

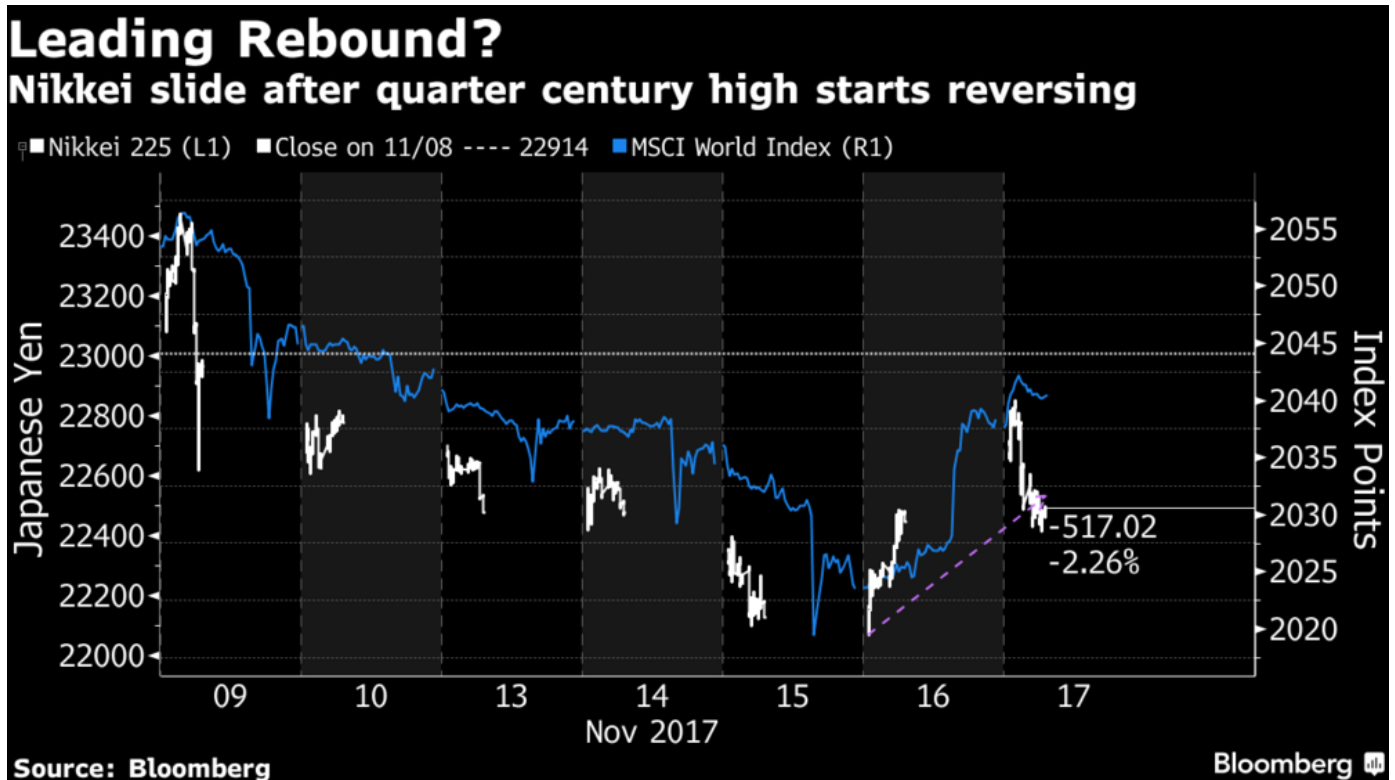
# From Bitcoin to Global Equities, It's Risk-On Again in Markets

By **Chris Anstey** and **Adam Haigh**  
17 novembre 2017, 07:29 CET

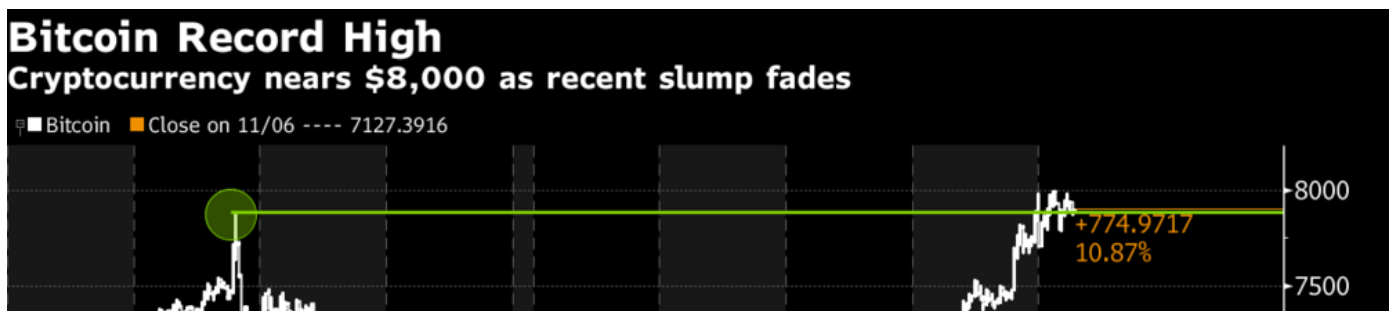
It might be the rebound that was bound to happen.

The world is still in a synchronous economic expansion across developed and emerging markets. It still has at least half a year of liquidity pumping ahead from the key central banks, taken together. And it's still fascinated by the prospects of digital currencies.

