



Macro Ops

The Trifecta Report

The best trades are the ones in which you have all three things going for you: fundamentals, technical, and market tone. ~ Michael Marcus

Weekly Summary



S&P 500	UST 10yr Bonds	Gold	EURUSD
<ul style="list-style-type: none">➤ Long-term: A reflationary Fed and US Gov bent towards stimulus suggest we'll see continued compression in risk-premium = higher risk assets over the long-term➤ Sentiment/Positioning: <u>Sentiment is at a bullish consensus and has fed into what's fast becoming very stretched positioning. Trend fragility is high</u>➤ Breadth: Improved last week and is nowhere near levels that precede larger selloffs➤ Macro/Liquidity: Macro conditions continue to improve, and liquidity is flush➤ Short-term: <u>SPX just entered a Bull Volatile regime. The TL Score ended the week at 0.</u> The market is likely to run higher over the next couple of weeks before an intermediate top is in	<ul style="list-style-type: none">➤ Long-term: Bonds broke out of their 9-month neutral sideways regime. Macro fundamentals, technicals, and sentiment all favor a continued steepening of the curve➤ Sentiment/Positioning: The narrative of yield-curve control and yield suppression is consensus➤ Bond Indicators: All indicators point to a steeper yield curve (bear steepening).➤ Short-term: Bonds saw a bearish breakout from an extended trading range. The path of least resistance is sideways to lower for now	<ul style="list-style-type: none">➤ Long-term: Gold has worked off much of its extreme over-bought levels. The long-term path of resistance is up➤ Sentiment/Positioning: Positioning and flows have come down from excessive levels though remain somewhat stretched to the bull side➤ Gold Indicators: Long dated real yields continue to favor sideways to lower chop in precious metals for now➤ Short-term: Gold is in a neutral sideways regime in a longer-term uptrend. It has worked off much of its technical overbought levels. <u>Odds favor a continuation of the bull trend at some point, but we're likely to see more down-to-sideways chop in the interim</u>	<ul style="list-style-type: none">➤ Long-term: EURUSD is in the early stages of a cyclical bull trend. Excessive capital concentration in the US and rich relative valuations + growing UST funding needs support the longer-term USD bear thesis➤ Sentiment/Positioning: The short US dollar trade is a consensus theme on the Street. Long positioning in EURUSD and aggregate short USD is at multi-year highs. <u>Sentiment & Positioning are headwinds to EURUSD over the short-to-intermediate term</u>➤ EURUSD Indicators: The trend in yield differentials are moving in the USD's favor, this may drive an eventual unwind of long euro positioning➤ Short-term: EURUSD saw a failed bearish breakout the other week. Odds favor a continuation of sideways chop

S&P 500 Monthly



S&P 500 Weekly

Another weekly close on its highs = odds favor more upside follow-through this week. Market has entered an accelerated buy climax that could very well run for a couple of weeks

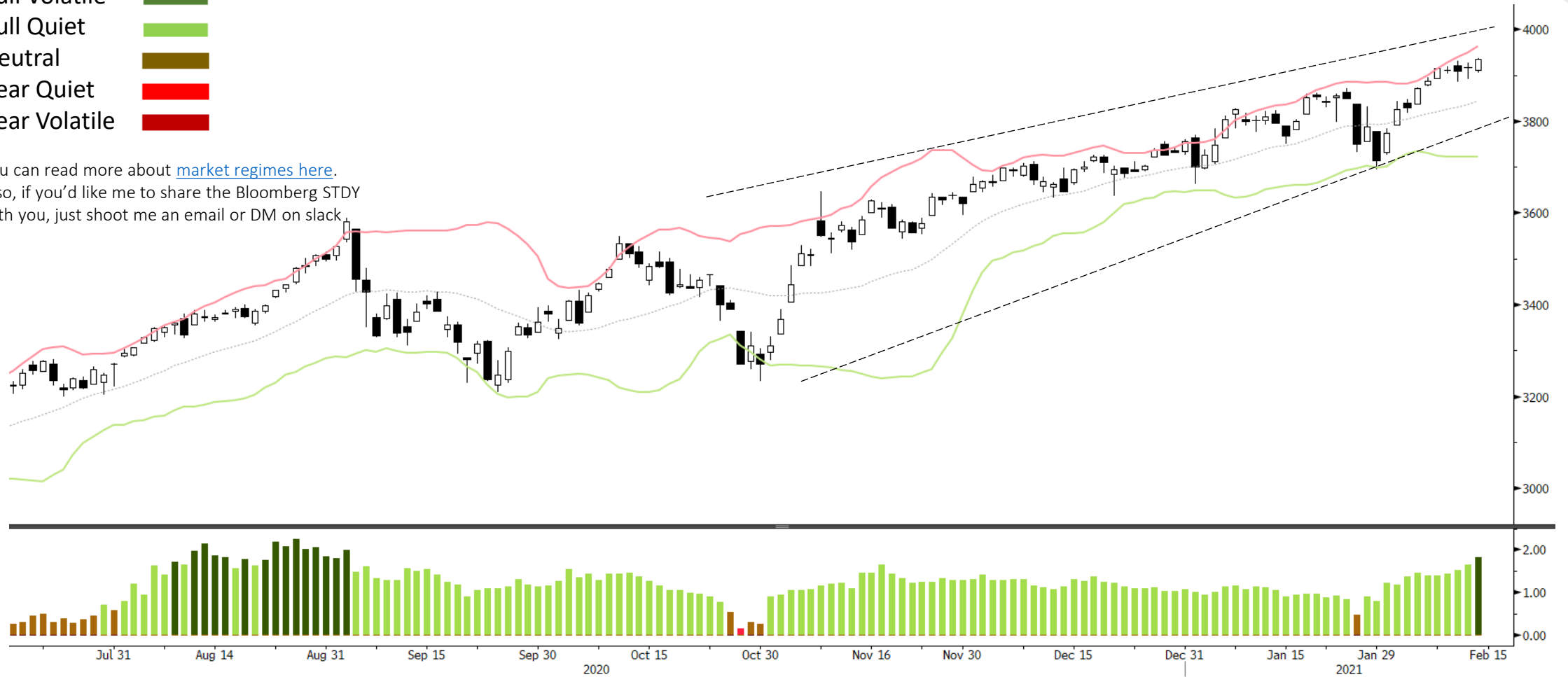


S&P 500 Daily

SQN Market Regime

- Bull Volatile
- Bull Quiet
- Neutral
- Bear Quiet
- Bear Volatile

You can read more about [market regimes here](#).
 Also, if you'd like me to share the Bloomberg STDY with you, just shoot me an email or DM on slack.



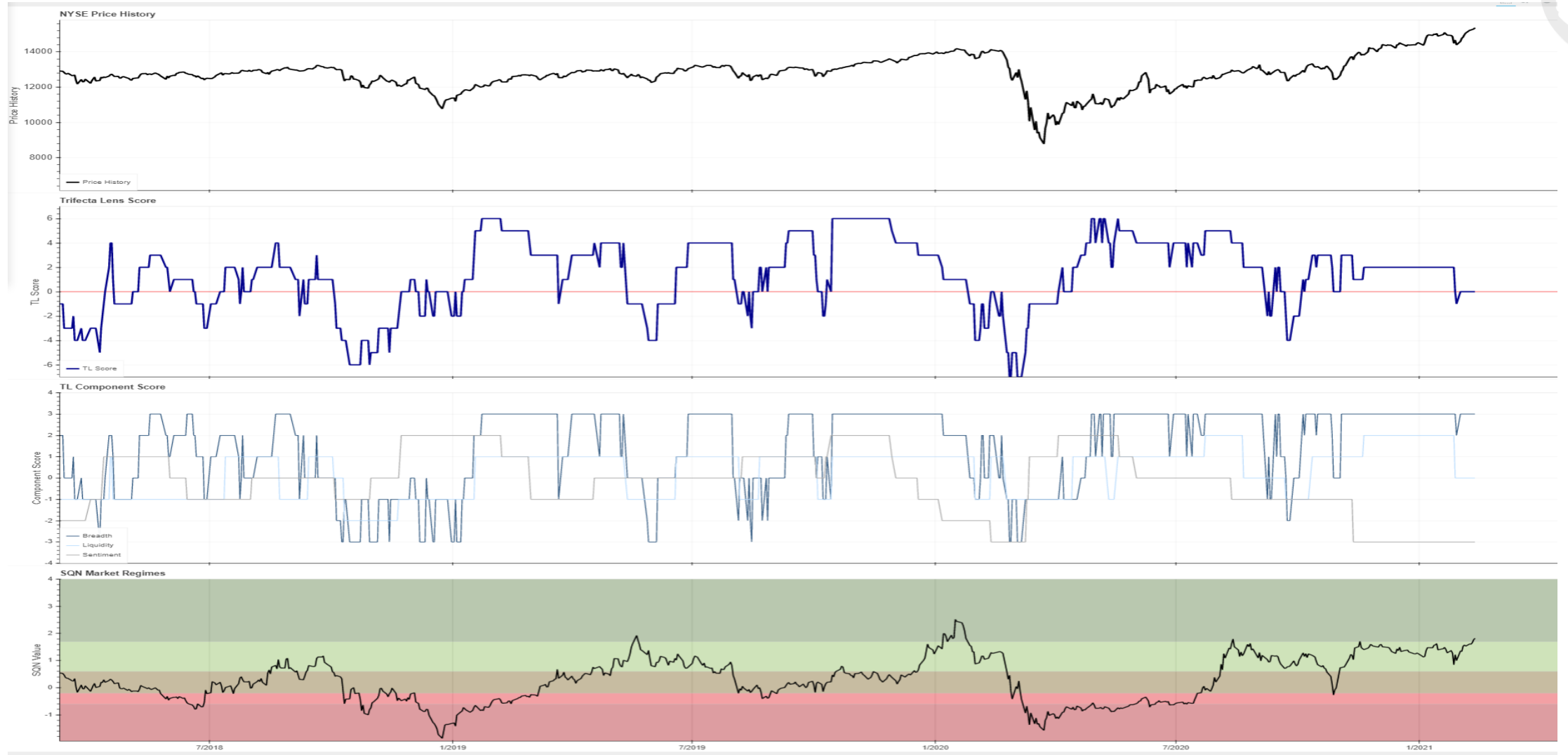
SPX Index (S&P 500 INDEX) SPX CHART-DAILY Daily 17JUL2020-15FEB2021

