



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:** Credit is still the canary in the coal mine and makes aggressively adding risk here a negative EV proposition. The rate of change in yields is at levels that typically leads to further multiple compression and risk-off. However, short-term sentiment is excessively bearish, and the market saw the expected flush out bear trap below the key 4,300 level. If that level holds Monday, then we should see at least a short-term bounce. Base case is we see continued volatile sideways chop with risks to downside.

UST 10yr Bonds

- **Summary:** Bonds completed a large H&S top. Price action and the tape favor continued downside in bonds (yields up).

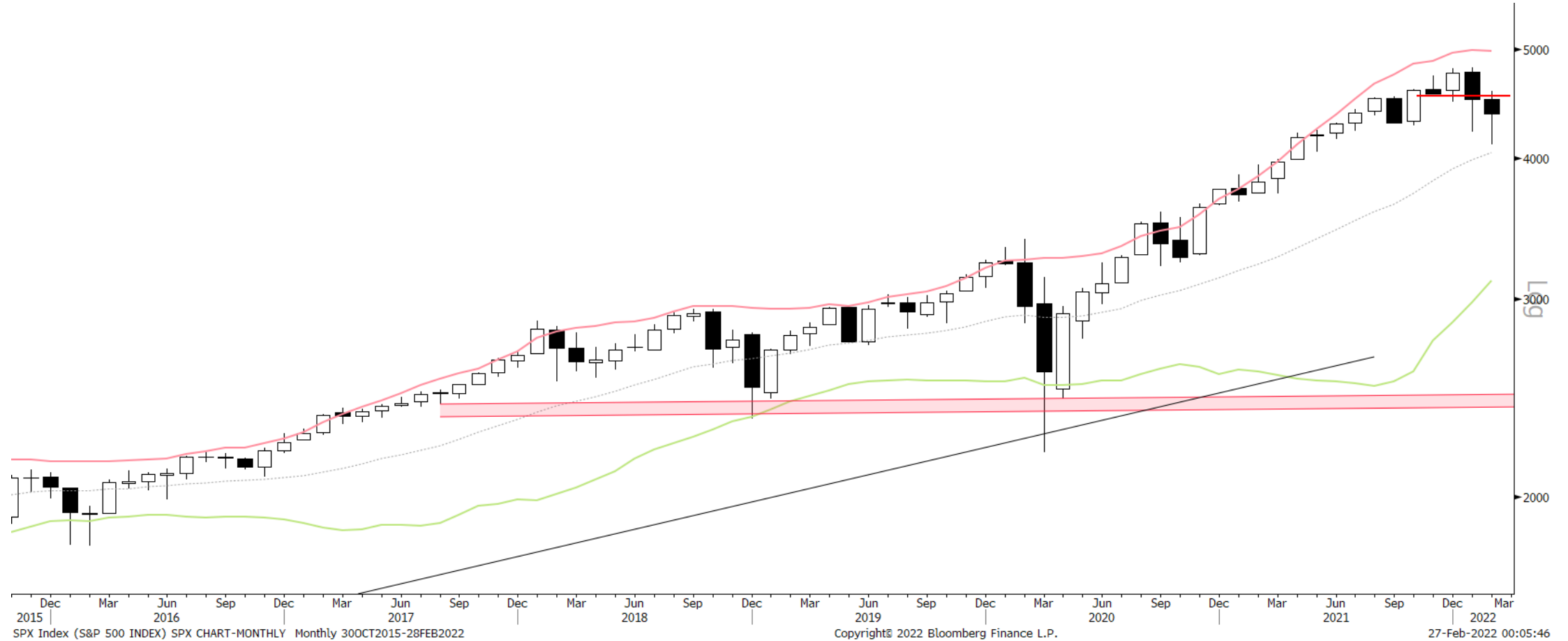
Gold

- **Summary:** Gold broke out from its major 2yr triangle and its smaller wedge. It also cleared November highs this past week. Positioning and sentiment are both firmly bearish. And the market is now in a Bull Quiet regime. We want to see silver join in to confirm a new bull trend. The fact that geopol risk seems to be driving this move makes me hesitant to get too bullish here.

EURUSD

- **Summary:** EURUSD saw a large bear trap reversal recently, right off its lower monthly Bollinger Band. Sentiment and positioning are very bearish. All indicators are shifting in favor of EURUSD. It's likely the EURUSD "January Effect" means the lows for the year were just put in for the euro. It may be putting in the right shoulder of an inverted H&S bottom. Will get interested to the long side if it clears the neckline. Russia-Ukraine likely kills this trade for a bit.

S&P 500 Monthly



S&P 500 Weekly



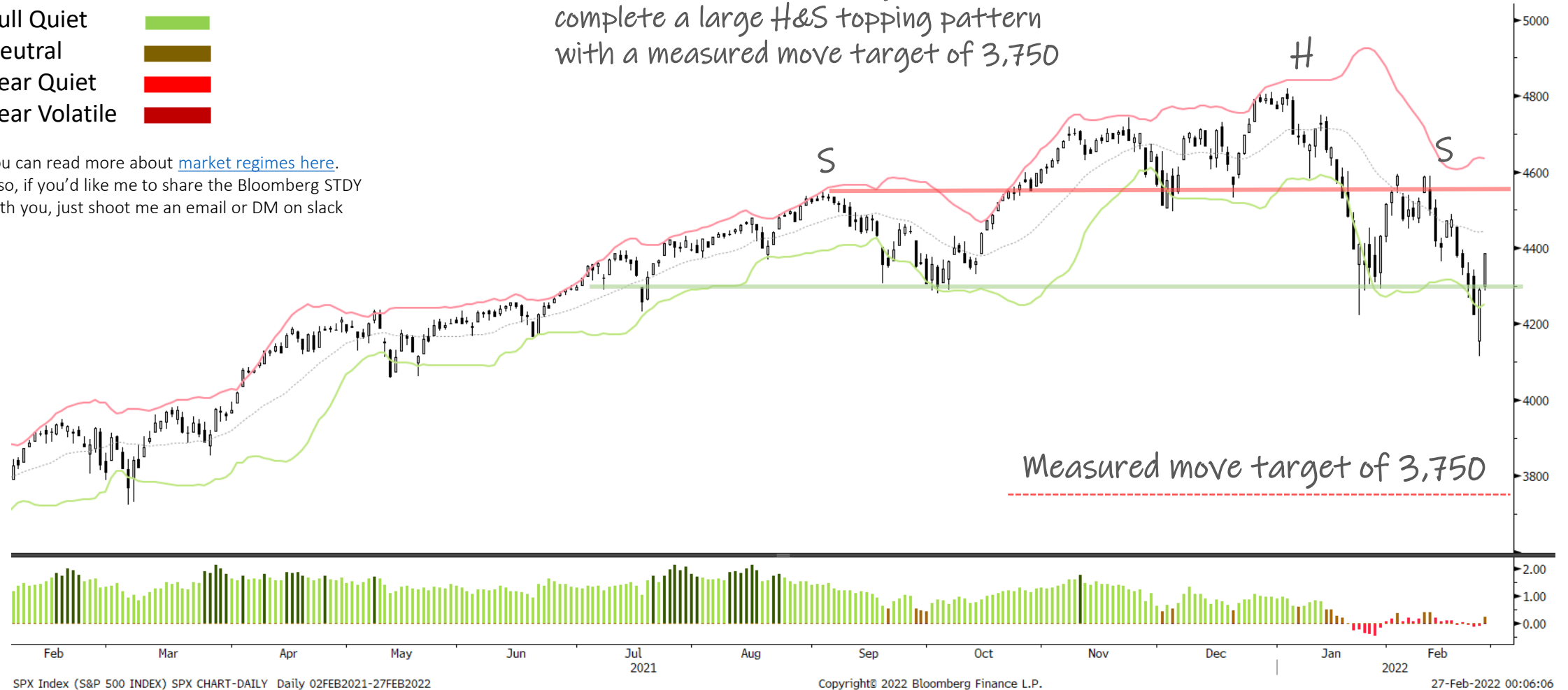
S&P 500 Daily

SQN Market Regime

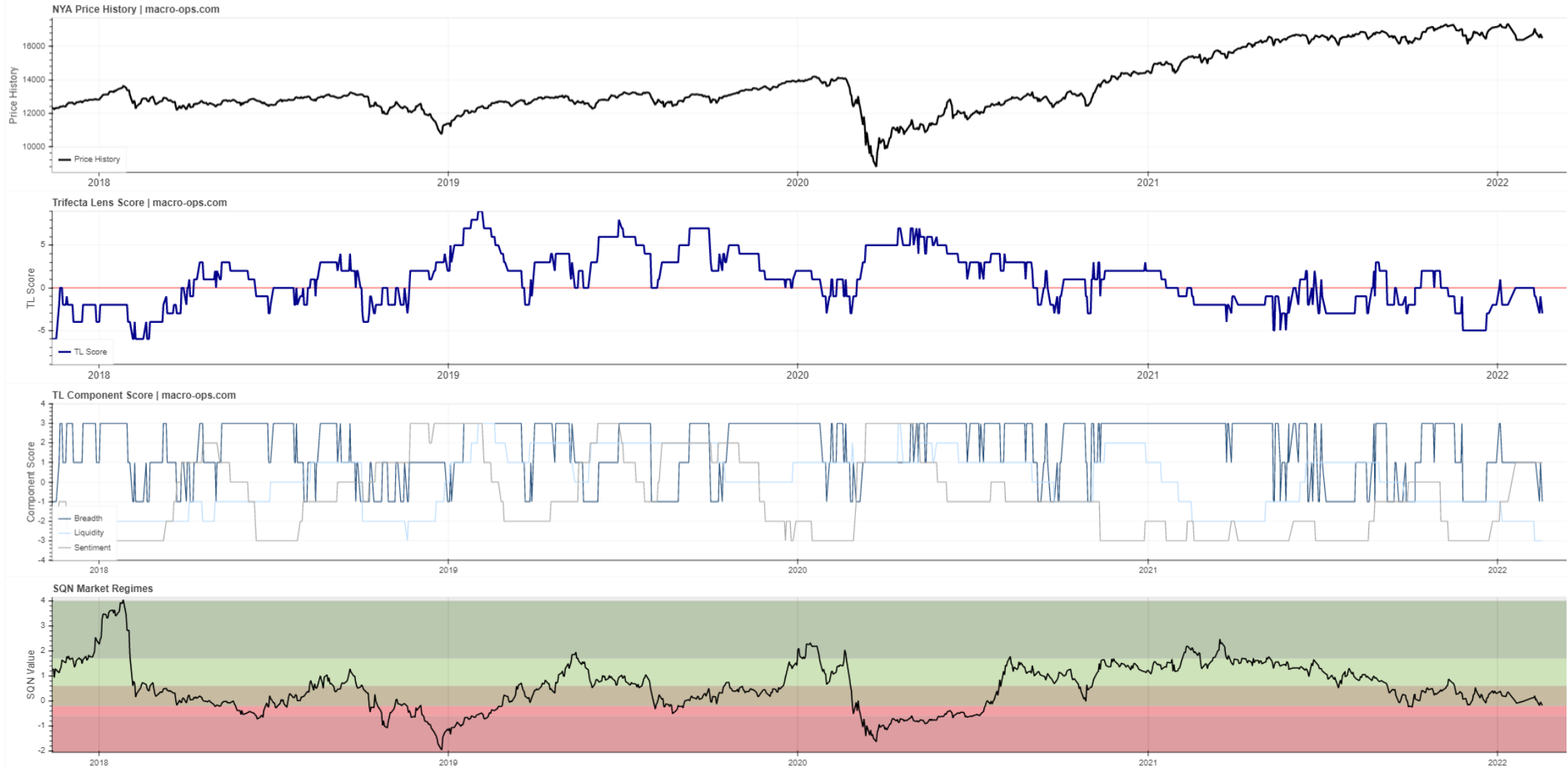
- Bull Volatile
- Bull Quiet
- Neutral
- Bear Quiet
- Bear Volatile

