



LEVY HERITAGE

Boutique Multifamily Office

Market Recap

October 11th, 2021

Markets

US large-cap indices (0.9-2.7%) recovered a portion of the previous week's losses as investors prepared for third-quarter earnings season kick off this week. The Russian RTSI (4.7%) continued to lead on rising energy prices, closing at a whopping +34% YTD and more than double since the pandemic lows. The VIX (15.6%) dropped

Sectors

Energy (5.0%) lead on the back of rising oil prices and the European gas price rally. Real Estate (0.7%) and healthcare (0.3%) lagged

Rates

The US yield curve steepened with US10y (14.7 bps) back above 1.6%. The debt ceiling temporary solution continued to distort the Treasury bill market as one-month bills rallied, while December yields more than doubled. The MOVE index (0.2%) remained flat

Commodities & FX

Oil (4.6%) continued to rally for the 7th consecutive week, reaching 7-year highs. Gold (0.2%), silver (0.6%), and the USD (0.1%) (vs. major currencies) remained generally muted

Last Week's Headlines

- Global supply-chain problems escalate, threatening economic recovery
- Europe's soaring gas prices: does Russia hold the solution to the crisis?
- Earnings season clouded by supply chain disruptions
- Facebook's grim week: from outages to whistleblower testimony

Recommended Content

- The laws of nature on investing
- The evolution and future of Fixed Income ETFs
- Smart robots do all the work at Nissan's 'intelligent' plant

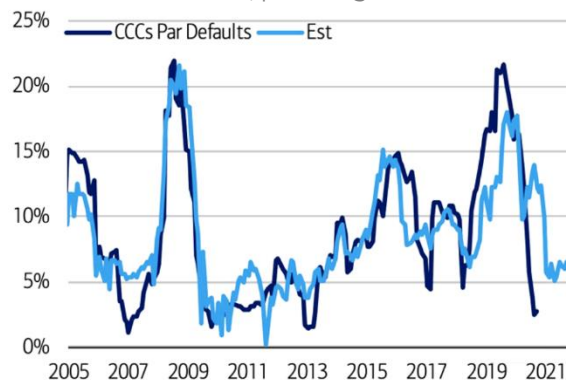
Off-topics

- 2021 Nobel Prizes
- Empathy is the most important leadership skill, according to research

Our Favorite Charts

CCCs Default Rate

Actual vs. estimated, par-weighted



Source: BofA

Supply Chain Woes

US Active truck utilization

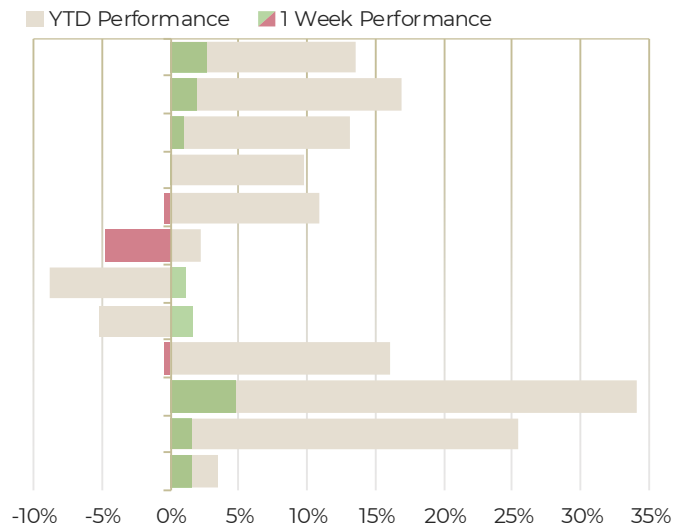
(August & September are estimates)



