



Titanium Economy companies are thriving across the US—often where job growth is otherwise limited.

Headquarter locations for companies profiled in *The Titanium Economy*



With US Debt Levels reaching all time highs, where the total private and public sector is 290% of GDP, Russell Napier makes the point that a higher rate of nominal GDP growth will be used by the government to liquidate the debt. The structural shift was shift of control over creation of money from central banks onto governments in the form of credit guarantees to commercial banks. These credit guarantees will be used to steer the economy towards higher nominal growth.

“The great problems we have – energy, climate change, defense, inequality, our dependence on production from China – will all be solved by massive investment. This capex boom could last for a long time,” outlines Napier.

We are already seeing this thesis play out with the resurgence in manufacturing jobs. There are other drivers like shorter lead times, availability of a skilled workforce and increase in automation. Especially automation as labor costs as a percentage of overall costs is becoming smaller by the day.

There is a structural shift happening in the US Economy, US is going to re-industrialize and inflation may not subside back to 2% but rather settle around 4 to 6%.

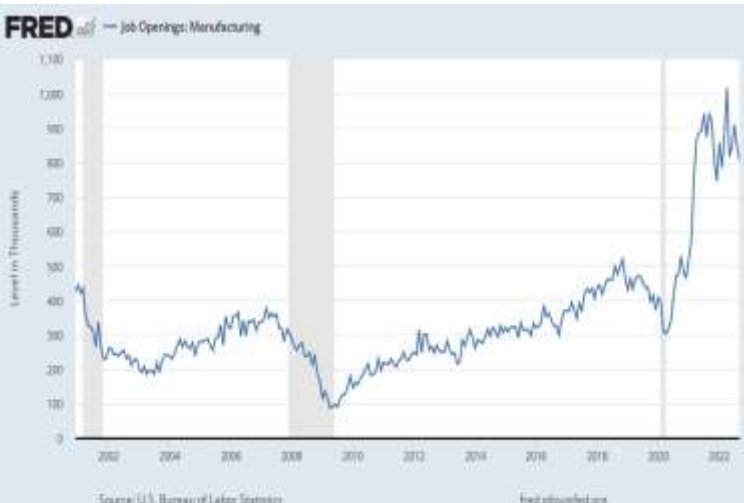


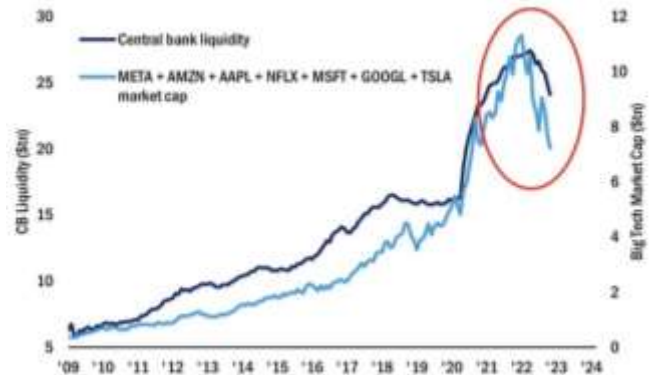


Chart 3: G4 Central Banks' balance sheet -\$3.1tn in past 7 months
6m change in G4 central banks balance sheet (\$bn)



Source: BoFA Global Investment Strategy, Bloomberg, Haver

Chart 12: CB balance sheet -\$3.3tn, Big tech mkt cap -\$4.1tn
Central banks balance sheet vs. market cap of US Mega Tech

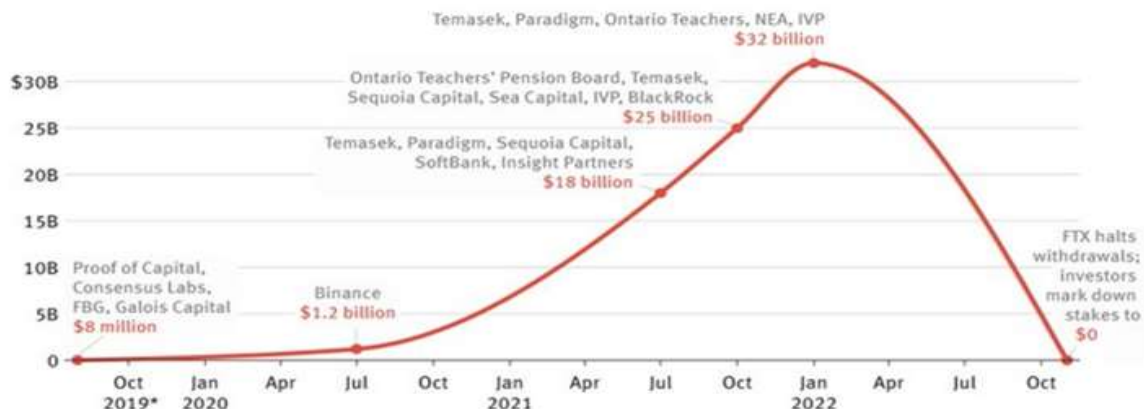


Source: BoFA Global Investment Strategy, Bloomberg

G4 Central Banks are tightening in sync, we are seeing the Big Tech bubble deflate in real time. However, we might be close to a major accident in the financial system with bubbles imploding left and right, this time we may not go all the way back to zero interest rates which could mean that most of these losses are not temporary .

