

PASIV SCOOPS

THE WEEKLY MARKET DIGEST

Markets calmer after BOE intervention

October 2, 2022 • Vol. 16



A.I. generated art of an upset UK Royal

-2.96%

Index Recap

The index fell this past week as Apple reported disappointing iPhone sales amidst weakening global demand and fears around the UK pound sterling trading at a 30 year low.

Our top 3 scoops this week

1. The Bank of England intervened to stem a selloff

Following the fiscal announcements from Chancellor Kwasi Kwarteng, UK gilts were on course for their [sharpest monthly rise](#) since 1957. That's a major loss of faith in the system to say the least. The BOE instead began temporarily buying long-dated bonds to the [tune of £65B](#) in order to calm the market. The bigger issue, however, were calls to the Bank of England from British pension funds who were struggling to meet margin calls for derivative holdings.

[Is the Kwarteng budget exposing cracks in Britain's financial system?](#)

2. Credit Suisse shares hover near record low

The CEO of the Swiss bank has sent a memo to all employees that the bank is facing a critical moment. Credit Default Swaps (CDS) of Credit Suisse, (derivatives that act as insurance against CS defaulting), are trading at 250 basis points (as high as back in the financial crisis of 2008). According to the FT, senior executives spent their weekend doing their best to [reassure](#) large clients, counterparties and investors. Analysts are expecting Credit Suisse to cut upto 5000 jobs and raise atleast \$4B to restructure.

[Will Credit Suisse survive this Lehman moment?](#)

3. Brazil is the only major market still positive YTD

An incredible year of deleveraging has caused havoc across world markets as central banks around the world raise interest rates to combat sky high inflation rates. Germany (ETF Ticker : EWG) and Italy (ETF Ticker : EWI) remain the most impacted trading down more than 30% year to date. But Brazil remains a bright spot in the global wreckage, with [macro indicators surprising](#) to the upside (ETF Ticker : EWZ) still trading at +10.5% year to date despite the global selloff. Brazilian unemployment is also at its lowest since 2015.

[Can a buoyant Brazilian middle class defy the status quo?](#)

Pasiv can help you invest.

Learn the Basics

How this can impact your portfolio

If you want to make the most of a bear market

[SeekingAlpha](#) has four ETFs you can bet on to short stocks

If you want to learn more about Credit Default Swaps

Here's a take on it from the guys over at [Khan Academy](#).

If you are looking for exposure in Brazil

Here are some Brazil ETFs according to [Investopedia](#)

Build a long-term portfolio in Pasiv.

Disclaimer

The content on our website and in our newsletter is for general information purposes only and should not be construed as investment advice, or a recommendation to make any particular investment. Investing involves a level of risk and you should consider your risks & objectives carefully before investing.

We make no representation, and assume no liability for the accuracy or completeness of the information provided in our content.



Pasiv Financial Ltd
P4-10A Park Towers, DIFC, Dubai
United Arab Emirates

You received this email because you signed up on our website or made a purchase from us.

[Unsubscribe](#)