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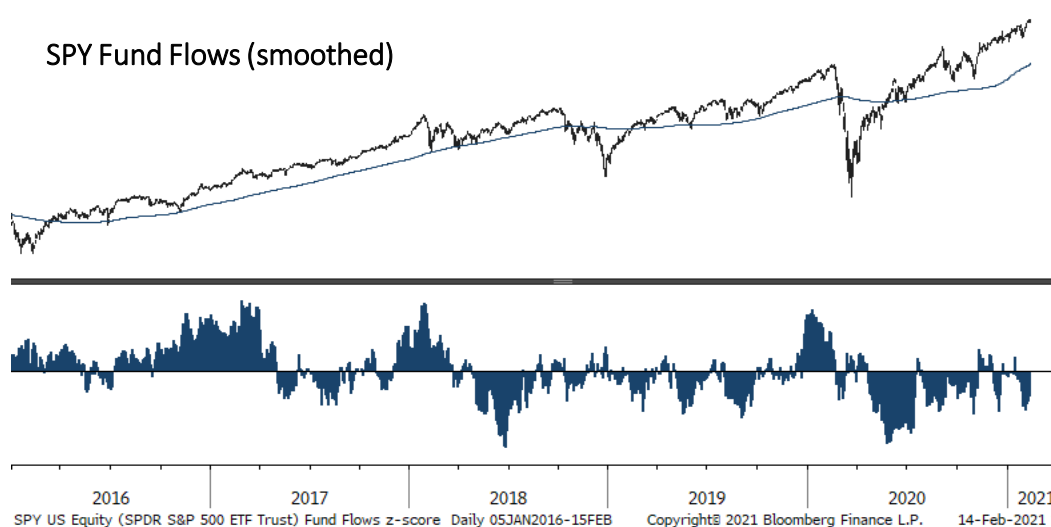
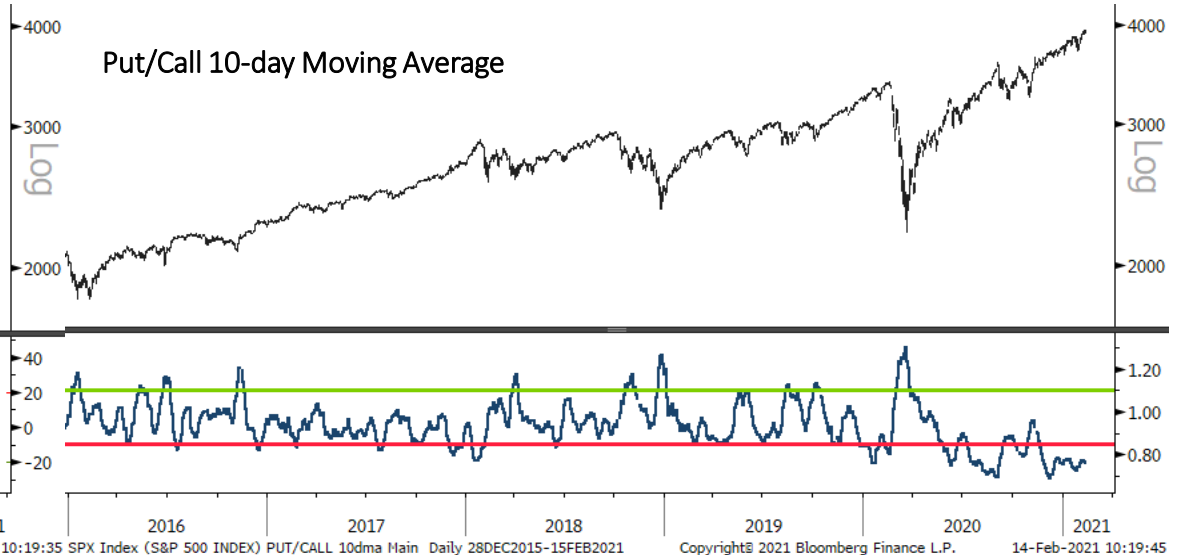
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Trifecta Lens Score: 0

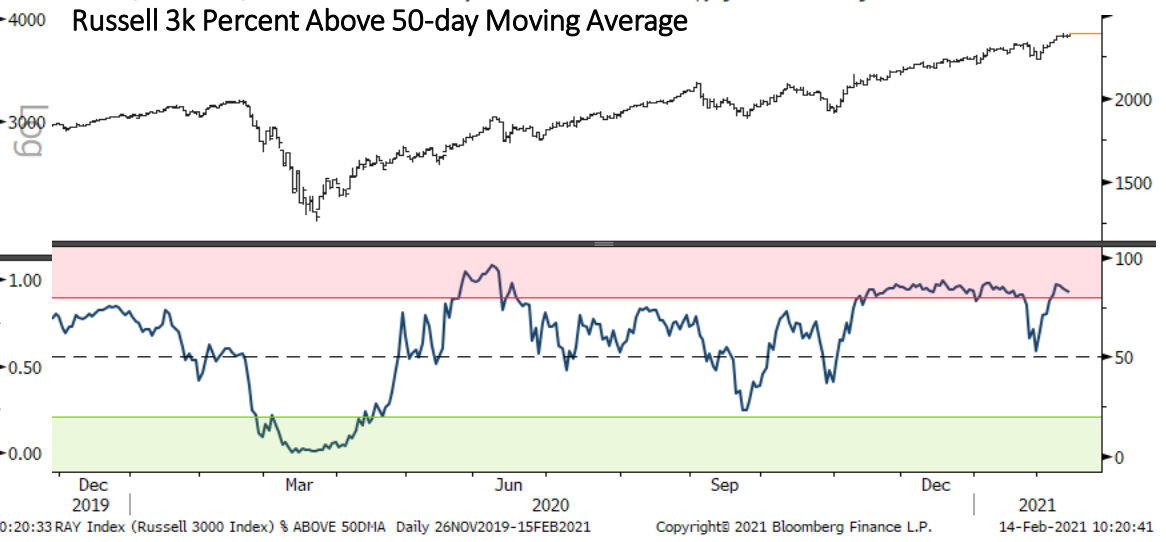
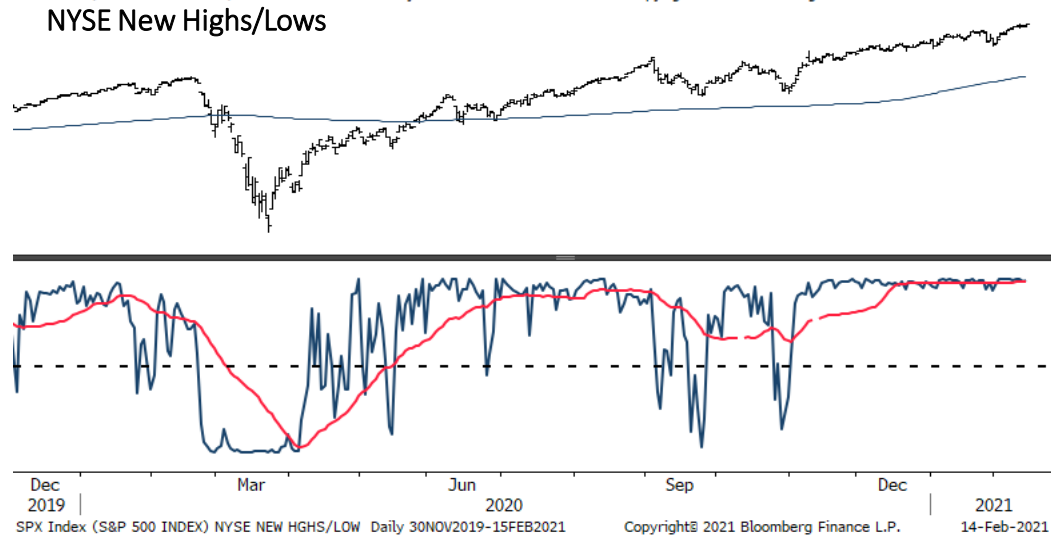
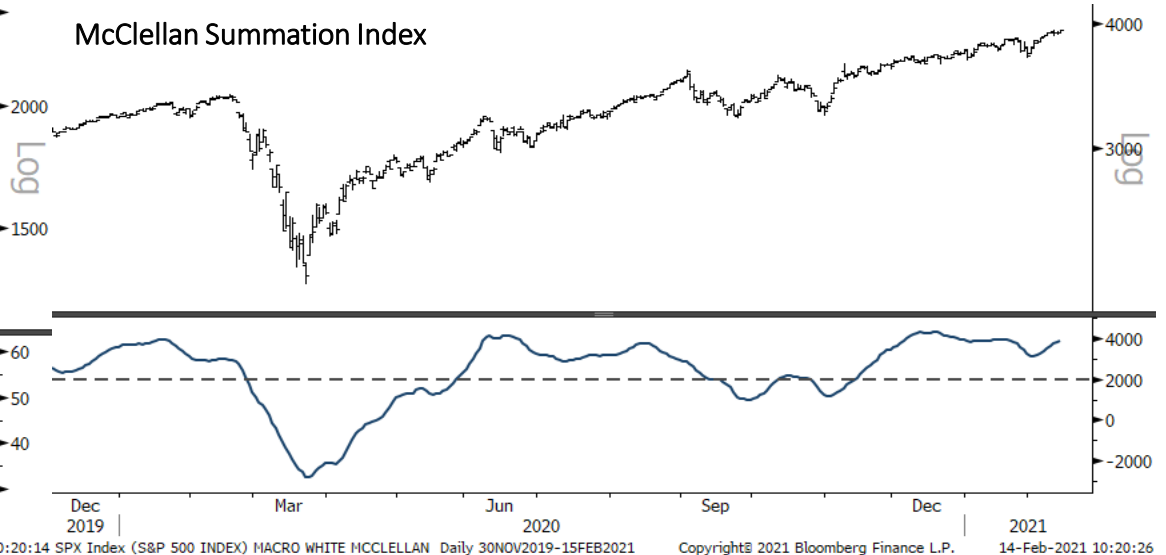
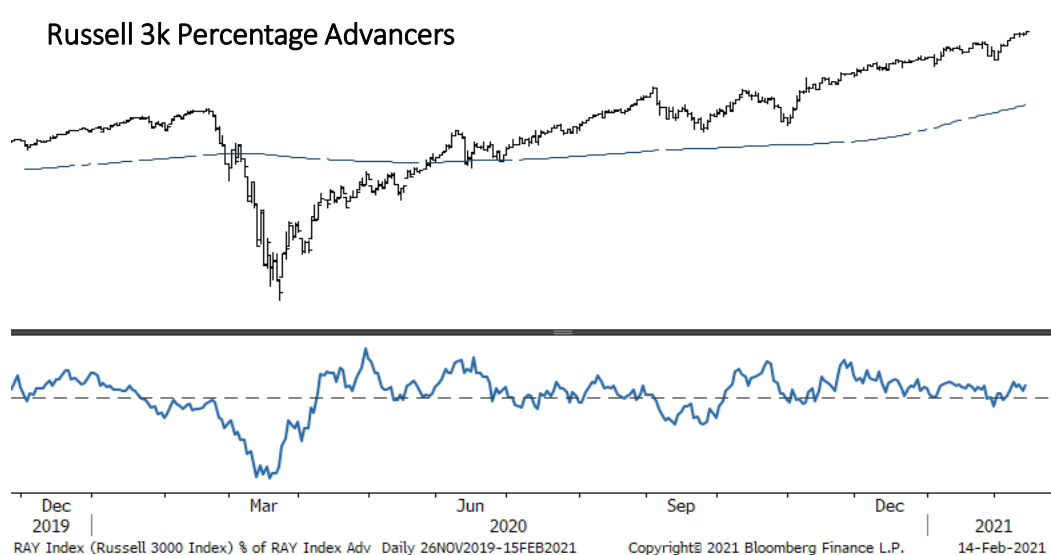
(You can read more about our [Trifecta Lens here](#) and link to the [Dashboard here](#))



