

# MARKET LIGHTS

## The Stuck Powell

13/03/2023

For the Federal Reserve, the choice had always been: to raise rates aggressively to beat inflation, or to do it more gently to avoid a recession?

President Powell had always replied that inflation is the priority, even at the cost of causing a recession.



But now, after the Silicon Valley Bank collapse, the stakes may be higher for him and the FOMC. The dilemma is no longer between inflation and recession, but between inflation and the financial crisis. Mr. Powell is now feeling the pain he always spoke of.

## Next Main Macro Events

### US CPI YoY 14/03/23

Period: Feb  
Survey: 6.0%  
Prior: 6.4%

### US PPI YoY 15/03/23

Period: Feb  
Survey: 5.4%  
Prior: 6.0%

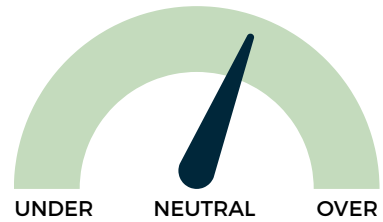
### FOMC Rate Decision 22/03/23

Period: 2nd announc. date  
Survey: 4.75% - 5.00%  
Prior: 4.50% - 4.75%

## Equity

We maintain our preference for value stocks, financials and luxury goods Co's. We like the actual weakness of Tier1 European banks (overdone reaction at SVB problem).

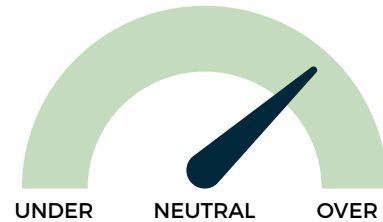
We are still neutral in cyclical and remain underweight in growth stocks.



## Fixed income

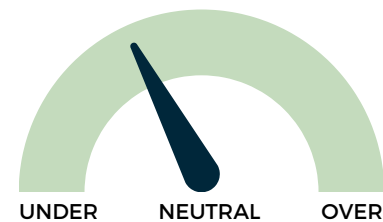
We confirm our preference for investment grade govi's and Tier1 corporates, with interest at medium duration issues. Bonds rebound can accelerate in the new "SVB scenario" with euro denominated securities potential winners

We keep our basic philosophy to avoid any kind of risk cliff.



## Commodities

The beginning of 2023 has been characterized by generalized weakness of commodities driven downwards by energy prices. Gas prices (TTF) also dropped sharply below 55 €/MWh.



## Our Funds

NAME	FUND TYPE	STRATEGY	ISIN	BBG TICKER
Pharus Dynamic Allocation Mv7	UCITS - SICAV	Dynamic Allocation	LU0746320257	PQUINTA LX
Lemanik Sicav Flex Quantitative HR6	UCITS - Fund of Funds	Global Allocation	LU0543665821	LFLXHR6 LX
NAXOS - Capital Plus	SIF - SICAV	Special Investment Fund	LU1354474634	-

For more info, visit <https://alephfinance.com/fund-management/>

## Central Banks Monetary Policy Meetings Calendar 2023

JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
Jan 18	Feb 01	Mar 10	Apr 28	May 03	Jun 14
	Feb 02	Mar 16		May 04	Jun 15
		Mar 22		May 11	Jun 16
		Mar 23			Jun 22
JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
Jul 26	Aug 03	Sep 14	Oct 26	Nov 01	Dec 13
Jul 27		Sep 20	Oct 31	Nov 02	Dec 14
Jul 28		Sep 21			
		Sep 22			Dec 19

European Central Bank    Federal Reserve    Bank of Japan    Bank of England

Sources: Federal Reserve, European Central Bank, Bank of England and Bank of Japan.

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