



Saxo Market Call

Slide deck

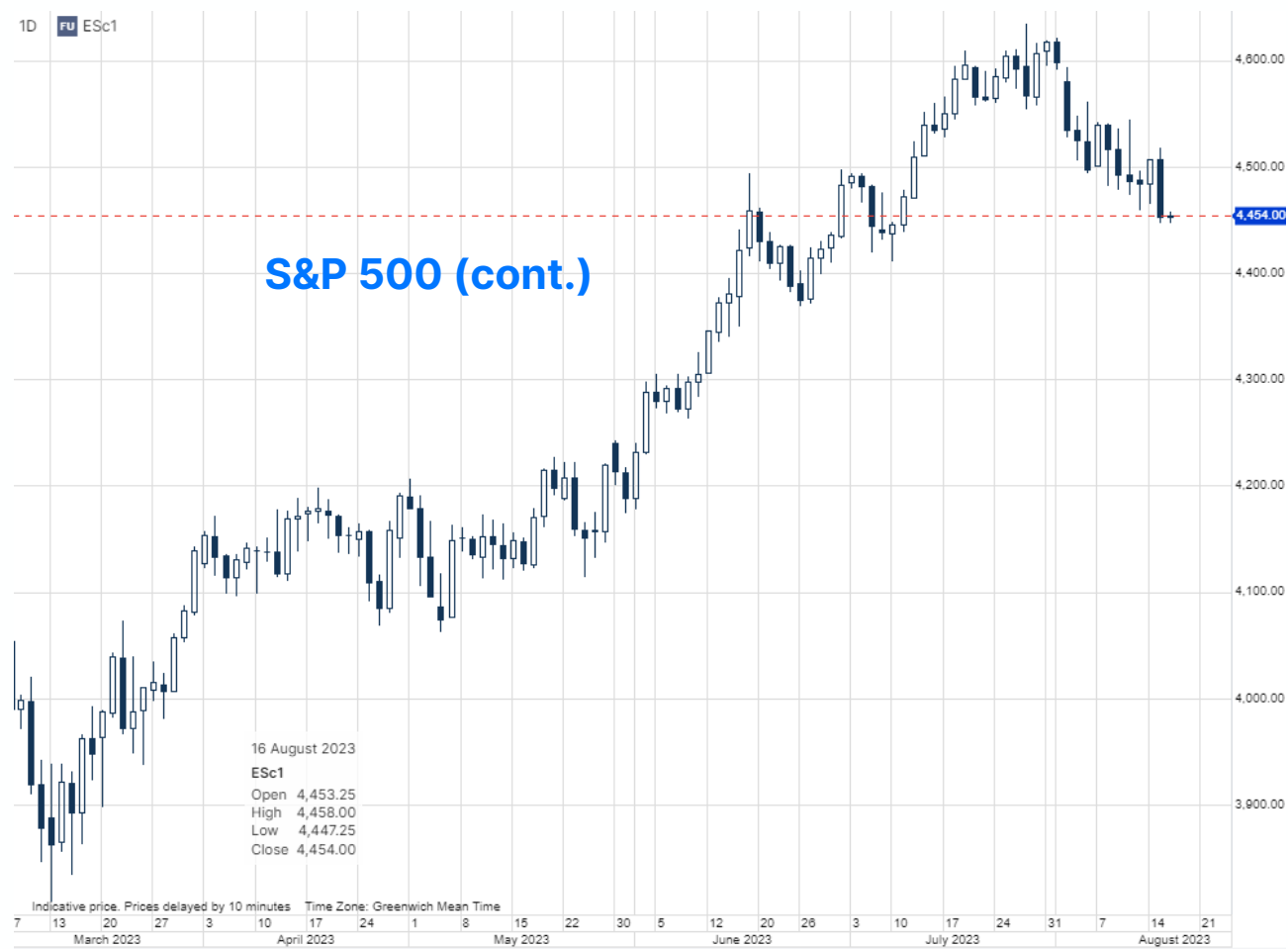
Wednesday, August 16, 2023

Questions and comments to marketcall@saxobank.com

Disclaimer

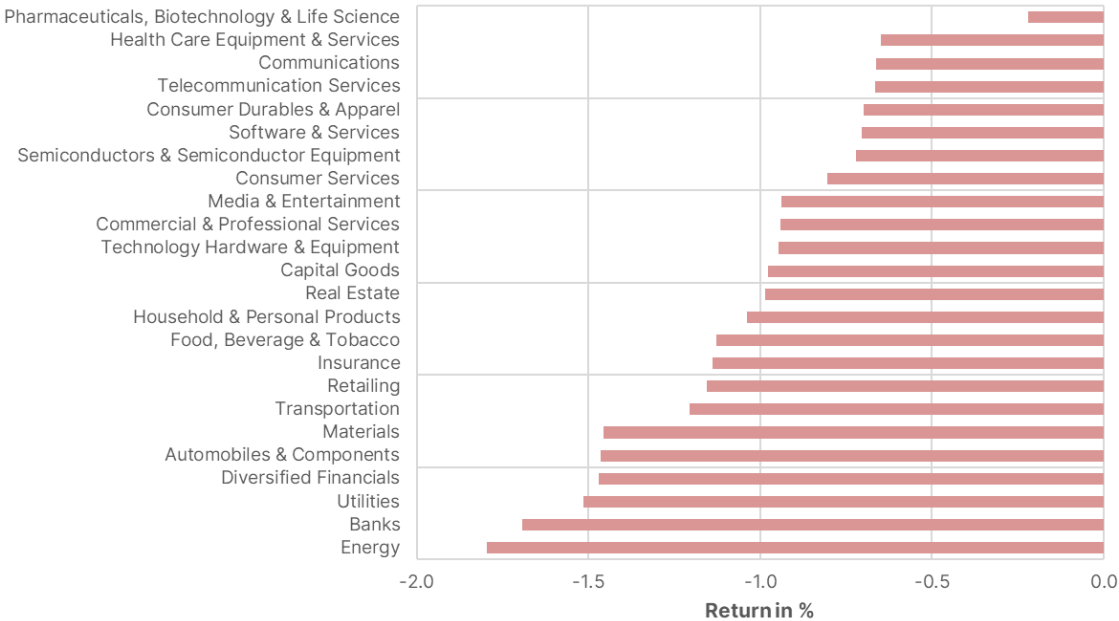
The slides here that accompany the podcast will occasionally mention financial instruments that are not tradable for all retail clients, depending on the relevant appropriateness test. Financial instruments mentioned can range from low to high risk, and our thoughts on the market should not be viewed as investment recommendations, but inspiration and information to gain a better understanding of current market dynamics.

Broad selloff in equities on Fitch bank warning and China weakness



Source: Saxo

Global industry groups (1-day performance in %)



