

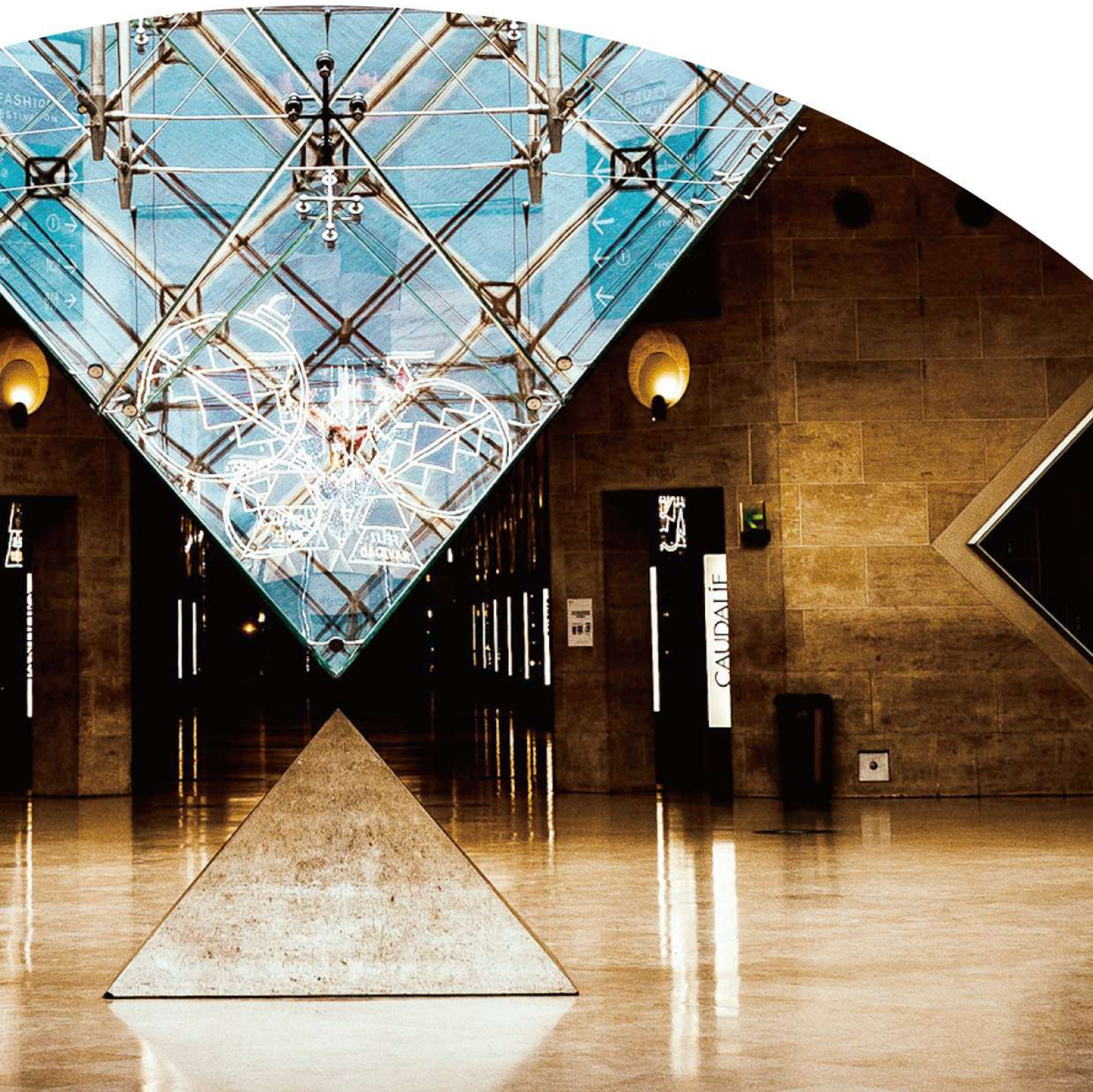
TIMELESS
FAMILY OFFICE

2024 BIENNIAL EDITION

INHERITANCE

傳承季刊

JOURNAL



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前言

FOREWORD

2023年的過度悲觀，導致市場對於2024年的預期過度樂觀。大部分機構認為目前正處於經濟放緩、衰退及復甦的模糊地帶，但實情可能不如表象，經濟衰退的風險正在攀升，將成為股市表現的逆風，但有利於公債表現。



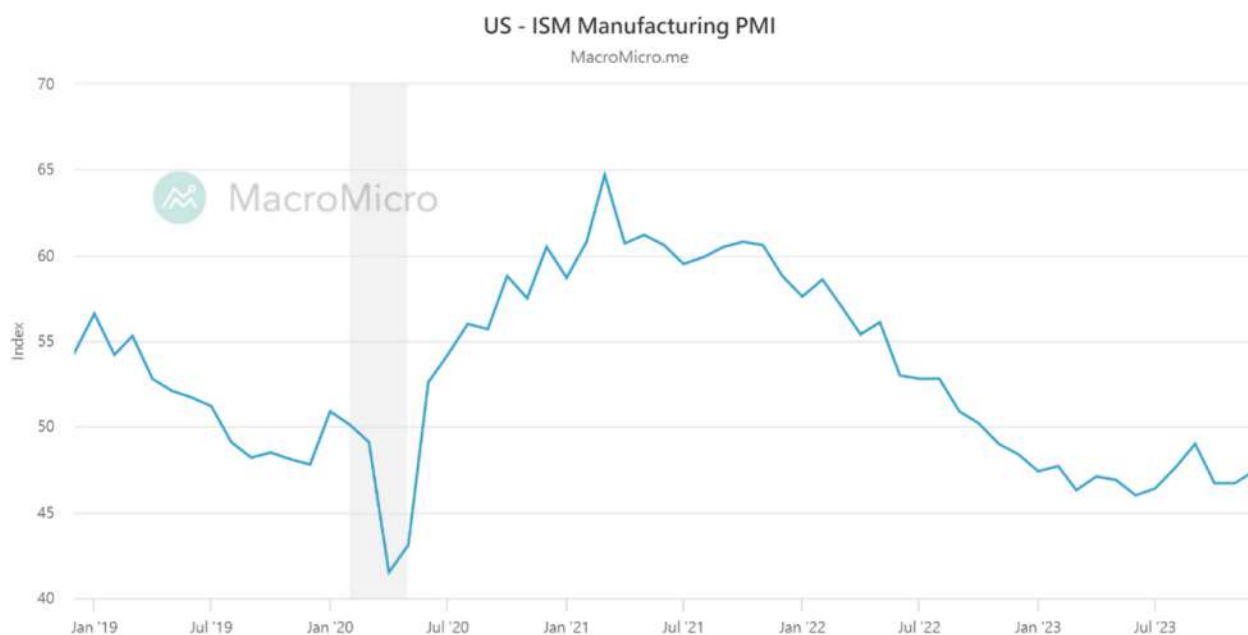


2023 全球經濟回顧

2023年經濟表現優於預期

2023年，金融業普遍認為美國經濟正在衰退的邊緣，根據Fed費城調查，專業經理人認為經濟衰退的比率達到45年以來的新高，因為聯準會正採取1980年初期Paul Volcker主席任期以來最緊縮的貨幣政策，當時曾造成殖利率曲線倒掛，並釋出經典經濟衰退的警訊，且景氣重要的經濟指標ISM製造業採購經理人指數（PMI）已進入榮枯線之下。

然而，2023年美國經濟增長卻優於平均值以上，全球股市出現雙位數的漲幅，逆轉原先市場預期。



— US - ISM Manufacturing PMI

根據高盛最新展望報告預測，2023年全球GDP成長將比一年前的預期高出1個百分點，美國經濟成長將比預期高出2個百分點。報告所涵蓋的88%的經濟體的成長都優於預期。就業市場也維持強勁，主要經濟體的失業率較疫情前更低約0.5個百分點。更令人驚訝的是，在多次不利衝擊下，主要經濟體的核心通膨率從2022年的6%大幅下降至3%，完成了使通膨回歸目標需要的四分之三的調整。價格上漲幅度下降至接近正常水準。

主要國家核心通膨率 vs. 中央銀行目標通膨率及2023年GDP預估

Core CPI of Major Countries vs. Central Bank's Tgt. and 2023 GDP Forecast

	核心通膨率 Core CPI	央行目標 CB's Tgt.	2023 GDP預估 2023 GDP Fcst.
美國 United States	3.90%	2.0	2.60%
歐元區 Eurozone	3.42%		0.60%
英國 United Kingdom	5.10%*		0.50%
中國 China	0.60%		4.80%**
日本 Japan	2.50%*		2.00%
台灣 Taiwan	2.43%		1.40%

註：*為截至11月；**為根據市場研究估計。

Note: * as of Nov. ** as market research estimates.

