



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

➤ **Summary:** The SPX closed on its lows in November, which means Nov was a o-o false breakout bull-trap. However, the market is now at oversold levels (% of stocks > 50-day moving average is sub 25%, a level which has marked a temporary bottom every time since the COVID lows). And credit (LQD/IEF) caught a bid last week, indicating we may see dip buyers return in the coming days. We have a sell-signal on the weekly N&N, the TL score is still at -5, and our breadth indicators are still horrid, despite being oversold. Expect a lot of volatility cutting both ways. We'll need to see short-term breadth materially inflect higher in order to turn constructively bullish risk. If not, then we'll want to sell rips.

UST 10yr Bonds

➤ **Summary:** The long end continues to catch a bid. Ultras broke out to 9-month highs this past week. The MO indicator continues to trend lower, indicating lower bond yields (higher bonds). If the Fed sticks to its increasingly hawkish rhetoric at their Dec meeting, then we should expect the long end to perform well and the curve to continue to flatten. We're interested in buying bonds on pullbacks and breakouts.

Gold

➤ **Summary:** Gold is back in its sideways neutral range after a false breakout. A sustainable bullish impulse won't happen until we see the USD roll back over into a bear trend.

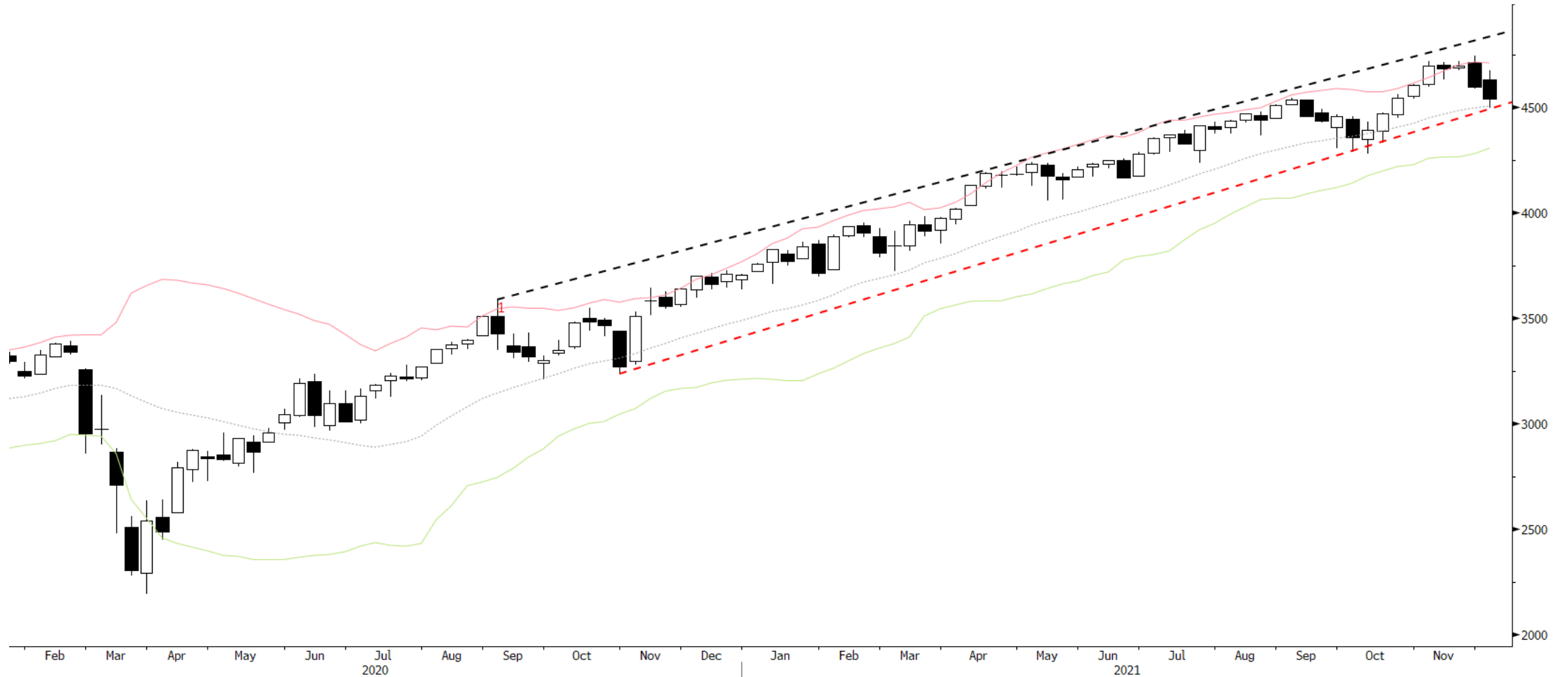
EURUSD

➤ **Summary:** EURUSD has hit our measured move target and is so far holding significant support. It's also deeply oversold over the short-term. Net spec positioning has flipped bearish for the first time in nearly 2-years. Relative growth forecasts and economic surprises have turned up in favor of the euro, recently. And long end yield momentum is turning up in favor of the euro. The recent bottom should hold. EURUSD may trade sideways for a while, but the path of least resistance has flipped on the pair and is now up.

S&P 500 Monthly



S&P 500 Weekly



SPX Index (S&P 500 INDEX) SPX CHART-WEEKLY Weekly 24JAN2020-06DEC2021

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S&P 500 Daily

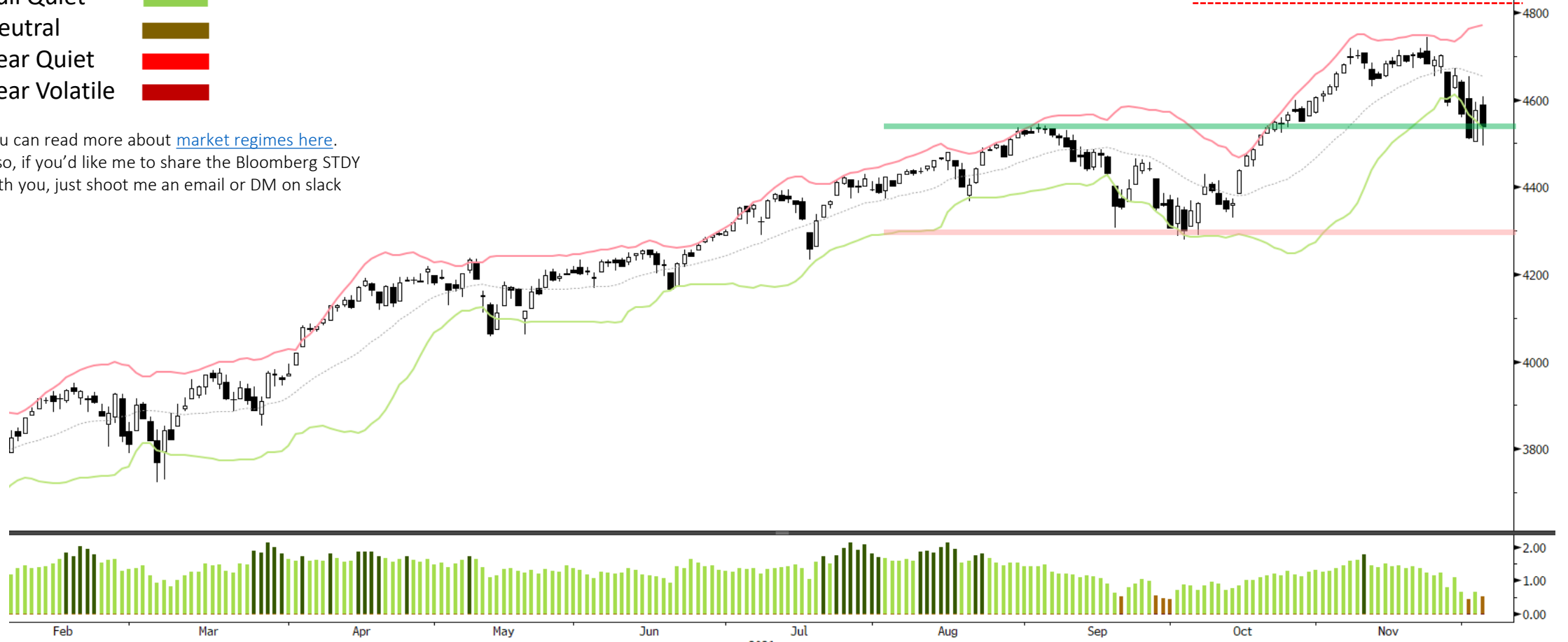
SQN Market Regime

- 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

The SPX was able to hold major support at the end of the week. Odds slightly favor a bounce here to at least the midline

