



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 become stretched positioning. Trend fragility is high</u>➤ Breadth: Is strong though we're seeing the first signs that it's starting to weaken. With that said, it's still nowhere near levels that precede larger selloffs➤ Macro/Liquidity: Macro conditions continue to improve, and liquidity is flush, though rising rates are starting to squeeze risk assets➤ Short-term: <u>SPX is in a Bull Quiet Regime and the TL Score is -2.</u> The short-term outlook is mixed. Odds favor chop and vol. We'll have to keep a close eye on breadth and credit as the week unfolds	<ul style="list-style-type: none">➤ Long-term: Bonds broke out of their 12-month neutral sideways regime. Macro fundamentals, technicals, and sentiment all favor a continued steepening of the curve➤ Sentiment/Positioning: Mixed. No clear consensus in positioning➤ Bond Indicators: Indicators point to a steeper yield curve (bear steepening).➤ Short-term: Bonds may have put in a double-bottom Friday after hitting deeply oversold levels in the short-term, odds favor a slight bounce here but longer-term the path of least resistance is lower	<ul style="list-style-type: none">➤ Long-term: Expansionary fiscal policy and an anchor on yields mean gold is in the early stages of a cyclical bull market. However, we should expect lower prices in the intermediate term until rates settle➤ Sentiment/Positioning: Positioning and has come down from excessive levels but 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 Bear Volatile regime within a broader Bull Flag. <u>Expect further down-to-sideways chop in the near-term</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: Odds favor a continuation of sideways chop

S&P 500 Monthly



The top tail is longer than the body.
Not a great close for the month.
Raises odds we see continued
sideways-to-downward chop in March



