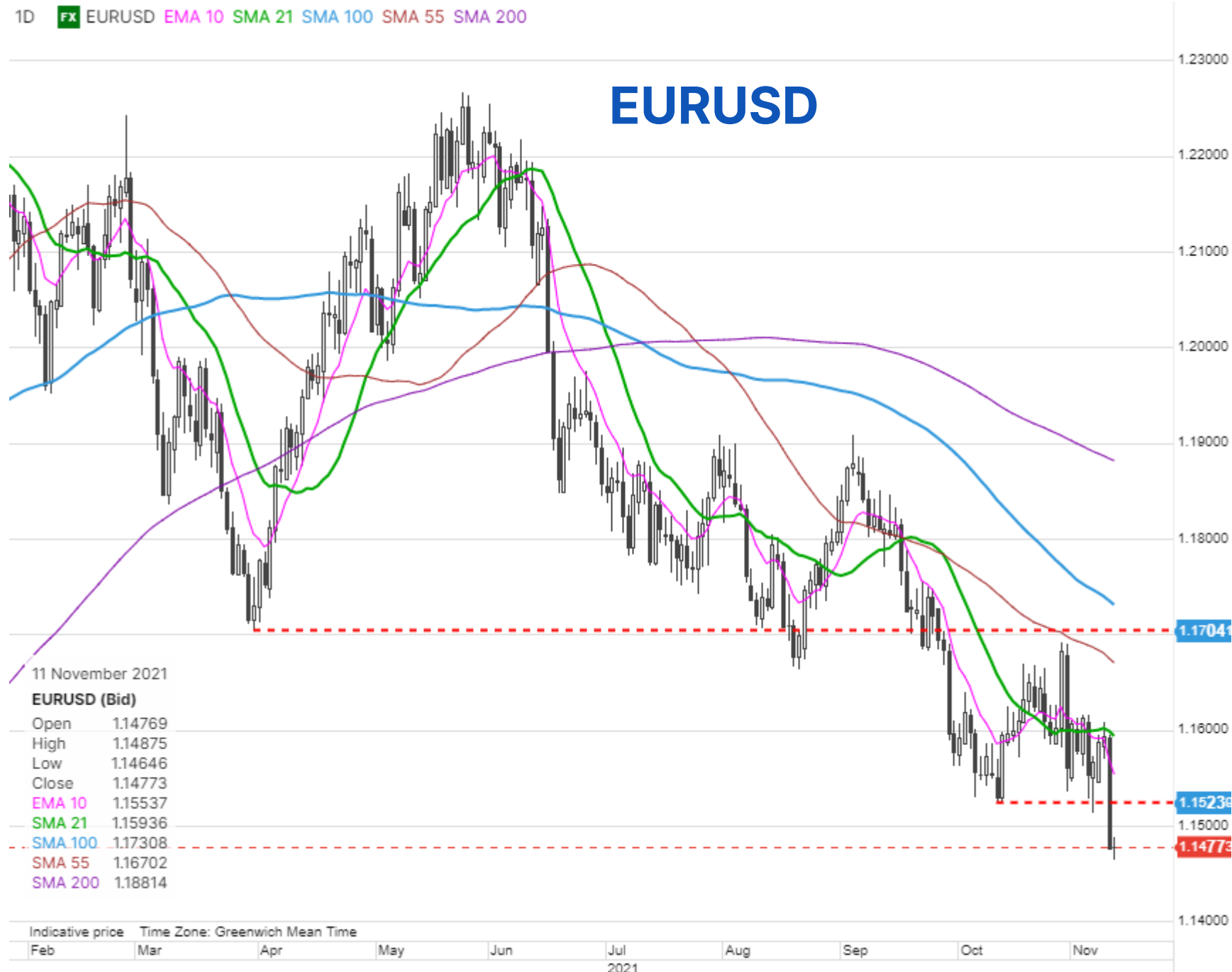


Source: Saxo Group and Bloomberg.