The Rise Before the Fall

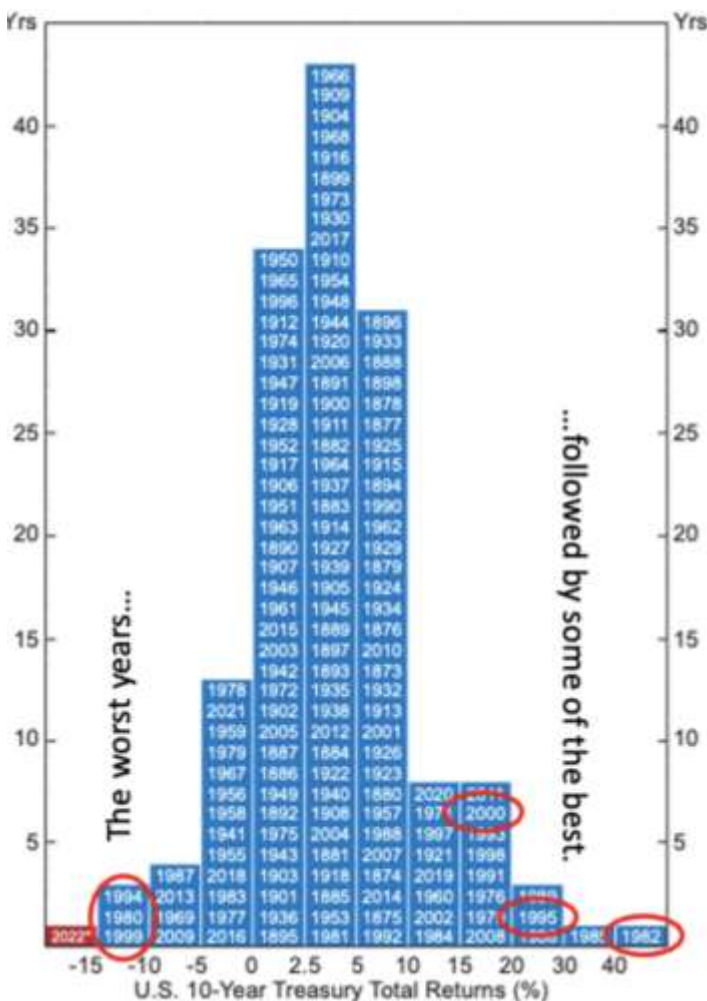
FTX attracted new investors at increasing valuations before its recent troubles.



* Crunchbase and PitchBook estimates

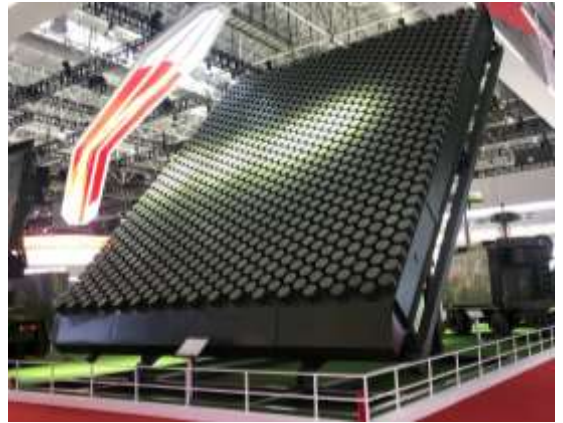
Source: Securities filings, The information reporting, PitchBook, Crunchbase

Investors in FTX included Pension Funds of Singapore and Canada among others, pension funds having to take risk through financial engineering like in the case of GILTS in the UK and investing in ventures like FTX (the crypto golden boy). With pension funds being whammed by inflation and massive drawdowns in risky investments, it is reasonable to expect them to withdraw significantly from markets overall.



The US 10-Year Treasury may have hit levels where buying it, solely based on mean reversion after confirmation of a subsiding MOVE Index makes for good trade on a tactical basis.

Source: Alpine Macro, 2022



This week it was revealed in the Chinese media, that tanks were being hidden in modified civilian vessels. A recent defense expo also revealed the SLC-18P which is dubbed as the Anti-Starlink Radar. Xi Jinping is set to meet Joe Biden where he will convey his red lines with regards to Taiwan during the upcoming G-20 Summit in Bali.



Mr. Ritesh Jain

Co-Founder

Master of Business Economics (MBE)

Executive MBA - Haskayne School (Calgary)

He has held many senior leadership roles including CIO – BNP Paribas Mutual Fund, where he was responsible for managing US\$1.2 billion of AUM and also has served as the CIO of Tata Mutual Fund, where he was responsible for managing AUM of 6 billion.

In 2019, LinkedIn rated him among the top three influencers in the world of Economy and Finance. He is also a recipient of numerous national and international awards in the field of fixed income and equity investments.

Ms. Chanchal Agarwal

Head - Products

Chartered Accountant

CFA Charterholder

She brings with her about 12 years of Industry experience spanning across verticals like Family Office Investment Advisory, Equity management, Investment banking, etc.

In 2020, AIWMI recognized her amongst the 'Top 100 women in Finance'. She has featured in the Audio talk series 'Show me the Money' by Meghna Pant (available on Audible Suno). Her article reflecting on 'What stops women from investing' was published in The Hindu Newspaper.



Mr. Rohit Pandey

Global Macro Strategist

Post – Grad in Economics & Finance

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During his career span, he has gained experience working as a macro consultant and in creating products for algorithmic financial planning and healthcare analytics. He is currently pursuing a Masters in Data Science from Northwestern SPS.

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