



Macro Ops

The Trifecta Report

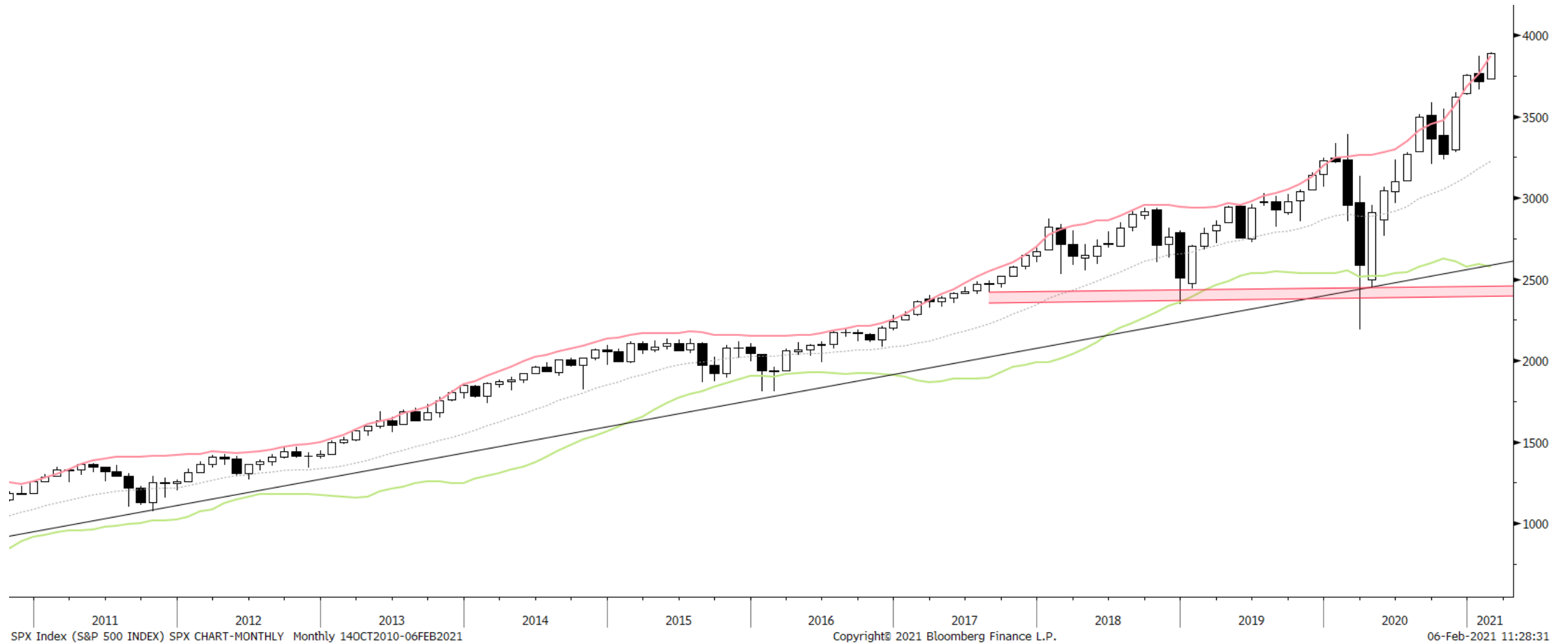
The best trades are the ones in which you have all three things going for you: fundamentals, technical, and market tone. ~ Michael Marcus

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: Is beginning to soften somewhat but largely held firm 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 is in a Bull Quiet but is transitioning to a Bull Volatile. The TL Score ended the week at 0.</u> The short-term path of least resistance is up but I expect we'll continue to see the TL score drop and credit and breadth diverge. It's likely the market will run higher over the next few 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: Gold is in its strongest period of seasonality of the year which lasts into mid February ➤ 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 is reversing from its 18' highs but saw a failed bearish breakout last week, putting the odds in favor of bounce this week. US fiscal stimulus discussions are also acting as a bearish USD force at the moment

S&P 500 Monthly



S&P 500 Weekly

Strong weekly close on its highs mean we'll see further upside follow-through this week. Odds suggest we're entering an accelerated buy climax that could very well run for a few weeks



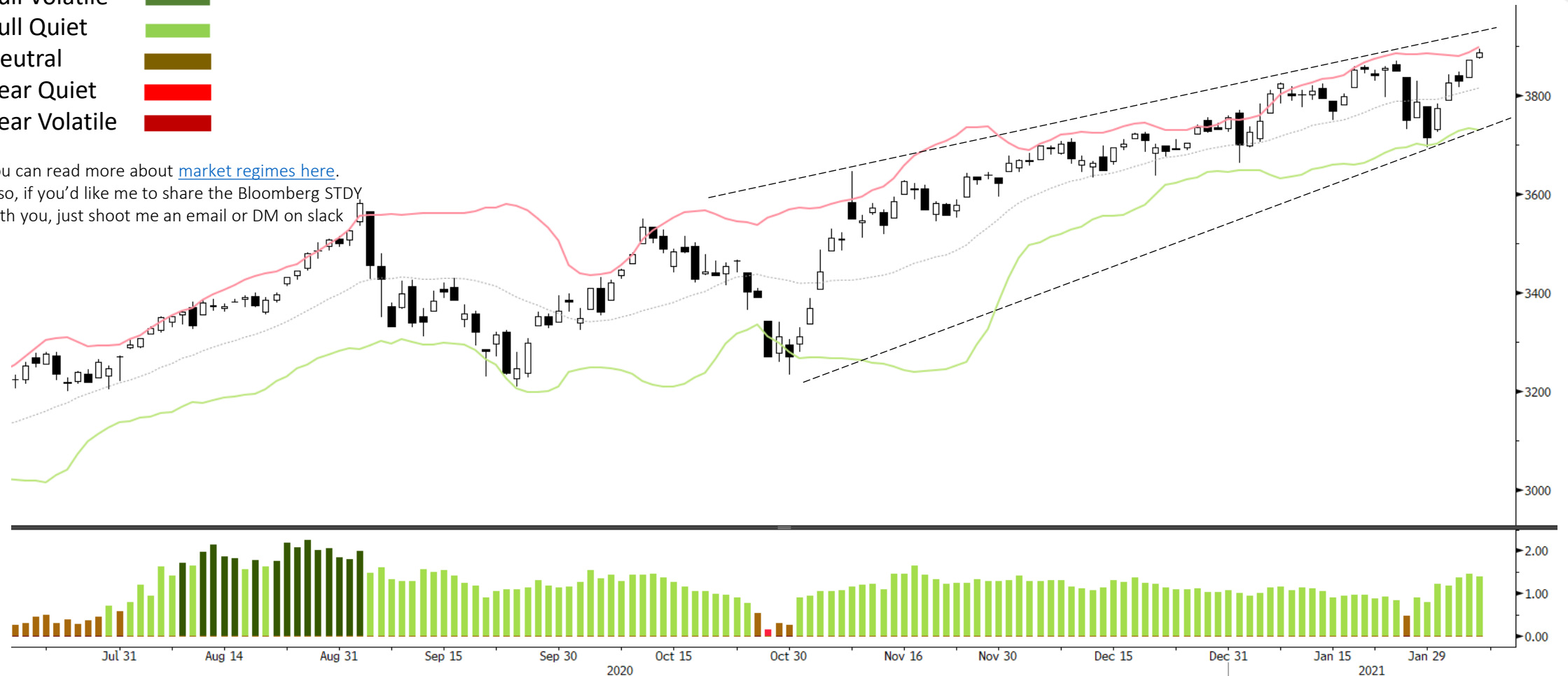
S&P 500 Daily

SQN Market Regime

Bull Volatile	Dark Green
Bull Quiet	Light Green
Neutral	Brown
Bear Quiet	Red
Bear Volatile	Dark Red

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



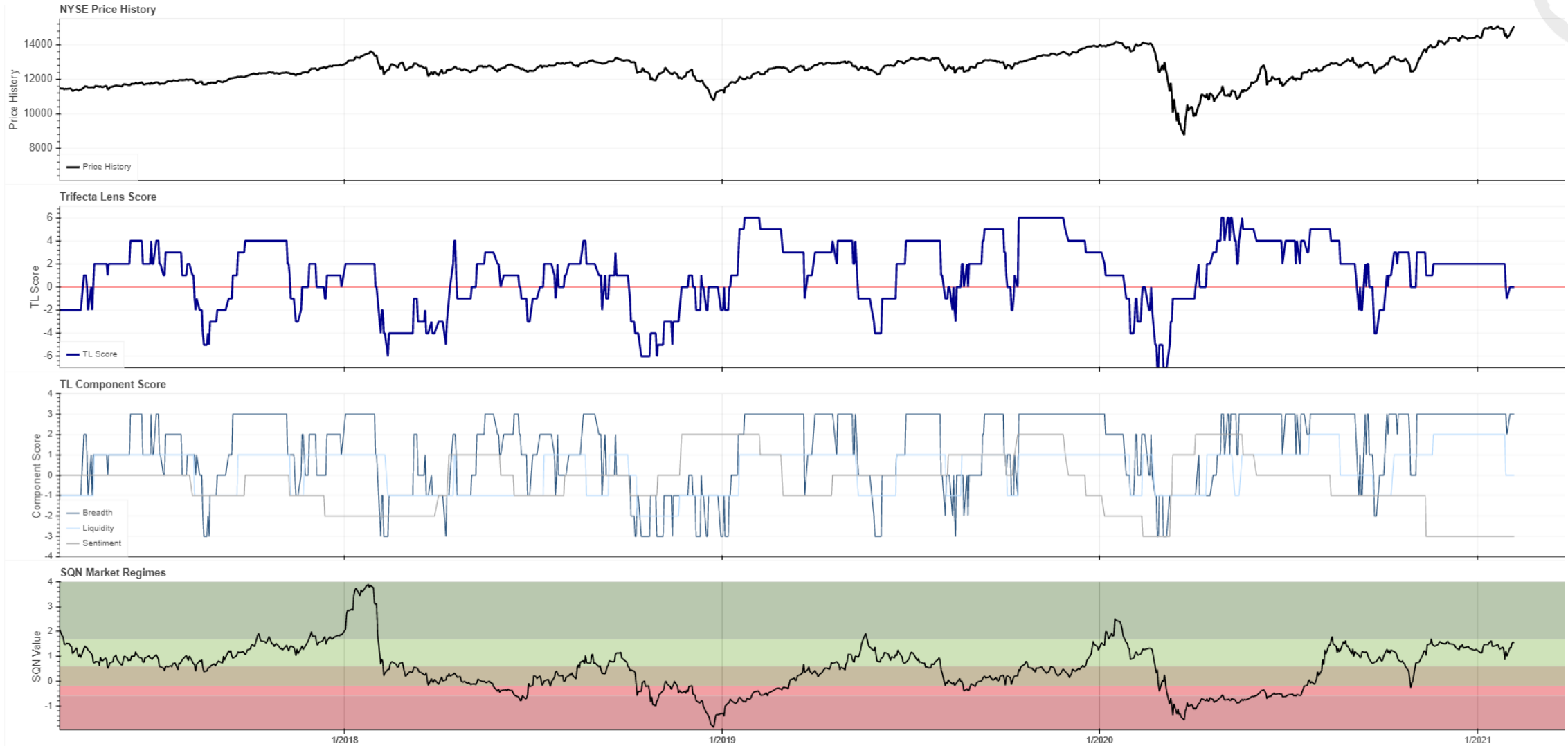
SPX Index (S&P 500 INDEX) SPX CHART-DAILY Daily 17JUL2020-06FEB2021