Is gold showing the way? Big break above 1835 as US real yields plunge



FX: USD status important over CPI, eventual Fed nomination outcome



Source: Saxo Group

Thursday, November 11, 2021 **SAXO BANK**

FX Board - Trend Evolution for G10 FX + CNH

| Aggregate | EUR | USD | CNH | JPY | GBP | CHF | AUD | CAD | NZD | SEK | NOK | XAU | XAG |
|------------|------|-----|-----|-----|------|------|------|-----|------|------|------|-----|-----|
| Trends -> | -1.6 | 2.2 | 3.3 | 0.4 | -3.7 | 2.7 | -1.9 | 1.0 | 0.5 | -0.5 | -2.5 | 6.7 | 5.0 |
| 2D Change | -0.2 | 2.4 | 1.8 | 0.2 | 0.1 | 0.0 | -0.4 | 1.0 | -1.2 | -2.3 | -1.3 | 2.7 | 2.2 |
| 5D Change | 0.5 | 2.2 | 1.8 | 2.8 | 0.0 | -0.8 | -2.0 | 0.3 | -1.2 | -3.1 | -0.6 | 6.3 | 4.5 |
| ↑ Momentum | | | | | | | | | | | | | |

Trend readings for last five weeks

| Date | EUR | USD | CNH | JPY | GBP | CHF | AUD | CAD | NZD | SEK | NOK | XAU | XAG |
|--------|------|------|------|-------|------|------|------|-----|------|------|------|------|------|
| 11-Nov | -1.6 | 2.2 | 3.3 | 0.4 | -3.7 | 2.7 | -1.9 | 1.0 | 0.5 | -0.5 | -2.5 | 6.7 | 5.0 |
| 10-Nov | -1.6 | 1.3 | 2.8 | 0.4 | -3.9 | 2.8 | -1.8 | 0.8 | 1.1 | 0.3 | -2.2 | 5.7 | 3.9 |
| 9-Nov | -1.4 | -0.1 | 1.5 | 0.2 | -3.7 | 2.7 | -1.5 | 0.0 | 1.7 | 1.8 | -1.2 | 4.0 | 2.7 |
| 8-Nov | -1.7 | 0.1 | 1.7 | -0.6 | -4.2 | 2.7 | -0.5 | 0.1 | 2.2 | 2.0 | -1.6 | 3.3 | 2.7 |
| 5-Nov | -1.9 | 0.4 | 1.8 | -1.2 | -4.5 | 3.5 | -0.4 | 0.4 | 1.5 | 2.7 | -2.2 | 2.3 | 1.5 |
| 4-Nov | -2.1 | 0.1 | 1.5 | -2.4 | -3.7 | 3.5 | 0.1 | 0.7 | 1.7 | 2.7 | -1.9 | 0.4 | 0.4 |
| 3-Nov | -2.2 | -0.7 | 0.7 | -3.6 | -2.3 | 3.0 | 0.9 | 0.8 | 2.2 | 3.0 | -1.4 | -0.6 | -0.2 |
| 2-Nov | -2.8 | -0.8 | 0.6 | -3.8 | -3.0 | 2.9 | 2.0 | 1.0 | 2.1 | 2.7 | -0.6 | 0.6 | 0.6 |
| 1-Nov | -3.6 | -1.7 | -0.1 | -4.9 | -2.8 | 2.6 | 3.7 | 0.7 | 3.1 | 2.5 | 0.8 | 0.4 | 1.6 |
| 29-Oct | -3.7 | -1.8 | -0.1 | -5.0 | -1.7 | 1.5 | 4.1 | 0.8 | 3.2 | 1.7 | 1.2 | 0.3 | 1.7 |
| 28-Oct | -3.1 | -2.7 | -0.1 | -5.5 | -1.2 | 0.8 | 3.9 | 0.7 | 3.3 | 1.8 | 2.3 | 0.9 | 2.3 |
| 27-Oct | -3.9 | -2.1 | 0.9 | -5.8 | -0.9 | 0.2 | 4.0 | 1.2 | 3.4 | 0.9 | 2.2 | 1.2 | 2.9 |
| 26-Oct | -4.0 | -2.3 | 1.5 | -6.6 | -0.5 | -0.2 | 3.6 | 1.0 | 3.6 | 0.5 | 3.7 | 1.3 | 3.8 |
| 25-Oct | -3.9 | -2.6 | 1.0 | -6.6 | -0.7 | 0.0 | 3.2 | 1.2 | 3.7 | 0.9 | 4.1 | 1.6 | 4.7 |
| 22-Oct | -3.7 | -2.9 | 0.8 | -7.5 | -0.6 | 0.3 | 2.9 | 1.7 | 3.8 | 1.2 | 4.3 | 0.5 | 4.1 |
| 21-Oct | -3.9 | -2.8 | 0.6 | -9.1 | 0.2 | -0.3 | 3.5 | 2.2 | 4.4 | 0.7 | 4.8 | -0.2 | 3.6 |
| 20-Oct | -3.8 | -2.8 | 0.6 | -10.3 | 0.3 | -1.0 | 4.1 | 2.8 | 4.7 | 0.6 | 5.4 | -0.8 | 3.1 |
| 19-Oct | -3.7 | -2.1 | 1.2 | -10.1 | 0.3 | -1.0 | 3.4 | 3.3 | 3.5 | 0.6 | 5.1 | -1.0 | 1.8 |
| 18-Oct | -3.7 | -1.2 | 0.2 | -9.6 | 0.1 | -0.4 | 3.0 | 4.3 | 2.1 | 0.9 | 4.7 | -0.5 | 1.1 |
| 15-Oct | -4.1 | -1.0 | 0.1 | -9.3 | -0.1 | -0.2 | 3.4 | 4.7 | 1.0 | 1.5 | 4.7 | 0.5 | 1.3 |
| 14-Oct | -4.0 | -0.4 | 0.8 | -8.1 | -0.9 | 0.1 | 3.6 | 5.0 | -0.5 | 0.6 | 4.4 | 1.9 | 1.2 |
| 13-Oct | -3.8 | 0.6 | 1.7 | -7.1 | -0.7 | 0.1 | 3.5 | 5.0 | -1.9 | -0.8 | 3.9 | 1.3 | -0.1 |
| 12-Oct | -4.1 | 1.5 | 1.8 | -6.5 | -0.8 | -0.2 | 3.5 | 5.6 | -2.0 | -2.0 | 3.6 | -0.1 | -1.1 |
| 11-Oct | -4.1 | 1.3 | 1.7 | -5.4 | -0.8 | 0.2 | 2.8 | 5.3 | -2.3 | -1.9 | 3.5 | -0.7 | -1.1 |
| 8-Oct | -4.3 | 1.2 | 2.0 | -3.5 | -0.8 | -0.1 | 1.7 | 4.8 | -2.7 | -2.1 | 4.2 | -0.5 | -1.1 |