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

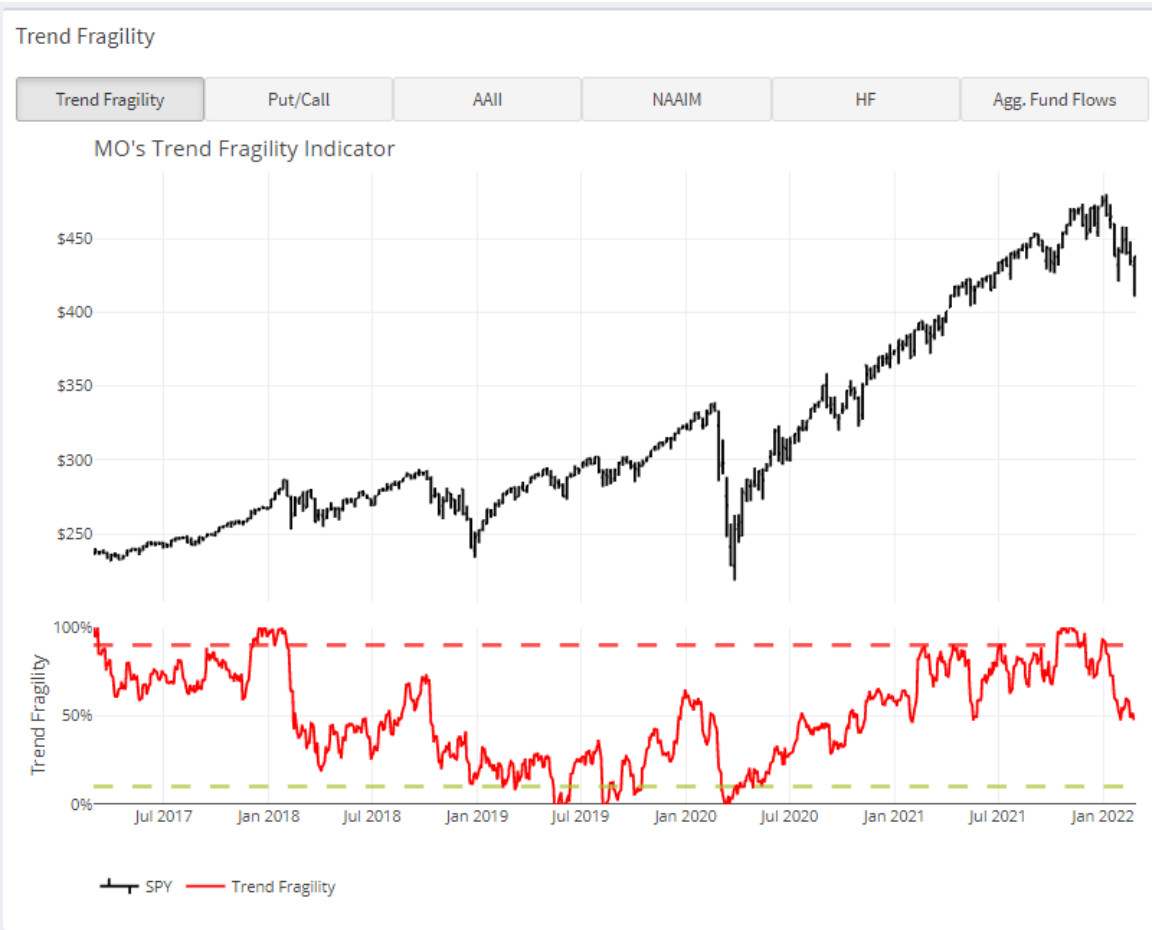
SPX is still in a neutral regime /sideways range. Look for chop between these key levels. A break below the green line would complete a large H&S topping pattern with a measured move target of 3,750



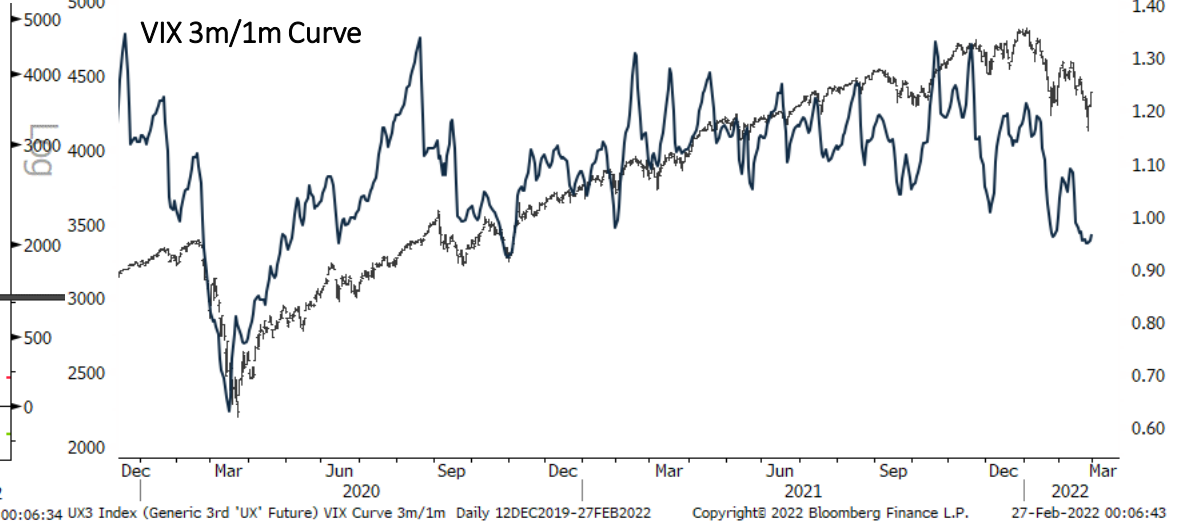
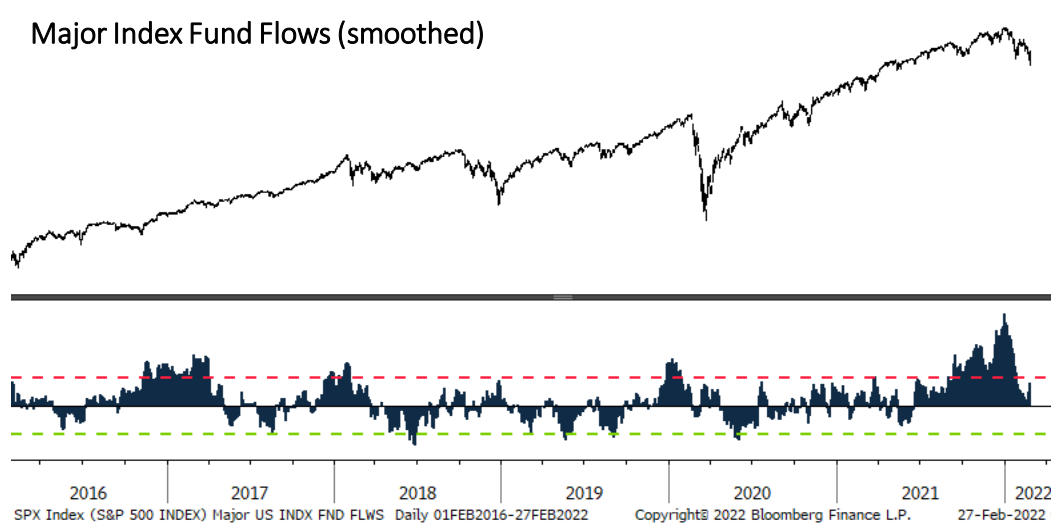
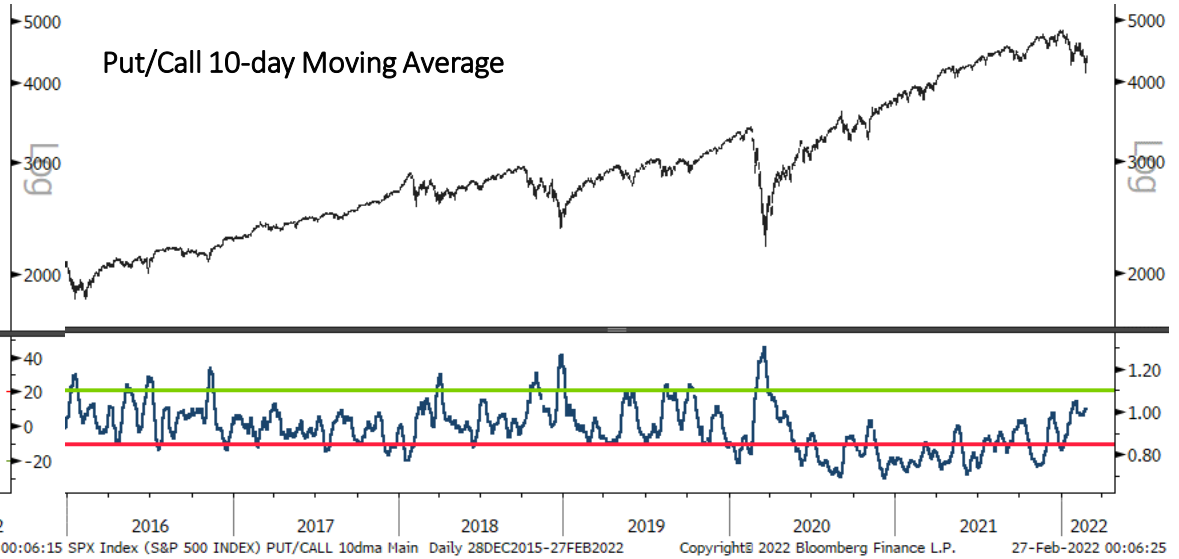
Trifecta Lens Score: **-3** (You can read more about our [Trifecta Lens here](#) and link to the [Dashboard here](#))