Source: US: BLS & Fed. EU: Eurostat & ECB. UK: ONS & BoE. CN: NBS. JP: Statistics Bureau & BoJ. TW: DGBAS & CBC. Date: Jan 1, 2024. June 30, 2023. Latest data available.

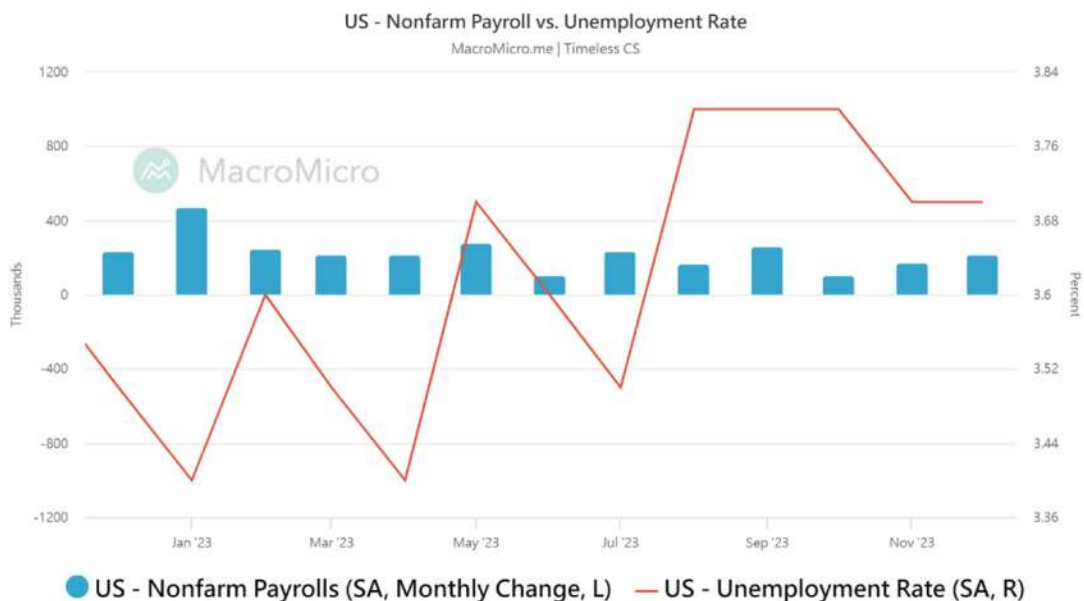
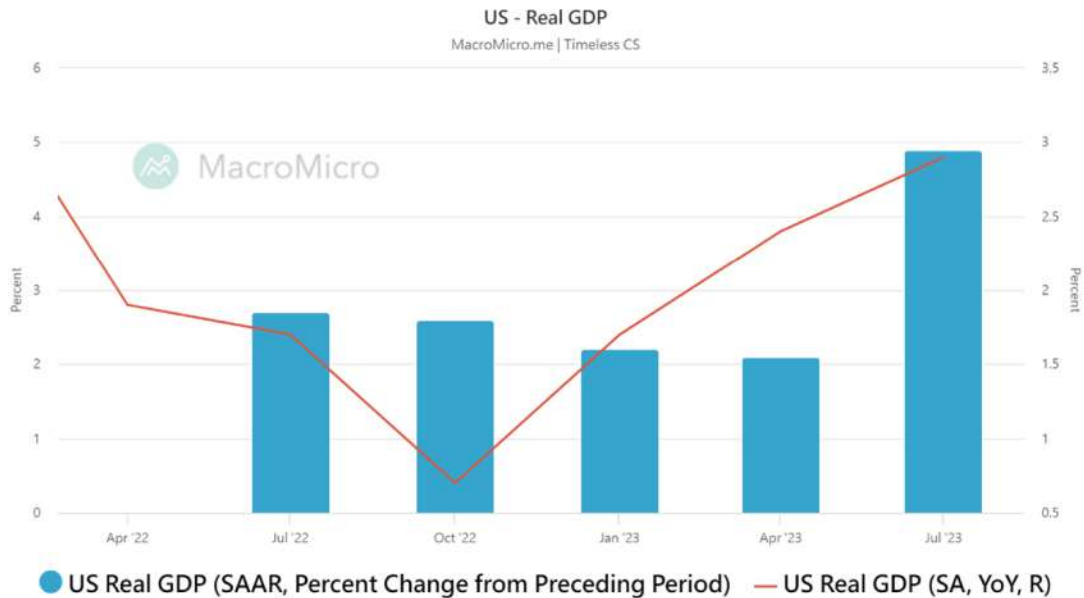


全球主要經濟體近況

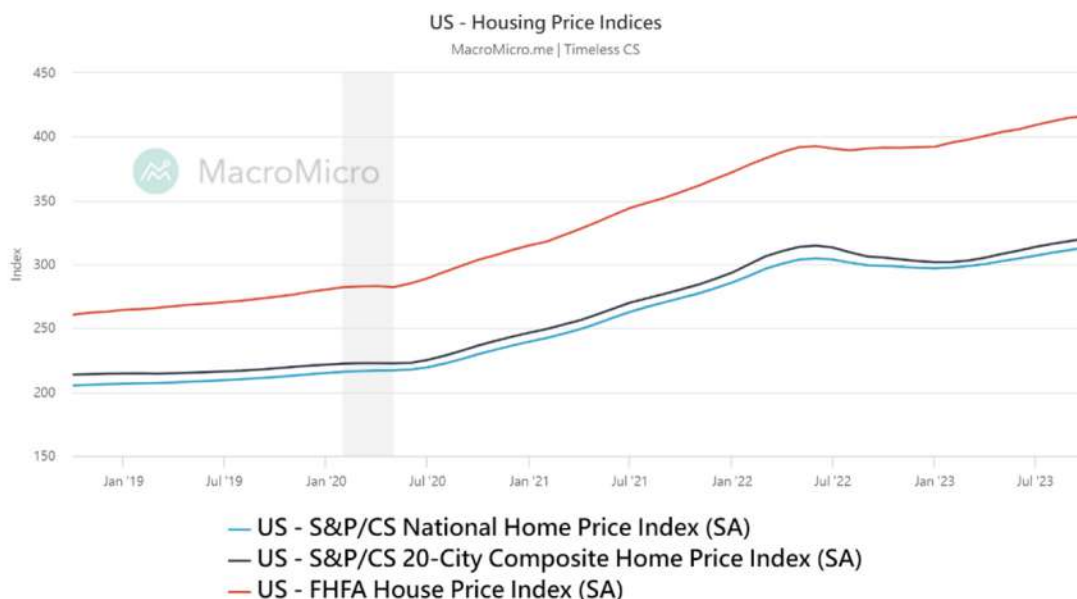
美國

I 韌性驚人，但難以持續

美國經濟呈現顯著的韌性，儘管在十二個月前多數機構預測2023年會陷入衰退，相反，經濟的表現出乎意料地出色，預計全年增長約為2.6%，而失業率保持在3.8%。共識認為，過去40年中最激進的一系列升息最終將產生影響，同時對中國和歐洲經濟狀況的擔憂增加了下行風險。三月和四月間所發生的區域銀行危機進一步加劇了對經濟的擔憂，然而，美聯儲 (Fed) 的迅速行動使市場恢復了平靜。



而消費者在疫情期間積累的大量儲蓄助長了消費意願。抗通膨法案 (IRA) 在推動投資方面的效果超出預期，而房價的回升則刺激了建築支出。2023年第四季度經濟似乎將實現約2%左右的良好增長，但隨著招聘放緩和通膨趨於受控，我們認為美聯儲已完成了升息，下一步將是2024年的降息。