Measured move target

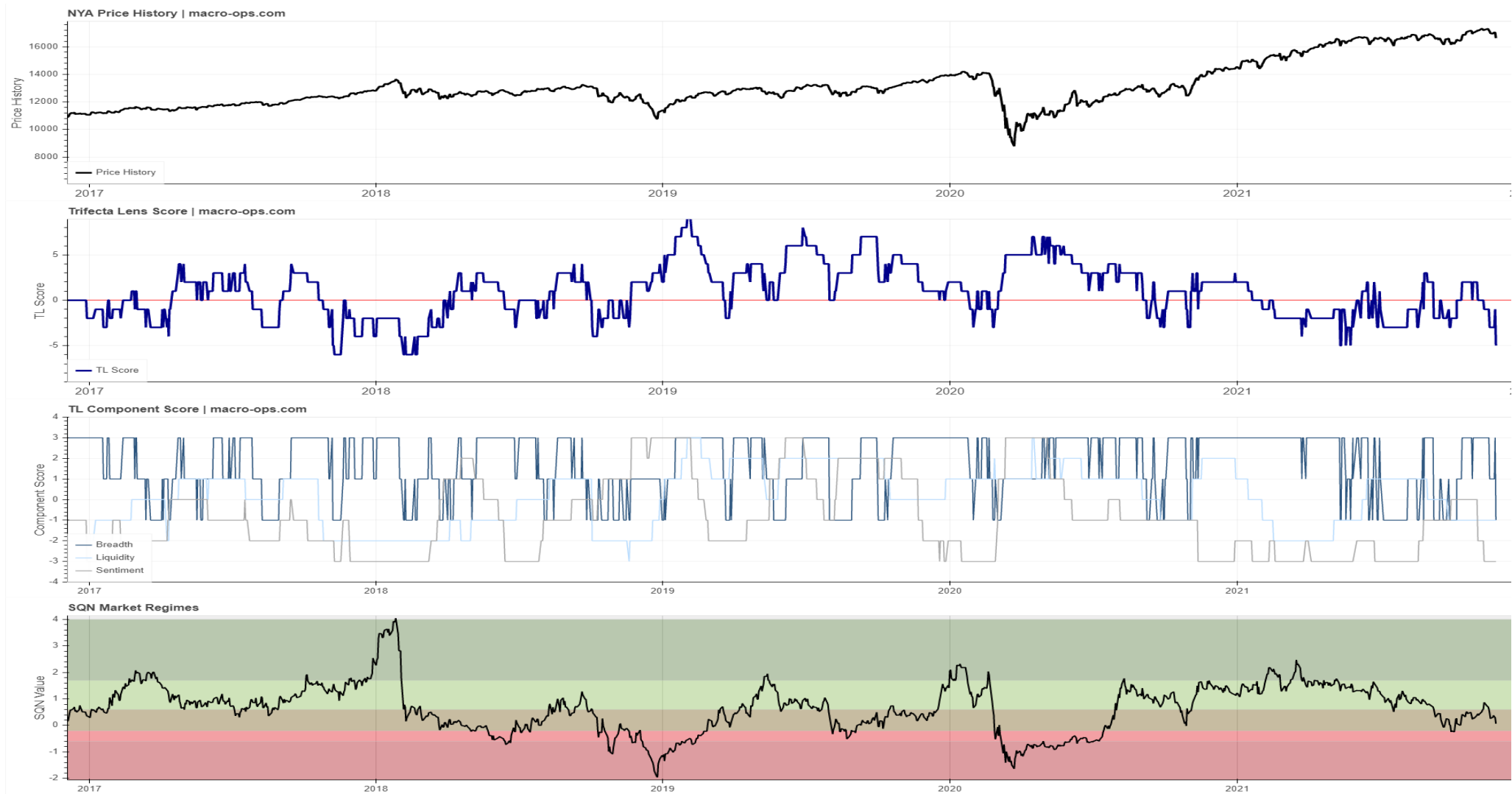


SPX Index (S&P 500 INDEX) SPX CHART-DAILY Daily 02FEB2021-06DEC2021

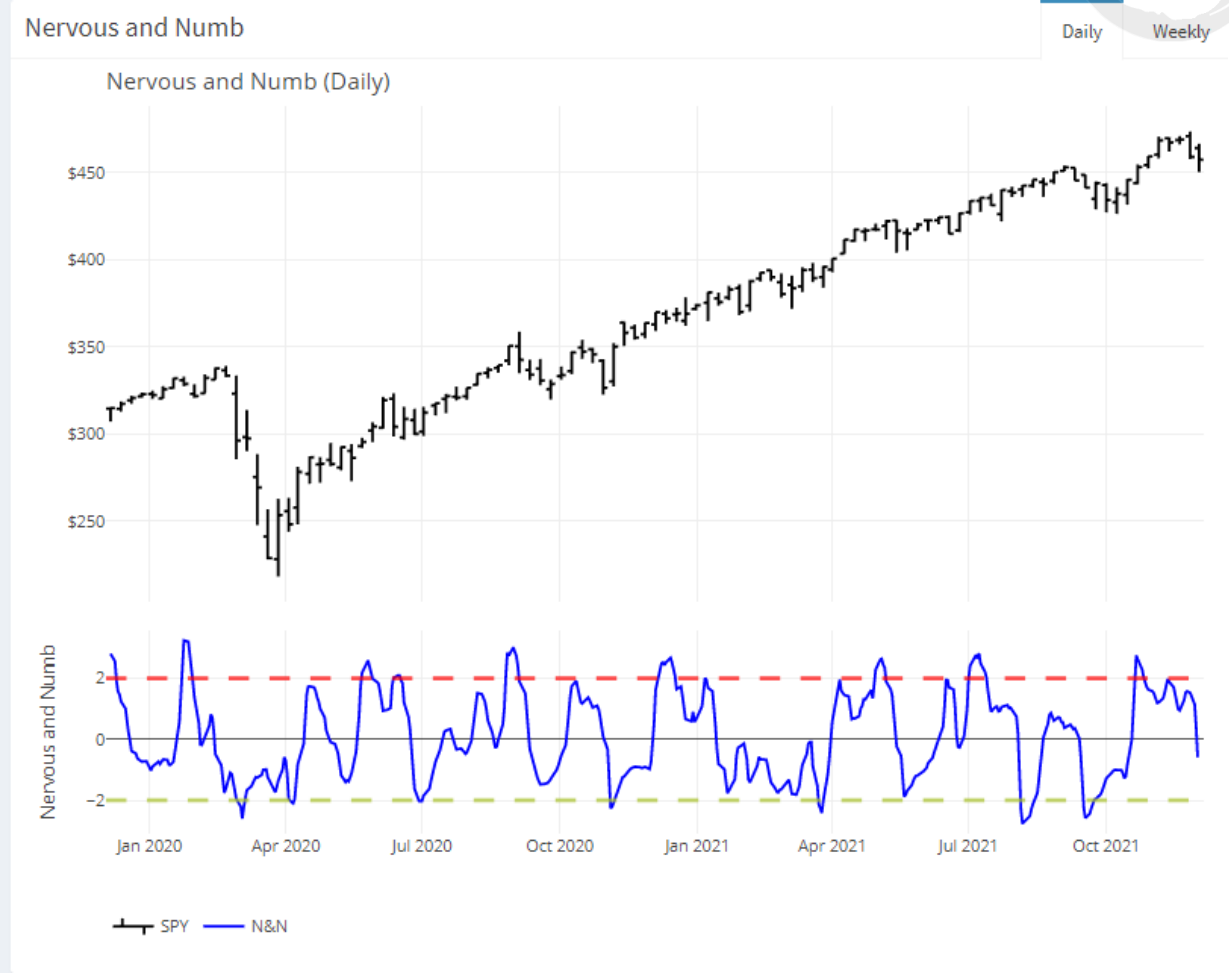
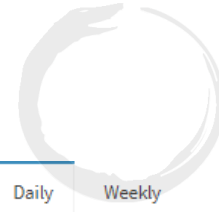
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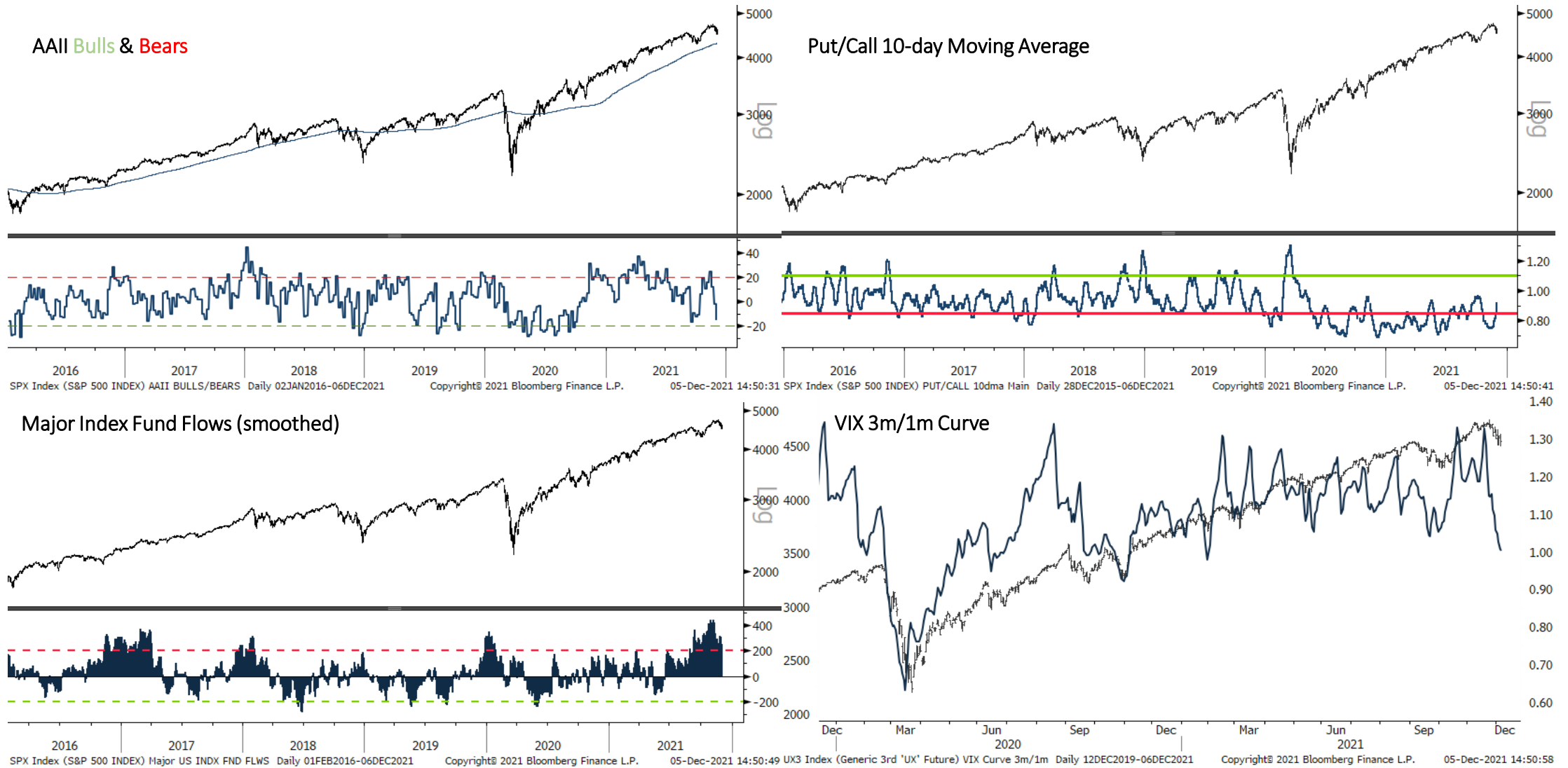
Trifecta Lens Score: **-5** (You can read more about our [Trifecta Lens here](#) and link to the [Dashboard here](#))



Trend Fragility and N&N: High fragility & Neutral Investors (see appendix at bottom for more info)