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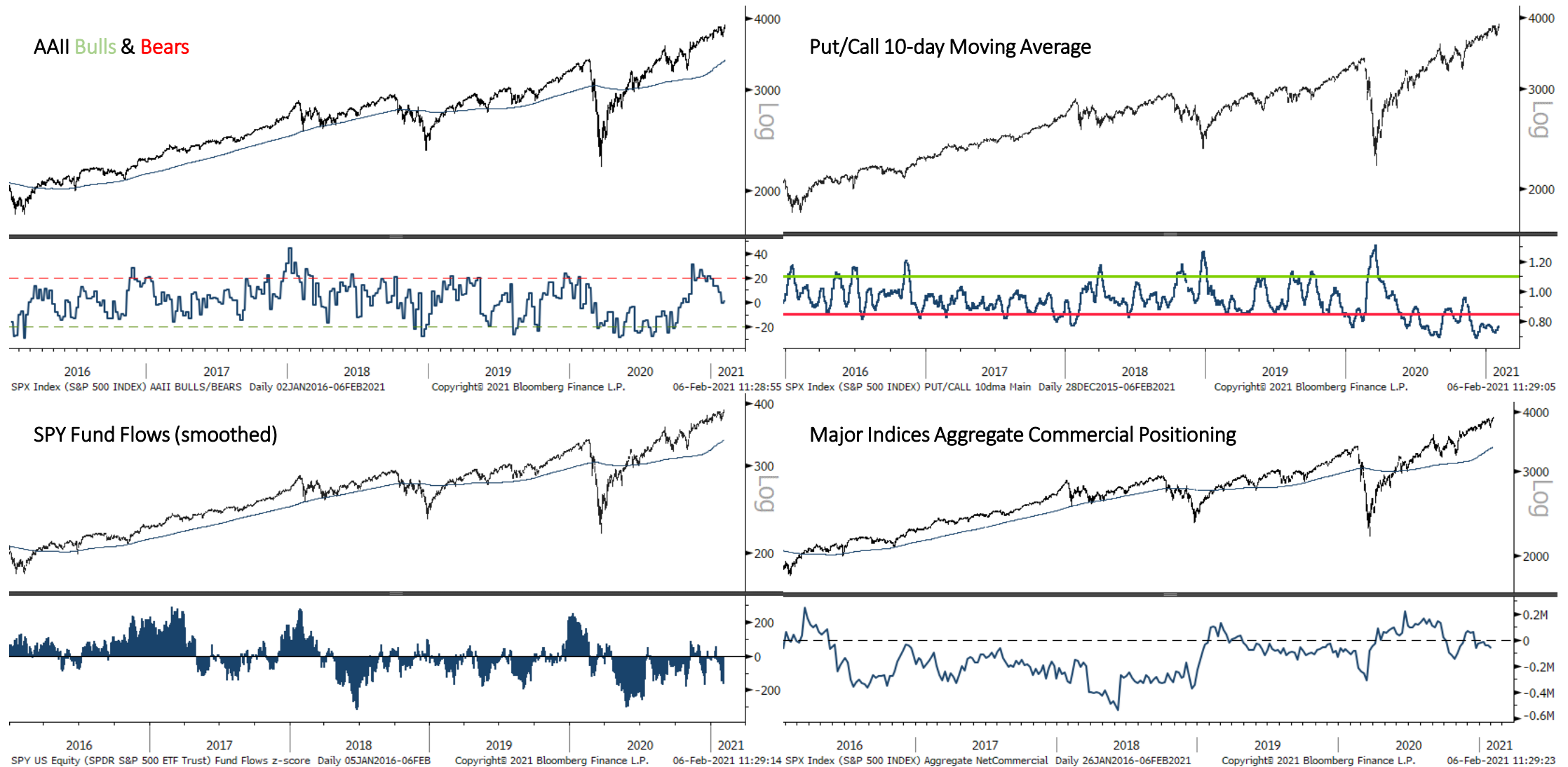
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Trifecta Lens Score: 0

