

- Hedge funds' latest moves,
- The crypto rally stumbles and
- The Belarus border crisis shows signs of easing. Here's what's moving markets.
- Royal Dutch shell

Exchange rates

Latest Rates	Spot	Move
USD/ZAR	15.28	▼
GBP/ZAR	20.55	▼
EUR/ZAR	17.37	▼
CHF/ZAR	16.49	▼

Royal Dutch Shell PLC

Royal Dutch Shell PLC (+1.9% in London) plans to consolidate its dual British and Dutch structure and relocate its headquarters to London, a move it said would help facilitate returns to shareholders and make it simpler to change up its portfolio of assets. The oil giant said Monday that bringing an end to its complex structure should also make it easier for investors to value the company, at the same time it has committed to transitioning to low-carbon energy. Shell's shares in London traded 1.9% higher after the announcement. The plan announced Monday is the first major change to Shell's structure since the 2005 unification of its two legacy companies under a single parent company. Since then, Shell has had two lines of shares, an A and a B share, a structure that it said Monday was never intended to be permanent. The shares have the same voting rights and are treated equally, but one line of shares allows some shareholders outside the Netherlands to avoid paying a Dutch dividend tax. Dutch government officials are in last-minute talks to try to find a way to encourage Shell to keep its head office in the Netherlands, a person familiar with the matter said. Shell's proposed restructuring follows a similar move from Unilever PLC in recent years.

Hedgies Show Cards

Hedge funds made their third-quarter holdings disclosures in so-called 13F filings last night, a closely-watched event for investors trying to follow smart money. Warren Buffett's Berkshire Hathaway ended up cutting back on two of its payment bets -- Visa and Mastercard-- as well as two of its recent pharma bets -- Bristol-Myers and AbbVie. Meanwhile, George Soros's investment firm boosted its bets on real estate and financial stocks during the period, disclosing new positions in Hill-Rom Holdings, MGM Growth Properties, JPMorgan and Goldman Sachs.

Crypto Retreat

Cryptocurrencies are falling this morning, with Bitcoin sliding toward the \$60,000 level and Ether touching one of its lowest levels this month. The global crypto market cap has dropped some 7% in the past 24 hours to \$2.8 trillion, according tracker CoinGecko. New tax-reporting requirements for digital currencies are part of the \$550 billion infrastructure bill that President Joe Biden just signed into law. China, meanwhile, will study the option of levying punitive power prices for companies that are involved in cryptocurrency mining amid concerns about its environmental fallout.

Chip Aid

Watch European semiconductor stocks this morning, as European Union officials prepare to discuss looser restrictions on government subsidies for chip plants in the region. The EU commission “may envisage approving public support to fill possible funding gaps in the semiconductor ecosystem for the establishment in particular of European first-of-a-kind facilities,” according to a draft of the policy paper seen by Bloomberg. The shortage of chips hampering European manufacturers this year has highlighted the limits of the bloc’s technological muscle.

Sanction Threat

A top EU official said the movement of migrants to Poland’s border with Belarus is slowing, after the bloc approved new powers to sanction those seen as orchestrating the humanitarian crisis. The bloc now has the authority to punish entities such as airlines and travel agencies, that are involved in trying to facilitate illegal crossing of migrants. EU foreign policy chief Josep Borrell said late Monday that the specific targets of new sanctions will be finalized in the coming days. Earlier this year, Belarusian strongman Alexander Lukashenko threatened to open his borders to allow drugs, radioactive material and migrants to flow unhindered in retaliation to EU sanctions.

Coming Up

- European stocks look set to open a shade higher.
- Equities rose in Asia, where traders weighed the outcome of the first face-to-face virtual summit between U.S. President Joe Biden and China’s Xi Jinping.
- In Europe, U.K. jobless figures and wage growth will be among the stats to watch.
- There are earnings from Vodafone and Imperial Brands, from Asia’s Sea Ltd. and NetEase and in the U.S. from Walmart and Home Depot. Fed Presidents Thomas Barkin, Esther George and Raphael Bostic take part in a discussion about racism and the economy.
- All eyes are on Biden's pick for Fed chair after Senate Banking Chairman Sherrod Brown said he was told an announcement was “imminent.” And the fourth annual Bloomberg New Economy Forum convenes in Singapore, running through Friday. Speakers include Bill Gates, John Kerry, Alphabet’s Sundar Pichai and Goldman’s David Solomon.

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