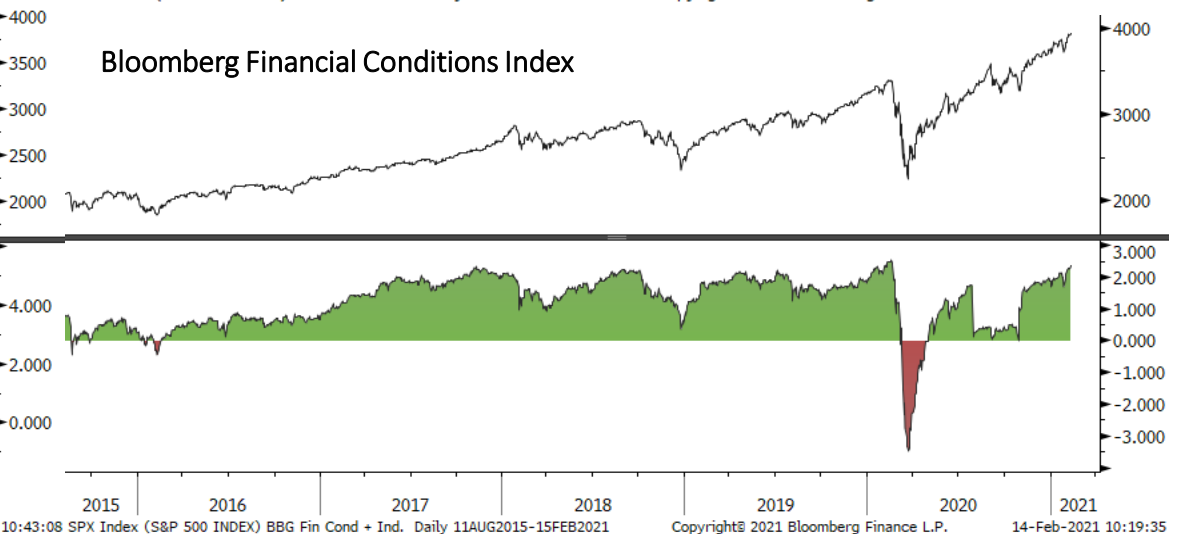
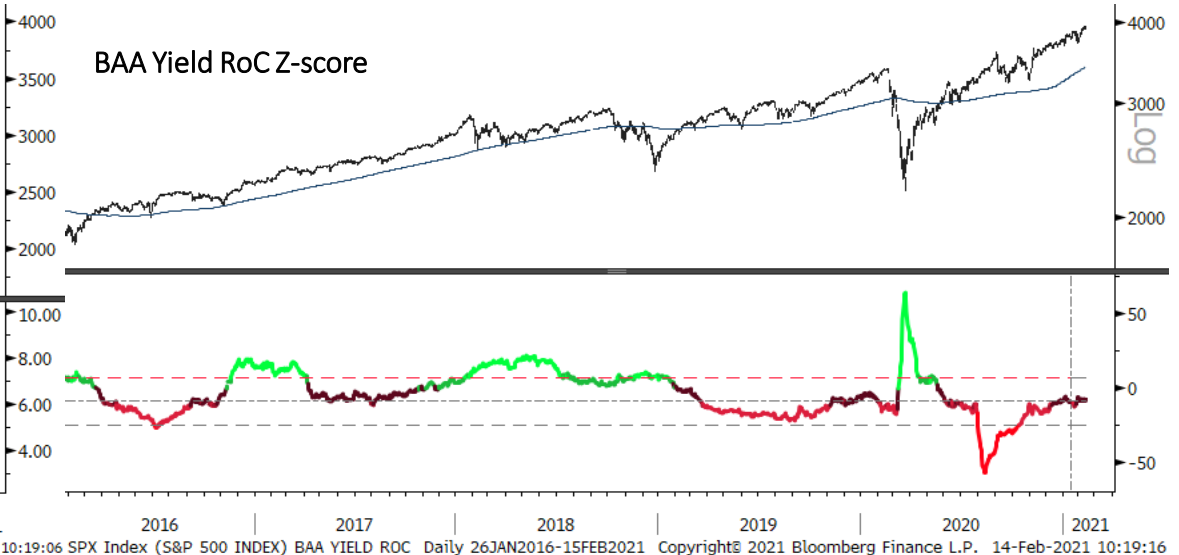
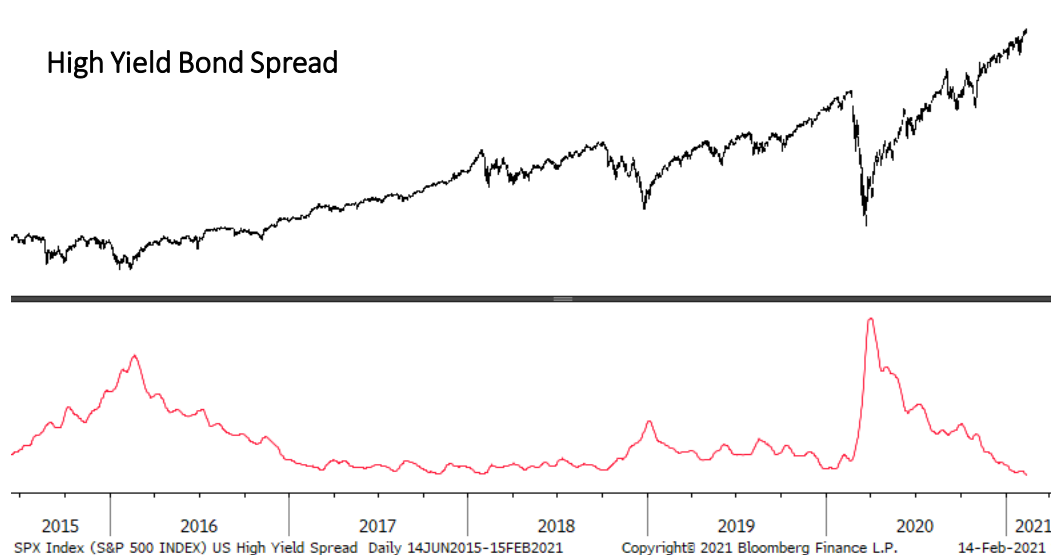
Sentiment & Positioning