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



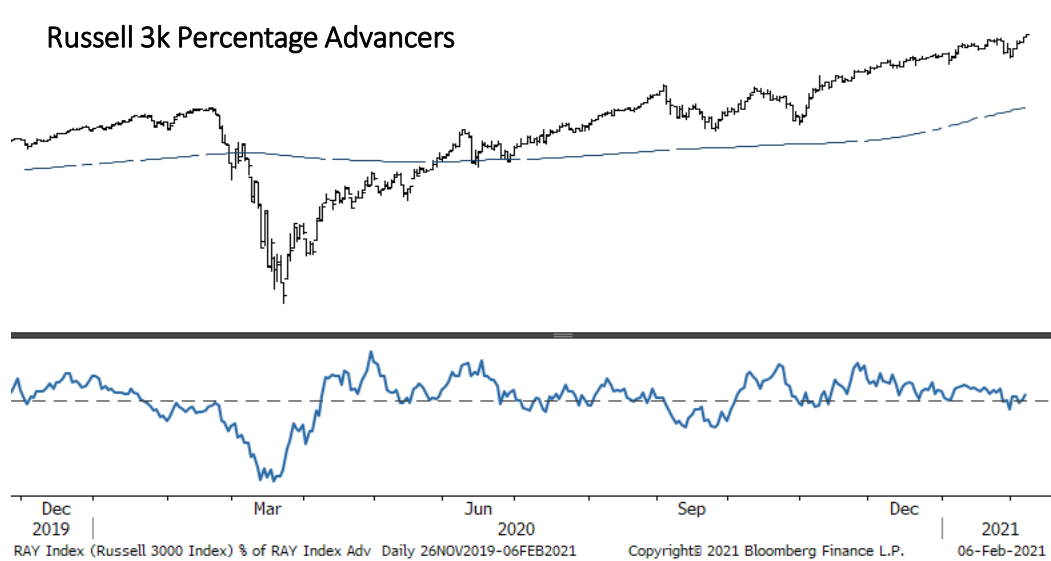
Sentiment & Positioning



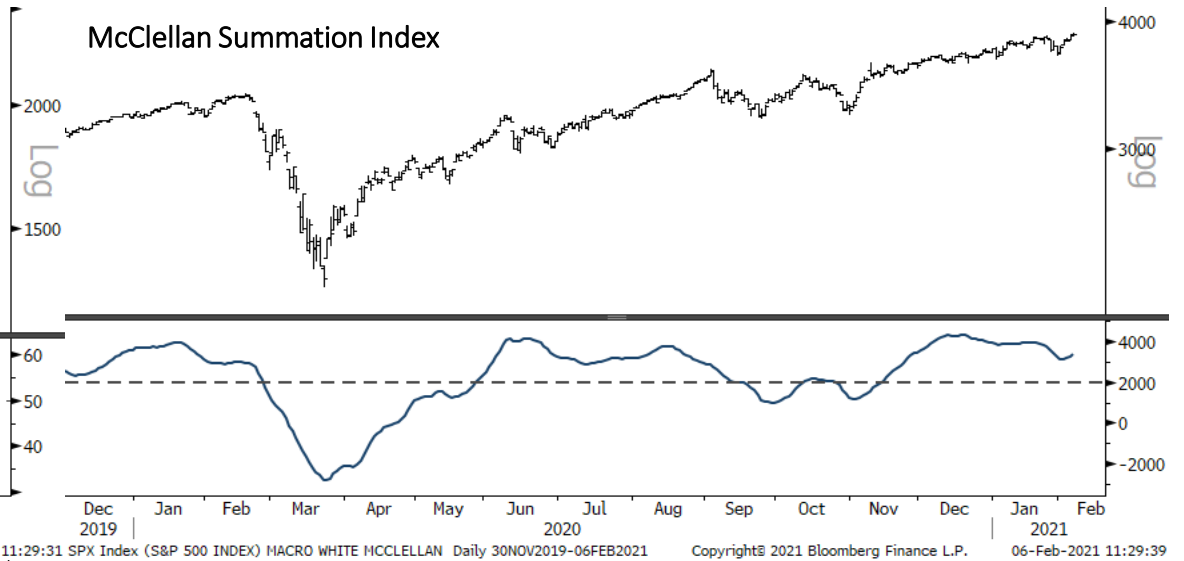
Breadth



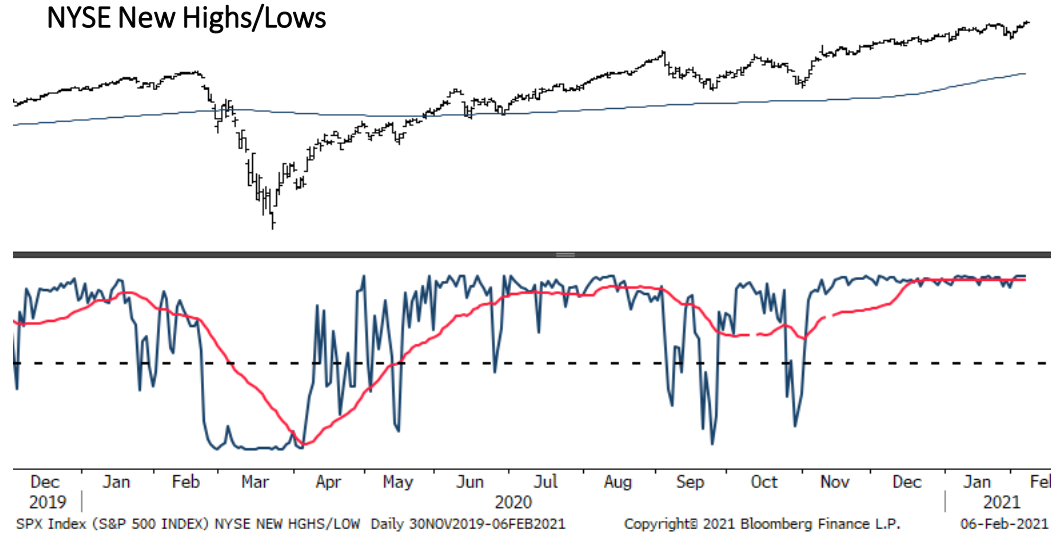
Russell 3k Percentage Advancers



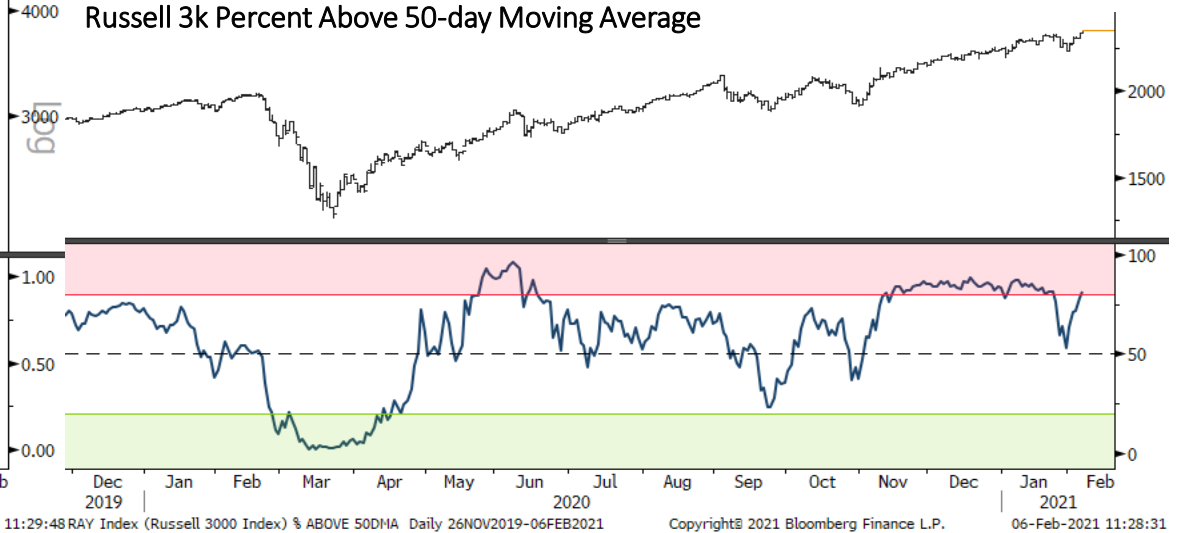
McClellan Summation Index



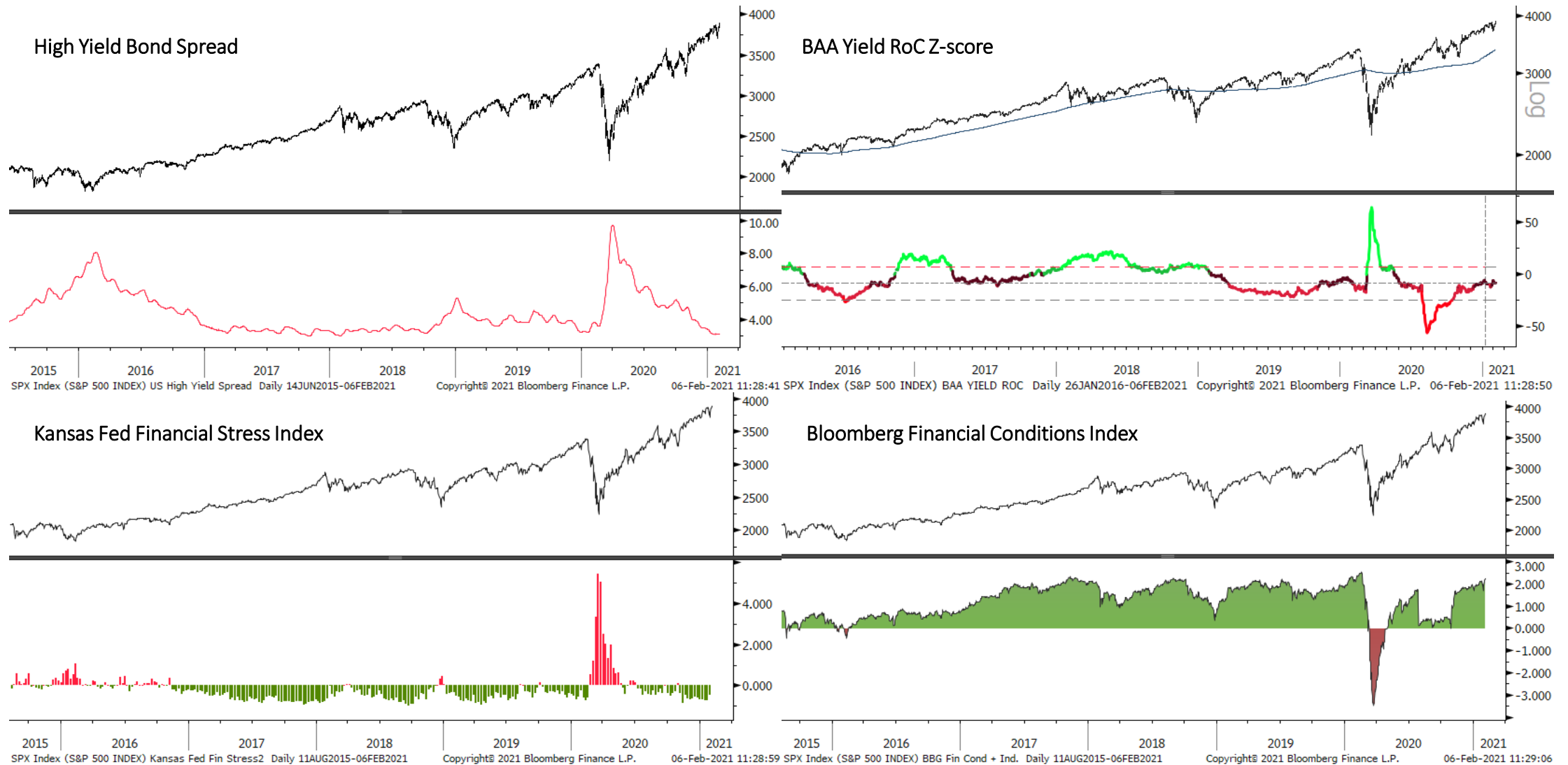
NYSE New High/Lows



Russell 3k Percent Above 50-day Moving Average



