

## The US Banking Fiasco

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Major US banks come to First Republic's rescue in a multi-billion dollar deal

**+1.42%**

### Index Recap

The S&P 500 rose as investors anticipate that the Fed will change its course on tightening, given the emergency liquidity it is providing to banks

## Our top 3 scoops this week

### 1. Banking sector concerns linger as Credit Suisse and First Republic shares tank

It looks like Credit Suisse (Ticker : CS) just can't catch a break. The beleaguered took another tumble after it found "material weakness" in its financial reporting, while its biggest shareholder, The Saudi National Bank, stated it would not be able to provide further funding. The news comes after 11 major US banks got together to deposit \$30B into First Republic Bank (Ticker : FRC) in an attempt to contain the fallout from the recent collapse of Silicon Valley Bank and Signature Bank. The timely rescue failed to reassure investors, putting more pressure on the banking sector as concerns about its future heighten.



[Will Credit Suisse and First Republic Bank's woes prove to be contagious?](#)

### 2. Oil prices fall below \$70 a barrel

When the banking sector sneezes, the rest of the economy catches a cold. Turns out the oil market is its latest victim. Oil prices fell below \$70 a barrel, in part due to the ongoing crisis in the banking sector that is wavering investor confidence in the stability of the financial system. Commodities traders were also apprehensive that a financial market contagion could affect the real economy, reducing consumer spending and lowering oil demand. The sharp fall in prices raises the prospect of the US purchasing oil to replenish its Strategic Petroleum Reserve after selling millions of barrels last year in an effort to stabilize soaring energy markets.



[Is the oil market's fate tied to the banking sector?](#)

### 3. Biden threatens a Tiktok ban

President Biden's had enough of TikTok's viral dances and lip-syncing videos. The White House threatened to ban the video sharing app in the US unless its Chinese owners sell their stakes. The move highlights a major policy shift after the administration received backlash from Republicans for not taking a tough enough stance to address the perceived security threat from Beijing's ByteDance-owned TikTok. Snap (Ticker : SNAP) and Meta Platforms (Ticker : META) saw their shares rise as investors hoped the social platforms would regain users lost to Tiktok if it fails to meet Biden's demand.



[What lies in store for the video-sharing platform's future in the US?](#)

## Your funds at Pasiv are not affected

If you have been following the news then you've probably heard about Silicon Valley Bank's (SVB) story. The US administration and regulators took quick and decisive actions to protect all depositors.

You might be wondering if this is relevant to you as a Pasiv investor. We want to reassure our clients that Pasiv does not have exposure to SVB.

Through Pasiv's affiliation with ChoiceTrade, your funds are individually insured by SIPC for up to \$500,000.

ChoiceTrade's custodian and clearing partner Velox Clearing banks with BMO (Bank of Montreal) Harris, one of America's oldest and well capitalized banks with a segregated brokerage deposit arm.

Investors using Pasiv are not affected by the ongoing banking crisis.

Pasiv can help you invest.

[Learn the Basics](#)

## How this can impact your portfolio

**If you're worried about the future of the banking sector**

Take a look at [this](#) piece by Yahoo!

**If you want to diversify away from oil**

Check out [these](#) ETFs with exposure to renewables

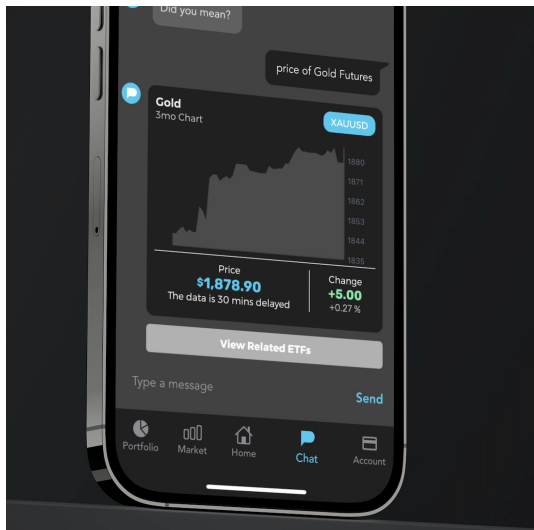
**If you want to increase your exposure to social platforms**

[VettaFi](#) has a list of ETFs just for you

[Build a long-term portfolio in Pasiv.](#)

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