

Nick Lampone

From: Nick Lampone
Sent: Monday, December 14, 2020 8:07 AM
Subject: Morning CORE
Attachments: Core logo.png

US Futures-World Markets: The first shipments of Pfizer-BioNTech vaccines for the US arrive this morning. With Moderna's vaccine anticipating emergency-use authorization later this week, 40 million doses should be available by the end of the month. Stimulus talks continue without a compromise, but investors seem confident a deal will happen in the near-term. S&P futures are higher on this optimism. AstraZeneca agreed to Alexion Pharma for \$39 billion in cash and stock. Google had major connectivity issues this morning. Gmail, YouTube, Google Docs, Pinterest, Google Classroom etc. weren't available. If China or Russia were trying to damage our economy, this is a perfect hack to cause havoc. Interesting that Affirm and Roblox delayed their IPO's until next year. Probably a smart move to get more efficient pricing from the underwriters. S&P Futures vs. Fair Value: +29.20, 10-Yr Yield: 0.923%.

Random market stat I read this weekend: NIO's \$61 billion market cap is now almost equal to General Motors -- a profitable company that can produce as many vehicle as NIO did in all of 2019 in a single day.

CORE Headlines:

- Valuations of recent IPOs are at their highest levels since the dot-com bubble, relative to the companies' revenue, sparking concerns among investors about the level of froth as the market caps of money-losing upstarts grow larger than those of well-established corporations.-WSJ
- As Fed officials meet for the last time this year, the emergency authorization of a coronavirus vaccine developed by **PFE** and **BNTX** is a potential game-changer that could reduce uncertainty for households, businesses and policy makers.-WSJ
- Fueled by improving expectations for the economy, thanks to promising Covid-19 vaccine trials, shares of US small-cap companies such as Macy's, Spirit Air, and Denny's have surged past their larger peers for 2020 after last month's furious rally carried into December.-WSJ
- House Majority Leader Steny Hoyer (D-MD) suggested Democrats might be willing to support a stimulus package without state and local government funding. There will be two bills introduced today, a larger \$908 bln bill and a \$748 bln bill which excludes state and local funding and liability protection.-Politico
- SNOW: Amid the boom in IPO stocks, Deutsche Bank analyst Patrick Colville is calling attention to lockup agreements on insiders selling the stock, due to expire in March, at which point the number of outstanding shares will jump more than tenfold.-IBD (Do Robinhood traders even care?)
- Mark Zuckerberg told FB employees on Thursday that they will not be required to get vaccinated to return to the office once it begins reopening its offices, saying he didn't think it was necessary.-USA
- The Northeast is set to get hit by a major winter storm starting Wednesday, a weather event that could deliver enough powder to last long enough for a white Christmas, according to Accuweather.-NYP
- Almost two years after AMZN pulled out from a proposal to build a massive headquarters along the Queens waterfront, the lot remains vacant, and to many locals the squandered economic opportunity is doubly painful amid the pandemic.-NYP (Best part is the politicians that shot down this deal will get reelected. How do they look themselves in the mirror?)

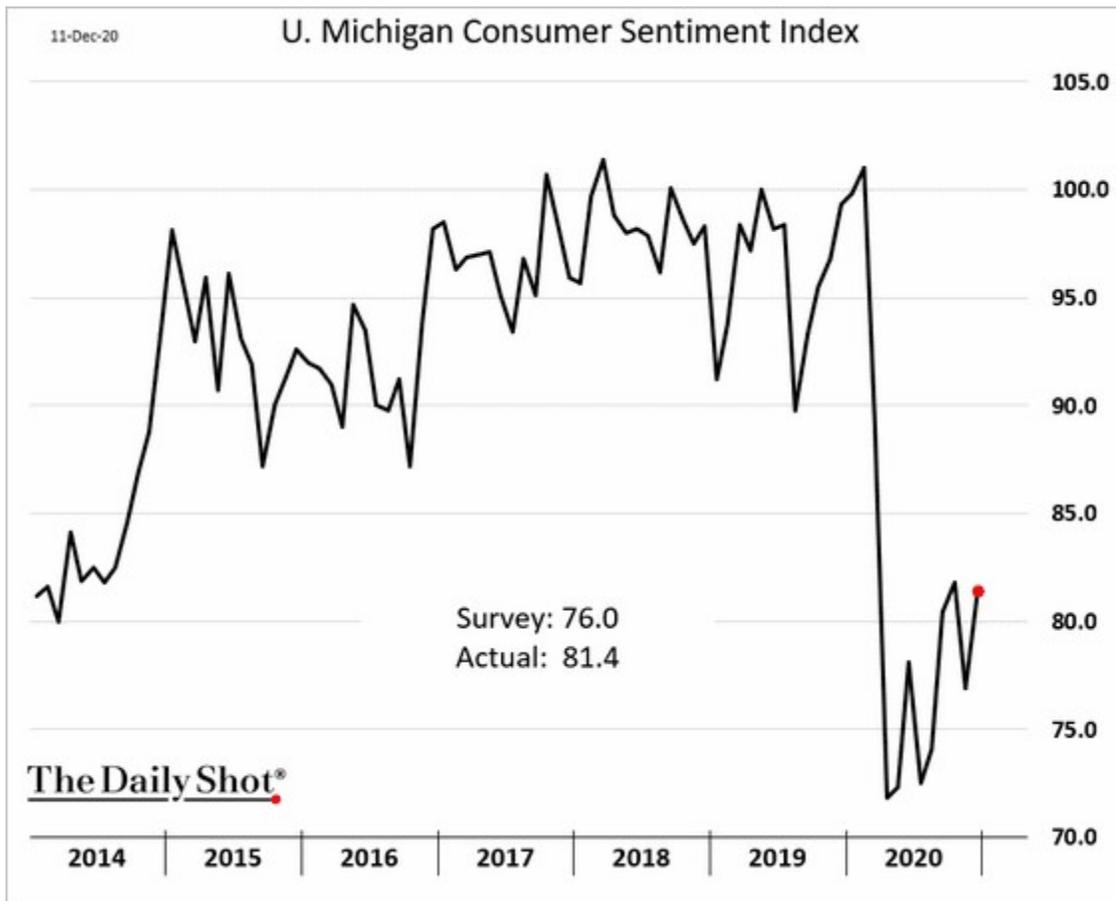
- The Trump admin acknowledged on Sunday that hackers, almost certainly a Russian intelligence agency, broke into a range of key government networks, including in the Treasury and Commerce Departments, and had free access to their email systems.-NYT
- British prime minister Boris Johnson and European Commission president Ursula von der Leyen agreed to continue Brexit trade talks amid signs that both sides are making progress on key areas of contention that have been holding up a deal.-FT
- The Federal Reserve is set to issue new guidance that will extend its emergency bond-buying program as it faces the need for another round of stimulus to help bolster the struggling US economic recovery.-FT
- Video games maker Electronic Arts said it had reached an agreement to buy Codemasters in a deal worth \$1.2 billion, trumping an earlier agreement between the British company and rival Take-Two Interactive Software.-Reuters
- United (**UAL**), JetBlue (**JBLU**) aim to introduce Health Passport apps that will verify test results or vaccinations, but some worry the apps could unfairly exclude people.-NYT
- The airline industry will play a key role in shipping billions of doses of coronavirus vaccines, putting underused planes and crews to work, though they face a range of challenges, including transporting the shots at frigid temperatures.-NYT Sat.
- For the first time on record, private-equity firms globally have done more deals this year in clean technologies than in oil and gas, though the average deal size was smaller, according to PitchBook data as of early December.-WSJ Wkend
- • Intelligent Investor column says stock-trading app Robinhood has made the stock market fun for new investors, but it's also steering them toward risky behaviors that could go wrong.-WSJ Wkend