S&P 500 Weekly








Bear body = odds favor
sideways to slightly lower
chop this week



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

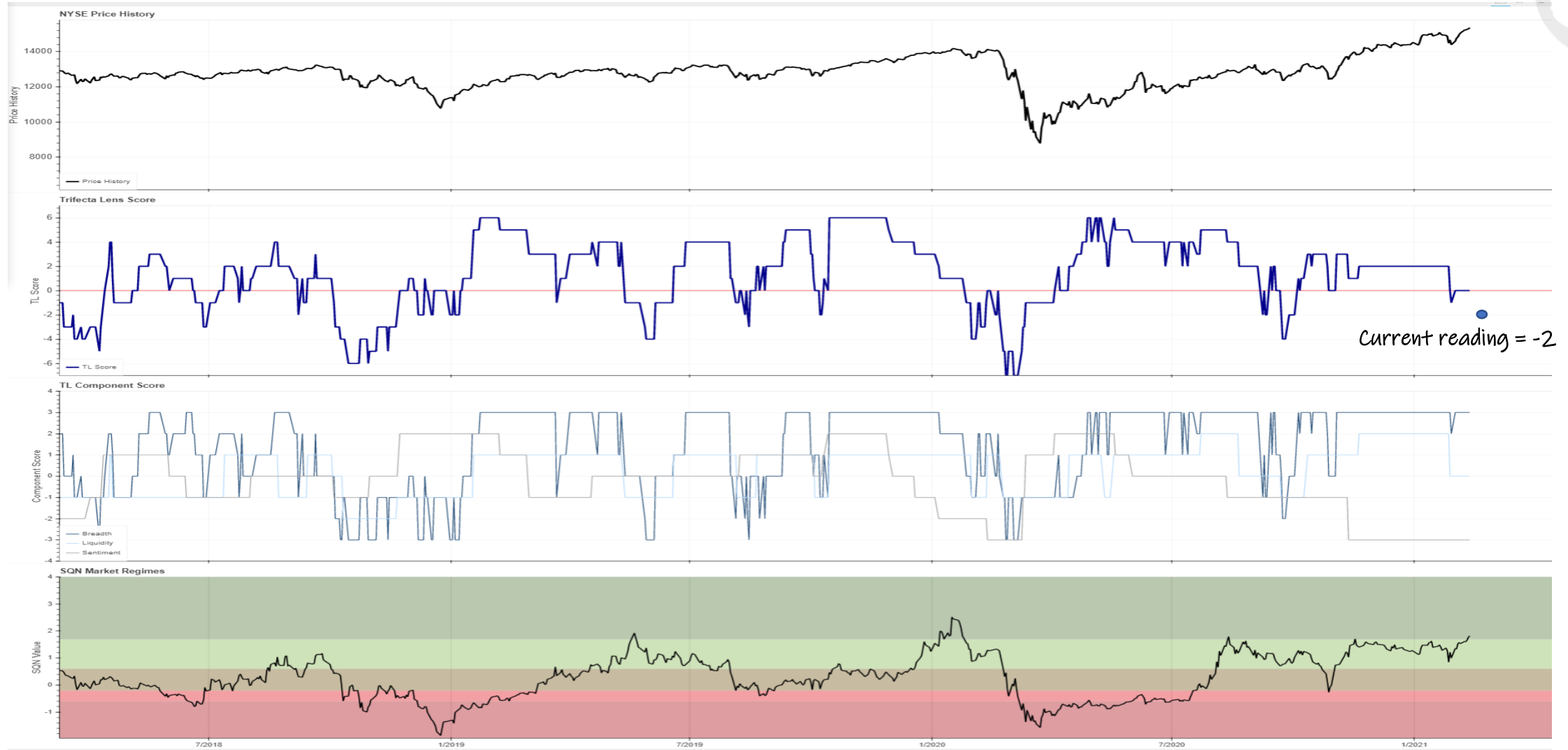


SPX Index (S&P 500 INDEX) SPX CHART-DAILY Daily 17APR2020-01MAR2021

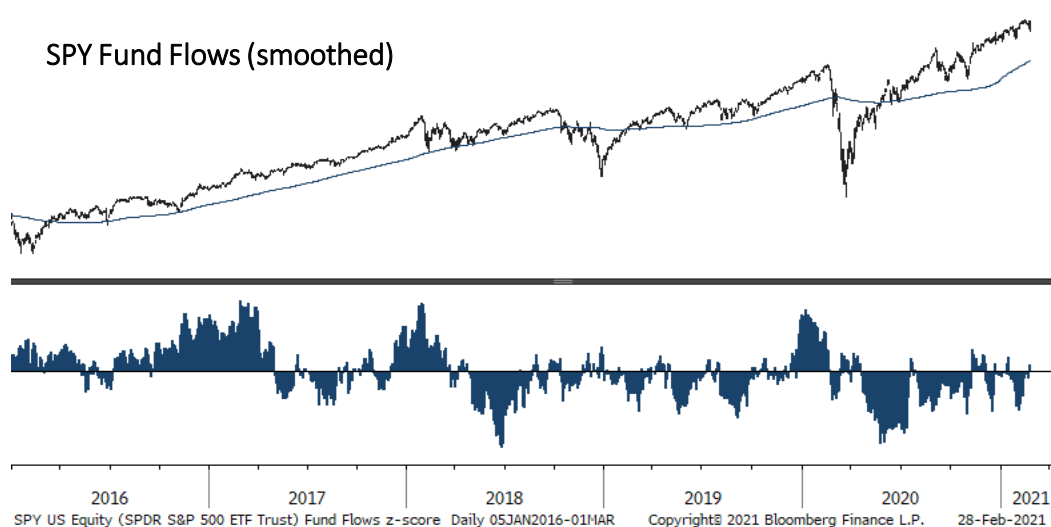
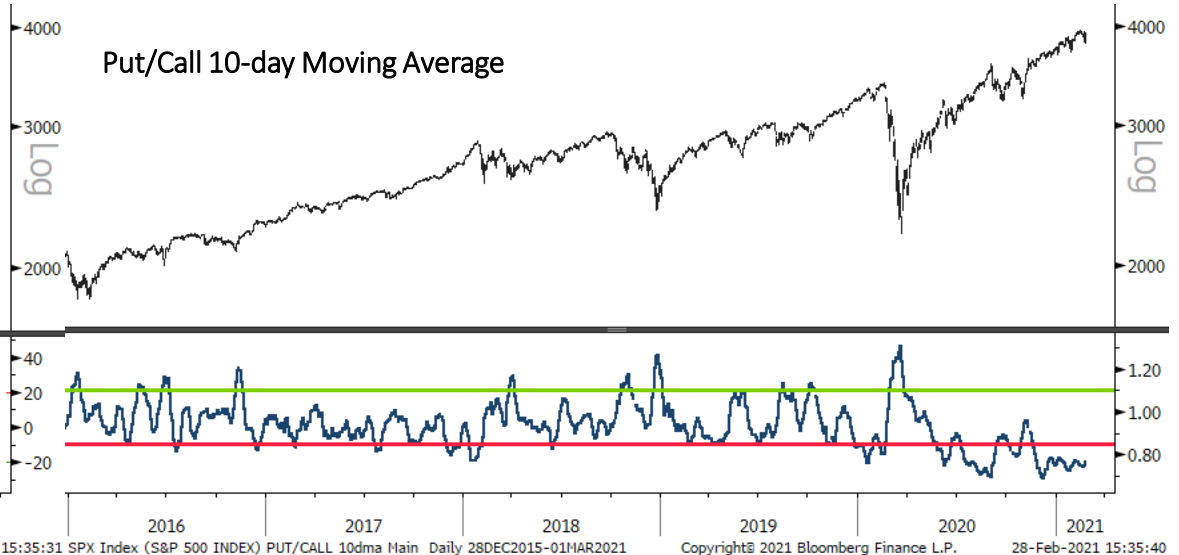
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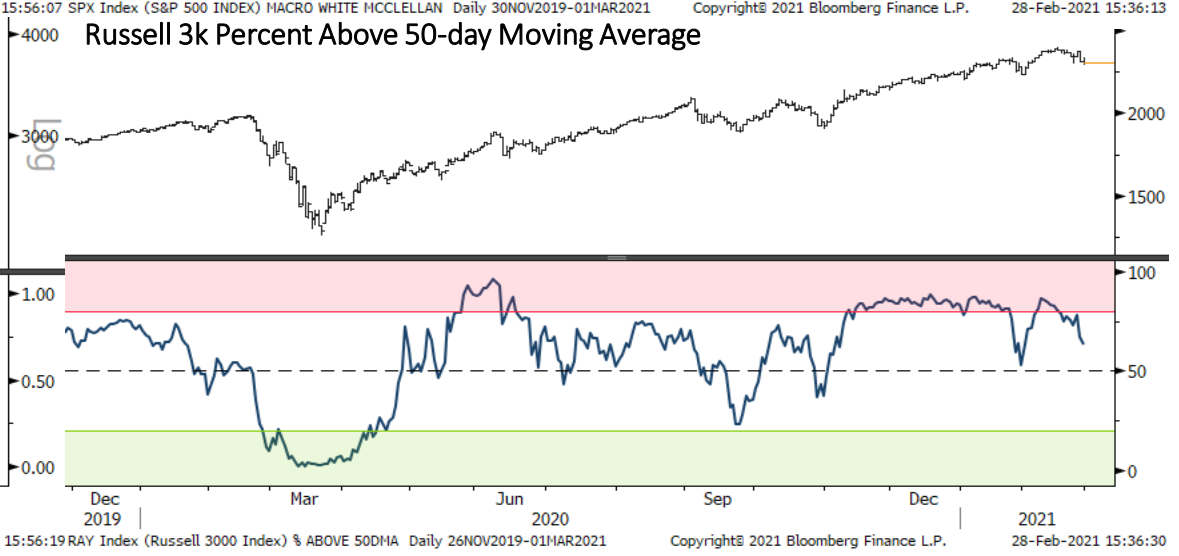
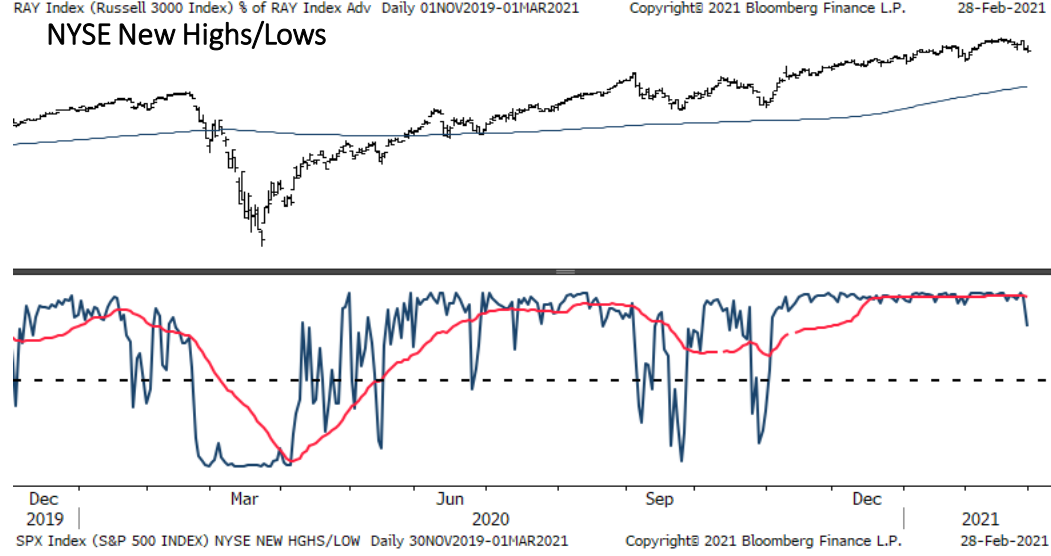
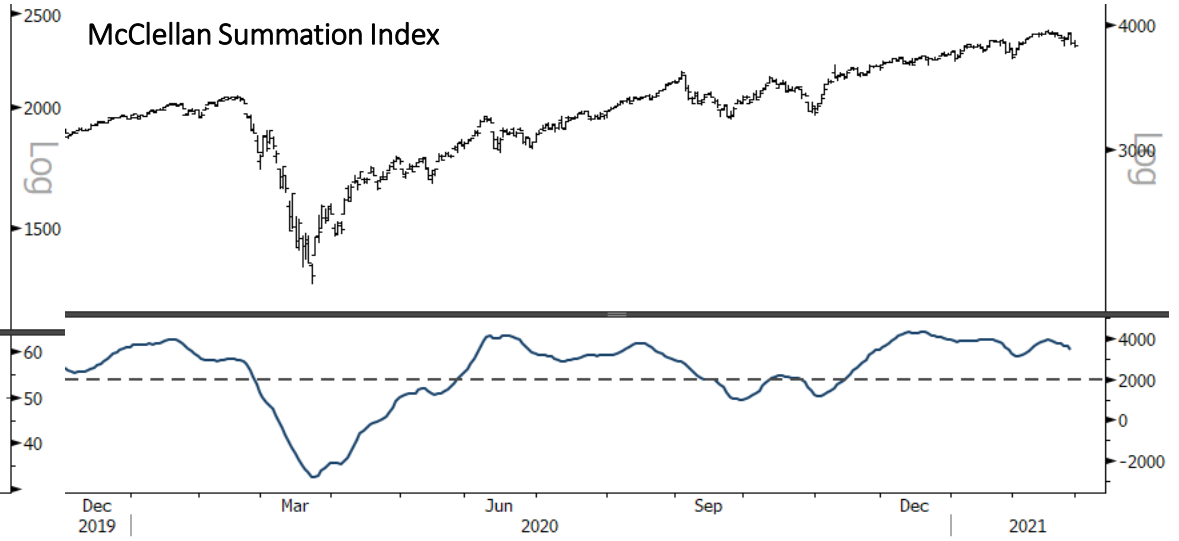
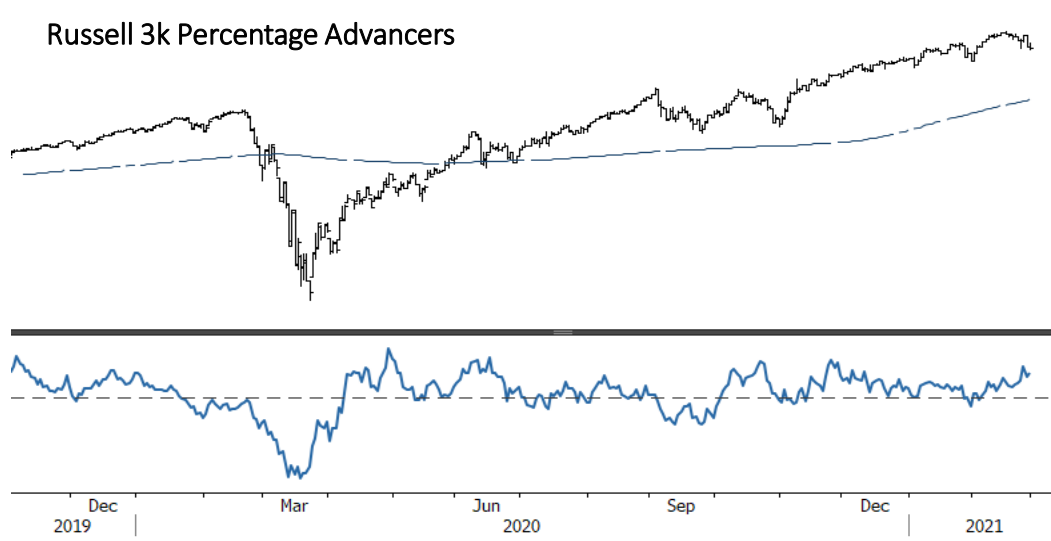
Trifecta Lens Score: -2 (You can read more about our [Trifecta Lens here](#) and link to the [Dashboard here](#))



