

DISCOVER
THE UNKNOWN DEPTH OF
FINANCIAL MARKETS









Monday 4 March 2024

CONTENTS

ICEBERG ANALYTICA ::::::

- Nvidia: The Al Chip Titan
- Al Competition Heats Up: Japan, US Challenge Leaders
- Al Mania: Tech Giants Invest in the Future, Driving Up Valuations
- Can Europe Catch Up in the Al Race?

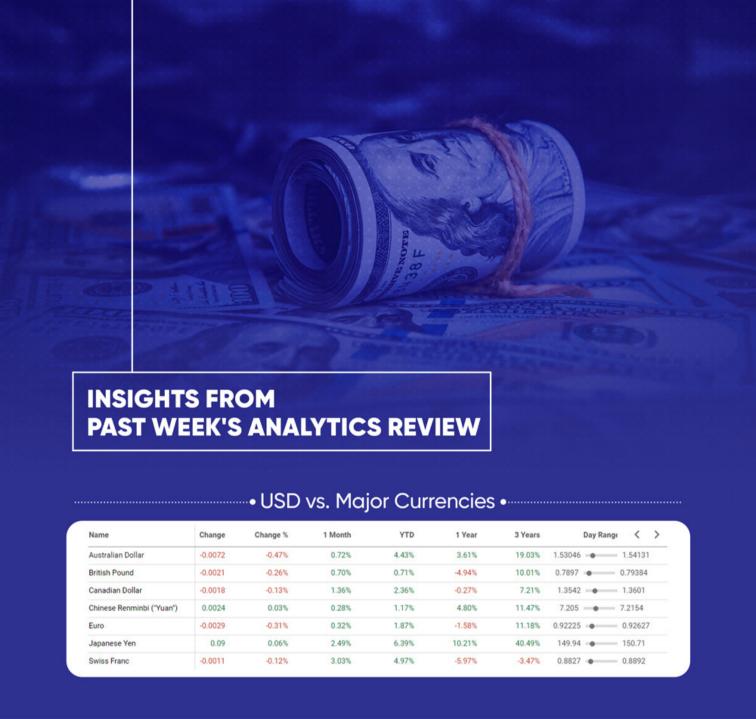
ICEBERG FINANCIAL :::::::

- · Decoupling from China: Bluff or Bust?
- Eurozone: Rate Cuts Eyed Despite Inflation, Strong Jobs
- US Bull Market: Different Beast Than the Dotcom Bubble?
- Gold Playing its Anti-Bubble Role
- UST Rally Fades as Data Dashes Hopes for Fed Cuts

- Halving Hype: Can Bitcoin Repeat its Past Performance?
- Ether ETF: Regulatory Hurdles vs. Market Frenzy
- Trustworthy Al: Beyond the Crypto Hype
- Bitcoin's Wild Ride: Demand Surge Meets Exchange Fumble

CHARTS :::::::::

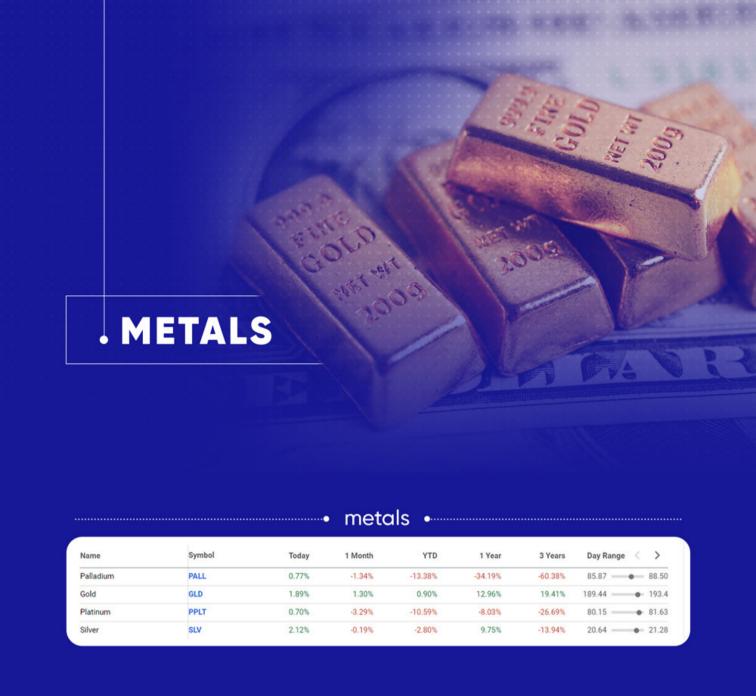
- EM equities appear undervalued
- Are commoditiesset to stabilize?
- Binance Spot Market Share Jumps in February



• Throughout the week, the Greenback saw modest gains, surpassing the 104.00 level against the USD Index (DXY) and closing with a slight upside bias. Despite hovering above the critical 200-day SMA, US yields remained subdued, leading to speculation about the timing of potential rate cuts by the Federal Reserve (Fed). The FedWatch Tool indicated a growing probability of a 25 bps reduction in the Fed Funds Target Range (FFTR) by June, supported by expectations of a "soft landing" for the US economy. While some Fed policymakers hinted at rate cuts as early as summer, others expressed caution, suggesting rate adjustments should be tied to progress toward inflation targets rather than waiting for specific metrics. Meanwhile, recent US inflation data exceeded expectations, contrasting with the stance of other major central banks like the European Central Bank (ECB) and the Bank of England (BoE), which are expected to delay rate reductions until after the summer.