Source: Saxo Group and Microsoft Excel

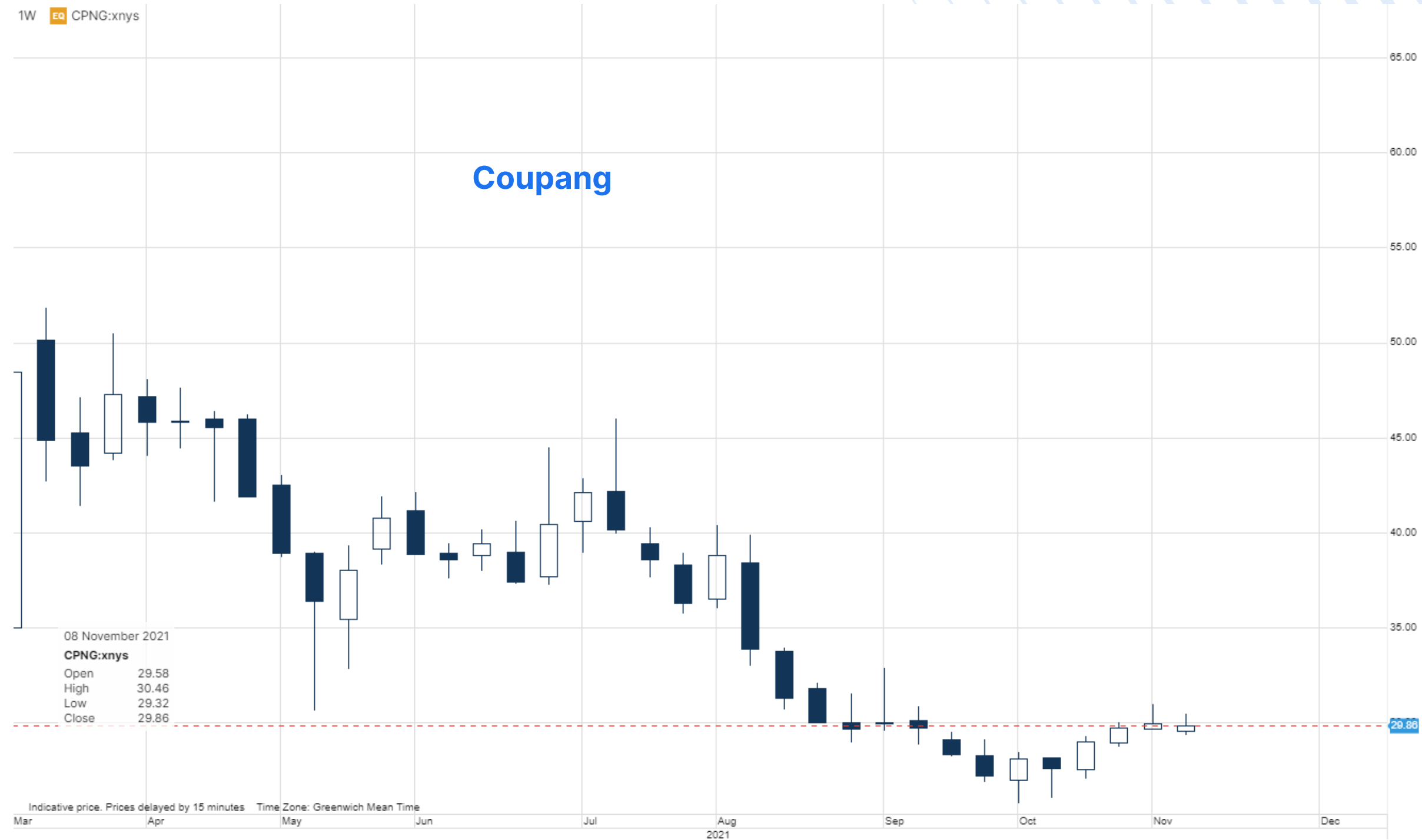
Stocks to watch today...