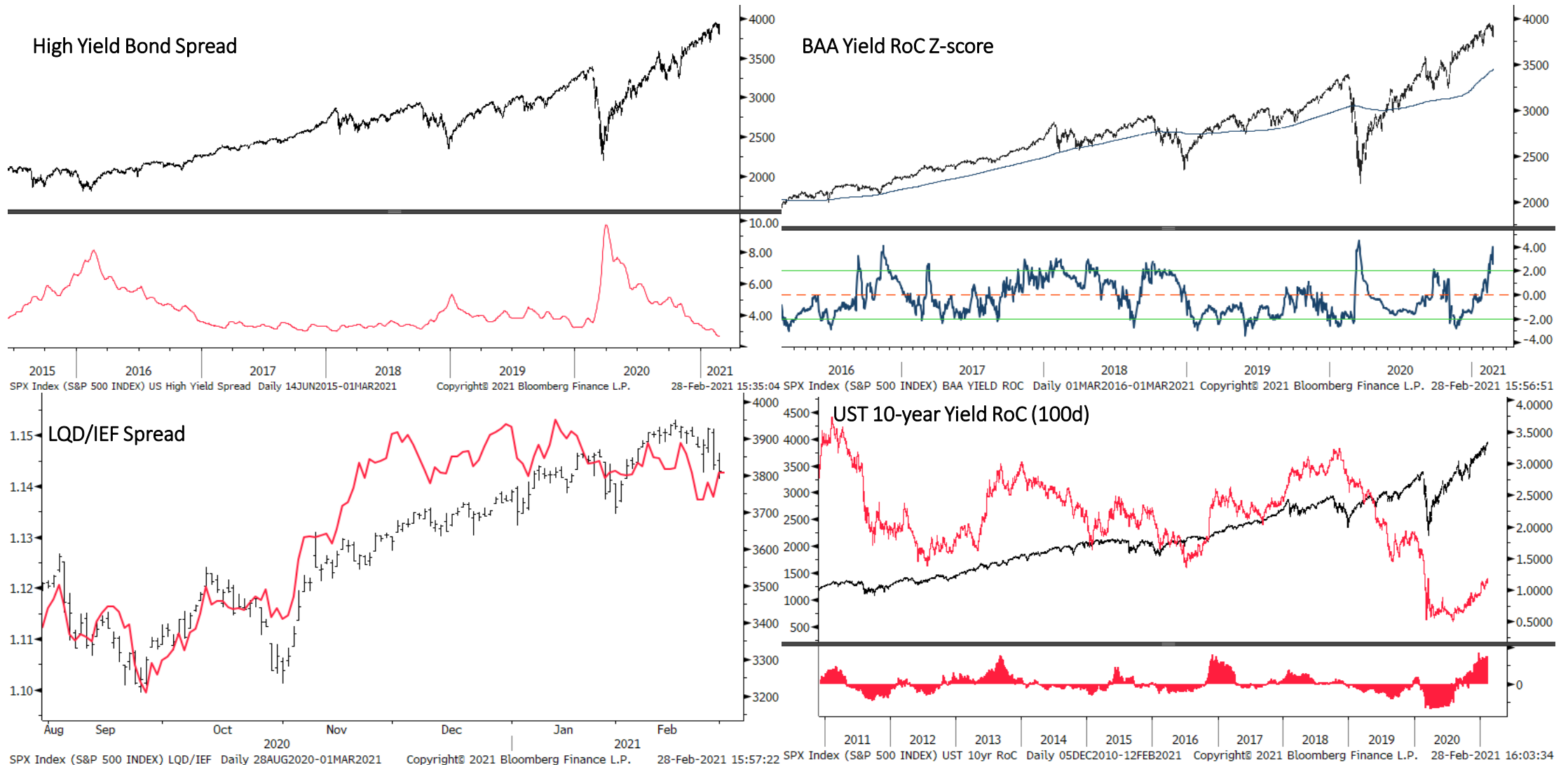
Sentiment & Positioning



Breadth



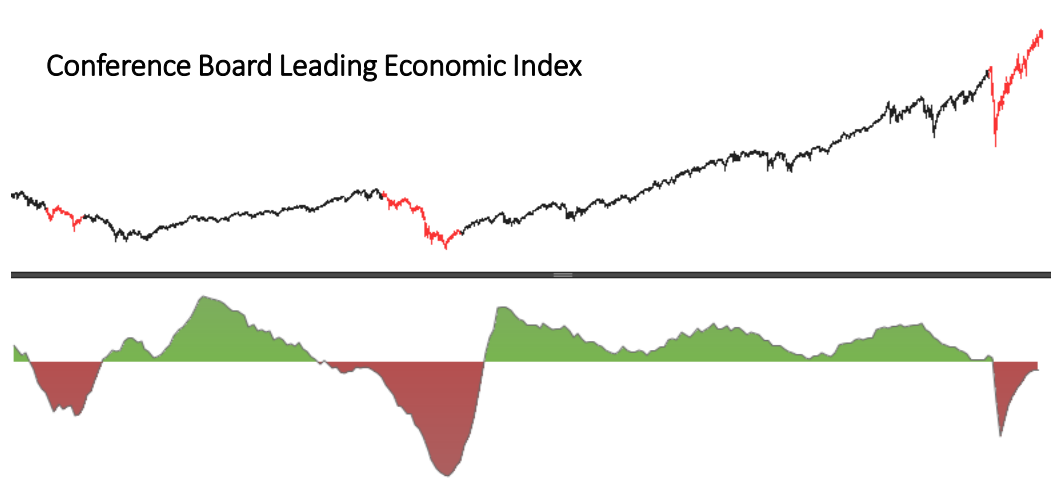
Liquidity





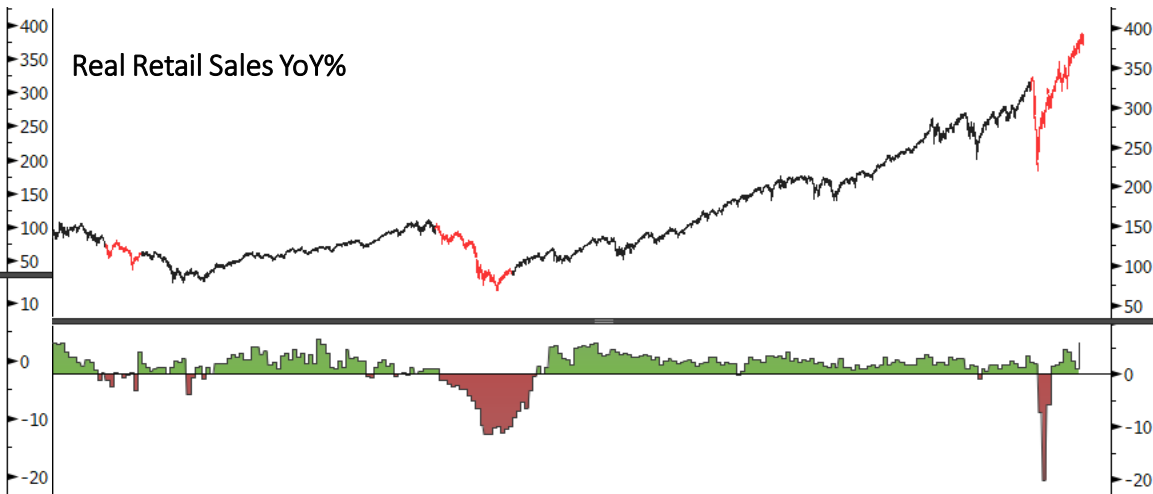
Macro

Conference Board Leading Economic Index



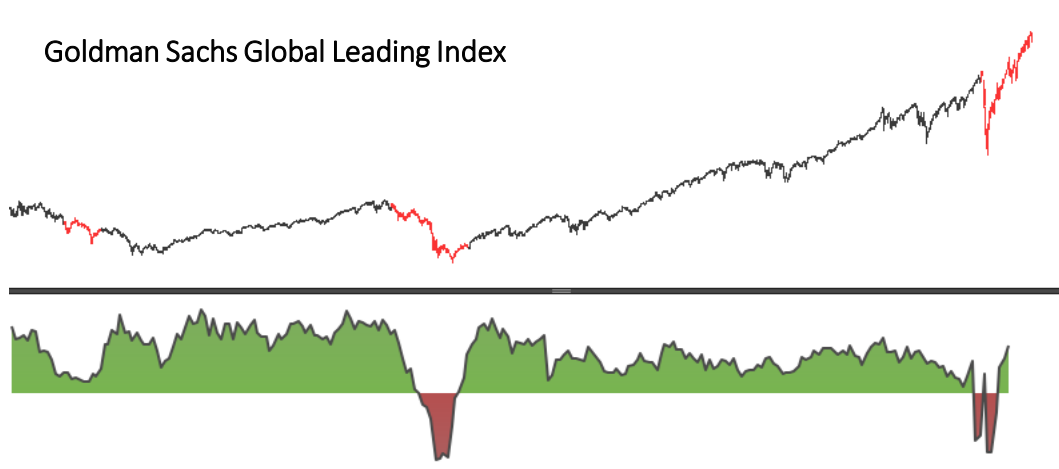
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 SPY US Equity (SPDR S&P 500 ETF Trust) MACRO LEI Daily 15JUN2000-01MAR2021 Copyright© 2021 Bloomberg Finance L.P. 28-Feb-2021 15:35:40

Real Retail Sales YoY%



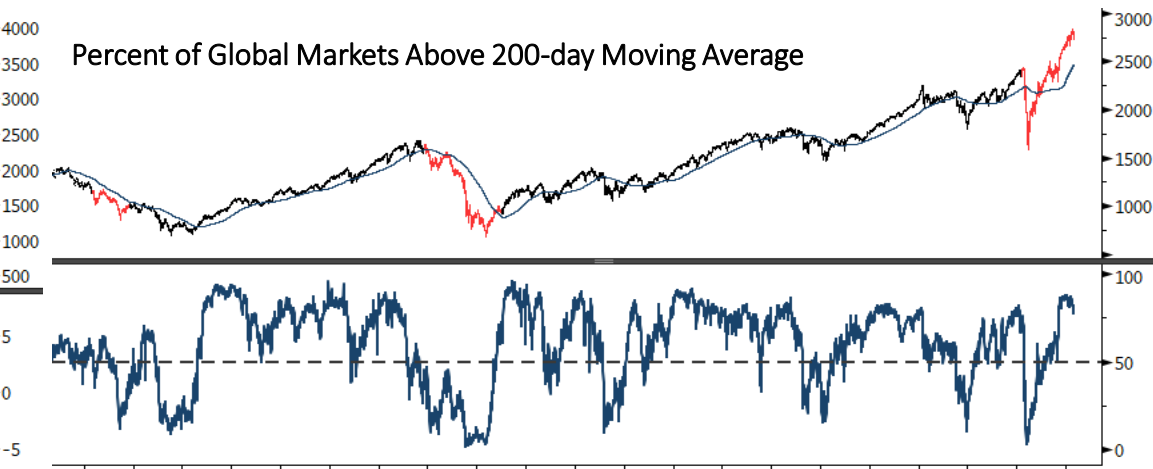
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 SPY US Equity (SPDR S&P 500 ETF Trust) Macro Real Retail Sales Daily 31JAN2000- Copyright© 2021 Bloomberg Finance L.P. 28-Feb-2021 15:35:48