Source: Bloomberg and Saxo

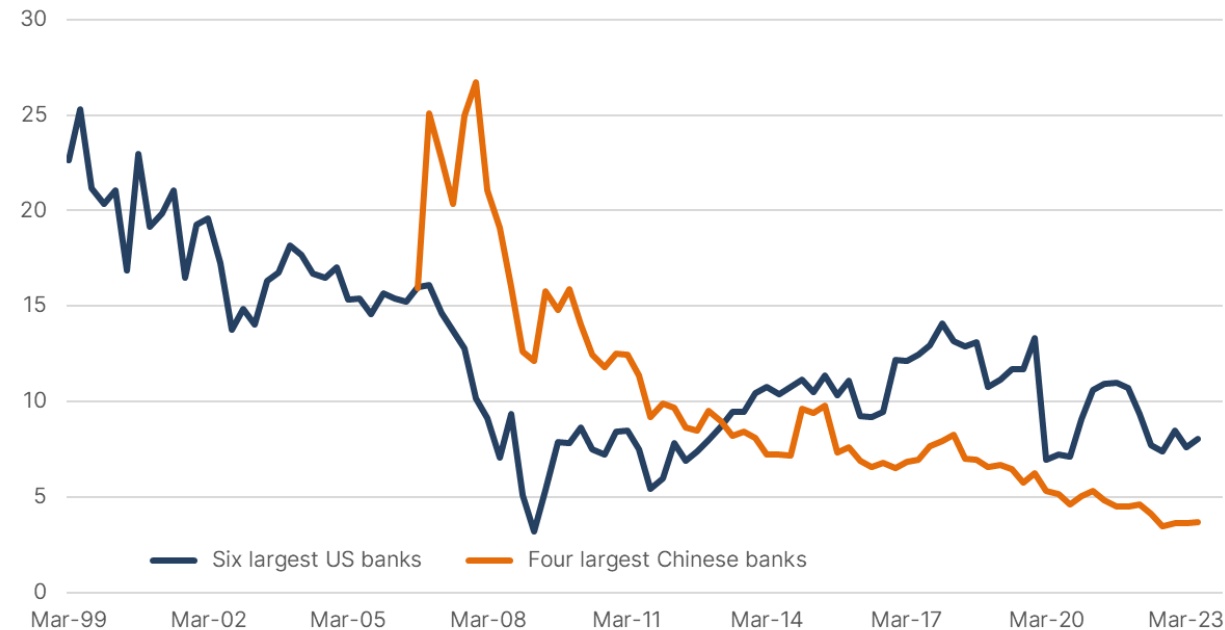
China is the key risk looming for markets...

Fragmentation game
Relative equity performance (%): China vs winner countries (*)



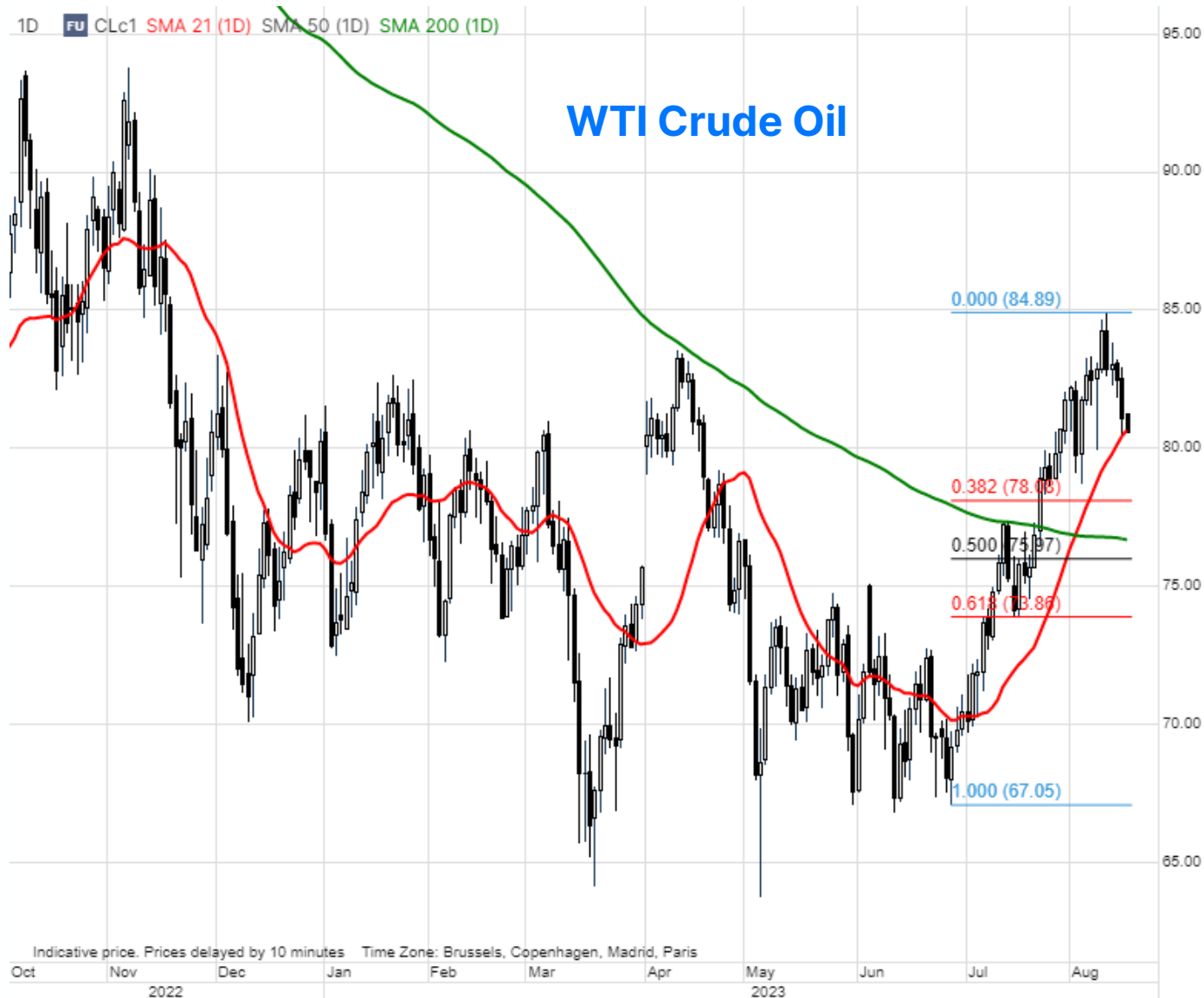
Source: Bloomberg and Saxo
* China vs Mexico, South Korea, India, Malaysia, Japan, Indonesia, and Vietnam using MSCI net total return USD indices.

