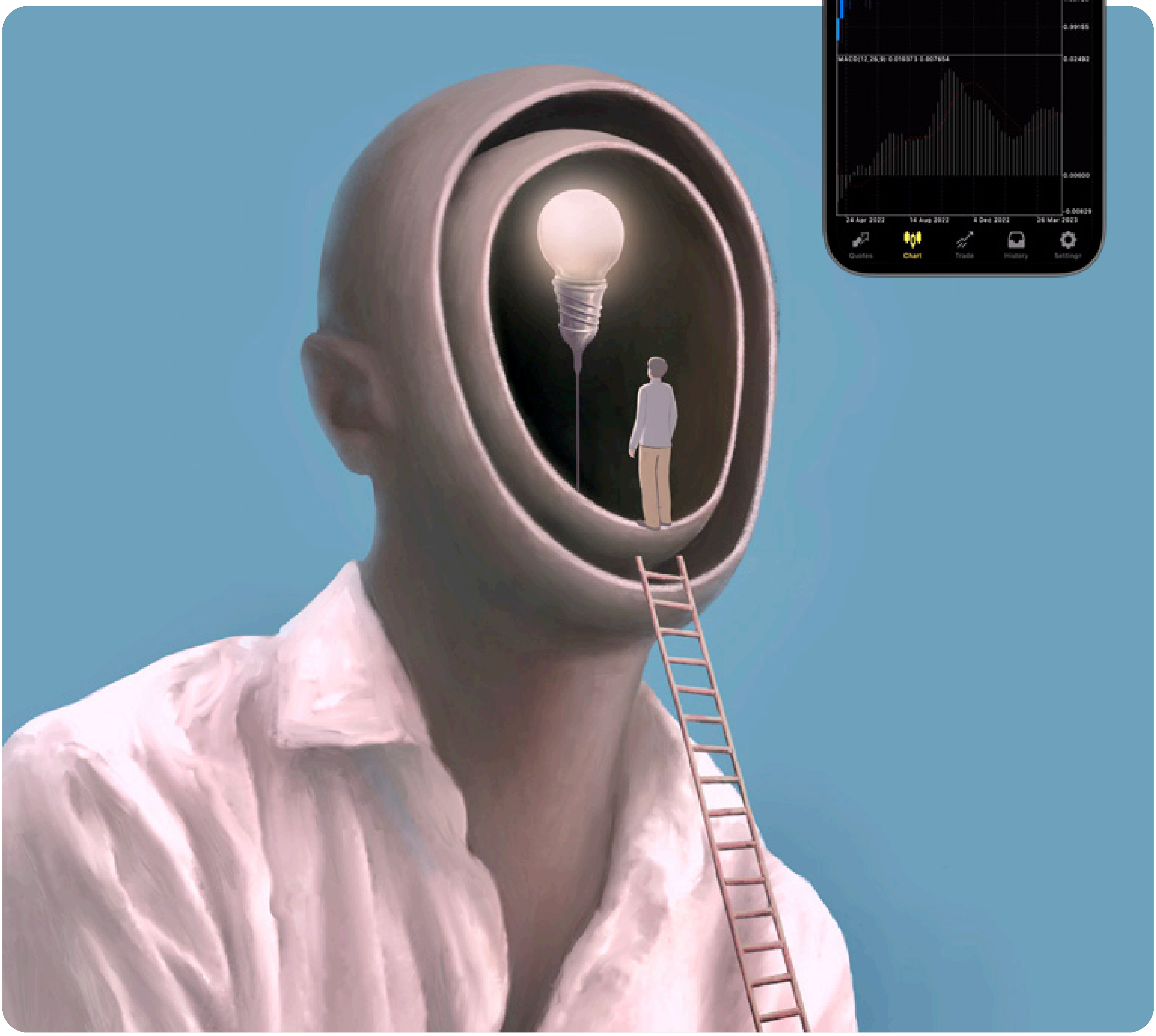
On A Radical Note:
Rounding off 2023

Timeless Investments: Decoding the Worth of Luxury Watches in the Digital	**Strategic Brilliance:** Unveiling Mark Cuban's Pioneering Business Moves	**Cyborg Revolution:** The Transformative Future of Human-Machine Integration	**Navigating 2024:** An Analysis of Market Trends and Projections



CONTENT

Navigating the Future: Radical Ideas That Will Take Us From 2023 To 2024

We explore some of the most compelling and impactful ideas that are set to shape the landscape in the coming year.

Christopher Forbes & Kurt Mayell

As we stand on the precipice of 2024, the world is teeming with a myriad possibilities and uncertainties, driven by the confluence of technological breakthroughs, economic transformations, and societal shifts. Weaving together disparate threads ranging from unconventional investments, technological foresight, biomedical advancements, and revolutionary changes in aviation, this intriguing tapestry of innovation reflects the dynamism of our era, where the convergence of seemingly unrelated concepts creates a mosaic of progress and change.

One striking theme that emerges as we gaze into the future is the unexpected surge in luxury watches as investments. Traditionally seen as timeless accessories, these intricate timepieces are donning a new role as alternative assets, capturing the attention of discerning investors. The allure of luxury watches lies not only in their exquisite craftsmanship but also in their potential for substantial returns. The past year witnessed a surge in interest from investors seeking refuge in tangible, non-traditional assets, and luxury watches have emerged as a viable option. This intriguing trend is prompting us to explore the evolving nature of investment portfolios and the shifting paradigms that guide our financial decisions.

In the realm of financial foresight, the influence of visionary investors like Mark Cuban cannot be overstated. Known for his keen insights and bold predictions, Cuban's ability to identify nascent trends has made him a guiding figure in the ever-changing landscape of investments. As we delve into the big ideas for 2024, we must consider the implications of Cuban's foresight on emerging industries and technologies. His strategic investments have often heralded the onset of transformative changes, making his moves a compass for those navigating the uncharted territories of the market. What industries will Mark Cuban set his sights on in 2024, and what ripple effects will his investments have on the global economic landscape?

Meanwhile, the relentless march of technology brings us to the forefront of a new era in human augmentation – cyborg advancements. The integration of man and machine is no longer confined to the realms of science fiction; instead, it is becoming an increasingly tangible reality. From bionic limbs that restore mobility to neural interfaces that enhance cognitive functions, the era of the cyborg is dawning upon us. As we explore the ethical, social, and economic implications of these advancements, we must grapple with questions about the nature of identity, privacy, and the boundaries between human and machine.

> From bionic limbs that **restore mobility to neural interfaces** that enhance cognitive functions, the era of the cyborg is dawning upon us.

On a parallel track, the burgeoning market surrounding obesity presents a unique intersection of medical innovation and economic opportunity. Advances in obesity treatments, ranging from personalised therapies to cutting-edge pharmaceuticals, are reshaping the landscape of healthcare. This shift not only promises improved health outcomes for millions but also beckons entrepreneurs and investors to participate in an industry poised for exponential growth. The intersection of health, technology, and commerce prompts us to consider the ethical dimensions of such innovations and their potential impact on societal well-being.

Simultaneously, the skies above us are witnessing a revolution, driven by the propulsion of hydrogen in aviation. As the quest for sustainable energy solutions gains momentum, hydrogen emerges as a frontrunner in powering the aviation industry. With zero emissions and the potential to redefine the way we traverse the globe, hydrogen-powered aircraft represent a paradigm shift in the pursuit of eco-friendly transportation. How will this transformation shape the future of travel, and what challenges must be overcome to realise the full potential of hydrogen in aviation?

Our radical ideas for 2024 encapsulate a world in flux, where the unexpected becomes the norm, and where innovation knows no bounds. The intertwining of luxury watches as investments, Mark Cuban's investment foresight, cyborg advancements, the obesity market's evolution, and the ascent of hydrogen in aviation paints a vivid picture of a future shaped by the fusion of diverse influences. As we embark on this exploration, we must navigate the complexities of these ideas with curiosity, foresight, and a commitment to understanding the intricate tapestry of progress that lies ahead.

Above all, as we delve into uncharted territories, CMC recognises the imperative need for openness and clarity. In the spirit of unveiling a new era in investment, CMC Invest embraces the principles of Radical Transparency, establishing a paradigm where forward-thinkingness and accessibility converge. From real-time market data to comprehensive analytics, users can navigate the financial landscape with unparalleled visibility. Join us as we unfold the narrative of a future defined by bold ideas, transparent insights, and the pursuit of groundbreaking possibilities.

In The World Of Finance And Investing, What Does “Radical” Actually Mean?

Within this realm, the term "radical" embodies a multifaceted concept that transcends mere conventionalism, often signalling a departure from traditional norms or a groundbreaking shift in thinking.

Jeremy Gopalan

In essence, radicalism in finance implies a willingness to challenge established paradigms, embrace innovation, and explore unconventional avenues in the pursuit of financial success.

One facet of financial radicalism lies in disruptive technologies that reshape the landscape of traditional financial institutions. Cryptocurrencies, for instance, exemplify a radical departure from traditional fiat currencies, introducing decentralised and borderless forms of value exchange. The underlying blockchain technology, with its transparency and security features, challenges the conventional banking system by offering an alternative, decentralised financial infrastructure.

Furthermore, radicalism in investing extends to unconventional strategies that deviate from mainstream approaches. Investors adopting contrarian viewpoints or seeking alpha in uncharted markets often embody this radical spirit. For instance, impact investing, which prioritises positive social and environmental outcomes alongside financial returns, represents a paradigm shift from the traditional sole focus on profit maximisation.

Moreover, the concept of financial radicalism encompasses a mindset that challenges the status quo and encourages a departure from herd mentality. Investors who embrace unconventional ideas, question prevailing wisdom, and explore innovative financial instruments contribute to the evolution of financial markets.

In conclusion, in the world of finance and investing, "radical" signifies a departure from the conventional, embracing innovation, challenging established norms, and adopting unconventional strategies. Whether through technological disruption, alternative investment approaches, or a shift in mindset, radicalism in finance paves the way for transformative changes that shape the future of the financial landscape. Embracing such radical concepts becomes imperative in navigating an ever-changing financial world and seizing opportunities that arise from pushing boundaries.

Radical Investing Strategies: Value Investing: This approach involves identifying undervalued stocks and investing in them for the long term, based on the belief that their true value will be recognised by the market over time.

Contrarian Investing: Contrarian investors go against the prevailing market trends. They buy assets that are out of favour with the majority of investors, expecting a reversal in market sentiment.

Risk-Taking and Innovation: Venture Capital: Venture capitalists often invest in startups and early-stage companies with high growth potential, taking on a higher level of risk in exchange for the possibility of significant returns.

Cryptocurrency and Blockchain: Investing in cryptocurrencies like Bitcoin or blockchain-based projects can be considered radical due to the relatively new and evolving nature of these assets.

Socially Responsible Investing (SRI): This involves considering environmental, social, and governance (ESG) factors in investment decisions. Investors following SRI principles may avoid or support specific companies or industries based on their ethical, social, or environmental impact.

