

## Macro Roundup Article

**Headline:** [S&P500; and Fed QE Highly Correlated](#)

**Article Link:** <https://apolloacademy.com/sp500-and-fed-qe-highly-correlated/>

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**Tweet:** Torsten Sløk @apolloglobal notes a high correlation between Fed net QE and the S&P500.; He suggests that Fed liquidity provided through the Bank Term Funding Programs has been a crucial driver of the stock market.

**Summary:** Since SVB collapsed, the Fed has been adding liquidity, and the S&P500 is up more than 10%. The high correlation between Fed net QE and the S&P500 seen in the chart below suggests that Fed liquidity is a crucial driver of the stock market. With the Fed turning more hawkish and continuing QT, the downside risks to equities are growing.

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