- Oil prices surged 2% on Friday, marking weekly gains, as traders eagerly awaited an OPEC+ decision on supply agreements for the second quarter while closely monitoring economic data from the US, Europe, and China. Throughout the week, Brent added around 2.4%, following the switch in contract months, while WTI gained more than 4.5%.
- Traders focused on the expectation that OPEC+ would extend its voluntary production cuts into the second quarter of 2024, with a decision anticipated in the first week of March. Such a move would be viewed as price-positive, according to analysts. Geopolitical tensions in the Red Sea also contributed to the price surge, with the leader of Yemen's Houthis indicating potential military action in the region.
- Additionally, supportive factors included strong expectations of Saudi Arabia maintaining stable crude term prices for its Asian customers in April and an increase in the number of oil and natural gas rigs in the US for the second consecutive week. On the demand side, Chinese manufacturing activity continued to shrink in February, while Eurozone inflation fell slightly. However, in the US, January inflation measured by the personal consumption expenditures (PCE) index met economists' expectations, reinforcing market bets for a June interest rate cut.

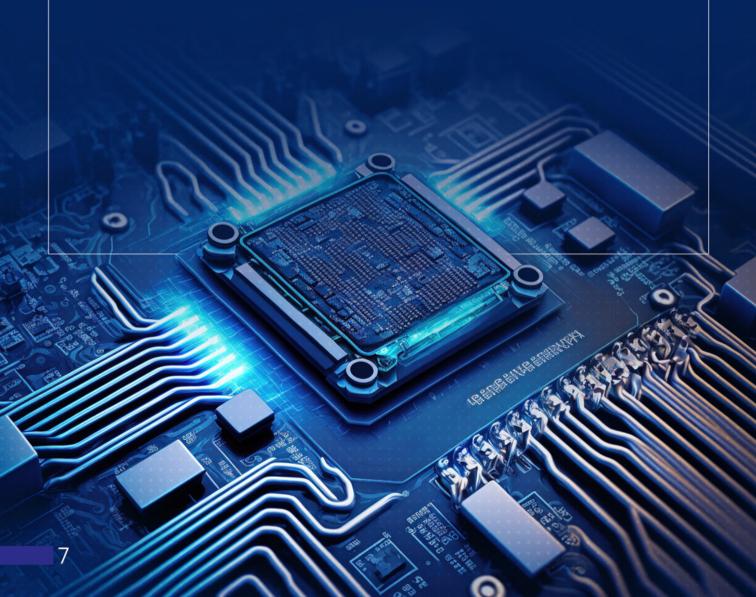


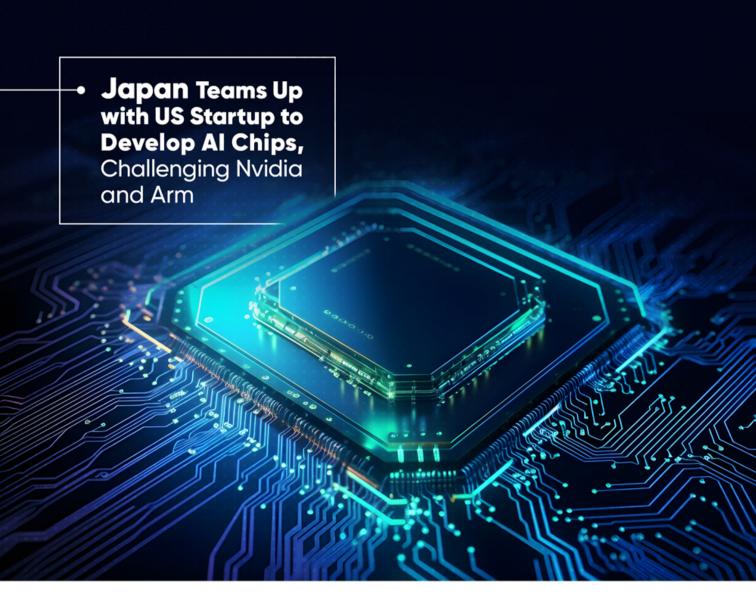
• Gold (XAU/USD) experienced a notable surge on Friday, surpassing the \$2,050 mark and reaching its highest level since early February. This rally came after a period of consolidation earlier in the week, during which Gold traded in a relatively tight range. The catalyst for this upward movement was a decline in US Treasury bond yields, particularly following the release of US inflation data showing a slight decrease in January. Despite some cautious remarks from Federal Reserve officials regarding the timing of potential rate cuts, Gold managed to maintain its bullish momentum. This was largely driven by the supportive environment created by lower yields, which tend to increase the appeal of non-yielding assets like Gold. However, with February labor market data from the US on the horizon, investors may reassess their positions, potentially influencing market sentiment and the technical outlook for Gold in the near term.