Options and Derivatives Trading: Engaging in options or derivatives trading can be considered radical as it involves complex financial instruments and strategies that go beyond traditional buy-and-hold approaches.

It's essential to note that what may be considered radical in one context could be standard or conservative in another. Financial markets and investment strategies are diverse, and individuals have different risk tolerances and preferences. Before adopting any investment strategy, it's crucial to thoroughly research and understand the associated risks and potential rewards.

Timeless Investments: Decoding The Worth Of Luxury Watches In The Digital Era

Innovative companies disrupting and leveraging digital technology have toppled the giants of the past. Can the Swiss watchmaking titans weather the challenges of the Digital Age?

Christopher Forbes

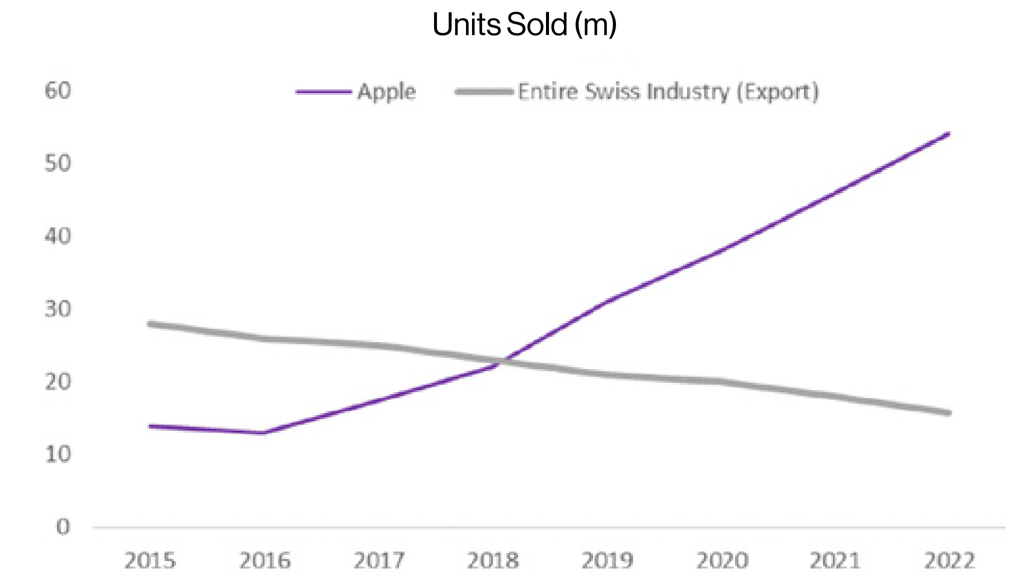
From Blockbuster to Netflix, Kodak to the Smartphone, Blackberry to Apple, and even traditional retail giants on the High Street like Macy's, Sears, and JCPenney to Amazon, innovative companies disrupting and leveraging digital technology have toppled the giants of the past.

A Brief History of Watches

Interestingly, the first compact watches appeared in the 1500s, designed and built in the German cities of Nuremberg and Augsburg, rather than Switzerland. Nuremberg and Augsburg were renowned for their Nuremberg eggs, considered both jewellery and novelties. The trend shifted in the 17th century when men began carrying them as pocket watches. These mechanical timepieces needed winding approximately every 40 hours. The winding mechanism stored energy on a spring, gradually released to power the watch. Despite their charm, these watches were often imprecise, frequently losing minutes each day. A turning point occurred in 1702 when a Swiss mathematician introduced Sapphire, and another leap transpired in the early 1800s with the invention of Horology, once again in Switzerland. Advancing to mass production, the era of wristwatches dawned, and companies like Patek Philippe and Rolex revolutionised the industry with Automatic Mechanical timepieces, known as Complications. This transformation persisted until the Digital Watch era, propelled by battery watches following the Quartz crisis.

Who Are The Players?

To many, watches are considered a luxury item with brands such as Rolex, Patek Philippe, Omega and Cartier dominating the community. Revered for their accuracy, opulence, complexity and craftsmanship, the hand assembled industry is now oscillating between the allure of luxury and the practicality of the modern Digital era. Despite the obsolescence of many items from their era, such as home landlines, phone books, CDs, and DVDs, watches endure, although their utility is considered obsolete, hindered by a lack of significant evolution for decades. The reality of a Digital Watch lies in its integration with our daily lives, syncing seam-



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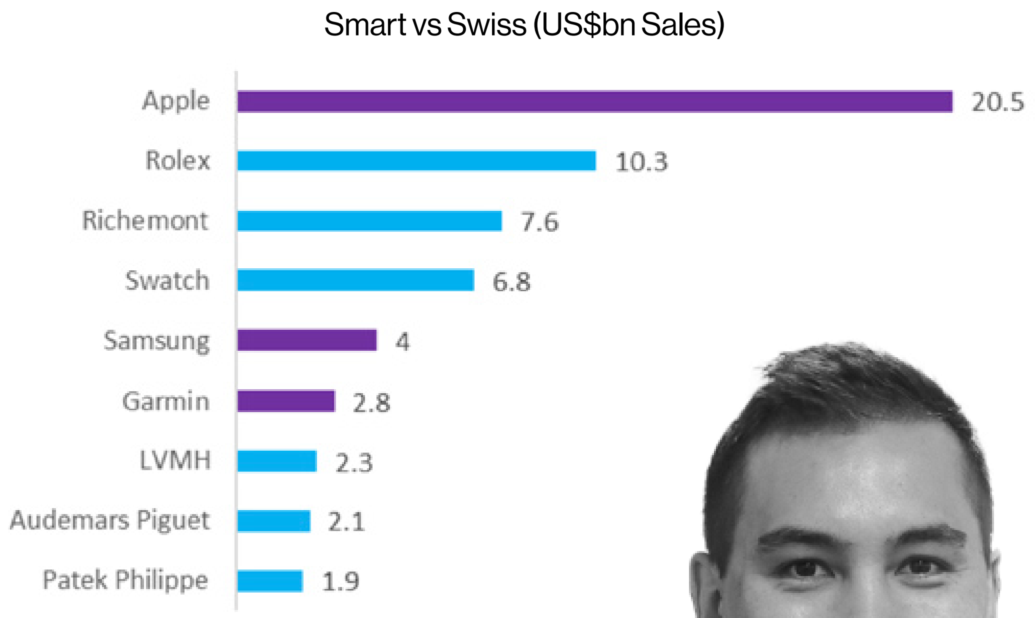


Christopher Forbes
Head of CMC Invest (Singapore)

Despite the **obsolescence of many items from their era**, such as home landlines, phone books, CDs, and DVDs, watches endure, although their utility is considered obsolete, hindered by a lack of significant evolution for decades.

lessly with phones, iPads, calendars, and catering to data enthusiasts. Let's look at the charts:

Luxury Gamesmanship

Similar to the Diamond Industry's strategy of controlling diamond exclusivity and pricing power through supply and demand, the Swiss Watch industry employs a cartel-like structure. This structure establishes an impenetrable circle of exclusivity, systematically reducing watch production while increasing prices, maintaining an aura of luxury accessible to only a select few. This strategy has proven successful, evidenced by waitlists for watches in Singapore exceeding three years – if one can secure a spot at all (everyone's best friend is their watch seller on Orchard Road). The secondary resale market often commands double the prices of the primary market for many watches, indicating the buoyancy of the Swiss Watch market. However, the question arises: are the share prices of these businesses reflective of this success?

Like wine, art, vintage cars, and gold, watches are often hailed as a "portfolio diversifier" or an "alternative investment," constituting 5% of your overall net wealth. More recently, Bitcoin and private equity have joined this roster of investment opportunities.

Isolatedly, purchasing a watch has proven to be a sound investment, boasting a 5% compound annual growth rate (CAGR) over the past 5 years and an impressive 12% CAGR over the past decade. This surpasses the traditional market returns of approximately 8% for a balanced portfolio, making investing in watches a prudent choice. The potential for greater returns is heightened if one can acquire new watches and subsequently sell them in the thriving secondary markets.

Rolex stands out as the most widely sold luxury watch globally. The Submariner, for instance, has witnessed a roughly 50% increase in price since 2008, while their iconic "Daytona" brand has experienced a similar appreciation of around 50%. Notably, in the secondary market, both watches command significantly higher prices due to their scarcity value. In contrast, the stock market hasn't been as fortuitous, with Richemont's share prices appreciating by approximately 50%, climbing from CHF 20 to the current CHF 31 over the same period. Essentially, the primary price of watches aligns closely with the share price return of Richemont for investors. While investing in shares of a pure watch business or acquiring watches directly may yield a healthy return over the past 5 to 10 years, the averages obscure the true potential of this opportunity.

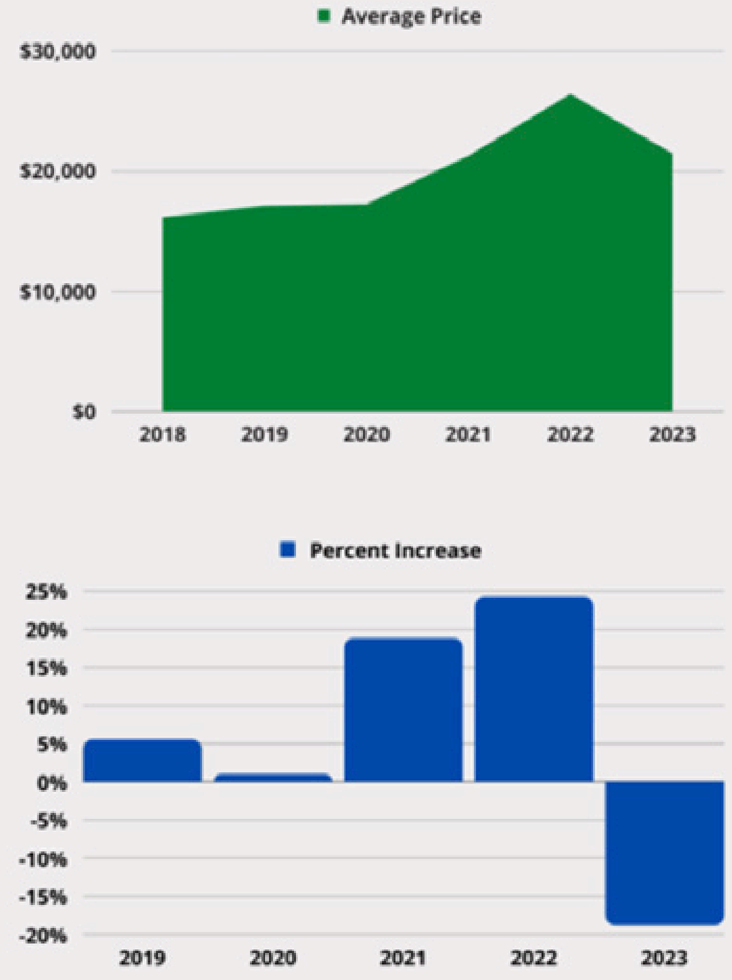
Where to Hunt for Elephants?
LVMH, a renowned luxury conglomerate, boasts a diverse portfolio encompassing leather, apparel, spirits, and jewellery sectors. It commands ownership of some of the world's largest brands, with watches now contributing approximately EUR 10.6 billion to its revenue — a remarkable doubling from its 2020 earnings of EUR 3.4 billion. This constitutes around 14% of LVMH's total FY revenue, amounting to EUR 79.2 billion. In comparison, Apple's "Wearables" constitute roughly 11% of its impressive US$394 billion FY revenue.

