



VICTORY PARTNERS

MIDDLE MARKET INSIGHT | What Business Owners Need To Know

BIG DATA

INCLUDES DATA THAT ARE CONVENTIONAL AND UNCONVENTIONAL, SUCH AS TEXT, SATELLITE IMAGES, VIDEOS, AUDIOS, ETC.

DISRUPTIONS

SUCH AS A PANDEMIC, WARS, BREXIT, RISING POPULISM ALL HAVE IMPLICATIONS FOR INTERNATIONAL ECONOMIC POLICY

FRUIT

STREWN ABOUT FARMS WILL LARGELY JUST GO TO WASTE

FOR THE NEXT

SIX MONTHS THERE WILL BE EVALUATIONS OF THE NET DAMAGE, ESTIMATES ARE CURRENTLY AT 40% CROP LOSS

BUY BACK

FOR U.S. GOV'T BONDS IN ORDER TO IMPROVE LIQUIDITY IN THE \$24 TRILLION MARKET

TREASURY

IS ALSO INQUIRING WHETHER REDUCED VOLATILITY COULD BE A "MEANINGFUL BENEFIT FOR TREASURY OR INVESTORS"

The Evolution of The Trade Landscape & Open-Source Intelligence

- The most reliable techniques for examining trade agreements and even sanctions are computational general equilibrium (CGE) models and econometric research. However, they frequently fall short of estimating the scope of uncommon events or large conflicts.
- Weifeng Zhong and Christine McDaniel use a unique open-source data set—a database of Taiwanese spots of attraction with precise coordinates, curated by a malevolent Chinese entity—in a recent policy brief to try to address some of that. The material suggests that China may be considering using information and communications technology facilities, such as submarine cable landing stations, where the undersea cables that make up the internet's backbone arrive on land, as part of its military planning for Taiwan.
- If the scenario were to be addressed using typical CGE modeling, one might see a more structured look at negative productivity shocks or tariff equivalents, but the real-world version would probably be so upsetting that even those consequences wouldn't compare to those of invasion.

After Hurricane Ian, Florida Citrus & Agriculture Struggle

- More than 375,000 acres (152,000 hectares) in the state of Florida is dedicated to citrus fruits for an industry valued at more than \$6 billion yearly, citrus is a major business in Florida. The state's substantial cattle industry, dairy operations, agricultural crops as well as hundreds of thousands of bees that are crucial to many growers, were all severely impacted by Hurricane Ian, as were many of the state's citrus groves.
- According to the U.S. Agriculture Department's orange projection for 2022–2023, production will total roughly 28 million boxes, or 1.26 million tons. Without considering storm damage, which will undoubtedly make those statistics worse, it is 32% lower than the previous year.
- Sen. Marco Rubio of the United States stated that \$3 billion in federal financing is required to offset costs associated with crop and tree damage during his appearance this week at a Florida Citrus Mutual event in Zolfo Springs, which is located approximately 75 miles (120 kilometers) southeast of Tampa.

U.S. Treasury Asks Major Banks If It Should Buy Back Bonds

- As rates rise and volatility rises in tandem with the Federal Reserve's quick rate increases, which are intended to combat inflation that is currently running at its highest levels in four decades, investors are concerned about decreasing liquidity in Treasuries.
- To more accurately evaluate the benefits and drawbacks of adopting a repurchase program, the Treasury is asking dealers about the mechanics of how buybacks may operate. These include the amount required to "meaningfully" increase liquidity in these assets by purchasing so-called off-the-run Treasuries, which are older and less liquid issues.
- The most recent question concerns the costs and advantages of financing the repurchase of previous debt issues with greater issuing of so-called on-the-run securities. The questions are being asked as part of the Treasury's routine survey of dealers conducted before to each of its quarterly refunding announcements.

Sources: www.forbes.com | www.apnews.com | www.reuters.com