- Nvidia's dominance in AI chips stems from its powerful hardware, cutting-edge software, and robust networking infrastructure, creating a significant barrier to entry for competitors.
- Nvidia has emerged as a dominant force in the artificial intelligence (AI) industry, with its share price skyrocketing by nearly 450% since January 2023, making it America's third-most valuable firm. This surge is fueled by the widespread adoption of Nvidia's specialized AI chips, also known as graphics processor units (GPUs) or "accelerators," which were originally developed for gaming but have since found extensive applications in various sectors.
- Nvidia's GPUs leverage parallel processing, dividing computations into smaller tasks distributed across multiple cores within the chip. This parallel approach allows for faster calculations, making Nvidia's chips ideal for processing massive datasets and training AI models. With over 95% control of the specialist AI chip market, Nvidia has become synonymous with high-performance computing.
- The company's competitive edge extends beyond its hardware prowess.
 Nvidia has invested in networking infrastructure, particularly after acquiring Mellanox in 2019, enabling efficient interconnectivity between GPUs in data centers. This networking capability enhances overall processing power and performance, a feature unmatched by competitors.

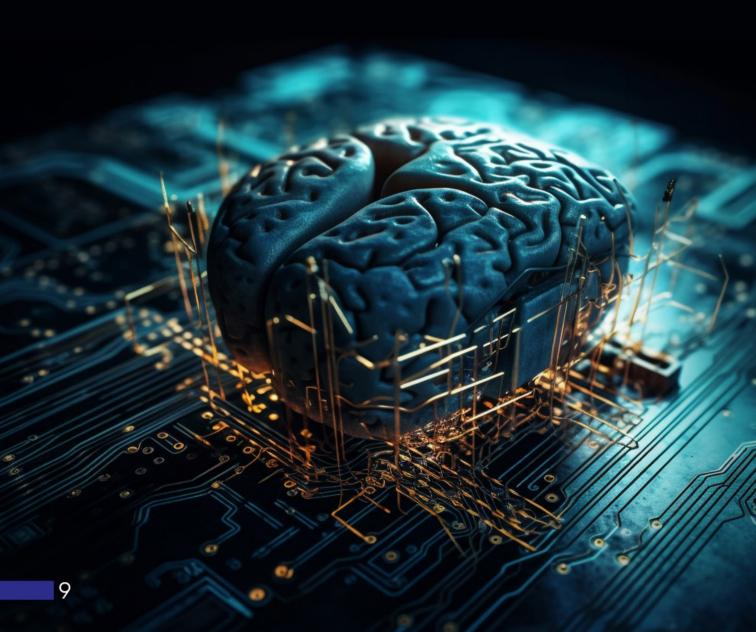
- Additionally, Nvidia's software platform, CUDA, plays a crucial role. CUDA
 allows customers to optimize the performance of Nvidia processors,
 making it a preferred choice for developers building and testing Al
 applications. This software ecosystem has become the industry
 standard, further solidifying Nvidia's position in the market.
- While competitors like Amazon, Alphabet, and Advanced Micro Devices (AMD) are entering the AI chip market, Nvidia's comprehensive offering—combining superior chips, networking technology, and software—poses a significant barrier to entry. Any competitor seeking to challenge Nvidia's dominance must excel in all three areas, presenting a formidable challenge given Nvidia's established position and technological prowess. As the AI accelerator market continues to expand, Nvidia is poised to maintain its leadership position, capitalizing on the projected growth opportunities in the coming years.





- Japan partners with US startup Tenstorrent to design its first advanced Al chip, aiming to compete with industry leaders and bolster its domestic semiconductor industry.
- The Japan government-backed research group working on semiconductor development is teaming up with US startup Tenstorrent Inc. to design its first advanced AI chip. Tenstorrent, led by industry veteran Jim Keller, will provide its design for part of Japan's artificial intelligence accelerator and collaborate on the overall chip design. The partnership aims to offer an alternative to industry leaders like Nvidia Corp. and Arm Holdings PIc by utilizing the open-source RISC-V standard for hardware and software communication.
- With the Japanese government investing heavily in semiconductor research and manufacturing, including a \$67 billion initiative, the collaboration with Tenstorrent represents a significant step forward. The joint effort intends to produce AI chips at the government-backed startup Rapidus Corp.
- The focus on reducing power consumption in AI technology is emphasized, with both Rapidus and Tenstorrent aiming for rapid time-to-market rates for their AI accelerators. Rapidus plans to commence chip production in 2027, competing with industry giants like Taiwan Semiconductor Manufacturing Co. and Samsung Electronics Co. The partnership with Tenstorrent is expected to bolster Rapidus's efforts by securing both supply and demand.

