



Amadeus Wealth Alternatives 411 Hackensack Ave. Ste. 200, Hackensack, NJ 07601 www.amadeuswealth.com



212-697-3930
Edward Papier, CIMA[®], CFF
ep@amadeuswealth.com

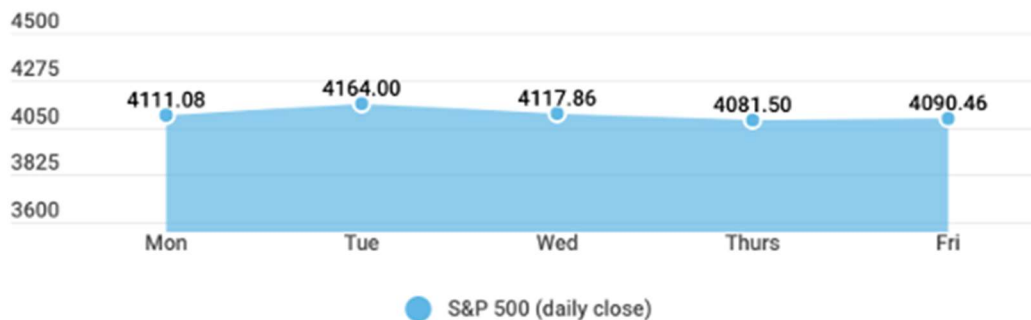
Weekly Economic Update Feb. 13, 2023

Stocks drifted lower as a week of mixed earnings reports and resurgent worries over Fed monetary policy dragged on investor sentiment.

The Dow Jones Industrial Average slipped 0.17%, while the Standard & Poor's 500 declined 1.11%. The Nasdaq Composite index lost 2.41%. The MSCI EAFE index, which tracks developed overseas stock markets, dipped 0.30%.^{1,2,3}



Market Index	Close	Week	Y-T-D
DJIA	33,869.27	-0.17%	+2.18%
NASDAQ	11,718.12	-2.41%	+11.96%
MSCI-EAFE	2,112.68	-0.30%	+8.68%
S&P 500	4,090.46	-1.11%	+6.54%



	Treasury	Close	Week	Y-T-D
	10-Year Note	3.74%	+0.21%	-0.14%

Sources: The Wall Street Journal, February 10, 2023; Treasury.gov, February 10, 2023
 Weekly performance for the Dow Jones Industrial Average, Standard & Poor's 500 Index, and NASDAQ Composite Index is measured from the close of trading on Friday, February 3, to Friday, February 10, close. Weekly performance for the MSCI-EAFE is measured from Friday, February 3, open to Thursday, February 9, close. Weekly and year-to-date 10-year Treasury note yield are expressed in basis points.

Rally Stalls

Stocks struggled last week, weighed down by rising bond yields, a firming U.S. dollar, geopolitical tensions, and generally unimpressive corporate earnings reports. Perhaps the most consequential overhang was the potential direction of monetary policy.

Initially, traders were relieved by comments made by Fed Chair Jerome Powell earlier in the week that he had not struck a more aggressive tone following the strong employment report released after the Federal Open Market Committee (FOMC) meeting. The relief was short-lived, however, as anxieties over future monetary policy resurfaced, exacerbated by comments by one Fed governor who suggested restrictive monetary policy would be necessary for a few years to tamp down inflation.

Powell Repeats Himself

Investors were particularly eager on Tuesday to hear Powell's first comments following the strong employment report the previous

Friday. The concern was that the surprise job number would change Powell's outlook coming out of the last FOMC meeting.

Powell instead repeated his post-FOMC meeting remarks, which were that a disinflationary trend was underway, and there remained a distance to travel before the measures taken tamed inflation. The Fed would be data-dependent in making future rate decisions. Powell also pointed out that the robust job growth showed why it might take so long to reduce inflation to the Fed's target level.⁴

This Week: Key Economic Data

Tuesday: Consumer Price Index (CPI).

Wednesday: Retail Sales.

Thursday: Jobless Claims. Producer Price Index (PPI). Housing Starts.

Friday: Index of Leading Economic Indicators.

Quote of the Week



"Forcing lies on people is both a consequence of dictatorship and a means of achieving it"

– Theodore Dalrymple

Of Note



During the recent World Economic Forum in Davos, where countries in the Global South, which tend to be poorer but are rich in natural

resources, emphasized their shift away from the U.S.-dominated petrodollar and towards other currencies that are backed by hard assets like gold, listing "three interconnected multipolar-driven facts" to justify that conclusion.

First: One of the key take aways from the World Economic Forum annual meeting in Davos, Switzerland is when Saudi Finance Minister Mohammed al-Jadaan, on a panel on "Saudi Arabia's Transformation," made it clear that Riyadh "will consider trading in currencies other than the US dollar."

Second: The Central Banks of Iran and Russia are studying the adoption of a "stable coin" for foreign trade settlements, replacing the US dollar, the ruble and the rial. The crypto crowd is already up in arms, mulling the pros and cons of a gold-backed central bank digital currency (CBDC) for trade that will be in fact impervious to the US dollar.

