




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


# The Saxo Market Call podcast – Thursday, December 9, 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.



**FX Update Webinar → today at 13:00 CET [sign up on webinars.saxo](https://webinars.saxo)**



 Webinar  
**FX Update**

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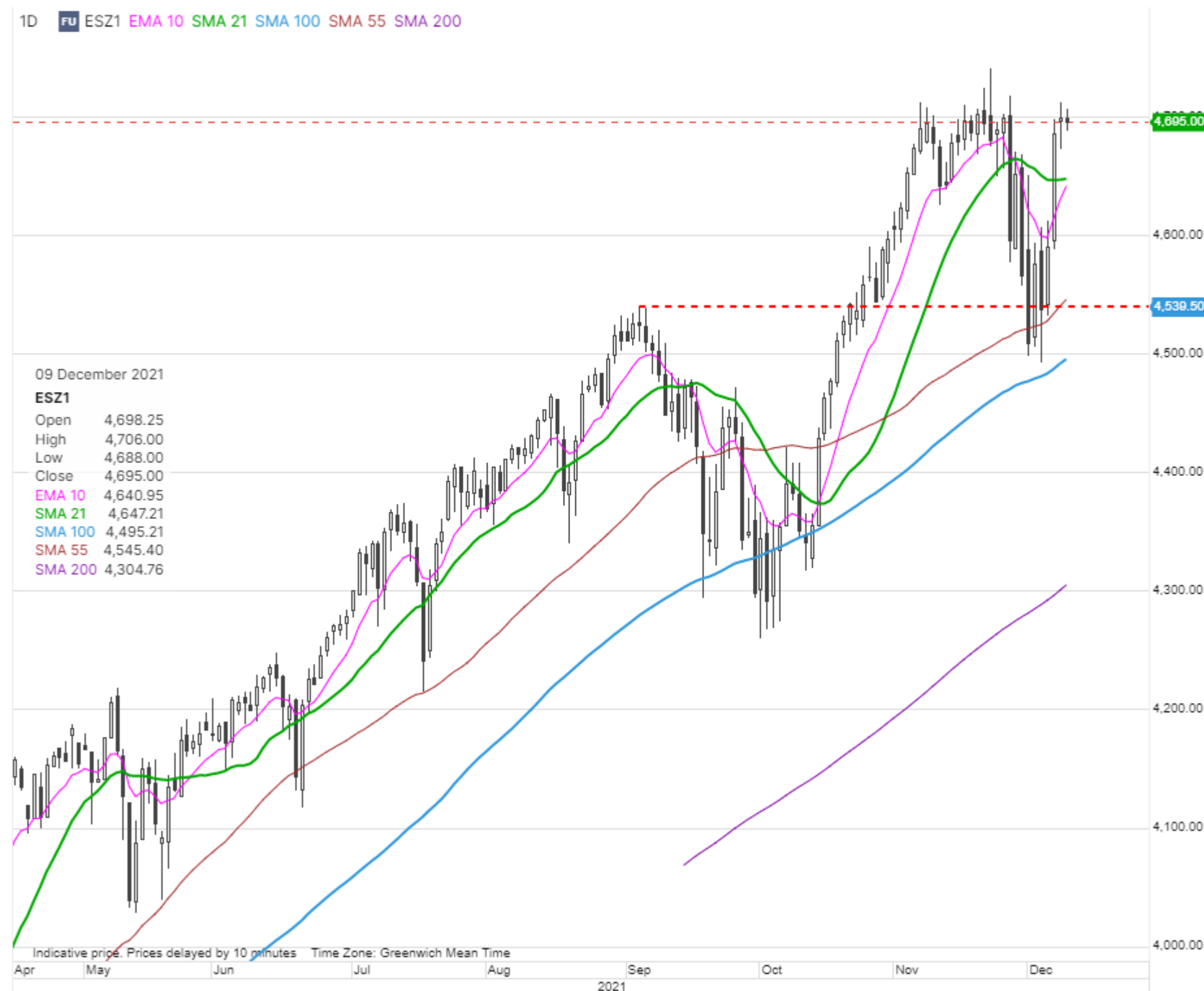
Date: Thu, 18 Nov 2021  
Your time: 13:00 (UTC+01)  
Host: John J Hardy, Saxo

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# Bounceback slows at cycle highs in the US



Source: Saxo Group

## Saxo equity themes performance overview

Sorted on one-day return

Theme	1D	MTD	YTD	1Y	5Y
Bubble Stocks	3.4	-2.8	-17.3	-15.2	1,269.0
Cannabis	2.6	-0.7	1.2	0.2	330.0
Travel	1.7	8.0	4.5	3.2	38.3
3D Printing	1.7	2.8	4.3	1.2	88.3
NextGen Medicine	1.7	-0.2	-14.3	-12.0	827.2
Green Transformation	1.4	-2.0	4.0	17.2	1,000.3
Battery	1.3	-1.3	16.8	34.8	534.8
China Consumer & Technology	1.2	1.4	-14.6	-8.4	352.5
India (GDRs)	1.1	1.8	30.5	38.0	108.6
Gaming	1.1	-0.1	-15.9	-13.2	377.8
Cyber Security	0.9	-1.8	18.8	33.2	355.1
Defence	0.7	4.7	3.9	5.3	58.6
Commodity Sector	0.6	4.7	21.9	24.5	119.4
MSCI EM (USD)	0.4	2.4	-2.0	1.1	61.2
MSCI World (USD)	0.4	3.1	20.4	22.7	97.3
Payments	0.3	4.3	-14.1	-6.4	252.3
Logistics	0.3	4.0	37.5	44.7	168.2
Mega Caps	0.2	0.6	38.8	42.9	395.1
Crypto & Blockchain	0.2	-10.6	93.4	323.4	NA
Financial Trading	0.1	2.1	28.6	37.3	227.4
E-commerce	0.0	-2.6	-22.5	-17.2	493.4
Semiconductors	-0.4	1.9	37.8	36.8	472.8