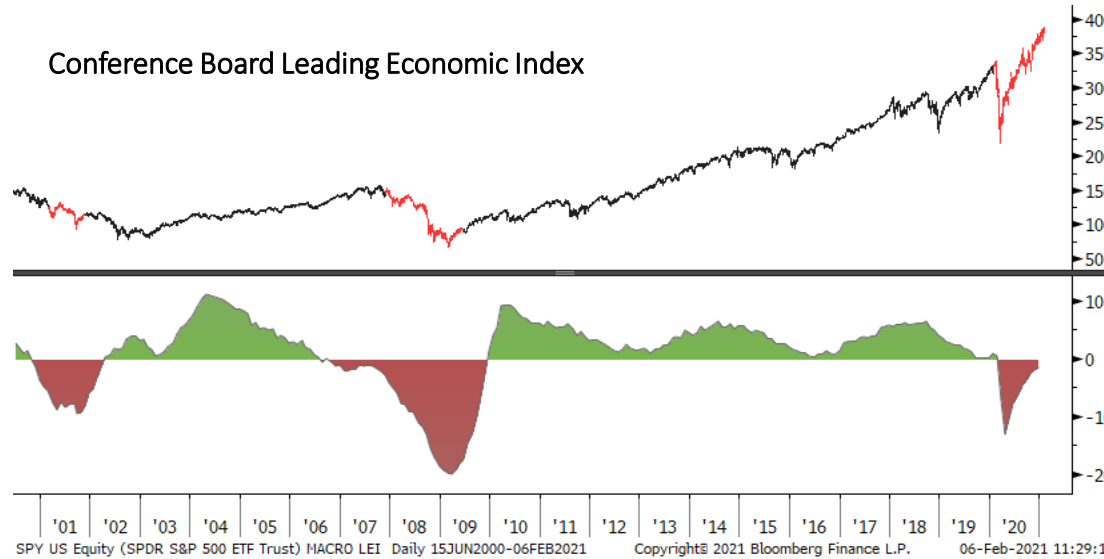
Liquidity



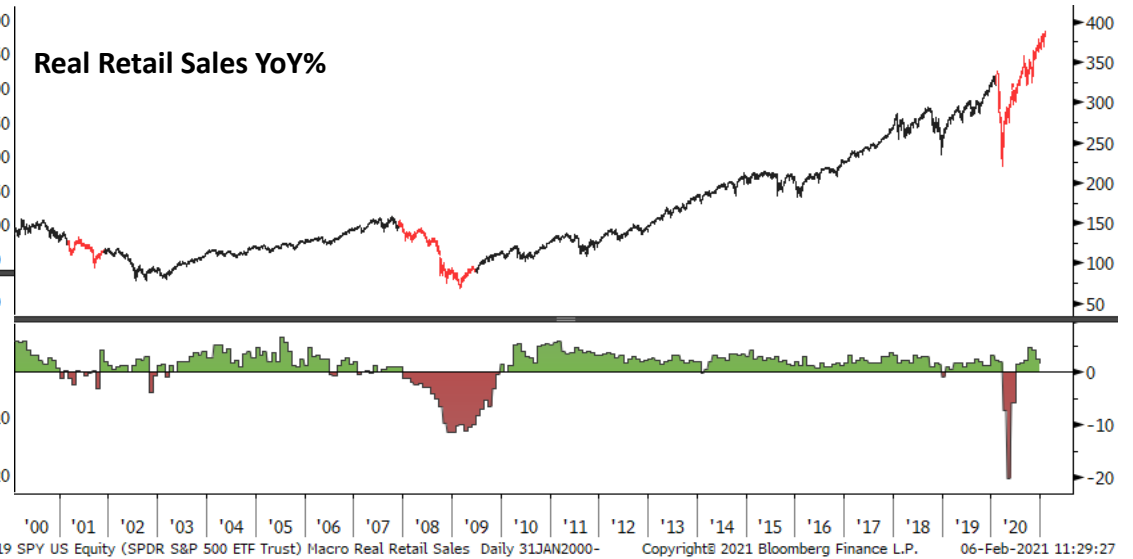
Macro



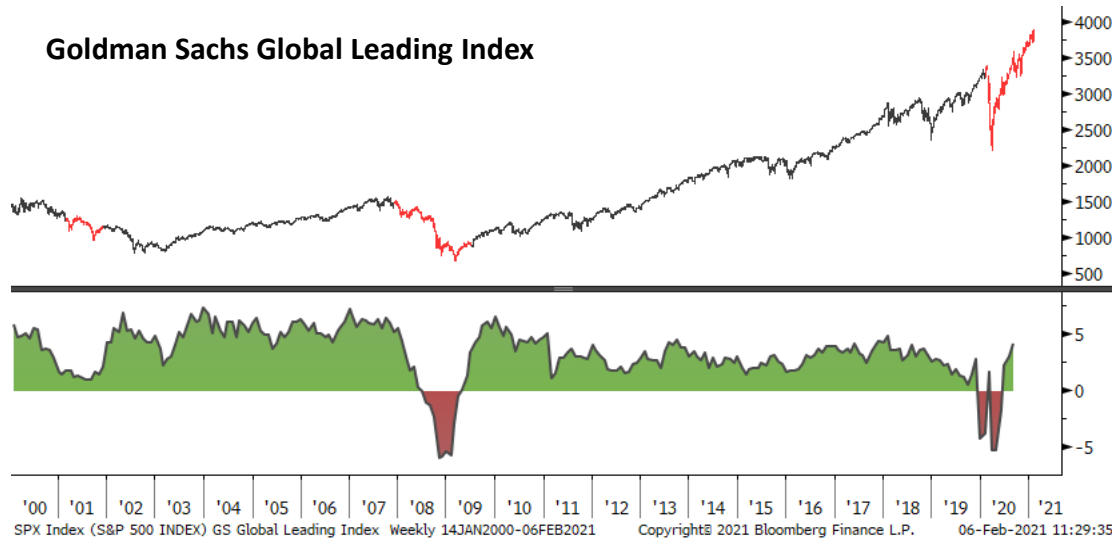
Conference Board Leading Economic Index



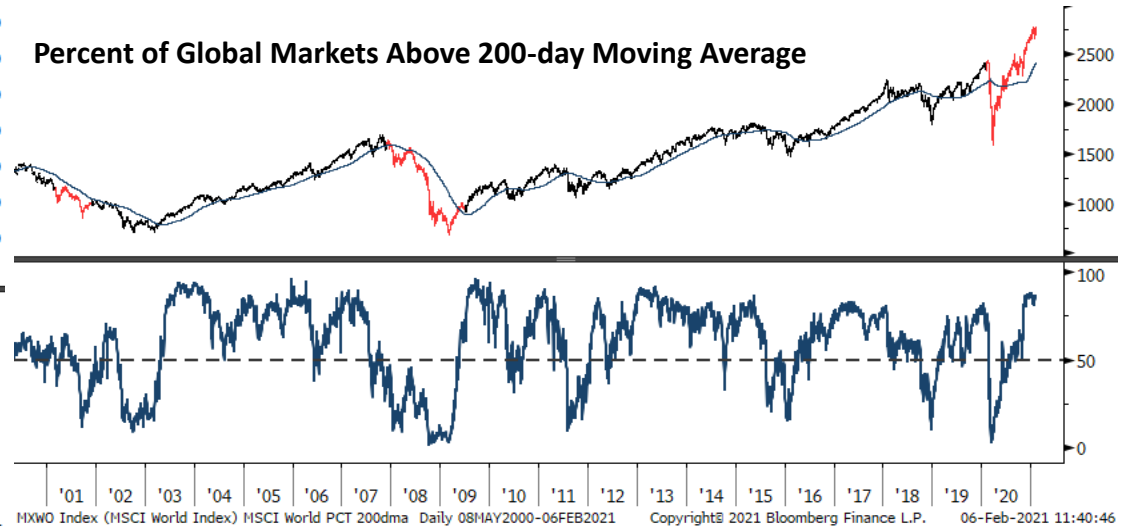
Real Retail Sales YoY%



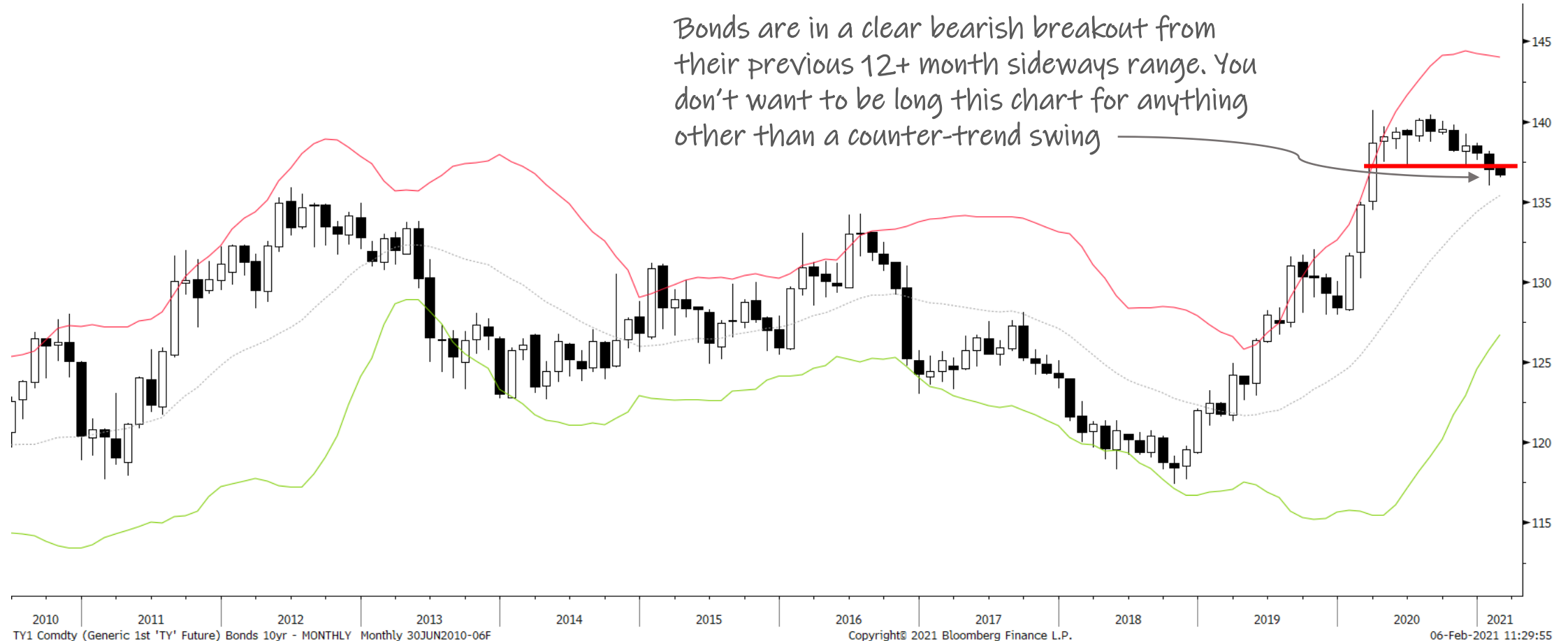
Goldman Sachs Global Leading Index



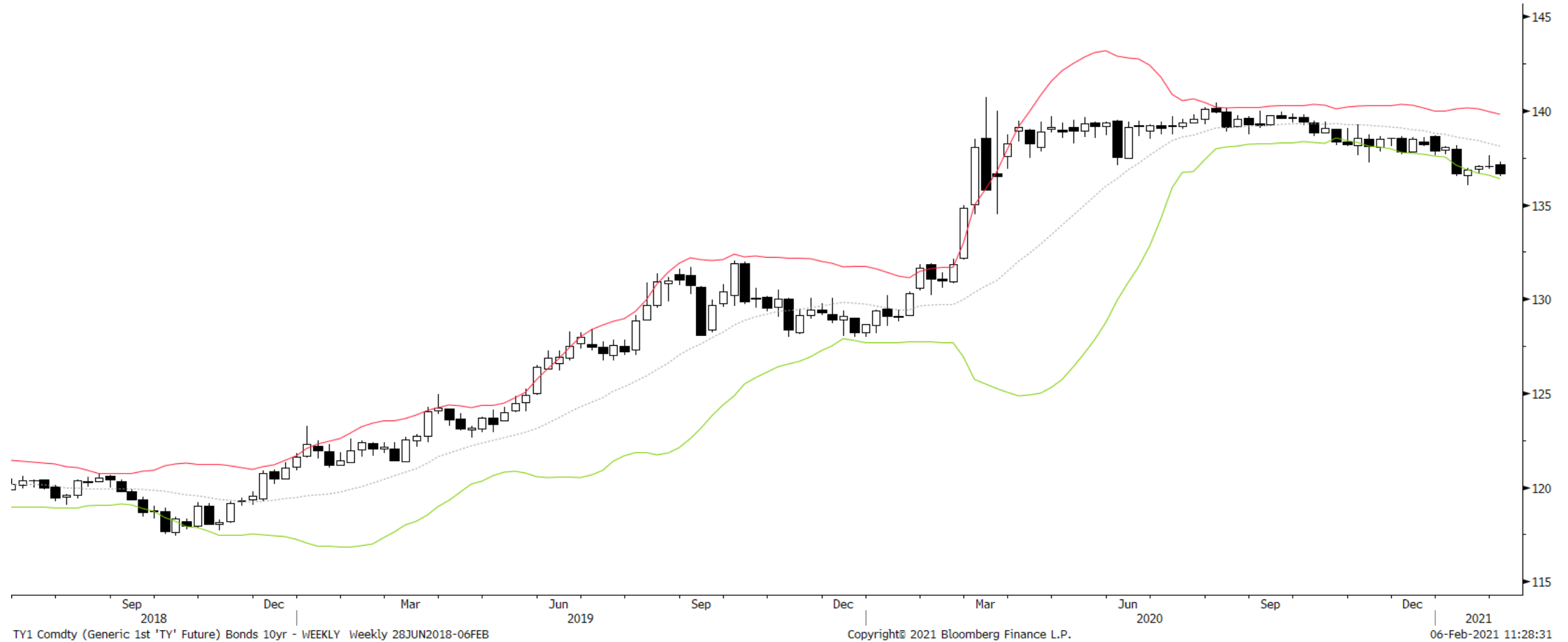
Percent of Global Markets Above 200-day Moving Average