Interesting Reads/Charts:

- Wired: 6 privacy focused alternatives to apps you use every day <https://bit.ly/2WeVKAo>
- ZeroHedge: Manhattan apt. rents dive to decade low as inventory swells <https://bit.ly/3qXnqrk>
- CNBC: Oracle is moving its HQ to Austin from Silicon Valley <https://cnb.cx/3qSA86o> (I'm sure Gavin Newsome has it under control)
- FS Blog: You're only as good as your worst day <https://bit.ly/3mi9e8M>

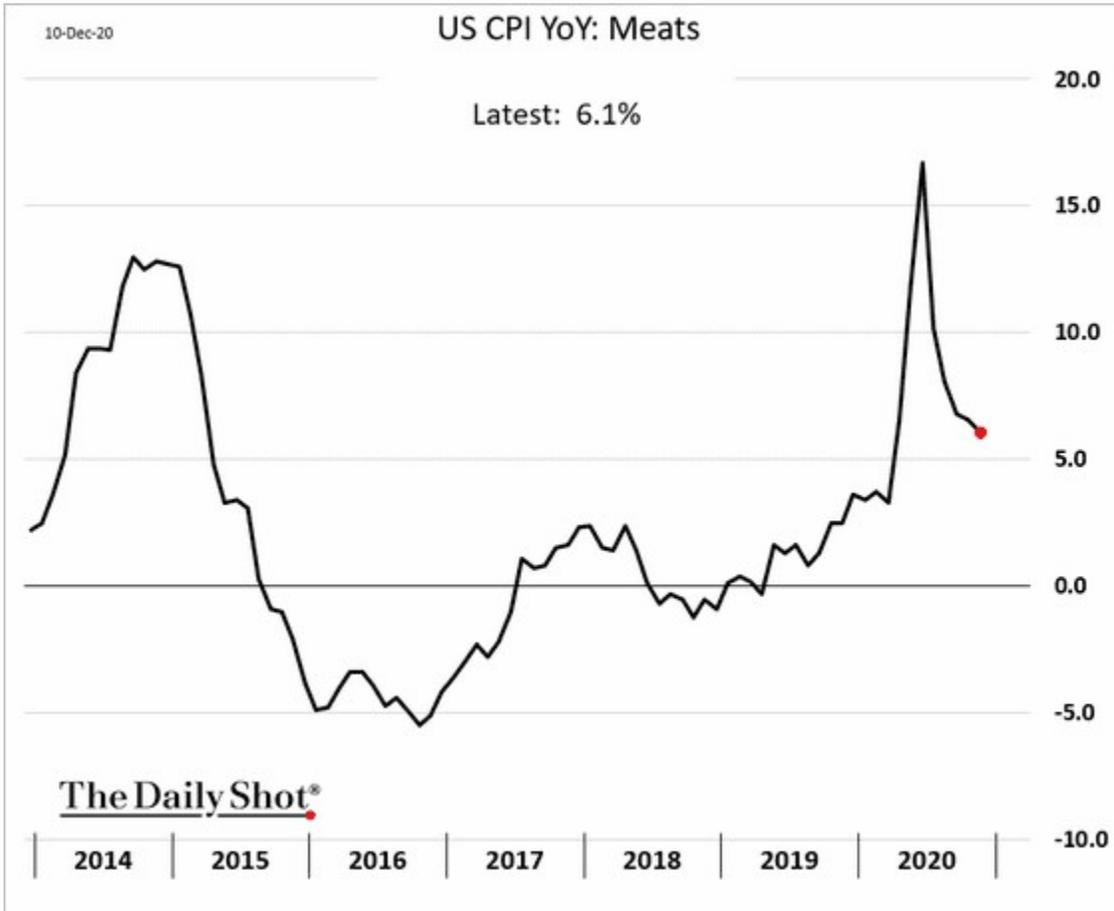
Charts from The Daily Shot:

The U. Michigan consumer sentiment index surprised to the upside despite the worsening pandemic. Economists attributed the improvement to the vaccine news and higher stock prices. (If you are fortunate enough to have a 401K, you feel more confident than others.)