Source: Bloomberg and Saxo Group

# Stocks to watch today...

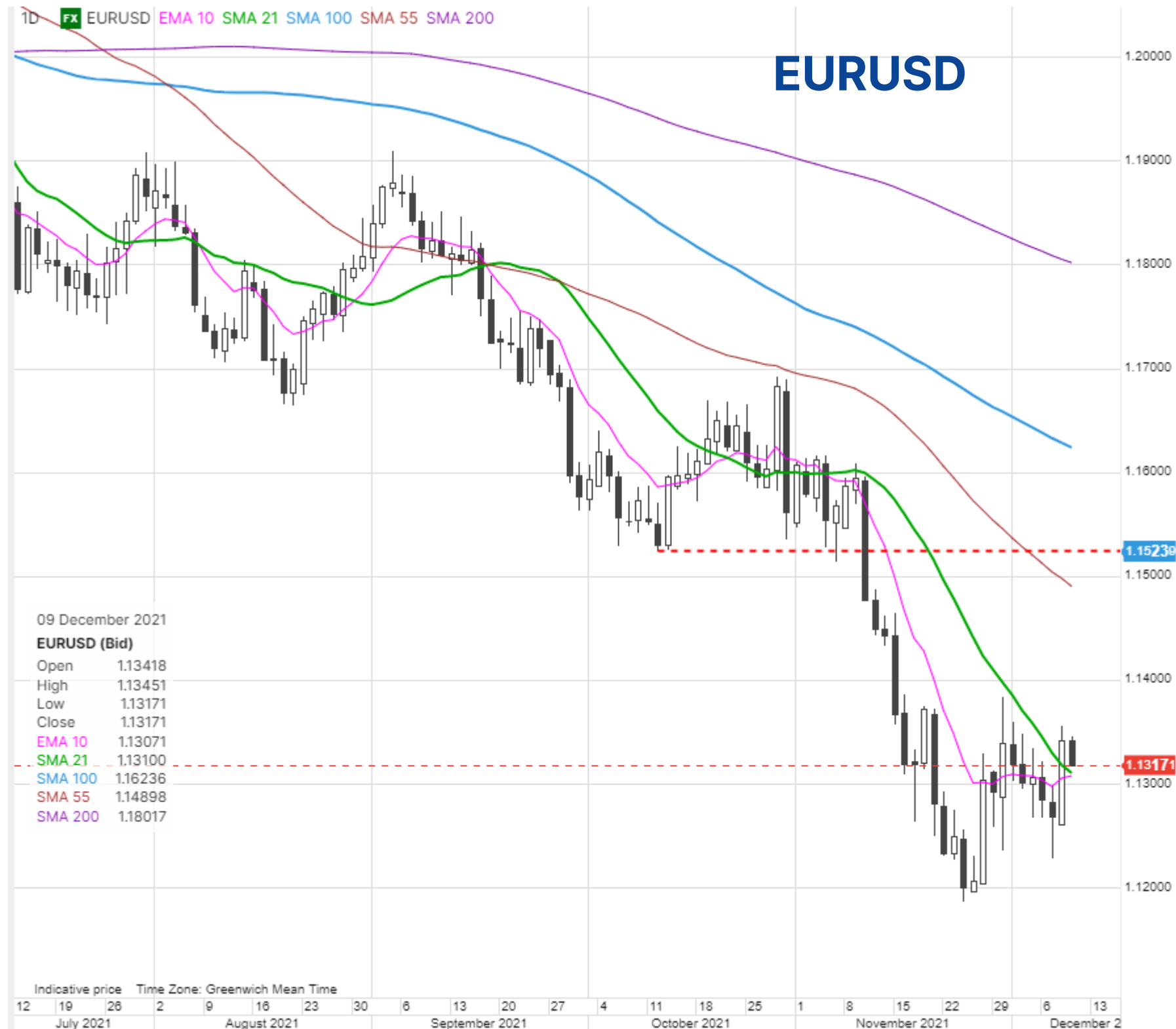
- **Bubble stocks** – best performing segments of the market yesterday so this is where volatility will be today.
- **Umicore** – shares down 9% yesterday on profit warning and lower growth outlook for its battery material unit. It also signed a long-term supplier contract with VW.
- **UiPath** – shares down 4% in extended trading despite EPS beat and 50% revenue growth.
- **Nubank** – the Brazilian-based digital lender and backed by Berkshire Hathaway has raised \$2.6bn in its IPO and will start trading today on NYSE with ticker code NU:xnys

## Bubble basket

Name	Mkt Cap (USD mn.)	12M Fwd EPS	12M Fwd EV/Sales	Diff to PT (%)	5yr return (%)	YTD return (%)
Kuaishou Technology	213,499	-0.85	16.2	54.8	NA	NA
Sea Ltd	140,384	-1.26	17.3	55.8	NA	32.1
Airbnb Inc	130,635	-1.31	28.1	4.3	NA	27.0
NIO Inc	94,795	-1.59	18.0	69.7	NA	-28.1
Snowflake Inc	84,570	-0.87	71.5	7.2	NA	31.6
DoorDash Inc	67,743	-0.19	17.6	39.7	NA	18.3
Roku Inc	59,111	-0.26	23.1	52.0	NA	-22.9
Bilibili Inc	51,601	-4.76	18.2	74.0	NA	-29.4
Teladoc Health Inc	41,124	-0.30	20.3	59.4	476.6	-49.0
XPeng Inc	37,228	-2.41	15.0	32.0	NA	11.8
Affirm Holdings Inc	34,499	-0.89	39.7	31.3	NA	NA
BeiGene Ltd	34,490	-9.78	35.8	33.2	1,058.2	21.9
Unity Software Inc	34,299	-0.35	32.7	10.5	NA	0.3
Plug Power Inc	32,156	-0.18	68.1	34.0	2,459.4	7.9
Seagen Inc	31,016	-0.11	15.9	27.1	130.5	-14.6
Cloudflare Inc	28,050	-0.08	46.1	38.7	NA	111.1
Splunk Inc	27,486	-0.21	10.8	39.6	110.2	-29.7
MongoDB Inc	25,201	-0.98	34.1	1.6	NA	48.1
Exact Sciences Corp	24,752	-1.14	13.3	50.0	499.4	-34.9
Gaotu Techedu Inc	24,455	-3.34	11.8	NA	NA	NA
Farfetch Ltd	23,465	-0.66	10.3	40.8	NA	-43.6
DraftKings Inc	23,186	-1.16	26.5	84.3	NA	-28.3
GDS Holdings Ltd	20,998	-0.15	18.6	49.5	443.0	-42.1
10X Genomics Inc	20,458	-0.32	38.9	29.1	NA	7.4
Argenx SE	19,397	-10.72	105.2	21.5	1,683.8	8.4
Alnylam Pharmaceuticals Inc	19,214	-4.77	21.0	15.7	318.7	36.1
Ping An Healthcare and Technology Co Ltd	18,942	-0.91	11.6	72.5	NA	-67.9
Innovent Biologics Inc	18,305	-0.61	24.0	38.9	NA	-17.1
Guardant Health Inc	16,826	-1.50	40.5	65.0	NA	-24.5
Zai Lab Ltd	15,781	-2.52	87.5	154.3	NA	-46.2
Kingsoft Cloud Holdings Ltd	15,710	-2.56	9.6	120.8	NA	-62.2
Yatsen Holding Ltd	15,665	-1.17	10.7	53.0	NA	-86.5
Oak Street Health Inc	15,461	-0.46	11.1	69.5	NA	-46.7
C3.ai Inc	15,370	-0.79	69.6	58.9	NA	-75.5
Bill.com Holdings Inc	15,319	-0.19	57.4	39.5	NA	93.8
Canopy Growth Corp	15,279	-0.90	24.2	18.1	40.0	-55.8
Appian Corp	15,229	-0.40	43.3	45.2	NA	-54.9
Avalara Inc	14,770	-0.16	21.3	38.2	NA	-6.9
Elastic NV	14,429	-0.44	20.6	36.5	NA	-12.2
Wolfspeed Inc	14,240	-0.59	21.3	NA	NA	NA
<b>Aggregate / median</b>	<b>1,565,141</b>		<b>21.3</b>	<b>39.7</b>	<b>459.8</b>	<b>-20.0</b>