Among the notable watch brands under LVMH's umbrella are Bvlgari and Hublot. However, what truly captures our attention is the ownership and strategic direction taken by LVMH in its "leadership training" initiative for TAG. In June 2020, Bernard Arnault appointed his son, Frederic, as the CEO of TAG. Frederic's primary focus on eCommerce and the development of a Digital Luxury Watch, exemplified by the success of the E4 Smartwatch, has disrupted the conventional Swiss Watch industry and challenged decades of tradition. This transformative approach has also positioned Frederic as the likely successor to Arnault.

As we project into the next 5-10 years, we anticipate LVMH's continued expansion in both the Luxury Watch Space and the Digital Watch Space, guided by a new playbook crafted by the visionary leadership of Frederic. At 28 years old, his innovative disruption of the industry signals the potential for a major conglomerate like LVMH to further solidify its market presence.

Why Culture and Fashion Coalesce
The Smartwatch sector is experiencing an impressive 18% YoY growth, with Apple dominating the market at 34%. The signifi-

Rolex GMT-MASTER II 126710BLRO
Based on actual luxury bazaar sales



Source: Grey Market By Luxury Bazaar, "Rolex Watch Prices: Historical and Current From Actual Sales Numbers", 28 Nov 2022

Market price: $21,500
AVG return: 6.13%
(over 5 years)

Fashion has transitioned from the runway to everyday comfort, and the digital watch serves as an **extension of this cultural shift**. It is more than just a fashion statement; it reflects a cultural transformation that is unidirectional.

cant gap between Apple and its closest competitor at 8% highlights the fragmented nature of the market, with Garmin, Samsung, Huawei, and Fitbit collectively holding the majority. TAG has paved the way for Luxury Swiss brands to enter the digital arena, with Daniel Wellington, Girard-Perregaux Casquette, and even Breitling venturing into this realm, indicating a trend likely to be followed by others.

It is undeniable that the "Work From Home" (WFH) generation has catalysed a shift in spending behaviour, particularly evident in the luxury fashion sector. Luxury comfort has become the focus, with major brands like Lululemon and emerging Trainer brands such as O(n), Axel Arigato, and Hoka gaining prominence. This shift is attributed to the rise of a more comfortable, "local" wardrobe, as people are not going into work as frequently. Luxury brands like Gucci, Loewe, and McQueen have responded to this trend by introducing "Luxury Trainers," a concept unimaginable a decade ago. Fashion has transitioned from the runway to everyday comfort, and the digital watch serves as an extension of this cultural shift. It is more than just a fashion statement; it reflects a cultural transformation that is unidirectional.

Will Swiss Watch Markers become Extinct?

Swiss watches have transcended mere timekeeping, evolving into a statement of one's identity, values, and financial standing. With the luxury Swiss watch now priced at over SGD42,000 and boasting a three-year waitlist (if one can secure a spot), the allure of digital watches becomes evident for the 99%. Rather than a practical acquisition, Swiss watches embody craftsmanship and wristwear artistry. The digital watch era is on the rise, led by industry giants like Apple and Samsung, with Garmin and Casio also finding success in this niche. While luxury Swiss watches will endure, their survival may contribute to widening wealth disparities, rendering them inaccessible for many. In a shifting cultural landscape favouring socialism and centre-left ideologies, we anticipate a gradual decline in the purchasing power of Swiss watches over the next 10-15 years. Similar to the waning relevance of oil in favour of cleaner energy sources, the Swiss watch industry may face a cultural shift, marking it as a sunset industry in the evolving consumer landscape.

INVESTING IN TIMEPIECES

Luxury Watch Brands: Swatch Group (SIX: UHR.SW): Owns brands such as Omega, Rado, Tissot, Longines, and Calvin Klein watches.

Richemont (SWX: CFR): Owns brands such as Cartier, Jaeger-LeCoultre, Panerai, IWC Schaffhausen, and Vacheron Constantin.

Fossil Group (NASDAQ: FOSL): Owns brands such as Fossil, Skagen Denmark, and Zodiac.

Movado Group (NYSE: MOV): Owns brands such as Movado, Concord, ESQ, and Olivia Burton.

Smartwatch and Fitness Tracker Brands: Alphabet Inc Class A (NASDAQ: GOOGL): Owns the Google Pixel Watch.

Apple Inc (NASDAQ: AAPL): Owns the Apple Watch.

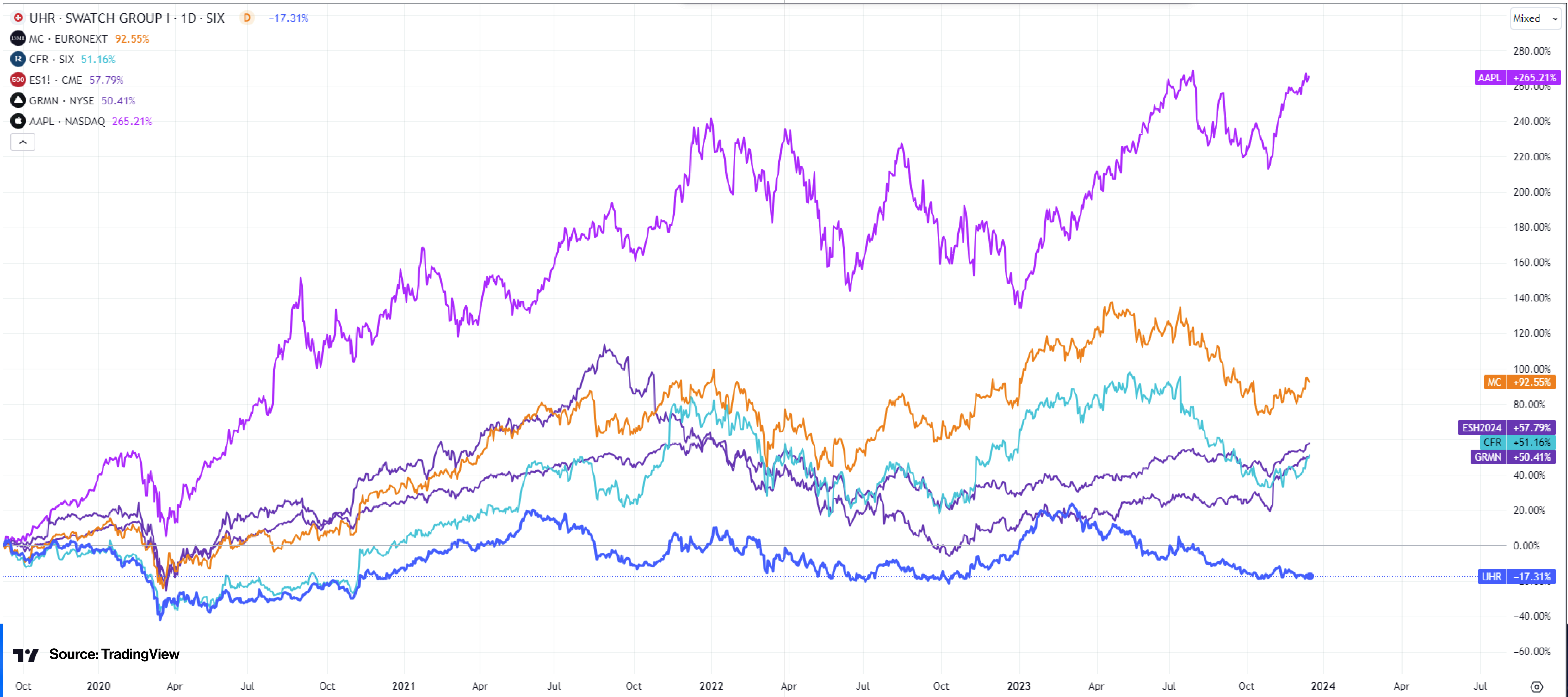
Garmin Ltd. (NASDAQ: GRMN): Specialises in GPS-enabled smartwatches and fitness trackers.

Watch Retailers: Signet Jewelers (NYSE: SIG): Owns brands such as Kay Jewelers, Zales, Jared, and Piercing Pagoda.

Watches of Switzerland Group (LSE: WOSG): Leading UK luxury watch retailer.

The Hour Glass (SGX: K32): Leading Singaporean luxury watch retailer.

Other: Chrono24 (private): Online marketplace for buying and selling luxury watches; considered a potential IPO candidate.



Strategic Brilliance Unveiled: Mark Cuban's Pioneering Business Moves

Mark Cuban, the multifaceted entrepreneur, astute investor, and owner of the Dallas Mavericks, consistently showcases strategic brilliance in his business endeavors.

Kurt Mayell

A pivotal juncture in his remarkable career materialized with the savvy sale of Broadcast.com, impeccably timed just before the dot-com bubble burst. This move not only attests to his financial acumen but also underscores his unparalleled ability to decipher and respond to market signals, leaving us to ponder whether it's sheer mastery or uncanny luck.

Regardless, this strategic maneuver solidifies his standing as a shrewd businessman, adept at making sagacious decisions amid financial uncertainty. Cuban's knack for impeccable market timing, prioritizing both profit and safeguarding investments, sets a standard we all aspire to emulate in the world of trading. As he prepares to part ways with the Mavericks in anticipation of the new year, speculation intensifies, questioning whether he is once again showcasing his market-timing prowess or if his prior success was merely a stroke of "beginners' luck."

Navigating the Volatility Landscape

In 1999, at the zenith of the dot-com boom, Cuban orchestrated the sale of Broadcast.com to Yahoo for an astronomical $5.7 billion. This strategic move, executed on the precipice of the bubble's burst, not only showcased Cuban's financial acuity but also affirmed his status as a visionary entrepreneur and savvy businessman. While this acquisition became one of Yahoo's missteps in the ensuing decades, it proved to be a lucrative deal for Cuban.

Fast forward to 2023, and Cuban commands headlines again for relinquishing ownership of the Dallas Mavericks, the NBA team he acquired in 2000. The timing of this move just before the new year has captivated traders and investors alike, recalling the substantial market sell-off following his last multi-billion-dollar transaction. This prompts a reconsideration of the risks heading into the holiday period, with many questioning the trajectory of the new year.

This diverges from the prevailing market consensus predicting the defeat of inflation, subsequent interest rate hikes, and the initiation of a bullish market. Cuban's sale, if taken as a leading indicator, challenges this consensus, hinting at potential market complacency and the need for a contrarian perspective.