Breadth



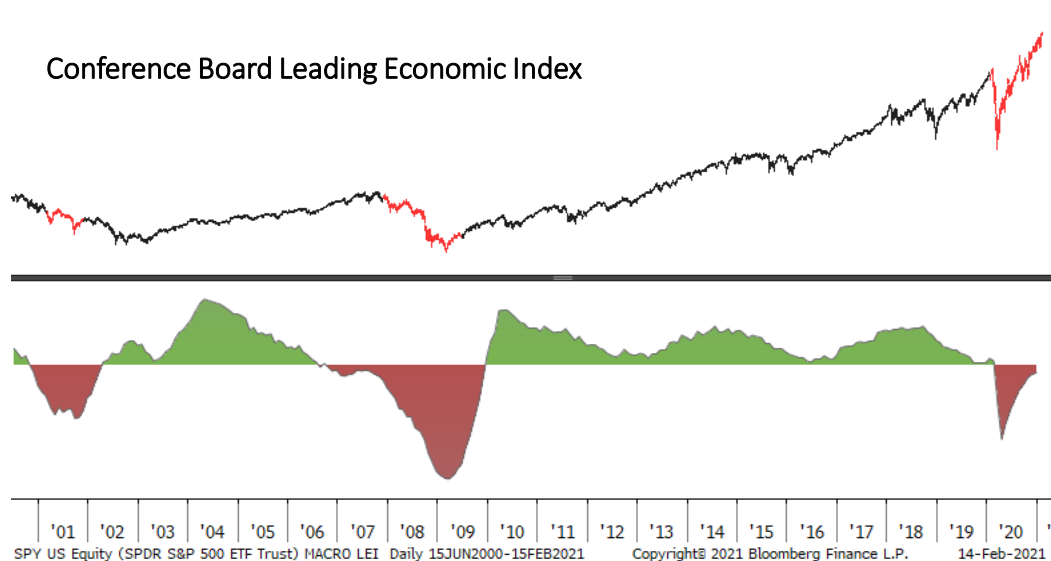
Liquidity



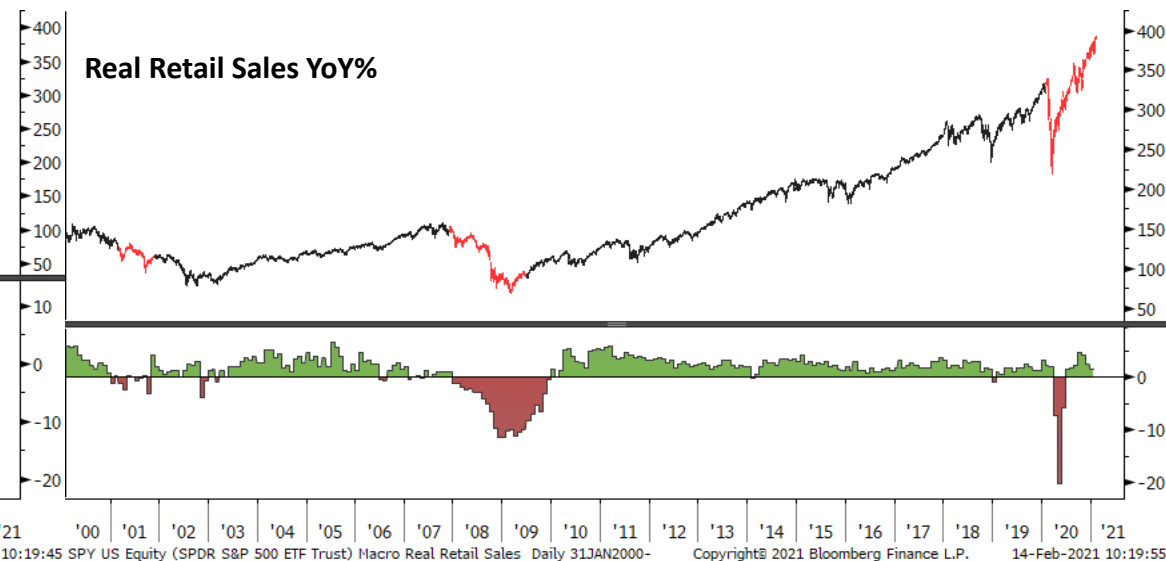


Macro

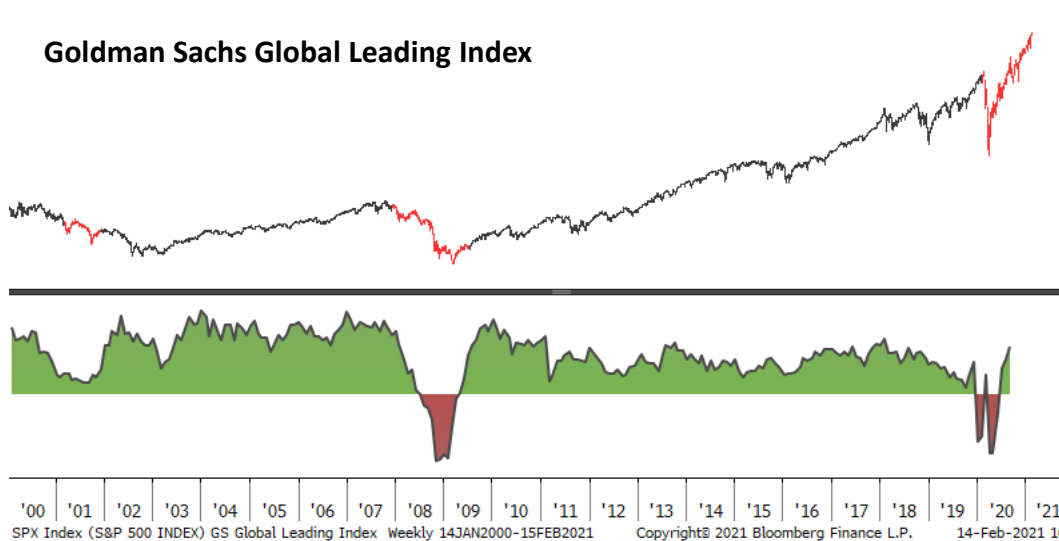
Conference Board Leading Economic Index



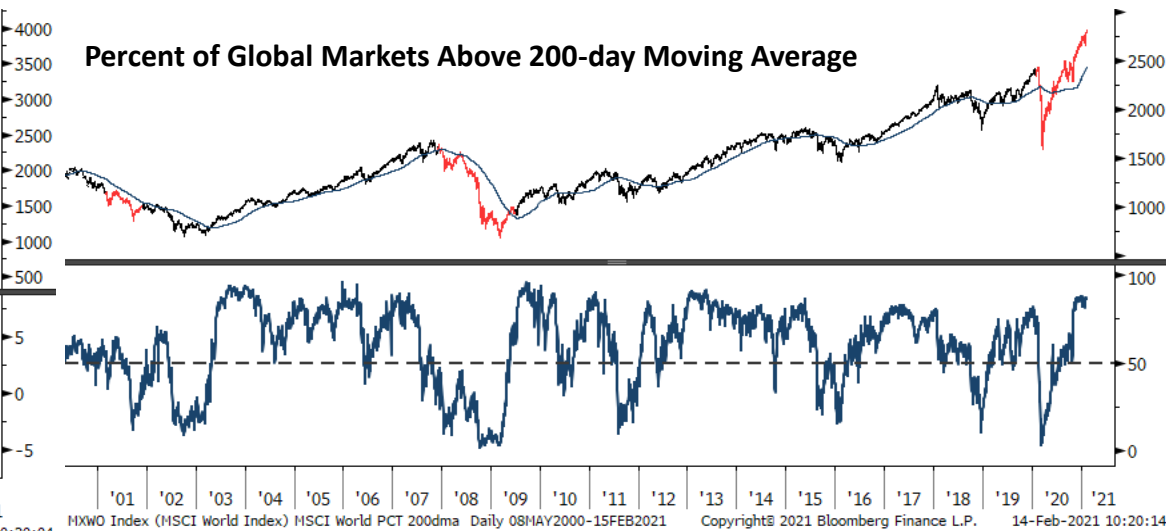
Real Retail Sales YoY%



Goldman Sachs Global Leading Index



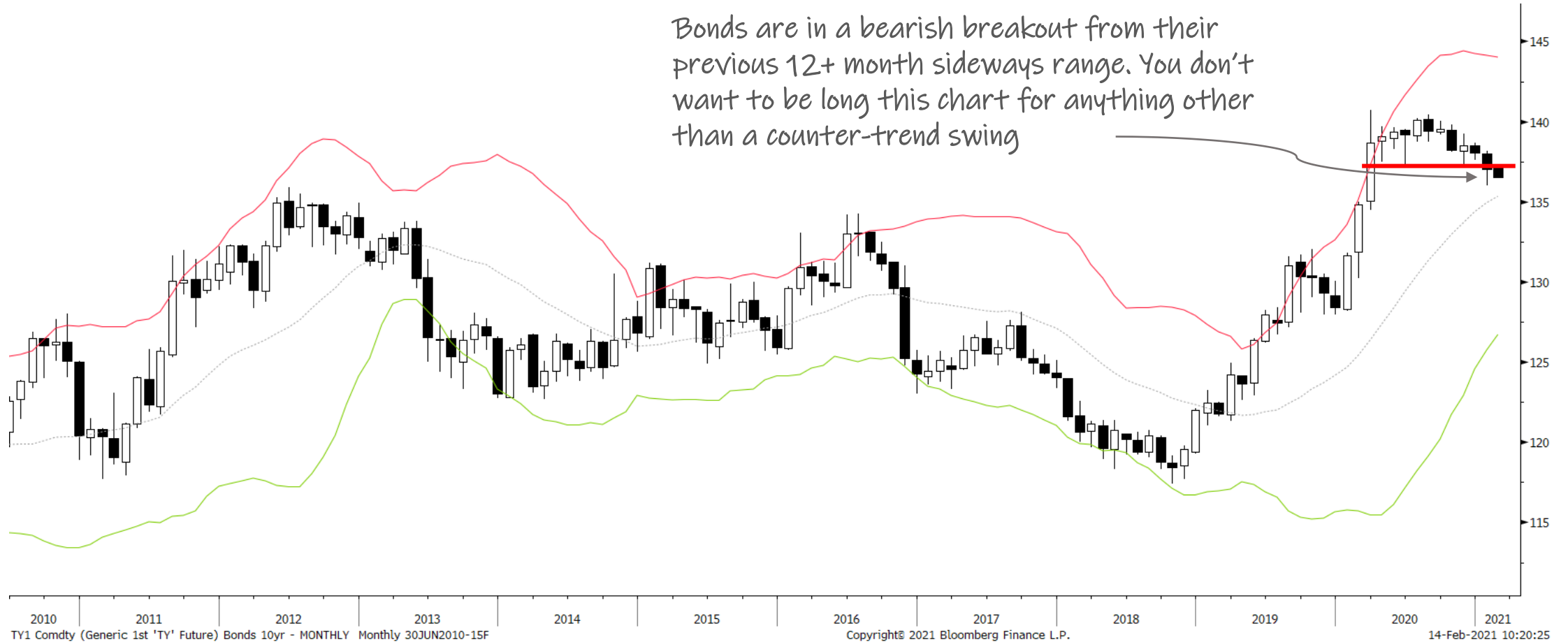
Percent of Global Markets Above 200-day Moving Average



