

# New York Trip Report

March 20-24, 2023

## **Executive Summary**

*Most portfolio managers are surprised by the resilient economy despite the record inflation numbers of last year*

*The Fed has done a great job of dealing with the US regional banking stress but the PMs are convinced that this will lead to less credit creation and therefore will negatively impact the economy in the coming months*

*The Fed is in a tough spot, since the first time in many decades structural tailwinds for deflation and falling inflation have turned into headwinds, such as de-globalization, war, and demographics*

*The US yield curve has not been this much inverted for over 40 years and usually a recession followed after deep yield curve inversions – will this time be different?*

*The housing market in the US is still robust and the vast majority of home owners are paying rates below current market rates*

*US fund managers are increasingly implementing more restrictive terms across the board, as they seek to have a more stable asset base and protect the funds from “bank runs”*