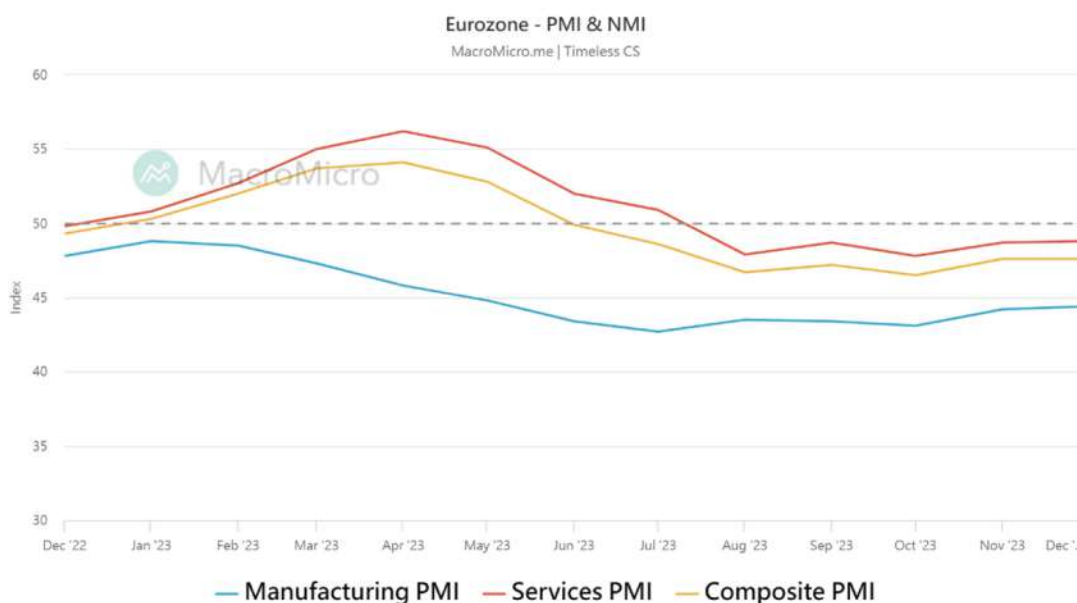


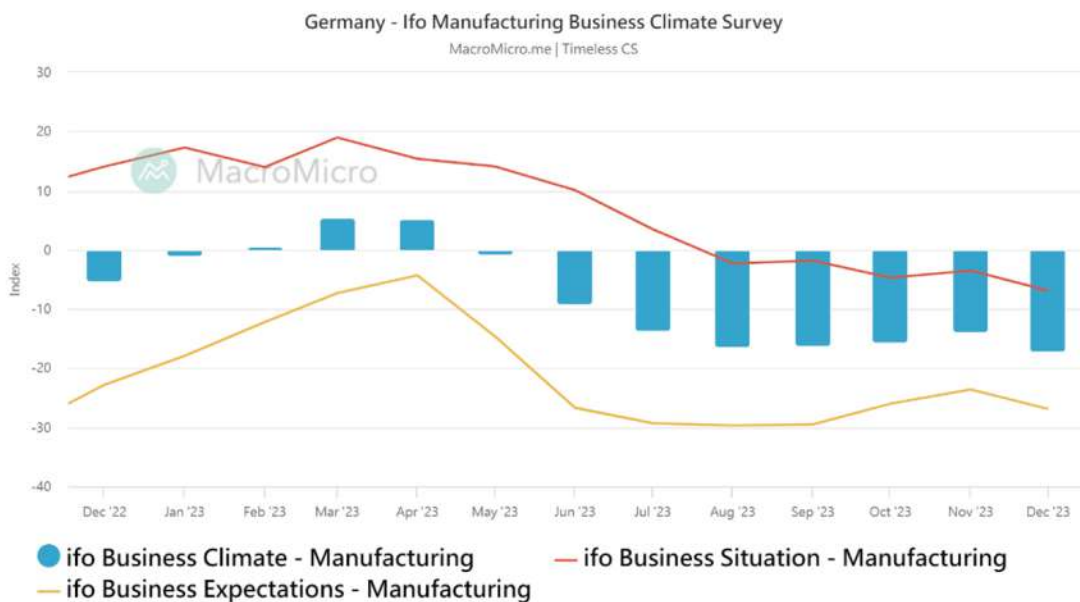
歐元區

I 衰退趨勢有所減緩，復甦仍需時間

一些情緒指標，如PMI或德國Ifo指標，於11月觸底，儘管仍保持在衰退水平。由於庫存修正尚未完成且信貸需求減弱，歐元區在冬季或見到約0%的經濟增速（相較第三季度的-0.1%），此情況有可能陷入技術性衰退。預計自2024年第二季度開始，將逐漸見到復甦，由庫存周期轉向和實質工資改善推動。

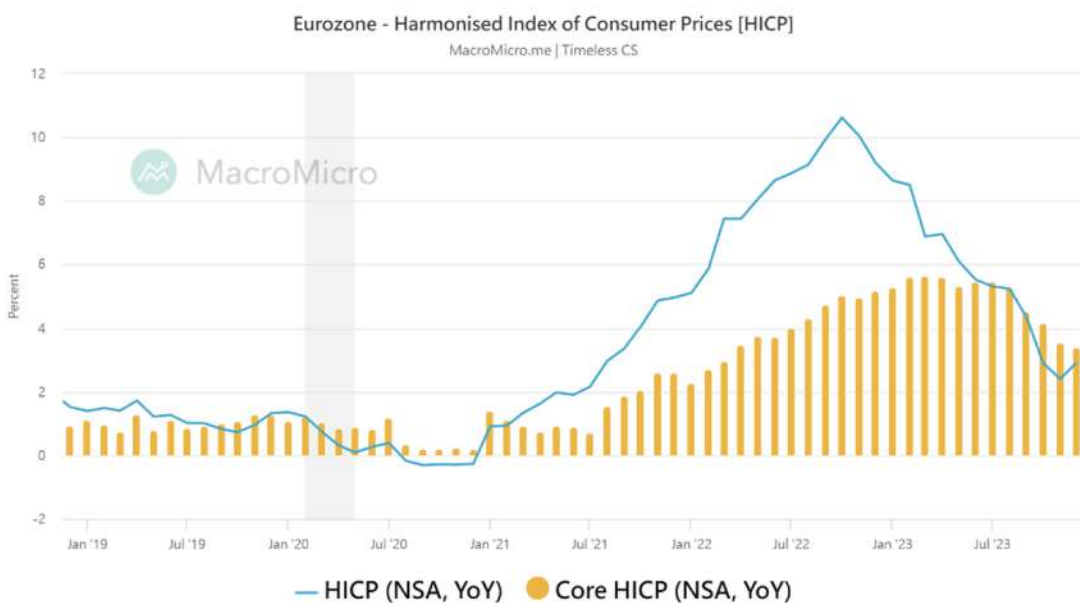
然而，由於貨幣緊縮的延遲效應、家庭儲蓄比率上升以及德國實施的重大財政緊縮，復甦可能較為溫和，導致全年僅實現0.3%的GDP增長。





即使在2024年初，一些統計效應可能暫時推高通脹，但整體而言，通膨趨勢應在接下來的一年內保持穩定。由於工資增長可能已達頂峰，整體以及核心通膨都應在2024年結束時達到2.2%。