Source: Bloomberg and Saxo Group

# EURUSD trying to turn the tide: EU yields up, Germany's Scholz now official



FX Board - Trend Evolution for G10 FX + CNH							Thursday, December 9, 2021						<div>SAXO BANK</div>	
Aggregate	EUR	USD	CNH	JPY	GBP	CHF	AUD	CAD	NZD	SEK	NOK	XAU	XAG	
Trends ->	0.0	1.2	4.4	1.6	-3.4	2.3	-1.0	1.2	-3.7	-2.4	-0.2	-0.5	-4.3	
2D Change	0.0	-1.8	-0.6	-2.0	-2.3	-0.8	2.6	-0.2	0.6	0.8	3.7	-0.3	-0.2	
5D Change	-0.7	-2.2	-1.1	-3.7	-2.9	-2.8	3.2	3.1	0.1	0.9	5.7	0.7	0.8	
↑ Momentum														
Trend readings for last five weeks														
Date	EUR	USD	CNH	JPY	GBP	CHF	AUD	CAD	NZD	SEK	NOK	XAU	XAG	
9-Dec	0.0	1.2	4.4	1.6	-3.4	2.3	-1.0	1.2	-3.7	-2.4	-0.2	-0.5	-4.3	
8-Dec	0.2	1.9	4.5	2.2	-2.6	2.6	-1.9	1.5	-4.0	-2.7	-1.5	-0.4	-4.2	
7-Dec	0.1	3.0	5.0	3.7	-1.1	3.1	-3.6	1.5	-4.3	-3.2	-3.9	-0.2	-4.1	
6-Dec	1.1	3.7	5.4	4.9	-0.5	4.4	-5.2	-0.3	-4.6	-3.1	-5.3	-0.3	-4.4	
3-Dec	1.4	3.7	5.7	5.9	-0.7	5.9	-5.6	-1.4	-4.3	-3.8	-6.4	-0.5	-4.5	
2-Dec	0.8	3.4	5.4	5.3	-0.5	5.1	-4.1	-1.8	-3.8	-3.3	-5.9	-1.2	-5.1	
1-Dec	0.9	3.6	5.7	5.7	-0.8	5.1	-3.8	-1.7	-4.2	-4.1	-5.9	-0.7	-4.8	
30-Nov	0.6	3.9	5.9	5.1	-0.5	5.1	-3.6	-1.2	-4.4	-4.4	-5.9	-0.6	-3.6	
29-Nov	-0.1	4.8	5.9	4.6	0.3	4.2	-3.0	-0.2	-4.1	-6.0	-5.9	0.1	-3.0	
26-Nov	-0.4	5.5	6.4	3.7	0.9	3.4	-2.5	0.3	-3.5	-7.3	-6.1	0.8	-2.0	
25-Nov	-2.6	5.9	7.2	1.0	0.8	1.2	-1.0	2.1	-2.3	-6.7	-4.9	0.4	-1.0	
24-Nov	-2.9	5.9	7.0	1.1	1.1	1.4	-0.9	1.3	-1.2	-7.2	-5.0	0.7	-0.6	
23-Nov	-3.1	5.3	6.6	1.2	1.3	1.0	-1.1	0.3	0.1	-6.3	-5.2	1.4	0.5	
22-Nov	-3.5	5.0	6.5	1.8	1.6	1.1	-1.4	0.0	0.6	-5.6	-6.0	3.6	2.5	
19-Nov	-3.4	4.2	5.9	1.9	1.6	1.1	-1.7	0.3	1.0	-5.1	-5.7	6.1	3.8	
18-Nov	-3.3	3.7	5.8	1.0	1.2	0.7	-1.4	0.2	0.8	-4.4	-4.3	7.0	4.6	
17-Nov	-4.2	4.1	6.3	1.0	0.5	0.3	-1.0	0.8	-0.1	-4.3	-3.3	7.6	5.5	
16-Nov	-3.8	4.0	5.9	0.3	-1.1	0.6	0.0	1.5	0.1	-4.1	-3.3	7.4	5.6	
15-Nov	-3.2	3.2	5.4	0.8	-2.6	1.4	-0.3	1.0	0.6	-2.7	-3.5	7.8	6.2	
12-Nov	-2.0	2.9	5.1	0.8	-3.3	2.1	-1.3	0.2	0.2	-1.5	-3.2	7.8	6.6	
11-Nov	-1.7	2.6	4.2	0.6	-3.9	2.6	-2.0	0.3	0.3	-0.2	-2.7	7.3	5.8	
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	