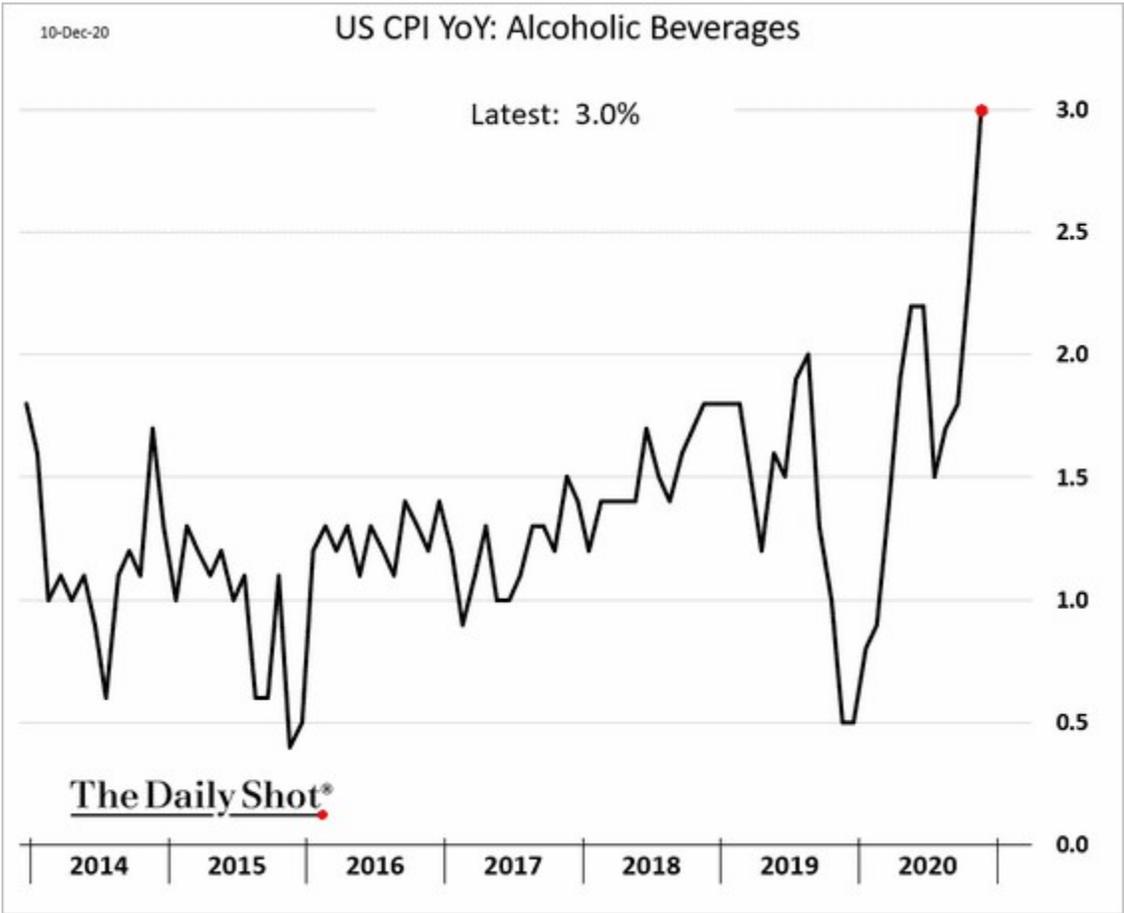


A look at some inflation charts:

Meats:



— Alcohol:



— Fast food restaurants:

10-Dec-20

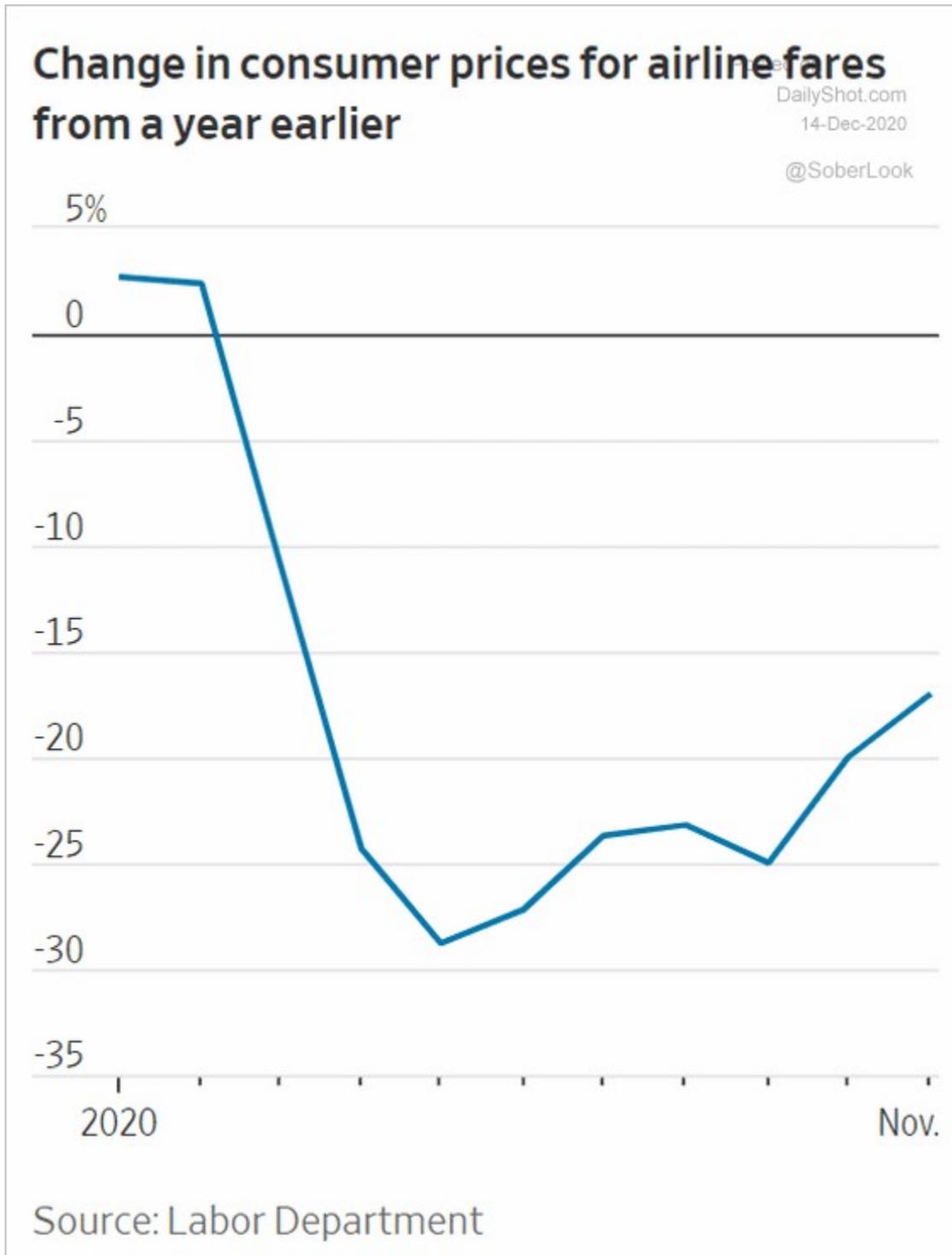
US CPI YoY: Limited Service Meals & Snacks

Latest: 5.9%



The Daily Shot[®]

— Airline fares:



Source: @WSJ [Read full article](#)

— Car rentals:

10-Dec-20

US CPI YoY: Car and Truck Rental

Latest: 9.7%

15.0

10.0

5.0

0.0

-5.0

-10.0

-15.0

-20.0

The Daily Shot®

2014

2015

2016

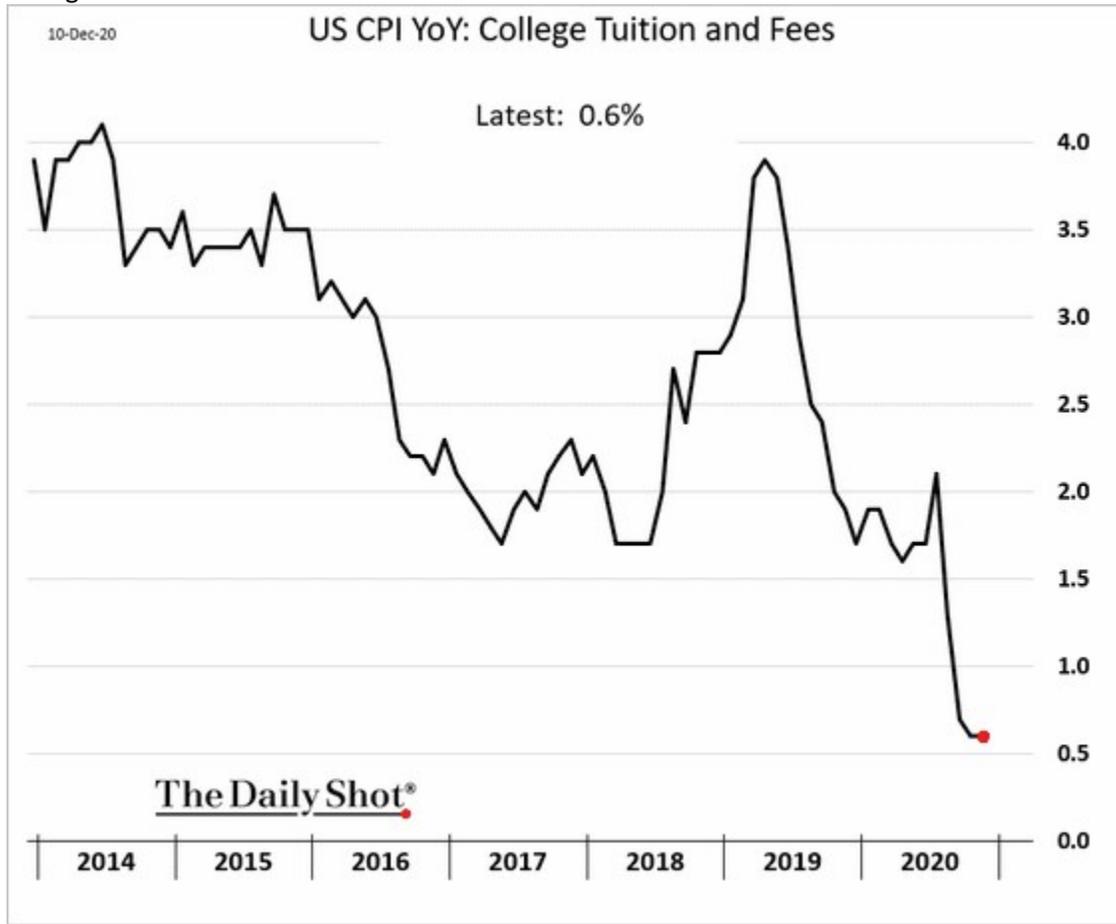
2017

2018

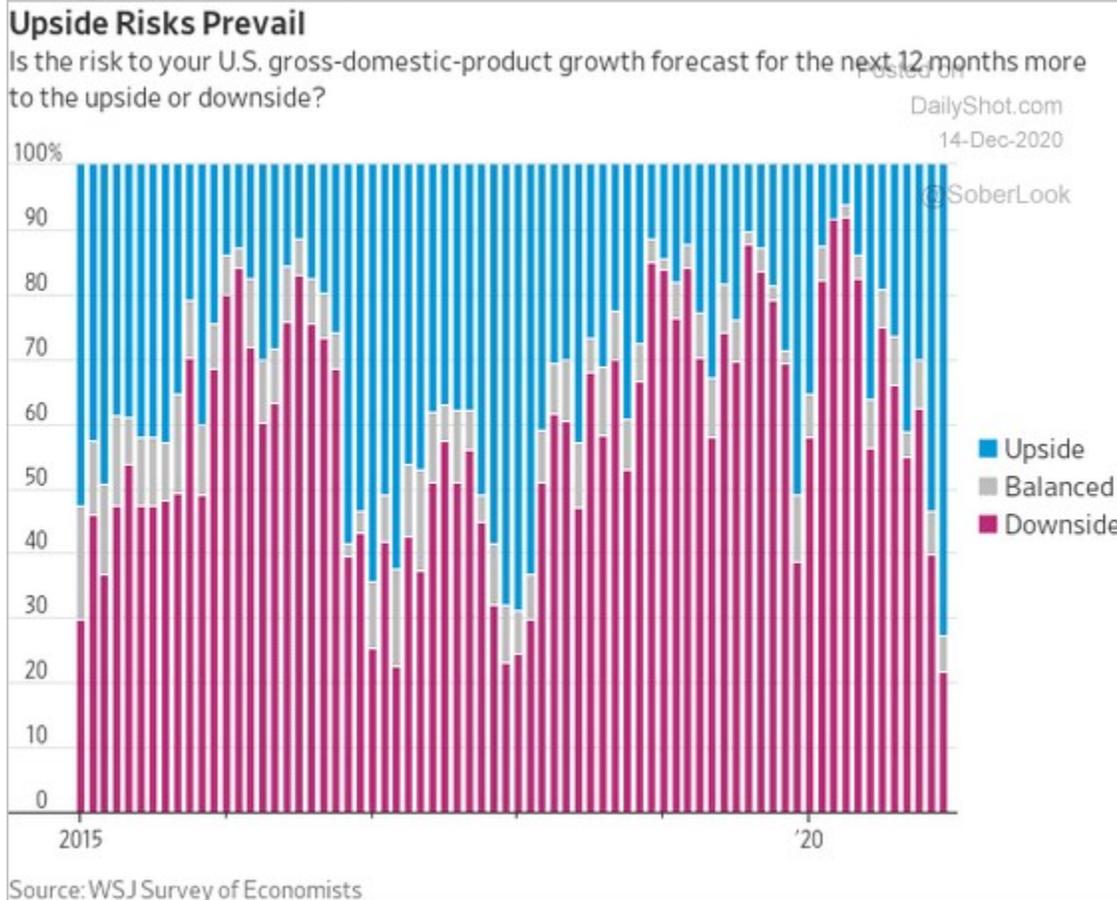
2019

2020

College tuition:

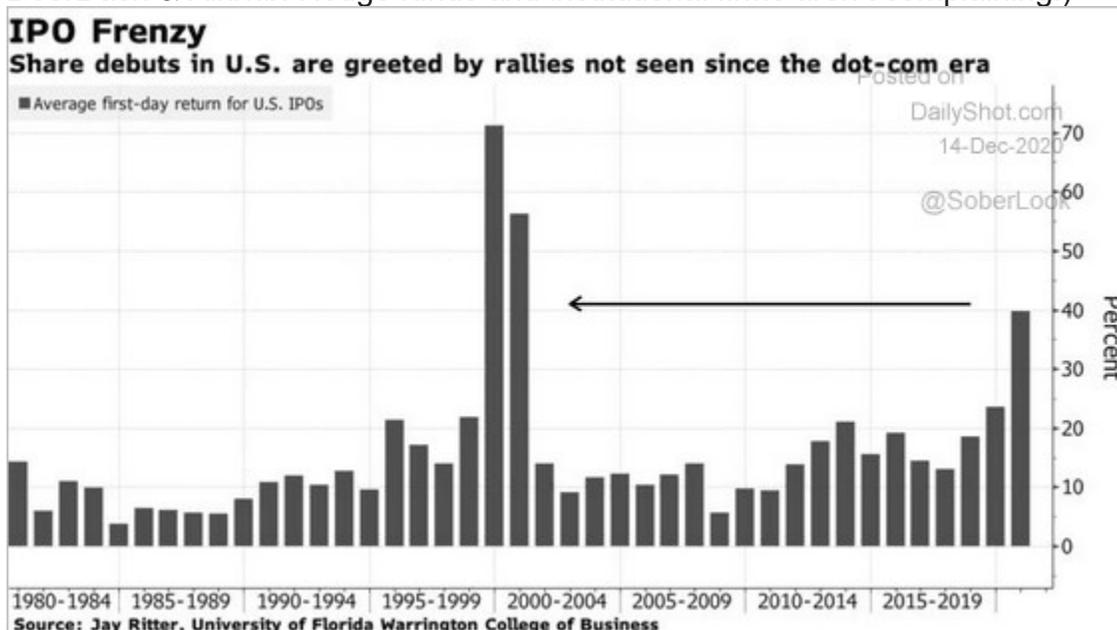


Economists increasingly see upside risks to GDP forecasts for the next twelve months. (This is driving stock valuations.)



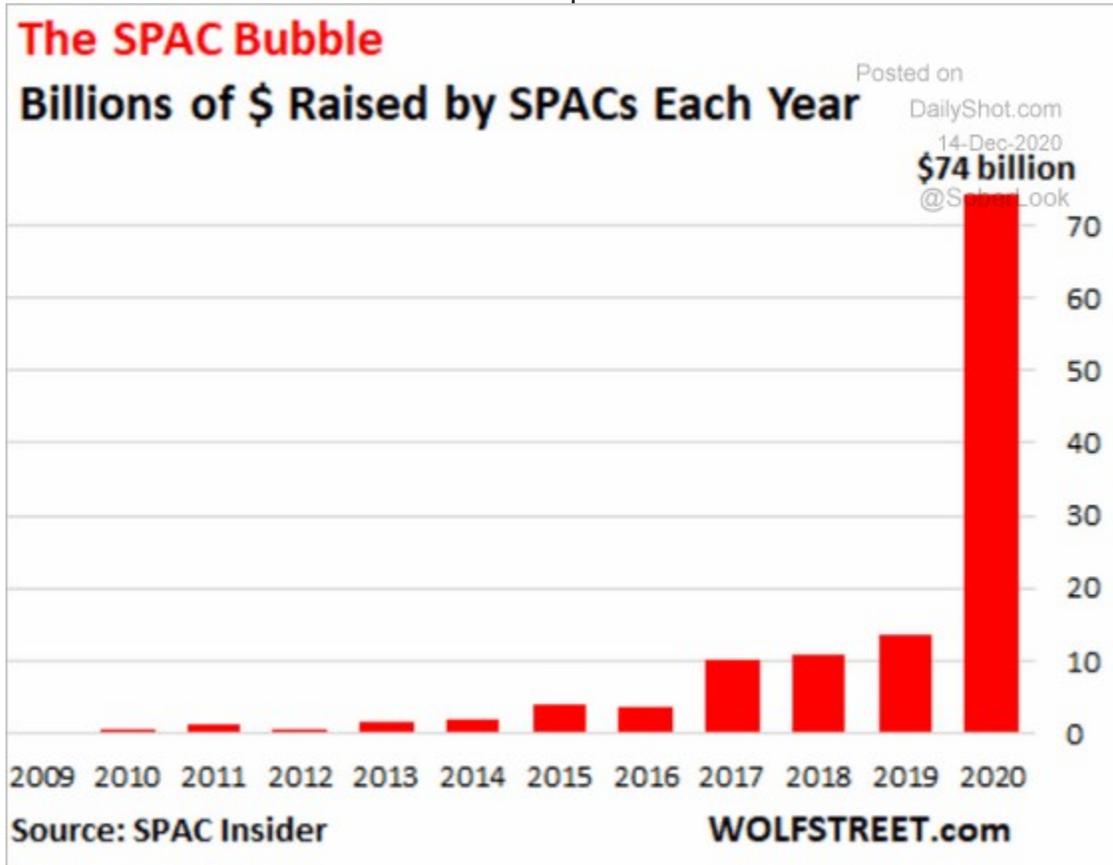
Source: @WSJ [Read full article](#)

It's been a good year for IPOs. (It's amazing how much money has been left on the table by DoorDash & Airbnb. Hedge funds and institutional firms aren't complaining.)