即使歐洲央行（ECB）官員仍試圖為進一步升息敞開大門，我們認為歐央行已經停止升息，並將面臨關於降息的嚴肅討論，首次降息可能在2024年6月實現。



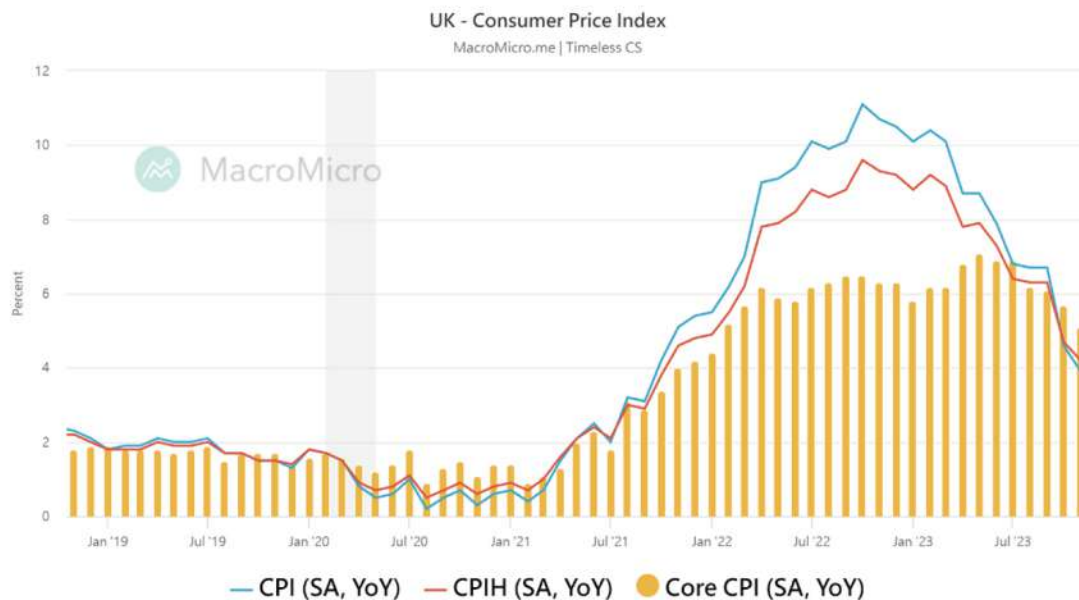


英國

I 儘管採取了溫和的財政刺激措施，但升息週期似已結束

有關英國通膨的消息明顯好轉。受能源基數影響，不僅整體CPI跌破5%，服務業通膨也顯示出更明顯的下降跡象。勞動市場正在降溫，儘管失業統計的問題使得我們很難知道降溫的速度。

私部門薪資成長8%以上的日子已經過去，通膨預期下降，勞動力短缺狀況大幅緩解。政策制定者似乎更有信心地表示升息週期已經結束。



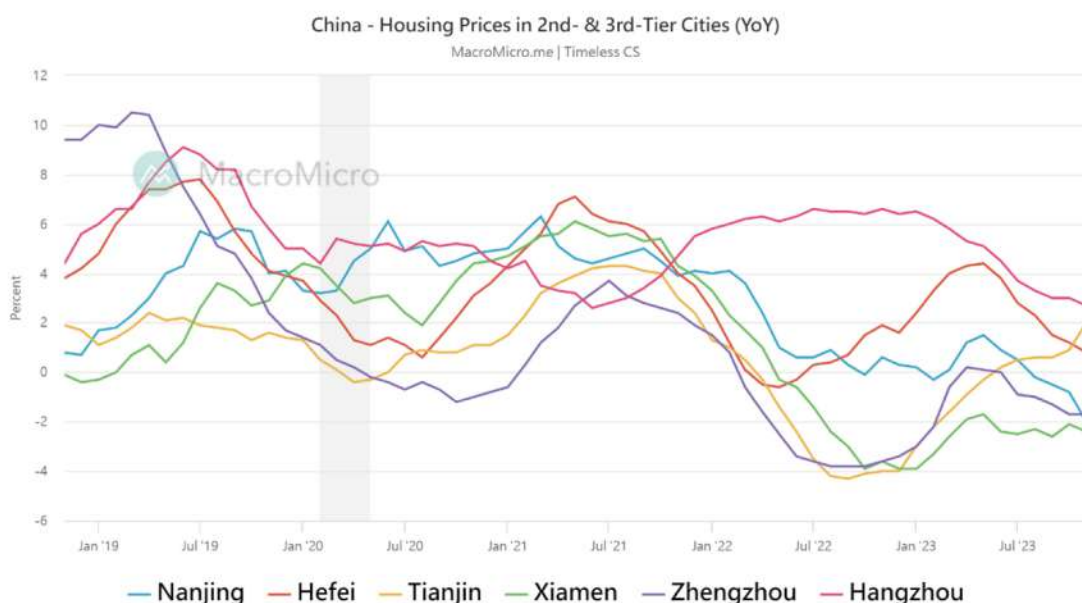
另一方面，英國財政大臣最近在秋季聲明中宣布的消息可能會支持英國央行（BoE）的論點，即利率需要長期維持在當前水準。但要將對雇員所支付的個人稅款的整體減少視為更廣泛的財政拖累（這是在高通膨時期凍結所得稅條款的結果），我們仍預計明年夏季將實現首次降息

中國

I 經濟呈現褒貶不一的狀態

中國經濟繼續受到房地產市場疲軟的拖累，房地產市場的負面消息持續不斷，但在一定程度上被其他行業的小幅上漲所抵消。新房和二手房的價格仍在下降，而且下降速度略快。

建築活動也在惡化，這對經濟中與房地產行業相關的所有其他部分（例如，固定資產投資和基礎設施支出）造成壓力。因此，工業生產成長儘管呈正成長，但同比成長率卻陷入4.5%左右的困境。





對經濟的支持主要來自家庭部門，零售銷售顯示出一些恢復的跡象。政府的支持性政策在逐漸擴大，以減緩建築業對其他經濟部門的拖累，其中包括一些稍有幫助的財政措施和鼓勵銀行增加對房地產開發商的貸款，雖然這在之前曾試過並未成功。