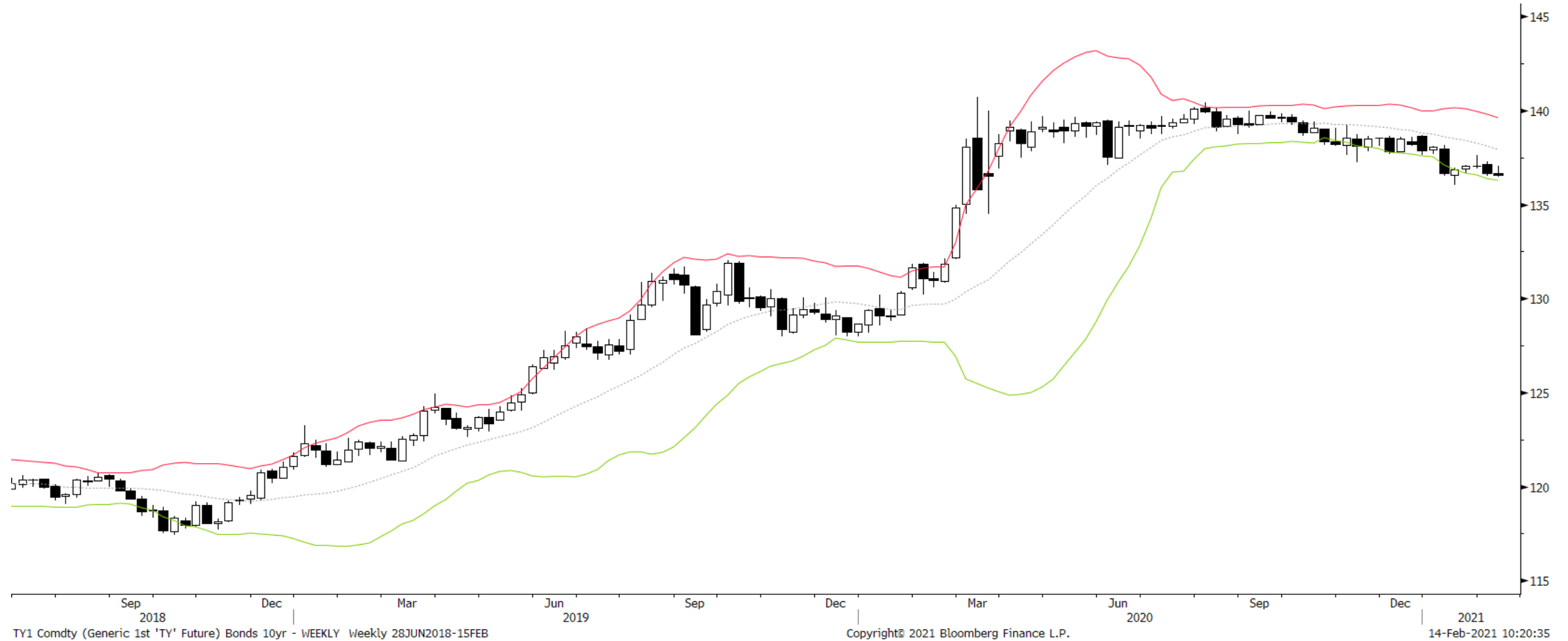
Bonds: 10-year Futures Monthly



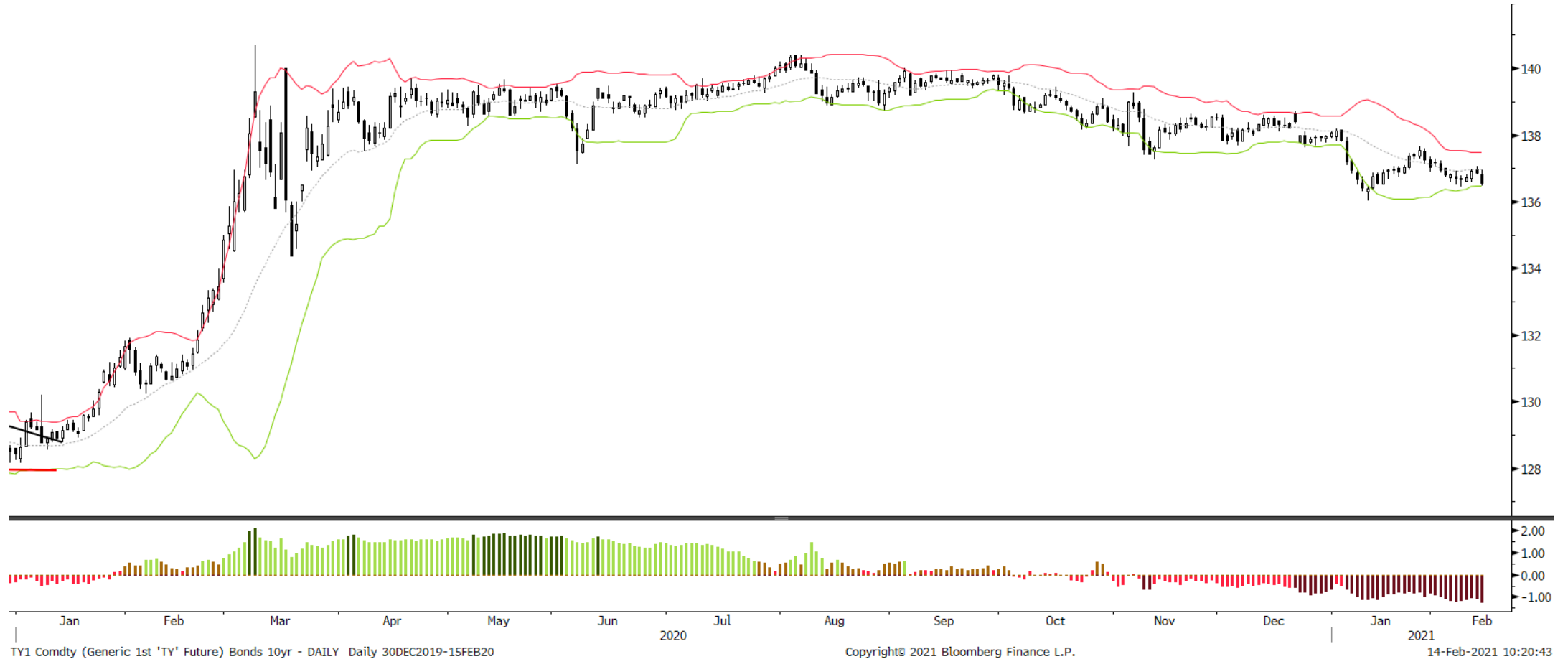
Bonds are in a bearish breakout from their previous 12+ month sideways range. You don't want to be long this chart for anything other than a counter-trend swing



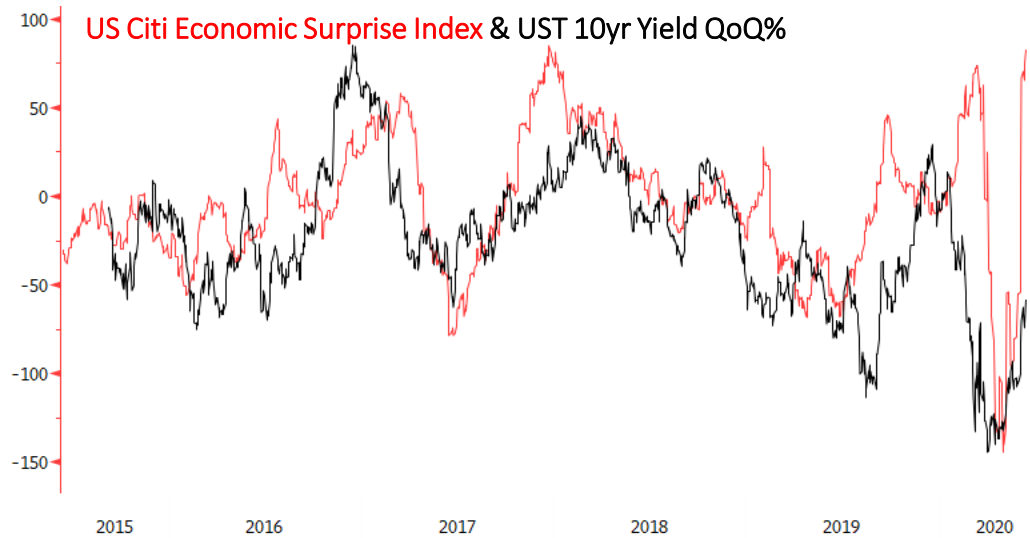
Bonds: 10-year Futures Weekly



Bonds: 10-year Futures Daily



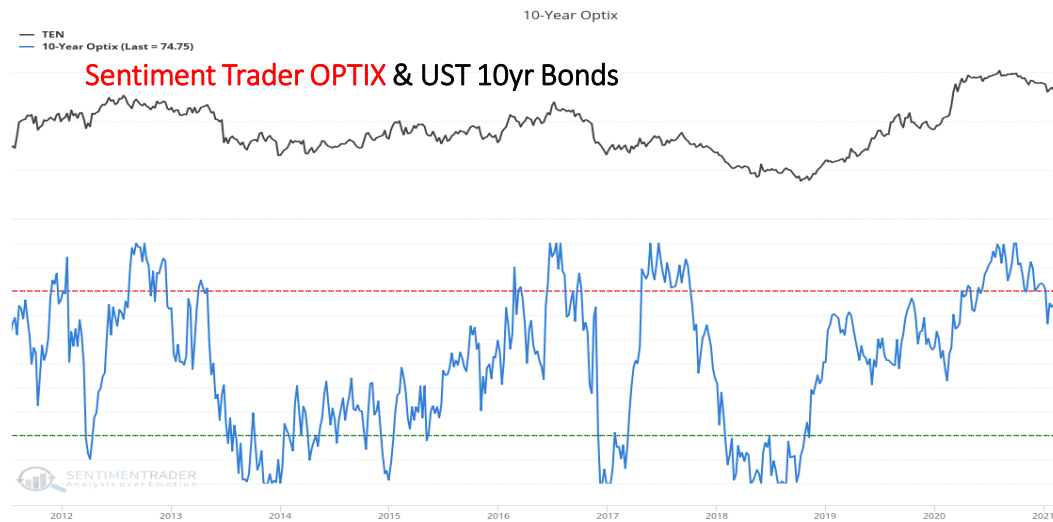
Bond/Yield Indicators



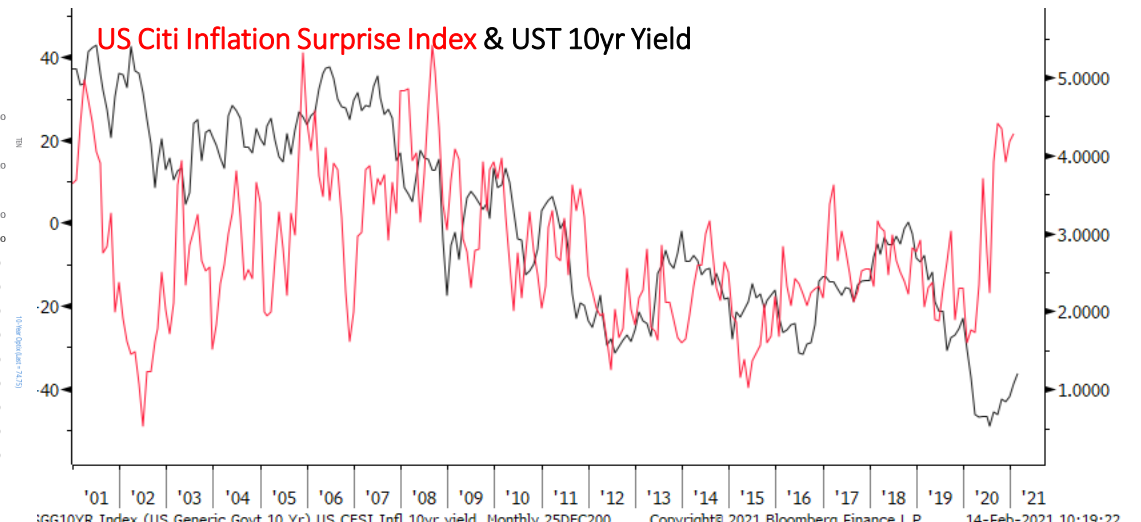
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14-Feb-2021 10:19:04 HG1 Comdty (Generic 1st 'HG' Future) WHITE GOLD/COPPER R. Daily 15JUN2015-15FE Copyright © 2021 Bloomberg Finance L.P. 14-Feb-2021 10:19:14