# Covid fears ease, long term yields resume their rise

Ten-year US Treasury yields are poised to rise as covid distortions ease

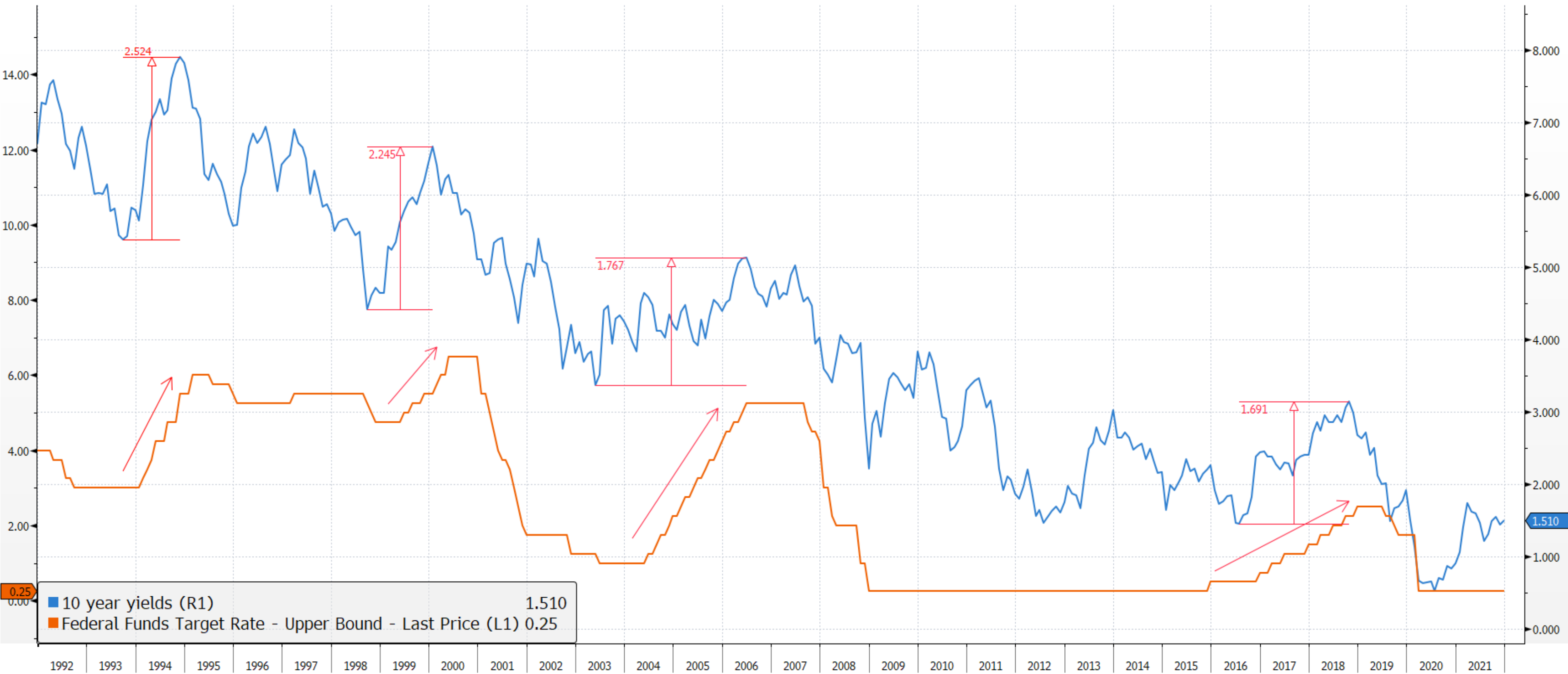


Source: Bloomberg and Saxo Group.

# As we get closer to an interest rate hiking cycle, long term yields will rise

## Interest rate cycles and 10-year yields

Historically, when the FED engaged in a interest rate hiking cycle, long term yields followed.



Source: Bloomberg and Saxo Group.

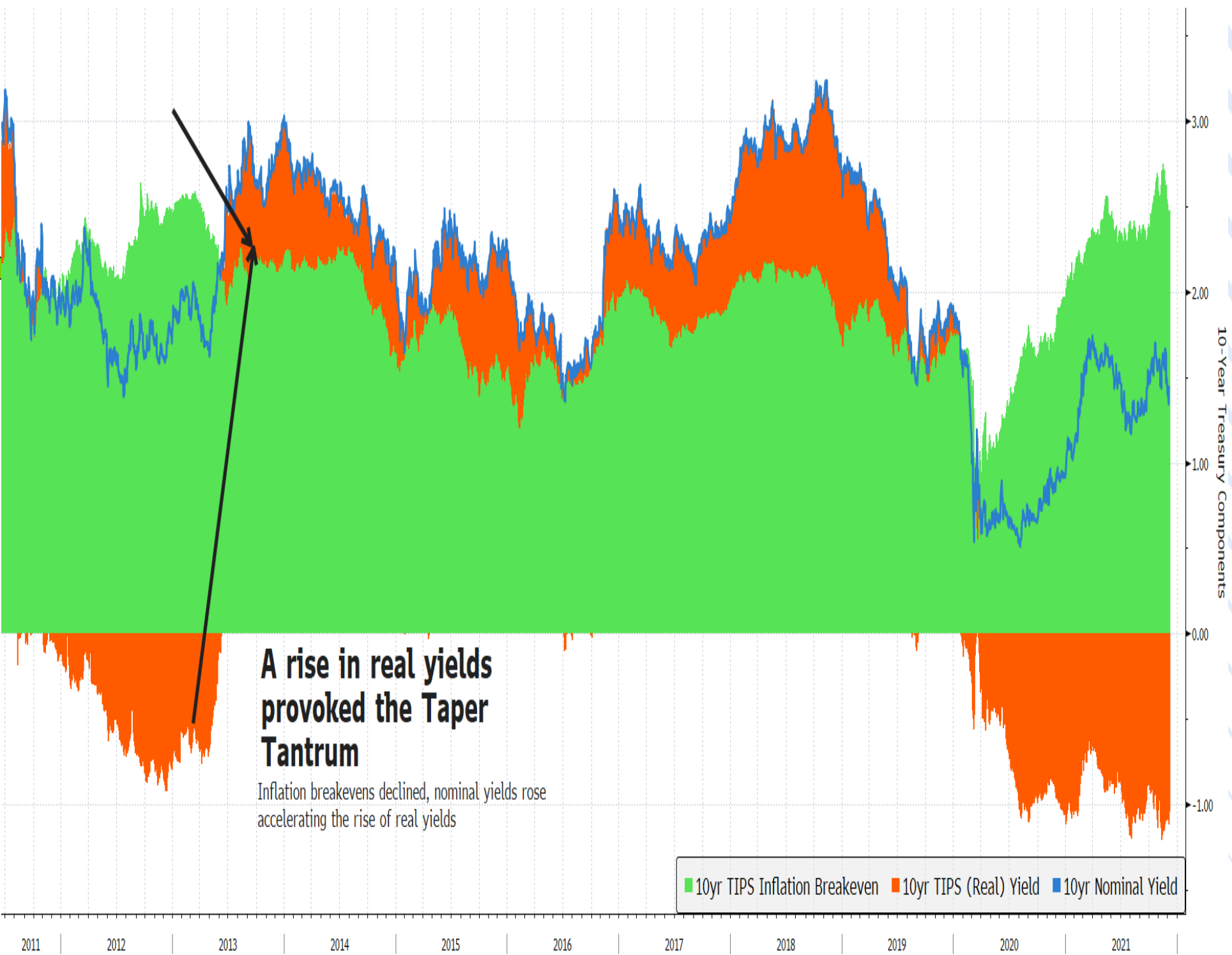
# Junk bonds are still better than high grade. Beware of real yields

Investment grade spreads are widening faster than junk bond spreads



Source: Bloomberg and Saxo Group.