China's four largest banks vs US six largest banks
Market cap to total assets in %



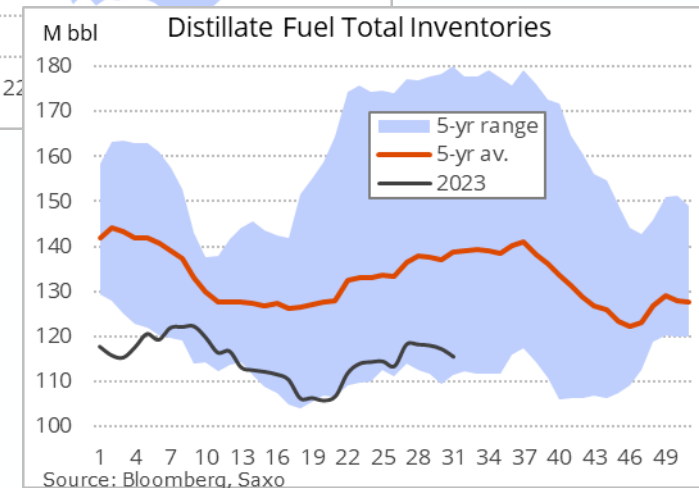
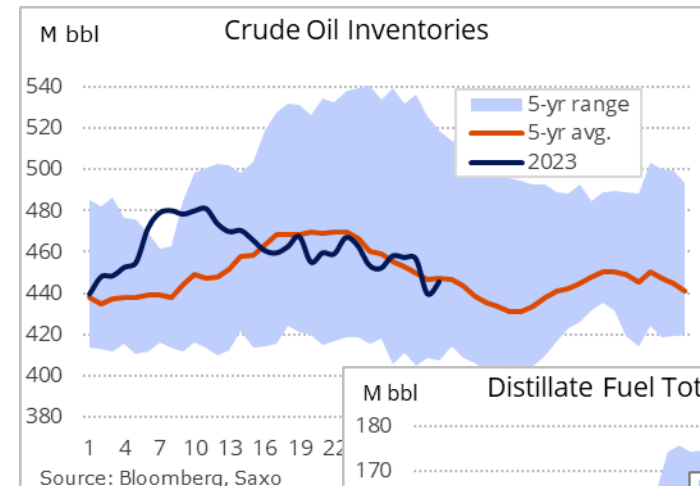
Source: Bloomberg and Saxo Bank