- **Evergrande** – pays overdue interest on three bonds. Chinese equities are up 2% today on the news that the troubled real estate developer Evergrande managed to pay overdue interest on three bonds worth \$148mn
- **Tencent** – lowest revenue growth since 2004. The technology crackdown in China is finally showing investors what it means, with Tencent revenue growth at 14% y/y in Q3, the lowest rate in 17 years.
- **Siemens** – reporting better than expected Q4 (30 September) revenue but missing on adjusted EBITDA in its industrial businesses, making the result a mixed bag.
- **ArcelorMittal** – reports Q3 revenue and EBITDA a bit lower than estimated saying that China's housing slump is negatively impacting steel demand.
- **Delivery Hero** – lifting its revenue guidance following a strong Q3 on revenue and gross merchandise value, but on the negative side the company is not lifting its margin expectations.
- **Beyond Meat** – shares were down 12% on Q3 figures missing estimates and Q4 guidance on revenue coming in way lower than consensus.
- **Tesla** – Elon Musk has sold \$5bn worth of Tesla shares. The selling of shares was part of paying for taxes related to Musk exercising 2.15mn options with an exercise price at \$6.24.

Earnings Watch: Coupang is all about margin and internationalisation

Today: Brookfield Asset Management, **Siemens**, Merck KGaA, Deutsche Telekom, Hapag-Lloyd, Semiconductor Manufacturing, Generali, Nexi, **ArcelorMittal**, Coupang

Friday: KBC Group, AstraZeneca, **Richemont**, **Pinduoduo**, Li Auto



Macro – Calendar Highlights

Today's Calendar Highlights (all times GMT)

1215 – ECB Chief Economist Lane to speak

1600 – ECB's Schnabel to speak

1900 – Mexico Central Bank Rate Announcement

During the day: OPEC's Monthly Oil Market Report

US Bank Holiday (stock market open, bonds won't trade)

Upcoming Economic Calendar Highlights

FRI: US Sep. JOLTS Job openings, **US Nov. Preliminary University of Michigan Sentiment**

Appendix: Chart of US Nasdaq 100 index future



Appendix: Where do you find the equity theme baskets?

The screenshot displays the Saxo TraderGO interface. At the top, the navigation menu includes 'Overview', 'Hot Topics', 'Quarterly Outlook', 'Forex', 'Stocks', 'Commodities', 'Bonds', 'ETFs', 'Crypto', 'Education', 'Trade Signals', 'News', 'Market Analysis', 'Calendar', and 'Equities'. The 'RESEARCH' tab is highlighted in red. Below the navigation, four equity baskets are shown with their current values and performance metrics:

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

Below the baskets, the 'Latest articles' section features four articles with their respective images and titles:

- 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.

The 'Saxo's Equity Baskets' section, highlighted in red, lists four thematic baskets:

- Logistics
- Semiconductors
- Financial Trading
- Crypto and Blockchain

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