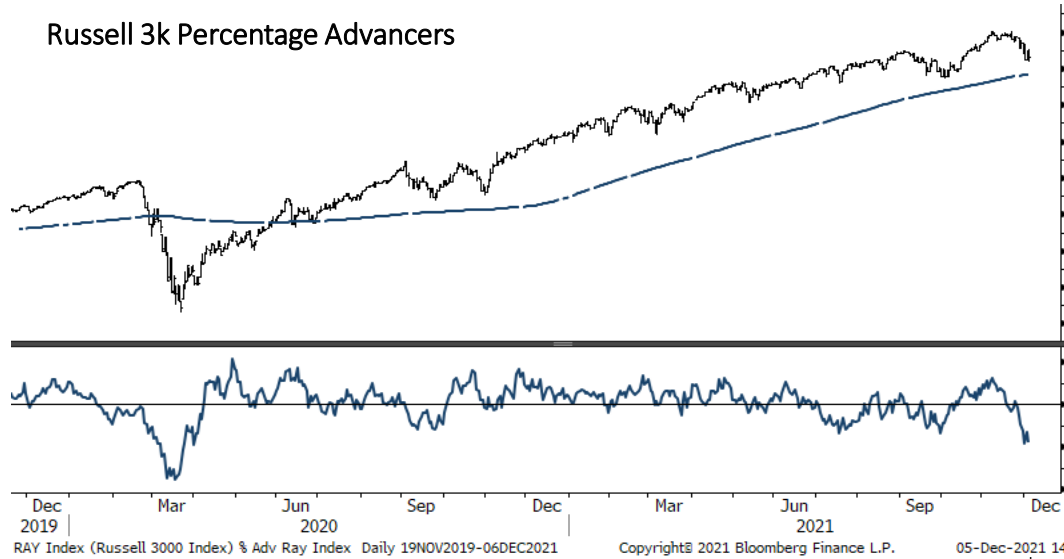
Sentiment & Positioning



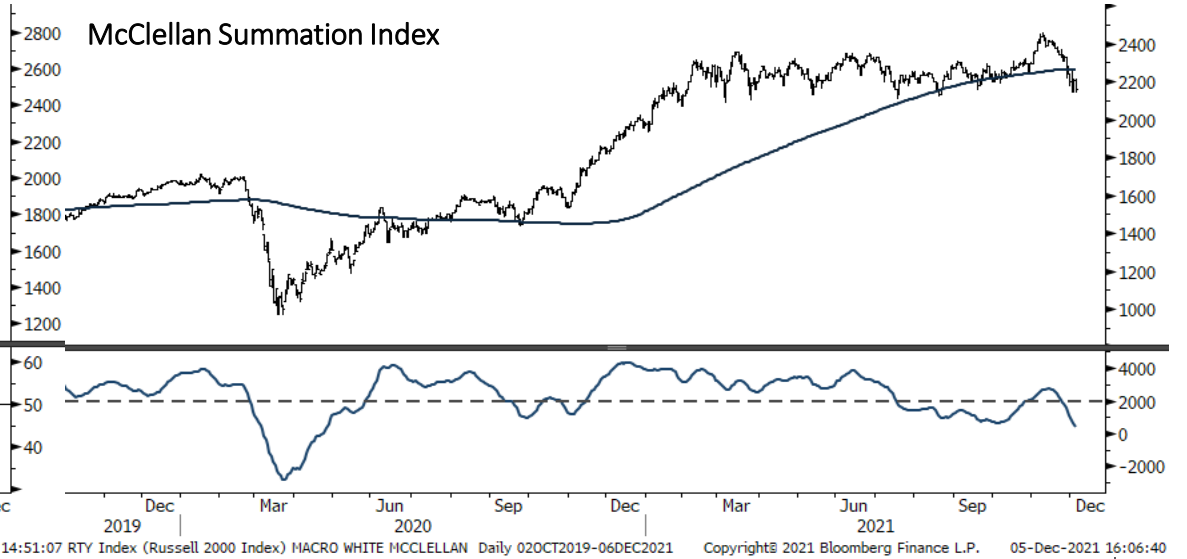
Breadth



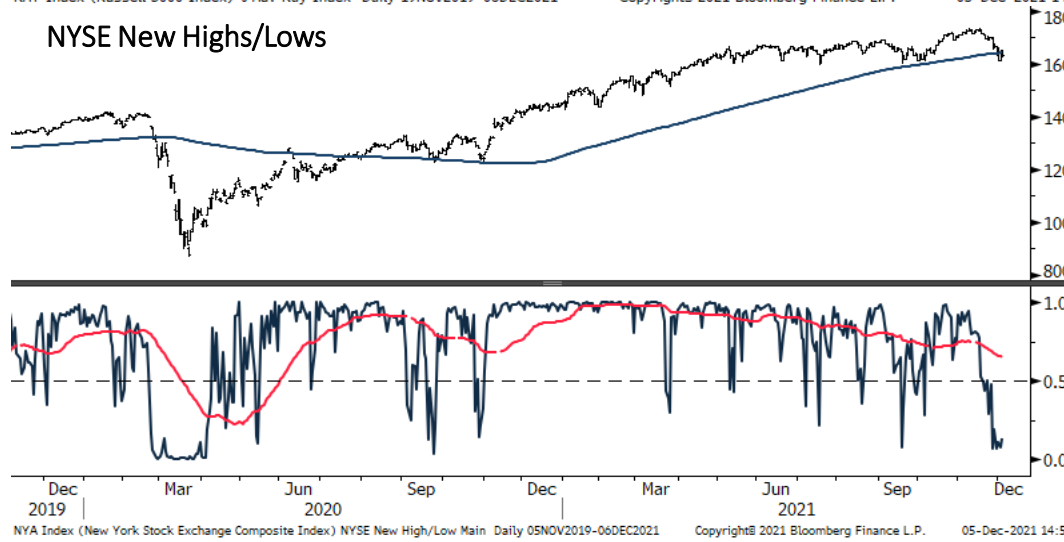
Russell 3k Percentage Advancers



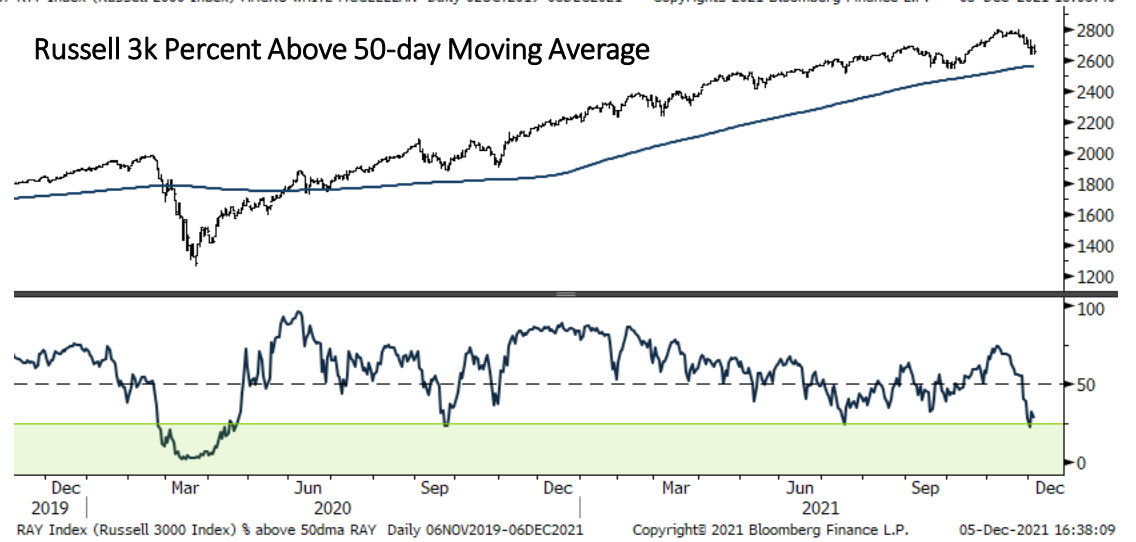
McClellan Summation Index



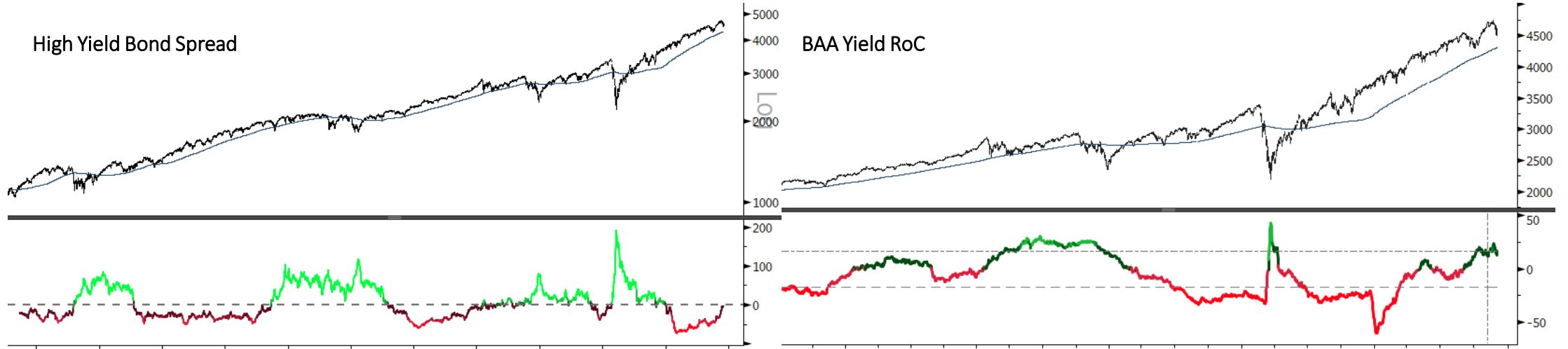
NYSE New High/Lows



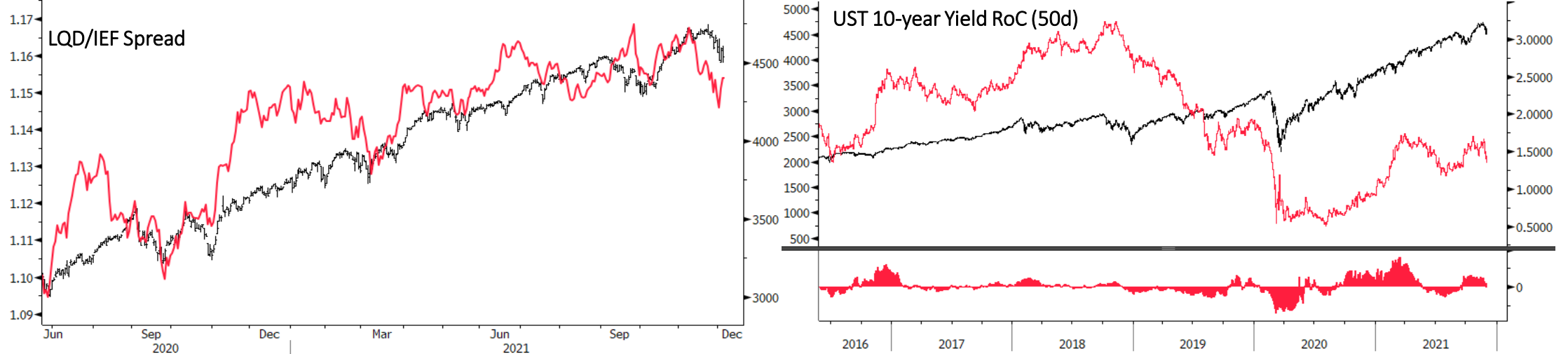
Russell 3k Percent Above 50-day Moving Average



Liquidity

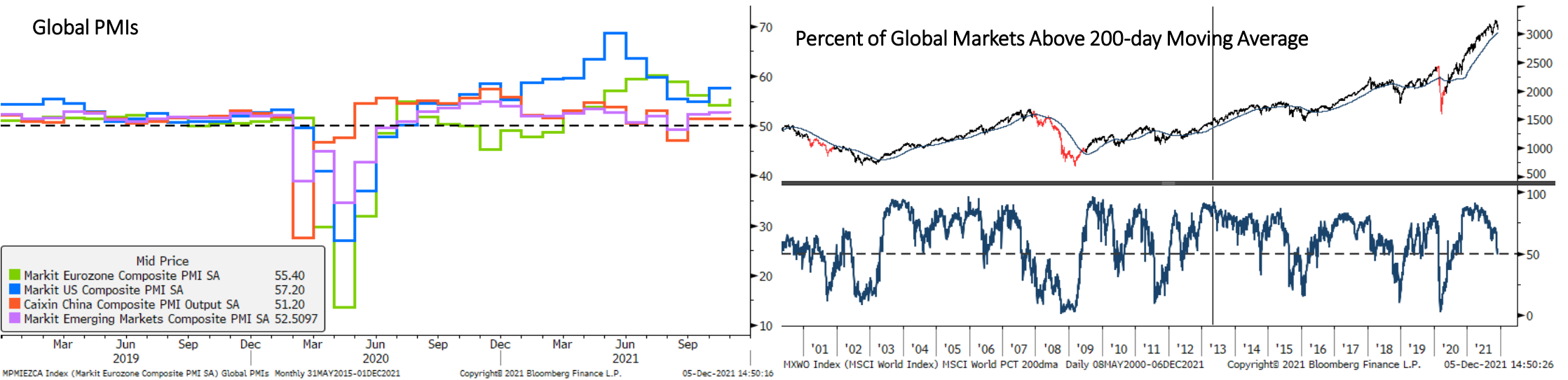
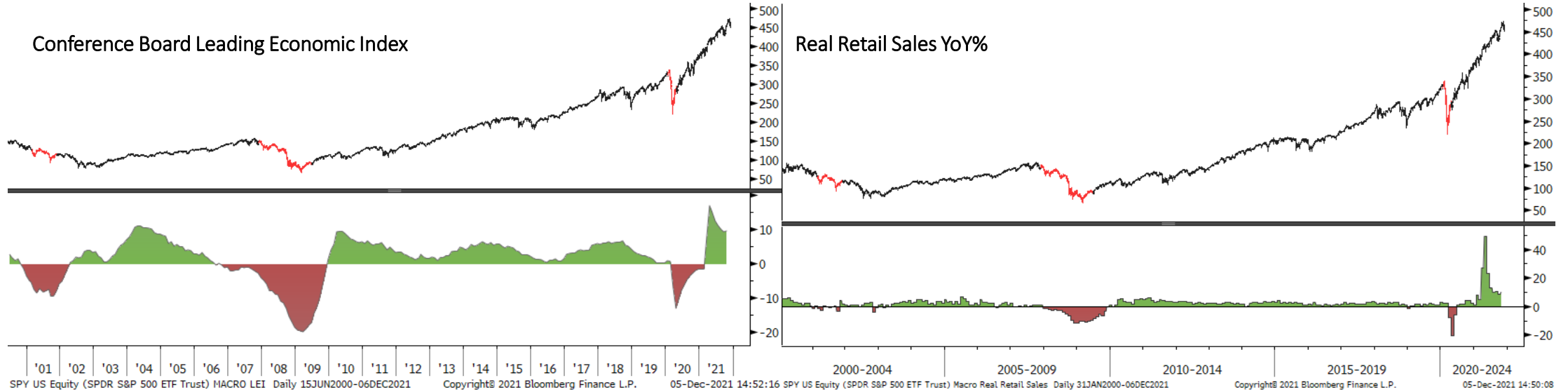


SPX Index (S&P 500 INDEX) US High Yield Spread Daily 20JUL2010-06DEC2021 Copyright© 2021 Bloomberg Finance L.P. 05-Dec-2021 14:51:43
 SPX Index (S&P 500 INDEX) BAA YIELD ROC Daily 11JUL2016-06DEC2021 Copyright© 2021 Bloomberg Finance L.P. 05-Dec-2021 14:51:51



SPX Index (S&P 500 INDEX) LQD/IEF Daily 23JUN2020-06DEC2021 Copyright© 2021 Bloomberg Finance L.P. 05-Dec-2021 14:52:00
 SPX Index (S&P 500 INDEX) UST 10yr RoC Daily 30MAY2016-06DEC2021 Copyright© 2021 Bloomberg Finance L.P. 05-Dec-2021 14:52:08