Goldman Sachs Global Leading Index



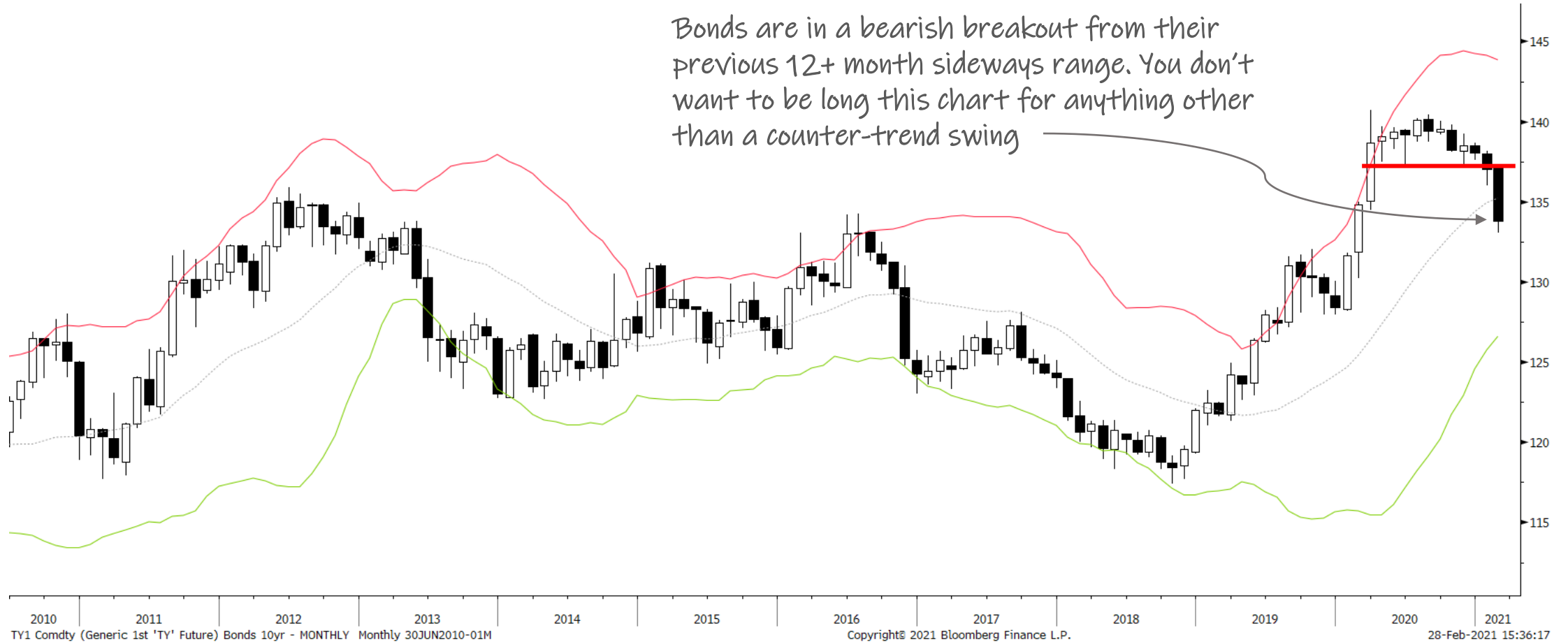
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 SPX Index (S&P 500 INDEX) GS Global Leading Index Weekly 14JAN2000-01MAR2021 Copyright© 2021 Bloomberg Finance L.P. 28-Feb-2021 15:35:58

Percent of Global Markets Above 200-day Moving Average

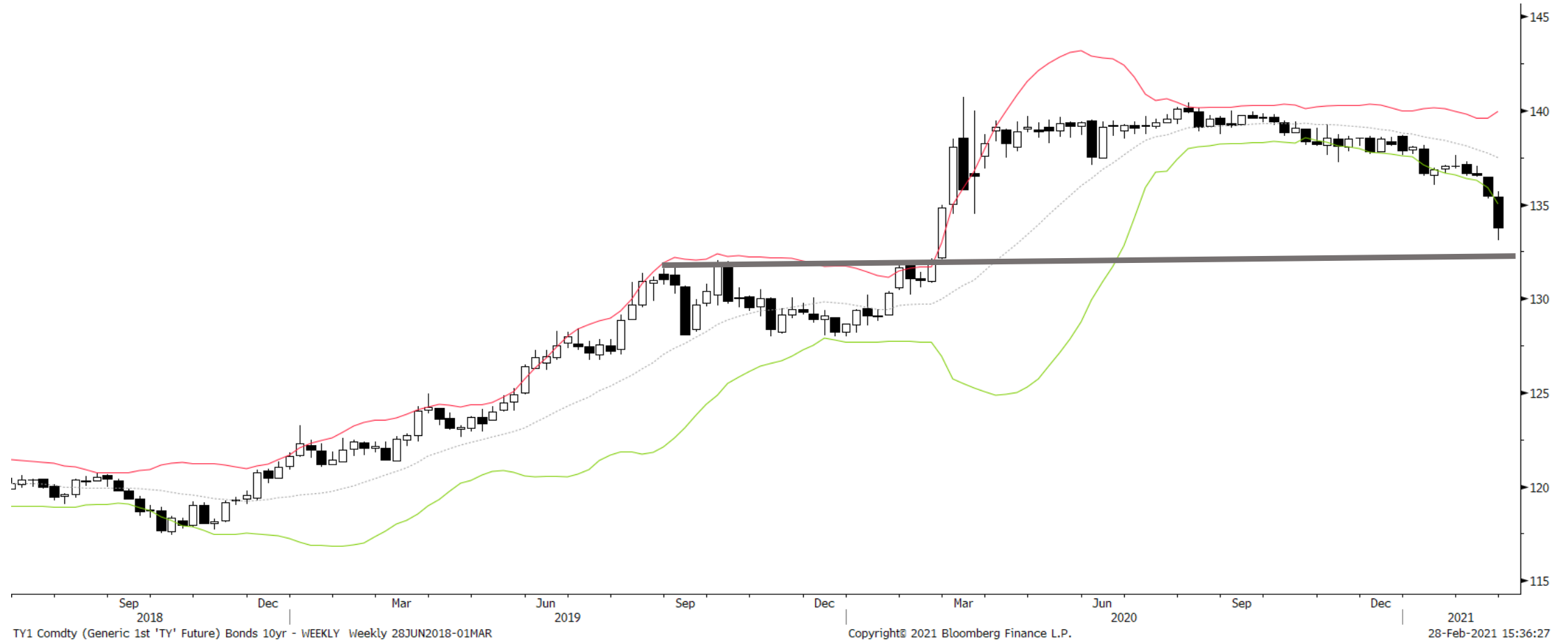


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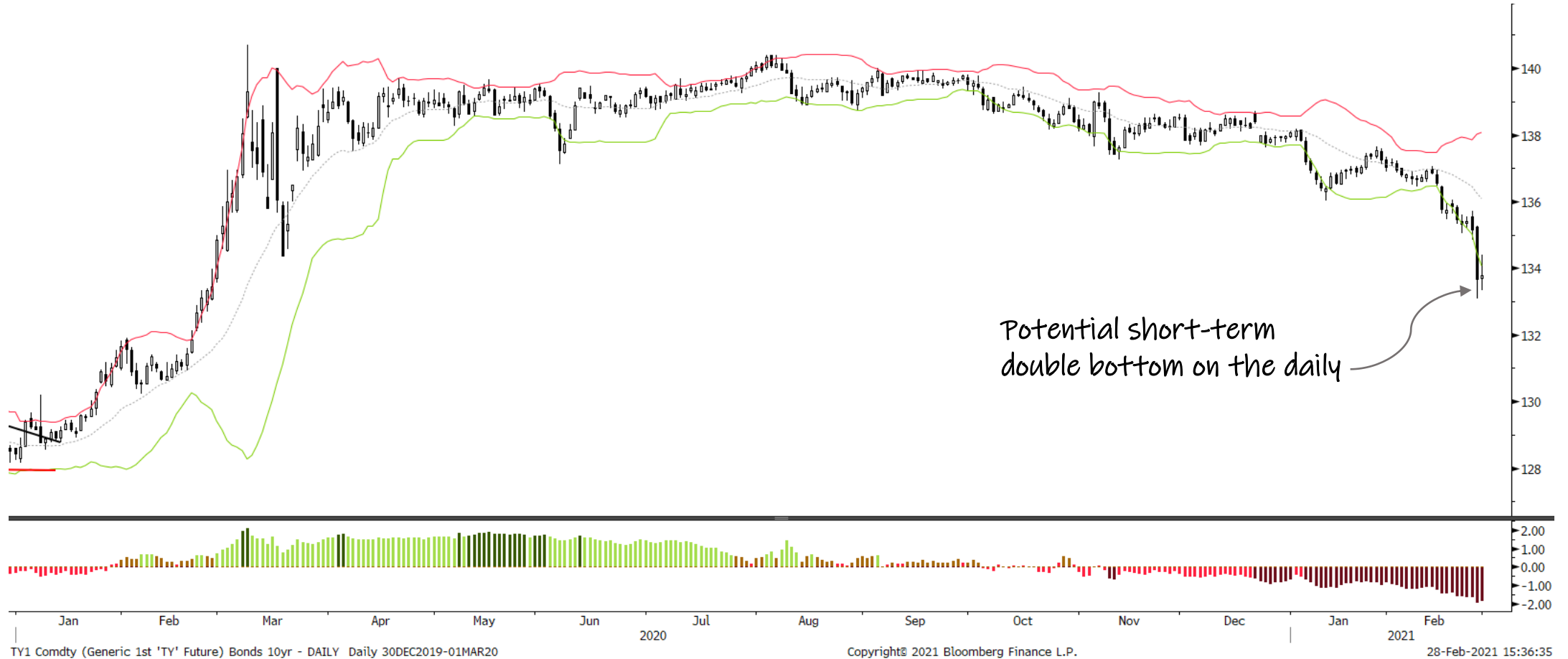
Bonds: 10-year Futures Monthly