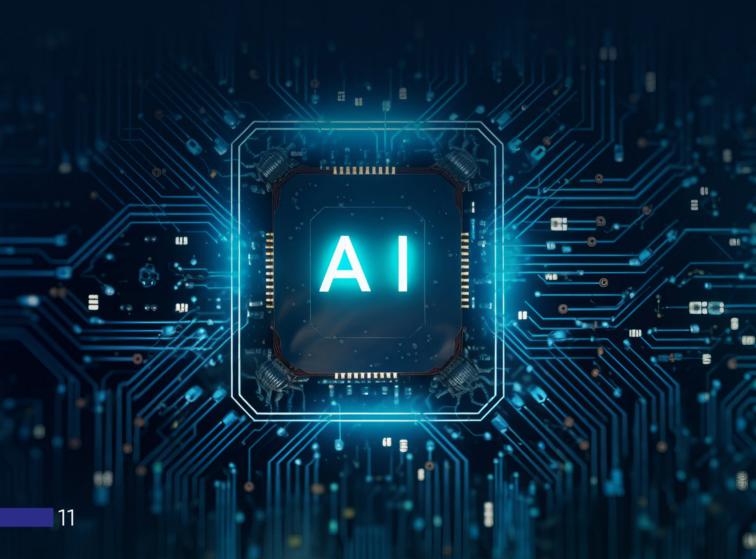
- Tenstorrent, which has a diverse team with expertise from companies like AMD and Apple, sees significant business opportunities in Japan. The company is closely collaborating with the Japanese government and corporations and ensuring compliance with technology export controls set by the US government.
- In Japan, Tenstorrent will collaborate with the Leading-edge Semiconductor Technology Center (LSTC) on AI chip designs. LSTC aims to promote AI technology for edge inference processing applications through international collaboration, attracting semiconductor experts back to Japan to strengthen its expertise.
- While the goal of manufacturing 2-nanometer logic chips by 2027 is ambitious,
 Japan's concerted efforts in semiconductor development and collaboration
 with innovative startups like Tenstorrent reflect its commitment to reclaiming a
 central role in the semiconductor industry.





- Al software companies soar as investor focus intensifies, with major players like Nvidia and Alphabet shaping the landscape through strategic investments and highlighting the challenges and opportunities in the booming Al space.
- The increasing proximity to artificial intelligence (AI) is proving to be highly lucrative, with listed AI software companies trading at significantly higher multiples compared to non-AI ones. Investor Theory Ventures highlights that those backed by tech giants are experiencing substantial leaps in market value. Nvidia and Alphabet, two prominent players in the AI space, provide insights into the AI landscape through their equity portfolios, revealing investments in companies like British semiconductor designer Arm, which Nvidia previously attempted to acquire for \$40 billion and is now valued at \$132 billion.
- Despite debates about Arm's inclusion in the AI boom due to its lack of AI-specific chip designs and its relatively high stock price (priced at 40 times forecast revenue), stakes held by Nvidia and Alphabet underscore its value.
 Both companies collaborate with Arm and recognize the demand for processor designs capable of handling large workloads, emphasizing its importance in the AI ecosystem.

- Nvidia's investments in various AI-related sectors, from driverless cars to voice recognition technology, reflect the uncertainty surrounding the optimal areas for AI implementation. While some investments, like autonomous truck company TuSimple, made six years ago, faced challenges such as delisting from the Nasdaq due to changing investor interest in pre-commercialization tech companies, the overall AI frenzy continues to buoy share prices, indicating persistent market optimism.
- Tech giants are also strategically investing in AI startups to maintain control over the distribution of generative AI. Companies like Qualcomm, Amazon, Google, Nvidia, Alphabet, Salesforce, and Intel are backing various AI startups, aiming to rival or complement entities like Microsoft and OpenAI. These investments aim to secure positions in the evolving AI landscape and mitigate the risk of being overtaken by emerging technologies.
- However, the influx of investments in AI startups has led to raised valuations, with AI startups accounting for the majority of newly-minted unicorns last year.
 These investments are crucial for preserving the hierarchy of Big Tech in the face of disruptive technological advancements, highlighting the competitive dynamics driving the AI investment landscape.





- Lagging behind US and China, Europe's tech sector faces a stark challenge - overcoming rigid labor regulations and high restructuring costs that hinder Al investment and innovation.
- The latest annual report from Nvidia, a leading provider of semiconductors for artificial intelligence (AI), highlights a concerning trend: the underinvestment in tech research and development in Europe compared to the US and China. With tech R&D investment in Europe at only one-fifth of that in the US and half that in China, European tech is falling behind rapidly. Structural weaknesses, including slow and costly restructuring processes, contribute to this disparity, hindering investment in AI and other cutting-edge technologies.
- In contrast to the US, where tech companies swiftly streamline operations and invest heavily in AI after setbacks, European tech leaders face significant hurdles in implementing restructuring plans. Labour regulations in countries like Germany, France, and Finland prolong the restructuring process, delaying necessary adaptations in the rapidly evolving tech landscape. As a result, European companies struggle to compete with their American counterparts, which have greater agility and financial resources to invest in frontier technologies like AI.

- The challenges in European tech are exacerbated by higher severance costs and longer restructuring delays, making the costs of adaptation roughly ten times higher than in the US. While factors such as market integration, funding, and regulation also play a role, the tech-specific problem in Europe poses a significant threat to innovation across all sectors. To address this issue without compromising the European social model, reforms to employment protection laws for higher salary thresholds are proposed as a potential solution to encourage innovation and investment in tech.
- Without significant changes, Europe risks further lagging behind in the global Al
 race, where investments are primarily driven by the US and China. To prevent
 this shortfall and regain competitiveness in tech, Europe must address its
 structural weaknesses and create an environment conducive to innovation and
 investment. Reforms in employment protection laws could be a step towards
 fostering a more dynamic and innovative tech ecosystem in Europe.





- Despite concerns over reliance on China, economic realities and complex supply chains suggest major shifts, not declarations, are needed to sever ties meaningfully.
- The consensus between Donald Trump and Joe Biden on America's trade relations with China reflects a concern about the significant reliance of the world's largest economy on its second-largest counterpart. Both administrations advocate for "friendshoring," emphasizing the need to shift production away from China and into less risky markets. While business leaders echo these sentiments and express genuine worries about China's economic growth and political volatility, the extent to which these intentions materialize remains questionable.
- Despite the rhetoric surrounding decoupling, recent evidence suggests that
 the economic relationship between the United States and China remains
 robust, with certain changes to supply chains potentially binding the two
 countries even closer together. While headline figures, such as the decline in
 China's share of America's imports, may seem encouraging, they do not
 provide the full picture.