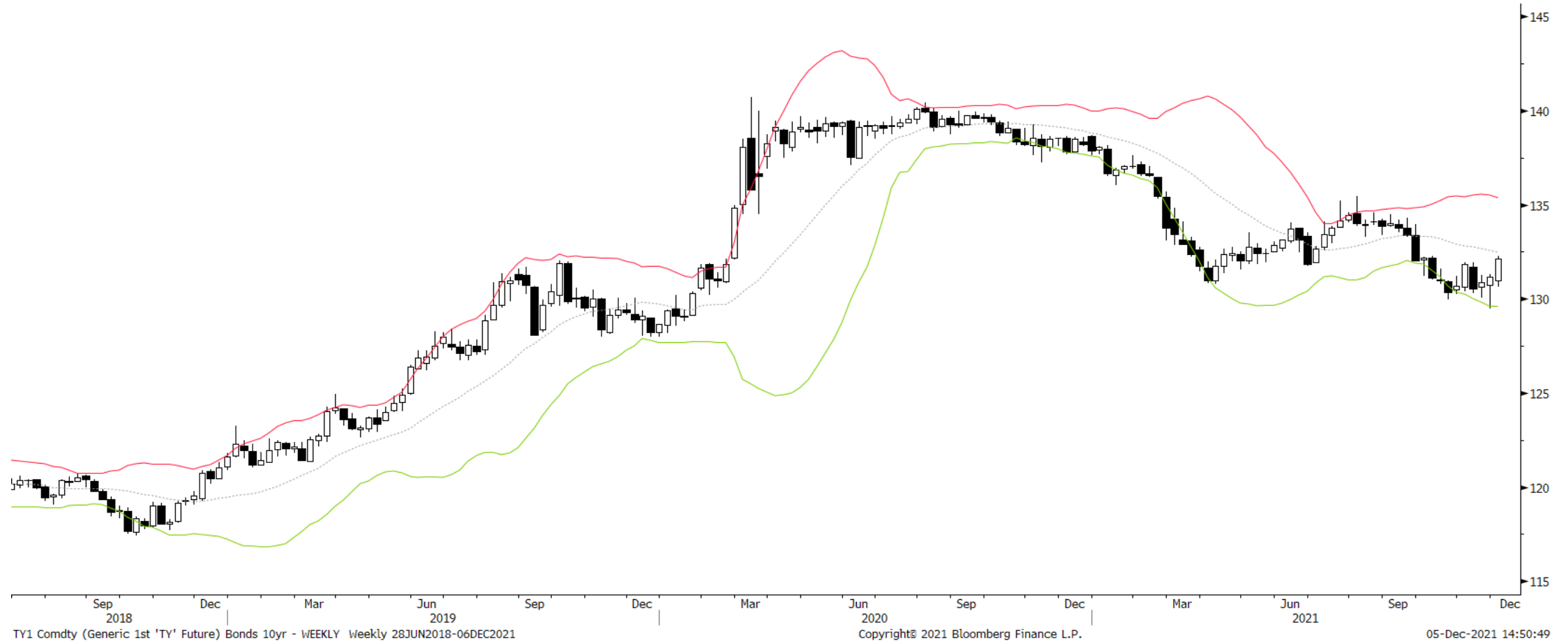
Macro



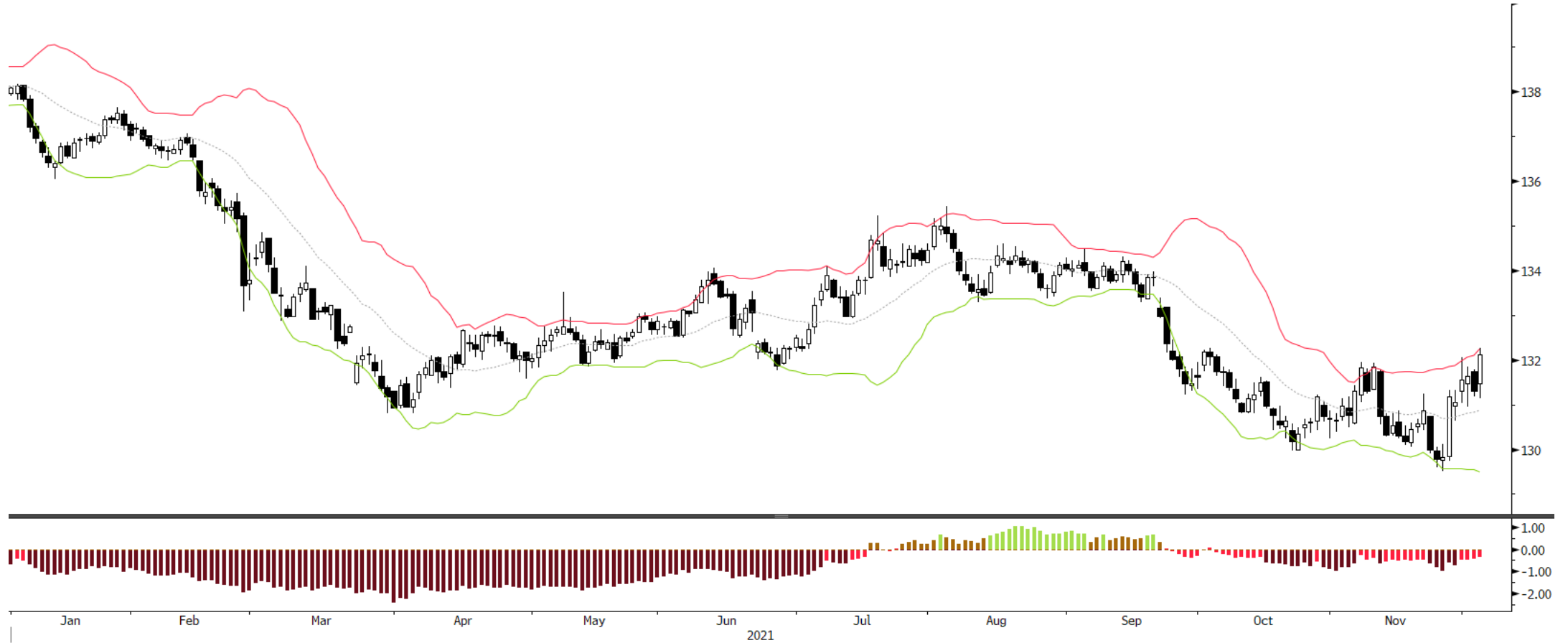
Bonds: 10-year Futures Monthly



Bonds: 10-year Futures Weekly



Bonds: 10-year Futures Daily



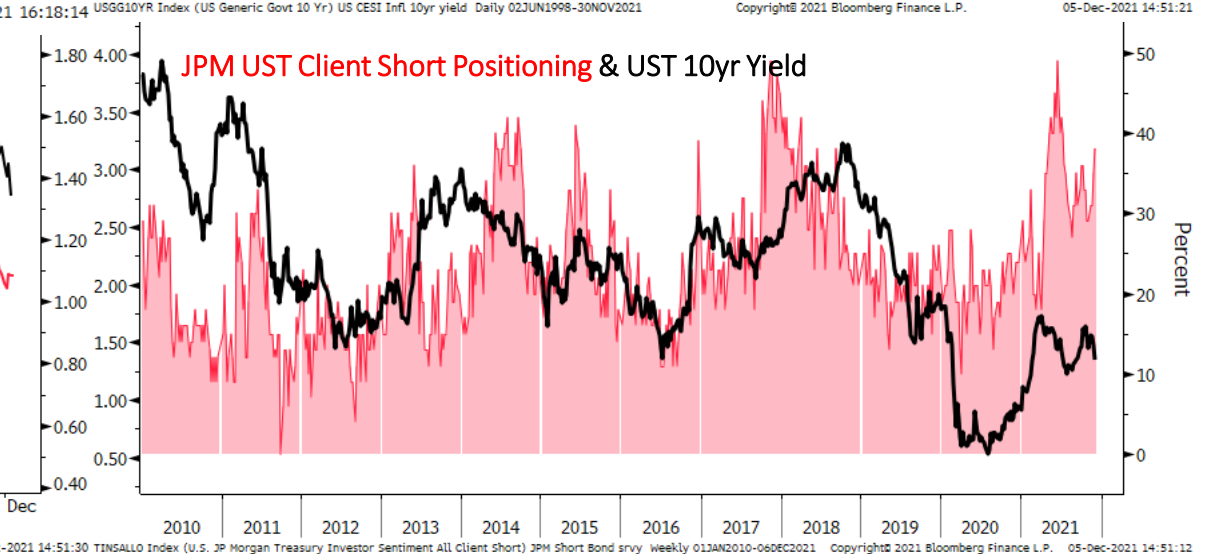
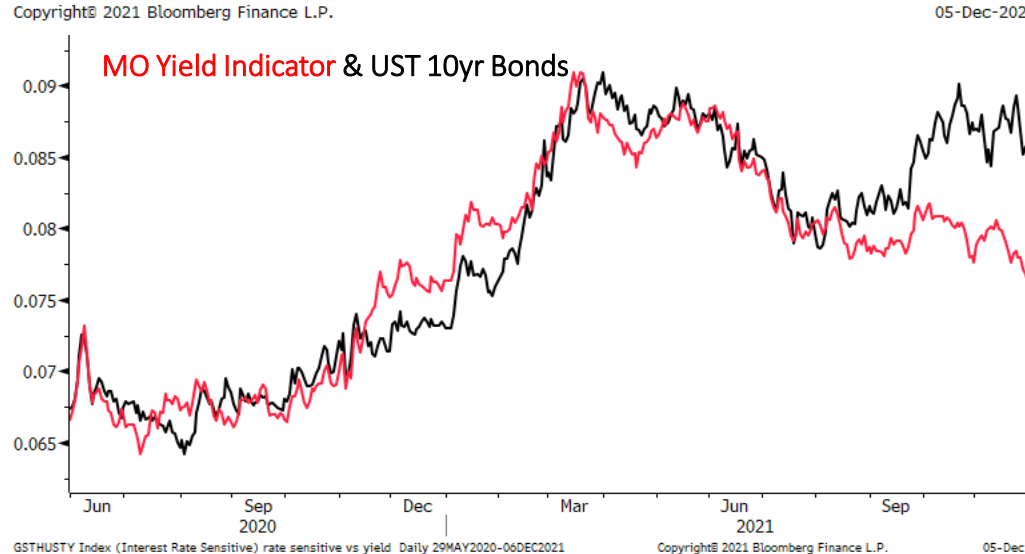
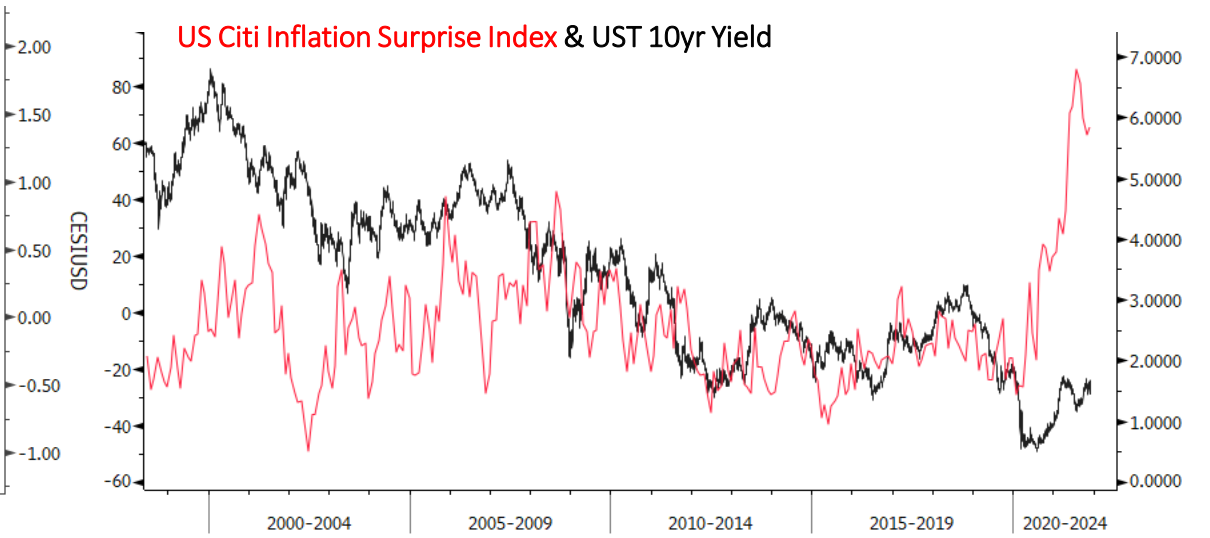
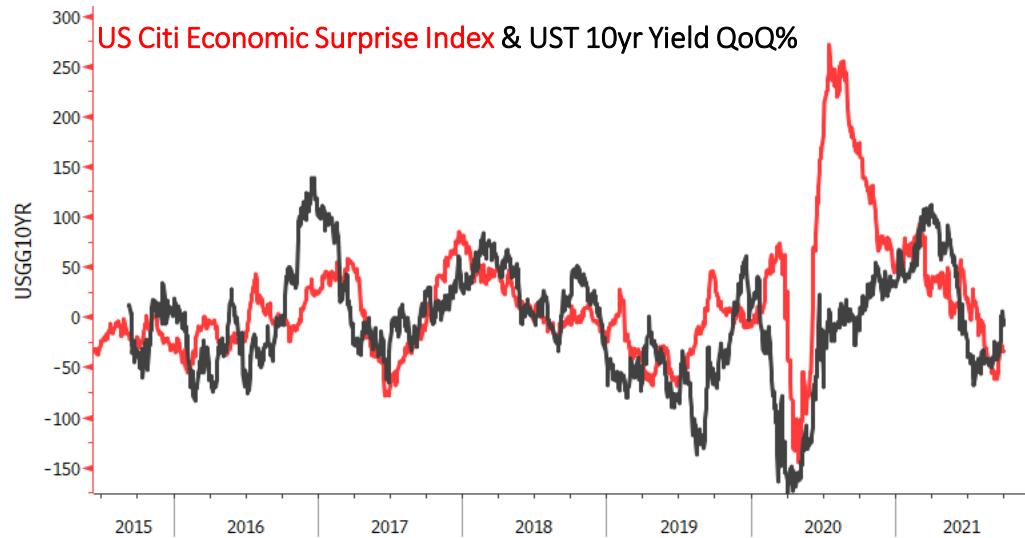
TY1 Comdty (Generic 1st 'TY' Future) Bonds 10yr - DAILY Daily 31DEC2020-06DEC2021