Crude oil correction extends on China growth concerns

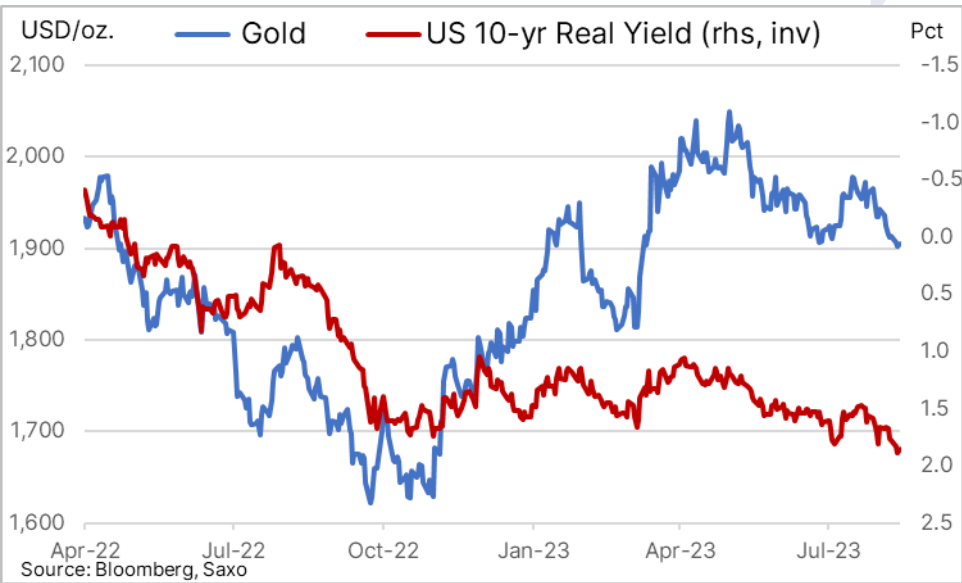
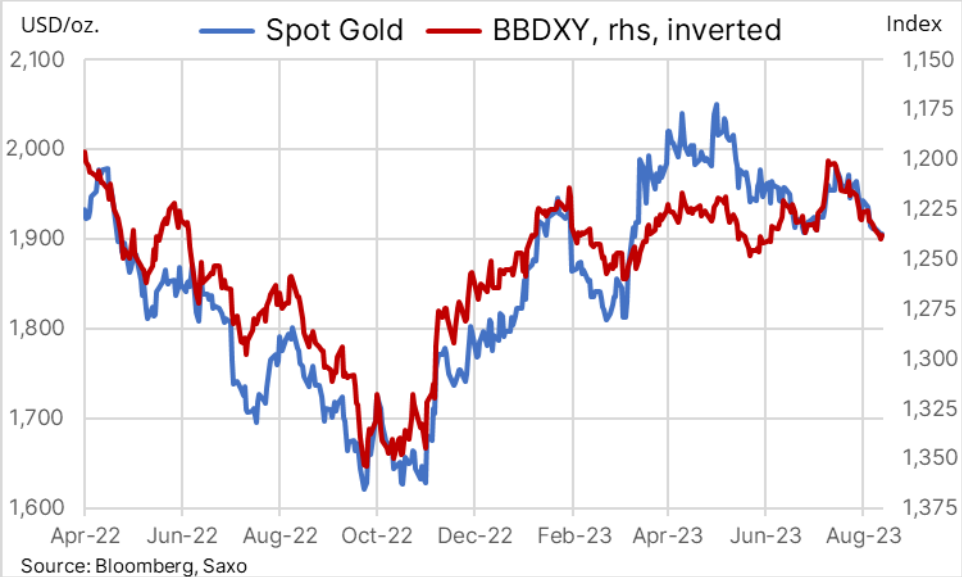