- The discrepancy between Chinese and American import/export data, particularly regarding the impact of tariffs, suggests that some American importers may be underreporting their purchases from China to evade tariffs. Conversely, China has reduced taxes on exporters, mitigating the incentive for domestic businesses to undercount goods leaving the country. Moreover, analyses of "input-output" tables indicate an increasing reliance of American firms on Chinese inputs, contradicting the notion of decoupling.
- China's commitment to maintaining its role in global supply chains, coupled with initiatives to expand trade in intermediate products, further challenges the narrative of decoupling. The growth of Chinese companies in industries such as battery manufacturing and solar panels indicates China's determination to strengthen its position in global trade networks.
- Furthermore, the rise in Chinese exports of intermediate goods, particularly
 to countries like India and Vietnam, underscores the interconnected nature
 of global supply chains. These countries often act as intermediaries,
 matching Chinese production with American demand, thereby
 complicating the narrative of decoupling.
- While some countries, like India and Mexico, may experience growth in specific industries, such as mobile phone exports or automobile production, their production remains intertwined with Chinese supply chains. Even in regions where higher regional-value content standards are enforced, such as North America under the United States-Mexico-Canada Agreement, Chinese industrial supplies continue to play a significant role.





- Economists predict a more cautious approach to rate cuts by the ECB in 2024, prioritizing combatting sticky inflation and wage pressures over hasty policy reversals.
- The survey of economists suggests a cautious approach to interest rate cuts by the European Central Bank (ECB), with a consensus that lowering rates prematurely would be riskier than delaying rate cuts. Despite concerns about inflation receding, most respondents believe that moving too hastily to reverse previous rate hikes could have greater dangers than waiting too long.
- According to the survey, a majority of economists anticipate three quarter-point reductions by the ECB in 2024, down from four in the previous survey. This adjustment reflects concerns among policymakers in Frankfurt about the potential impact of rapid wage rises on the reversal of inflation towards the ECB's 2% target.
- Although no change in the ECB's deposit rate is expected at the upcoming meeting in March, most economists predict the first rate cut to occur in June. However, there are differing views among officials, with some cautioning against lowering borrowing costs too soon due to factors such as sticky services inflation and a resilient labor market, while others express concerns about a sluggish economy and undershooting the 2% price goal.

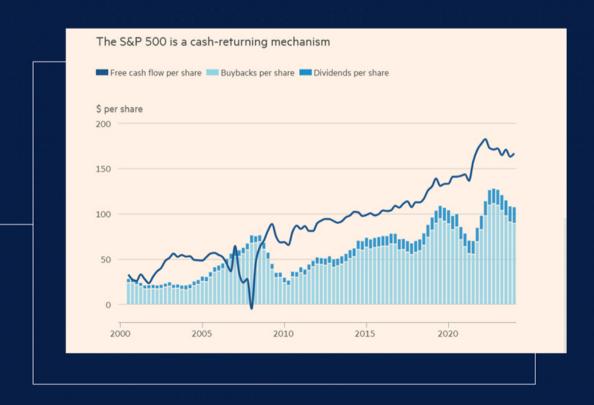
- Despite revising their easing predictions for 2024 slightly downward, economists still anticipate the deposit rate to be at 2.25% by the end of 2025. There is consensus among respondents that the ECB should provide more clarity on its reaction function, particularly regarding inflation, wage developments, and longer-term inflation projections, to avoid any unwarranted misguiding of market expectations.
- Additionally, the survey highlights concerns about potential supply-side shocks, geopolitical risks, and events such as the US presidential election and the rise of populism in Europe. Respondents also anticipate signals from the ECB's review of its monetary policy implementation, including preferences for a smaller balance sheet, demand-driven liquidity provision, a permanent bond portfolio, and higher minimum reserve requirements.





- Despite stretched valuations and concerns, analysts see key differences in fundamentals, monetary policy, and corporate behavior compared to the dotcom era, suggesting a more sustainable rally.
- The bull market in US stocks continues to show resilience, despite concerns about stretched investor positioning and overbought conditions in certain pockets of the market, particularly among technology stocks. However, comparisons with the dotcom bubble are deemed unfounded by many observers.
- Firstly, unlike the dotcom era, when the market spike was fueled by generous liquidity injections from central banks responding to crises, the current market rally occurred amid the Federal Reserve's aggressive tightening campaign. Additionally, while liquidity levels remain elevated compared to pre-pandemic levels, the US M2 money supply is still contracting year-on-year, indicating a different monetary policy backdrop.