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Bond/Yield Indicators



Gold Monthly



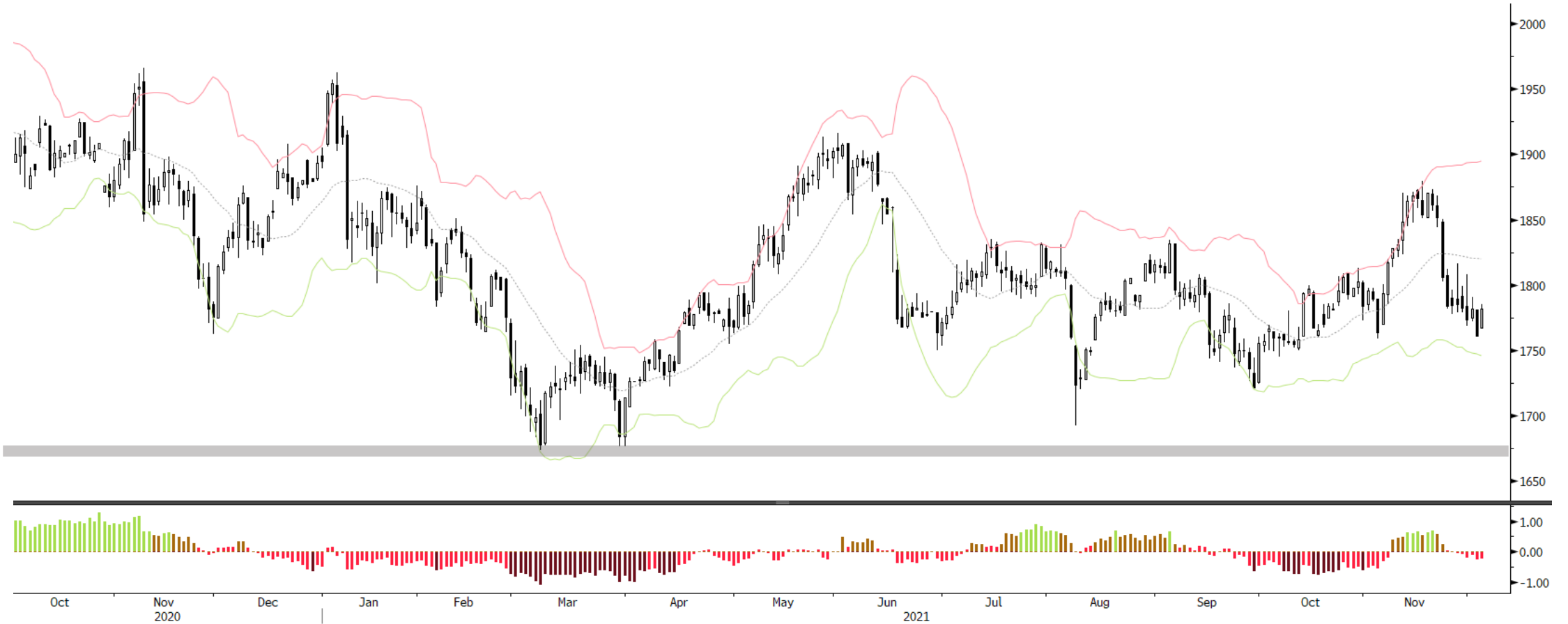
Gold is back to neutral in its longer-term trading range. Need to sit on the sidelines and watch how the chart develops...



Gold Weekly



Gold Daily



GC1 Comdty (Generic 1st 'GC' Future) GOLD - DAILY Daily 02OCT2020-06DEC2021

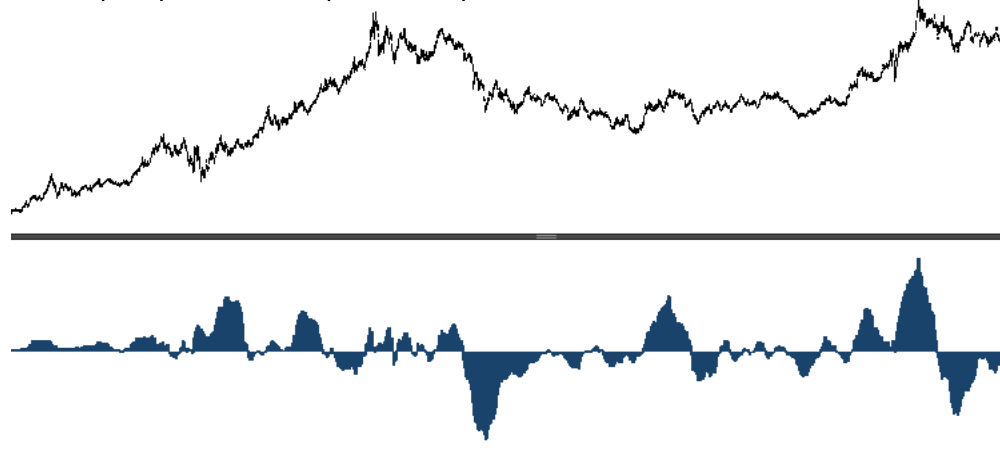
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Gold Indicators



Gold (GLD) Fund Flows (smoothed)



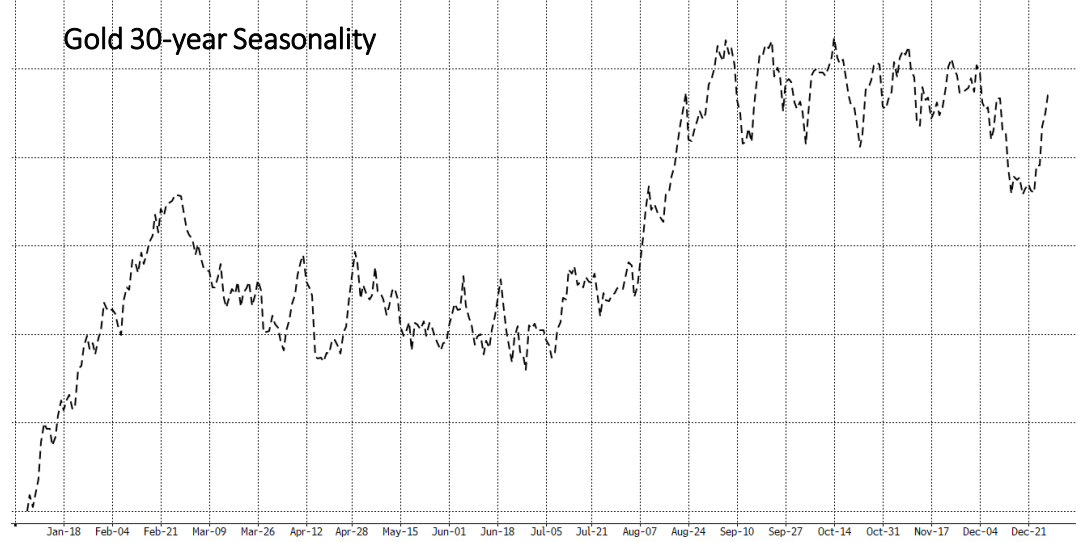
GLD US Equity (SPDR Gold Shares) Gold (GLD) Fund Flows z Daily 08SEP2005-06DEC2021 Copyright© 2021 Bloomberg Finance L.P. 05-Dec-2021 14:52:23

Gold Net Call-Put OI



GLD US Equity (SPDR Gold Shares) Call/Put Open Intrst GLD Daily 29MAY2010-06DEC2021 Copyright© 2021 Bloomberg Finance L.P. 05-Dec-2021 14:52:08

Gold 30-year Seasonality



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

Gold Miners % > 200-day moving average

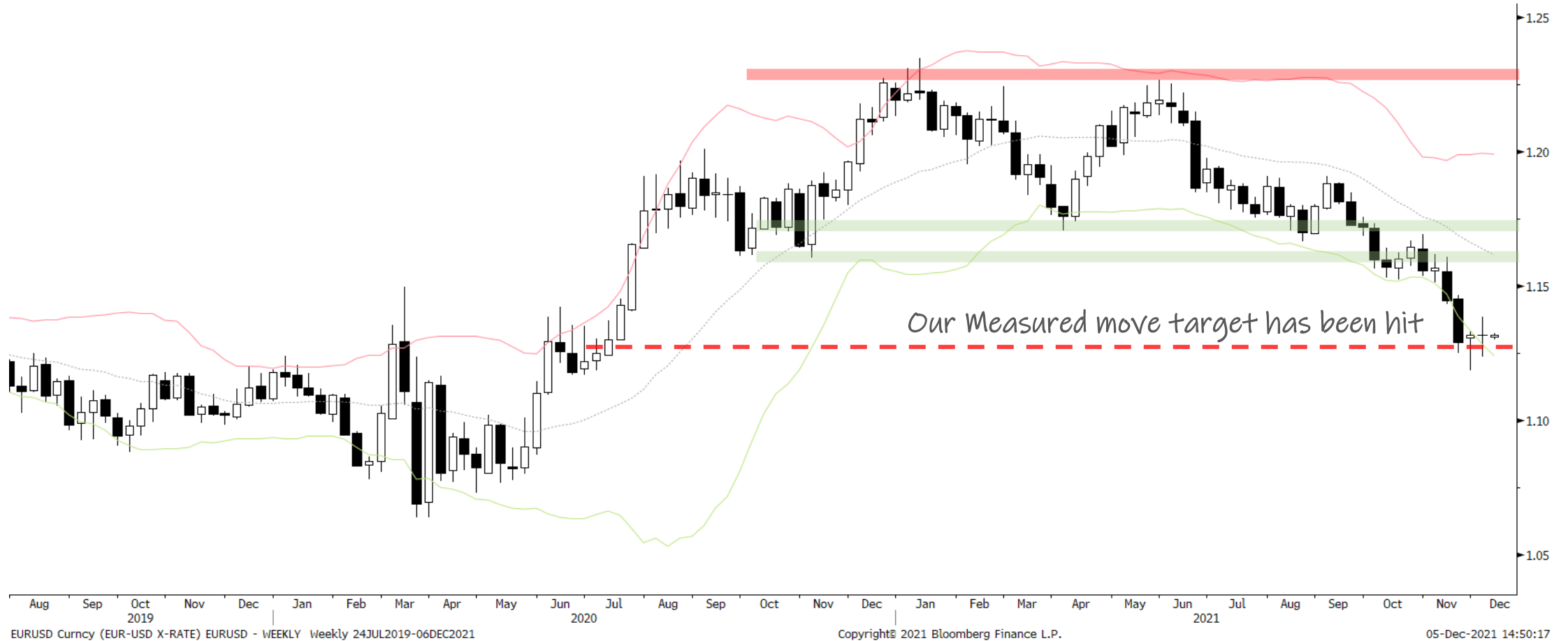


GDM Index (NYSE Arca Gold Miners Index) Breadth % abv200dma Gold Daily 05DEC2005-16AUG2021 Copyright© 2021 Bloomberg Finance L.P. 05-Dec-2021 14:52:16