An Evolving Landscape

Cuban, known for his role on "Shark Tank," has been vocal about the transformative impact of technology on sports consumption. Mentioning streaming services, virtual reality, and blockchain as pivotal forces, the sale of the Mavericks could be construed as a forward-looking move to position himself amid these trends. Perhaps, we may witness a foray into a streaming service, esports platform, or an exploration of blockchain opportunities during the ongoing crypto winter. The business landscape is evolving, challenging incumbents to adapt or risk losing their market position.

This Mavericks sale is not just asset divestment; it's about future positioning—a testament to Cuban's commitment to foresight and adaptability in the face of dynamic market forces—a lesson for many contemporary business leaders.

How to make the contrarian trade

Let's imagine consumers spend big this holiday season and inflation pops again. This could see central banks walk away from the idea of rate cuts as they fight to keep things under control, causing more pain for households and governments around the world.

This would see funds running away from the equity markets and other instruments that are unable to deliver suitable risk adjusted returns that can keep up with cash. The markets will likely head lower on the back of this until we get into the 4th quarter and the results of the US election play out. This will also see more interest in the US dollar with an increasing carry trade, which will be hard to resist for many.

I'm not saying we are likely to see an 80% sell off in equity markets, however it may be worth keeping one eye on market sentiment in the start of the new year. There may be some opportunities such as going short on US and European indices or some may take a long view on USD/JPY, looking for additional inflation hedges, and monitoring of crypto positions before higher rates may force traders away from this asset class once again.

Staying Attuned to Change

Successful investors and entrepreneurs grasp the dynamism of markets, staying attuned to emerging trends for long-term success. Cuban's actions prompt reflection on recognizing when the tide is turning, just as crucial as identifying the initial trend. While the concept of Mark Cuban as a market timing indicator is intriguing, it's imperative to comprehend the broader context and strategic vision underpinning his decisions. His actions aren't mere reactions to market shifts but part of a calculated strategy to stay ahead in industries undergoing profound changes.

To conclude, as we venture into 2024, the unfolding events will determine whether speculation around Cuban's recent decisions was hype or if he truly remains a market indicator. Whether selling a streaming platform or an NBA team, Cuban's business acumen reflects an understanding of underlying market dynamics and a strategic approach geared toward future success. Best wishes for a prosperous new year and successful trading endeavors.

Kurt Mayell
Head of Singapore, CFDs

INVESTING LIKE MARK CUBAN

When it comes to indices, he often advocates for low-cost index funds that align with the general principles of diversification and long-term investing:

Nasdaq Composite (IXIC):

This represents the performance of technology and internet-related stocks. Given Mark Cuban's interest in technology and startups, he may pay attention to the Nasdaq as it includes many tech-heavy companies.

Dow Jones Industrial Average (DJI or DJIA):

Measures the performance of 30 large, publicly traded companies in the United States. The Dow is often considered an indicator of the overall health of the U.S. stock market; Cuban may track it for broader market trends.

S&P 500 (SPX or SPX500):

Represents the performance of 500 large companies listed on stock exchanges in the United States. Provides a broad view of the U.S. stock market and is widely used as a benchmark for overall market performance.

USD/JPY (U.S. Dollar/Japanese Yen) Exchange Rate:

Represents the exchange rate between the U.S. Dollar and the Japanese Yen. Currency exchange rates can impact international trade and the profitability of companies; Cuban may be mindful of the USD/JPY for its implications on global economic conditions.

EUR/USD (Euro/U.S. Dollar) Exchange Rate:

Represents the exchange rate between the Euro and the U.S. Dollar. Similar to USD/JPY, the EUR/USD exchange rate provides insights into global economic conditions; Changes can affect the competitiveness of U.S. and European companies.

Embracing The Cyborg Revolution: Unveiling The Transformative Future Of Human-Machine Integration

In the realm of science fiction, the term "cyborg" often conjures up images of beings with superhuman abilities, seamlessly blending human biology with cutting-edge technology.

Joseph Yeow & Oriano Lizza

The line between fiction and reality is becoming increasingly blurred. The term "cyborg" itself, a shortened form of "cybernetic organism," refers to entities that merge biological and artificial components to amplify their capabilities. While fictional cyborgs often possess exceptional strength, speed, or intelligence, real-world cyborgs aim to enhance existing human attributes. This merging of biology and technology marks the onset of a new era in human augmentation, offering the tantalising prospect of humans transcending their inherent limitations.

The field of cyborg technology is on the cusp of significant progress in several key areas. Let's explore these exciting possibilities:

Cognitive Augmentation: Boosting Mental Abilities

When we think about cognitive augmentation, we often envision technologies like Neuralink's advanced brain implant, known as the "Neuralink Device." This implant, designed for insertion into the brain, establishes direct communication with neurons, enabling two-way interaction. It features a high-density array of electrodes capable of both recording and stimulating neural activity.

However, the idea of implanting chips directly into the brain presents substantial challenges and may take years to come to fruition, given the need for rigorous testing and lengthy trials. Moreover, even though Elon Musk is a visionary, adhering to expected timelines has not been his forte.

Rather than foreseeing a future filled with implanted microchips, let's consider an alternative scenario. Imagine having continuous access to information and guidance without invasive procedures – a device offering real-time information and suggested answers through visual or auditory means, 24/7. This isn't about our current smartphones but a mainstream extension of our mobile devices, such as "smart glasses," a "smart helmet," or a "smart cap." These gadgets would grant us instant visual access to the knowledge we seek.

Picture donning a pair of "smart glasses" that provide a visual overlay of preset destinations or facilitate seamless communication with experts from diverse fields, ranging from biology and physics to astrology. The reality of such technology becoming mainstream is within reach, like how the iPhone transformed our daily lives and behaviours. Think of it as Iron Man's AI "Friday," a dependable virtual assistant, brought to life through smart glasses. This paradigm shift could rede-

Joseph Yeow
Sales Trader (ALPHA)

Oriano Lizza
Sales Trader (ALPHA)

fine how we interact with information, much like the iPhone revolutionised our connection with the digital world. Some companies have already integrated "Siri" into their "smart glasses." The question is how much further can this "smart glasses" technology improve to become more seamless and potentially reach mainstream adoption, perhaps as soon as next year.

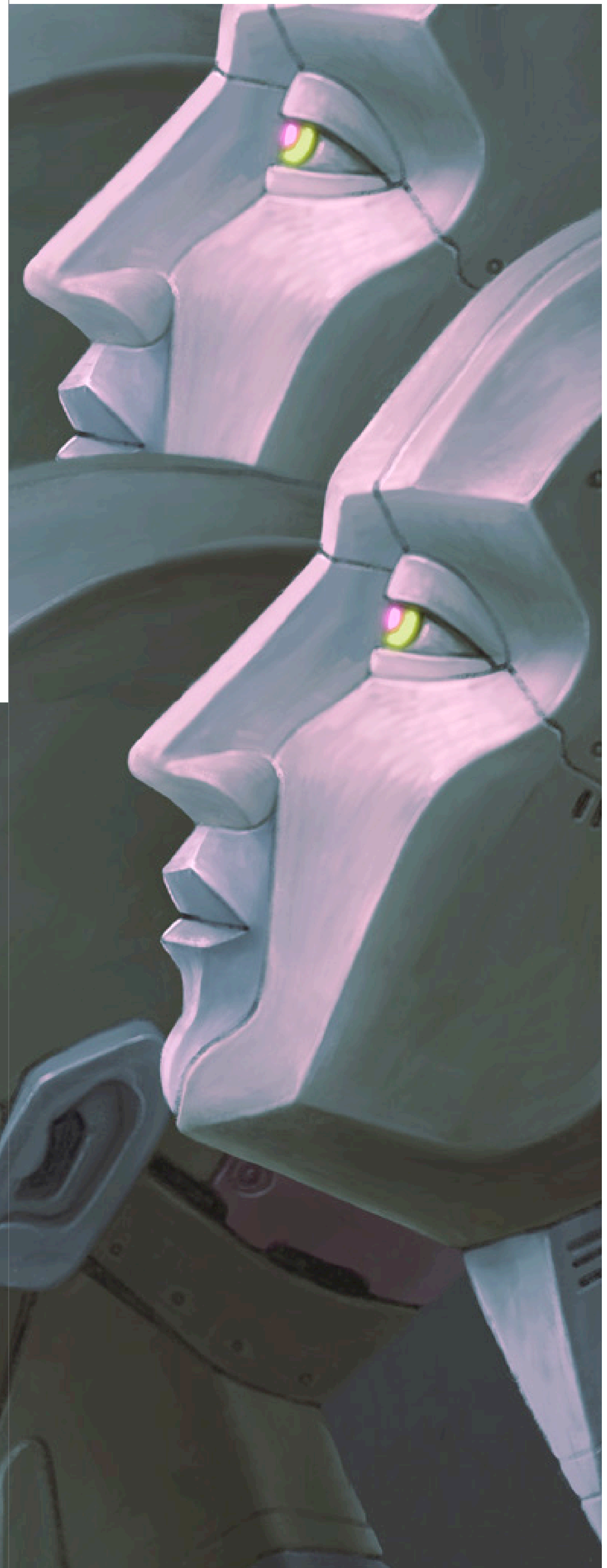
Potential for cognitive interfaces that allow us to influence the physical world.
In the years after Kevin Warwick's pioneering RFID chip implant experiment in 1998, we've seen big strides in the world of biohacking and human-machine blending. While Warwick's early experiment showed that basic human-machine interaction was possible, the future looks even more exciting.

Think about a world not too far away where we can use our thoughts to control things around us. Picture this: You want to change the lights in your house, adjust the temperature, or beef up security – all you need is a simple thought.

This isn't just a dream; it's becoming a reality, and it could be as soon as next year. There are some real examples that show this is not science fiction:
Brain-Computer Interfaces (BCIs) Getting Smarter: Take Neuralink, a project by Elon Musk, for instance. They're making brain-computer interfaces that are getting better and better. They've even had successful tests where they implanted BCIs in pigs to monitor their brain activity. This could lead to incredible things like controlling computers or prosthetic limbs using just our thoughts.

DARPA's Prosthetic Arm Project: The people at DARPA, a research agency for the U.S. military, are pushing the envelope in prosthetic limbs. They have this program called the "Revolutionising Prosthetics program," and it's led to some awesome breakthroughs. They've created a Modular Prosthetic Limb (MPL), which is a super advanced prosthetic arm that can be controlled by your thoughts. In fact, there are already prosthetic arms out there that work this way.

As technology gets fancier, we're moving from using it to help people who need it the most, like those with disabilities, to improving the abilities of those who are already doing fine. This means we're entering a new era where we can enhance our physical and mental abilities. It's not just a sci-fi fantasy; it's something we'll see in the real world very soon. And investing in these areas could provide exposure to the burgeoning field of human augmentation and the cyborg future, potentially offering growth opportunities as these technologies evolve and become more integrated into our lives. As the boundaries between humans and machines continue to blur, the potential for innovation and investment in this space is boundless.