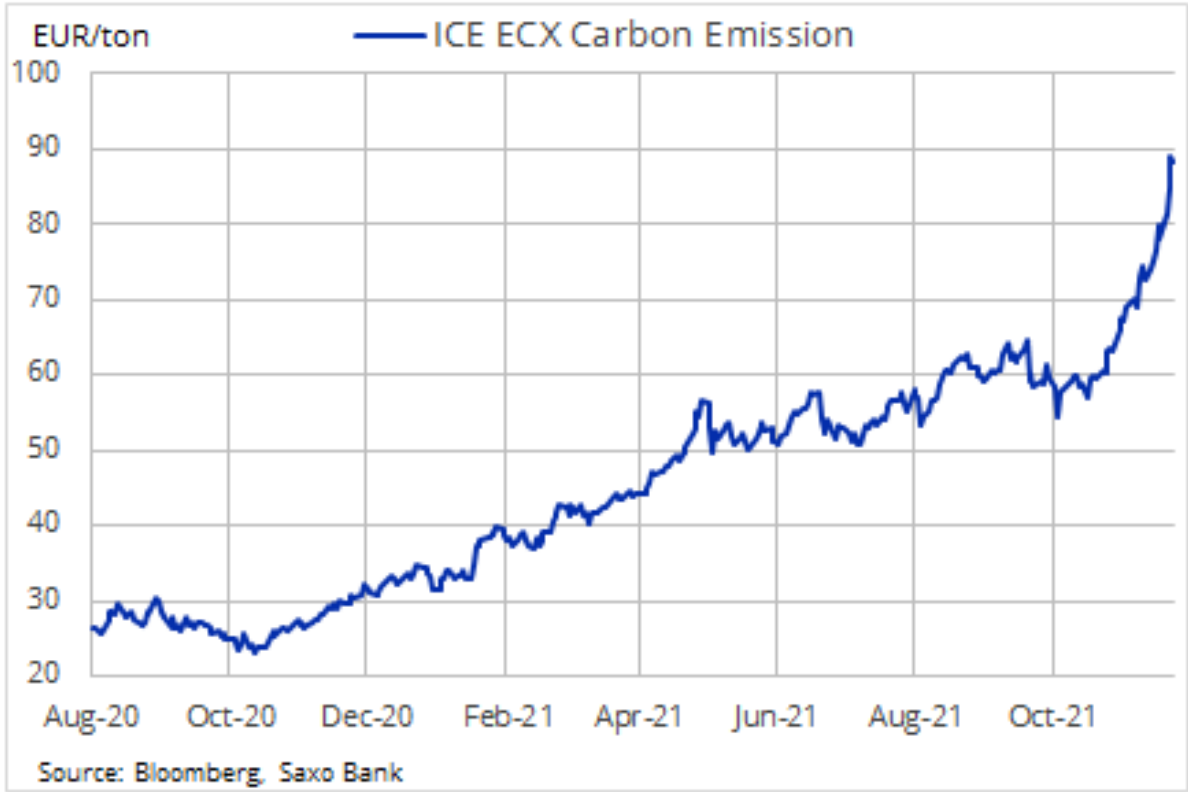
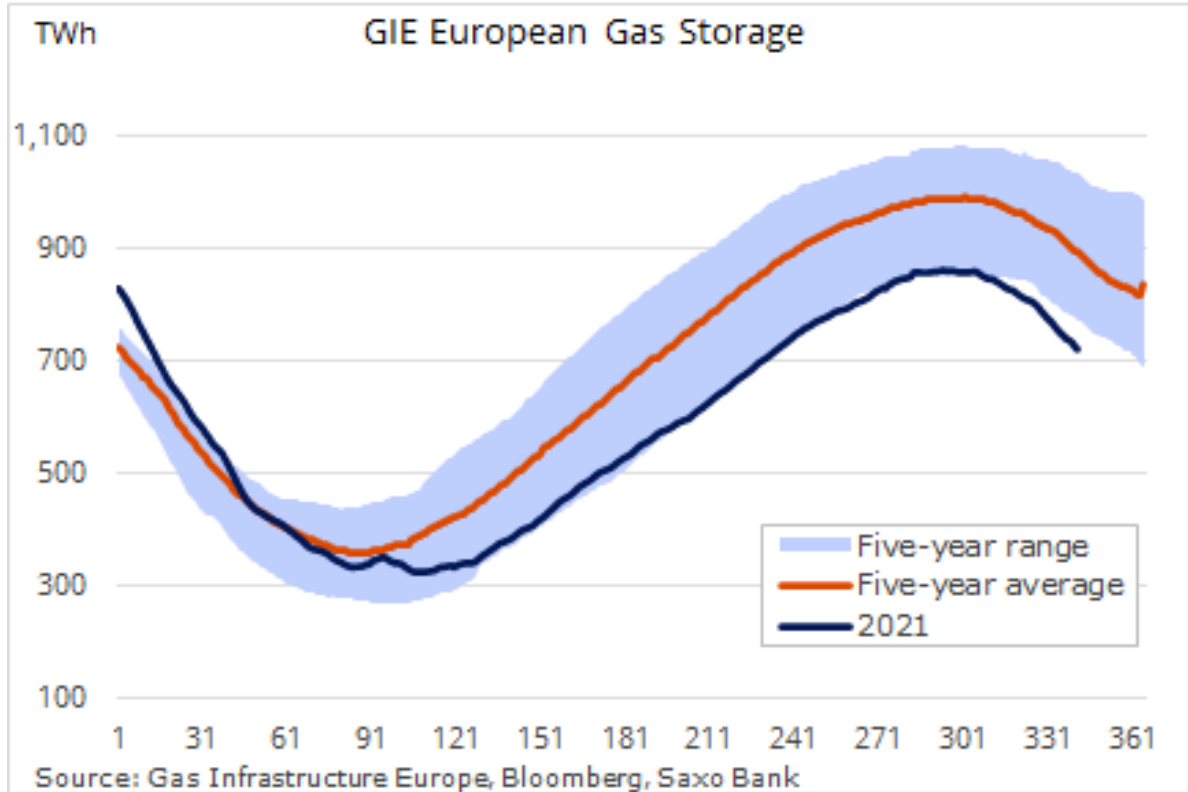
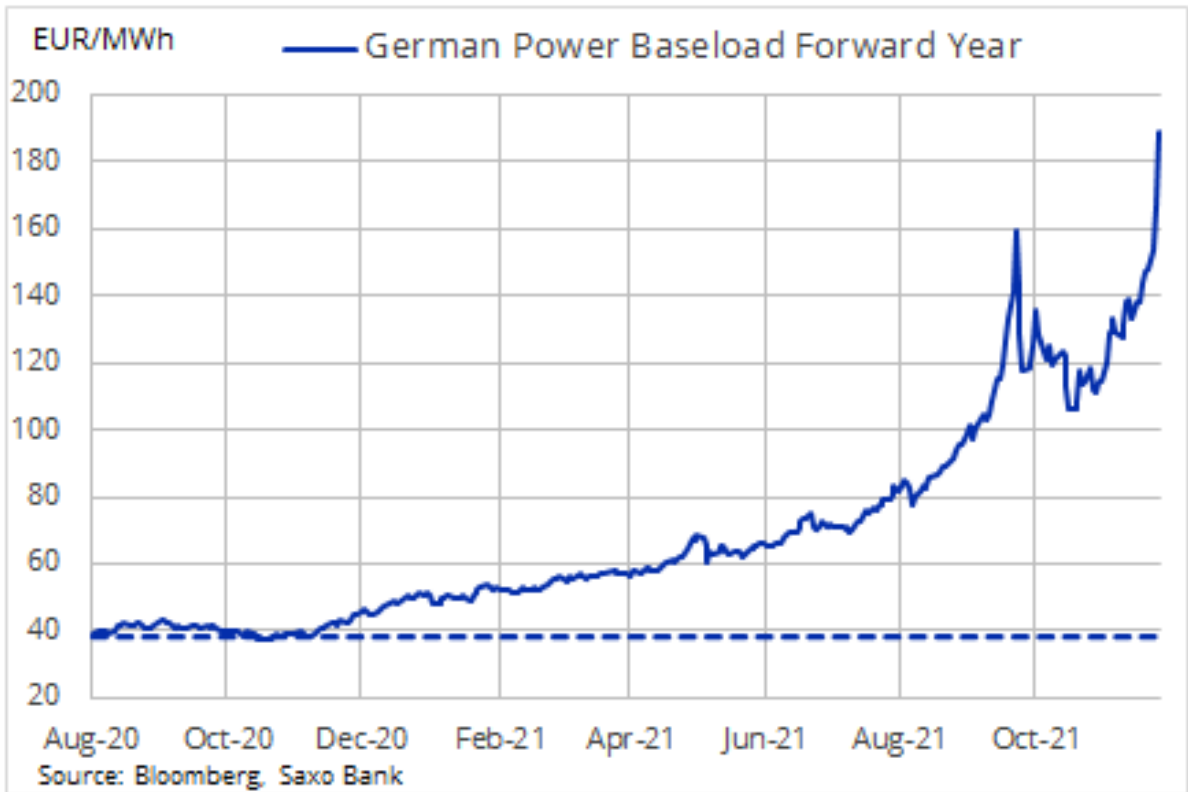
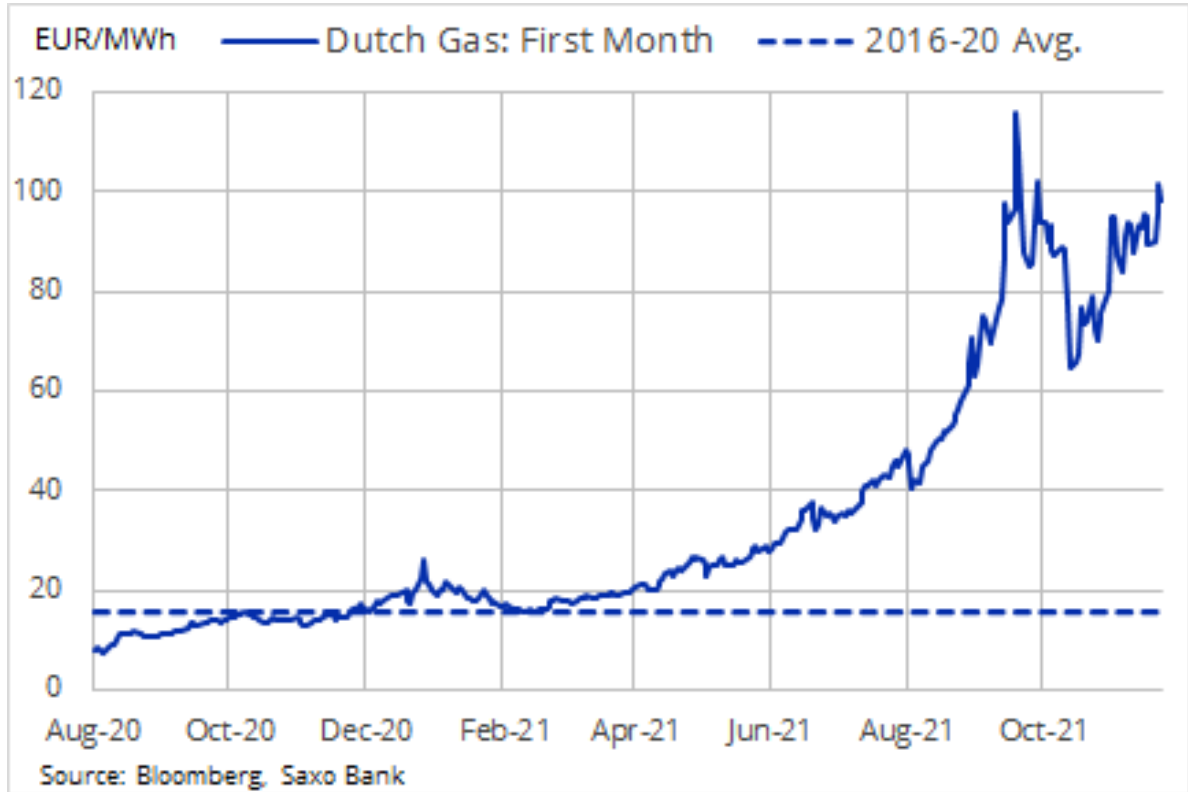
The 2013 taper tantrum tells us that rising real yields are a threat to risky assets