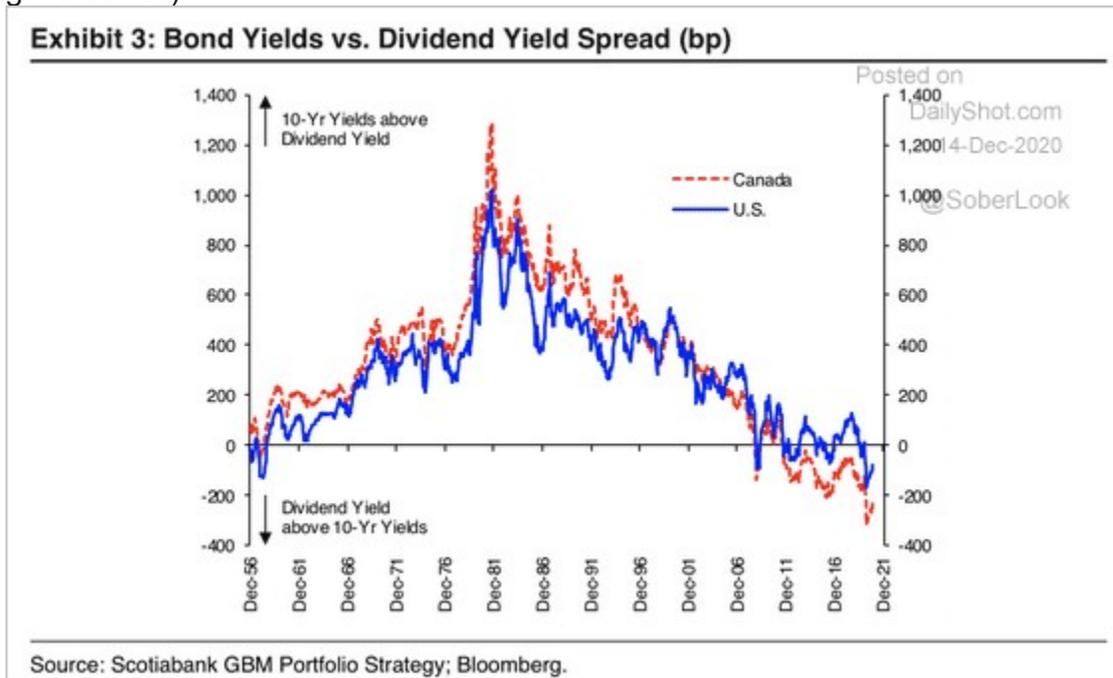
Source: @markets [Read full article](#)

The volume of SPAC sales has been unprecedented.



Source: Wolf Street [Read full article](#)

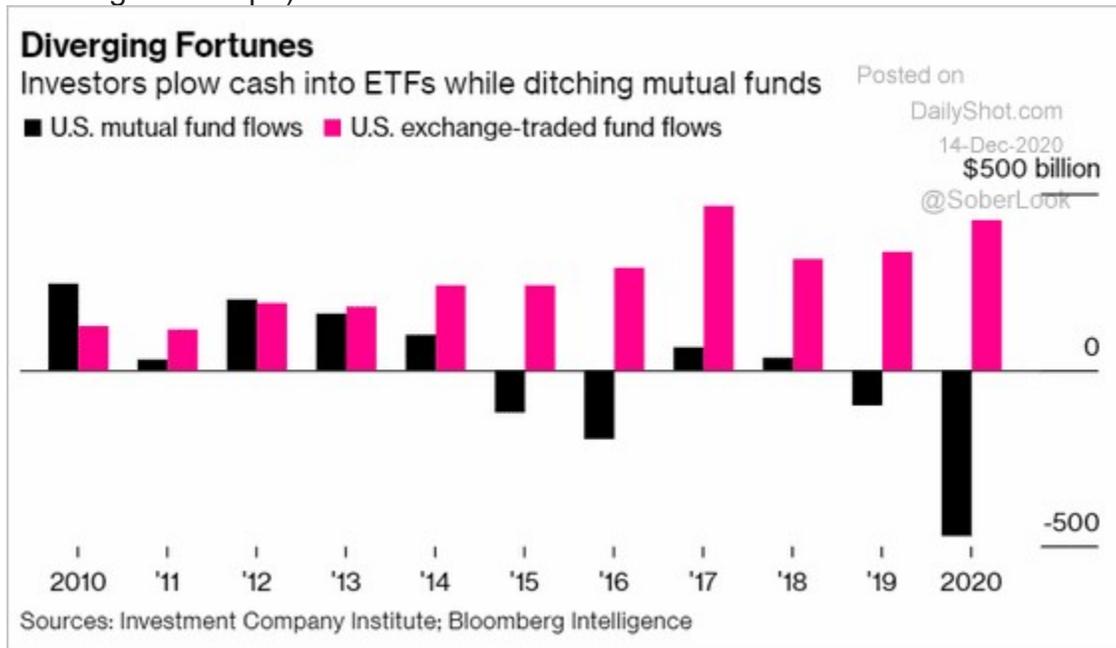
Dividend yields are attractive versus government bonds. (My mattress is almost as attractive as govt. bonds)



Source: [Hugo Ste-Marie, Portfolio & Quantitative Strategy Global Equity Research, Scotia Capital](#)

Mutual funds saw significant outflows this year, even as ETFs continue to attract capital. (Will the

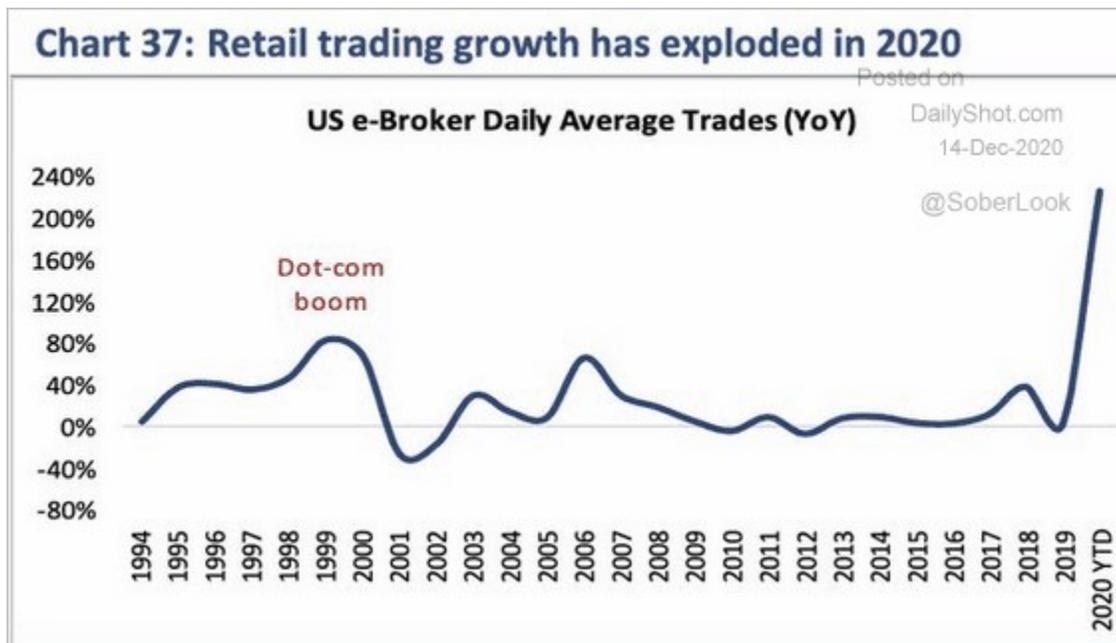
bleeding ever stop?)