Source: Saxo

EIA Petroleum Status Report	Period	API	EIA survey	11-Aug
Crude Oil stocks	11-Aug	-6,200	-2,500	445,622
Gasoline stocks	11-Aug	-800	-1,100	216,420
Distillate stocks	11-Aug	-650	-500	115,447
Cushing stocks	11-Aug	-1,000		34,639



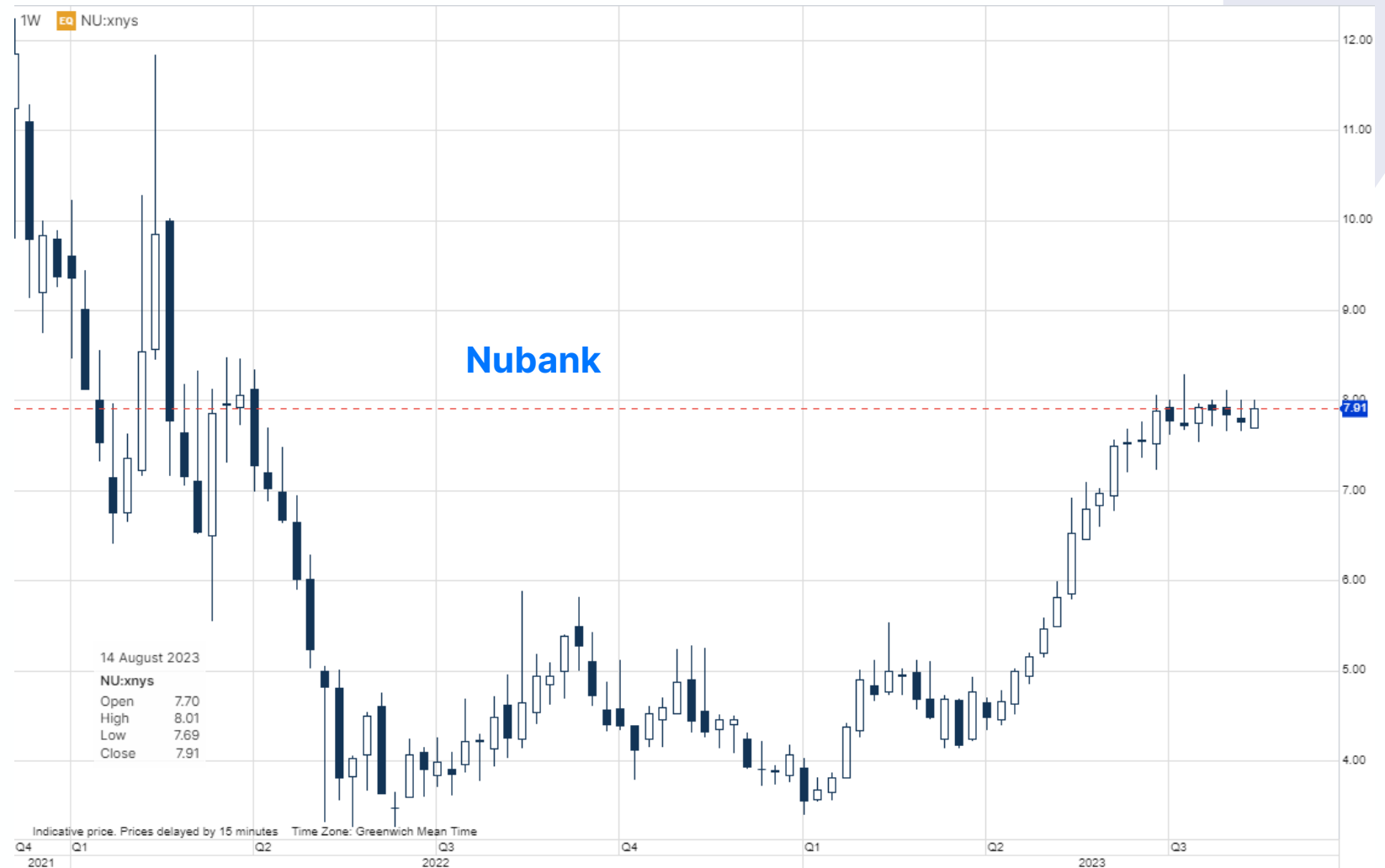
Gold sees repeat interest below \$1900



Source: Saxo

Stocks to watch today...