EURUSD Monthly



EURUSD Weekly



EURUSD Daily



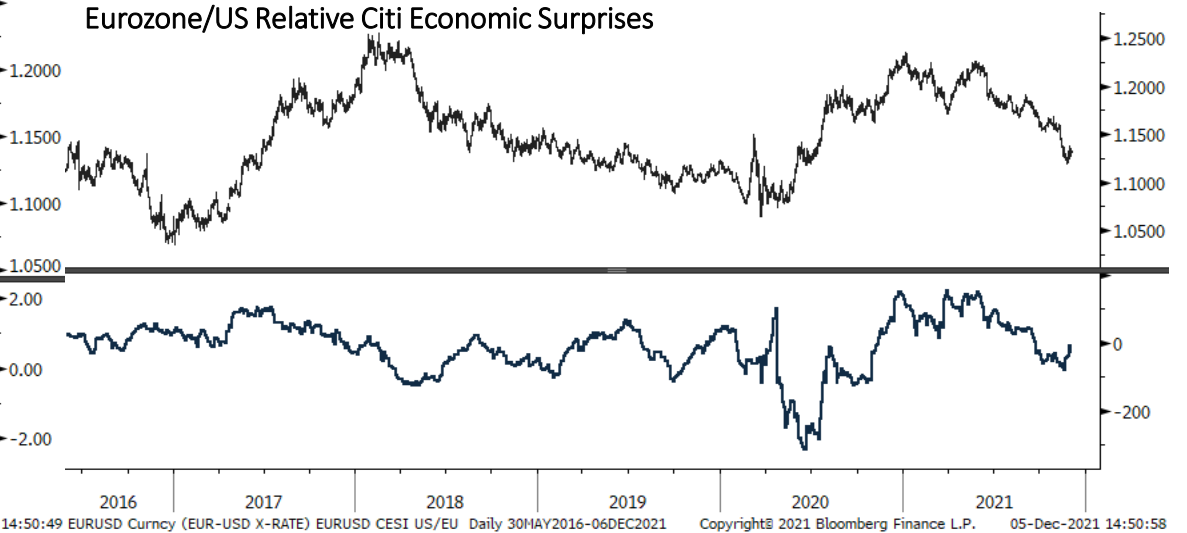
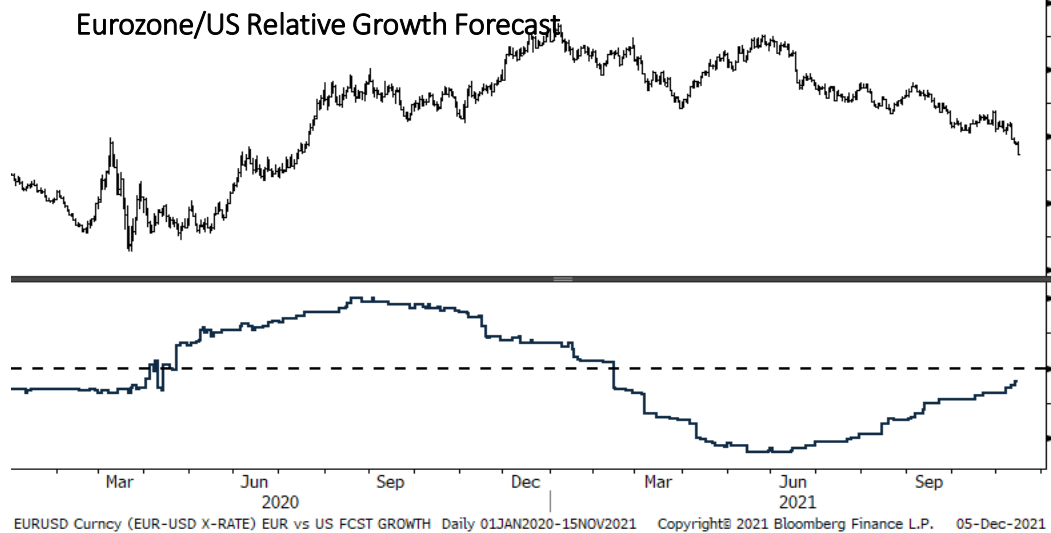
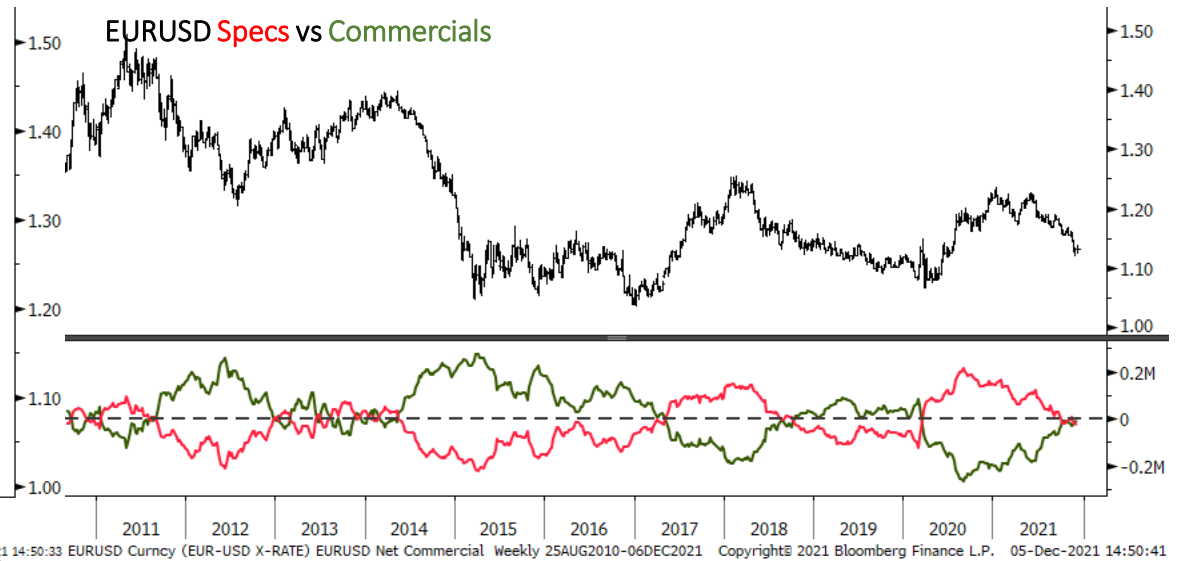
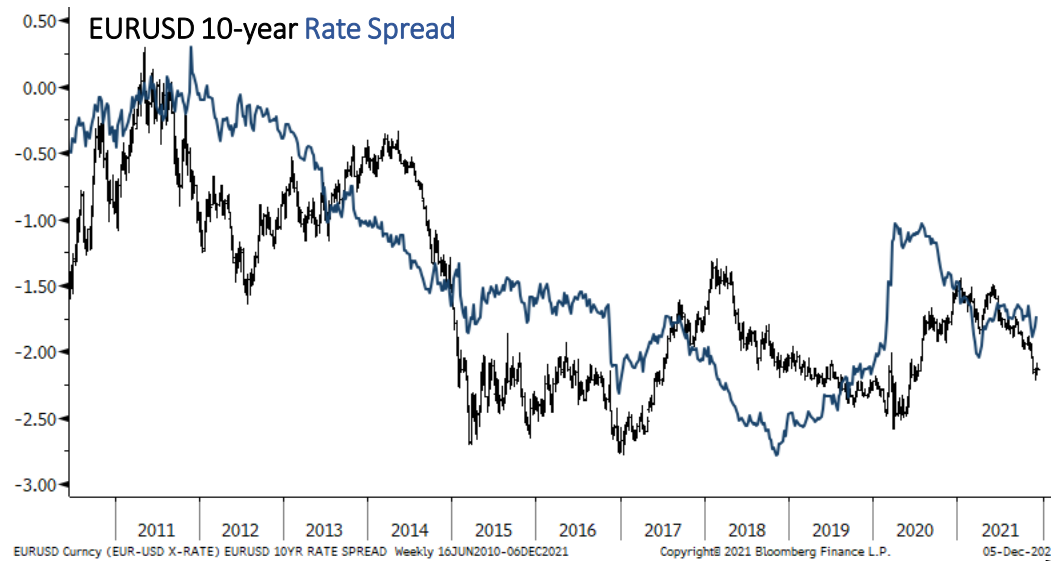
EURUSD Curncy (EUR-USD X-RATE) EURUSD - DAILY Daily 02APR2021-06DEC2021