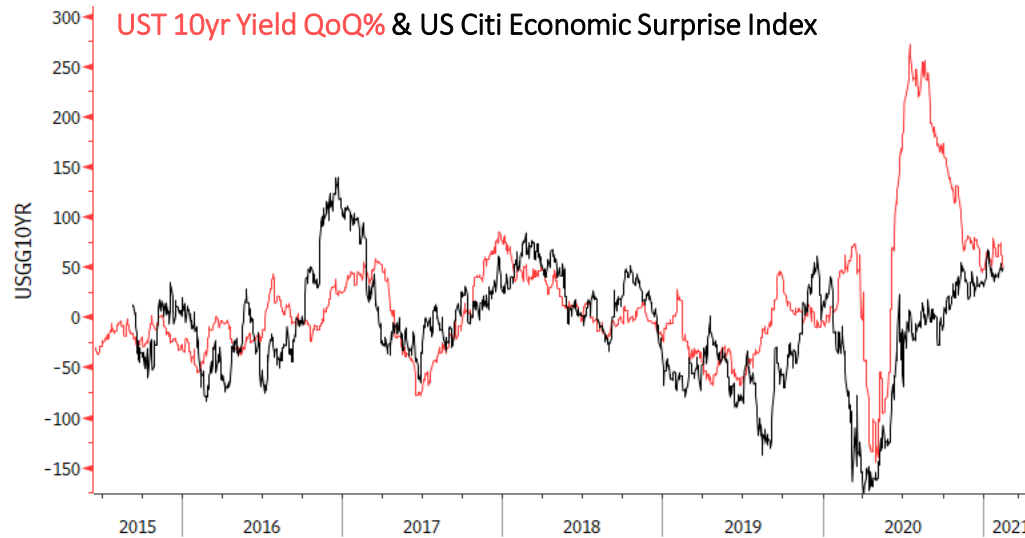
Bonds: 10-year Futures Weekly



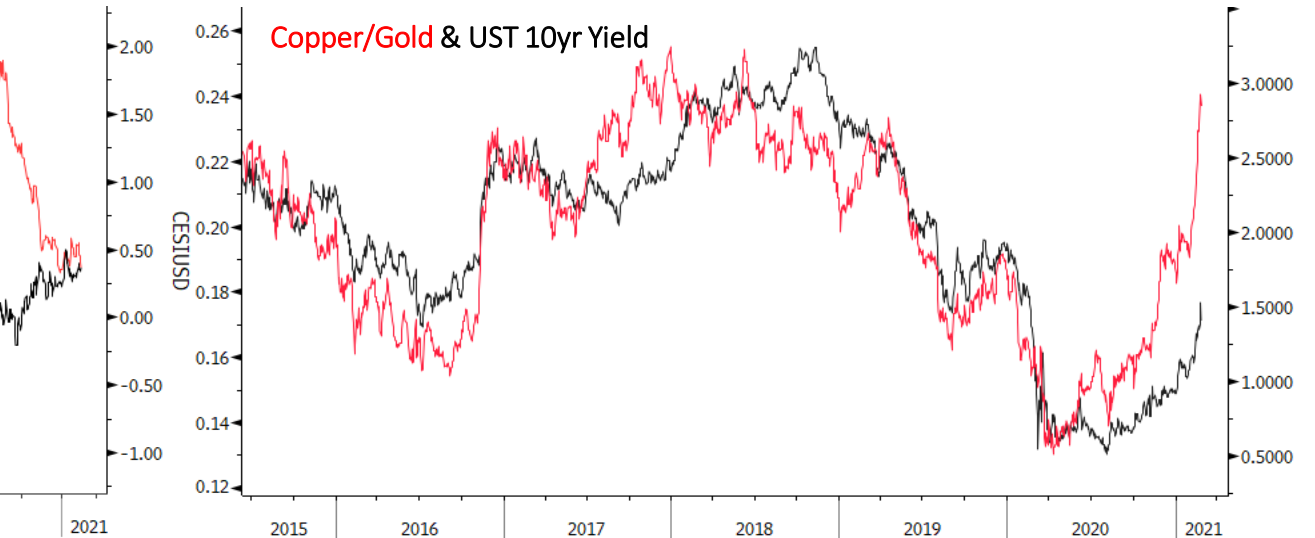
Bonds: 10-year Futures Daily



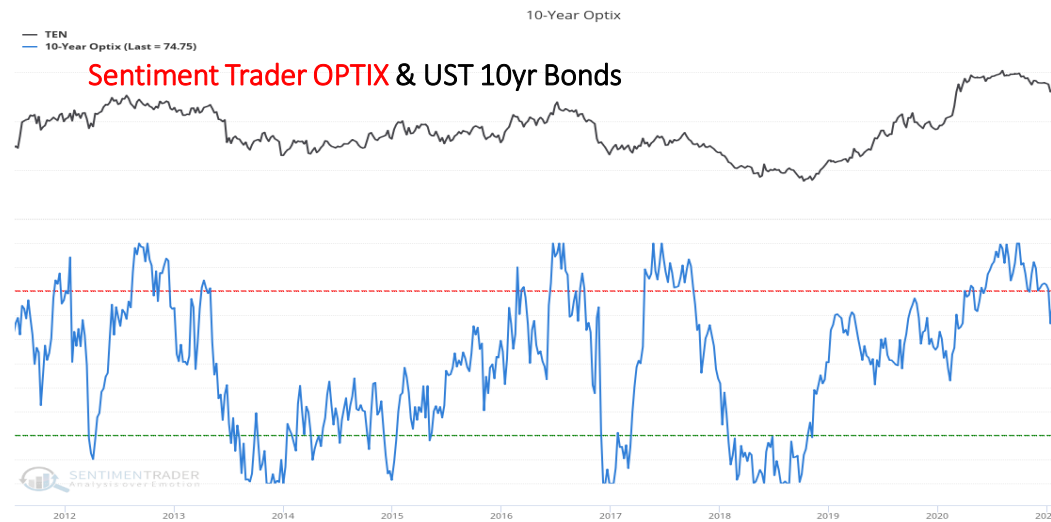
Bond/Yield Indicators



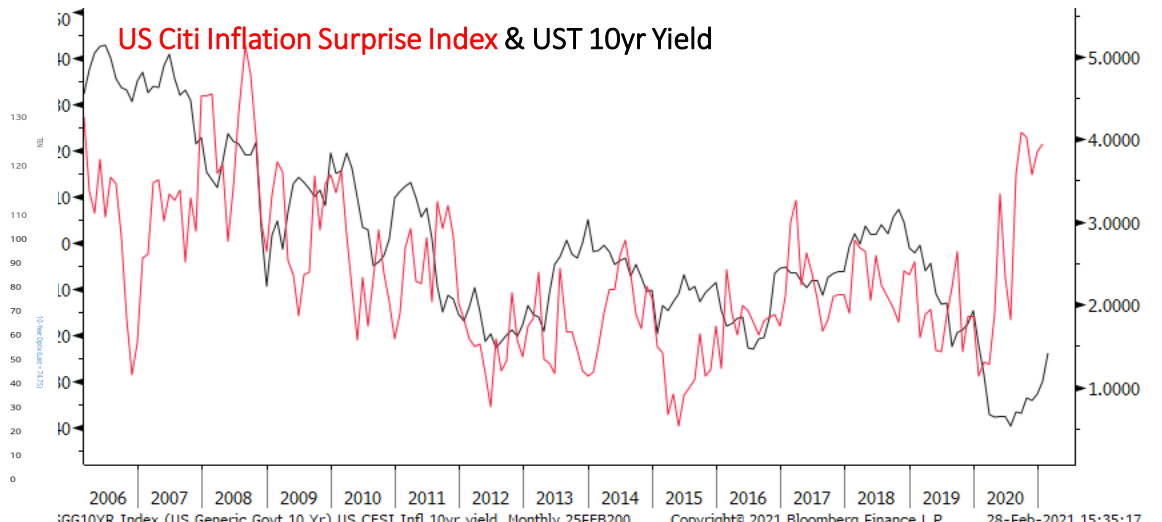
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28-Feb-2021 16:16:27 HG1 Comdty (Generic 1st 'HG' Future) WHITE GOLD/COPPER R. Daily 15JUN2015-01MA Copyright© 2021 Bloomberg Finance L.P. 28-Feb-2021 15:35:10