- **Home Depot** – better than expected comparative revenue at -2% y/y vs est. -4% y/y in addition to maintaining FY23 outlook and announcing \$15bn buyback. Shares up 0.7%.
- **Nubank** – significant beat on net income and net revenue as credit conditions are not deteriorating in Brazil and higher interest rates are flowing through to the bottom line. Shares up 4% in aft-mkt.



Source: Saxo



















Earnings Watch

Today: **Tencent**, JD Health, JD Logistics, **Cisco**, TJX, **JD.com**, Target

Thursday: Telstra, Coloplast, CNOOC, **Adyen**, Nibe Industrier, Geberit, **Walmart**, Applied Materials, Ross Stores

Friday: Kingspan, **Deere**, **Palo Alto Networks**, Estee Lauder, XPeng

Cisco quarterly financials

In Millions of USD	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4 Est	2024 Q1 Est	2024 Q2 Est
3 Months Ending	07/30/2022	10/29/2022	01/28/2023	04/29/2023	07/31/2023	10/31/2023	01/31/2024
 Market Capitalization	186,470.7	187,260.9	198,648.5	192,543.8			
 - Cash & Equivalents	19,267.0	19,784.0	22,061.0	23,288.0			
 + Preferred & Other	0.0	0.0	0.0	0.0			
 + Total Debt	10,561.0	9,853.0	9,915.0	9,457.0			
 Enterprise Value	177,764.7	177,329.9	186,502.5	178,712.8			
 Revenue, Adj	13,102.0	13,632.0	13,592.0	14,571.0	15,048.7	14,570.0	14,243.6
 Growth %, YoY	-0.2	5.7	6.9	13.5	14.9	6.9	4.8
 Gross Profit, Adj	8,049.0	8,348.0	8,428.0	9,233.0	9,801.5	9,427.5	9,278.7
 Margin %	61.4	61.2	62.0	63.4	65.1	64.7	65.1
 EBITDA, Adj	4,029.0	4,126.0	4,120.0	4,648.0	5,549.6	5,181.3	5,136.0
 Margin %	30.8	30.3	30.3	31.9	36.9	35.6	36.1
 Net Income, Adj	2,866.9	2,848.3	2,977.2	3,427.5	4,331.7	4,028.3	3,969.9
 Margin %	21.9	20.9	21.9	23.5	28.8	27.6	27.9
 EPS, Adj	0.69	0.69	0.72	0.83	1.06	0.99	0.98
 Growth %, YoY	-4.0	1.8	0.8	16.1	52.9	42.9	36.2
 Cash from Operations	3,677.0	3,962.0	4,778.0	5,252.0			
 Capital Expenditures	-139.0	-176.0	-170.0	-270.0	-199.4	-193.8	-183.8
 Free Cash Flow	3,538.0	3,786.0	4,608.0	4,982.0	3,609.7	4,481.7	4,409.2

Source: Bloomberg

Macro – calendar highlights (all times GMT)

