

Brave New World

Edition 20



Freightos Baltic Index (FBX): Global Container Freight Index

3M

1Y

2Y

3Y

All

From 10/07/2016

To 12/16/2022

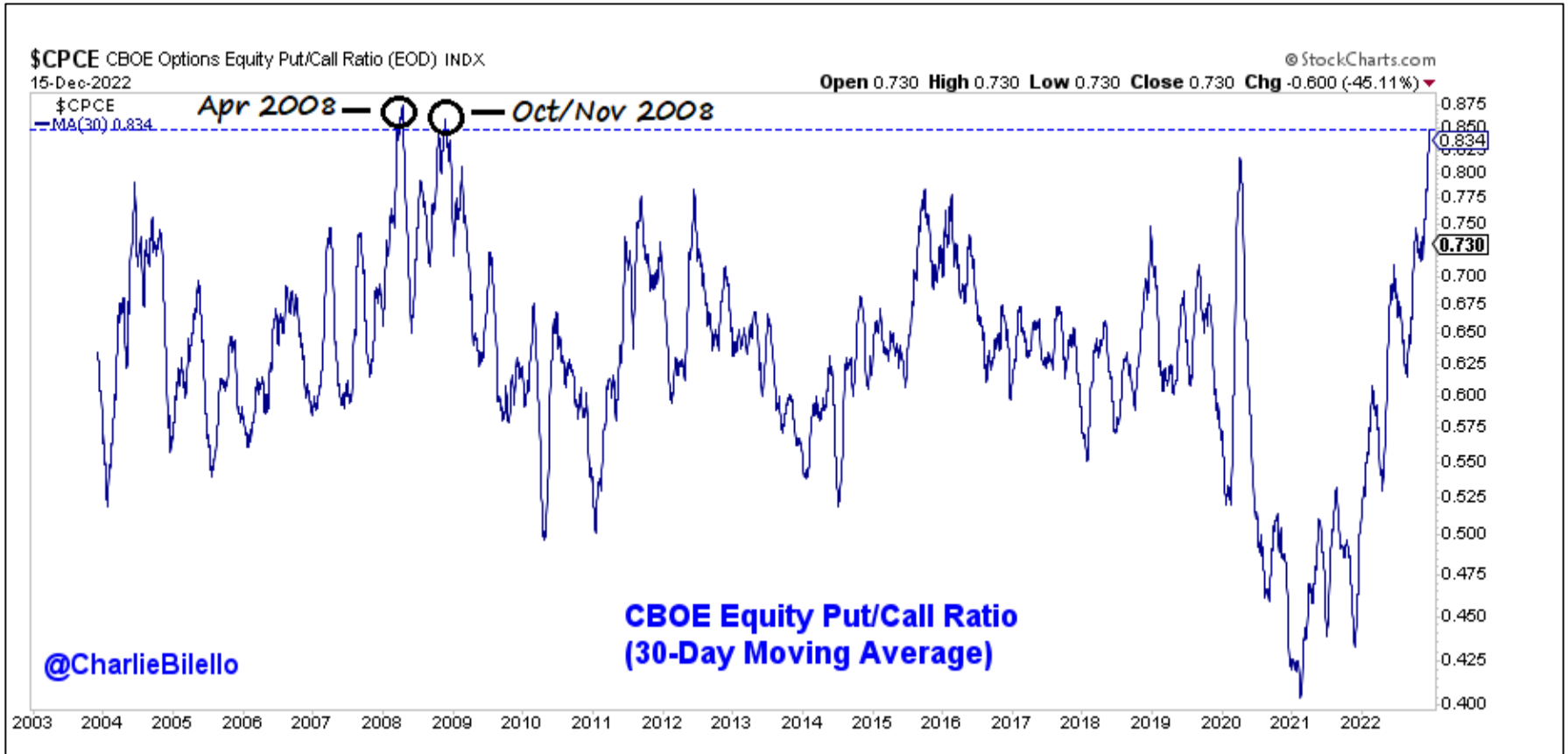
16-Dec-22



Global container freight rates moved down to their lowest levels since Sept'2020 this week, 81% below peak 2021 prices. The rise earlier was driven by moving supply sourcing from 'Just in time' to 'Just in case' inventories, which led to over-sourcing & built up of inventories. PMI Index data released in Dec mid week indicates slowdown in retail consumption, which could be a precursor to 'Recession'

So, is the current slowdown in Freight index just a signal for inventory sourcing to revert to 'Mean levels' or are we really hitting recession?