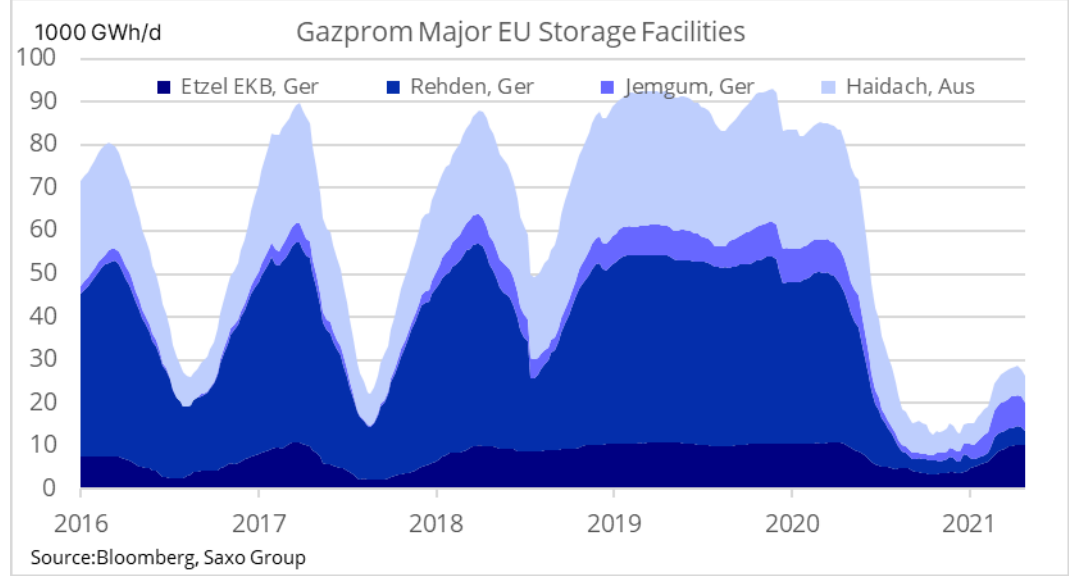
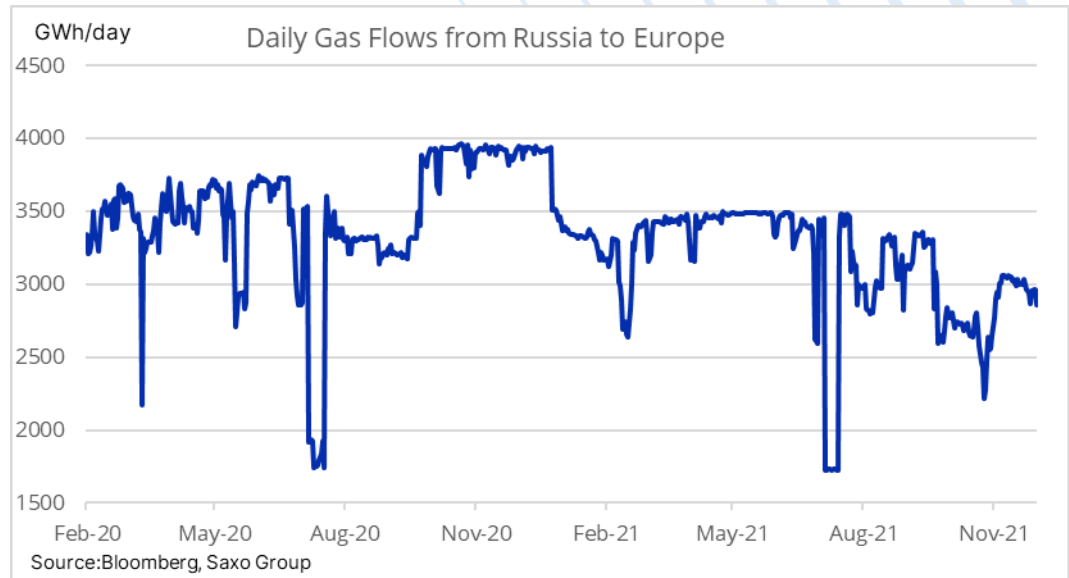
Source: Bloomberg.