Today's Calendar Highlights

0900 – Eurozone 2Q GDP

1230 – US Jul Housing Starts

1315 – US Jul Industrial Production

1430 – EIA's Weekly Crude and Fuel Stock Report

1800 – FOMC Meeting Minutes

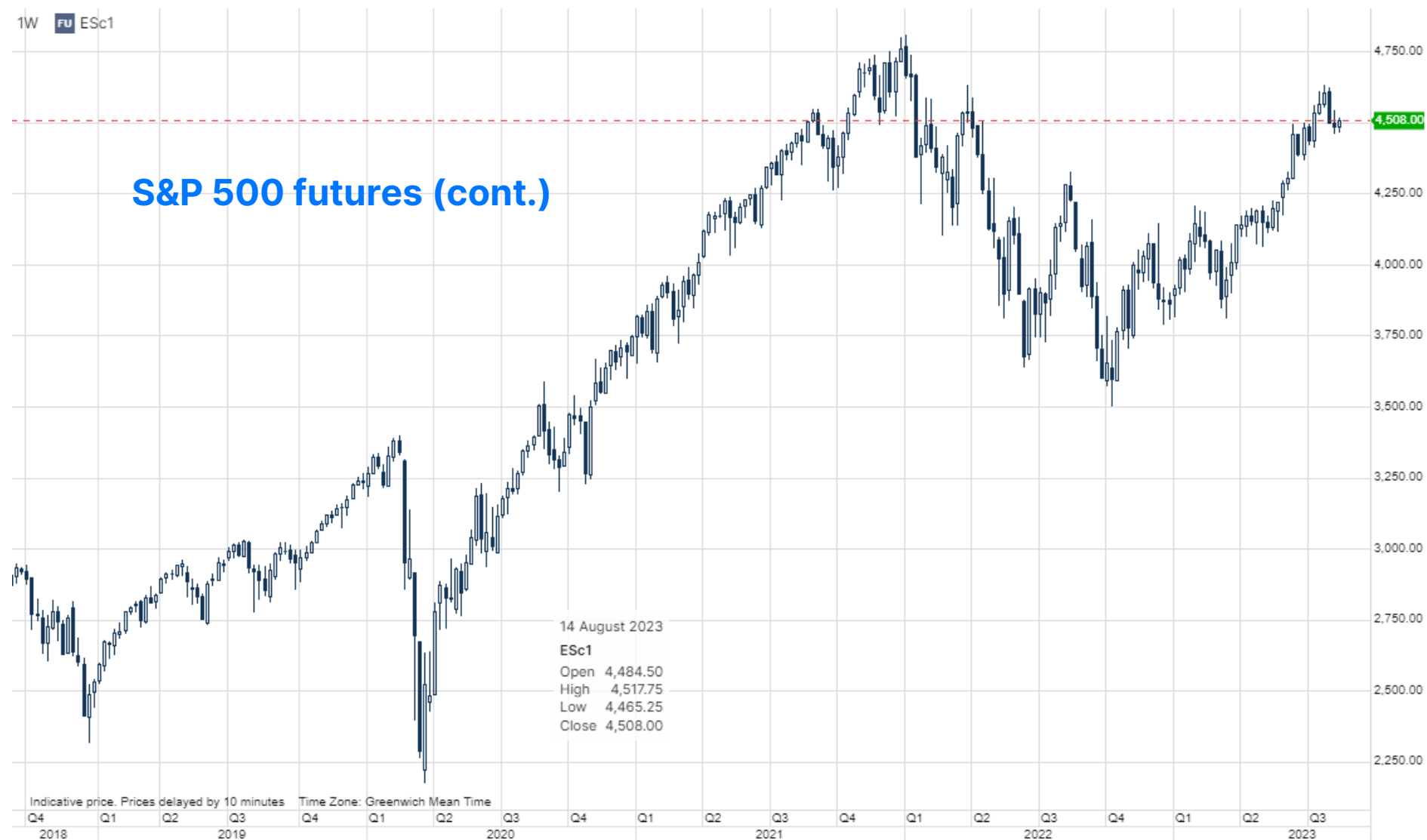
Upcoming Calendar Highlights

THU: US Jobless Claims, US Philadelphia Fed Outlook, **FRI:** Japan Jul CPI, UK Jul Retail Sales, Eurozone Jul CPI

Longer Term Highlights

August 24-26 Fed Jackson Hole Symposium “Structural Shifts in the Global Economy”.

Appendix: S&P 500 5-year chart



Appendix: Where do you find the equity theme baskets?

Saxo
TraderGO

TRADING **RESEARCH** ACCOUNT

Overview Hot Topics Quarterly Outlook Forex **Stocks** Commodities Bonds ETFs Crypto Education Trade Signals News Market Analysis Calendar Equities

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%

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Financial Trading

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