Sure enough, across asset classes the week is ending with a bounce-back from recent sell-offs in equities, higher-risk bonds and Bitcoin. It's been a long time since Japan led global dynamics, but nevertheless the equity retreat that appeared most strongly in Tokyo Thursday afternoon last week was over a week later.



Just a handful of days after tumbling 29 percent from its all-time high in a rout that wiped \$38 billion from its market value, [Bitcoin](https://www.bloomberg.com/news/articles/2017-11-16/bitcoin-hits-record-as-monday-s-29-plunge-fades-to-memory) surged back to set a fresh record. It's on its way to \$8,000 and CME Group Inc. is poised to start offering professional traders ways to hedge the price with futures on the world's largest exchange next month.

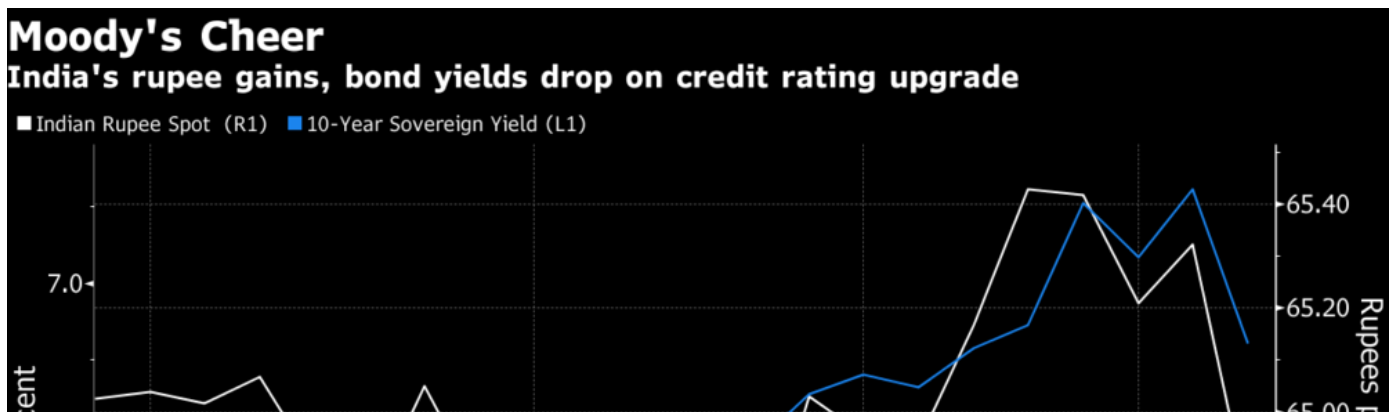


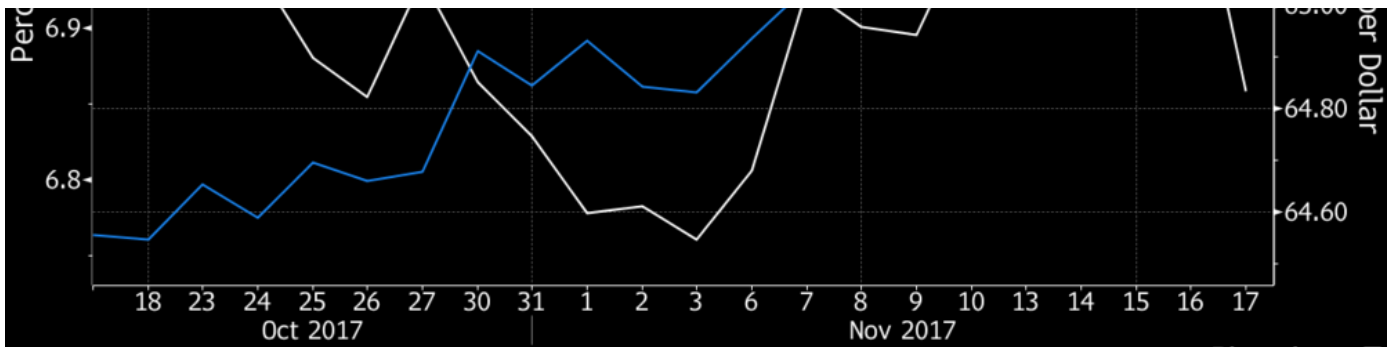


The tumult in the junk bond market got so severe at one stage this week that [Deutsche Bank](https://www.bloomberg.com/news/articles/2017-11-16/deutsche-bank-says-junk-bonds-are-a-buy-but-be-ready-to-get-out)'s chief international economist was inundated with questions as to whether it would lead to a U.S. recession. The U.S. gauge of high-yield debt was on course for its worst week since March before buyers came to the rescue on Thursday, though it still remains down from its high last month.



Adding to good cheer in Asia on Friday was a Moody's Investors Service sovereign-credit rating upgrade for India, where policy makers have mounted a new campaign to deal with the country's non-performing loans. That spurred a rally in the rupee and sent equities soaring together with bonds.





Source: Bloomberg



In China, where the onshore stock market collapsed in 2015 after a bubble, the state news agency Xinhua was even warning about irrational exuberance <<https://www.bloomberg.com/news/articles/2017-11-17/china-takes-rare-step-of-warning-investors-on-top-liquor-stock>> -- at least in one stock. Kweichow Moutai Co. <<https://www.bloomberg.com/quote/600519:CH>>, China's biggest liquor maker, shouldn't be rising so fast, it said. The stock's more than doubled in the past 12 months.

## Too Much of a Good Thing Chinese state media say Moutai should rise at a slower pace

Normalized As Of 11/17/2016 ■ Kweichow Moutai



Source: Bloomberg