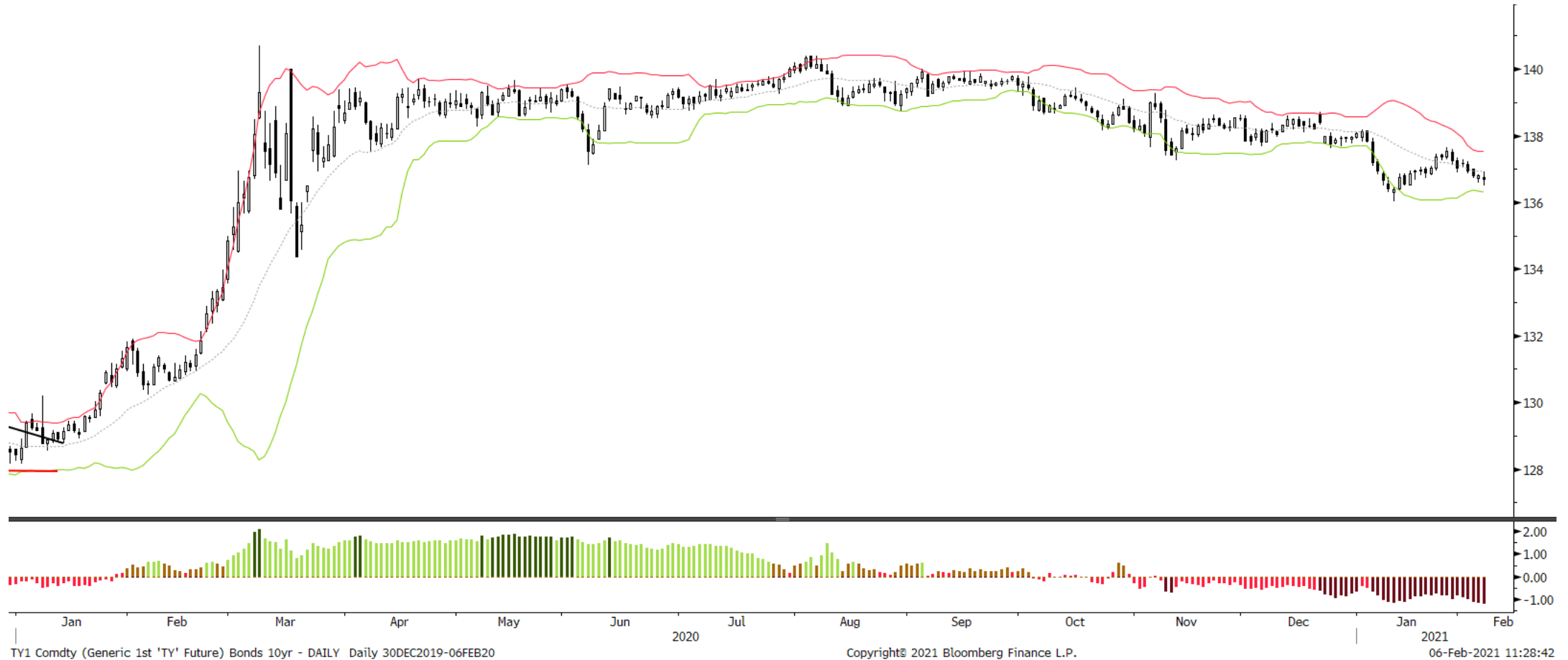
Bonds: 10-year Futures Monthly



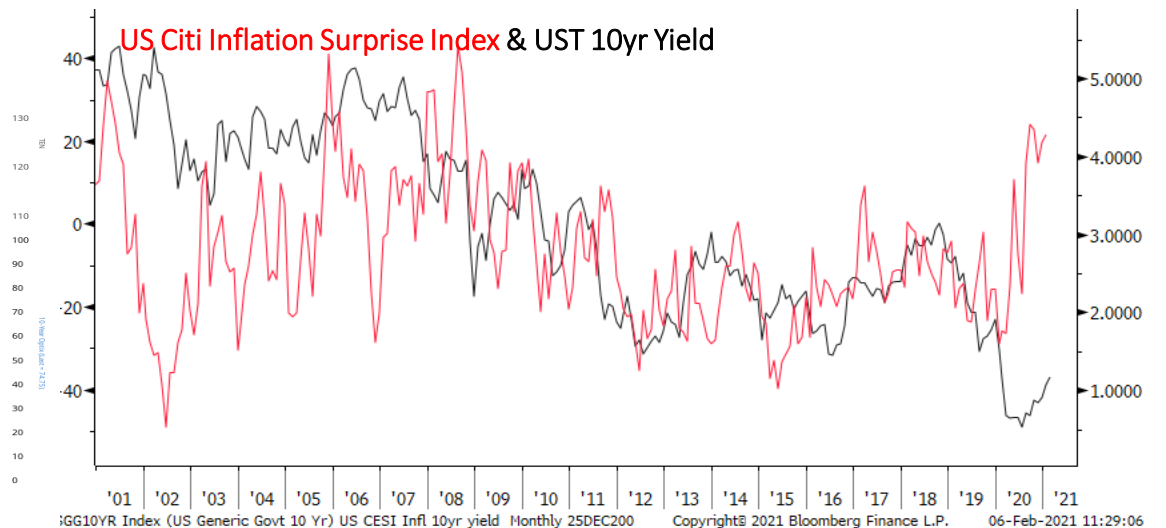
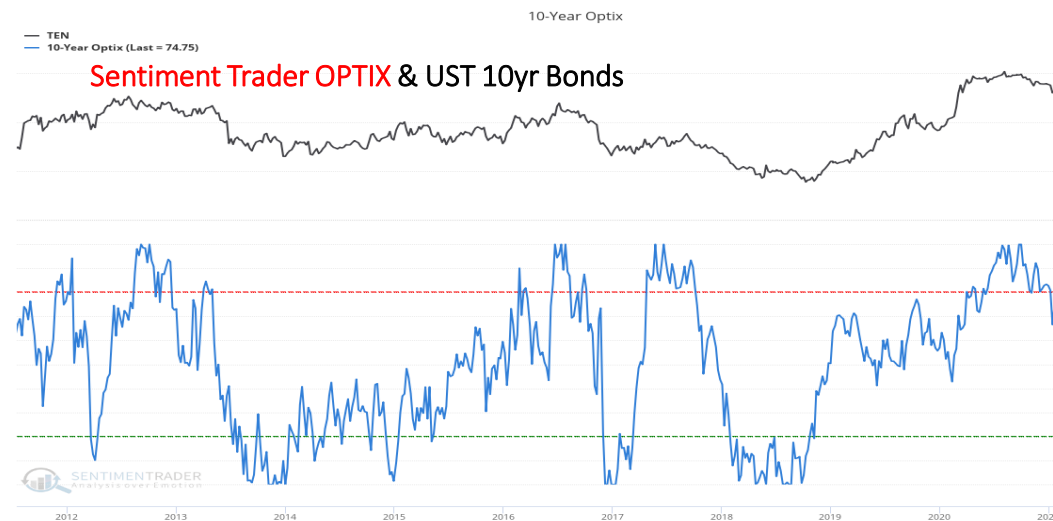
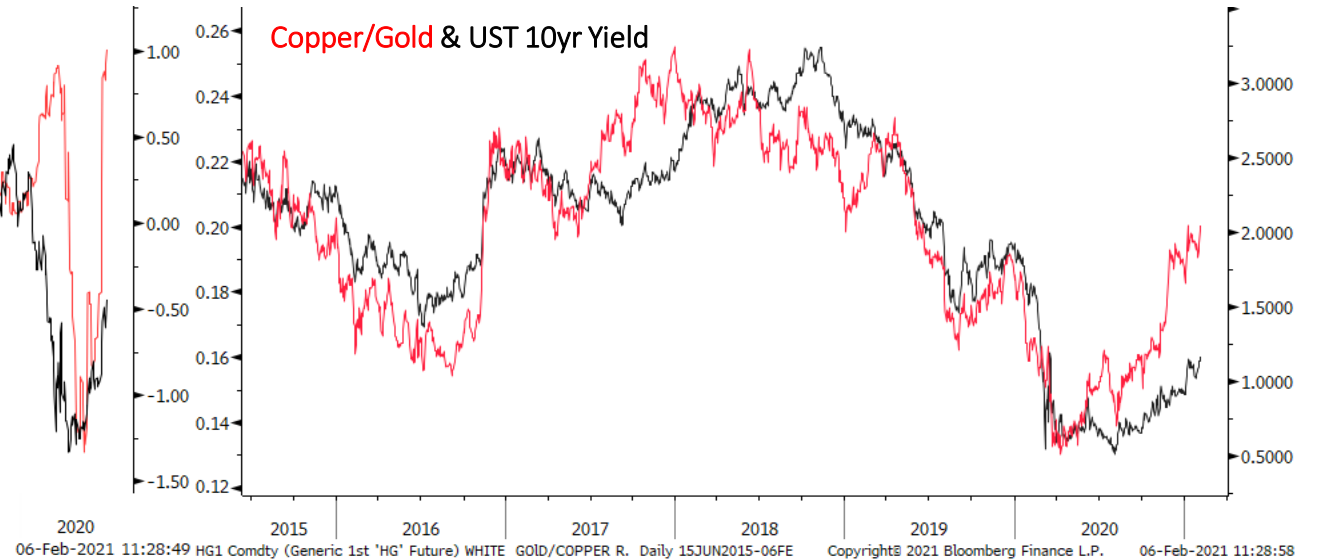
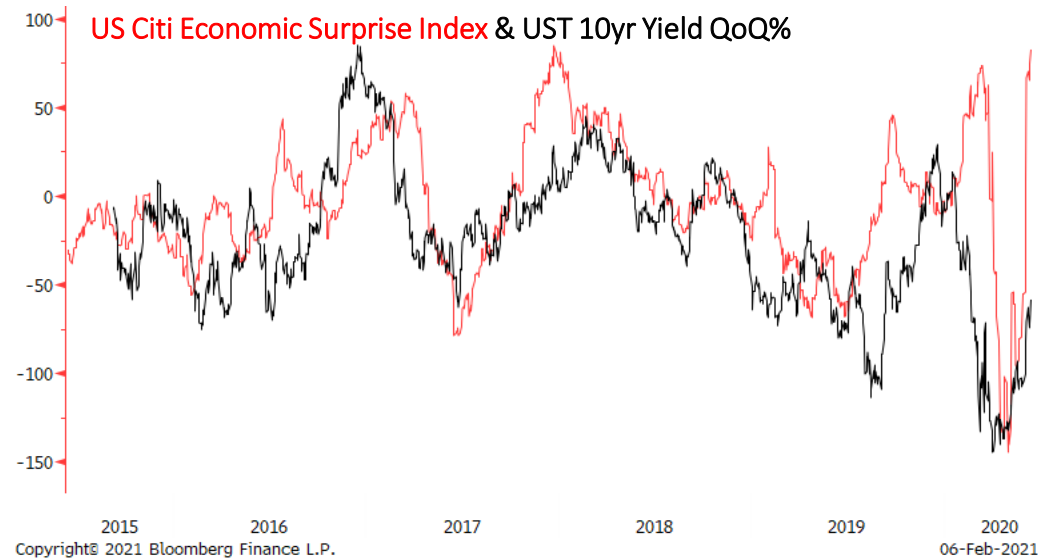
Bonds: 10-year Futures Weekly