Source: @business [Read full article](#)

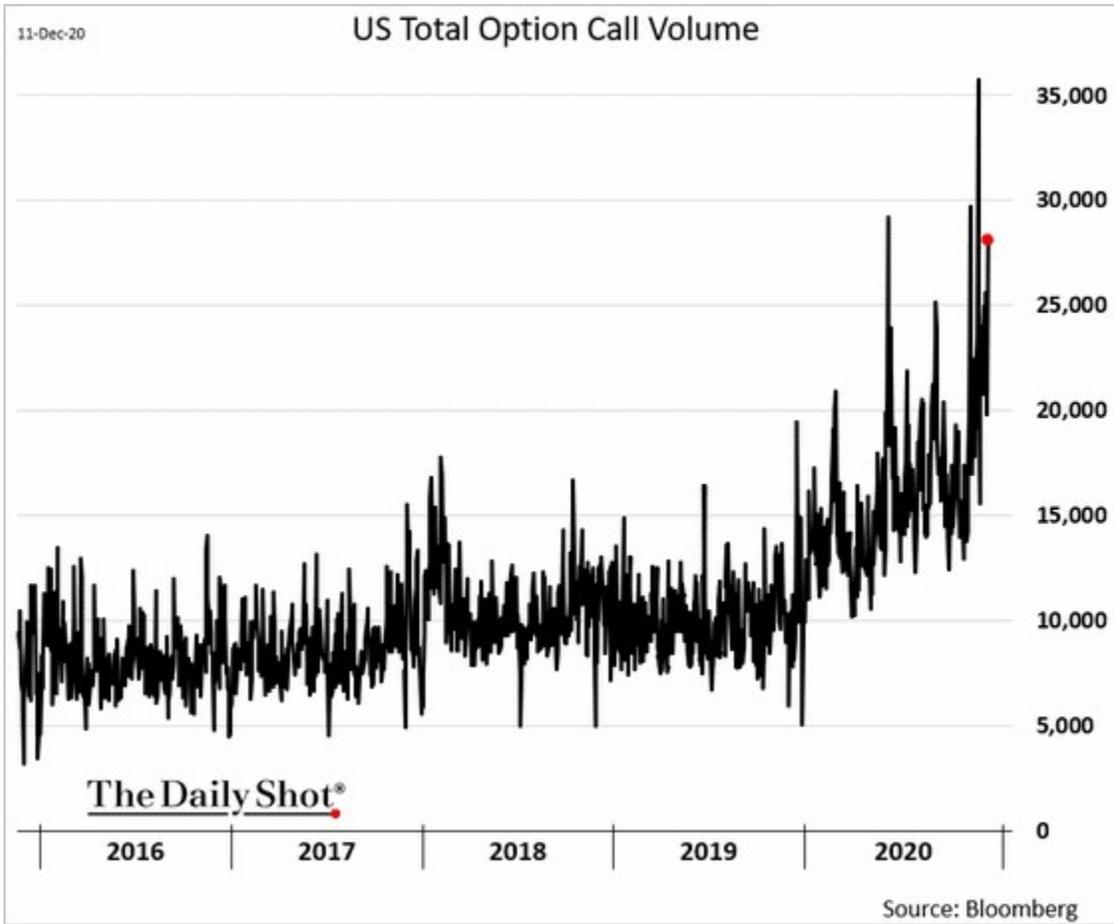
Retail speculative activity remains elevated. (They want to keep this party rolling right into 2021.)

- Electronic broker volume:

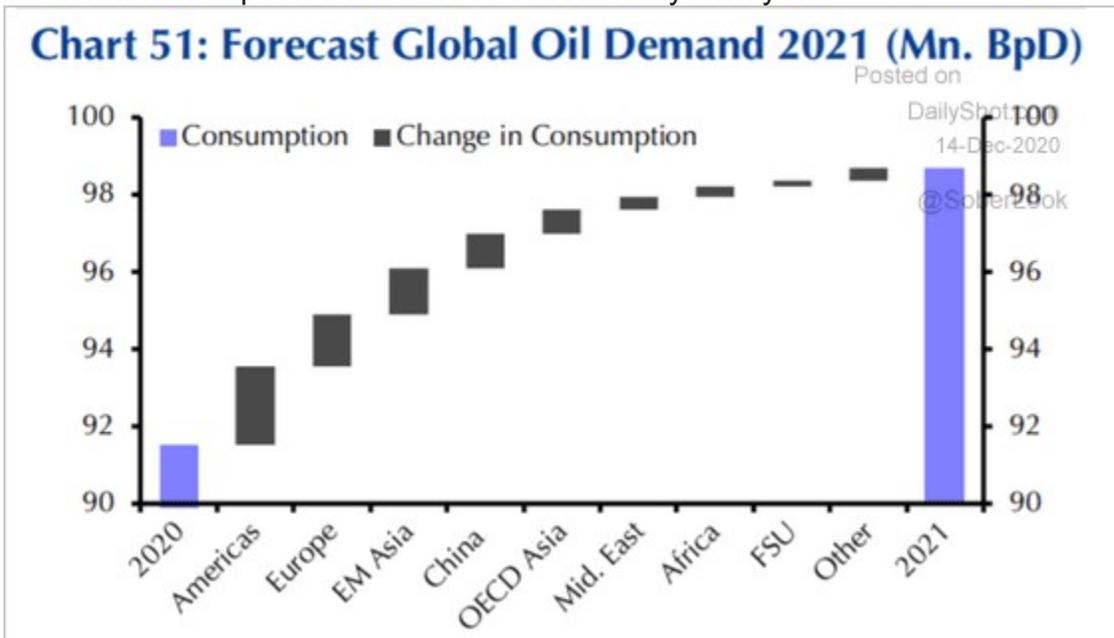


Source: @jtepper2

- Call option volume:



Oil demand is expected to increase substantially next year.



Source: [Capital Economics](#)