INVESTING IN THE CYBORG FUTURE

For investors looking to get in on the cyborg future, several areas of the stock market offer exposure to these transformative technologies:

Medical Device Manufacturers:
Companies like Medtronic, Stryker Corporation, and Zimmer Biomet Holdings manufacture a range of medical devices, including advanced prosthetic limbs and orthopaedic implants used in human augmentation procedures.

Semiconductor and Electronics:
Semiconductor companies like NVIDIA, Intel, and AMD provide the processors and hardware used in various human augmentation technologies, including brain-computer interfaces and wearable devices.

Biotechnology and Pharmaceuticals:
Companies like Abbott Laboratories and bionics-focused firms like Ekso Bionics Holdings are involved in the development of advanced medical technologies, including exoskeletons and bioelectronic implants.

Technology Conglomerates:
Some technology conglomerates like Alphabet, which owns Google, have subsidiaries or divisions involved in a wide range of technology and medical research, including robotics, artificial intelligence, and biotechnology.

Defence and Aerospace Contractors:
Companies like Lockheed Martin, Northrop Grumman, and Raytheon Technologies work on advanced technologies with applications in both defence and medical fields, including prosthetics and robotics.

Skyward Sustainability: The Future Of Green Transportation With Electric And Hydrogen-Powered Planes

The introduction of electric and hydrogen-powered aircrafts propels the aviation industry towards a paradigm shift, opening a promising intersection of green transportation and profitable portfolios.

Daphne Tan

From the streets to the skies, the green transportation revolution has taken flight. The introduction of electric and hydrogen-powered aircrafts propels the aviation industry towards a paradigm shift, opening a promising intersection of green transportation and profitable portfolios.

Apart from the apparent potential growth in the energy sector, skyward sustainability could power companies involved in:

- Electric propulsion systems and hydrogen fuel cells, along with associated components such as lithium batteries
- Aerospace manufacturing
- Materials science – lightweight yet structurally robust, conductive, hydrogen compatible
- Software and technology – energy and battery management systems (BMS), simulation and training software, data analytics for performance optimisation

According to estimates detailed in "Making Net-Zero Aviation Possible" from the Mission Possible Partnership, sponsored by Energy Transitions Commission, RMI, We Mean Business Coalition and World Economic Forum, hydrogen and electric planes could account for 21%-38% of flights by 2050.

Proven and refined: Milestones in green aviation

While 2050 may seem like a distant target, electric air travel is beyond its nascent phase. Privately-owned Beta Technologies trialled its all-electric Alia aircraft on a few occasions, with its most recent feat being a short-haul international flight from Plattsburgh International Airport in New York to Pierre Elliott Trudeau International Airport in Montreal, Quebec.

In the realm of hydrogen aviation, Universal Hydrogen (privately-owned) conducted a 15-min test flight with a modified Dash-8 passenger aircraft – a common presence at regional airports across the USA. The aircraft featured a hydrogen fuel cell by Plug Power on one wing, and relied on jet fuel via a standard Pratt and Whitney turboprop engine on the other.

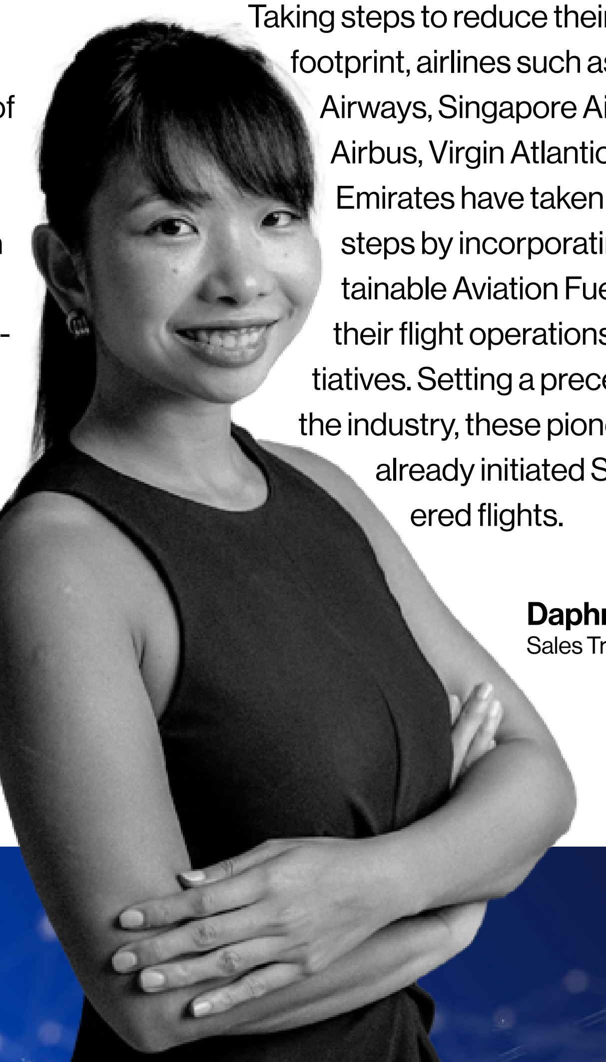
The groundbreaking achievements of Beta Technologies and Universal Hydrogen are a testament to the attainable heights in eco-friendly air travel, and the time that electric and hydrogen-powered air travel is commonplace may not be too far off.

However, a closer target appears to be transitioning aircrafts to the use of sustainable aviation fuel (SAF) manufactured from feedstocks such as:

- Oils and fats – hydroprocessed esters and fatty acids (HEFA)
- Sugar and cereal
- Municipal solid waste
- Wood and agricultural residue
- Renewable energy and carbon

Leading the charge: Airlines embracing Sustainable Aviation Fuel (SAF)

Taking steps to reduce their carbon footprint, airlines such as Etihad Airways, Singapore Airlines, Airbus, Virgin Atlantic, and Emirates have taken proactive steps by incorporating Sustainable Aviation Fuel (SAF) in their flight operations and initiatives. Setting a precedent for the industry, these pioneers have already initiated SAF-powered flights.



Daphne Tan
Sales Trader

On their tail, major carriers like American Airlines, British Airways, Finnair, Japan Airlines, and Qatar Airways have announced plans to procure up to 200 million gallons of ethanol-based SAF annually over the next five years from renowned renewable fuels producer, Gevo. This concerted effort signifies a collective commitment to sustainable practices within the aviation sector.

SAF can reduce carbon emissions by up to 80%. According to International Air Transport Association (IATA) estimates, SAF could contribute to around 65% of the reduction in emissions needed by aviation to reach net-zero in 2050.

Navigating Turbulence: Infrastructure Challenges and Regulatory Hurdles

As electric and hydrogen-powered planes aim for the commercial runway, they encounter both hurdles and opportunities.

According to estimates detailed in "**Making Net-Zero Aviation Possible**" from the Mission Possible Partnership, hydrogen and electric planes could account for 21%-38% of flights by 2050.

Charging and Refuelling Challenges

The integration of electric and hydrogen-powered planes into commercial aviation hinges on the establishment of a robust infrastructure. For electric planes, the development of widespread charging stations is necessary, requiring significant investments and strategic planning. Similarly, hydrogen-powered aircrafts depend on the longevity of a hydrogen fuel cell, presenting logistical challenges that still need to be addressed for commercial operations.

Energy Density and Practicality

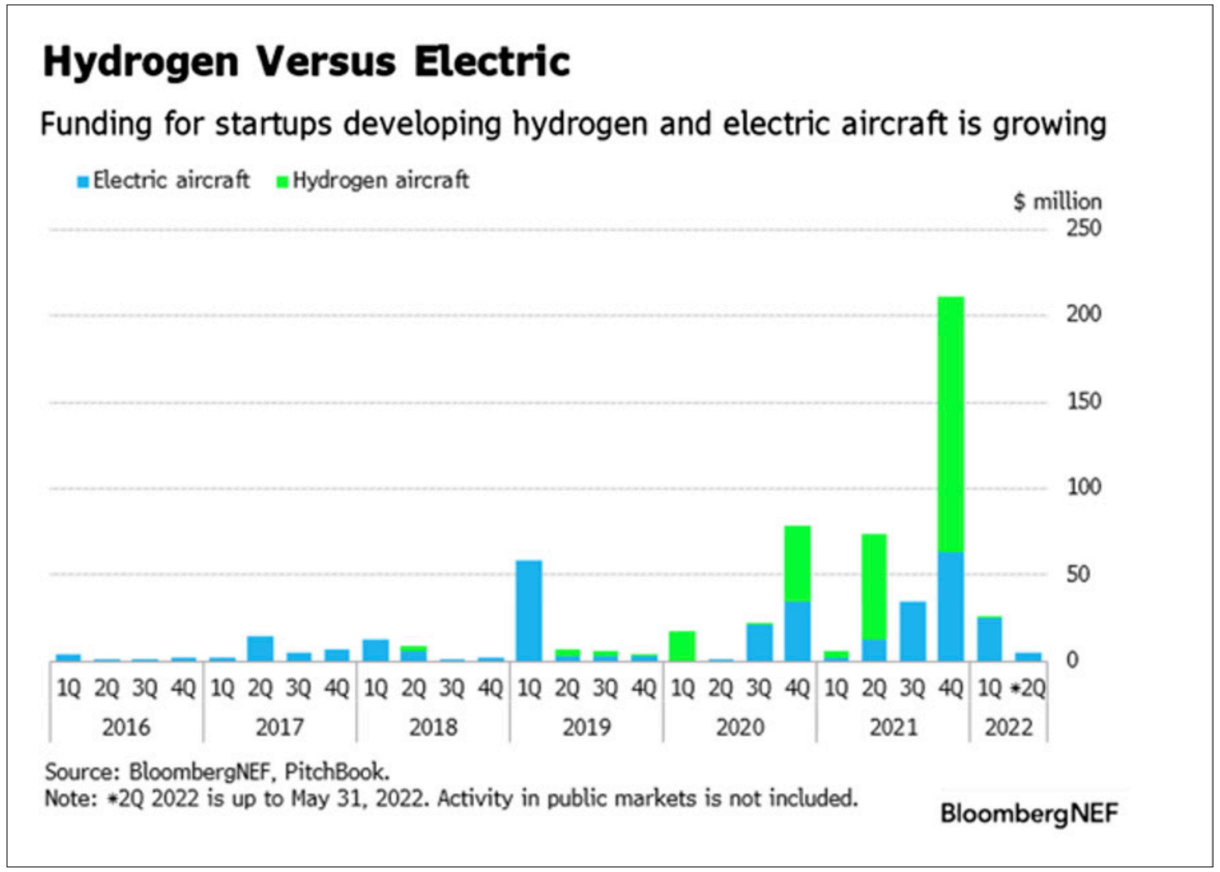
A critical challenge revolves around the energy density of batteries and the efficiency of hydrogen fuel cells. These factors directly impact the range and practicality of electric and hydrogen-powered planes, particularly for long-haul flights. Striking the right balance to enhance energy storage capabilities while maintaining efficiency is a pivotal focus for researchers and engineers in the field.