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



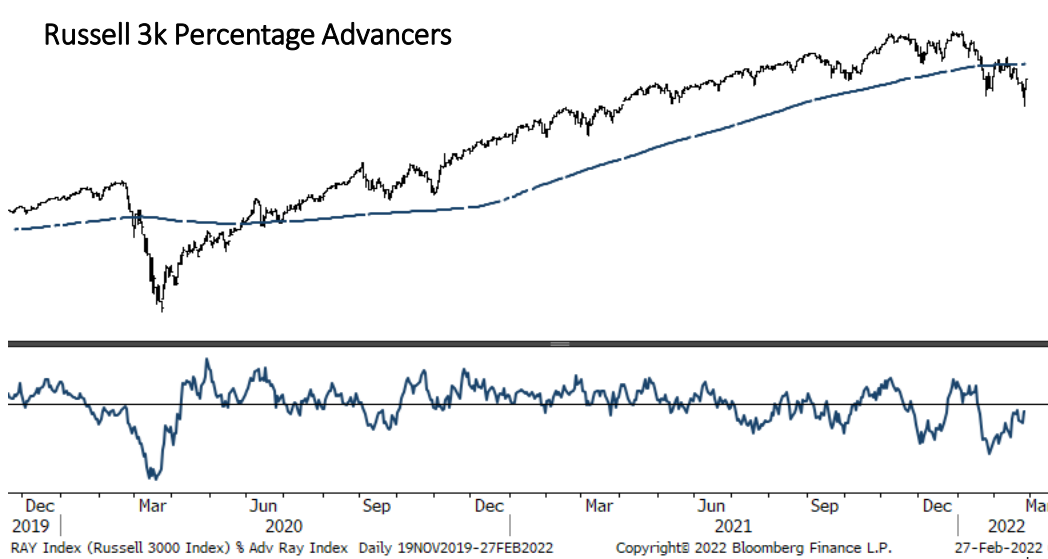
Sentiment & Positioning



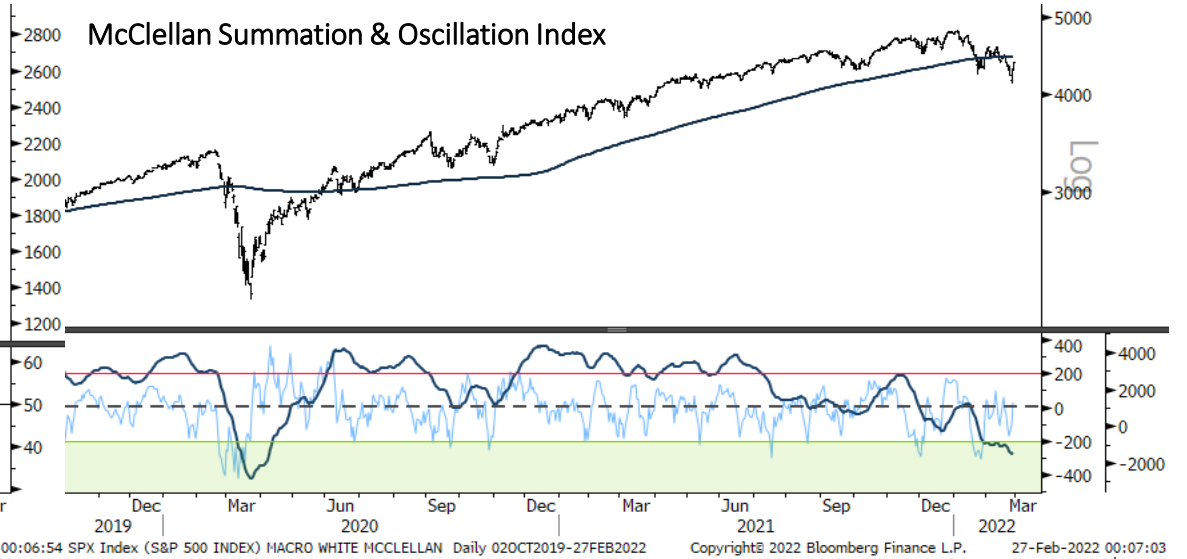
Breadth



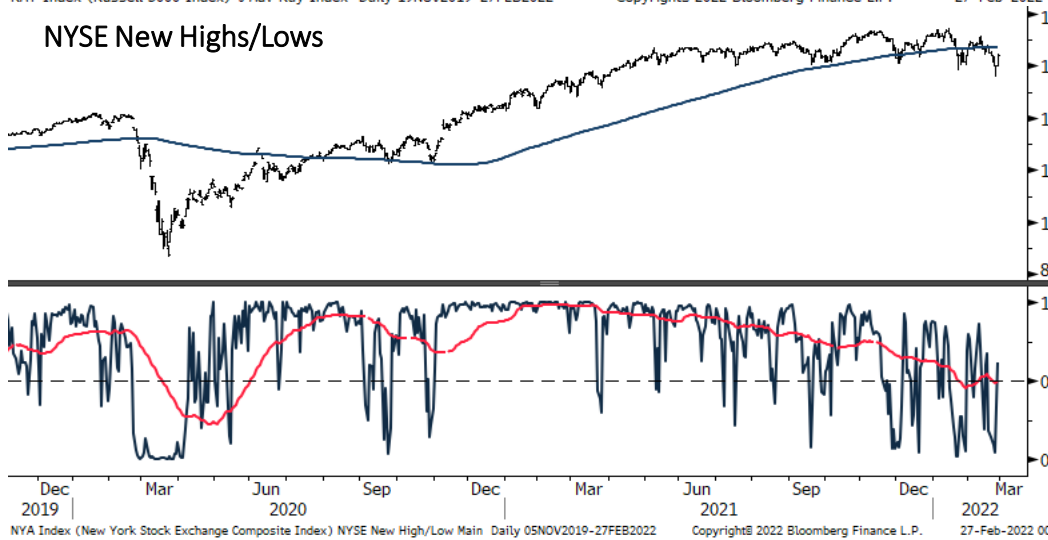
Russell 3k Percentage Advancers



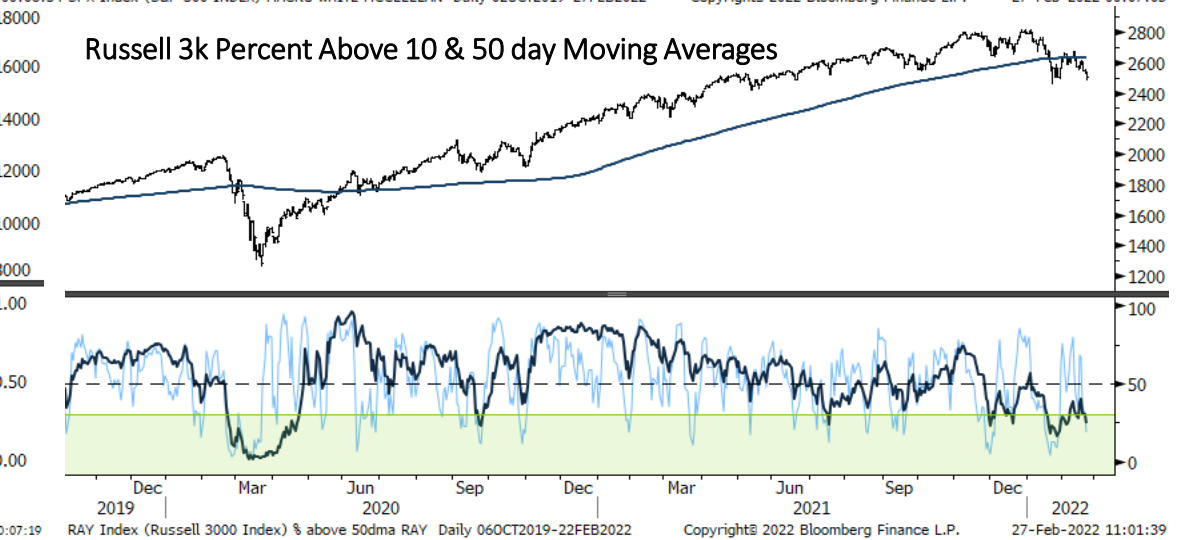
