

Markets

## SVB Blowout Is Wake-Up Call for Stock Bulls on Banking Risks

- Issues at SVB ‘a cold shower’ on disinflation bets: Athey
- Banks caught off-guard by Fed’s rapid rate hikes: Monchau

...

By [Sagarika Jaisinghani](#), [Julien Ponthus](#) and [Jan-Patrick Barnert](#)March 10, 2023, 7:15 AM CST *Updated on March 10, 2023, 8:09 AM CST*

...

Share this article



Gift this article

Follow the authors

[@sagarikareports](#)

...

US stocks are heading for the worst week of the year after a selloff sparked by liquidity concerns in the banking sector, as portfolio losses prompted [hasty fundraising](#) by SVB Financial Group, a major lender to fledgling companies. The jitters are spreading across the Atlantic, with European banks [tumbling](#) the most since September and the region’s benchmark index sliding sharply.

Raphael Thuin, head of capital markets strategies at Tikehau:

“At first glance, this does not look like a systemic issue. Markets are very sensitive to bad news from the banking sector and worries about it are never good. That being said, one must be very vigilant about any kind of domino effect, particularly on regional US banks. The news about SVB also comes as net interest margins are expected to peak across US banks, which is adding to the pressure.