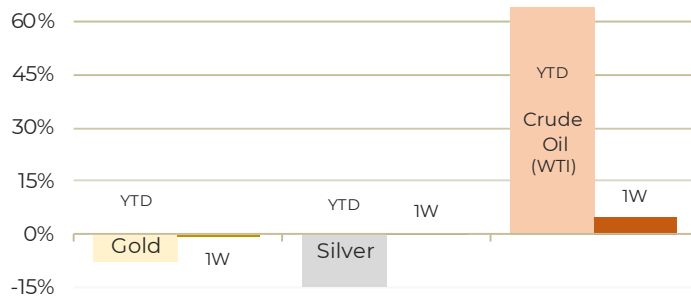
Source: Bloomberg, FTR, HSBC



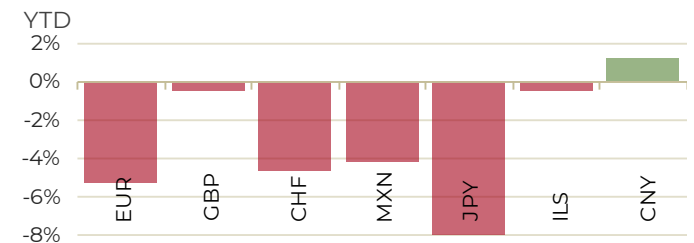
Indices	1-Oct	8-Oct	1W	YTD
Dow Jones	33,844	34,746	2.67%	13.53%
S&P 500	4,308	4,391	1.95%	16.91%
Nasdaq	14,449	14,580	0.91%	13.12%
UK FTSE 100	7,086	7,096	0.13%	9.83%
Germany DAX	15,261	15,206	-0.36%	10.84%
Japan Nikkei 225	29,453	28,049	-4.77%	2.20%
Hong Kong HSI	24,576	24,838	1.07%	-8.79%
Brazil BVSP	110,979	112,833	1.67%	-5.20%
Mexico Bolsa	51,386	51,137	-0.48%	16.04%
Russia RTSI	1,778	1,861	4.68%	34.13%
India Sensex	59,126	60,059	1.58%	25.47%
China SSE	3,536	3,592	1.58%	3.43%



Commodities	1-Oct	8-Oct	1W	YTD
Gold	1,760.5	1,756.6	-0.22%	-7.62%
Silver	22.53	22.66	0.58%	-14.58%
Crude Oil (WTI)	75.88	79.35	4.57%	63.71%



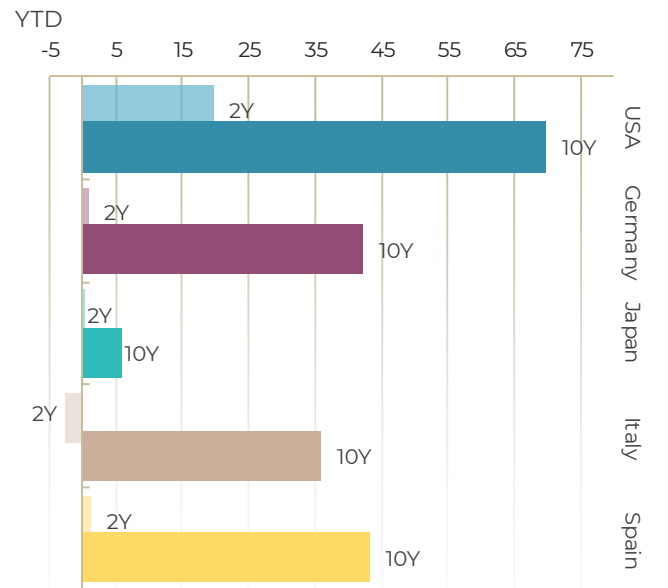
Currencies	1-Oct	8-Oct	1W	YTD
			Change vs. USD	
EUR/USD	1.16	1.16	-0.15%	-5.24%
GBP/USD	1.35	1.36	0.50%	-0.43%
USD/CHF	0.93	0.93	0.29%	-4.66%
USD/MXN	20.45	20.71	-1.26%	-4.12%
USD/JPY	111.1	112.2	-1.00%	-7.96%
USD/ILS	3.23	3.23	-0.06%	-0.50%
USD/CNY	6.45	6.44	0.05%	1.27%



Sovereign Yields

2 Years	1-Oct	8-Oct	1W	YTD
	(bps)			
USA	0.297%	0.320%	2.3	19.7
Germany	-0.709%	-0.704%	0.5	0.9
Japan	-0.124%	-0.119%	0.5	0.3
Italy	-0.482%	-0.490%	-0.8	-2.4
Spain	-0.599%	-0.595%	0.4	1.3

10 Years	1-Oct	8-Oct	1W	YTD
	(bps)			
USA	1.465%	1.612%	14.7	69.6
Germany	-0.229%	-0.151%	7.8	42.1
Japan	0.050%	0.079%	2.9	5.8
Italy	0.818%	0.879%	6.1	35.8
Spain	0.417%	0.486%	6.9	43.1



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