McClellan Summation & Oscillation Index



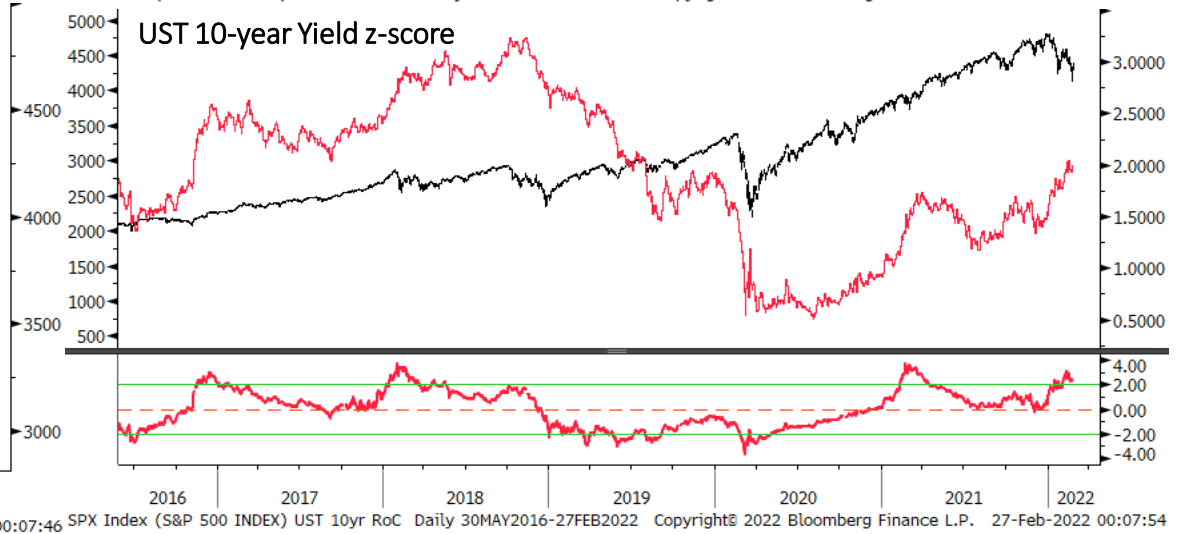
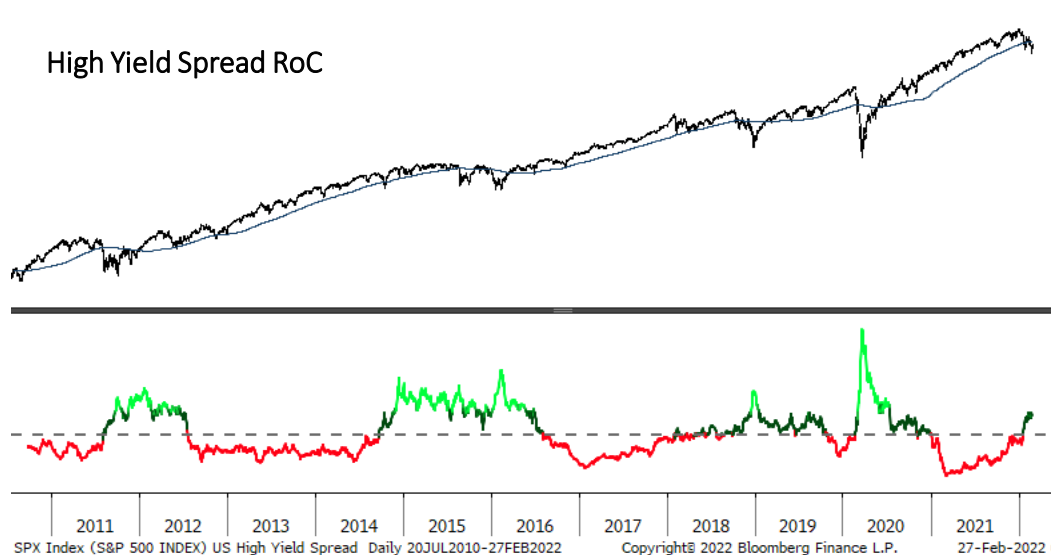
NYSE New High/Lows



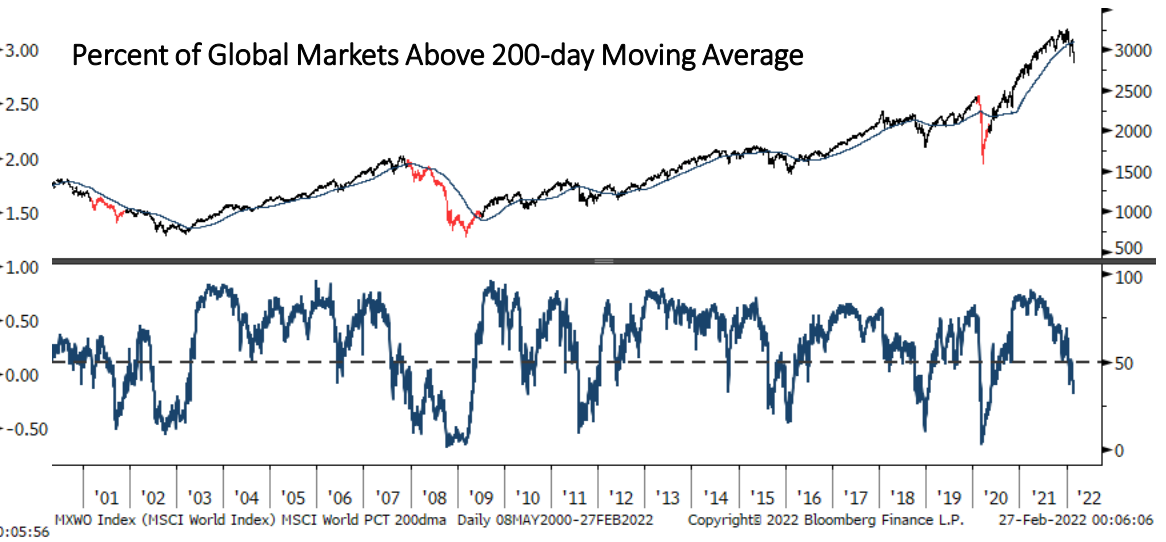
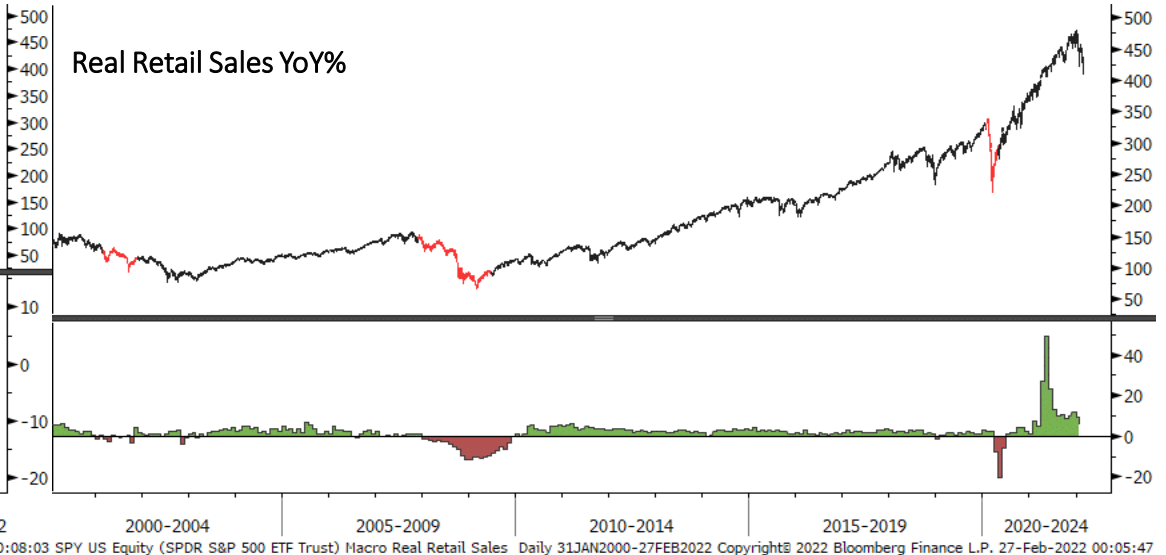
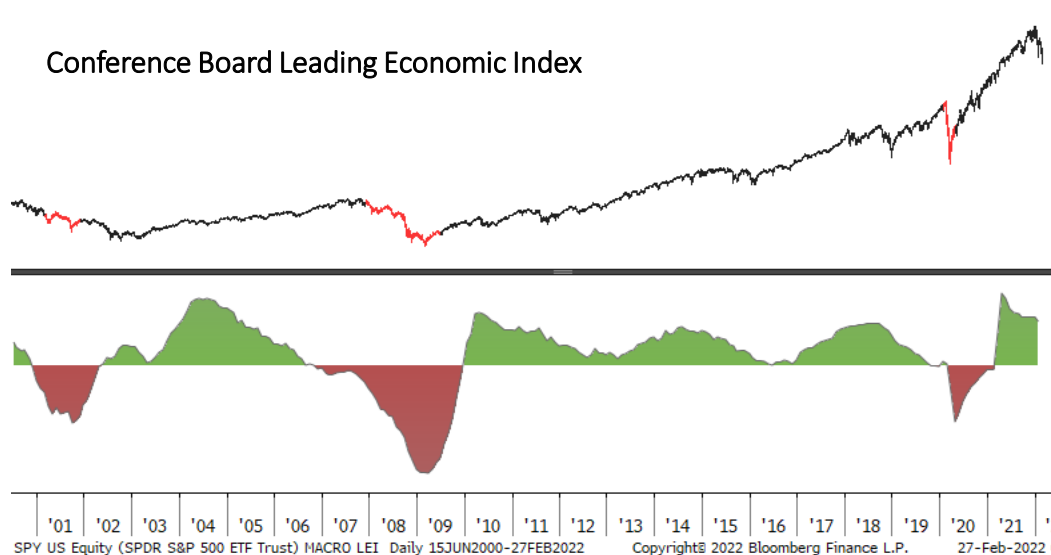
Russell 3k Percent Above 10 & 50 day Moving Averages