SENTIMENTTRADER
Analysis over Emotion



2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020
USGG10YR Index (US Generic Govt 10 Yr) US CESI Infl 10yr yield Monthly 25FEB200 Copyright© 2021 Bloomberg Finance L.P. 28-Feb-2021 15:35:17

Gold Monthly



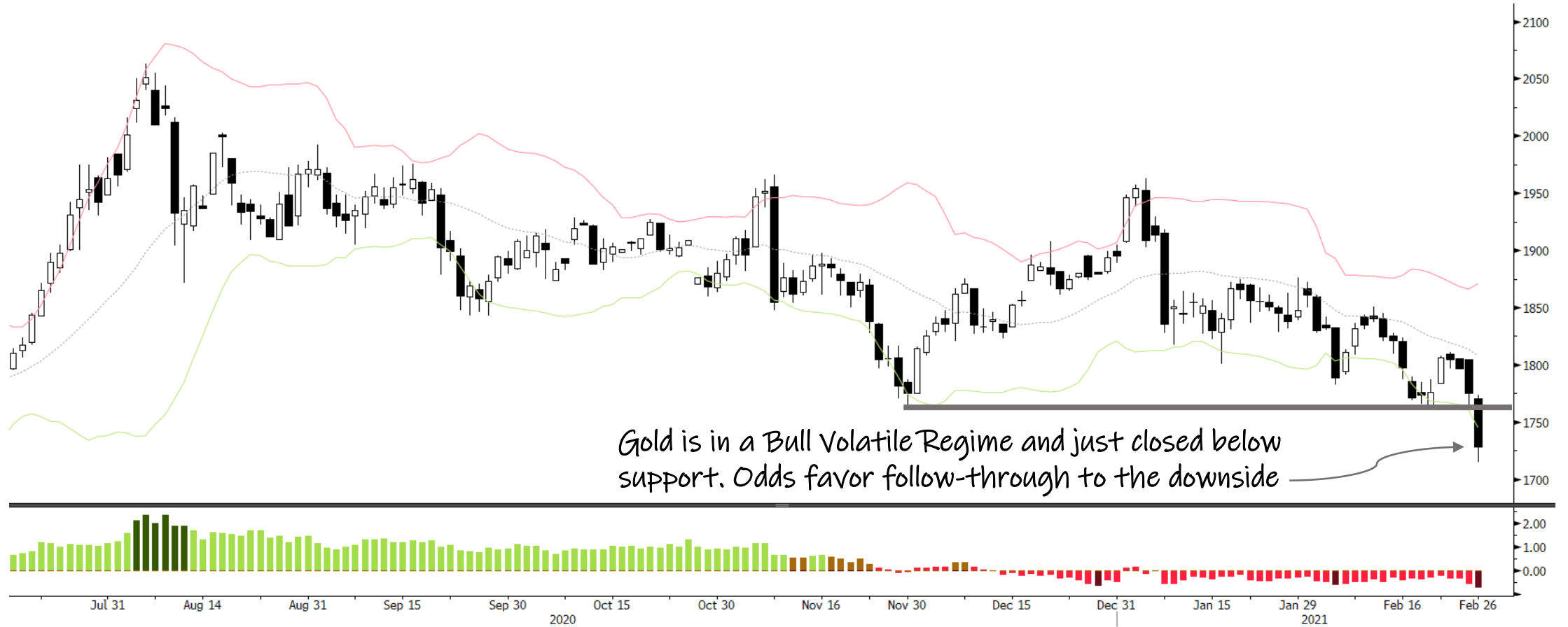
Gold Weekly



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



Gold Daily



Gold is in a Bull Volatile Regime and just closed below support. Odds favor follow-through to the downside

GC1 Comdty (Generic 1st 'GC' Future) GOLD - DAILY Daily 17JUL2020-01MAR2021

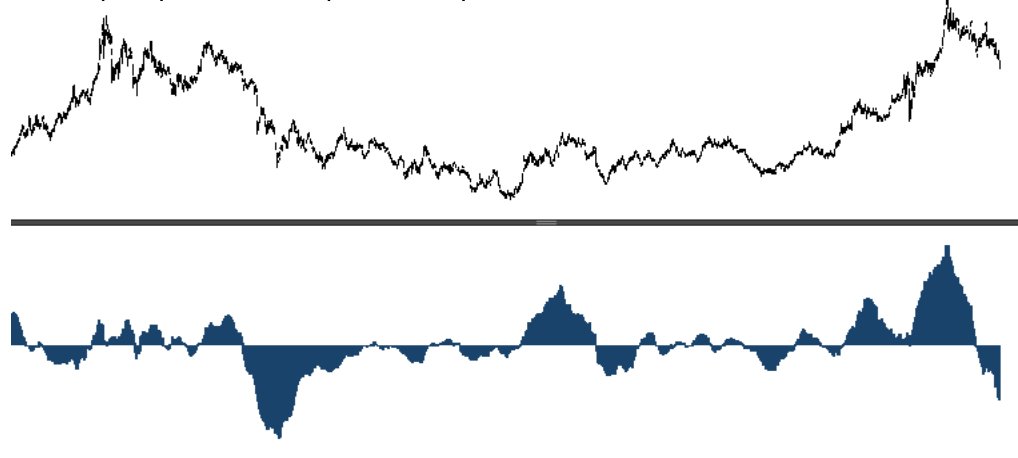
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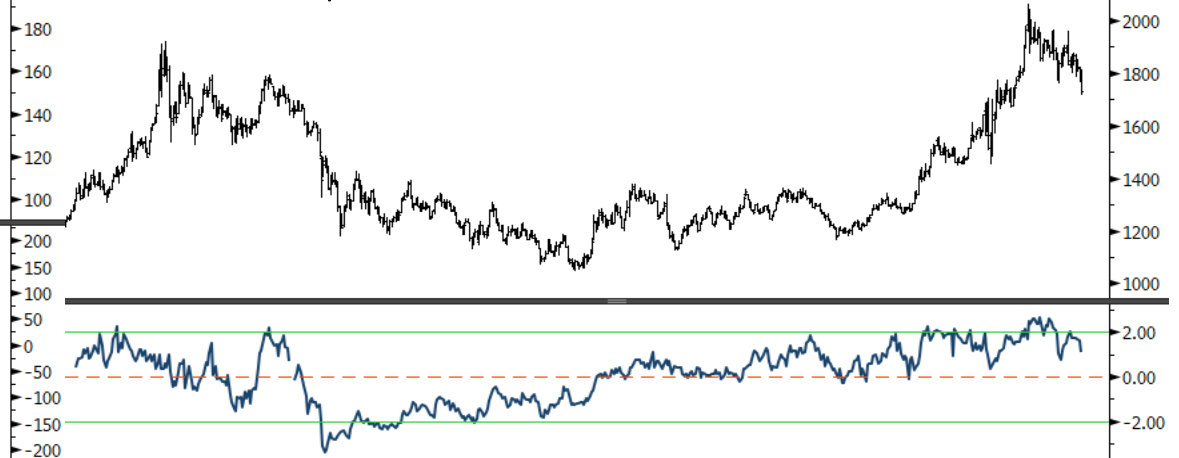
Gold Indicators



Gold (GLD) Fund Flows (smoothed)