# Should gas and nuclear power be labelled green? EU to decide shortly



## EU Aims to Unveil Green Rules for Gas, Nuclear Projects Dec. 22



# Earnings Watch: Lululemon holiday guidance is key catalyst

**Today:** Sekisui House, Hormel Foods, Costco Wholesale, **Oracle**, Broadcom, **Lululemon Athletica**, Chewy, Vail Resorts

**Friday:** Carl Zeiss Meditec

In Millions of USD	2023 Q1 Est	2022 Q4 Est	2022 Q3 Est	2022 Q2	2022 Q1	2021 Q4	2021 Q3
3 Months Ending	04/30/2022	01/31/2022	10/31/2021	08/01/2021	05/02/2021	01/31/2021	11/01/2020
Market Capitalization				51,960.9	43,676.3	42,844.4	41,615.3
- Cash & Equivalents				1,170.0	1,179.7	1,150.5	481.6
+ Preferred & Other				0.0	0.0	0.0	0.0
+ Total Debt				794.8	785.1	798.7	773.5
Enterprise Value				51,585.7	43,281.6	42,492.6	41,907.2
Revenue, Adj	1,486.9	2,166.7	1,436.5	1,450.6	1,226.5	1,729.6	1,117.4
Growth %, YoY	21.2	25.3	28.6	60.7	88.1	23.8	22.0
Gross Profit, Adj	850.1	1,291.1	808.5	842.7	700.3	1,012.7	627.4
Margin %	57.2	59.6	56.3	58.1	57.1	58.6	56.1
EBITDA, Adj	302.0	658.8	316.7	352.8	252.0	518.0	262.5
Margin %	20.3	30.4	22.0	24.3	20.5	29.9	23.5
Net Income, Adj	186.0	432.2	180.9	215.8	152.2	337.4	151.3
Margin %	12.5	19.9	12.6	14.9	12.4	19.5	13.5
EPS, Adj	1.44	3.31	1.41	1.65	1.17	2.58	1.16
Growth %, YoY	23.2	28.4	21.3	125.1	429.9	13.0	20.7
Cash from Operations				285.7	214.1	717.9	25.3
Capital Expenditures	-79.7	-123.8	-105.9	-80.3	-64.2	-58.4	-66.1
Free Cash Flow	59.8	589.5	-63.7	205.4	149.9	659.5	-40.8