Liquidity



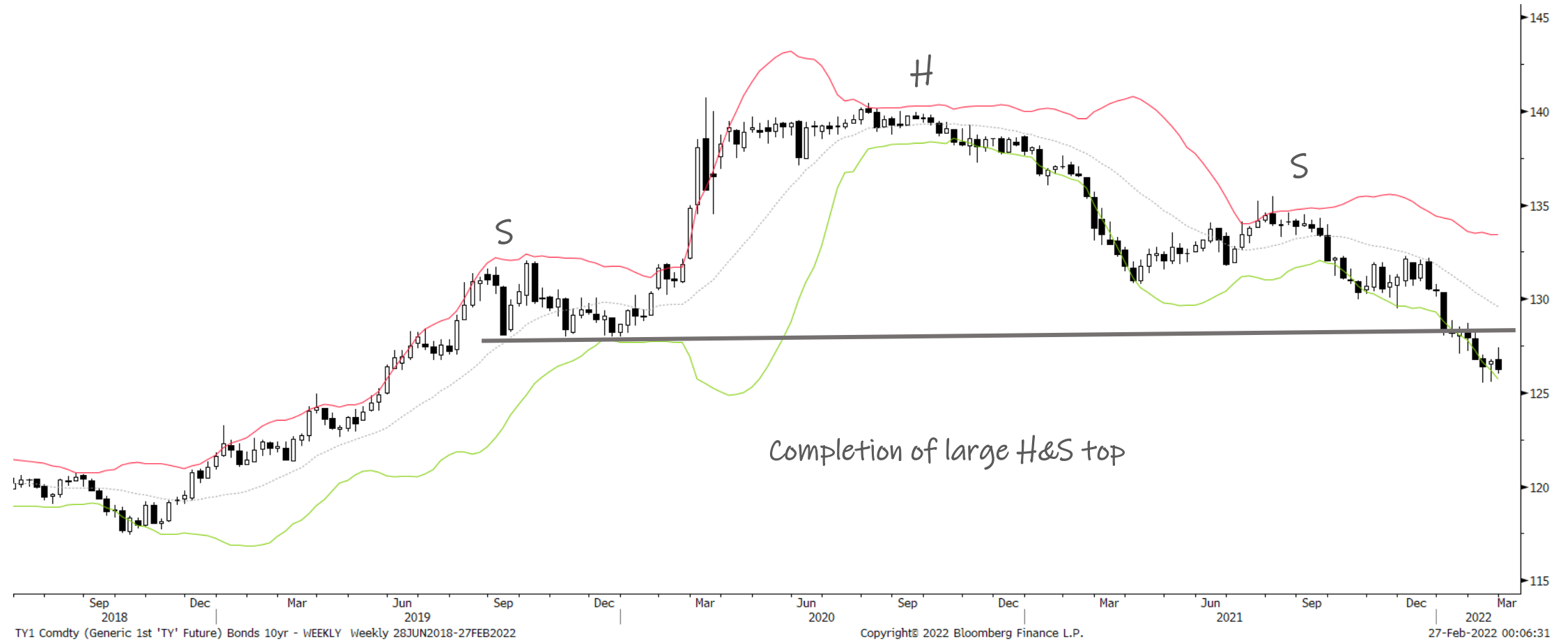
Macro



Bonds: 10-year Futures Monthly



Bonds: 10-year Futures Weekly



Bonds: 10-year Futures Daily





Bond/Yield Indicators

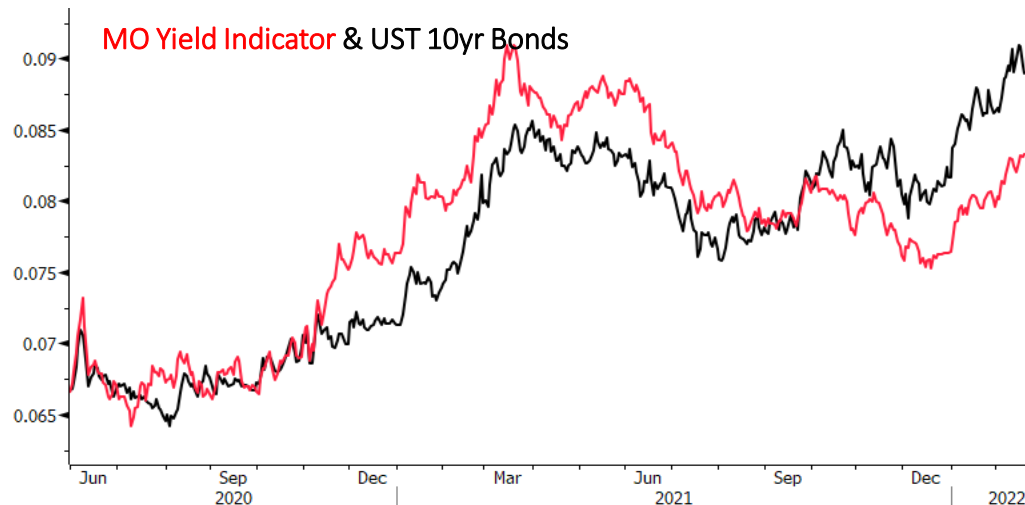
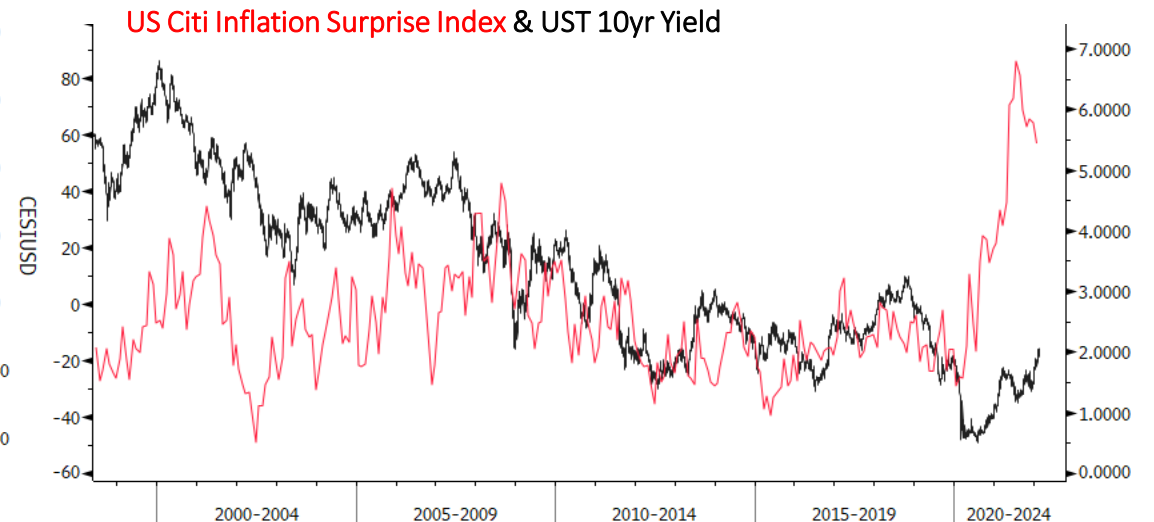


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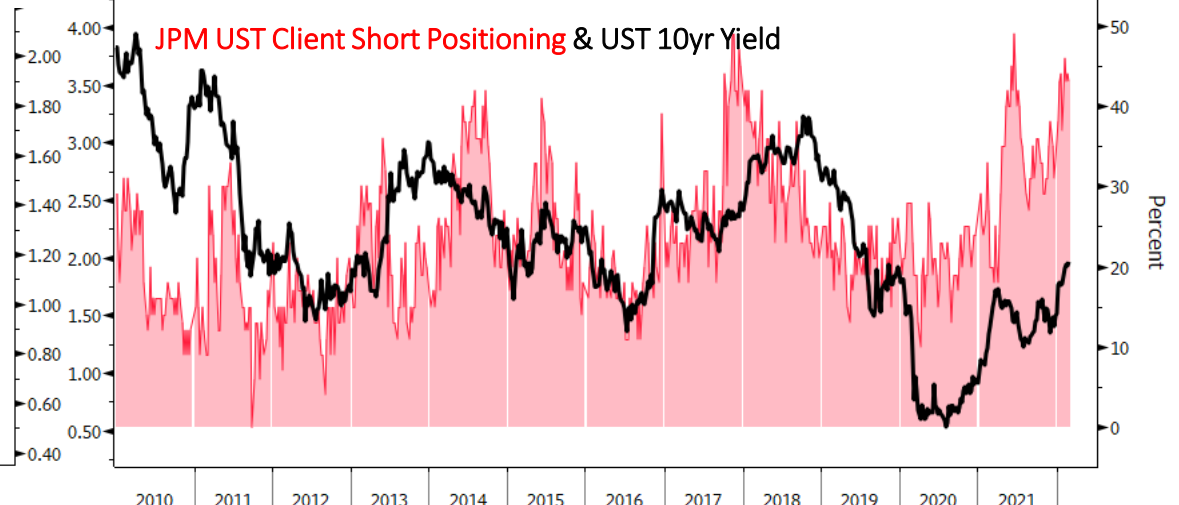
27-Feb-2022 00:06:46 USGG10YR Index (US Generic Govt 10 Yr) US Citi Inf 10yr yield Daily 02JUN1998-22FEB2022

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27-Feb-2022 00:07:04



GSTHUSTY Index (Interest Rate Sensitive) rate sensitive vs yield Daily 29MAY2020-27FEB2022 Copyright© 2022 Bloomberg Finance L.P. 27-Feb-2022 00:07:13



TINSALLO Index (U.S. JP Morgan Treasury Investor Sentiment All Client Short) JPM Short Bond srvy Weekly 01JAN2010-27FEB2022 Copyright© 2022 Bloomberg Finance L.P. 27-Feb-2022 00:06:55

Gold Monthly



Gold Weekly



Poor follow-through raises odds this was a false breakout. Needs to show strength this week



Gold Daily



Back below its November high



GC1 Comdty (Generic 1st 'GC' Future) GOLD - DAILY Daily 02JUL2021-27FEB2022

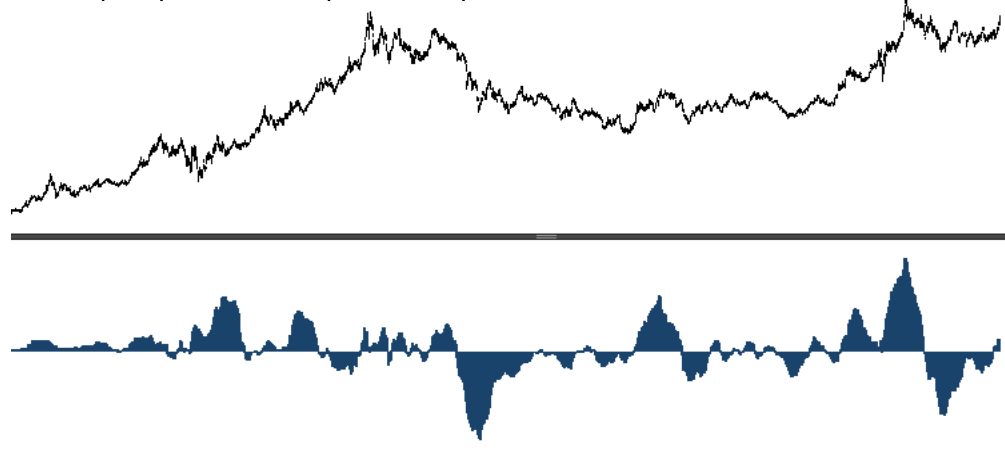
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Gold Indicators