整體主題仍然是去槓桿化和調整經濟，減少經濟成長不再過度依賴房地產。

今年中國的GDP成長率有望達到政府的5%目標，但明年或難以實現。

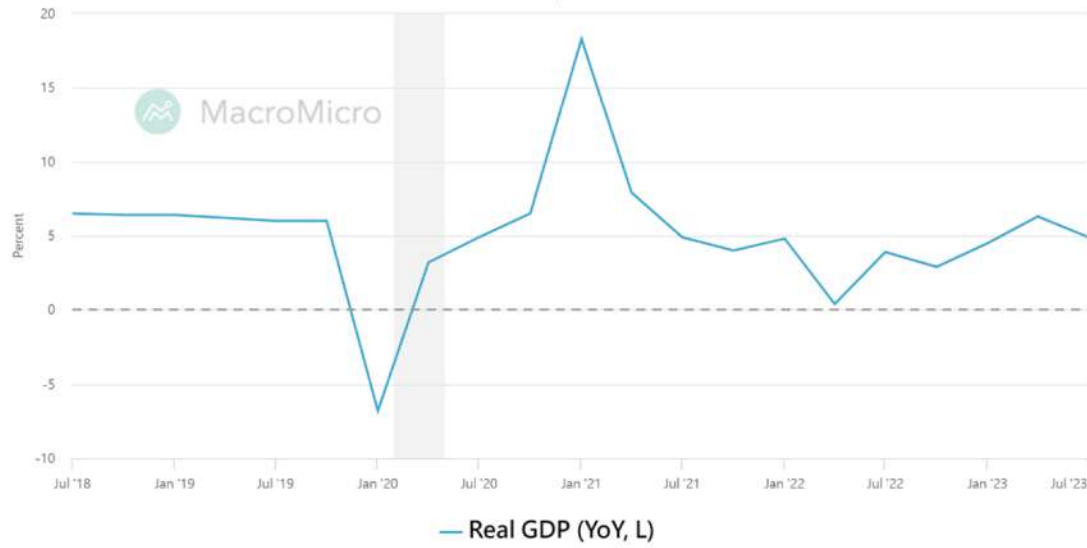
China - Retail Sales of Consumer Goods

MacroMicro.me | Timeless CS



China - Real GDP

MacroMicro.me | Timeless CS

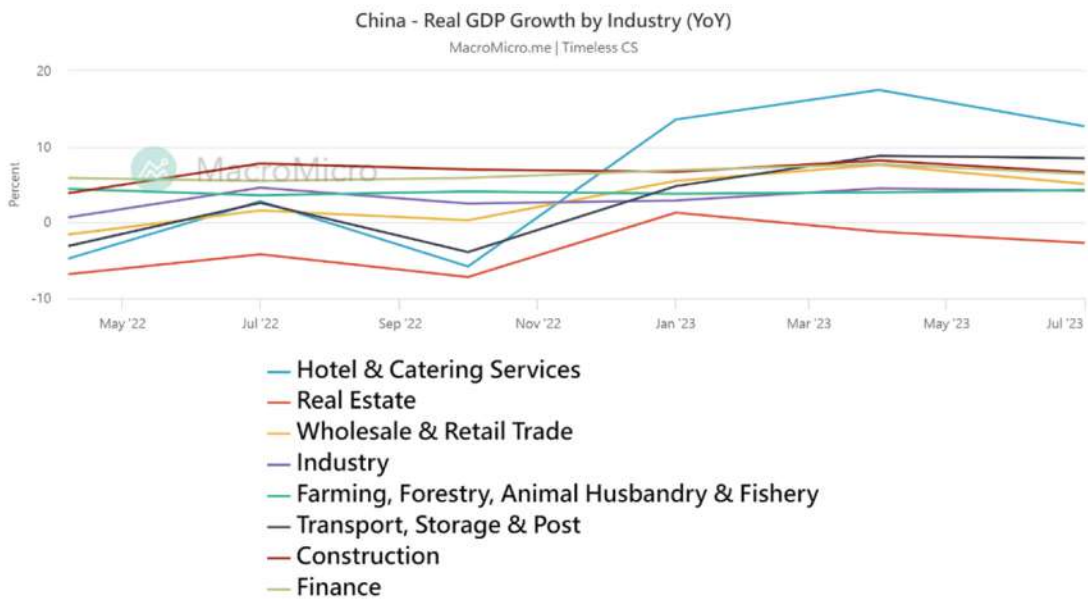




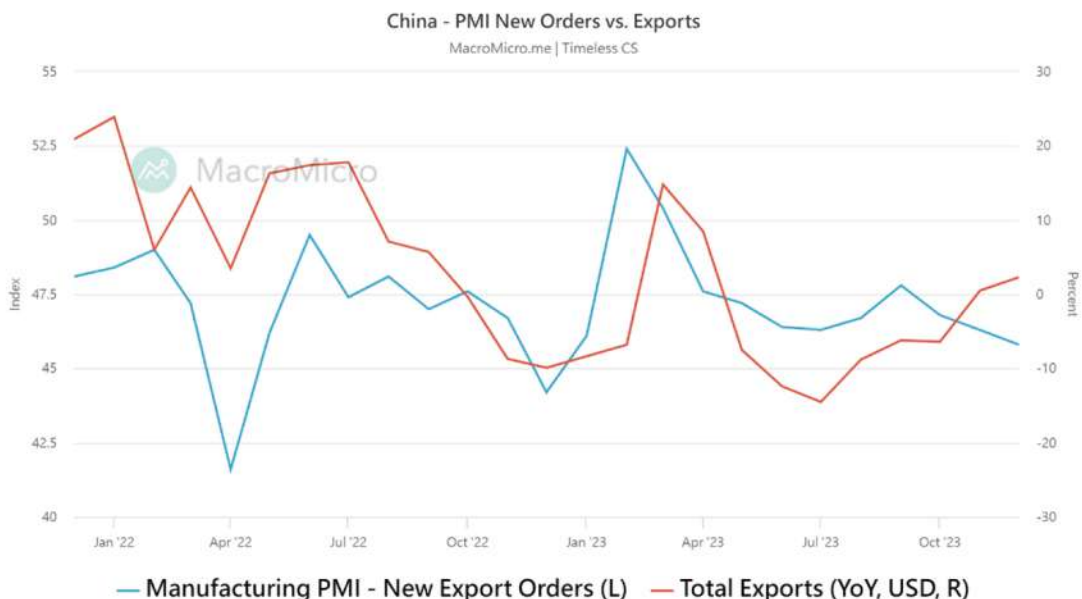
亞洲其他地區

I 多重事件風險和逆風

亞洲的經濟復甦非常溫和，但受到一些關鍵因素的拖累：持續的通膨使貨幣政策保持緊縮、疫情過後的財政整頓，以及目前正轉向上升但幾乎沒有強勁反彈跡象的半導體週期。中國仍陷於困境，其大部分增長集中在低漏損 (low-leakage)¹ 的消費支出上，這也未通過出口途徑為亞洲其他地區提供太多的提振。



¹漏損：指一國對外貿易的輸入或儲蓄占國民所得的比例增加，即使乘數效果減低，而對國民所得發生的作用。其中，輸入稱為國外漏損，儲蓄稱為國內漏損。



除中國外，整個亞洲地區的出口增長以及工業生產仍較為疲軟（儘管似乎已觸底），而且在許多情況下仍低於一年前的水平。



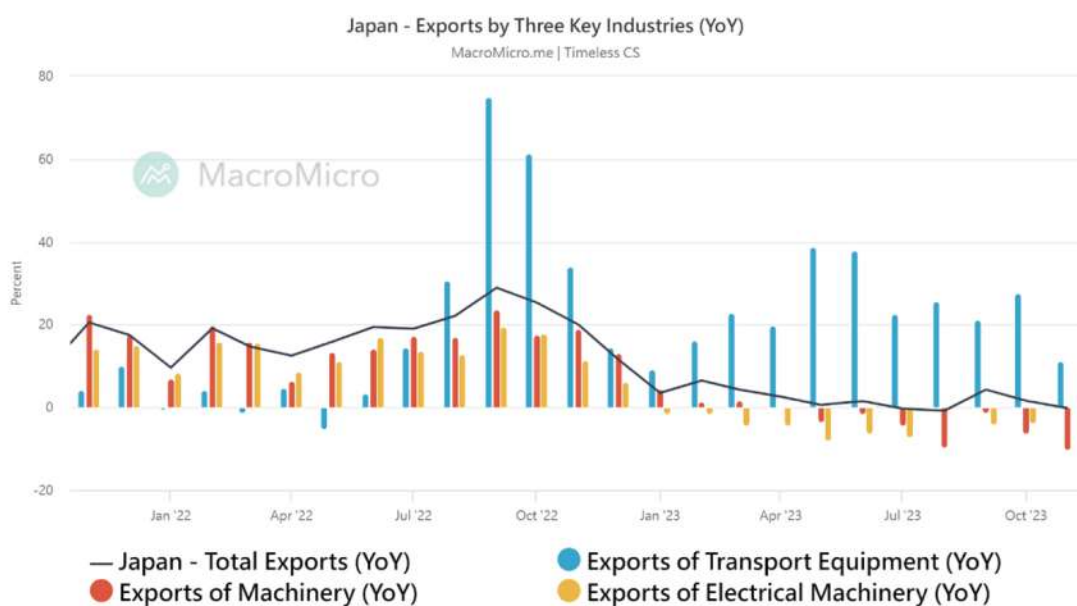
註：出口占台灣GDP的60%以上，是經濟成長的主要動力。台灣的主要出口商品包括電子元件、資訊與通訊技術（ICT）產品以及音像產品。

Note: Exports account for over 60% of Taiwan's GDP, serving as the main driver of economic growth. Main export goods from Taiwan include electronic components, information and communication technology (ICT) products, and audio-video products.



註：韓國前20日出口值可做為該國出口的領先指標。韓國的出口俗稱全球貿易的「金絲雀」。此外，該國的出口組成與台灣的出口非常相似，因此其出口表現也可以成為台灣出口的領先指標。

Note: This could be used as a leading indicator for the country's exports. South Korea's exports are commonly known as the "canary in the coal mine" for the global economy. Also, the composition of the country's exports is very similar to Taiwan's exports, so its export performance could be a leading indicator for Taiwan's exports as well.



註：出口約佔日本GDP的16%，其主要出口產品為運輸設備（23%）、機械（17%）及電機（20%），它們總共約佔總出口的60%。

Note: Exports account for roughly 16% of GDP. Japan's main exports are transport equipment (23%), machinery (17%), and electrical machinery (20%). Altogether they account for roughly 60% of overall exports.