Markets Stress Test

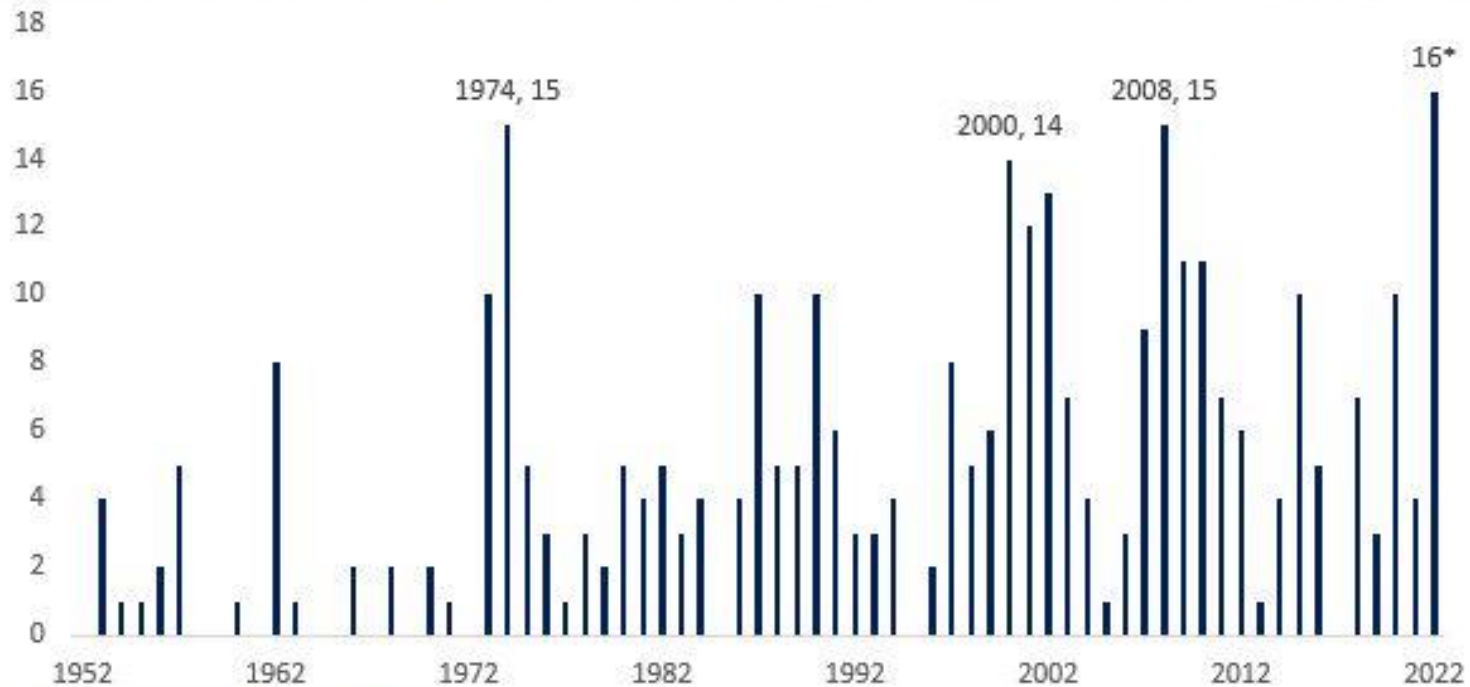


The ratio of equity puts (bearish bets) to calls (bullish bets) over the last 30 trading days has only been this high a few times in the past: April 2008 and Oct/Nov 2008 . While, flows to equity funds remain at elevated levels, investors wary of looming recession are building up protection in the portfolio via puts. Weak retail data and upcoming Earnings season could continue to keep markets volatile.

Is this the peak of fear or are we yet to see doomsday?