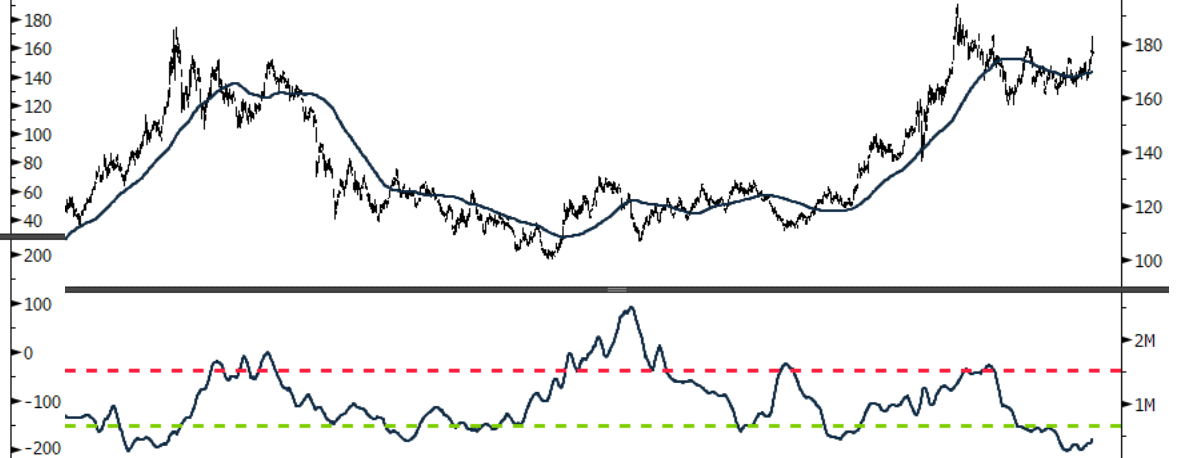


Gold (GLD) Fund Flows (smoothed)



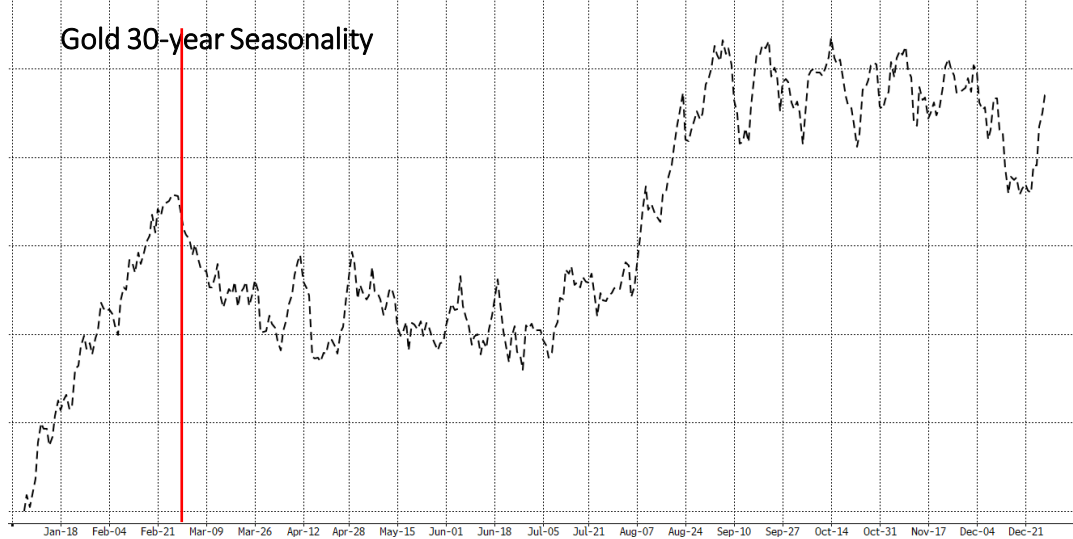
GLD US Equity (SPDR Gold Shares) Gold (GLD) Fund Flows z Daily 08SEP2005-27FEB2022 Copyright© 2022 Bloomberg Finance L.P. 27-Feb-2022 00:08:09

Gold Net Call-Put OI



GLD US Equity (SPDR Gold Shares) Call/Put Open Intrst GLD Daily 29MAY2010-27FEB2022 Copyright© 2022 Bloomberg Finance L.P. 27-Feb-2022 00:07:52

Gold 30-year Seasonality



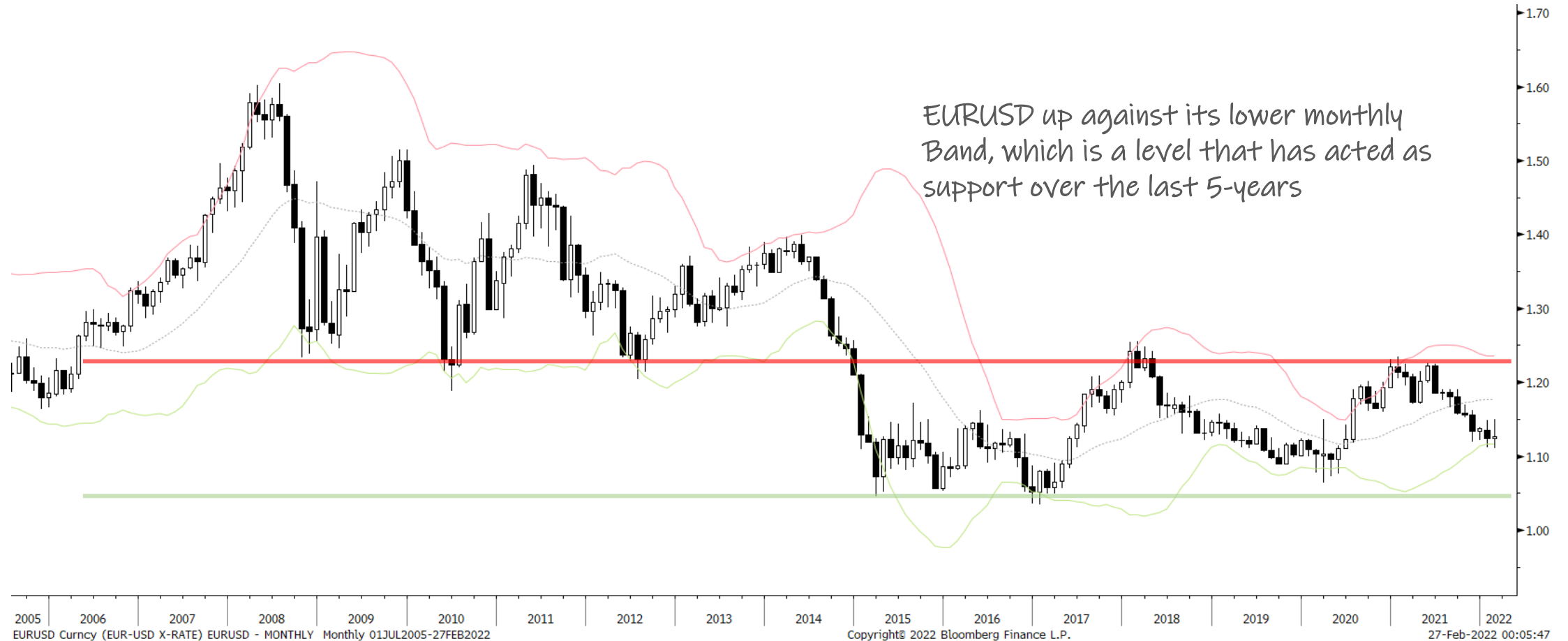
Jan-18 Feb-04 Feb-21 Mar-09 Mar-26 Apr-12 Apr-28 May-15 Jun-01 Jun-18 Jul-05 Jul-21 Aug-07 Aug-24 Sep-10 Sep-27 Oct-14 Oct-31 Nov-17 Dec-04 Dec-21

Gold Miners % > 200-day moving average

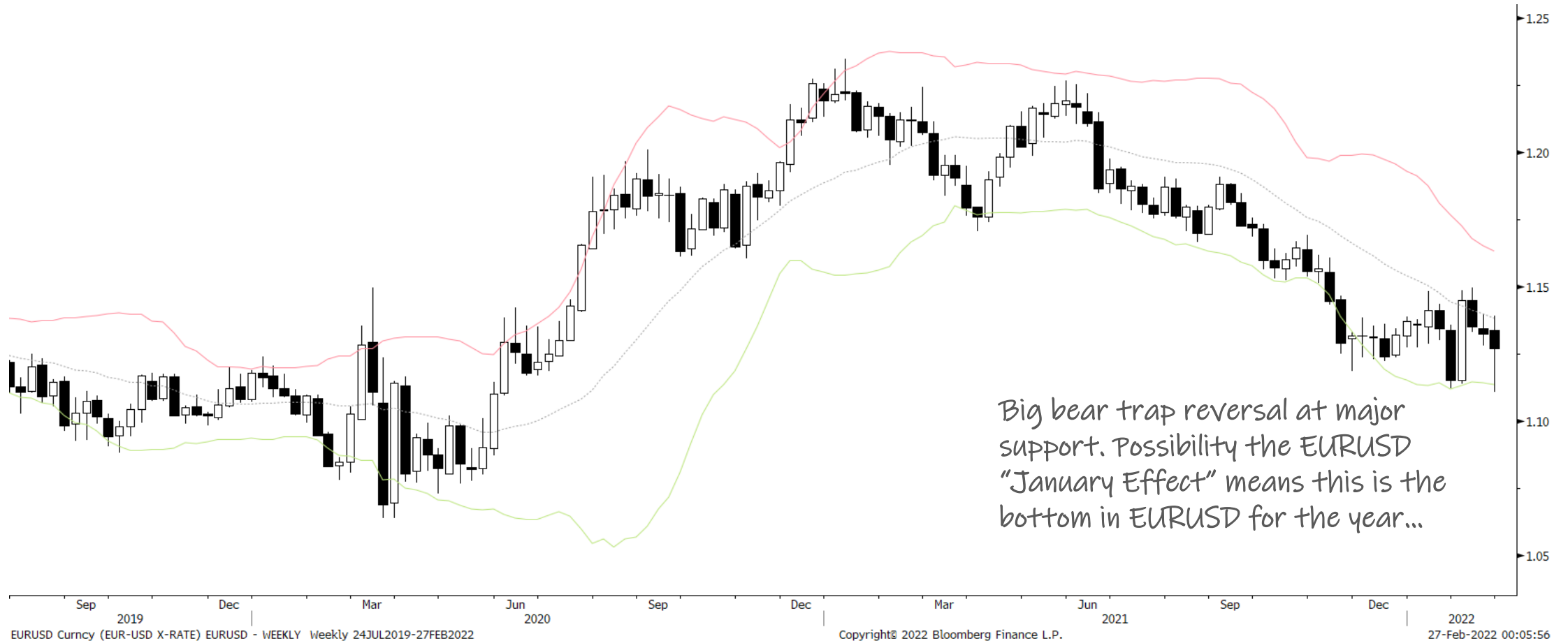


GDM Index (NYSE Arca Gold Miners Index) Breadth % abv200dma Gold Daily 05DEC2005-27FEB2022 Copyright© 2022 Bloomberg Finance L.P. 27-Feb-2022 00:08:01