2024年，隨著台灣、印度、印尼和韓國的選舉，該地區的政治事件風險上升。其中，2024年1月13日的台灣選舉可能會引發最多的市場焦慮。



2024年全球主要經濟體近況



經濟放緩及衰退風險的威脅影響股市表現，S&P 500指數估值仍昂貴，且在預期明年企業有雙位數獲利增長的基礎下，已針對「軟著陸」(soft-landing)情境進行定價，若大盤如市場所願，股市將出現顯著地上漲動能，否則將產生不對稱性，羅素則認為經濟衰退的風險有升溫的可能，並存在下行的可能性，若聯準會能快速鬆綁貨幣政策來面對衰退的擔憂，則可限縮市場修正的幅度，並成為反彈的契機。

2024年通膨進一步回落

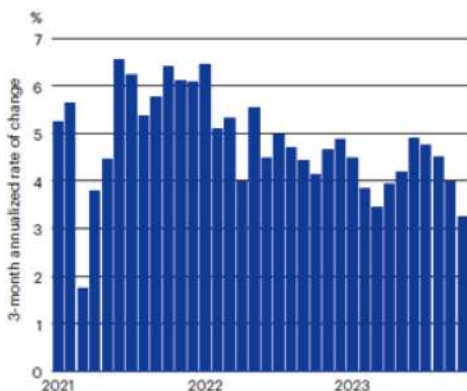
1 通膨壓力將持續釋放！

由於商品和勞動市場供需趨於平衡，核心通膨的下行壓力將持續存在並延續至2024年。房屋和租金漲幅也將大幅回落。隨著通膨高點已經過去，工資漲幅開始明顯放緩，回到與通膨目標一致的水平，第二輪影響的風險較小。報告預測，到2024年底，G10國家和新興市場的核心通膨率將從現在的3%降至2-2.5%，與主要已開發經濟體的通膨目標基本一致。

Wages

Wage growth is moderating, moving closer to pre-pandemic levels

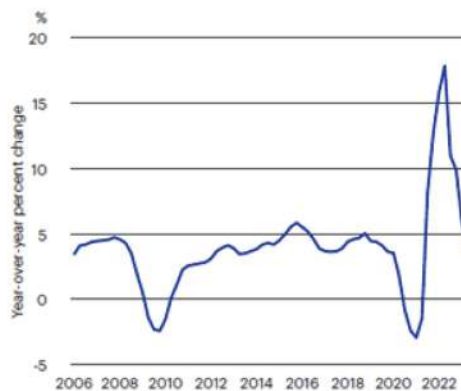
US average hourly earnings
Seasonally adjusted 3-month annualized rate



Rents

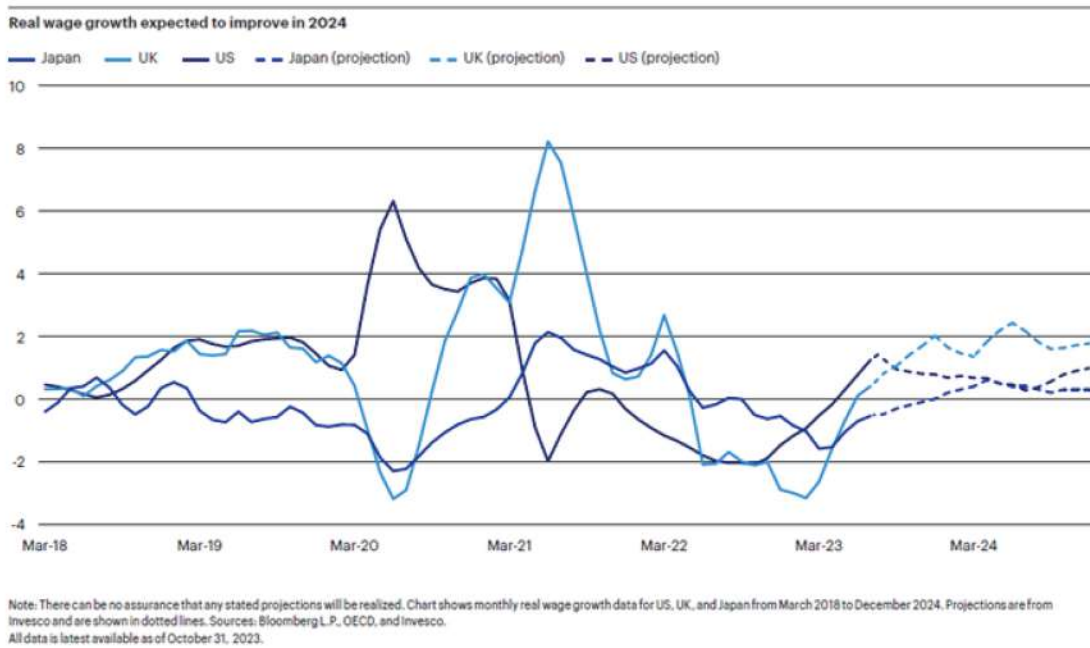
Rent inflation is moderating

US apartment real estate effective rates
(US metro, USD per square foot)



經濟衰退風險有限

儘管外界對經濟衰退的擔憂並未減少，但高盛認為衰退風險整體可控。其報告中維持美國經濟在未來12個月內衰退的機率預測為15%，低於全球預測中位數的50%，並預計2024年全球經濟成長將面臨多項利好，包括實際收入強勁增長、貨幣和財政緊縮負面影響較小、製造業活動復甦、以及如果經濟成長放緩，央行增加寬鬆政策作為保險。



政策利率趨於穩定 日本或退出殖利率曲線控制

高盛預計，主要已開發經濟體央行將基本完成升息，新興經濟體央行將較早降息。已開發經濟體央行降息將延後至2024年下半年。最終政策利率將穩定在當前長期可持續水準之上，高於貨幣政策上一個週期的預期水準。日本央行可能在2024年春季開始退出殖利率曲線控制（YCC），10月正式退出並開始升息，但幅度溫和。

面臨通膨目標、經濟成長及 控制地緣政治等多重不確定性

儘管基線預測較為樂觀，高盛強調經濟前景面臨的不確定性高於正常水準。政策利率有下行風險，如果通膨高於預期，短期內可能再次升息，但長期內降息壓力較大。製造業數據疲弱增加經濟放緩的擔憂，中東戰爭升級也可能重創全球經濟。收益率能否維持在較高水準也存在疑問，美國的韌性高於其他經濟體。如果美國經濟成長維持強勁，美元可能繼續走強。



美元看法中立 存續期發揮更大作用

高盛預計2024年非現金資產的回報高於現金。若以購買力評價來分析，美元已昂貴，在中期可能會面臨貶值的壓力，若全球經濟在2024年衰退風險增強，美元將再度轉強。存續期 (duration) 也將在投資組合中發揮更大作用。如果認為衰退和降息機率高的投資者，應更加堅定地減持風險資產並增加存續期配置。

當殖利率高於預期通膨時，公債提供良好的估值。目前美國、英國、加拿大、德國、及澳洲公債皆具投資吸引力。若Fed在2024年和2025年積極降息，殖利率曲線具有再度陡峭的潛能。

總結

綜上，我們認為2023年全球經濟表現強勁，超出預期，而2024年仍將是成長向好，通膨回落的一年，但前景依然存在一定不確定性。

投資者宜平衡配置，密切關注各種政策變化和地緣政治事件的影響。



附錄 1 - 2024 年區域解析

	利多	利空
美國	<ol style="list-style-type: none">1. 經濟軟著陸2. Fed鬆綁貨幣政策3. 通膨降溫	<ol style="list-style-type: none">1. 就業市場強勁，工資持續增長，導致通膨降溫緩慢2. 美股估值偏貴3. 總統選舉不確定性
歐元區	<ol style="list-style-type: none">1. 消費者購買力提升2. 工資上升	<ol style="list-style-type: none">1. 經濟衰退風險上升2. 製造業疲軟
亞太區	<ol style="list-style-type: none">1. 通膨降溫，央行可望轉向寬鬆2. 供應鏈改善	<ol style="list-style-type: none">1. 日本央行調整殖利率曲線控制2. 地緣政治
新興市場	<ol style="list-style-type: none">1. 中國經濟振興方案2. 股票估值被低估3. 強勢美元進入尾聲，資金流入	<ol style="list-style-type: none">1. 中國債信問題2. 地緣政治



附錄2 - 比特幣ETF革命： 從運作原理到市場影響

比特幣交易所交易基金（ETF）自Winklevoss雙胞胎於2013年首次嘗試上市以來，一直是加密市場的焦點。經過多年的發展，比特幣期貨ETF已在美國交易所進行了一段時間。然而，在2024年1月10日，現貨比特幣ETF獲得批准，正式於翌日開始交易，這標誌著比特幣ETF的新時代。



運作原理

比特幣ETF是公開交易的投資基金，使投資者能夠在不實際擁有加密貨幣的情況下參與比特幣（BTC）。與在加密貨幣交易所上交易的加密貨幣不同，ETF在傳統證券交易所上交易，例如紐約證券交易所和納斯達克。