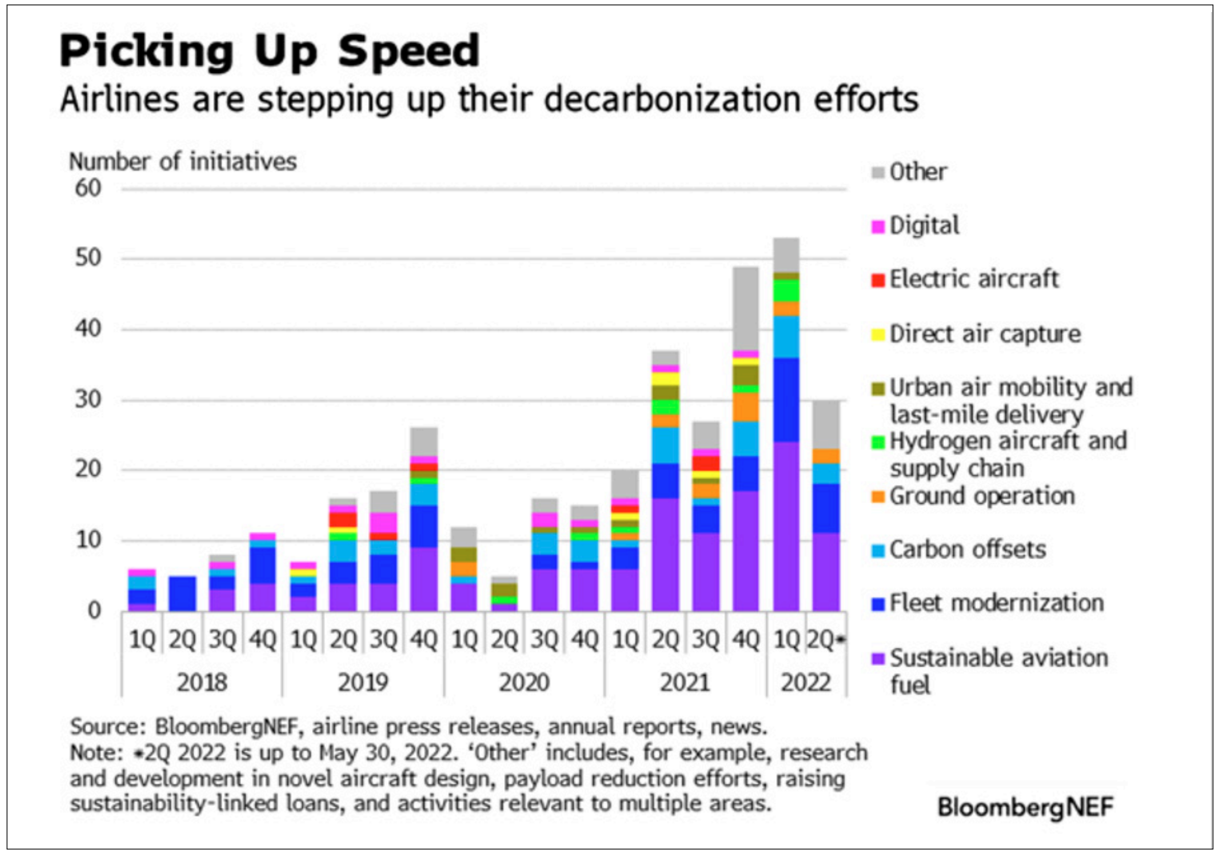
Regulatory Frameworks: Crafting Comprehensive Safety Standards

Navigating the skies of commercial aviation requires adherence to stringent safety standards and certification processes. Regulatory bodies worldwide are actively working to establish comprehensive frameworks for the approval of electric and hydrogen propulsion systems. Achieving international consensus is particularly crucial, as highlighted in a report by the International Civil Aviation Organization (ICAO), to ensure a harmonised approach to safety and facilitate the widespread adoption of these groundbreaking technologies.

Poised to become a multi-billion-dollar industry, green aviation is gaining substantial financial traction. Notably, funding for startups focused on electric and hydrogen-powered aircraft has exceeded an impressive $400 million since 2016 (BloombergNEF). As outlined by McKinsey & Company, the pathway to achieving global net-zero aviation by 2050 requires an estimated average annual investment of approximately US $175 billion between 2022 and 2050. Of this total, a substantial 95% is earmarked for fuel production and upstream assets.

While challenges loom, ongoing research, innovation, and collaborative efforts are actively addressing these hurdles. The commitment of aviation authorities, industry players, and researchers to surmount infrastructure, energy, and regulatory challenges underscores the determination to usher in a new era of sustainable and commercially viable electric and hydrogen-powered air travel.





INVESTING IN THE GREEN AVIATION SPACE

The pertinent question arises: where do the lucrative opportunities lie in this transformative voyage?

Airbus SE
Airbus pioneers fuel-efficient aircraft, including the A320neo family with advanced engines and aerodynamics for reduced fuel consumption and emissions. Actively exploring hydrogen as a viable aviation fuel, Airbus also engages in eco-efficient manufacturing and collaborative partnerships, the company drives progress in green aviation initiatives.

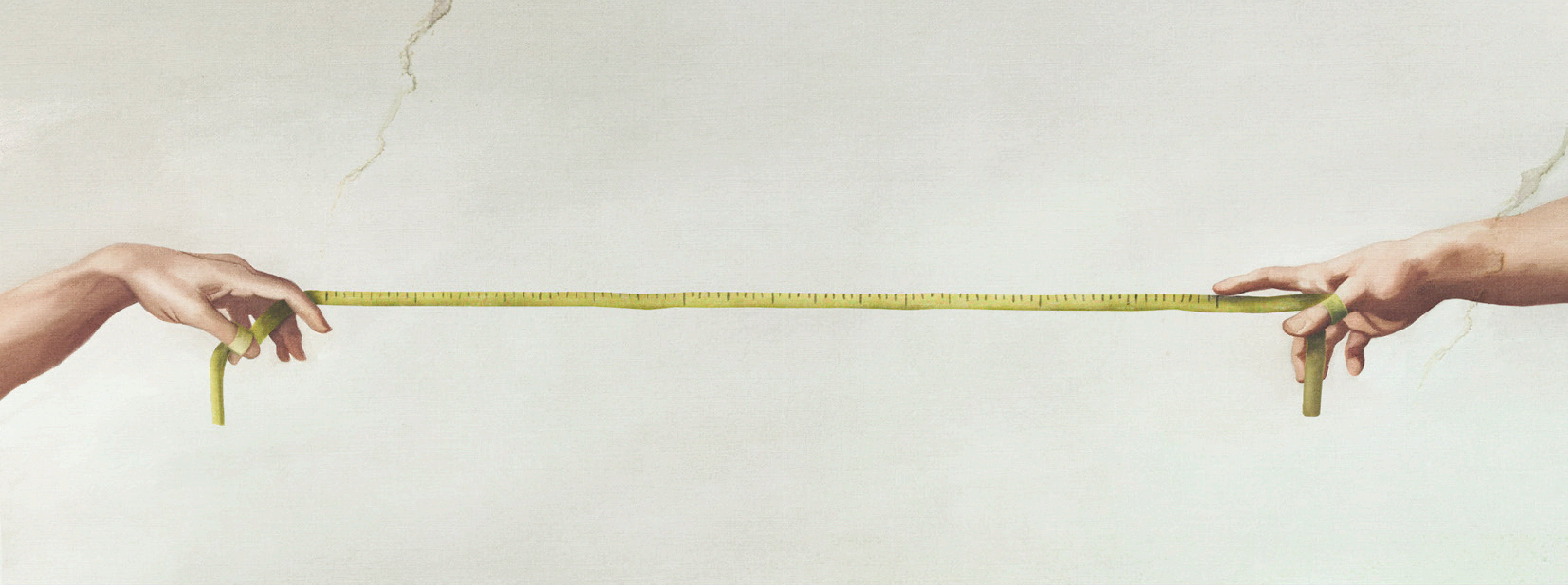
Joby Aviation
Joby Aviation is a pioneering force in green aviation, specialising in electric vertical takeoff and landing (eVTOL) aircraft. Their focus on emission-free, electric aviation aligns with the goal of reducing environmental impact. Joby's innovative approach extends to the integration of urban air mobility networks, aiming to transform urban transportation with sustainable and efficient aerial solutions.

easyJet plc
easyJet prioritises sustainability through modern, fuel-efficient aircraft like the Airbus A320neo, minimising fuel consumption and emissions. Actively exploring electric and hybrid technologies, the airline also collaborates with industry partners to drive sustainable practices, exemplifying a dedication to environmental responsibility in air travel.

Toshiba Corporation
Toshiba Corporation is a global leader committed to sustainability through cutting-edge technologies. The company focuses on creating energy-efficient products and solutions across various sectors, including electronics, energy, and infrastructure. Aerospace wise, its contribution includes radar systems and rechargeable lithium-ion batteries.

Bloom Energy
Through continuous innovation, Bloom Energy is at the forefront of sustainable energy solutions, specialising in the development and deployment of solid oxide fuel cell technology. The company's fuel cells provide on-site power generation with minimal environmental impact, reducing emissions and dependence on traditional power sources.

In closing, the collective efforts of these companies, alongside the industry's dedication to sustainability, signal a promising journey toward a future where the skies are not just pathways for travel but symbols of responsible innovation and environmental stewardship. The green skies of tomorrow beckon, inviting us to embrace a sustainable and prosperous future in aviation.



Unlocking the Potential: Investing In The Obesity Market With GLP-1 Receptor Agonists

Obesity is a global health crisis, with over 650 million adults classified as obese in 2022 – this number is projected to continue rising, driven by urbanisation, lifestyle changes, and genetic predisposition.

Kavin Cheong

Obesity is associated with a range of serious health risks, including type 2 diabetes, heart disease, stroke, and certain types of cancer.

The current treatment options for obesity are limited and often ineffective. Existing drugs and devices often have side effects or require significant lifestyle changes to be effective. Surgical procedures, such as gastric bypass surgery, are invasive and expensive and are only considered for a small number of patients.