- Secondly, the current equity market rally is supported by robust earnings and record levels of free cash flow generation, especially among technology companies. Valuation metrics, such as forward price-to-earnings ratios and free cash flow yield, suggest that today's market leaders are not as expensive as their dotcom-era counterparts.
- Moreover, US large-cap equities have transitioned from being primarily cash-raising to cash-returning assets, with increasing trends in share buybacks and a decline in initial public offerings.
- Furthermore, there is no evidence of a bubble in price-to-earnings ratios, as free-cash-flow metrics have significantly improved in recent decades. Corporate management behavior also reflects caution, with an emphasis on capital deployment efficiency.
- Finally, US equities are not as expensive relative to bonds as they were before the dotcom bubble burst, as indicated by the forward-looking US real equity risk premium. Despite expectations of an intermediate consolidation, the secular bull market in equities is anticipated to continue, with the current market environment distinguished by its quality returns and resilience in the face of normalized interest rates.





- Though disappointing to short-term speculators, gold's underperformance highlights its long-term value as a hedge against market bubbles and a source of stability during economic uncertainty.
- The recent performance of gold has left many speculators disappointed, but it aligns with its role as the "anti-bubble" asset. Unlike speculative macro plays boosted by inflationary policies, gold moves at its own pace and tends to perform inversely to the bubble beneficiaries, such as the stock market. While some may expect gold to keep pace with speculative assets, it serves primarily as monetary insurance and a hedge against financial storms, rather than a speculative asset subject to short-term market dynamics.
- Gold's role as the anti-bubble becomes clearer when viewed in the context of its historical performance and its function as an inflation protector. Despite its occasional underperformance compared to stocks in inflationary phases, gold remains a key asset for investors seeking stability amidst market uncertainty. Similarly, gold mining companies often reflect the dynamics of the gold market, with their performance influenced by shifts in the gold-to-stock ratio and broader macroeconomic trends.

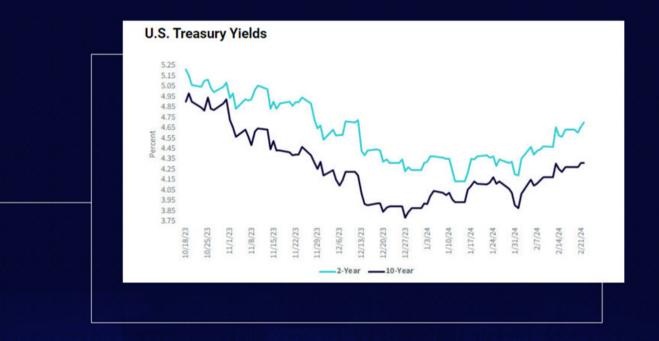
- While the current environment may not be conducive to gold's outperformance, contrarian signals suggest a potential reversal in the future. Public sentiment towards gold, as reflected in indicators like GLD interest, remains relatively low, indicating a lack of enthusiasm among investors. Despite this, history suggests that such sentiment shifts often precede rallies in gold prices, highlighting the importance of patience and readiness for the eventual macroeconomic pivot that could drive gold's resurgence.
- In preparation for a potential positive reversal in gold's fortunes, investors should focus on shorter-term timeframes and remain vigilant for signs of changing market conditions. While the macro environment may not currently favor gold, maintaining a disciplined approach and managing expectations based on market realities will be key to navigating the evolving landscape. Ultimately, gold's role as the anti-bubble asset underscores its value as a long-term hedge against market volatility and economic uncertainty.





- Bond market optimism crumbles as stronger-than-expected economic data dampens hopes for Federal Reserve rate cuts, leading to a partial reversal in UST yield declines.
- The bond market's optimism at the start of 2024 has dissipated, despite a remarkable rally in U.S. Treasury (UST) yields towards the end of the previous year. The rally, driven by expectations of continued disinflation and anticipation of significant Federal Reserve rate cuts due to economic weakness, has not been substantiated. As the first quarter draws to a close, the market sentiment has shifted unfavorably, indicating that the rally in bond prices lacked validation.
- The optimism in the UST arena was fueled by expectations for future economic conditions, particularly in response to anticipated Fed actions. However, recent data contradicts these expectations, with stronger-than-expected job growth and challenges in achieving the Fed's 2% inflation target. This shift has led to a reassessment of the outlook for Fed rate cuts, prompting a retracement in UST yields from their post-rally lows.

- The significant decline in UST yields during the rally saw levels drop by approximately 110 to 120 basis points for the 2-Year and 10-Year notes, respectively. However, recent developments, including robust job market data and inflation concerns, have led to a reevaluation of the outlook for interest rates. As a result, UST yields have partially retraced, indicating a correction in the overly optimistic market sentiment.
- Looking ahead, determining fair value for UST yields remains uncertain amidst evolving economic and monetary policy dynamics. While some metrics suggest a potential fair value around current levels, ongoing data releases and Fed actions will continue to influence market expectations. As such, the bond market remains subject to volatility and unc





- Bitcoin's historic price surges after halvings may be at risk as the market matures and new factors, like regulation and geopolitics, reshape the landscape.
- The idea of the "halvening" and its impact on the price of Bitcoin has been a
 profitable strategy for many traders over the past few cycles. The concept
 revolves around the reduction in Bitcoin's supply due to the halving of block
 rewards, which historically has led to a significant increase in its price.
- In the past, there has been a noticeable pattern where the effects of the halving event take some time to materialize in the market. However, in recent years, traders have been preemptively buying Bitcoin in anticipation of the halving, driving up prices well before the event occurs. This phenomenon demonstrates the growing maturity and sophistication of the cryptocurrency market.
- Looking at historical data, particularly comparing the trends of 2017 with the
 current market status, suggests that Bitcoin's price could continue to climb
 in the lead-up to the next halving event. While projecting specific price
 targets is speculative, some analysts predict price levels ranging from
 \$80,000 to even \$250,000 per Bitcoin.