Asset Allocation assumes importance in a Volatile market

S&P 500 Number of 1%+ Declines to End the Week: 1952 - 2022



*Assumes 1% decline on 12/16

The S&P 500 is "on pace for a record number of 1%+ declines to close out a trading week" in 2022. Was 2022 just one off year due to global uncertainty issues or are we entering a new volatile era.

If later holds true, will buy & hold work in an 'investment product' work at all times or 'Asset allocation' and identifying liquidity flow holds the key?

(Chart Source: BespokeInvest)

Business / Finance By Cna



China's Xi tells Gulf nations to use Shanghai exchange for yuan energy deals

Best News Website or Mobile Service WAN-IFRA Digital Media Awards Worldwide Best News Website or Mobile Service Digital Media Awards...



During the China Arab summit last week, China officially invited Arab nations to trade in Oil & Gas in Yuan on Shanghai exchange; a move that would not have been made unless all Arab nations 'had already' agreed as a matter of joint policy to take action accordingly.

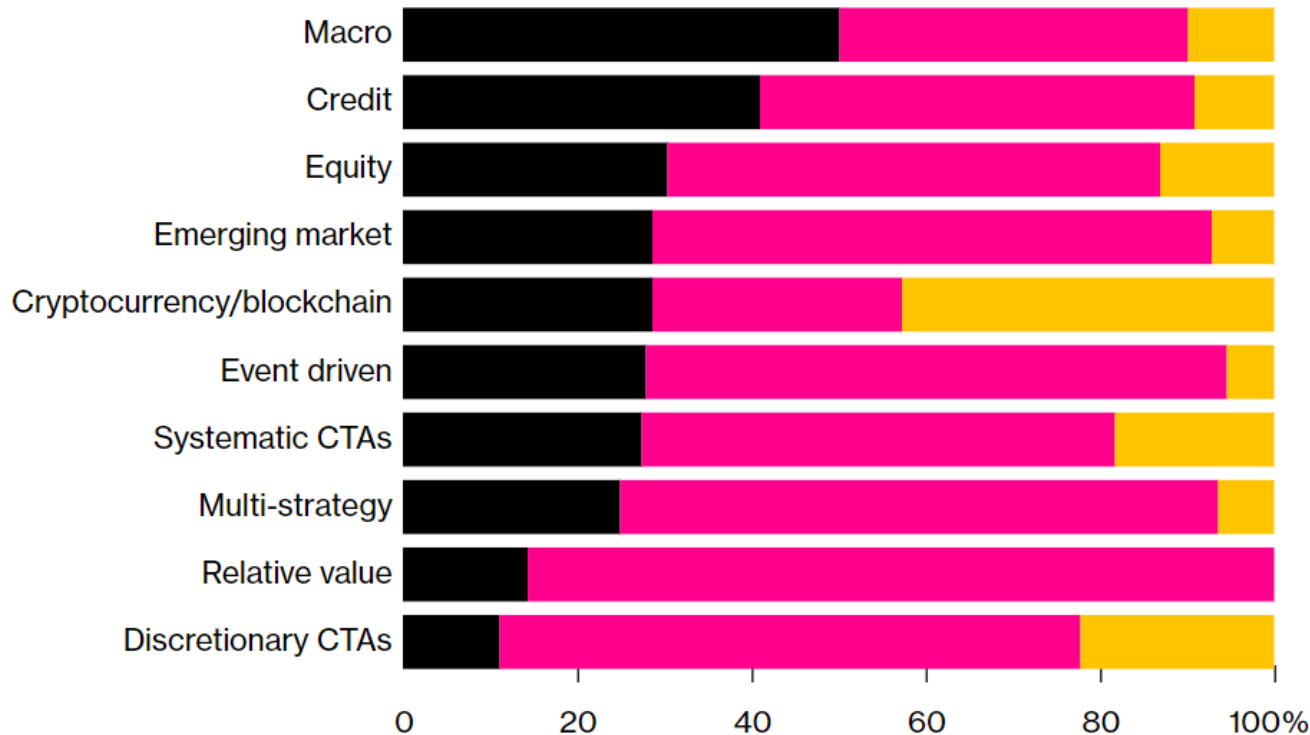
Is this an end to ~5 decade practice of pricing oil in USD? Are these the first signs of shift of winds?