EURUSD Monthly



EURUSD Weekly



EURUSD Daily



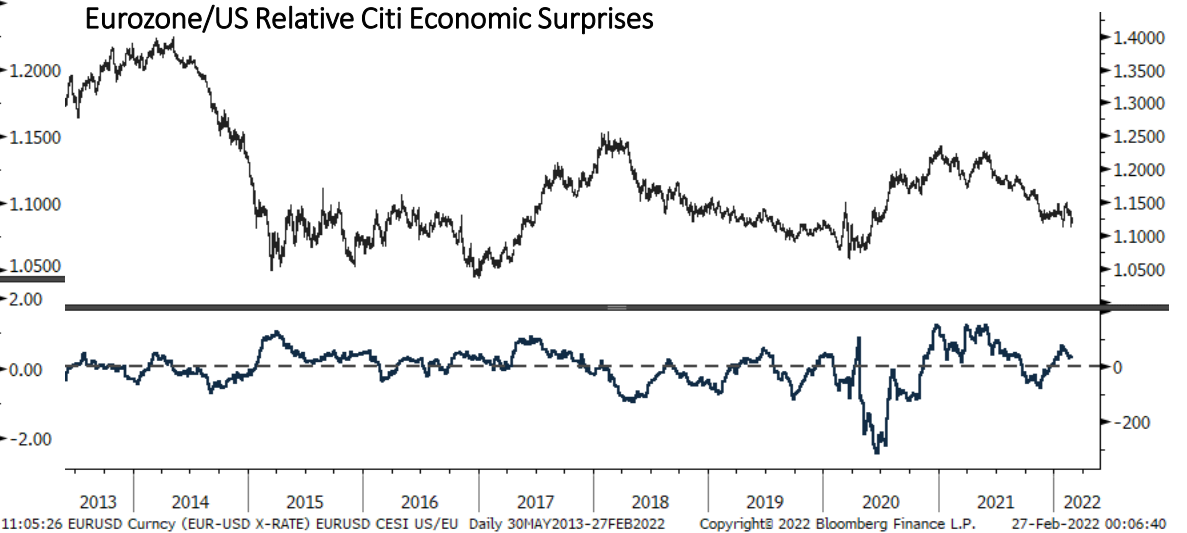
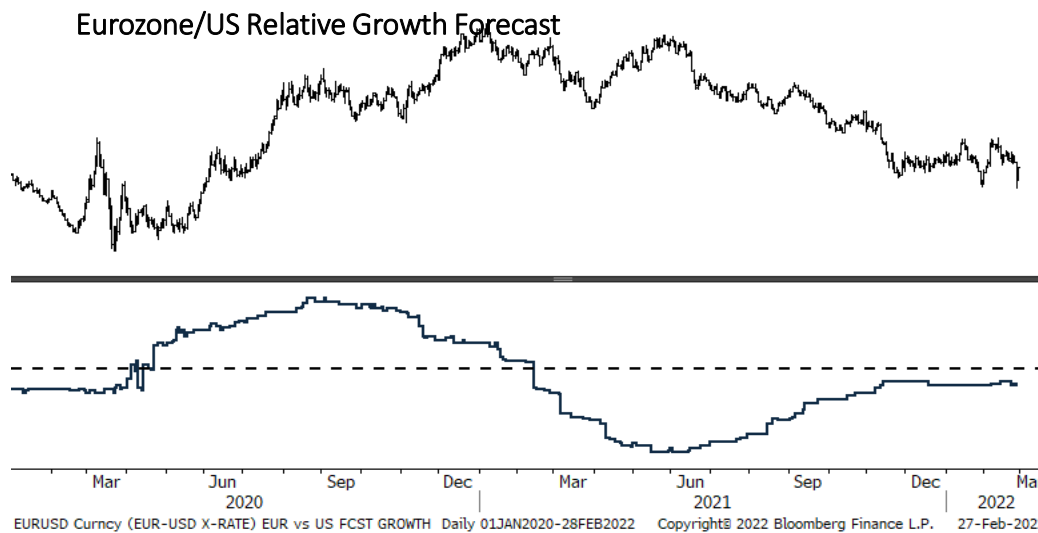
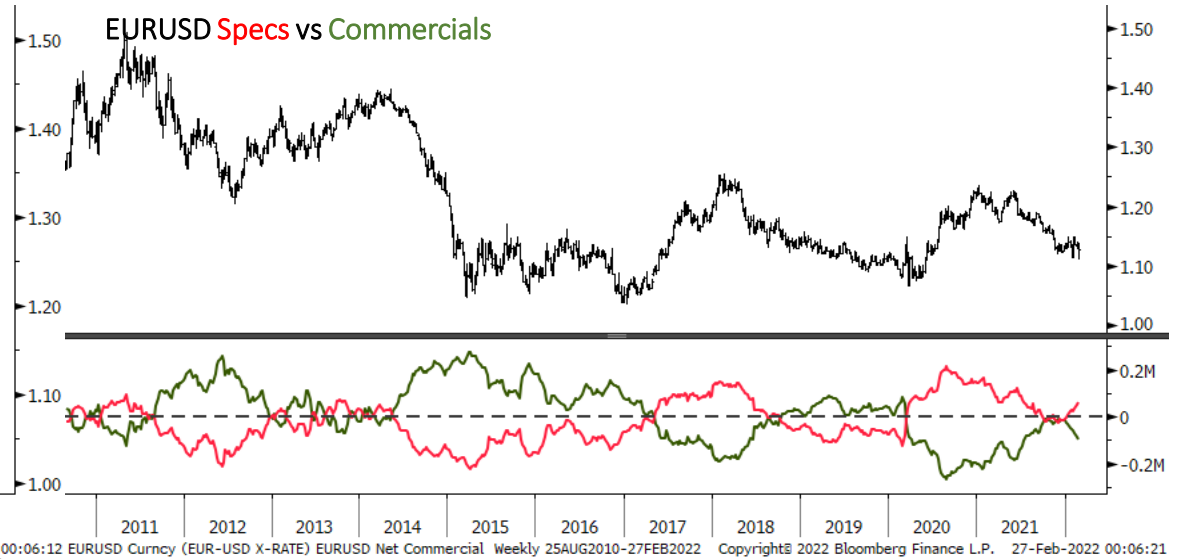
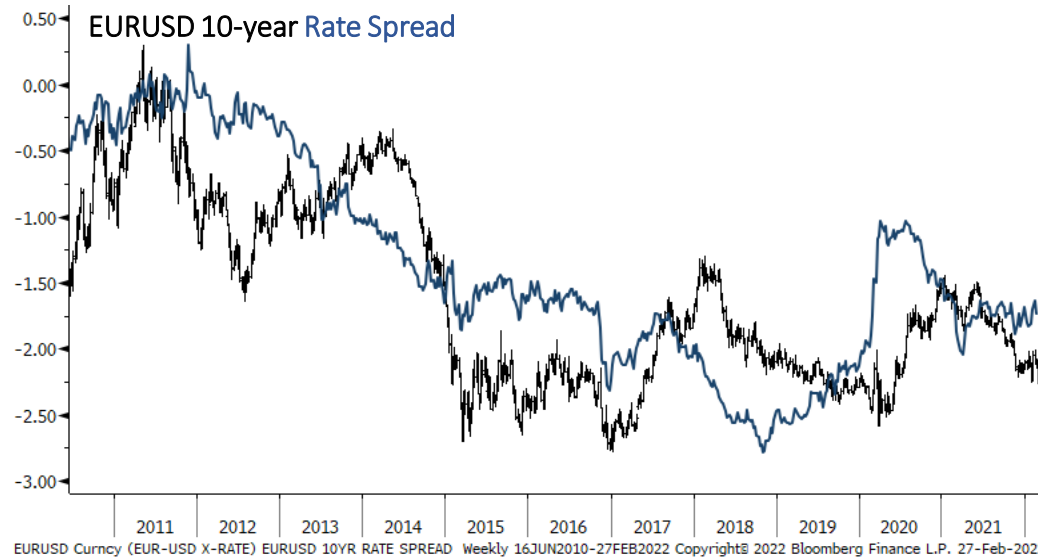
EURUSD Curncy (EUR-USD X-RATE) EURUSD - DAILY Daily 02APR2021-27FEB2022