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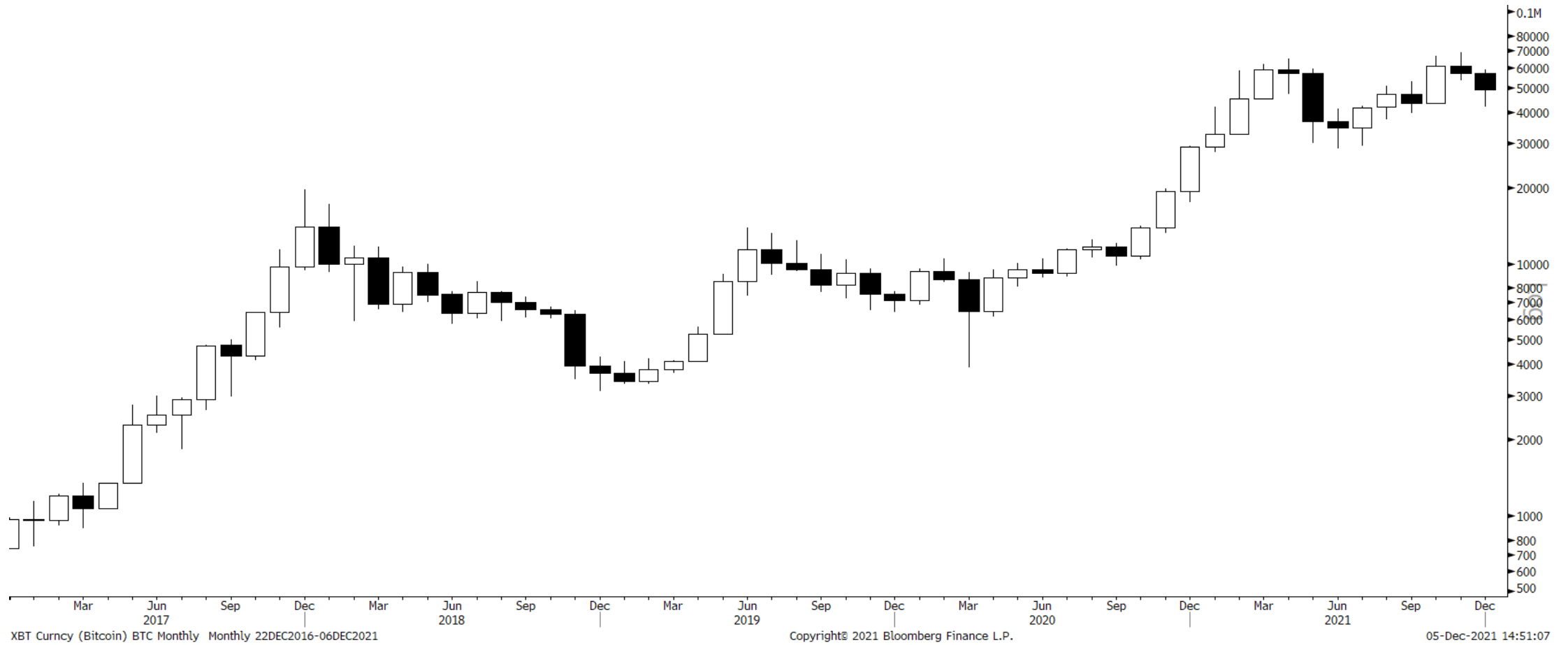
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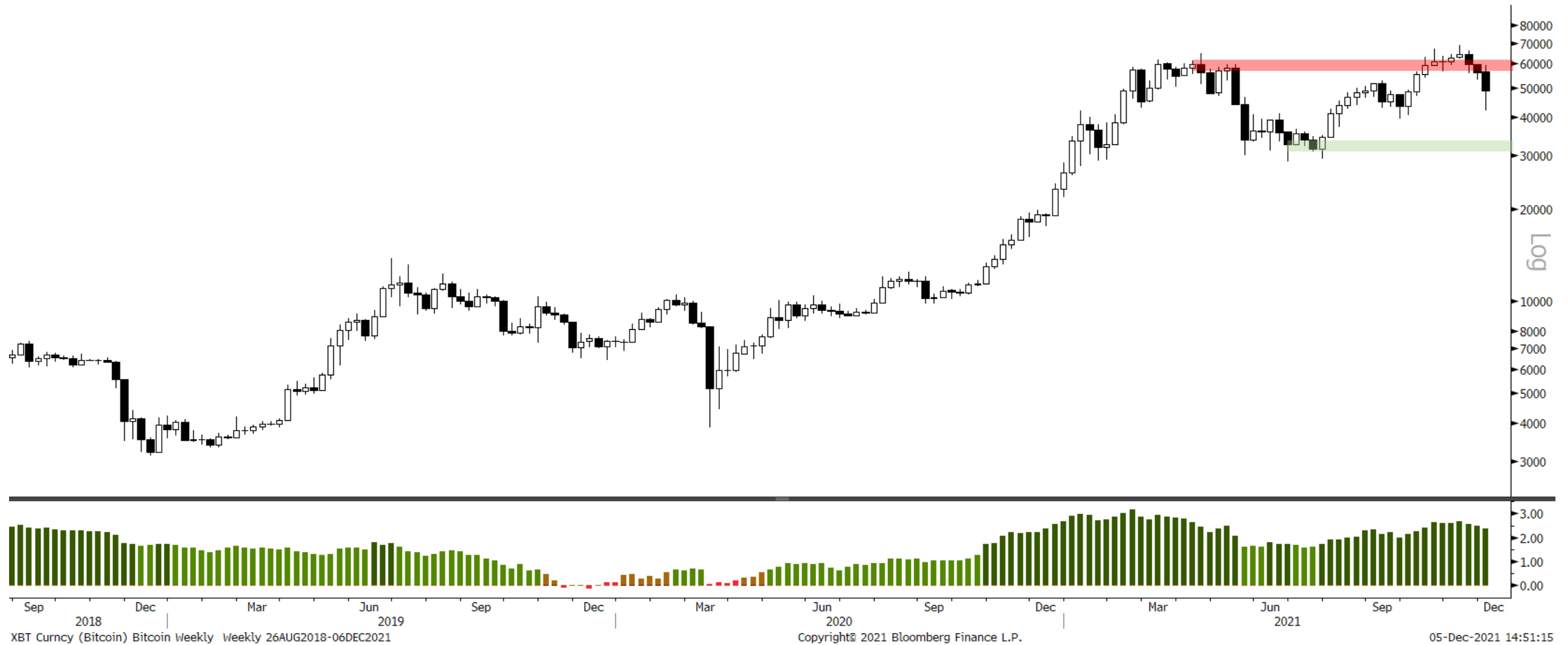
EURUSD Indicators



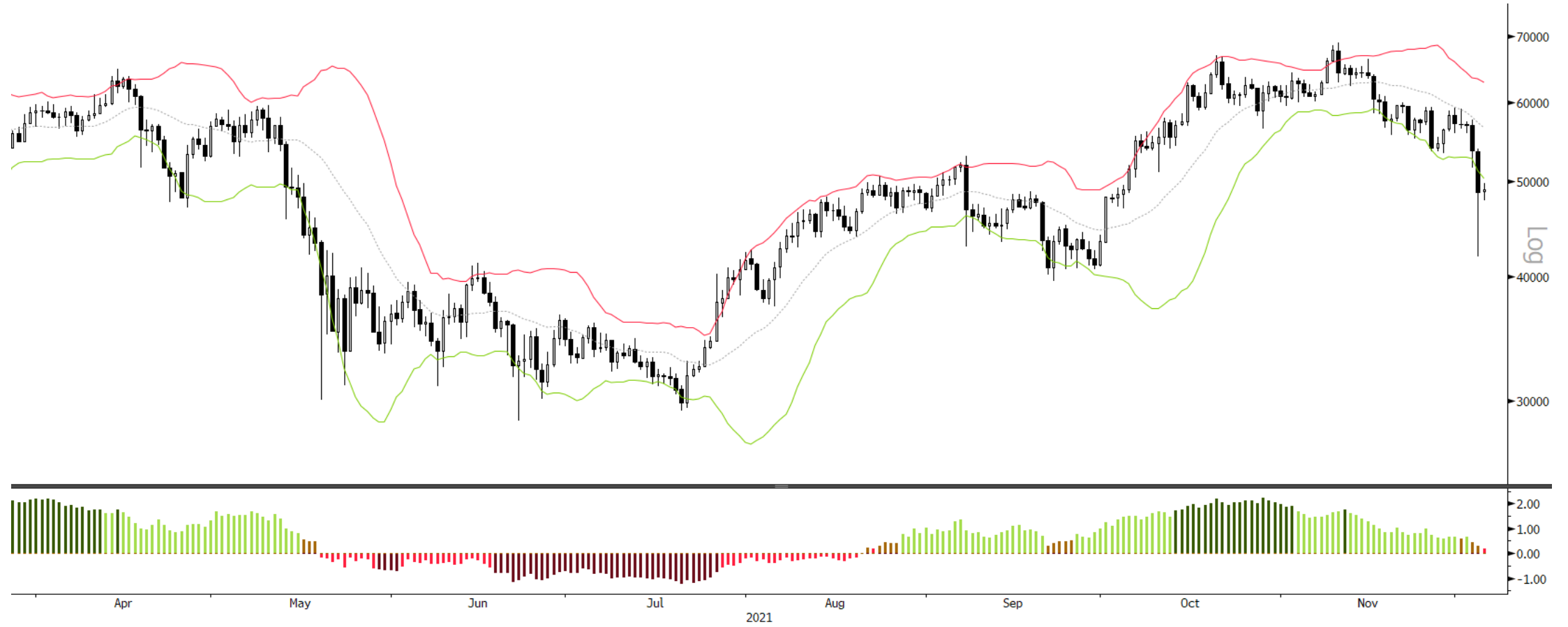
Bitcoin Monthly



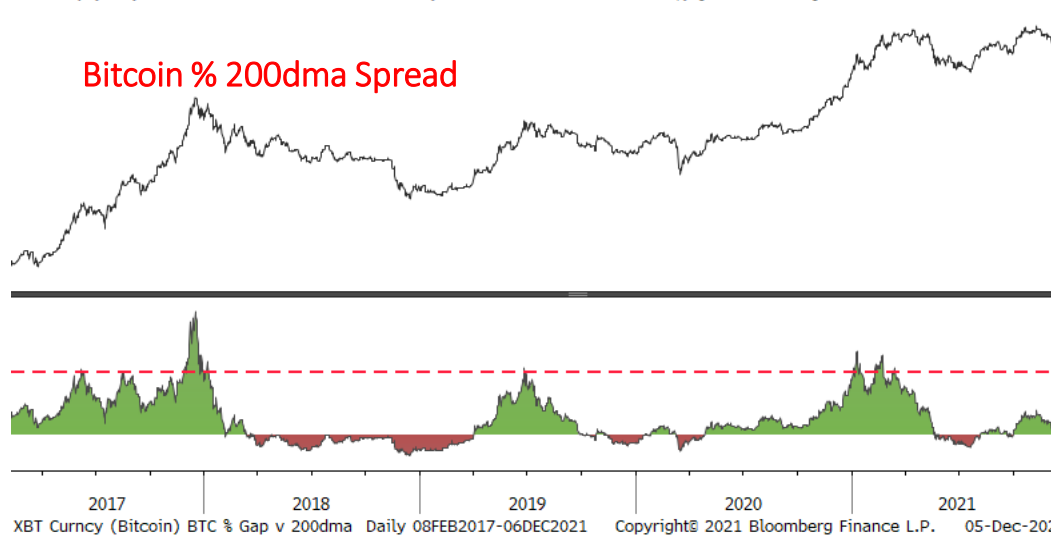
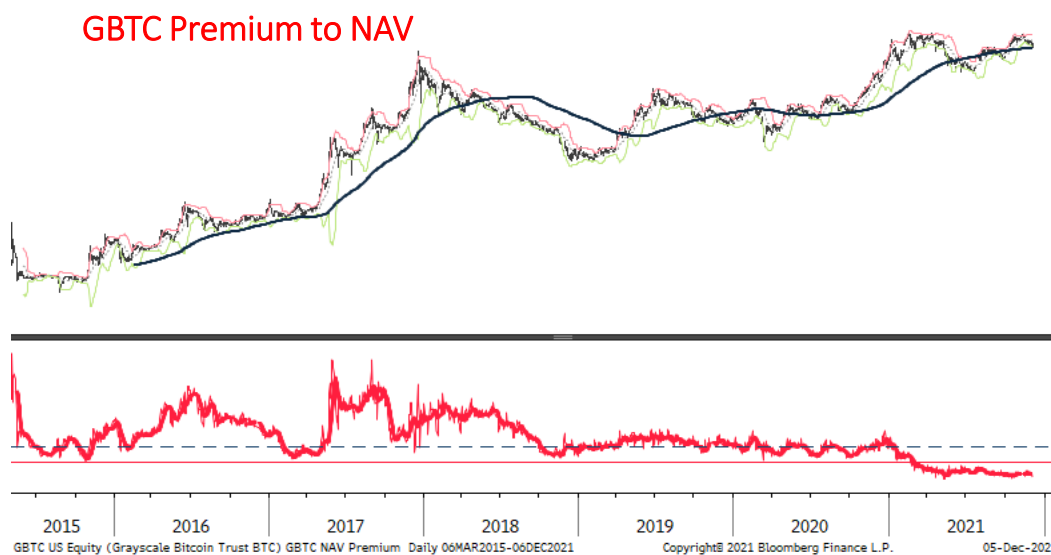
Bitcoin Weekly