And lastly... 'Macro' dominates

What's Hot & What's Not

Hedge fund investors allocation plans for 2023, by strategy

■ Increase exposure ■ Maintain exposure ■ Decrease exposure



Source: Preqin Investor Survey. Data as of November 2022

The top three money pools investors want to allocate to in 2023 are macro, credit and equity.

This is in sharp contrast to pandemic years wherein Crypto, Equity dominated thanks to easy money.

Macro Investing is all about identifying the capital flow and asset classes that could be the beneficiaries of this flow.

Team



Mr. Ritesh Jain

Director

Master of Business Economics (MBE)
Executive MBA - Haskayne School
(Calgary)

He has held many senior leadership roles including CIO – BNP Paribas Mutual Fund, where he was responsible for managing US\$1.2 billion of AUM and also has served as the CIO of Tata Mutual Fund, where he was responsible for managing AUM of 6 billion.

In 2019, LinkedIn rated him among the top three influencers in the world of Economy and Finance. He is also a recipient of numerous national and international awards in the field of fixed income and equity investments.



Ms. Chanchal Agarwal

Head - Products

Chartered Accountant
CFA Charterholder

She brings with her about 12 years of Industry experience spanning across verticals like Family Office Investment Advisory, Equity management, Investment banking, etc.

In 2020, AIWMI recognized her amongst the 'Top 100 women in Finance'. She has featured in the Audio talk series 'Show me the Money' by Meghna Pant (available on Audible Suno). Her article reflecting on 'What stops women from investing' was published in The Hindu Newspaper.

Management



Mr. Ajoy Agarwal

Founder, Chairman & Managing Director

One of the pillars of the Indian investment advisor's fraternity.

Over the last five decades, his contribution to the growth of financial literacy is immense, led by un-biased, focused and disciplined approach with strong emphasis on ethics and creating a sense of ownership amongst the employees.



Mr. Abhishek Agarwal

Director

Having started his career at the grass-roots level of the financial services industry, his dedication and strategic planning has enabled EF to enter into several remote towns across Eastern India, thus spreading its wings with a large network of company-owned branches.



Mr. Amrish Agarwal

Director

Aiming to change the speculative, traditional ways of trading by developing a sustainable, investment-based dealing platform.

His contribution helped catapult EF into the league of players actively catering to the discerning Institutional and High Net worth investors who are well aware of global developments and thus very demanding.

Thank You



Get In Touch

Registered Office

Eastern Financiers Limited
102, 104 & 210 Lords, 7/1, Lord Sinha
Road, Kolkata, India - 700 071

Contact Us

(033) 40006800

Write to us

research@easternfin.com

Disclaimer

The above material is neither investment research, nor investment advice.

This document may contain confidential, proprietary or legally privileged information. It should not be used by anyone who is not the original intended recipient. If you have erroneously received this document, please delete it immediately and notify the sender. The recipient acknowledges that Eastern Financiers Ltd (“Eastern”) or its subsidiaries and associated companies, as the case may be, are unable to exercise control or ensure or guarantee the integrity of/over the contents of the information contained in document and further acknowledges that any views expressed in this document are those of the individual sender and no binding nature of this shall be implied or assumed unless the sender does so expressly with due authority of Eastern or its subsidiaries and associated companies, as applicable. This document is not intended as an offer or solicitation for the purchase or sale of any financial instrument / security or as an official confirmation of any transaction.

Investment Disclaimer

Investment Products are not obligations of or guaranteed by Eastern Financiers Ltd or any of its affiliates or subsidiaries, are not insured by any governmental agency and are subject to investment risks, including the possible loss of the principal amount invested. Past performance is not indicative of future results, prices can go up or down. Investors investing in funds denominated in non-local currency should be aware of the risk of exchange rate fluctuations that may cause a loss of principal.

This document does not constitute the distribution of any information or the making of any offer or solicitation by anyone in any jurisdiction in which such distribution or offer is not authorized or to any person to whom it is unlawful to distribute such a document or make such an offer or solicitation.