Bonds: 10-year Futures Daily



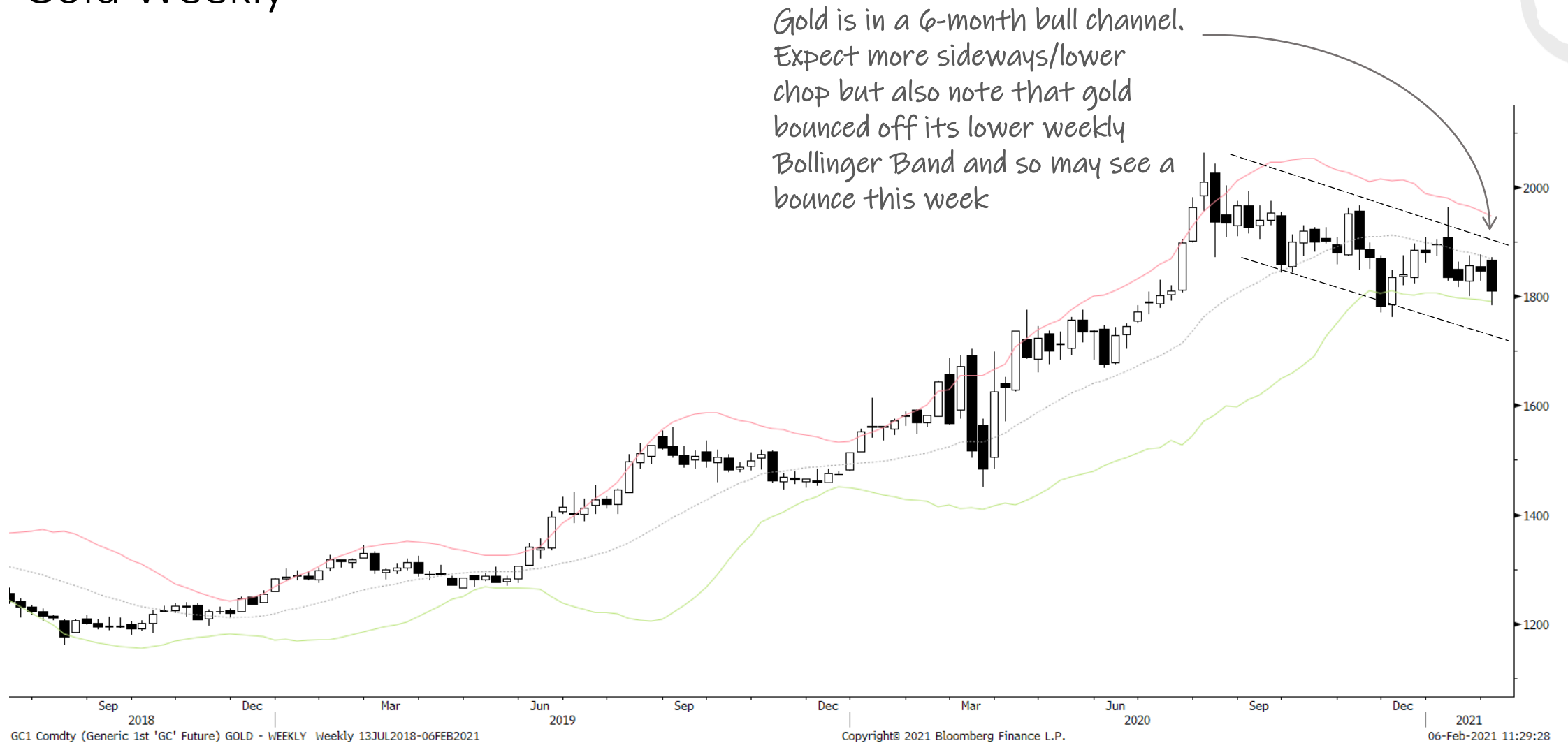
Bond/Yield Indicators



Gold Monthly



Gold Weekly



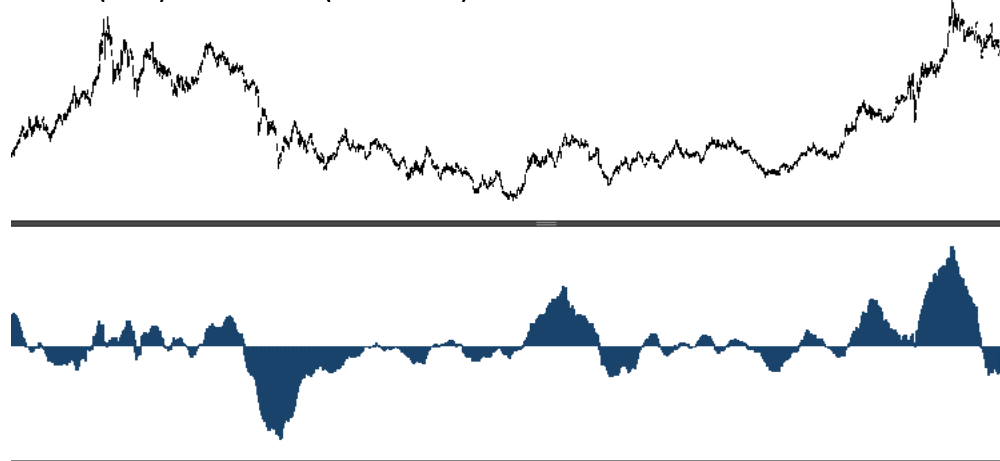
Gold Daily



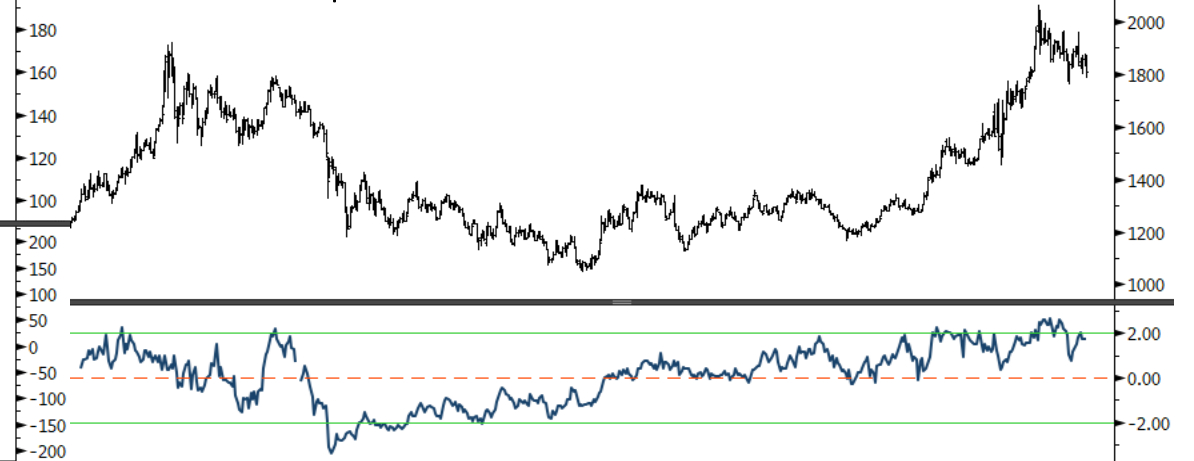
Gold Indicators



Gold (GLD) Fund Flows (smoothed)