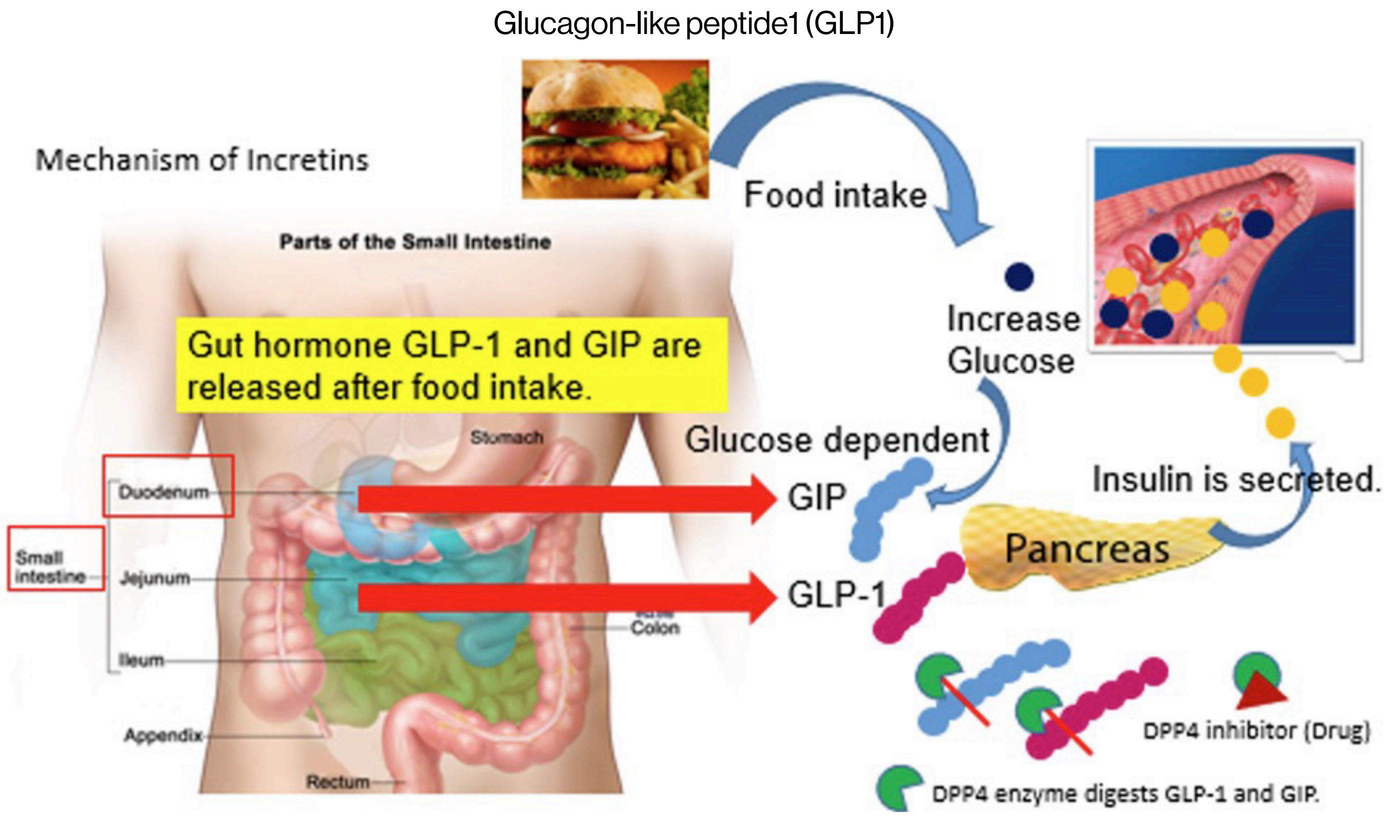
Next-generation anti-obesity medications represent a promising new approach to treating obesity. These medications are designed to target the underlying biological mechanisms that contribute to weight gain and obesity.

What is Obesity?

Obesity is characterised by an abnormal or excessive accumulation of fat, posing risks to both physical and mental health, and placing burdens on productivity and healthcare systems. The World Health Organization (WHO) defines overweight and obesity using the body mass index (BMI), calculated as a person's weight in kilograms divided by the square of their height in metres [BMI = weight (kg) / height^2 (m^2)]. For adults, the classifications are as follows: (i) Overweight: ≥25; (ii) Obese: ≥30; and (iii) Severely obese: ≥35.

While BMI, due to its simplicity and non-invasiveness, has become a standard measure in the medical understanding of obesity, it has limitations. For instance, it doesn't consider factors such as the relative contribution of fat versus muscle to weight (resulting in the potential misclassification of muscular athletes as obese), the distribution of fat (which has implications for disease risk), and the fact that the measure was originally developed based on studies among people of European heritage.

In January 2023, recognising the advancements in therapeutic approaches for obesity, several prominent organisations in obesity care released a consensus statement. This statement emphasised that BMI provides an incomplete measure of body fat, underscoring the need for a more comprehensive understanding of obesity beyond this metric.



Source: Immuno-Biological Laboratories, Inc.

"Obesity is a complex condition that is **influenced by both genetic and environmental factors**. People with a family history of obesity are more likely to develop the condition themselves."

Kavin Cheong
Sales Trader (INVEST)

Projections for Obesity Rates Globally
The global prevalence of obesity is projected to continue to rise significantly in the coming decades. According to the World Obesity Federation, more than half of the world's adult population (51%, or over 4 billion people) will be living with either overweight or obesity by 2035. The number of obese adults is expected to reach 1.1 billion by 2030, up from 650 million in 2016.

Urbanisation: As more people move to cities, they are often exposed to unhealthy environments that promote weight gain, such as access to processed foods and limited opportunities for physical activity.

Lifestyle changes: People are increasingly consuming more calories and less physical activity than they did in the past. This is due to factors such as increased reliance on cars, more sedentary jobs, and more time spent watching television and using computers.

Genetic predisposition: Obesity is a complex condition that is influenced by both genetic and environmental factors. People with a family history of obesity are more likely to develop the condition themselves.

Concerns about Rising Obesity Rates
The rising prevalence of obesity is a major public health concern because it is associated with a number of serious health risks, including:
Type 2 diabetes: Obesity is a major risk factor for type 2 diabetes, a chronic condition that affects the body's ability to regulate blood sugar levels.

Heart disease: Obesity is a major risk factor for heart disease, which is the leading cause of death worldwide.

Stroke: Obesity is a major risk factor for stroke, a serious medical condition that occurs when blood flow to the brain is interrupted or blocked.

Certain types of cancer: Obesity is associated with an increased risk of several types of cancer, including endometrial, colon, and breast cancer.

Investment Opportunity in the Obesity Market
The global obesity epidemic is fueling the demand for effective weight management solutions, and glucagon-like peptide-1 (GLP-1) receptor agonists have emerged as one of the most promising therapeutic approaches. GLP-1 receptor agonists mimic the effects of the naturally occurring hormone GLP-1, which plays a crucial role in regulating appetite and energy expenditure.

What is GLP-1?
Glucagon-like peptide-1 (GLP-1) receptor agonists are a class of drugs that mimic the effects of the naturally occurring hormone GLP-1, which helps regulate appetite and energy expenditure. These drugs have shown promise in treating obesity, and the global market for GLP-1 receptor agonists is expected to reach US$24.8 billion by 2030.

Several factors make GLP-1 receptor agonists an attractive investment opportunity:
National Institutes of Health (NIH)
Strong Clinical Efficacy: GLP-1 receptor agonists have consistently demonstrated significant efficacy in clinical trials, leading to substantial weight loss in obese patients. Studies have shown that these drugs can induce weight reductions of up to 15% or more, surpassing the effectiveness of traditional anti-obesity medications.

Journal of Clinical Endocrinology & Metabolism
Favourable Safety Profile: GLP-1 receptor agonists generally exhibit a favourable safety profile compared to other obesity treatments. The side effects associated with these drugs are typically mild and manageable, such as nausea, vomiting, and diarrhoea.

Grand View Research
Expanding Pipeline: Numerous GLP-1 receptor agonists are currently in development, offering a diverse range of treatment options for patients with different needs and preferences. This expanding pipeline indicates the continued innovation and potential of this therapeutic class.

World Obesity Federation
Rising Prevalence of Obesity: The global prevalence of obesity is on the rise, with over 650 million adults classified as obese in 2022. This growing population of potential patients is expected to drive demand for GLP-1 receptor agonists.

Centers for Disease Control and Prevention
Growing Government Support: Governments worldwide are increasingly recognising obesity as a major public health concern and are allocating resources towards research and treatment. This growing support could further accelerate the development and adoption of GLP-1 receptor agonists. Centers for Disease Control and Prevention

In Short
GLP-1 receptor agonists present a compelling investment opportunity in the growing obesity market. Their strong clinical efficacy, favourable safety profile, expanding pipeline, and increasing demand driven by the rising prevalence of obesity make them a promising class of therapeutics. However, investors should carefully evaluate the risks associated with investing in this space, particularly regulatory hurdles, competition, and pricing considerations.

INVESTING IN THE FIGHT AGAINST OBESITY

Novo Nordisk (NVO:US): Novo Nordisk is a leading Danish pharmaceutical company that develops and manufactures a wide range of diabetes and obesity treatments, including the GLP-1 receptor agonists Wegovy and Ozempic. The company is expected to continue to benefit from the growing demand for GLP-1 receptor agonists as obesity rates rise globally.

Eli Lilly and Company (LLY:US): Eli Lilly is another major pharmaceutical company with a strong presence in the obesity market. The company's GLP-1 receptor agonist Mounjaro has shown impressive weight loss results in clinical trials and is expected to receive FDA approval in 2023.

Pfizer Inc. (PFE:US): Pfizer is a diversified pharmaceutical company with a growing presence in the obesity market. The company's GLP-1 receptor agonist Bydureon has been on the market for several years and has a proven track record of efficacy. Pfizer is also developing a new GLP-1 receptor agonist, liraglutide, which is expected to be launched in the coming years.

Amgen Inc. (AMGN:US): Amgen is a biotechnology company that develops and manufactures a range of innovative therapies, including the GLP-1 receptor agonist empagliflozin. Empagliflozin is primarily used to treat type 2 diabetes, but it has also shown promise in treating obesity.

AstraZeneca PLC (AZN:US): AstraZeneca is a British pharmaceutical company that is developing a new GLP-1 receptor agonist called dulaglutide. Dulaglutide is currently in Phase 3 clinical trials, and if approved, it could become a significant player in the obesity market. Alternatively, we also have some Hong Kong-listed companies that are prominent players in the GLP-1 sector.

Hong Kong-listed companies that are prominent players in the GLP-1 sector
Innovent Biologics, Inc (1801.HK): Innovent Biologics develops, manufactures and commercialises high-quality medicines for the treatment of oncology, metabolic, autoimmune, ophthalmology and other major diseases.

Wuxi Apptec (2359.HK): WuXi AppTec provides R&D & manufacturing services enabling companies in the pharmaceutical & biotech industries worldwide to advance discoveries, and is reportedly expected to become the world's second-largest contract development and manufacturing organisation (CDMO) of peptide drugs.