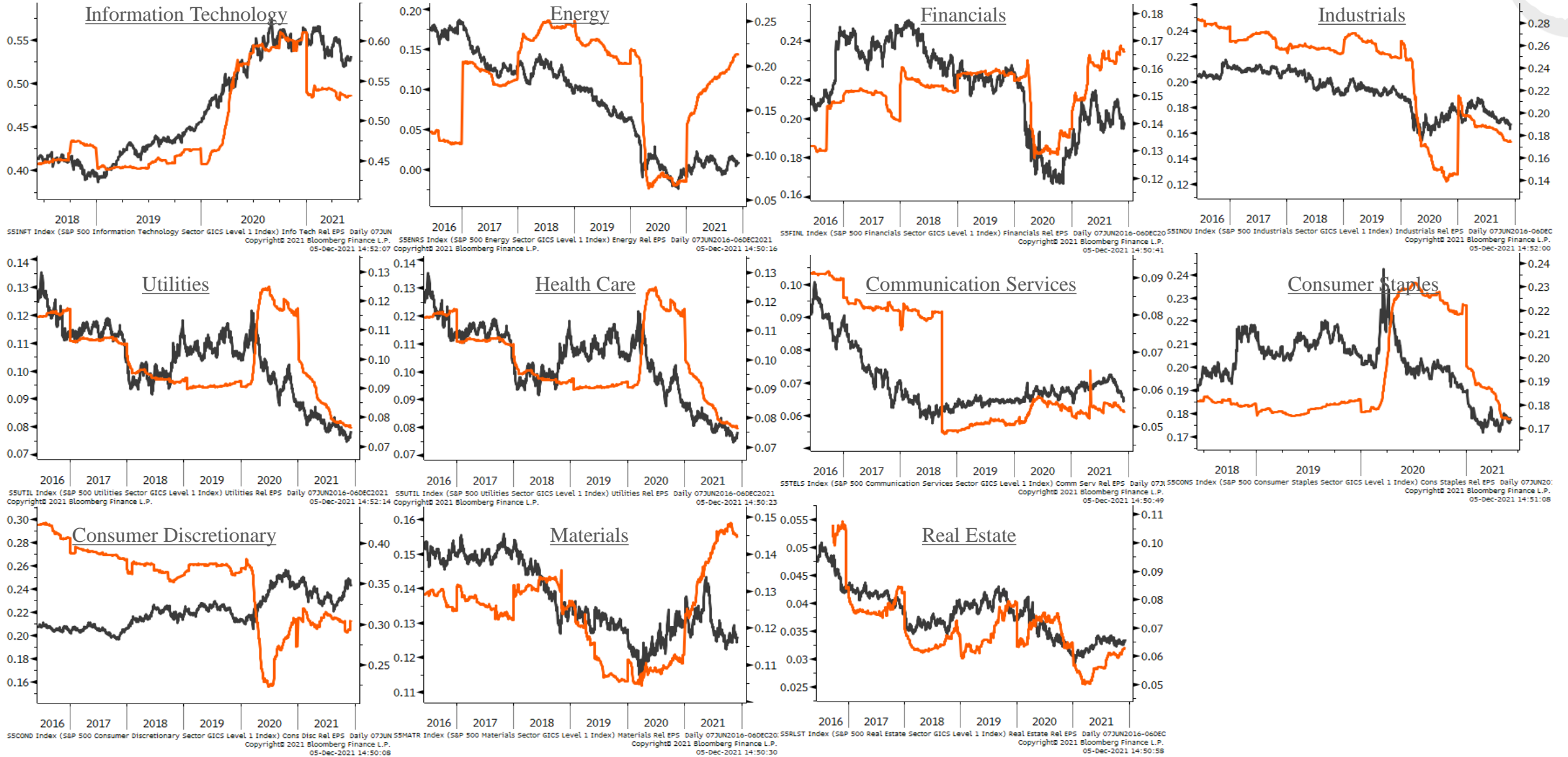
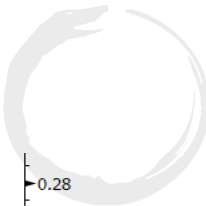
Bitcoin Daily



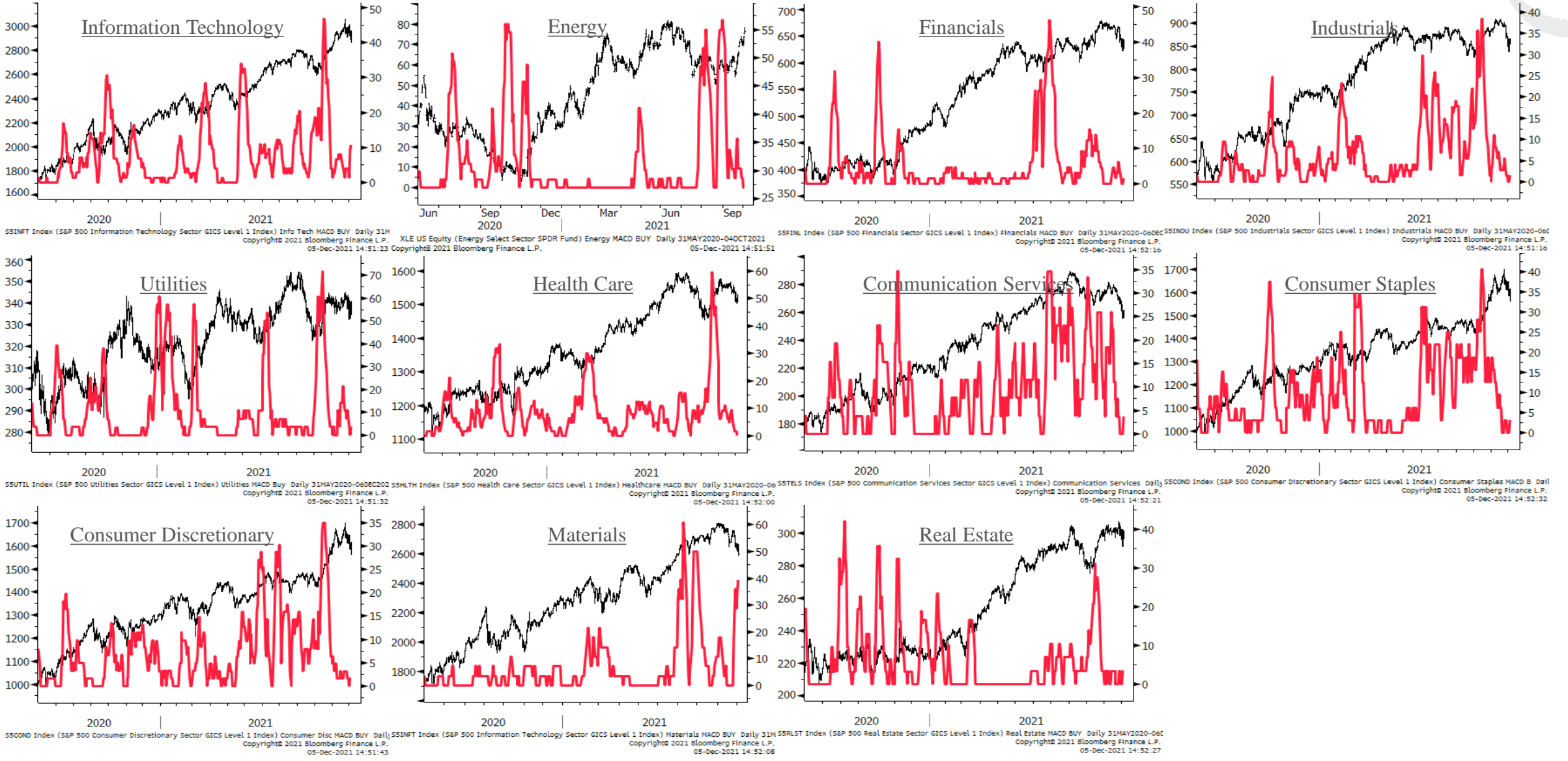
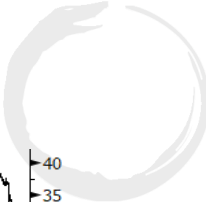
Bitcoin Indicators



Sector Relative to SPX Price & Forward EPS Performance (Price in Grey, F/EPS in Orange)



Sector % MACD Buy Signals



The Macro Ops Portfolio

PDF: <https://tinyurl.com/mo-portfolio>

2021 YTD Return **10.68%**

2020 Final Return **66.40%**

Futures, Bonds & FX

	<u>Ticker</u>	<u>Contracts</u>	<u>Capital</u>	<u>Notional</u>	<u>Actual Risk</u>	<u>Cost Basis</u>	<u>Current Price</u>	<u>Stop-Loss</u>	<u>Current P&L</u>	<u>Total Notional</u>	<u>Total Risk</u>
USDMXN	USDMXN	15,819	\$336,944.70	21.31%	0.51%	\$20.51	\$21.30	\$20.00	3.83%		
Nasdaq Short	NGZ2021!	-2	-\$623,360.00	-39.42%	1.03%	\$15,824.50	\$15,584.00	\$16,233.00	1.52%		

Equities

Strategic

	<u>Ticker</u>	<u>Shares</u>	<u>Capital</u>	<u>Notional</u>	<u>Actual Risk</u>	<u>Cost Basis</u>	<u>Current Price</u>	<u>Stop-Loss</u>	<u>Current P&L</u>	<u>Total Notional</u>	<u>Total Risk</u>
Centrus Energy	LEU	900	\$43,578.08	2.76%	-1.09%	\$25.86	\$48.41	\$45.00	87.20%	11.74%	-0.39%
Ammo, Inc	POWW	8,418	\$45,711.78	2.89%	0.00%	\$3.01	\$5.43	\$3.01	80.40%		
Nintendo	NTDOY	383	\$21,388.01	1.35%	0.43%	\$67.92	\$55.80	\$50.00	-17.84%		
Corporativa FRAGUA	FRAGUA.B	1,083	\$17,584.88	1.11%	0.24%	\$15.92	\$16.24	\$12.39	2.01%		
eDreams ODIGEO	EDR	3,292	\$26,171.79	1.65%	0.17%	\$8.32	\$7.95	\$7.50	-4.45%		
Bioceres Crop Solutions	BIOX	2,195	\$31,280.98	1.98%	-0.15%	\$9.67	\$14.25	\$10.75	47.36%		

Tactical

	<u>Ticker</u>	<u>Shares</u>	<u>Capital</u>	<u>Notional</u>	<u>Actual Risk</u>	<u>Cost Basis</u>	<u>Current Price</u>	<u>Stop-Loss</u>	<u>Current P&L</u>	<u>Total Notional</u>	<u>Total Risk</u>
Corteva	CTVA	2,124	\$97,765.94	6.18%	0.57%	\$47.25	\$46.04	\$43.00	-2.56%	29.40%	-0.11%
St. Joe's	JOE	1,445	\$69,097.94	4.37%	0.30%	\$48.31	\$47.82	\$45.00	-1.02%		
Ethereum	ETHUSD	22	\$91,174.60	5.77%	-1.72%	\$2,667.94	\$4,144.30	\$3,901.00	55.34%		
Paladin Energy	PDN.ASX	141,350	\$82,689.87	5.23%	-0.09%	\$0.64	\$0.59	\$0.65	-8.59%		
Alphamin Resources	AFM.TSX	58,715	\$45,210.19	2.86%	0.48%	\$0.76	\$0.77	\$0.63	1.32%		
Intrepid Potash	IPI	743	\$29,280.16	1.85%	0.23%	\$40.15	\$39.42	\$35.33	-1.82%		
Ethereum (Second Leg Long)	ETHUSD	12	\$49,731.60	3.14%	0.11%	\$4,047.66	\$4,144.30	\$3,901.00	2.39%		

Options

	<u>Ticker</u>	<u>Contracts</u>	<u>Capital</u>	<u>Notional</u>	<u>Actual Risk</u>	<u>Cost Basis</u>	<u>Current (Mid) Price</u>	<u>Stop-Loss</u>	<u>Current P&L</u>	<u>Total Notional</u>	<u>Total Risk</u>
CRK JAN 2023 \$10 CALLS	CRK	171	\$29,070.00	1.84%	1.30%	\$120.00	\$170.00	\$0.00	41.67%	6.47%	11.01%
ENB Jan 2023 \$50 CALLS	ENB	389	\$11,670.00	0.74%	0.86%	\$35.00	\$30.00	\$0.00	-14.29%		
Micron Jan 2023 \$125 CALLS	MU	82	\$41,000.00	2.59%	2.45%	\$473.00	\$500.00	\$0.00	5.71%		
MO JAN 2023 \$70 CALLS	MO	299	\$9,867.00	0.62%	1.74%	\$92.00	\$33.00	\$0.00	-64.13%		
EWJ JAN 2023 \$90 CALLS	EWJ	173	\$8,477.00	0.54%	1.33%	\$122.00	\$49.00	\$0.00	-59.84%		
FB JAN 2022 \$395 CALLS	FB	7	\$574.00	0.04%	0.39%	\$880.00	\$82.00	\$0.00	-90.68%		
BHP Jan 2023 \$115 CALLS	BHP	55	\$1,375.00	0.09%	1.32%	\$380.00	\$25.00	\$0.00	-93.42%		
Intel, Inc. JAN '22 \$100 CALLS	INTC	220	\$110.00	0.01%	1.15%	\$83.00	\$0.50	\$0.00	-99.40%		
Deutsche Bank Jan 2022 \$20 CALLS	DB	233	\$116.50	0.01%	0.46%	\$31.00	\$0.50	\$0.00	-98.39%		

Appendix

- Trifecta Lens & SQN Methodology & Case Study ([link here](#))
 - TL Score Theory ([link here](#))
 - SQN Market Regimes Theory ([link here](#))
 - TL & SQN Dashboard ([link here](#))
 - Trend Fragility Dashboard ([link here](#))
- Nervous & Numb Case Study (coming soon)
- Volatility & Failed Volatility Breakouts (VBO/FVBO) ([link here](#))
- Hierarchy of Technicals ([link here](#))
- Currency Framework ([link here](#))
- Precious Metals Framework ([link here](#))
- How to Read Market Sentiment ([link here](#))
- Equity Supply & Demand Equation ([link here](#))
- 50 Cent Conditional Tail Hedge Strategy ([link here](#))