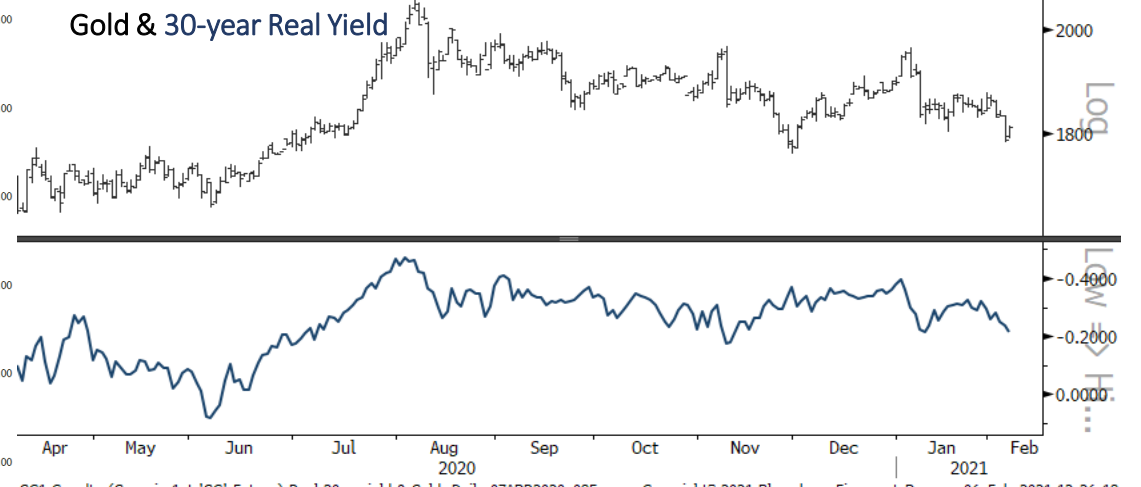
Gold Net Small Specs Z-score



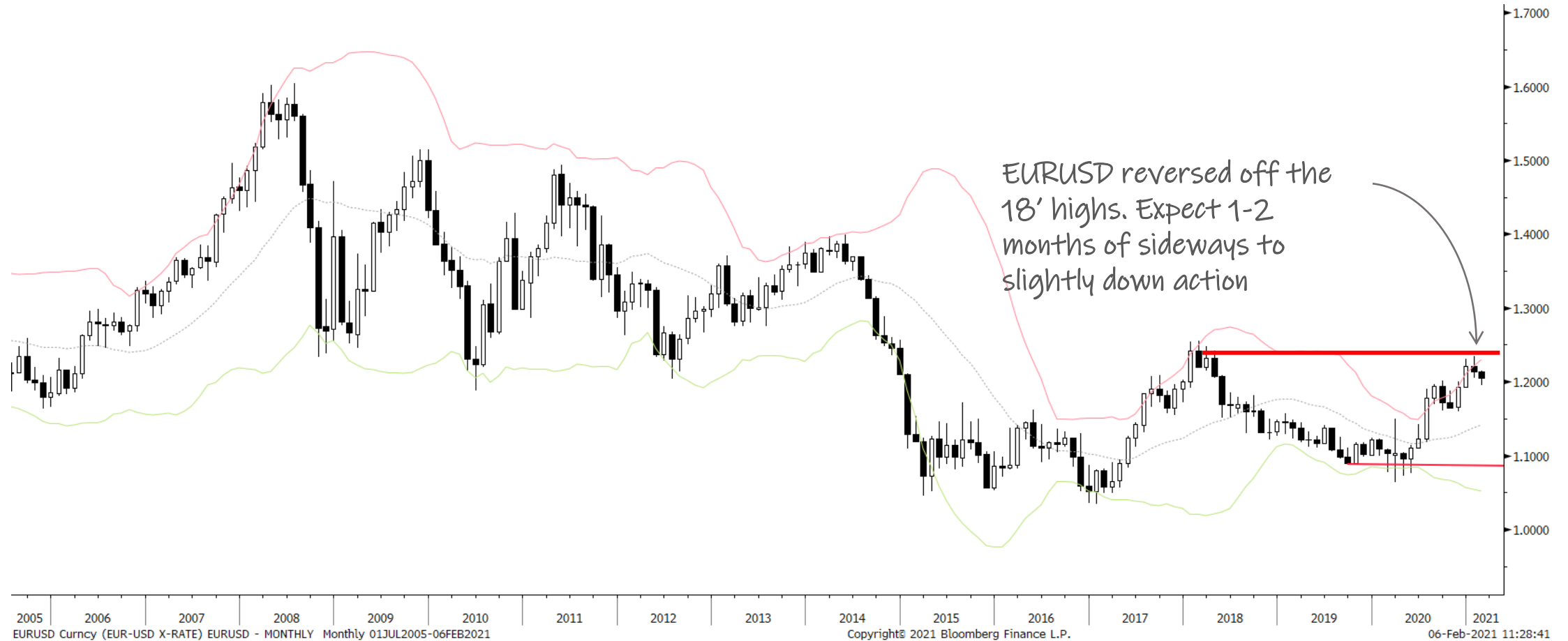
Gold 30-year Seasonality



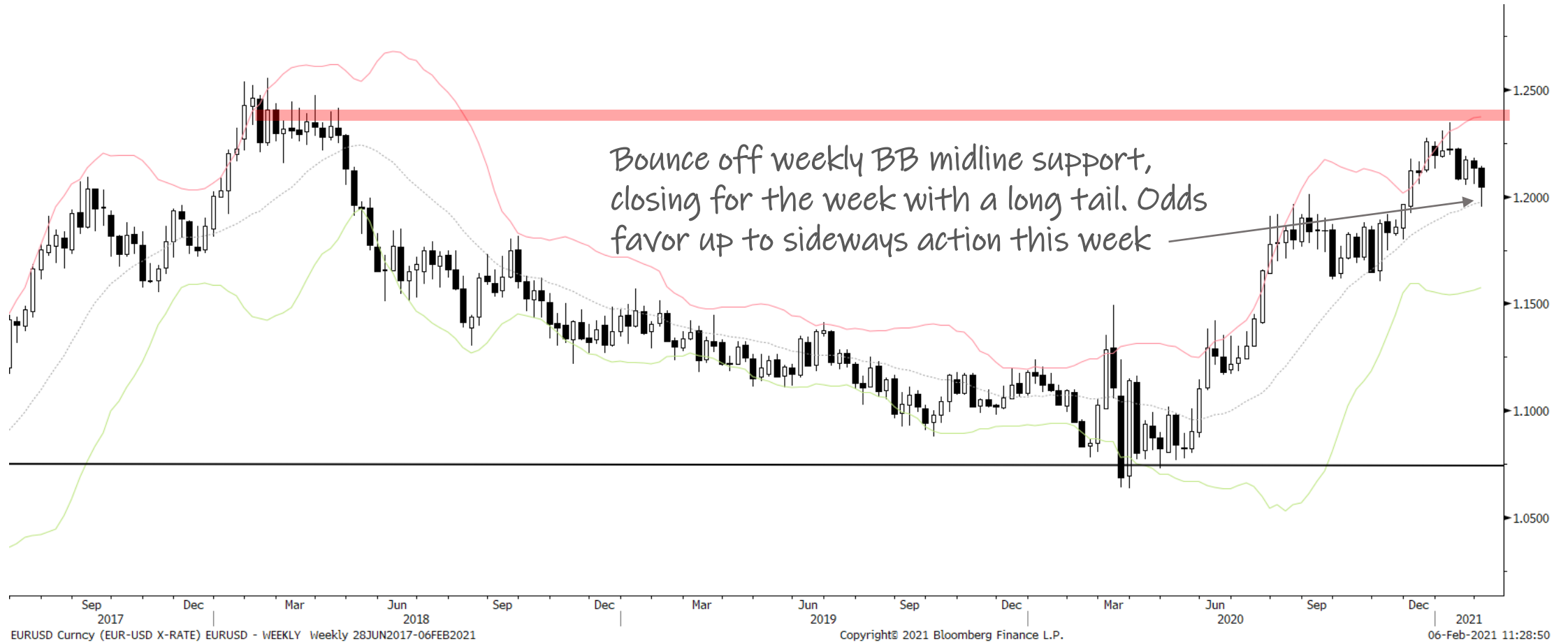
Gold & 30-year Real Yield



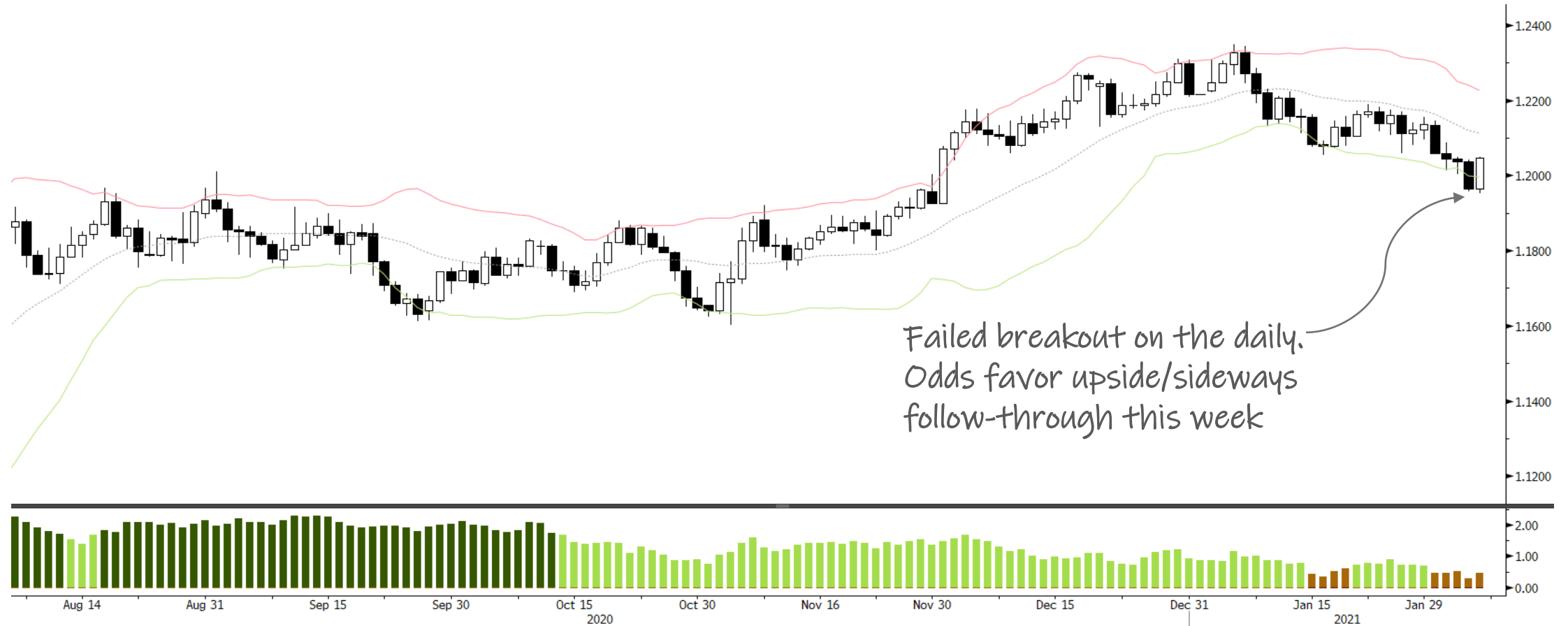
EURUSD Monthly



EURUSD Weekly



EURUSD Daily

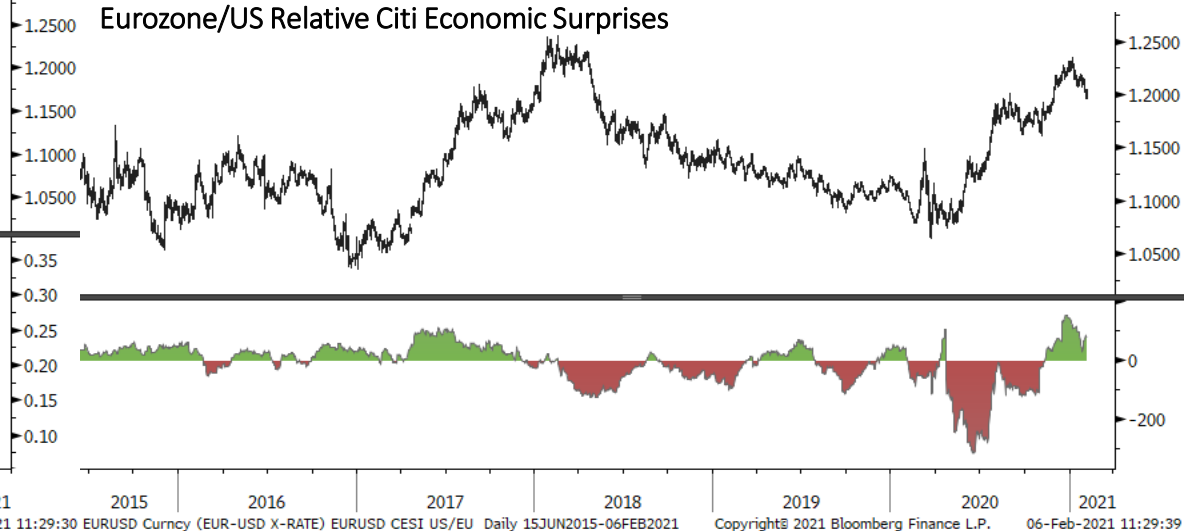
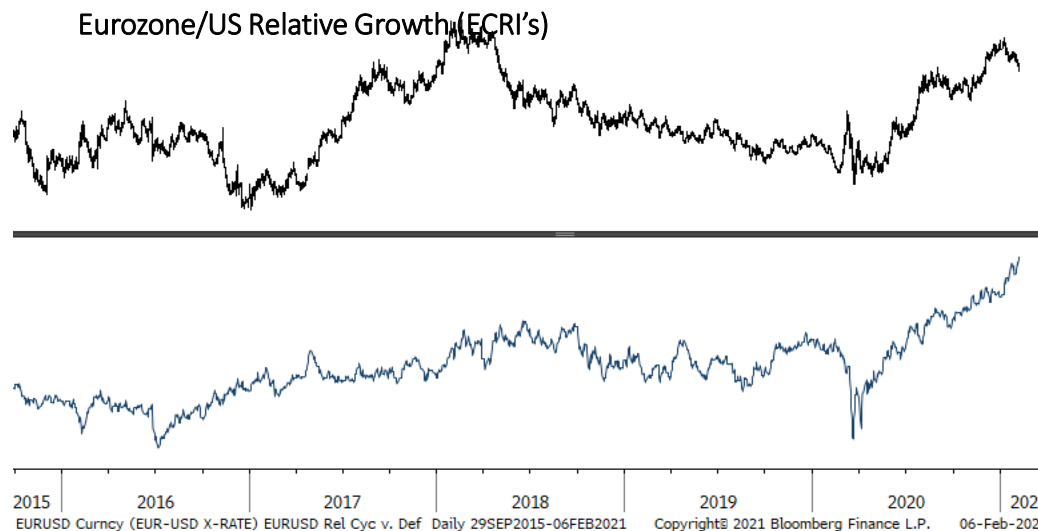


EURUSD Curncy (EUR-USD X-RATE) EURUSD - DAILY Daily 06AUG2020-06FEB2021

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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 and 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

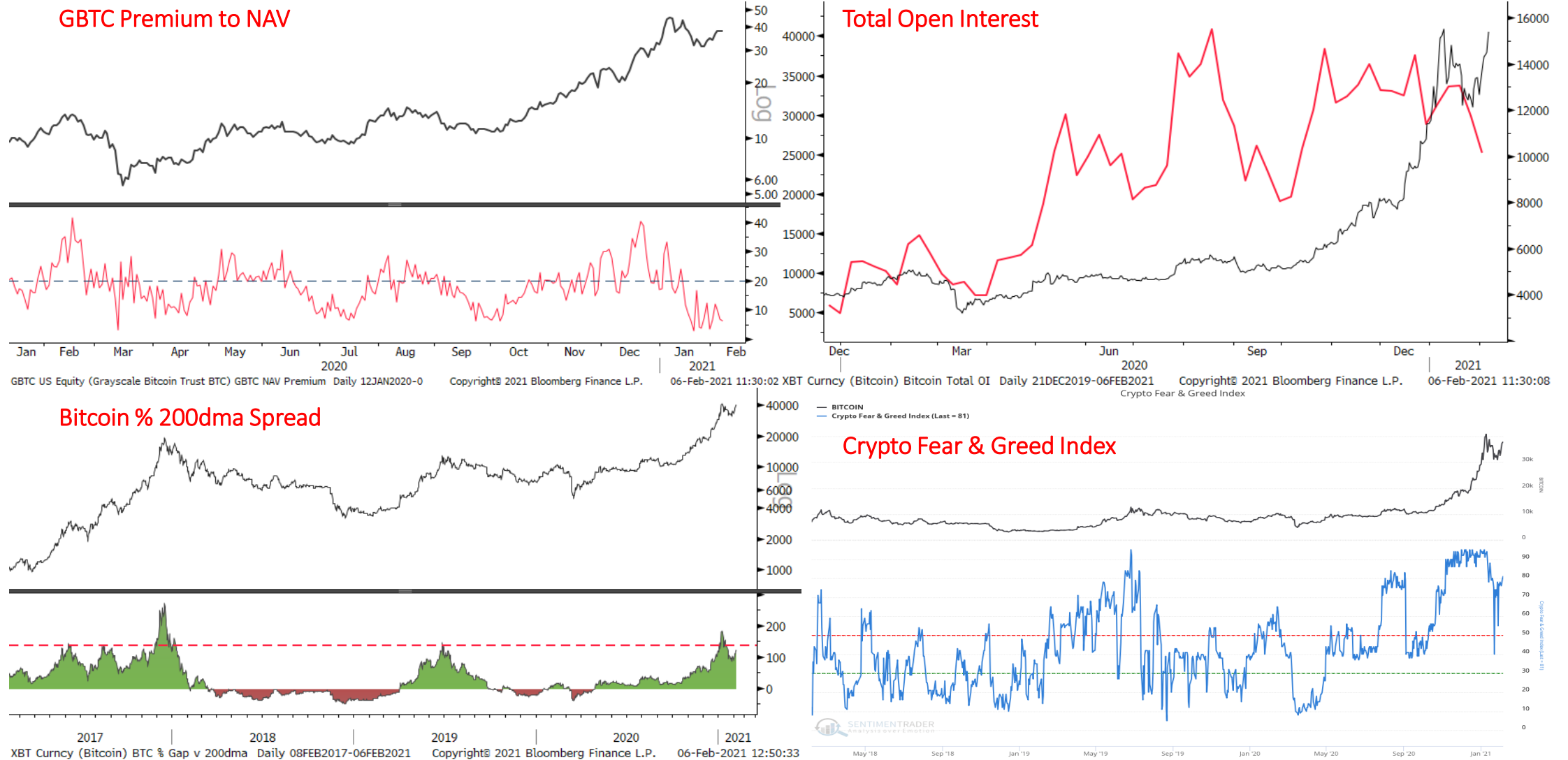


XBT Curncy (Bitcoin) bitcoin Daily Daily 03JUL2020-06FEB2021

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Bitcoin Indicators



The Foundation Portfolio		2021 ytd return (updated 2/6)			2020 final return							
			22.72%		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	21.00%		\$3,415.00	\$3,680.00	-1.50%	\$3,880.00	14.00%		
Ammo, Inc	POWW	35,621	\$256,114.99	13.87%	66.0	\$3.01	\$2.70	0.60%	\$7.19	138.87%	\$12.00	66.90%
frontdoor, inc.	FTDR	3,745	\$204,139.95	11.05%	76.5	\$47.97	\$45.10	0.58%	\$54.51	13.63%	\$65.00	19.24%
Nic, Inc.	EGOV	5,057	\$142,593.62	7.72%	83.0	\$28.07	\$22.79	1.45%	\$28.20	0.46%		
Nintendo	NTDOY	1,963	\$147,637.23	7.99%	84.0	\$63.46	\$62.00	0.16%	\$75.21	18.52%	\$102.00	35.62%
Grayscale Bitcoin Trust	GBTC	3,772	\$142,883.36	7.74%	TRADE	\$17.55	\$19.30	-0.36%	\$37.88	115.84%	TRADE	TRADE