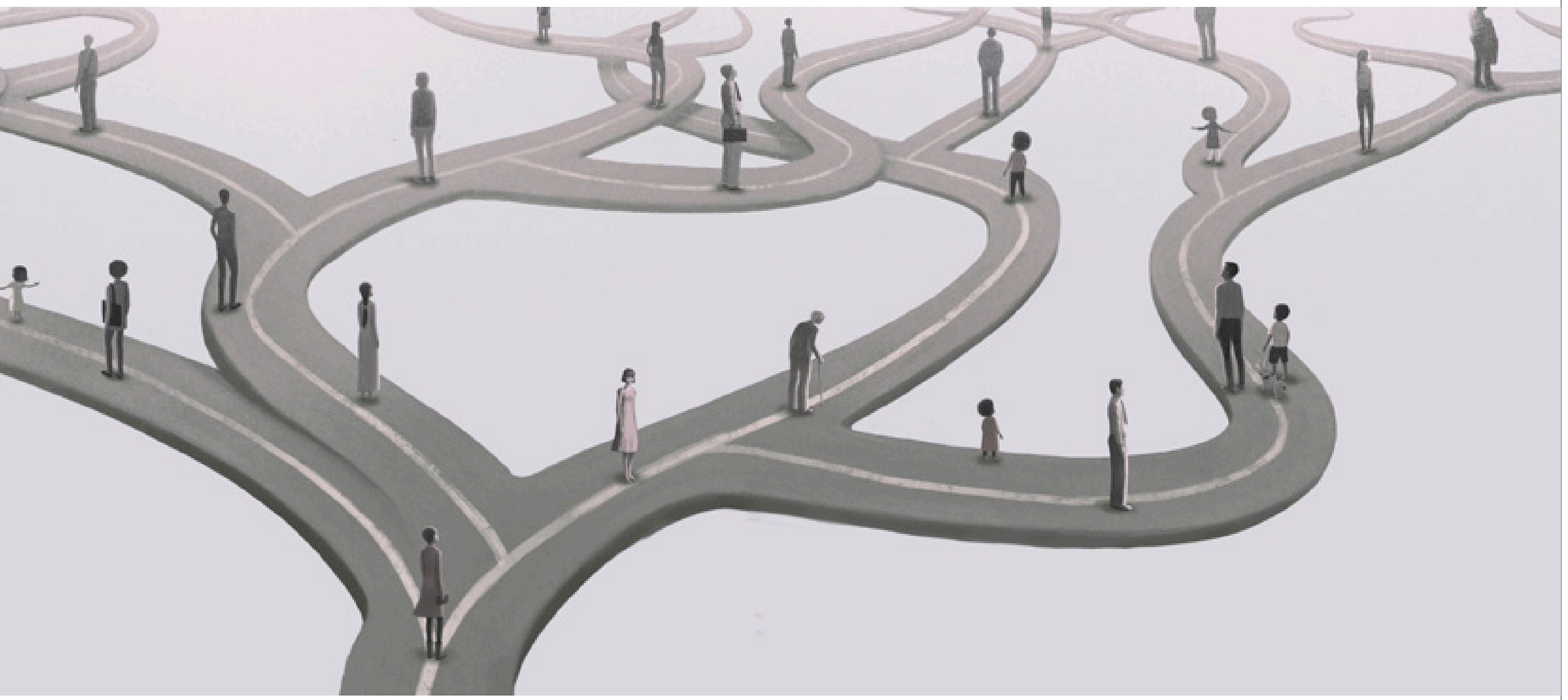
Diversify your investments across various assets while maintaining a focused sector approach is by considering ETFs.
VanEck Pharmaceutical ETF (PPH:US): As a dedicated pharma fund, the VanEck Pharmaceutical ETF (PPH) makes for a predictable beneficiary of the weight-loss drug movement. Importantly, there's clear confirmation of PPH's relevance in this conversation as Eli Lilly and Novo Nordisk combine are the ETF's two largest holdings, combining for over 15% of the fund's roster.

Tema Cardiovascular & Metabolic ETF (HRTS:US): The Tema Cardiovascular & Metabolic ETF (HRTS) invests in companies tackling diabetes, obesity and cardiovascular diseases, according to the New York-headquartered platform's website. The ETF tracks popular drugmakers like Novo Nordisk (NVO) and Eli Lilly (LLY), aiming to tap into growing demand for their weight-loss and diabetes drugs.

Navigating 2024: An Analysis of Market Trends and Projections

Due to the rapid and continual rate hike since March 2022, it is interesting to observe the U.S. Treasury Bond yield curve has gone into inversion for several months.

DAR Wong



This article was written just two days before the final FOMC on 12th and 13th December in Y2023. Some said there could be a final rate hike so the U.S. policymakers could start slashing rate in Y2024, while others said there would be no action as the policymakers wanted to uphold the market for a soft landing in the coming year. Whatever it would take to sail across the Christmas festive seasons, we thought it would be a smooth and peaceful year-end!

The reason is simple. No policymaker or government department wants a rough year-end season and busy cracking the brains instead of savouring the warm Christmas feast with families at home.

Tracking back this year, we have seen the Federal Reserve increase the FED fund rate four times from the 4.25% – 4.50% range in February till eventually 5.25% – 5.50% in July. Since the policymakers initiated the rate hike exercise from March 2022, there has been a total of 11 times and lifted the FED fund rate from a meagre 0.25% - 0.50 % range to where it is now!

Due to the rapid and continual rate hike since March 2022, it is interesting to observe the U.S. Treasury Bond yield curve has gone into inversion for several months.

For a long time of many decades in market practice, traders would obtain a subtraction of 10Y Bond yield and 2Y Bond yield to benchmark a positive number. In other words, it is a normal sign to observe a higher Bond yield on a longer-maturity period than a shorter-maturity period. This implies the confidence of traders into making investment on the U.S. economy on a longer-term than short-term of 1 – 3 years!

Nevertheless, an inverted Bond yield curve (aka inversion) means the yield of investing in U.S. Bond of short-term maturity will pay higher than long-term maturity. For example, based on the data extracted on 8 December 2023, the U.S. Bond yield are paid on the coupon rate as shown below:

6-Month Bond yield = 5.39%
1-Year Bond Yield = 5.13%
2-Year Bond Yield = 4.71%
3-Year Bond Yield = 4.45%
10-Year Bond Yield = 4.23%

When you look closely at the numbers, there was a progressive decreasing pattern on the yield as you invest on longer-term of maturity.

Based on our findings since 1980, whenever there was an inversion in U.S. Bond yields continually for more than six months or even longer, this might erupt into a recession and eventually trigger a market "meltdown". Such a situation was clearly depicted and preceded before the oil crisis erupted in 1981; Dow crash in 1989; Dotcom bust in 2001; Subprime crisis in 2008 etc. The pattern would repeat unanimously before the meltdown erupted!

Ironically, we have seen a similar inversion in U.S. Bond yield since July 2022 and this has persisted continually for 17 months till December 2023!

In Short

We project a likelihood of a boisterous market meltdown coming very soon in Y2024. This might come like a thief in the middle of the night when you're asleep and you would only realise that all your wealth has been stolen on the following morning! After the extraordinary peace has subsided, the unalerted storm might pour within Q1 season of Y2024.

As Dollar rose rapidly in Y2023, we noticed the USD/JPY has notched to 30-year high as the market tested 150.00 level in August 1990; October 2022; and October 2023. Other peaks included the 147.00 level dated August 1998 and 123.00 level dated July 2007. The similarities of all these peaks coincided with the FED Fund rate trading at 5.50% or higher before the USD/JPY plunged into many years of subsequent correction.

On 7 December, Bank of Japan Governor Kazuo Ueda commented that the ultra-loose monetary policy in Japan has been sustaining for many years and policymakers are uncertain of the distance to end this yield curve control (YCC) and negative interest rates. However, policymakers will adopt a very cautious approach to exit this easy policy.

DAR Wong
Book Author, Veteran Trader and a professional in Security & Futures industry

Whenever there was an inversion in U.S. Bond yields continually for **more than six months or even longer**, this might erupt into a recession and eventually trigger a market "meltdown".

Traders interpreted this statement as the intention of policymakers to exit the negative interest very soon and the coming Y2024 might see a rise in the cost of borrowing Yen. Technically, the Bank of Japan might impose an interception to lift Yen in the near future, especially when the Dollar begins to weaken. On the other hand, this could salvage the asset depreciation in Japan when the Yen reverses higher in Y2024.

The Dollar might wane in Q1 season of Y2024 once the FED fund rate reduces. On the way down into correction, we predict the USD/JPY will attain 2 very important targets just like what happened in the past years. The first target will land around 130.00 level before making a short-term retracement. The second target will probably land at the 100.00 benchmark that is a well-balanced region for the USD/JPY exchange rate. Overall, this could be a huge opportunity in Y2024 for all currency traders and a deja-vu experience for veteran traders!

As the Dollar dives eventually in Y2024, we should see an ascension in Gold prices. Fundamentally, the yellow metal will always propel to new highs whenever there is a high-surge inflation in the global economy. Usually, this will be in-line with the rate hike cycle in U.S. monetary policy that pushes the Dollar value against all emerging market currencies.

Another market catalyst in pushing up the Gold prices to historical high is the persistent dive in Dollar values, sometimes alongside with progressive rate cut. Such situations were seen in 2H 2011 and 2H 2020.

The sudden ascension (of Gold prices) was **due to the worsening fear** in the Hamas-Israel conflict and investors sought after the Gold commodity as a safe haven.

On 4 December, spot Gold prices spiked to new historical high at USD2135 /oz and fell since. Market traders were caught off-chair and started to rush into the market on correction. The sudden ascension was due to the worsening fear in the Hamas-Israel conflict and investors sought after the Gold commodity as a safe haven.

Theoretically, the purchase of paper Gold would need to pay Dollar interest when a trader engages in forward trading. Hence, it is unwise to expect an upward and continual trend in yellow metal at the current time in-lieu of paying high U.S. interest rate. Personally, I would anticipate the Gold prices to make a correction for at least USD200 range from the recent top USD2135 /oz in order to squeeze out the long-traders.

In great frustration, we target the Gold prices might dawdle again into the region of USD1920 /oz and thread sideways to wear out the patience of many Gold buyers. This might last till February /March before the yellow metal starts to climb again!

Ideally speaking, the Fed fund rate needs to fall below 5.0% level in order for the Gold traders to re-enter the market. In hindsight, the next benchmark of making a new historical high will depend on the conjunction when the FED fund rate sinks below 2.0% level per annum. Effectively, this will enable the holdings of long-positions in paper Gold at lesser cost and cheap enough to push the yellow metal into a new historical high!

Gold prices are moving into a downward correction now and might last into the Q1 season of Y2024. It would take the FED fund rate to sink and spiral down before expecting the next ascension in yellow metal. Apparently, the correction target might land around USD1920 /oz and thereafter thread into a sideways trend of USD100 range beneath USD2020 /oz. The next rising sunshine in Gold prices might come only in Q2 season of Y2024 when the FED fund rate begins to reduce.

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On A Radical Note:
Rounding off 2023

Important Information