- It's essential to recognize that the cryptocurrency market has evolved since the early days, with increased regulatory oversight and a broader range of participants. This changing landscape may lead to different market dynamics and performance compared to previous cycles. Additionally, geopolitical factors now play a significant role in shaping the market's direction, adding further complexity to price movements.
- As the market progresses through the halving cycle, traders should consider the
 potential impact of regulatory developments and geopolitical events on
 Bitcoin's price trajectory. While the concept of market stability may emerge with
 increased regulation, it's crucial to remain vigilant and adaptable to changing
 market conditions.





- As anticipation for the first Ethereum ETF grows, the SEC's decision on Ether's classification as security or commodity holds the key, impacting both market access and the future regulatory landscape for cryptocurrencies.
- The cryptocurrency market, particularly Ethereum (ETH), is experiencing a surge in anticipation of the potential approval of an Ethereum Exchange-Traded Fund (ETF) by the Securities and Exchange Commission (SEC). While Bitcoin ETFs have already been approved, the status of Ether remains uncertain due to regulatory considerations.
- One key concern revolves around whether the SEC deems Ether to be a security, which would subject it to additional regulatory oversight under the Investment Company Act of 1940. Unlike traditional ETFs, which are typically comprised of registered securities, cryptocurrencies like Ether are decentralized assets, and many in the digital asset community argue against classifying them as securities. The SEC has yet to definitively address Ether's classification, although it has previously suggested that tokens associated with blockchains similar to Ethereum may indeed be securities. This ambiguity has left the crypto industry in a state of uncertainty regarding the fate of Ether ETF applications.

- If the SEC determines that Ether is a security, ETF issuers would be required to treat it as such in their applications. This would not only challenge the decentralized nature of cryptocurrencies but also raise questions about the classification of thousands of other digital assets. Despite potential pushback from the crypto community, ETF issuers are primarily focused on navigating regulatory requirements to gain market share in the rapidly expanding crypto ETF market. The potential profits from launching the first Ether ETF could be substantial, given the success of early movers in the Bitcoin ETF space.
- The origin story of Ethereum, particularly its initial coin offering (ICO) and distribution of tokens, adds complexity to the debate over its classification. While Ethereum's governance has become more decentralized over time, its ICO and reserved token allocation for the founding team raise questions about centralized control. The launch of Ether futures ETFs last year further complicates the issue, as these funds operate under the Commodity Futures Trading Commission (CFTC) regulation rather than SEC oversight. This discrepancy highlights the need for clarity regarding Ether's regulatory status.
- Ultimately, the SEC's decision on Ether ETFs will have significant implications for the cryptocurrency market and its participants. Whether Ether is classified as a security or commodity will determine the regulatory framework for future ETFs and shape the evolution of the crypto industry as a whole.





- Lead: The fusion of crypto and AI isn't just a buzzword; it's a transformative step towards trustworthy AI systems, addressing data privacy, inclusivity, and user participation through novel approaches to data collection, model development, and training.
- The fusion of cryptocurrency and artificial intelligence (AI) presents a transformative paradigm shift in technology, heralding a new era characterized by trustworthy and inclusive AI systems. This convergence addresses key challenges surrounding AI, such as data transparency, privacy, and inclusivity, while empowering individuals to actively participate in the AI ecosystem. Let's delve deeper into the imperative for trustworthy AI and how cryptocurrency facilitates its realization:
- Trustworthy AI Imperative: The evolution of AI technologies like ChatGPT and SORA raises critical questions about data transparency, biases, and the reliability of AI systems. As AI becomes increasingly integrated into our lives, ensuring trust and reliability in these systems becomes paramount. Transparency in data sourcing, model architectures, and responses derived from training data is essential to foster trust between users and AI systems.

- Harnessing Crypto for Trustworthy AI:
- Data Collection: Cryptocurrency incentives enable individuals to contribute to Al training data, fostering inclusivity and diversity. Users can source data from their devices, enriching datasets with diverse perspectives and demographics.
- Data Preprocessing: Decentralization facilitated by cryptocurrency allows for data preprocessing tasks to occur locally on user devices, enhancing privacy preservation and user control over data.
- Model Design: Community-driven collaboration, incentivized by cryptocurrency, contributes to AI model design. Through decentralized platforms and open-source initiatives, individuals from diverse backgrounds collaborate to develop transparent and inclusive AI algorithms.
- Model Training and Fine-Tuning: Cryptocurrency incentivizes individuals to participate in model training and fine-tuning processes, leveraging distributed networks for scalability and efficiency. This decentralized approach fosters innovation and experimentation in Al development.
- Navigating the Future of Crypto and Al:
- Embracing the convergence of cryptocurrency and AI unlocks unprecedented opportunities for transformative advancements. Trustworthy AI, empowered by cryptocurrency, becomes the norm, safeguarding values of transparency, accountability, and inclusivity.
- This convergence is not a fleeting trend but a pivotal juncture that will shape the technological landscape for years to come. Embracing this symbiotic relationship is imperative for unlocking the full potential of AI while ensuring ethical and inclusive development.