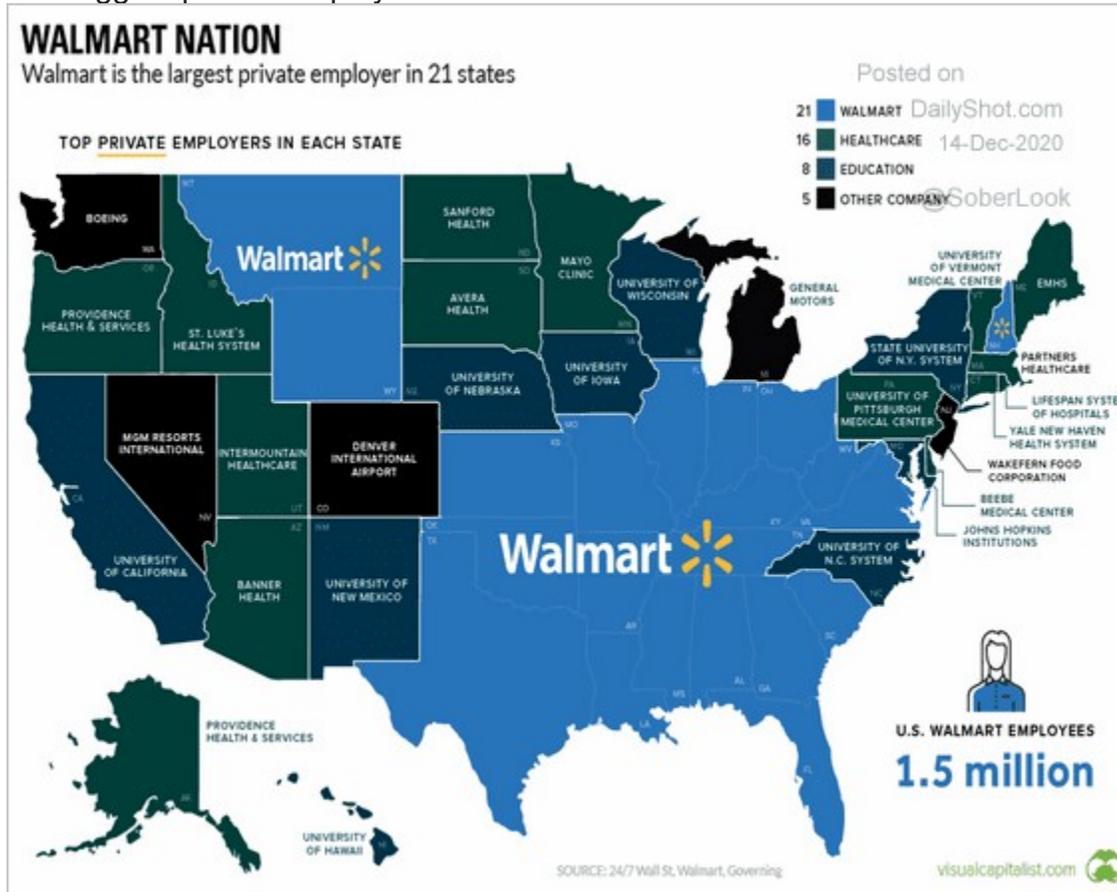
The amount of negative-yielding debt keeps hitting new records. (Amazing to me. I still don't understand this.)

11-Dec-20

Bloomberg Barclays Global Negative-Yielding Debt (\$ T)

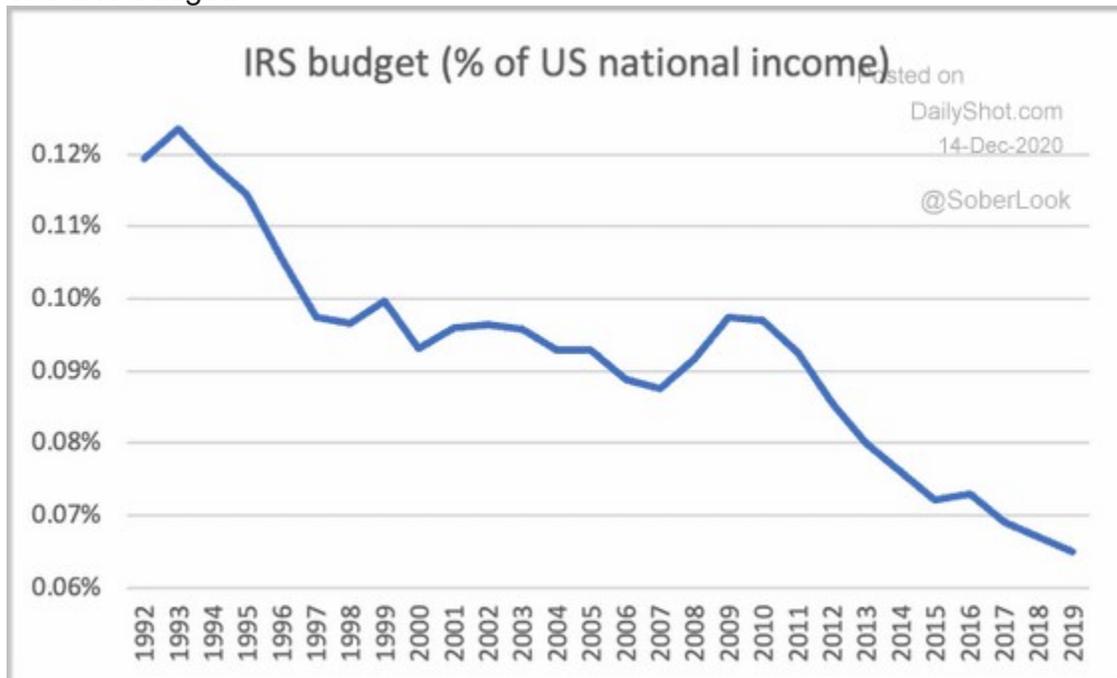


The biggest private employer in each state:



Source: Visual Capitalist [Read full article](#)

The IRS budget:



Source: [@gabriel_zucman](#)

Posted on
DailyShot.com
14-Dec-2020

@SoberLark

You speak Greek You just don't know it

More than 6.000 Greek words that are used in English

academy, air, airplane, anatomy, angel, architect, aroma, astronaut, athlete, atmosphere, atom, base, bible, biology, box, centre, chair, chaos, character, chorus, church, cinema, climate, clinic, comedy, cosmos, cube, cycle, decade, democracy, devil, diagram, dialogue, diet, diplomat, disc, drama, dynasty, echo, ecology, economy, ecstasy, electric, electronic, energy, enthusiasm, episode, erotic, ethics, euro, Europe, fantasy, galaxy, genetic, geography, geometry, giant, guitar, harmony, helicopter, hero, history, horizon, hormone, horoscope, hour, hymn, idea, idol, irony, jealous, kilogram, kilometer, kinetic, lion, logic, lyrics, machine, magic, magnet, mania, marathon, mathematics, melody, metaphor, meter, method, microphone, microscope, museum, music, mystery, myth, neon, Nike, ocean, Olympic, orchestra, organism, orgasm, oxygen, panic, panther, paper, paradise, patriot, pause, pepper, period, phase, philosophy, photography, physic, planet, poem, pole, police, program, psychology, rhapsody, rhythm, sarcasm, scene, school, sphere, stereo, strategy, syllable, symbol, symmetry, sympathy, symphony, system, tactic, talent, technology, telephone, telescope, theatre, theme, theory, therapy, thermometer, tone, tragedy, triumph, type, utopia, zone, zoology...

Source: Eurotalk [Read full article](#)

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