SENTIMENTRADER
Analysis over Emotion



'01 '02 '03 '04 '05 '06 '07 '08 '09 '10 '11 '12 '13 '14 '15 '16 '17 '18 '19 '20 '21
:GG10YR Index (US Generic Govt 10 Yr) US CESI Infl 10yr yield Monthly 25DEC200 Copyright © 2021 Bloomberg Finance L.P. 14-Feb-2021 10:19:22

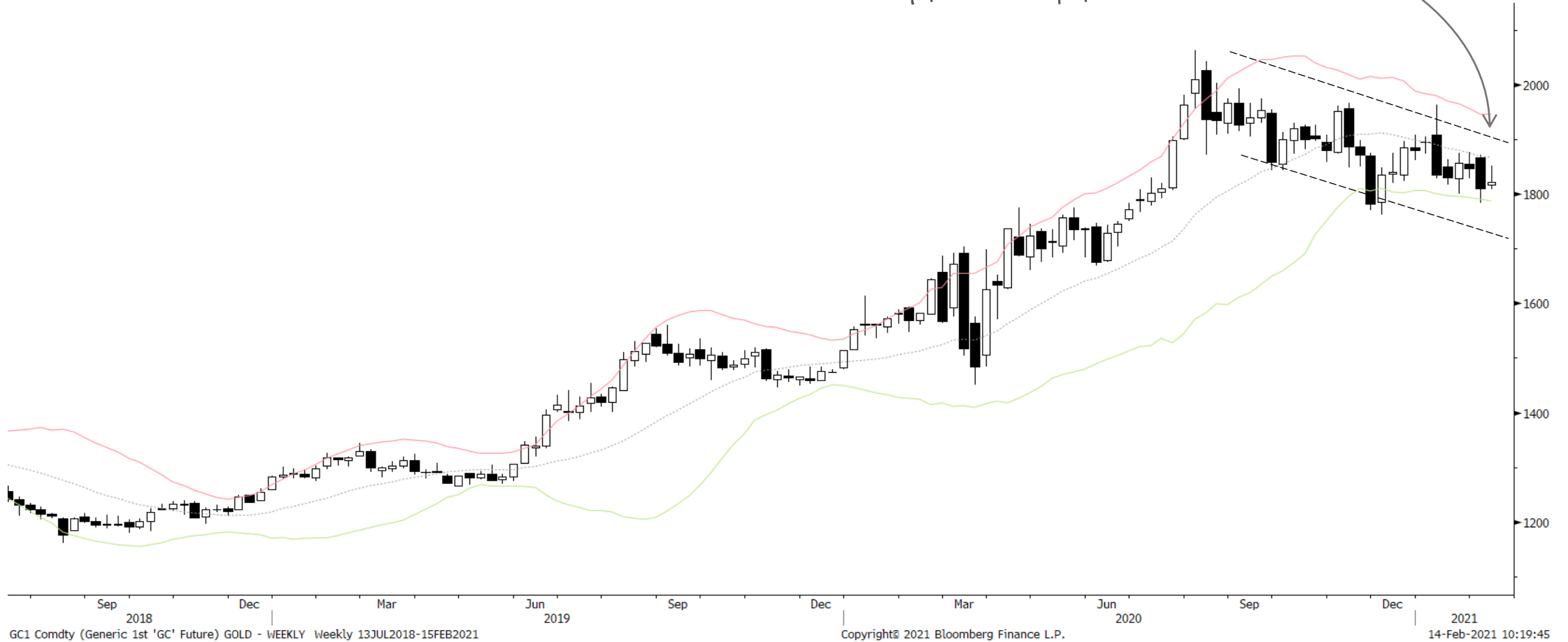
Gold Monthly



Gold Weekly



Gold is in a 6-month bull channel. Expect more sideways/lower chop for now



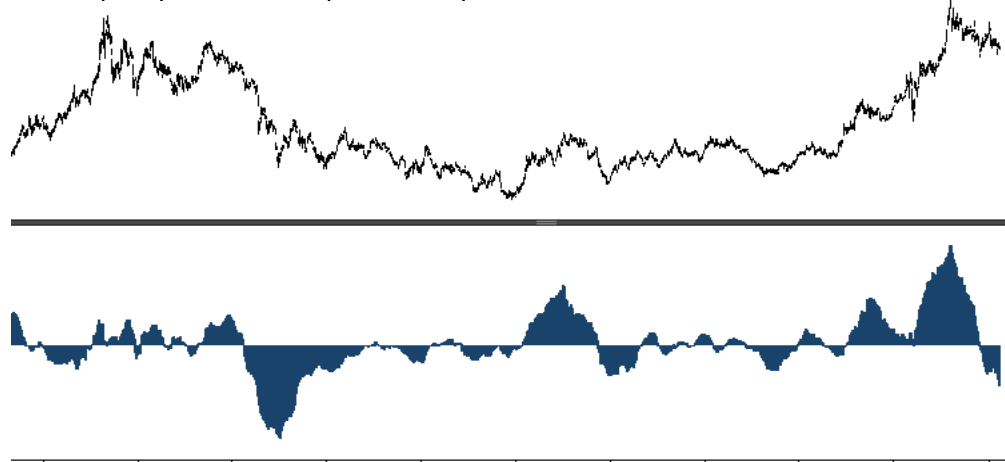
Gold Daily



Gold Indicators

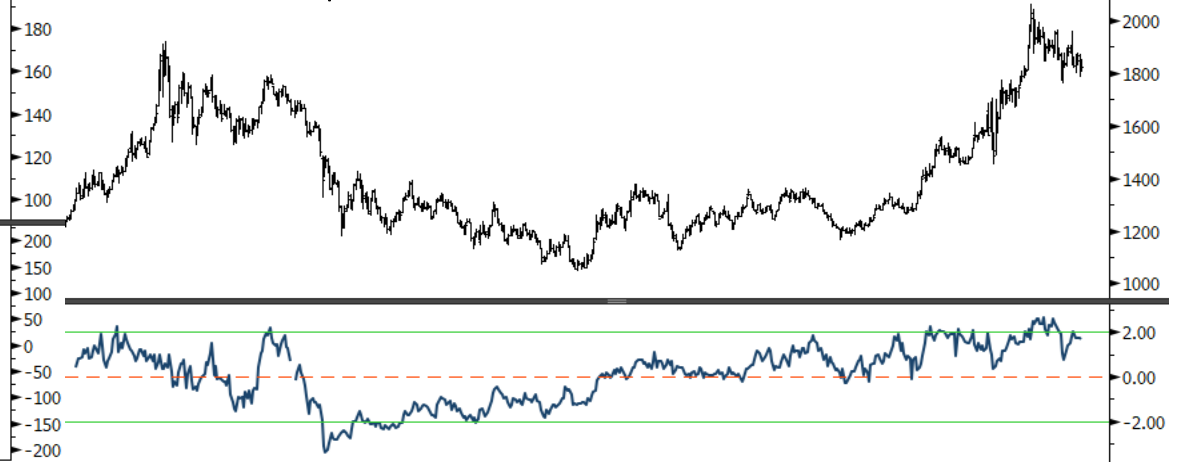


Gold (GLD) Fund Flows (smoothed)



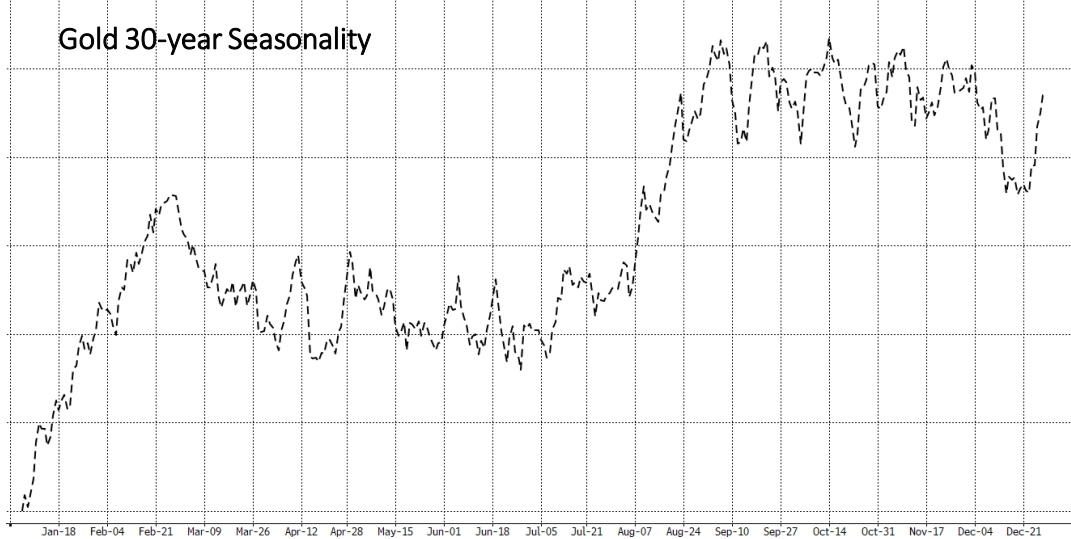
GLD US Equity (SPDR Gold Shares) Gold (GLD) Fund Flows z Daily 08SEP2010-15FEB2 Copyright© 2021 Bloomberg Finance L.P. 14-Feb-2021 10:20:20