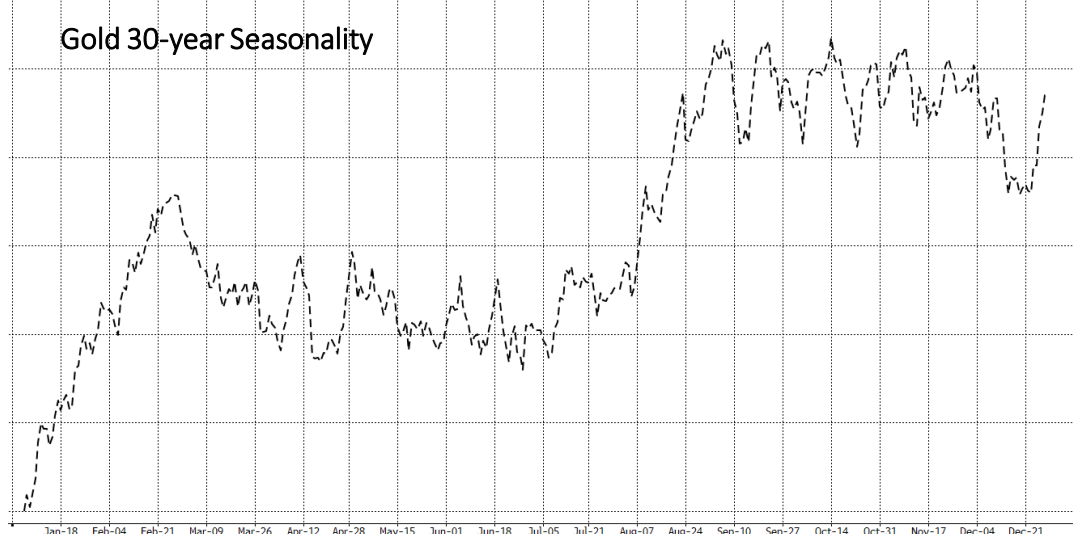
Gold Net Small Specs Z-score



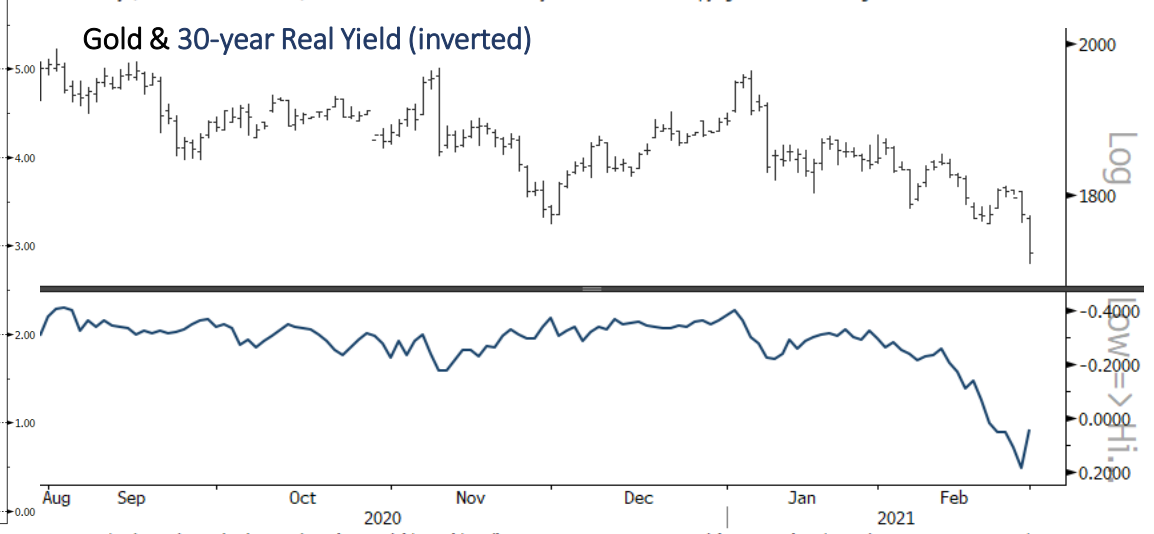
2011 2012 2013 2014 2015 2016 2017 2018 2019 2020
 GLD US Equity (SPDR Gold Shares) Gold (GLD) Fund Flows z Daily 08SEP2010-01MAR2 Copyright© 2021 Bloomberg Finance L.P. 28-Feb-2021 15:36:11

2011 2012 2013 2014 2015 2016 2017 2018 2019 2020
 GC1 Comdty (Generic 1st 'GC' Future) GLD NET NON REPORTABLE Weekly 25AUG2010-01 Copyright© 2021 Bloomberg Finance L.P. 28-Feb-2021 15:35:54

Gold 30-year Seasonality



Gold & 30-year Real Yield (inverted)



Jan-18 Feb-04 Feb-21 Mar-09 Mar-26 Apr-12 Apr-28 May-15 Jun-01 Jun-18 Jul-05 Jul-21 Aug-07 Aug-24 Sep-10 Sep-27 Oct-14 Oct-31 Nov-17 Dec-04 Dec-21

Aug Sep Oct 2020 Nov Dec 2021 Jan Feb
 GC1 Comdty (Generic 1st 'GC' Future) Real 30yr yield & Gold Daily 28AUG2020-01M Copyright© 2021 Bloomberg Finance L.P. 28-Feb-2021 16:23:02