當投資者投資於比特幣ETF時，他們實際上並非直接購買比特幣本身，而是購買一個持有比特幣的基金的股份。這種受監管的投資工具旨在使傳統投資者更輕鬆地參與比特幣價格波動，而無需安全地購買和存儲數字貨幣，減輕投資加密的技術障礙。

比特幣ETF的運作方式與傳統的交易所交易基金相似。ETF發行人，通常是一家資產管理公司，購買基礎資產並將其安全存儲在保管人處。然後，它發行股份給其基金，以讓投資者能夠訪問基金中持有的基礎資產。為了確保ETF股份與比特幣價格保持同步，市場製造商積極進行買賣，保持供求平衡。如果ETF價格開始偏離實際比特幣價格，市場製造商會介入以恢復平衡，同時在此過程中獲利。

現貨比特幣ETF的重要性

監管批准

現貨比特幣ETF的推出需要美國證券交易委員會（SEC）的監管批准，這可能為加密市場提供額外的合法性和監督。

這可能為加密貨幣的更多監管明確性和接受度鋪平道路。

投資簡單

現貨比特幣ETF使一班投資人更容易參與比特幣，而無需處理錢包管理和私鑰安全性的技術挑戰。

它提供了一種更易於使用和熟悉的投資工具。

市場成熟度

現貨比特幣ETF的推出可能表明加密市場已經發展到一個可以支持受監管和標準化的投資產品的程度。這可能吸引更多的機構資金，提高市場穩定性。



總結

儘管比特幣期貨ETF已經有一段時間了，但現貨比特幣ETF的推出為比特幣作為一種資產類別進一步實現主流採用、監管明確性和市場成熟度提供了希望。加密貨幣資產的前景將在 2024 年發生「重大變化」，不僅能夠擴大加密貨幣資產的投資人基礎，而且會把加密貨幣市場與傳統金融市場更緊密的整合在一起，此外，減半事件及全球央行轉向降息也將發揮顯著的作用。

FOREWORD

The excessive pessimism in 2023 led to overly optimistic expectations for 2024. Many institutions believe that the current situation is in a vague zone of economic slowdown, recession, and recovery. However, the reality may not be as it appears, with the risk of economic recession rising, posing headwinds to stock market performance but benefiting bond performance.



2023 GLOBAL ECONOMIC REVIEW

Economic Performance in 2023 Exceeded Expectations _____



In 2023, the financial industry generally believed that the U.S. economy was on the brink of recession. According to the Fed Philadelphia survey, professional managers saw the recession probability reaching a new high in 45 years. The Federal Reserve was implementing its most contractionary monetary policy since the early 1980s during Chairman Paul Volcker's term, a period that previously led to an inverted yield curve and signaled an impending economic recession. Moreover, the significant economic indicator, the ISM Manufacturing Purchasing Managers' Index (PMI), had fallen below the expansion-contraction threshold. However, the U.S. economy in 2023 performed better than expected, with global stock markets experiencing double-digit gains, contrary to initial market expectations.

According to Goldman Sachs' latest outlook report, the global GDP growth for 2023 is predicted to be 1 percentage point higher than expected a year ago, and U.S. economic growth is expected to surpass expectations by 2 percentage points. Growth for 88% of the economies covered in the report exceeded expectations. The job market also remained strong, with the unemployment rates in major economies about 0.5 percentage points lower than pre-pandemic levels. Surprisingly, despite multiple adverse impacts, the core inflation rate in major economies dropped significantly from 6% in 2022 to 3% in 2023, achieving three-quarters of the adjustment needed to bring inflation back to the target. The rate of price increases approached normal levels.

DYNAMICS OF MAJOR GLOBAL ECONOMIES

United States - Surprisingly Resilient, But Unsustainable

The U.S. economy has shown remarkable resilience, and despite most forecasting a recession in 2023 twelve months ago, the economy has performed surprisingly well, with full-year growth expected to be around 2.6%, while the unemployment rate remains at 3.8%. The consensus is that the most aggressive series of interest rate hikes in the past 40 years will eventually have an impact, while concerns about economic conditions in China and Europe have increased downside risks. The regional banking crisis in March and April further fueled economic concerns, however, swift action by the Federal Reserve (Fed) restored calm to markets.

The substantial savings accumulated by consumers during the pandemic have fueled their willingness to spend. The Inflation Reduction Act (IRA) has surpassed expectations in driving investments, and the rebound in housing prices has stimulated construction spending. The economy in the fourth quarter of 2023 seems poised for good growth of around 2%, but with hiring slowing down and inflation becoming more controlled, we believe the Fed has completed its interest rate hikes, with the next step being a rate cut in 2024.



Eurozone - Recession Trends Easing, Recovery Takes Time

Some sentiment indicators, such as the PMI or the German Ifo index, bottomed out in November, although they remain at recessionary levels. The eurozone may see a growth rate of around 0% over the winter (vs. -0.1% in Q3) as inventory correction is not yet complete and credit demand is weakening, a situation that could lead to a technical recession. A gradual recovery is expected from the second quarter of 2024 onwards, driven by a turnaround in the inventory cycle and an improvement in real wages. However, due to the delayed effects of monetary tightening, rising household savings ratios, and significant fiscal tightening in Germany, the recovery is likely to be more modest, resulting in GDP growth of only 0.3% for the year.



Even though some statistical effects might temporarily push up inflation in early 2024, overall, the inflation trend should remain stable over the next year. With wage growth likely having peaked, both overall and core inflation are expected to reach 2.2% by the end of 2024. Despite European Central Bank (ECB) officials still attempting to pave the way for further rate hikes, we believe the ECB has ceased raising rates and will face serious discussions about rate cuts, with the first rate cut potentially occurring in June 2024.

United Kingdom - Mild Fiscal Stimulus Implemented, but Rate Hike Cycle Appears Concluded

News regarding inflation in the UK has noticeably improved. Not only did headline CPI fall below 5% due to the energy base, but service sector inflation also showed signs of a more pronounced decline. The labor market is cooling, although the problems with unemployment statistics make it difficult to know how fast. Gone are the days of more than 8% private sector payroll growth, with inflation expectations falling and labor shortages easing considerably. Policy-makers seem more confident that the rate-hiking cycle is over.

On the other hand, the UK Chancellor's recent announcement in the Autumn Statement may support the Bank of England's (BoE) argument that interest rates need to remain at current levels for the longer term. But to view the overall reduction in personal tax paid by employees as a wider fiscal drag - the result of freezing income tax provisions in a period of high inflation - we still expect the first rate cut next summer.





China - Mixed Economic Conditions

China's economy continues to be weighed down by a sluggish real estate market, with negative news persisting, although partially offset by slight increases in other industries. Prices of new and existing houses continued to fall, and at a slightly faster rate. Construction activity also deteriorated, which put pressure on all other parts of the economy associated with the real estate sector (e.g. fixed asset investment and infrastructure spending). As a result, industrial production growth, despite being positive, is stuck in a rut at around 4.5% year over year.

Support for the economy primarily comes from the household sector, with retail sales showing some signs of recovery. The government's supportive policies are gradually being expanded to mitigate the drag of the construction industry on the rest of the economy, including some mildly helpful fiscal measures and encouragement for banks to increase lending to real estate developers, although this has been attempted before without success. The overall theme remains deleveraging and economic adjustment, reducing excessive reliance on real estate for economic growth. China's GDP growth rate is expected to reach the government's 5% target for this year, but achieving it next year might be challenging.



Rest of Asia - Multiple Event Risks and Headwinds

Economic recovery in Asia is very gradual but faces headwinds from key factors: persistent inflation keeping monetary policy tight, post-pandemic fiscal consolidation, and the current semiconductor cycle turning upward but showing almost no signs of a strong rebound. China remains in a predicament, with most of its growth concentrated in low-leakage² consumer spending, providing little boost through export channels for other parts of Asia. Beyond China, export growth and industrial production in the entire Asian region remain relatively weak (though seemingly bottoming out), and in many cases still below levels from a year ago. In 2024, with elections in Taiwan, India, Indonesia, and South Korea, political event risks are rising in the region. The Taiwan elections on January 13, 2024, may cause the most market anxiety.