Gold Net Small Specs Z-score

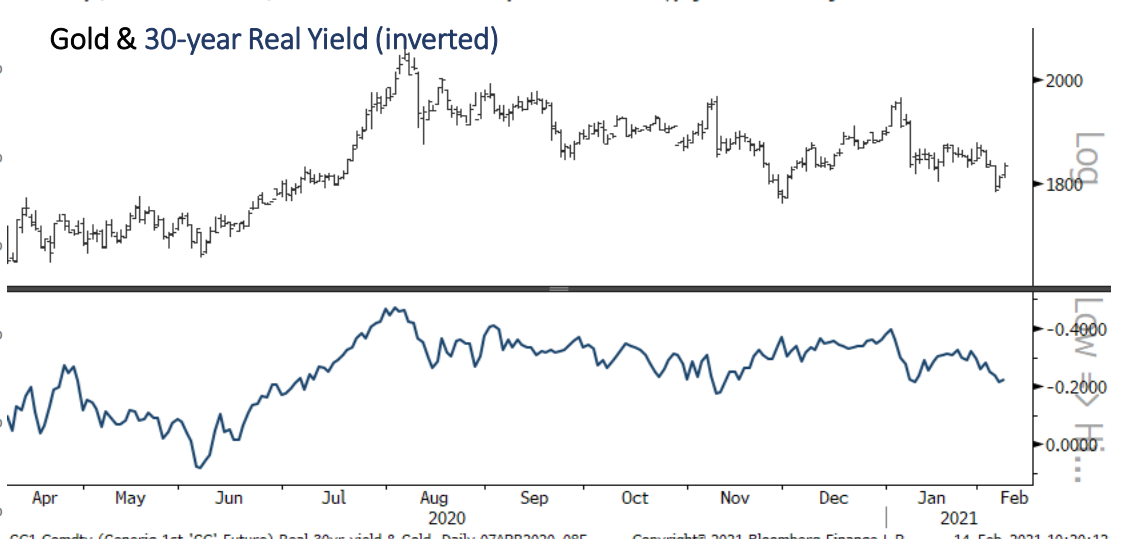


GC1 Comdty (Generic 1st 'GC' Future) GLD NET NON REPORTABLE Weekly 25AUG2010-15 Copyright© 2021 Bloomberg Finance L.P. 14-Feb-2021 10:20:04

Gold 30-year Seasonality

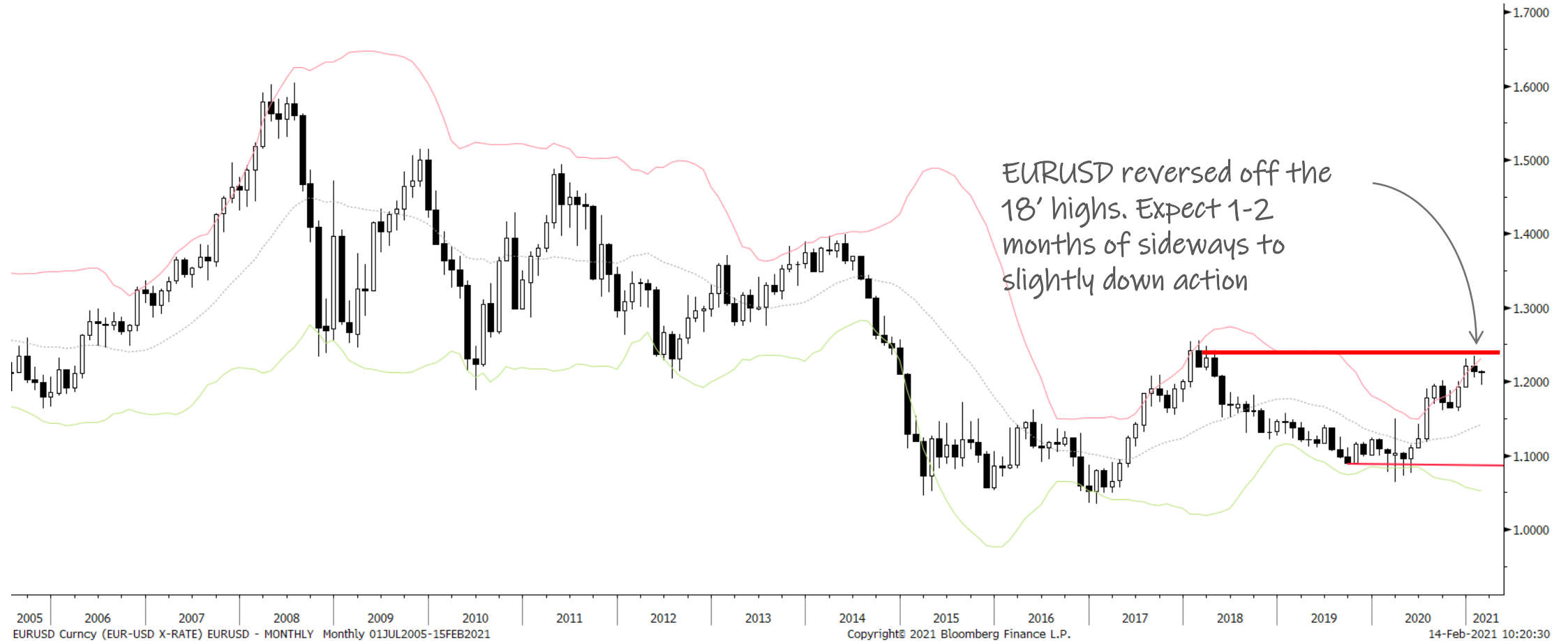


Gold & 30-year Real Yield (inverted)



GC1 Comdty (Generic 1st 'GC' Future) Real 30yr yield & Gold Daily 07APR2020-08F Copyright© 2021 Bloomberg Finance L.P. 14-Feb-2021 10:20:12

EURUSD Monthly



EURUSD Weekly



EURUSD Daily



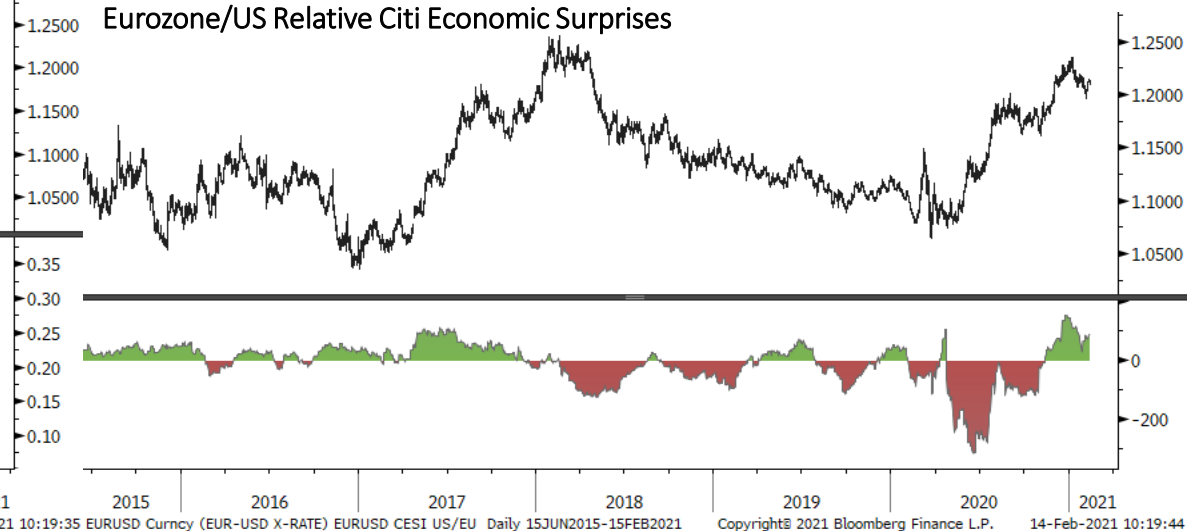
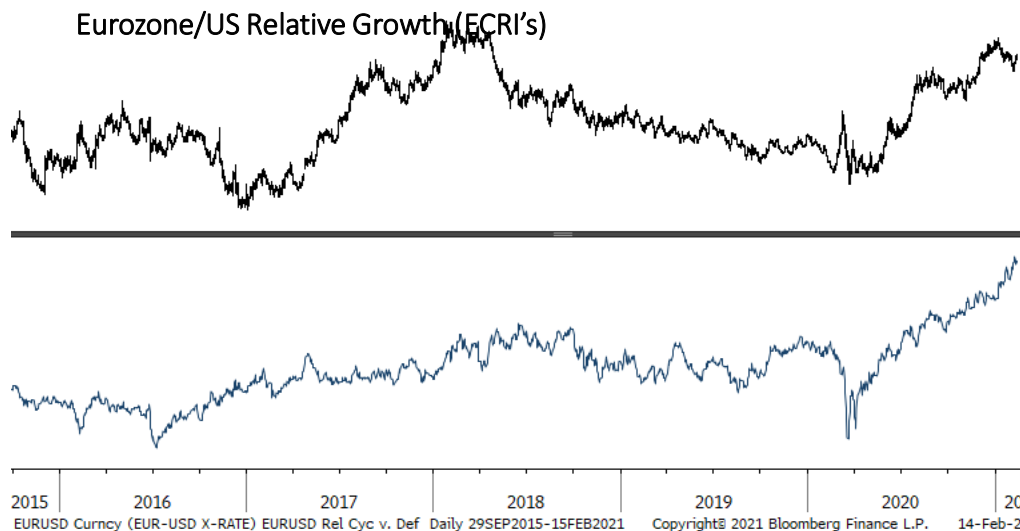
EURUSD Curncy (EUR-USD X-RATE) EURUSD - DAILY Daily 06AUG2020-15FEB2021

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EURUSD Indicators



Bitcoin Monthly



BTC is in a buy climax. Buy climaxes tend to last longer than most expect. Long-term, the path of least resistance is up.