Micron, Inc. CALLS	Micron, Inc. CA	150	\$124,500.00	6.74%	CALLS	\$138.00	\$0.00	1.12%	\$830.00	501.45%	CALLS	CALLS
Red Violet	RDVT	4,658	\$115,886.33	6.27%	68.5	\$17.85	\$17.85	0.00%	\$24.88	39.38%	\$62.50	151.21%
Kura Sushi	KRUS	4035	\$102,004.80	5.52%	63.3	\$19.14	\$18.18	0.21%	\$25.28	32.08%	\$35	38.45%
Qualitas Controladora	Q	17,719	\$94,619.46	5.12%	88.5	\$5.22	\$4.01	1.16%	\$5.34	2.30%	\$9	68.54%
S&W Seed	SANW	24,957	\$91,093.05	4.93%		\$3.57	\$2.84	0.99%	\$3.65	2.24%	\$5	36.99%
Betterware De Mexico	BWMX	2,201	\$89,910.85	4.87%	76.5	\$32.12	\$28.86	0.39%	\$40.85	27.19%	\$70	71.36%
Murata Manufacturing	6981.JP	922	\$85,395.64	4.62%	64.5	\$73.57	\$82.16	-0.43%	\$92.62	25.89%	\$98	5.81%
Antero Resources	AR	10,519	\$79,313.26	4.29%		\$5.70	\$4.70	0.57%	\$7.54	32.28%		
Cresud S.A.C	CRESY	13,796	\$70,359.60	3.81%		\$4.82	\$3.60	0.91%	\$5.10	5.81%		
BH Group Limited	BHP	804	\$54,495.12	2.95%		\$65.80	\$47.37	0.80%	\$67.78	3.01%		
Exone, Co.	XONE	1,117	\$44,836.38	2.43%	55.5	\$13.98	\$28.04	-0.85%	\$40.14	187.12%		
XP, Inc.	XP	880	\$42,724.00	2.31%		\$47.11	\$37.37	0.46%	\$48.55	3.06%		
Top Glove	TGLVY	6,133	\$40,848.56	2.21%		\$6.85	\$5.43	0.47%	\$6.66	2.77%		
Centrus Energy	LEU	1,502	\$39,157.14	2.12%		\$20.25	\$16.45	0.31%	\$26.07	28.74%		
Bidstack, Inc. (BIDS)	BIDS	203,519	\$20,351.91	1.10%	62.0	\$0.16	\$0.00	1.76%	\$0.10	-37.50%		
Intel, Inc. JAN '22 CALL	INTC	220	\$16,060.00	0.87%	CALLS	\$83.00	\$0.00	0.99%	\$73.00	-12.05%		
Deutsche Bank Jan '22 CALLS	DB	233	\$4,893.00	0.26%	CALLS	\$28.00	\$0.00	0.35%	\$21.00	-25.00%	CALLS	CALLS