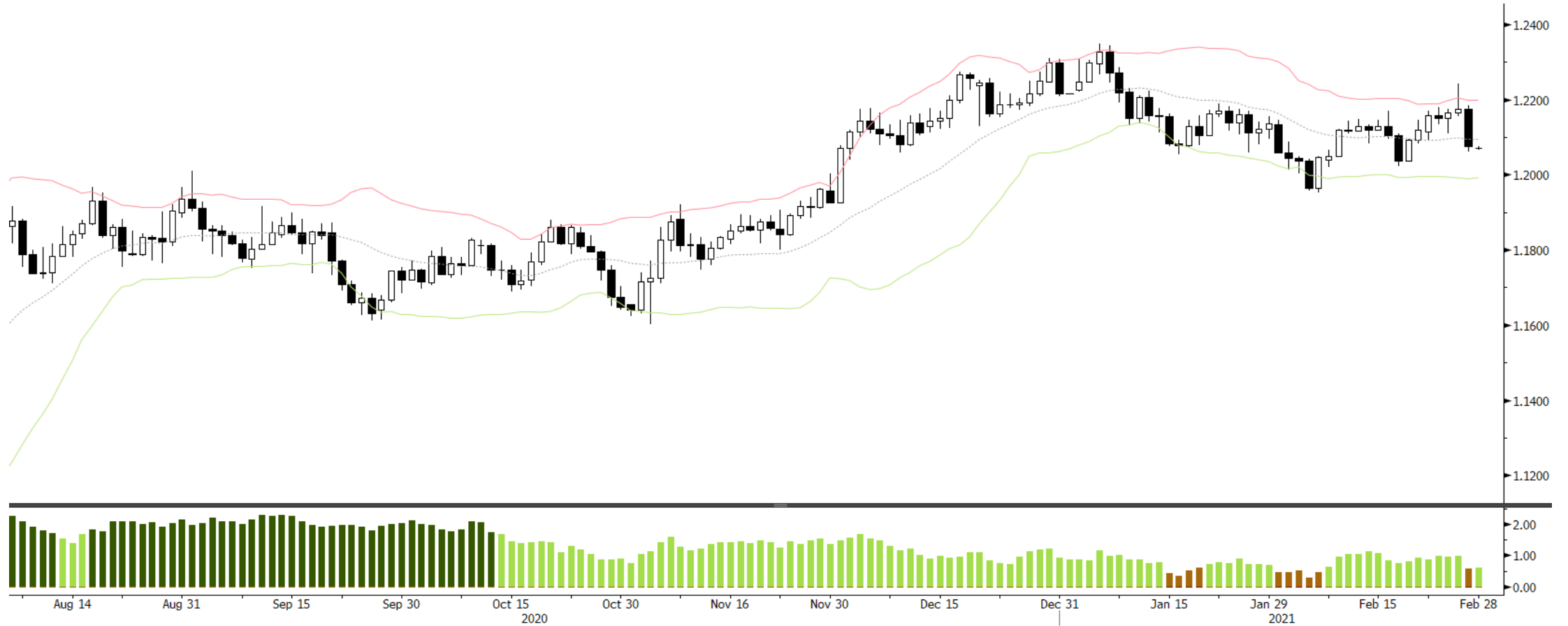
EURUSD Monthly



EURUSD Weekly



EURUSD Daily



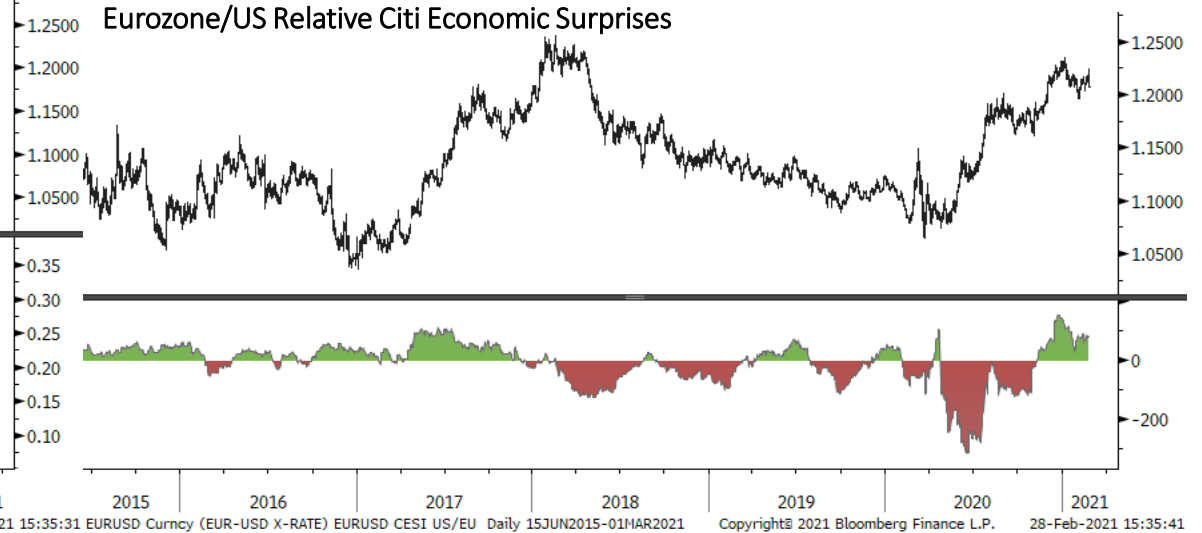
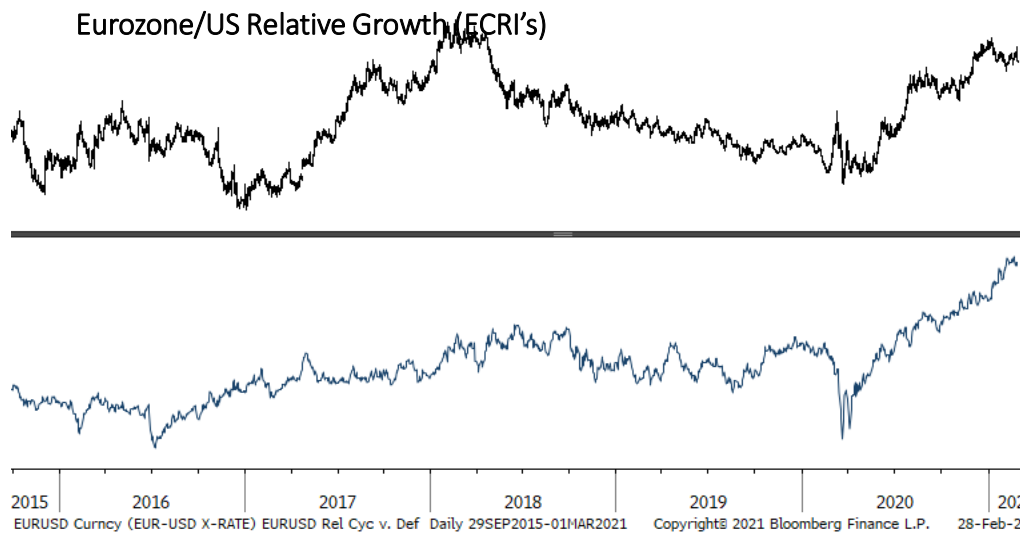
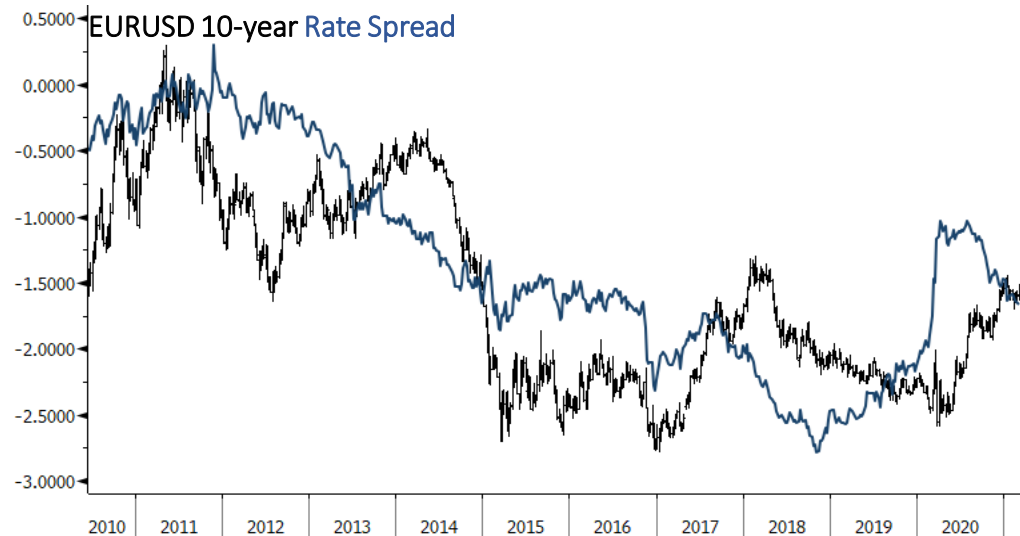
EURUSD Curncy (EUR-USD X-RATE) EURUSD - DAILY Daily 06AUG2020-01MAR2021

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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.



Bitcoin Daily



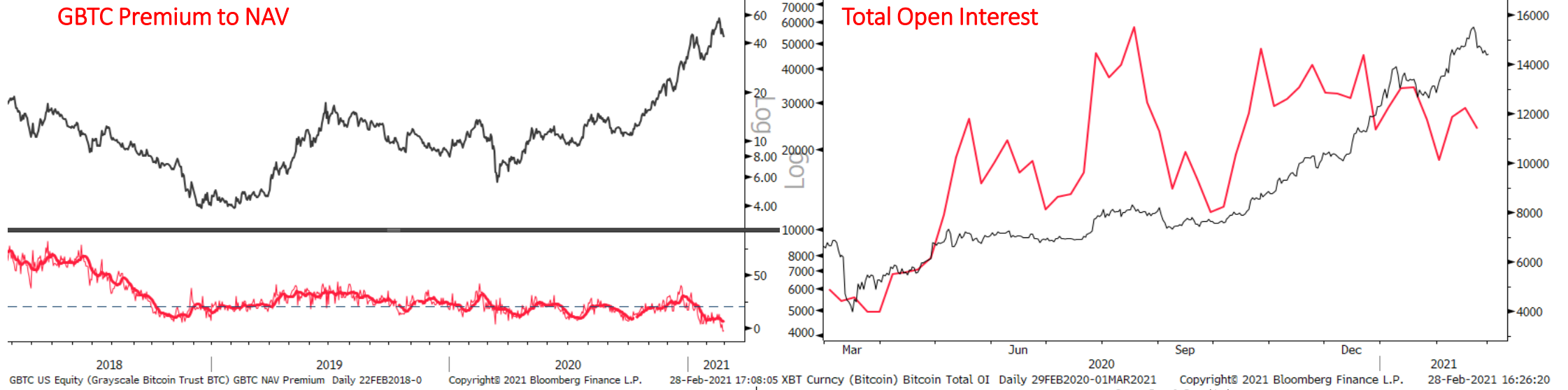
XBT Currency (Bitcoin) bitcoin Daily Daily 03JUL2020-01MAR2021

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Bitcoin Indicators



The Foundation Portfolio		2021 ytd return (updated 2/28)			2020 final return							
		33.27%			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	\$389,950.00	19.24%		\$3,415.00	\$3,680.00	-1.50%	\$3,809.00	11.50%		
Ammo, Inc	POWW	35,621	\$248,990.79	12.29%	66.0	\$3.01	\$2.70	0.54%	\$6.99	132.23%	\$12.00	71.67%
Micron, Inc. CALLS	Micron, Inc. CA	150	\$217,500.00	10.73%	CALLS	\$138.00	\$0.00	1.02%	\$1,450.00	950.72%	CALLS	CALLS
XP, Inc.	XP	4,143	\$182,872.02	9.02%	80.0	\$46.85	\$37.37	1.94%	\$44.14	-5.78%	\$77	74.44%
Nintendo	NTDOY	1,963	\$151,386.56	7.47%	84.0	\$63.46	\$71.85	-0.81%	\$77.12	21.53%	\$102.00	32.26%
Kura Sushi	KRUS	4035	\$120,606.15	5.95%	63.3	\$19.14	\$19.24	-0.02%	\$29.89	56.17%	\$35	17.10%
Grayscale Bitcoin Trust	GBTC	2,113	\$91,264.32	4.50%	TRADE	\$17.55	\$28.30	-1.12%	\$43.20	146.15%	TRADE	TRADE
frontdoor, inc.	FTDR	1,872	\$98,036.64	4.84%	75.5	\$47.97	\$48.08	-0.01%	\$52.37	9.17%	\$65.00	24.12%
Antero Resources	AR	10,519	\$94,671.00	4.67%		\$5.70	\$5.07	0.33%	\$9.00	57.89%		
Qualitas Controladora	Q	17,719	\$99,580.78	4.91%	88.5	\$5.22	\$4.01	1.06%	\$5.62	7.66%	\$9	60.14%
Betterware De Mexico	BWMX	2,201	\$95,083.20	4.69%	76.5	\$32.12	\$32.18	-0.01%	\$43.20	34.51%	\$70	62.04%
Nic, Inc.	EGOV	2,528	\$87,755.76	4.33%	83.0	\$28.07	\$34.00	-0.74%	\$34.71	23.66%	\$42	21.00%
Manolete Partners	MANO	22,767	\$84,520.63	4.17%	88.5	\$3.56	\$0.00	4.00%	\$3.71	4.28%	\$18	383.51%
S&W Seed	SANW	24,957	\$83,106.81	4.10%		\$3.57	\$2.84	0.90%	\$3.33	-6.72%	\$5	50.15%
Cresud S.A.C	CRESY	13,796	\$69,945.72	3.45%		\$4.82	\$4.75	0.05%	\$5.07	5.19%		
Centrus Energy	LEU	1,502	\$35,281.98	1.74%		\$20.25	\$19.01	0.09%	\$23.49	16.00%		
Intel, Inc. JAN '22 CALL \$100	INTC	220	\$27,720.00	1.37%	CALLS	\$83.00	\$0.00	0.90%	\$126.00	51.81%	CALLS	CALLS
BHP Jan 2023 \$115 Calls	BHP	55	\$20,900.00	1.03%		\$380.00	\$0.00	1.03%	\$380.00			
BHP Jan 2022 \$115 Calls	BHP	168	\$20,832.00	1.03%		\$124.00	\$0.00	1.03%	\$124.00			
Bidstack, Inc. (BIDS)	BIDS	203,519	\$18,316.72	0.90%	62.0	\$0.16	\$0.00	1.61%	\$0.09	-43.75%	\$1	788.89%
Deutsche Bank Jan '22 \$20 CALLS	DB	233	\$10,252.00	0.51%	CALLS	\$28.00	\$0.00	0.32%	\$44.00	57.14%	CALLS	CALLS