Bitcoin Weekly

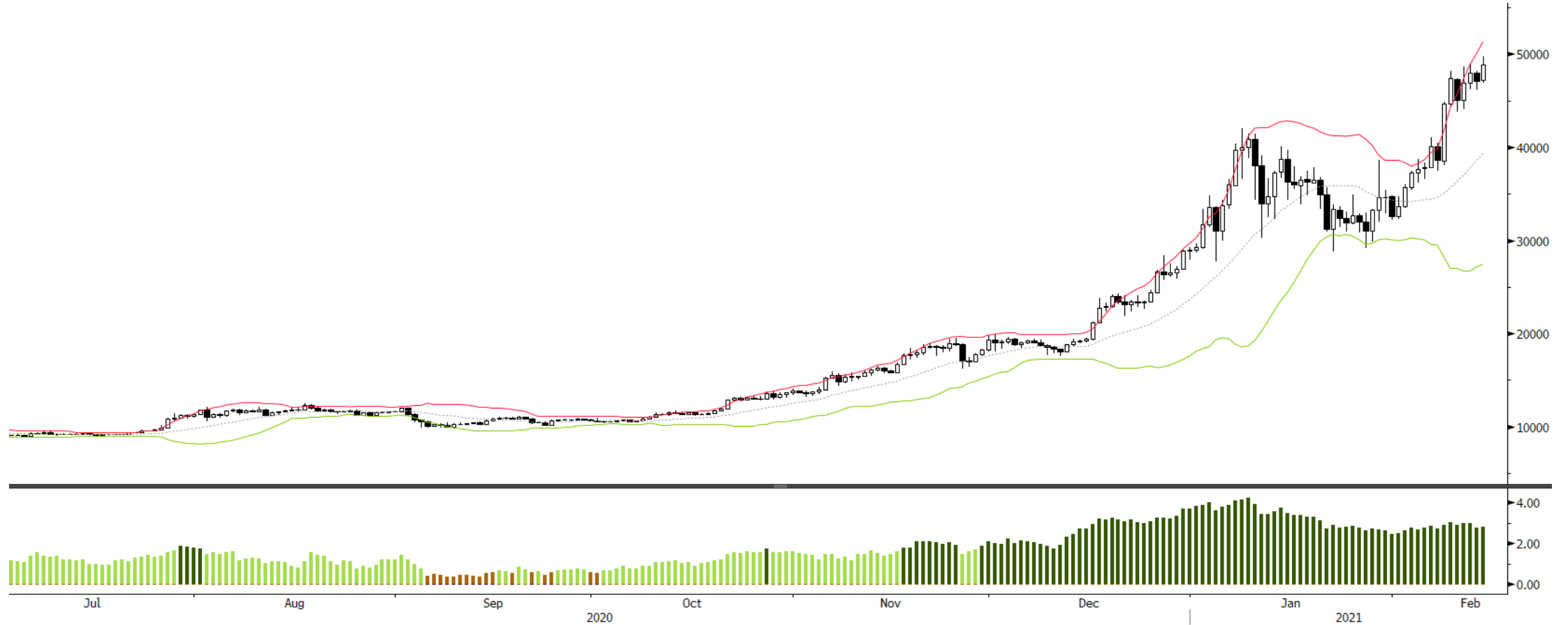


Bitcoin is in a primary bull trend in a Bull Volatile Regime.

Rising GBTC Fund Assets, Active BTC Addresses, and increasing institutional adoption bode well for the long-term bullish trend. Bitcoin is in a buy climax and buy climaxes tend to last longer than most expect. The long-term path of least resistance is up. The volatility over the last month has helped reset some of the excessively bullish sentiment. BTC has broken out of a wedge pattern on the weekly and daily timeframe. Expect upside follow-through

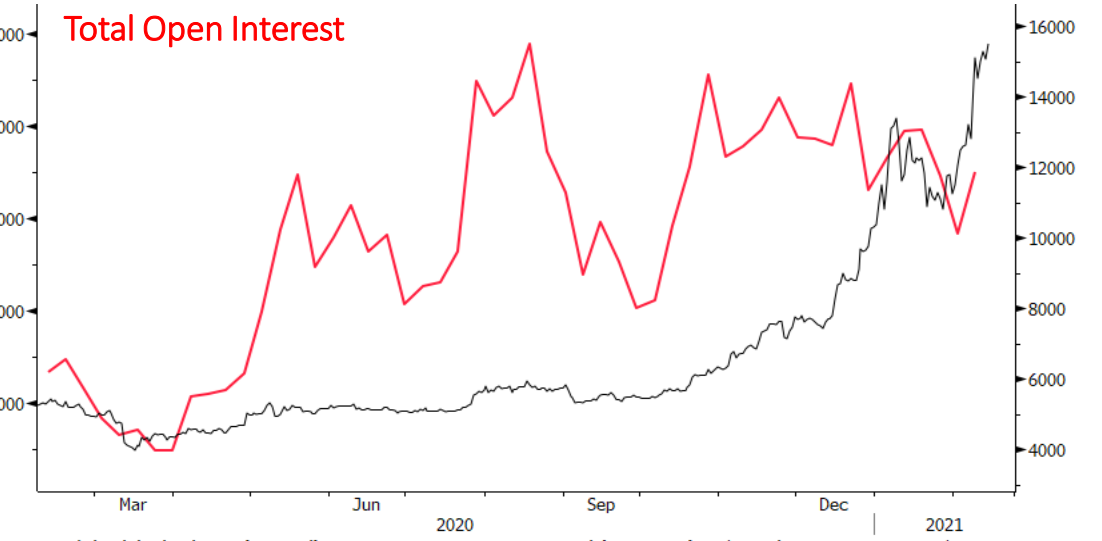
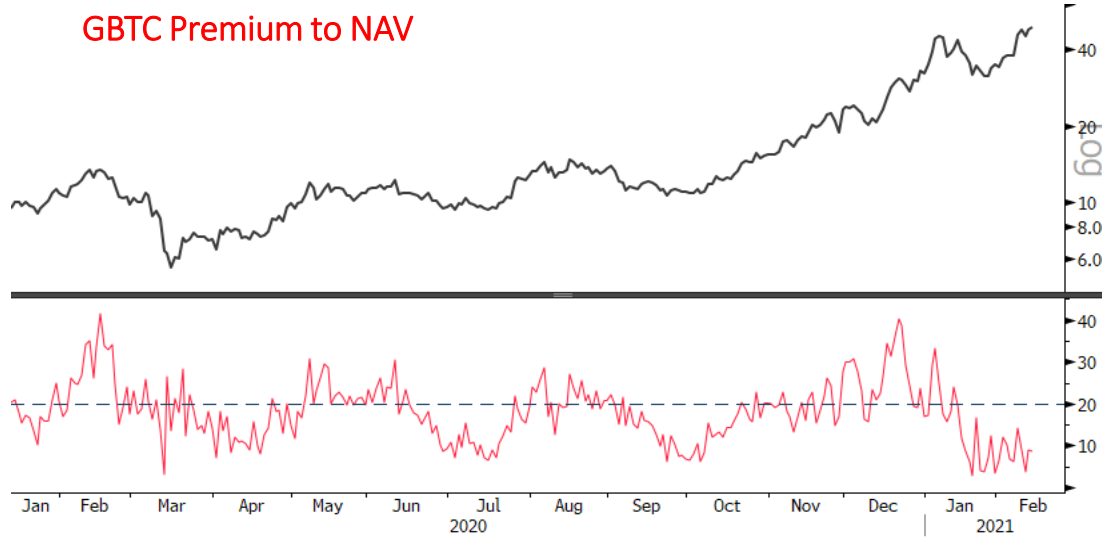


Bitcoin Daily





Bitcoin Indicators



<i>The Foundation Portfolio</i>		2021 ytd return (updated 2/6)			2020 final return							
		38.55%			66.40%							
Company Name	Ticker	Shares	\$ Amount	Notional % Allocation	Quality Score	Cost Basis	Protective Stop-Loss	Actual Risk %	Price Now	Percent % Gain/Loss	Estimated Intrinsic Value	Discount To Intrinsic Value
S&P e-mini (ES_F)	ESH21	2	\$388,475.00	18.36%		\$3,415.00	\$3,680.00	-1.50%	\$3,931.00	15.11%		
Ammo, Inc	POWW	35,621	\$331,987.72	15.69%	66.0	\$3.01	\$2.70	0.52%	\$9.32	209.63%	\$12.00	28.76%
frontdoor, inc.	FTDR	3,745	\$217,809.20	10.29%	76.5	\$47.97	\$48.08	-0.02%	\$58.16	21.24%	\$65.00	11.76%
Nic, Inc.	EGOV	5,057	\$176,826.21	8.36%	83.0	\$28.07	\$23.86	1.01%	\$34.97	24.58%	\$42	20.10%
Nintendo	NTDOY	1,963	\$156,274.43	7.38%	84.0	\$63.46	\$62.00	0.14%	\$79.61	25.45%	\$102.00	28.12%
Grayscale Bitcoin Trust	GBTC	3,018	\$147,590.82	6.97%	TRADE	\$17.55	\$26.15	-1.23%	\$48.91	178.69%	TRADE	TRADE
Micron, Inc. CALLS	Micron, Inc. CA	150	\$174,750.00	8.26%	CALLS	\$138.00	\$0.00	0.98%	\$1,165.00	744.20%	CALLS	CALLS
Red Violet	RDVT	4,658	\$121,988.07	5.76%	68.5	\$17.85	\$20.18	-0.51%	\$26.19	46.72%	\$62.50	138.64%
Kura Sushi	KRUS	4035	\$100,552.20	4.75%	63.3	\$19.14	\$19.24	-0.02%	\$24.92	30.20%	\$35	40.45%
S&W Seed	SANW	24,957	\$98,081.01	4.63%		\$3.57	\$2.84	0.86%	\$3.93	10.08%	\$5	27.23%
Qualitas Controladora	Q	17,719	\$94,619.46	4.47%	88.5	\$5.22	\$4.01	1.01%	\$5.34	2.30%	\$9	68.54%
Betterware De Mexico	BWMX	2,201	\$89,140.50	4.21%	76.5	\$32.12	\$28.86	0.34%	\$40.50	26.10%	\$70	72.84%
Murata Manufacturing	6981.JP	922	\$86,151.68	4.07%	64.5	\$73.57	\$87.91	-0.62%	\$93.44	27.01%	\$98	4.88%
Antero Resources	AR	10,519	\$94,671.00	4.47%		\$5.70	\$5.07	0.31%	\$9.00	57.89%		
Cresud S.A.C	CRESY	13,796	\$76,015.96	3.59%		\$4.82	\$3.60	0.80%	\$5.51	14.32%		
Exone, Co.	XONE	1,117	\$60,574.91	2.86%	55.5	\$13.98	\$33.95	-1.05%	\$54.23	287.91%		
BH Group Limited	BHP	804	\$56,585.52	2.67%		\$65.80	\$47.37	0.70%	\$70.38	6.96%		
XP, Inc.	XP	880	\$42,609.60	2.01%		\$47.11	\$37.37	0.40%	\$48.42	2.78%		
Top Glove	TGLVY	6,133	\$38,885.87	1.84%		\$6.85	\$5.43	0.41%	\$6.34	-7.45%		
Centrus Energy	LEU	1,502	\$35,657.48	1.68%		\$20.25	\$19.01	0.09%	\$23.74	17.23%		
Bidstack, Inc. (BIDS)	BIDS	203,519	\$20,351.91	0.96%	62.0	\$0.16	\$0.00	1.54%	\$0.10	-37.50%		
Intel, Inc. JAN '22 CALL	INTC	220	\$16,720.00	0.79%	CALLS	\$83.00	\$0.00	0.86%	\$76.00	-8.43%		
Deutsche Bank Jan '22 CALLS	DB	233	\$4,893.00	0.23%	CALLS	\$28.00	\$0.00	0.31%	\$21.00	-25.00%	CALLS	CALLS