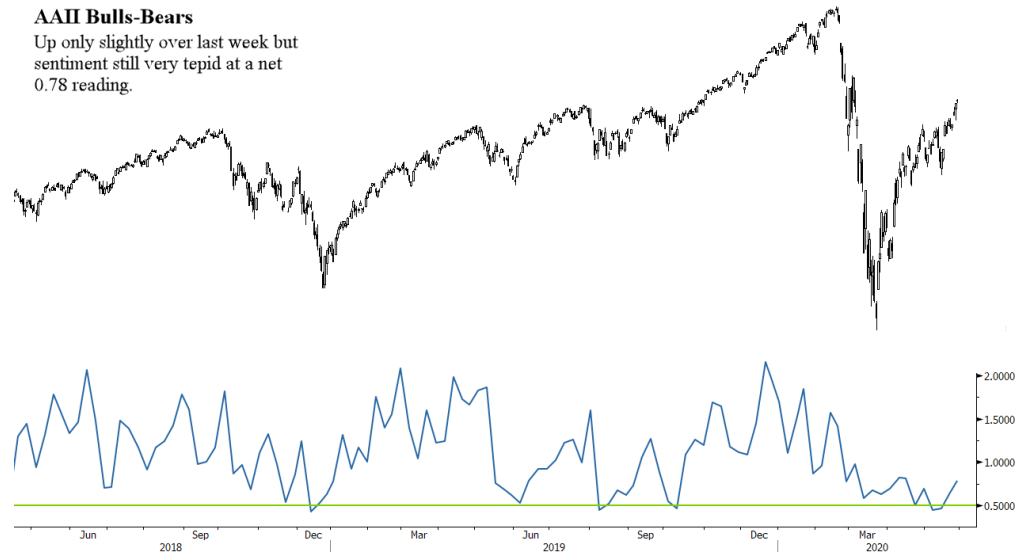




Disbelief Drives The Quiet Bull

The latest AII Bull-Bears numbers came out today. They show that sentiment has only marginally improved over last week, and the general attitude towards this rally remains one of disbelief.

And disbelief is excellent fuel for a bull quiet regime, which is exactly what we continue to see play out. Every enticing sell setup fails, and every little dip gets bought.



Maybe this changes in the next week or two. But, as of right now, the path of least resistance remains up and we should continue to play to the long side until the tape says otherwise.

We're putting on a starter position today in the beaten down retailer Bed Bath & Beyond (BBBY). Brandon wrote up the bull case for BBBY last month. You can find the [report here](#).



The chart has firmed up and the stock looks like it's wanting to breakout.

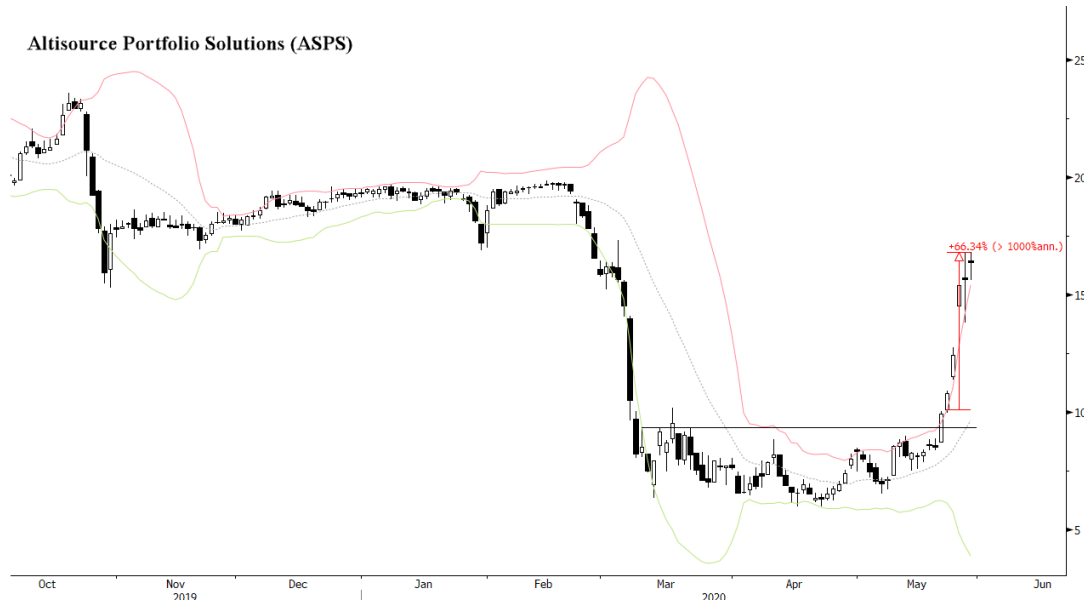


Here are the details for the trade:

Long: Bed Bath & Beyond (BBBY)

Risk: 150bps
 Entry: \$7.85
 Stop: \$5.05

We're also taking half profits on our long ASPS trade we entered last week. It has run hot out of the gates and is up nearly 70% since our entry. This trade could have some long-term potential if we move into a prolonged mortgage default cycle, which I believe is likely at this point. I'll consider adding back to the position on a pullback.



There are a number of strong charts developing in select emerging markets as well as Europe. I'll be putting out a note on what I'm seeing sometime in the next few days.

Until then, stay frosty and keep your head on a swivel!

Your Macro Operator,

Alex

The Four Pillars Portfolio		<u>YTD Return</u>					
		16.84%					
<u>The Core</u>		<u>Allocation</u>					
Large Cap Equities (/ES_M or VOO)		25%					
Short-term Bills (/ZT_M or VGSH)		25%					
Long-term Bonds (/ZB_M or TLT)		25%					
Gold (/GC_M or GLD)		25%					
<u>Big Bets</u>		<u>Thematic</u>	<u>Cost Basis</u>	<u>At Risk</u>	<u>Notional %</u>	<u>Risk Point</u>	<u>Last Price</u>
Teekey Tankers (TNK)		Deep Value/Cyclical	\$20.30	100bps	4%	\$15.20	\$17.68
Overseas Shipholding Group (OSG)		Deep Value/Cyclical	\$2.27	200bps	9%	\$1.70	\$2.24
Cameco (CCJ)		Deep Value/Cyclical	\$7.25	Above B/E	10%	\$8.50	\$10.56
Altisource Portfolio Solutions (ASPS)		Deep Value/Swing	\$10.16	B/E	7%	\$8.40	\$16.37
Bed Bath & Beyond (BBBY)		Deep Value	\$7.86	150bps	4%	\$5.05	\$7.86
Bollere (BOL)		Hidden Deep Value	\$2.46	100bps	10%	\$2.26	\$2.70
MXNUSD (6MM2020)		Swing	0.04191	B/E	--	0.04045	0.04493