- As billions flow into Bitcoin ETFs and the halving event looms, Coinbase outage fuels concerns about infrastructure and staying focused on core services amid the crypto frenzy.
- The predictability of bitcoin's supply combined with its highly liquid market renders it uniquely susceptible to sudden price movements driven by changes in demand. Recent weeks have seen billions of dollars flowing into bitcoin ETFs offered by traditional heavyweights like Blackrock and Fidelity, creating an impending demand crunch. Additionally, the halving event, occurring every four years and reducing the number of bitcoins introduced into circulation, further contributes to the anticipation of bitcoin's price surge.
- Coinbase, one of the largest bitcoin exchanges globally, experienced a significant operational failure on a day when bitcoin's price was poised to surpass its all-time high. Not only did Coinbase halt trading, but it also mistakenly zeroed-out customer balances, creating panic and undermining trust. This failure raises questions about Coinbase's focus, with speculation that the company's attention may have been diverted to complex "crypto" technologies like NFTs and DeFi, rather than bolstering bitcoin infrastructure.

- The incident underscores the importance of staying on mission for technology developers and executives, especially in the finance and crypto sectors, where corporate dysfunction can profoundly impact people's lives. While such failures may not be as catastrophic as in industries like aviation, they still have far-reaching consequences. It serves as a reminder for companies like Coinbase to prioritize core services and infrastructure development over peripheral ventures to ensure reliability and trust among users.
- For bitcoin-focused companies like Coinbits.app, maintaining a steadfast commitment to their core purpose of facilitating bitcoin adoption has been paramount. By avoiding distractions and concentrating solely on bitcoin, these companies aim to provide a reliable and seamless experience for users. Coinbase's misstep serves as a cautionary tale and highlights the importance of remaining dedicated to the fundamental mission amidst the evolving landscape of cryptocurrencies and blockchain technology.



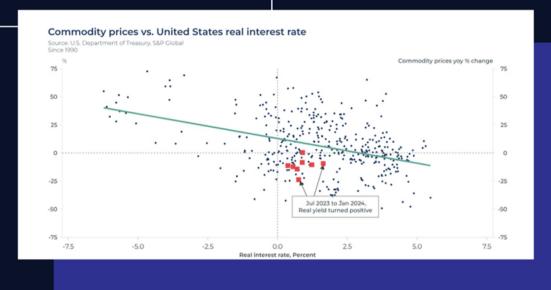
EM equities appear undervalued



- Based on this study of the relative forward price to earnings (P/E) ratios of the MSCI indices, it may be a good opportunity to purchase EM equities at these attractive prices.
- Due to perceived concerns, EM equities continue to trade below their DM rivals despite a more positive growth forecast, which presents chances for value-seeking investors.
- There may be underpricing as the present EM forward P/E ratio is discounted more than the 30-year median when compared to DM.
- It is important to remember, nevertheless, that forward P/E ratios in EMs differ greatly by nation. This can be attributed to several reasons such as the growth potential of specific countries, monetary policy, and political stability.

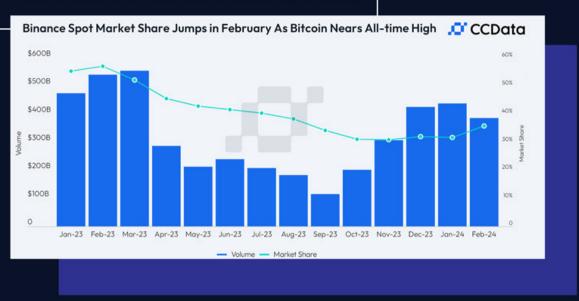


Are commoditiesset to stabilize?



- The inverse relationship between commodity returns and US interest rates is highlighted in this figure, which plots the relationship between commodity prices and the real interest rate in the US.
- Since keeping inventory and investing in commodities are less expensive
 when real interest rates are low, investors are more likely to purchase
 commodities, which drives up demand and prices. These circumstances
 frequently lead to the dollar's decline, which lowers the price of commodities
 for people who own other currencies. Additionally, this lessens the appeal of
 yield-generating assets, leading investors to look into other options, such as
 commodities.
- The graph indicates that as inflation slowed, the US 10-year real yield went positive in July 2023. During this time, commodity returns were negative.
- Commodity returns could be impacted by a number of concerns, even while a balance between growth-led demand and monetary easing, which lowers rates, could help stabilize commodities. These include weather uncertainty, fluctuating shipping costs, and geopolitical hazards.

Binance Spot Market Share Jumps in February



- From 31.9% at the beginning of 2024 to 35.7% as of February 27, 2024, Binance's spot market share has increased, reaching its highest level since August 2023. This gain is probably the result of a number of things, one of which is the zero-fee BTC-FDUSD trading pair, which has drawn a lot of interest and grown to be the highest-volume trading pair on the market.
- In addition, after Richard Teng assumed leadership following the settlement
 of the SEC lawsuit in November 2023, the exchange has considerably
 enhanced its brand image and continues to retain the deepest liquidity
 among the exchanges. The fact that Binance has averaged \$411 billion in
 monthly spot transactions so far this year shows how the positive market
 conditions have increased trading activity.



Provided to you by:

Team Analytica, Team Financial, Team Icelab

Stay informed about the latest Iceberg events and access the weekly newsletter by simply scan the QR code below:



Discover the Unknown Depth of Financial Markets

WWW.ICEBERG.FINANCIAL