Third: South Africa holds this year's rotating BRICS presidency. And this year will mark the start of BRICS+ expansion, with candidates ranging from Algeria, Iran and Argentina to Turkey, Saudi Arabia and the UAE. Regarding the Saudis, al-Jadaan did not specifically declare that the age of the "petroyuan" -- China's currency - is at hand but he did drop a hint by hedging, somewhat. "We enjoy a very strategic relationship with China and we enjoy that same strategic relationship with other nations including the US and we want to develop that with Europe and other countries," he said. A gold-backed stable coin digital currency would be highly effective in the Special Economic Zone of Astrakhan, which is located in the Caspian Sea. "Astrakhan is the key Russian port participating in the International North South Transportation Corridor (INTSC), with Russia processing cargo traveling across Iran in merchant ships all the way to West Asia, Africa, the Indian Ocean and South Asia,"

As the U.S.-led sanctions on Russia over its invasion of Ukraine continue to bite, Moscow is looking for (and developing) alternatives to supplying Europe with its energy needs, as well as raw materials. Further, trade between Russia and Iran is only growing (Iran being another country heavily sanctioned by the U.S.). In short, a growing number of Global South countries are forming their own global ecosystem that is not reliant on Washington.

Another major power, India, is assisting in the transition, even if New Delhi is hedging its bets between the BRICS alliance it is part of and the U.S., given America's economic and military prowess. India has become a major importer of Russian oil after refusing to go along with U.S.-led sanctions. Also, "South African Foreign Minister Naledi Pandor has just confirmed that the BRICS do want to find a way to bypass the US dollar and thus create 'a fairer payment system not

skewed toward wealthier countries," South Africa is siding with Russia and against the NATO-led Global North in the war with Ukraine.

After World War II, the global economic order was established by the Bretton Woods agreement, which has been altered somewhat since. The system favored the U.S. as the world's biggest holder of gold at the time, so the world's financial rules also relied on the dollar. That is no longer the case and the dollar's reign as the world's reserve currency is coming to the beginning of its end. If you thought inflation was bad now, just wait until another global currency is adopted.⁵

Footnotes and Sources

1. The Wall Street Journal, February 10, 2023
2. The Wall Street Journal, February 10, 2023
3. The Wall Street Journal, February 10, 2023
4. The Wall Street Journal, February 7, 2023
5. citizens.news/692818.html

Investing involves risks, and investment decisions should be based on your own goals, time horizon, and tolerance for risk. The return and principal value of investments will fluctuate as market conditions change. When sold, investments may be worth more or less than their original cost.

The forecasts or forward-looking statements are based on assumptions, may not materialize, and are subject to revision without notice.

The market indexes discussed are unmanaged, and generally, considered representative of their respective markets. Index performance is not indicative of the past performance of a particular investment. Indexes do not incur management fees, costs, and expenses. Individuals cannot directly invest in unmanaged indexes. Past performance does not guarantee future results.

The Dow Jones Industrial Average is an unmanaged index that is generally considered representative of large-capitalization companies on the U.S. stock market. Nasdaq Composite is an index of the common stocks and similar securities listed on the NASDAQ stock market and is considered a broad indicator of the performance of technology and growth companies. The MSCI EAFE Index was created by Morgan Stanley Capital International (MSCI) and serves as a benchmark of the performance of major international equity markets, as represented by 21 major MSCI indexes from Europe, Australia, and Southeast Asia. The S&P 500 Composite Index is an unmanaged group of securities that are considered to be representative of the stock market in general.

U.S. Treasury Notes are guaranteed by the federal government as to the timely payment of principal and interest. However, if you sell a Treasury Note prior to maturity, it may be worth more or less than the

original price paid. Fixed income investments are subject to various risks including changes in interest rates, credit quality, inflation risk, market valuations, prepayments, corporate events, tax ramifications and other factors.

International investments carry additional risks, which include differences in financial reporting standards, currency exchange rates, political risks unique to a specific country, foreign taxes and regulations, and the potential for illiquid markets. These factors may result in greater share price volatility.

Please consult your financial professional for additional information.

This content is developed from sources believed to be providing accurate information. The information in this material is not intended as tax or legal advice. Please consult legal or tax professionals for specific information regarding your individual situation. This material was developed and produced by FMG Suite to provide information on a topic that may be of interest. FMG is not affiliated with the named representative, financial professional, Registered Investment Advisor, Broker-Dealer, nor state- or SEC-registered investment advisory firm. The opinions expressed and material provided are for general information, and they should not be considered a solicitation for the purchase or sale of any security.

Copyright 2023 FMG Suite.



Edward Papier, CIMA, CFF, CM&AA

ep@amadeuswealth.com

(212) 697-3930

Amadeus Wealth Alternatives Inc.

<http://www.amadeuswealth.com>

Confidentiality Note: This message may contain confidential information, and, accordingly, is intended solely for the above listed recipient(s) and may not be forwarded, copied or distributed without the prior written consent of said persons. If you have received this message in error, please immediately notify us by e-mail and erase this message along with any attachments. Amadeus Wealth Alternatives obtained the information contained herein (or attached hereto) from sources we believe to be reliable; however, Amadeus Wealth Alternatives in no way guarantees its accuracy or completeness. The sender of this electronic mail does not accept liability for any errors or omissions in the contents of this message which arise as a result of transmission circumstances. No employee or agent is authorized to conclude any binding agreement on behalf of Amadeus Wealth Alternatives without express written confirmation by an officer of Amadeus Wealth Alternatives. Advisory services are offered through Amadeus Wealth Alternatives, Inc.

This informational email is an advertisement and you may opt out of receiving future emails. To opt out, please click the "Unsubscribe" link below.

This message was sent by
Amadeus Wealth Alternatives Inc.
(212) 697-3930
411 Hackensack Ave. Ste. 200
Hackensack, NJ 07601

[Unsubscribe](#)