²Leakage: An economic term that describes capital or income that escapes an economy or system in the context of a circular flow of income model.

2024

GLOBAL ECONOMICS OUTLOOK



The threat of economic slowdown and recession risks is affecting stock market performance, with the S&P 500 index valuation still high. The market has priced in a "soft landing" scenario based on the anticipation of double-digit profit growth for companies next year. If the market's expectations are met, significant upward momentum in the stock market is expected; otherwise, asymmetry may arise. Russell suggests a rising risk of economic recession with a potential downturn. Swift monetary policy loosening by the Federal Reserve to address recession concerns could limit the extent of market corrections and become a rebound opportunity.

FURTHER DECLINE IN INFLATION IN 2024

Inflationary pressures are expected to persist. As supply and demand in the commodity and labor markets balance, downward pressure on core inflation will continue into 2024. The surge in housing and rent prices is also expected to significantly decrease. With the peak of inflation behind us, wage growth is slowing, returning to levels consistent with the inflation target, reducing the risk of a second-round impact. The report predicts that by the end of 2024, core inflation rates in G10 countries and emerging markets will decrease from the current 3% to 2-2.5%, aligning closely with the inflation targets of major developed economies.



LIMITED ECONOMIC RECESSION RISK

Despite external concerns about economic recession, Goldman Sachs believes that the overall recession risk is manageable. The report maintains a 15% probability forecast for a U.S. economic recession within the next 12 months, lower than the global median forecast of 50%. The outlook for 2024 global economic growth is positive, with several favorable factors, including strong real income growth, minimal negative impact from monetary and fiscal tightening, manufacturing activity recovery, and potential central bank easing in case of economic slowdown.

POLICY INTEREST RATES TENDING TOWARDS STABILITY, JAPAN POSSIBLY EXITING YIELD CURVE CONTROL

Goldman Sachs expects central banks in major developed economies to largely complete interest rate hikes, with central banks in emerging economies potentially lowering rates earlier. Interest rate cuts in developed economies are projected to be delayed until the second half of 2024. The final policy interest rates are expected to stabilize above the previous expected levels of the last monetary policy cycle. The Bank of Japan may begin to exit yield curve control in the spring of 2024, officially exiting in October and starting to raise rates, but with a moderate magnitude.

FACING MULTIPLE UNCERTAINTIES – INFLATION TARGETS, ECONOMIC GROWTH, AND GEOPOLITICAL CONTROL



Despite the relatively optimistic baseline forecast, Goldman Sachs emphasizes that uncertainties in the economic outlook are higher than normal. There is a downside risk to policy interest rates, with the possibility of a short-term increase if inflation exceeds expectations, while a larger downward pressure on rates exists in the long term. Weak manufacturing data adds to concerns about economic slowdown, and an escalation of Middle East conflicts could severely impact the global economy. The question of whether yields can sustain at higher levels also remains uncertain, with the U.S. showing greater resilience compared to other economies. If U.S. economic growth remains robust, the U.S. dollar may continue to strengthen.

NEUTRAL VIEW ON THE U.S. DOLLAR, DURATION PLAYING A GREATER ROLE

Goldman Sachs expects returns on non-cash assets to surpass cash in 2024. Analyzing in terms of purchasing power, the U.S. dollar is considered expensive and may face depreciation pressure in the medium term. If global economic recession risks increase in 2024, the U.S. dollar may strengthen again. Duration is expected to play a more significant role in investment portfolios. Investors anticipating high probabilities of recession and rate cuts should consider reducing

risk assets and increasing duration allocations.

When bond yields exceed expected inflation, government bonds provide good valuation. Currently, U.S., U.K., Canada, Germany, and Australia government bonds all present attractive investment opportunities. If the Fed actively cuts rates in 2024 and 2025, the yield curve has the potential for a steep incline once again.



CONCLUSION

In conclusion, we believe that the global economic performance in 2023 has been robust, surpassing expectations. The outlook for 2024 remains positive, with a year of continued growth and a decline in inflation, though there is still a certain level of uncertainty. Investors are advised to maintain a balanced allocation and closely monitor the impact of various policy changes and geopolitical events.

APPENDIX A - 2024 REGIONAL ANALYSIS

	Bullish	Bearish
United States	<ol style="list-style-type: none"> 1. Economic Soft Landing 2. Fed Eases Monetary Policy 3. Inflation Cools Down 	<ol style="list-style-type: none"> 1. Strong Job Market, Continued Wage Growth, Resulting in Slow Inflation Cooling 2. U.S. Stock Market Valuations Tilted Towards Expensive 3. Uncertainty Surrounding Presidential Elections
Eurozone	<ol style="list-style-type: none"> 1. Increased Consumer Purchasing Power 2. Rising Wages 	<ol style="list-style-type: none"> 1. Rising Economic Recession Risks 2. Weakness in the Manufacturing Sector
Asia-Pacific Region	<ol style="list-style-type: none"> 1. Inflation Cools Down, Central Bank Likely to Shift to Accommodative Measures 2. Improvement in the Supply Chain 	<ol style="list-style-type: none"> 1. Bank of Japan Adjusts Yield Curve Control 2. Geopolitical Issues
Emerging Markets	<ol style="list-style-type: none"> 1. China's Economic Stimulus Plan 2. Undervalued Stock Valuations 3. Strong U.S. Dollar Comes to an End, Inflows of Capital 	<ol style="list-style-type: none"> 1. China's Credit Issues 2. Geopolitical Concerns



APPENDIX B – BITCOIN ETF REVOLUTION : FROM OPERATION PRINCIPLES TO MARKET IMPACT

Introduction

Since the first attempt by the Winklevoss twins to list the Bitcoin Exchange-Traded Fund (ETF) in 2013, it has been a focal point in the cryptocurrency market. After years of development, Bitcoin futures ETFs have been trading on U.S. exchanges for some time. However, on January 10, 2024, the spot Bitcoin ETF received approval and officially started trading the next day, marking a new era for Bitcoin ETFs.

Operation Principles

The Bitcoin ETF is a publicly traded investment fund that allows investors to participate in Bitcoin (BTC) without actually owning the cryptocurrency. Unlike cryptocurrencies traded on cryptocurrency exchanges, ETFs trade on traditional stock exchanges such as the New York Stock Exchange and Nasdaq. When investors invest in a Bitcoin ETF, they are not directly purchasing Bitcoin itself but rather buying shares of a fund that holds Bitcoin. This regulated investment tool aims to make it easier for traditional investors to participate in Bitcoin price fluctuations without the need to securely purchase and store digital currency, thus reducing technical barriers to cryptocurrency

investment. The operation of a Bitcoin ETF is similar to traditional exchange-traded funds. The ETF issuer, typically an asset management company, purchases the underlying assets and securely stores them with a custodian. Then, it issues shares to its fund, allowing investors to access the underlying assets held in the fund. To ensure that ETF shares stay in sync with Bitcoin prices, market makers actively engage in buying and selling to maintain supply and demand balance. If the ETF price deviates from the actual Bitcoin price, market makers intervene to restore balance while profiting from the process.



IMPORTANCE OF SPOT BITCOIN ETF

Regulatory Approval

The launch of the spot Bitcoin ETF requires regulatory approval from the U.S. Securities and Exchange Commission (SEC), potentially providing additional legitimacy and supervision to the cryptocurrency market. This could pave the way for more regulatory clarity and acceptance of cryptocurrencies.

Simplified Investment

Spot Bitcoin ETF makes it easier for a broader range of investors to participate in Bitcoin without dealing with the technical challenges of wallet management and private key security. It offers a more user-friendly and familiar investment tool.

Market Maturity

The launch of the spot Bitcoin ETF may indicate that the cryptocurrency market has developed to a point that supports regulated and standardized investment products. This could attract more institutional funds, enhancing market stability.

SUMMARY

While Bitcoin futures ETFs have been around for some time, the launch of the spot Bitcoin ETF brings hope for Bitcoin as an asset class to further achieve mainstream adoption, regulatory clarity, and market maturity. The outlook for cryptocurrency assets will undergo "significant changes" in 2024, not only expanding the investor base for cryptocurrency assets but also tightly integrating the cryptocurrency market with traditional financial markets. Additionally, significant roles will be played by the halving event and global central banks shifting towards interest rate cuts.

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