Source: Bloomberg

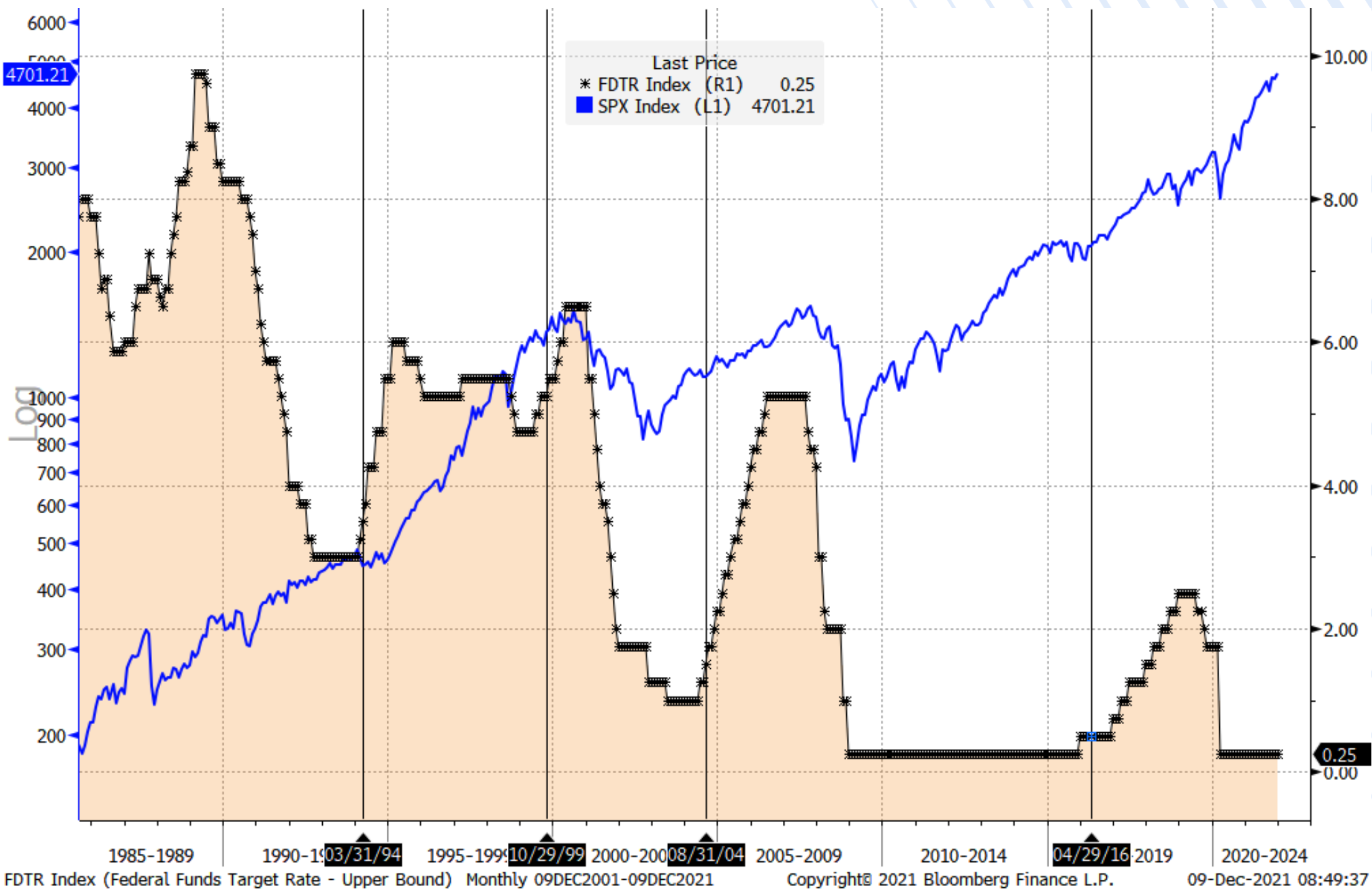


Source: Saxo Group



# S&P Forecasts for next year (as of December 3)

Firm (in alphabetical order)	S&P 500 Forecast (year-end 2022)
Bank of America	4,600
Barclays	4,800
BMO	5,300
BNP Paribas	5,100
Cantor Fitzgerald	4,800
Citigroup	4,900
Cornerstone Macro	4,600
Credit Suisse	5,000
Goldman Sachs	5,100
Jefferies	5,000
JPMorgan	5,050
Morgan Stanley	4,400
RBC Capital Markets	5,050
Scotiabank	4,800
UBS	4,850
Wells Fargo	5,200



Source: <https://www.bloomberg.com/opinion/articles/2021-12-08/inflation-not-omicron-is-clouding-year-end-market-predictions-for-2022?sref=FAeeuM97>

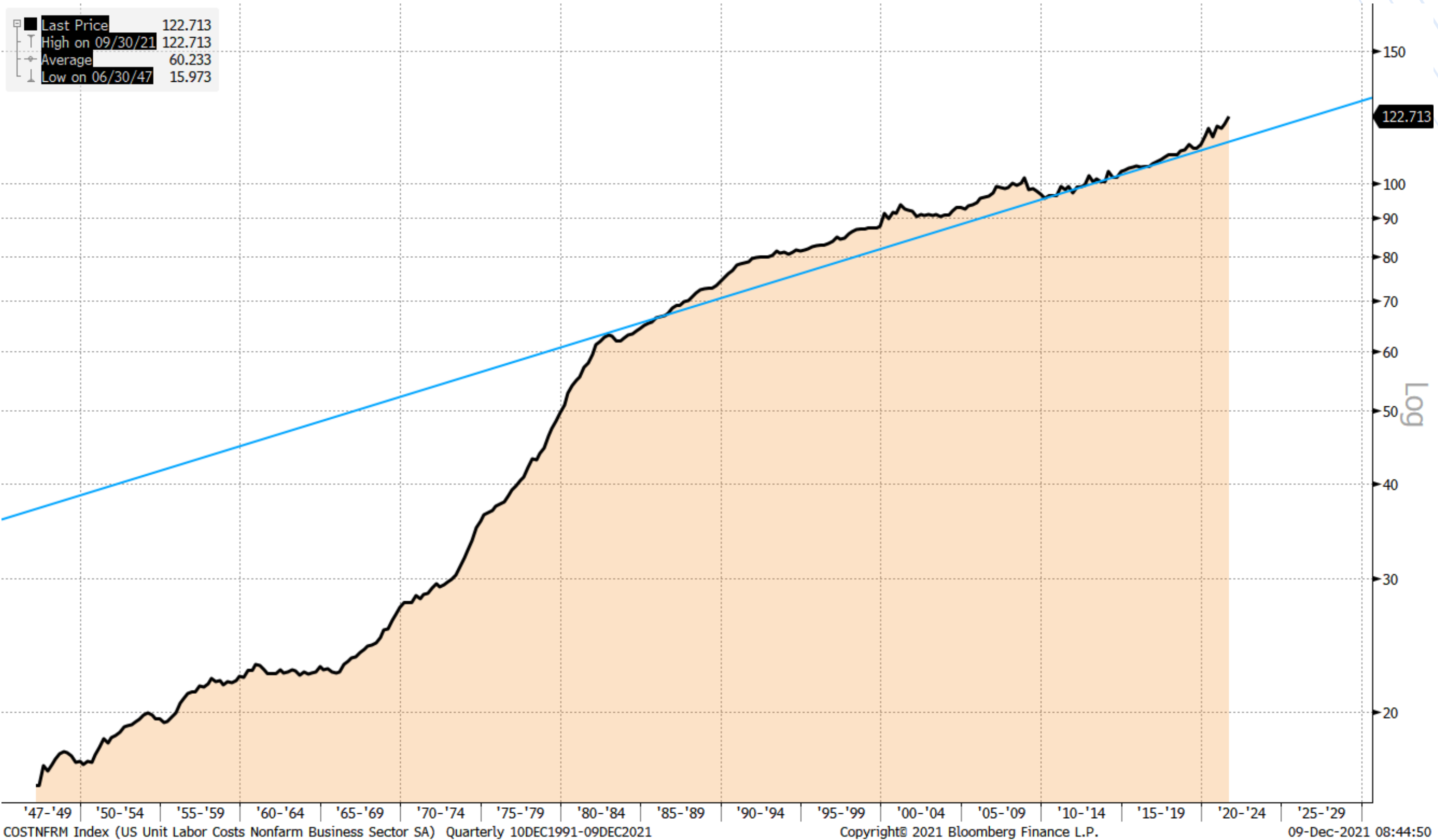
# 2022 crude oil forecasts differ wildly ahead of another potential volatile year



Source: Saxo Group



# US unit labour costs are deviating from 10-year trend..



# Macro – Calendar Highlights

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

0830 – Hungary Rate Announcement

1200 – Mexico Nov. CPI

1330 – US Weekly Initial Jobless Claims and Continuing Claims

1530 – EIA Natural Gas Storage Change

1700 – USDA World Agriculture Supply and Demand Report (WASDE)

1800 – US 30-year T-Bond Auction

## Upcoming Economic Calendar Highlights

**FRI:** Norway Nov. CPI, UK Oct. Manufacturing PMI; UK Oct.

Trade Balance, **US Nov. CPI**, US Dec. Preliminary University of Michigan Sentiment

**Dec 15 – FOMC Meeting**

**Dec 16 – ECB Meeting, BoE Meeting**



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



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

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Find Instrument

OverviewHot TopicsQuarterly OutlookForexStocksCommoditiesBondsETFsCryptoEducationTrade SignalsNewsMarket AnalysisCalendarEquities

US 30 Wall Street

34,581.20 USD

D -0.07% M 1.52% Y 35.75%

US Tech 100 NAS

13,674.79 USD

D -0.02% M -2.10% Y 42.48%

US 500

4,206.67 USD

D -0.05% M -0.11% Y 37.68%

Germany 30

15,591.67 EUR

D -0.03% M 2.62% Y 30.62%

Latest articles

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

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Ship

EQUITIES | 28-May-2021 10:50 | 6 Minutes to read

Additions to crypto basket; JD Logistics rides the e-commerce bonanza

World Map

EQUITIES | 27-May-2021 02:00 | 5 Minutes to read

Upcoming catalysts

Saxo's Equity Baskets

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Semiconductors

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