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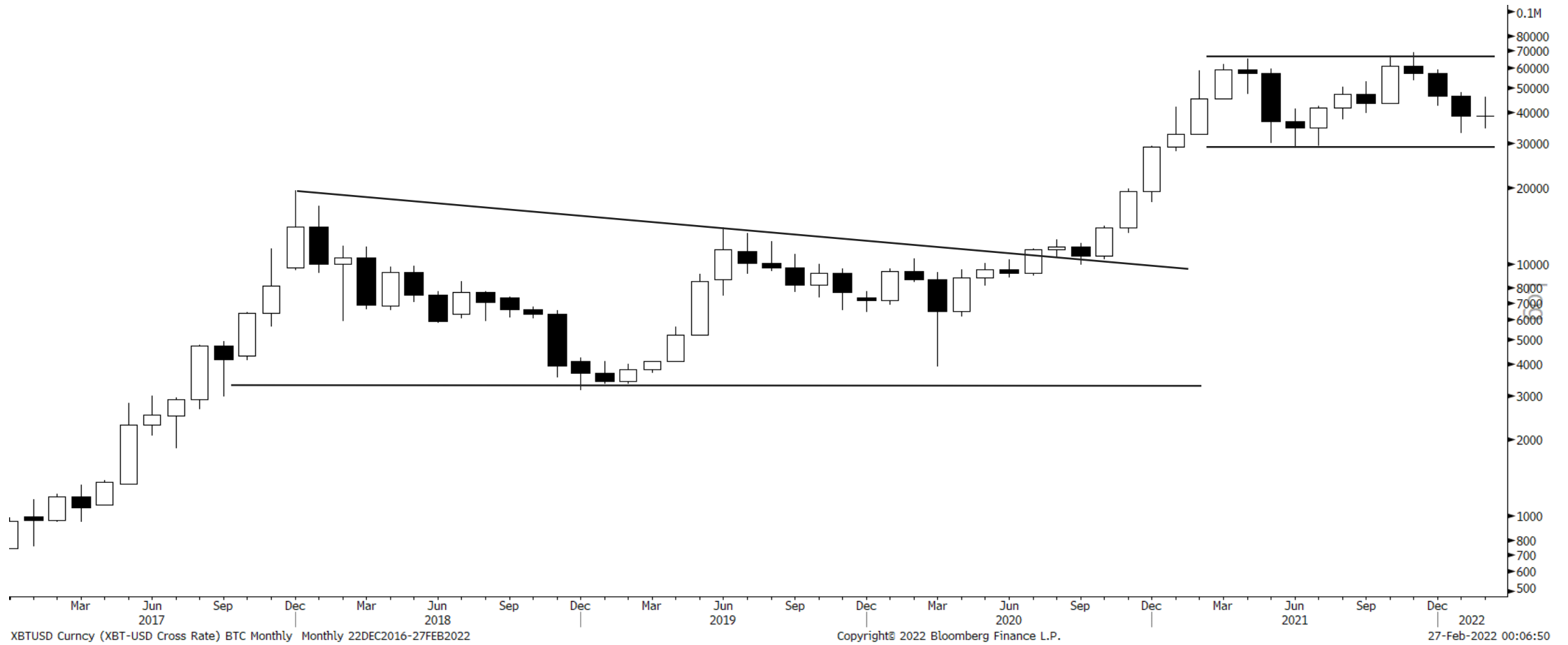
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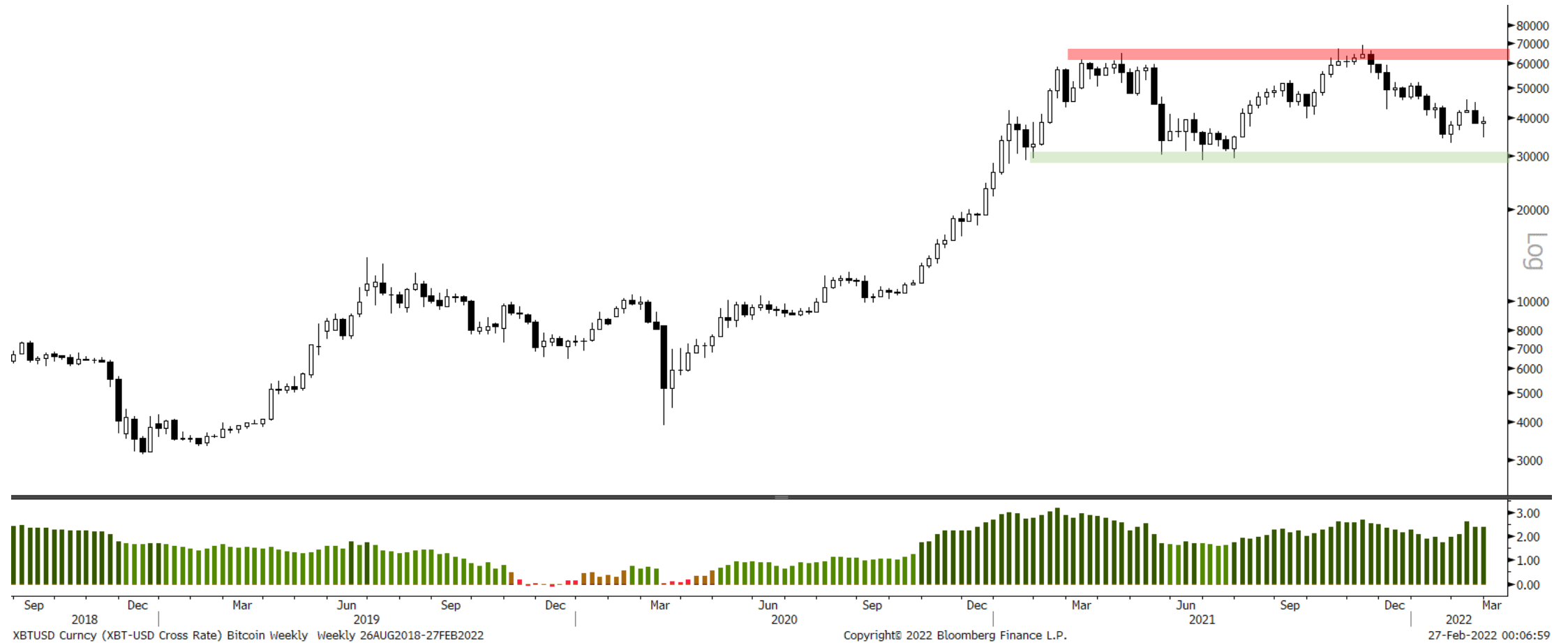
EURUSD Indicators



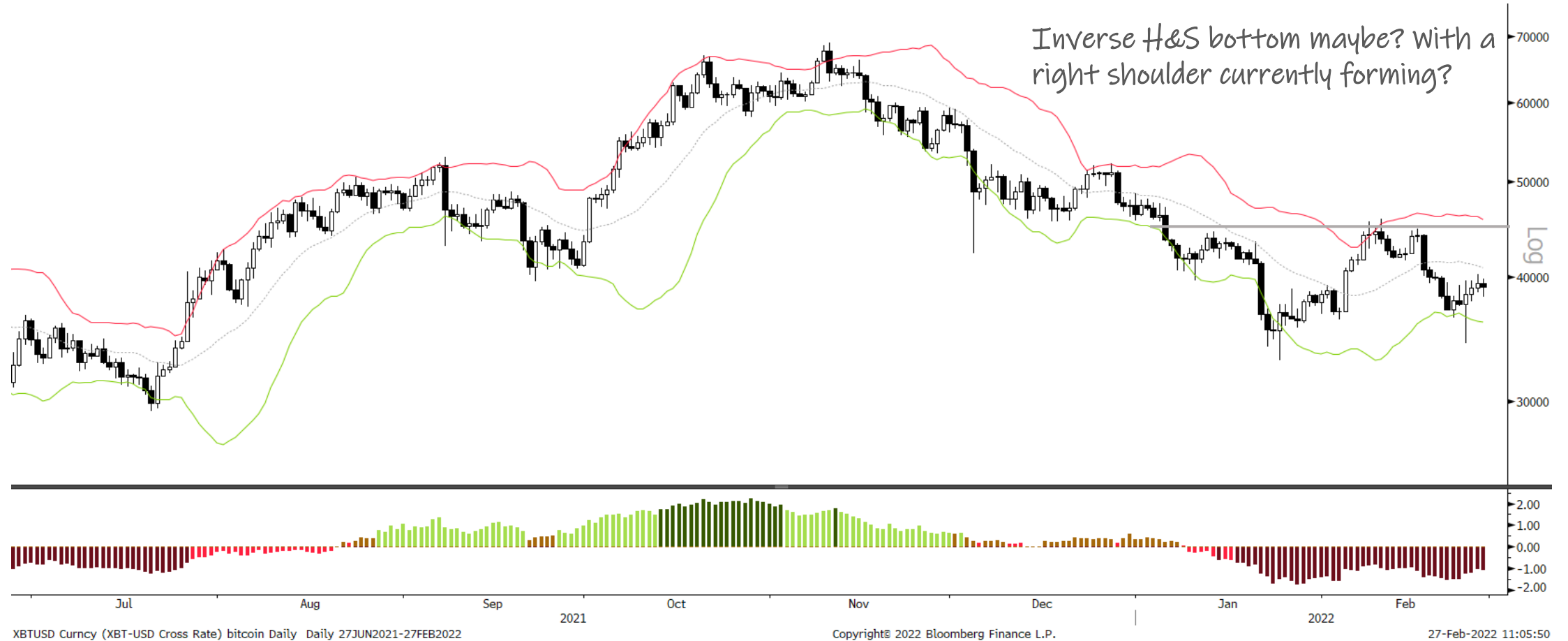
Bitcoin Monthly



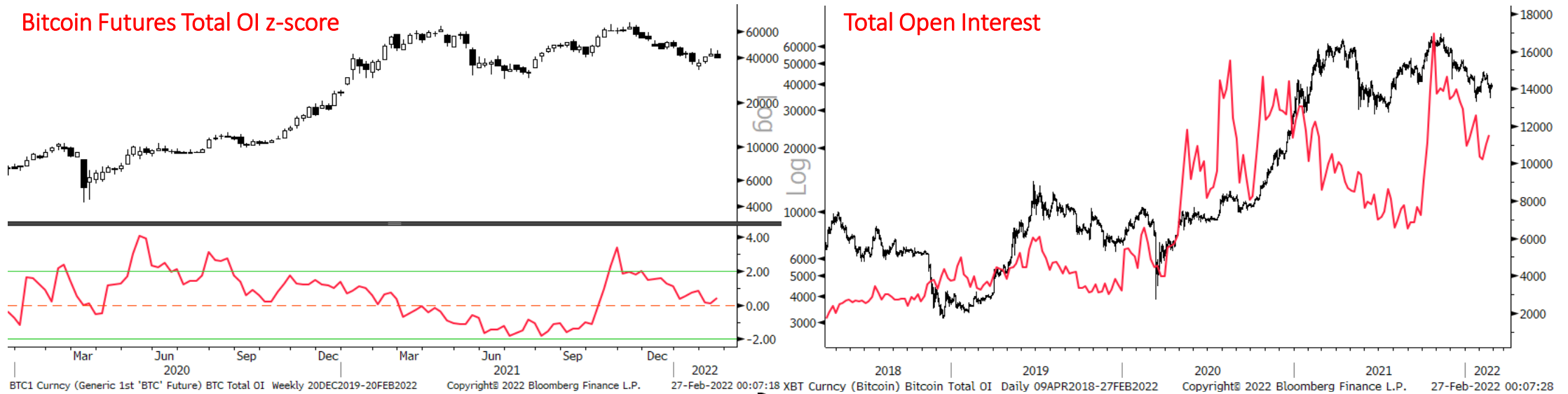
Bitcoin Weekly



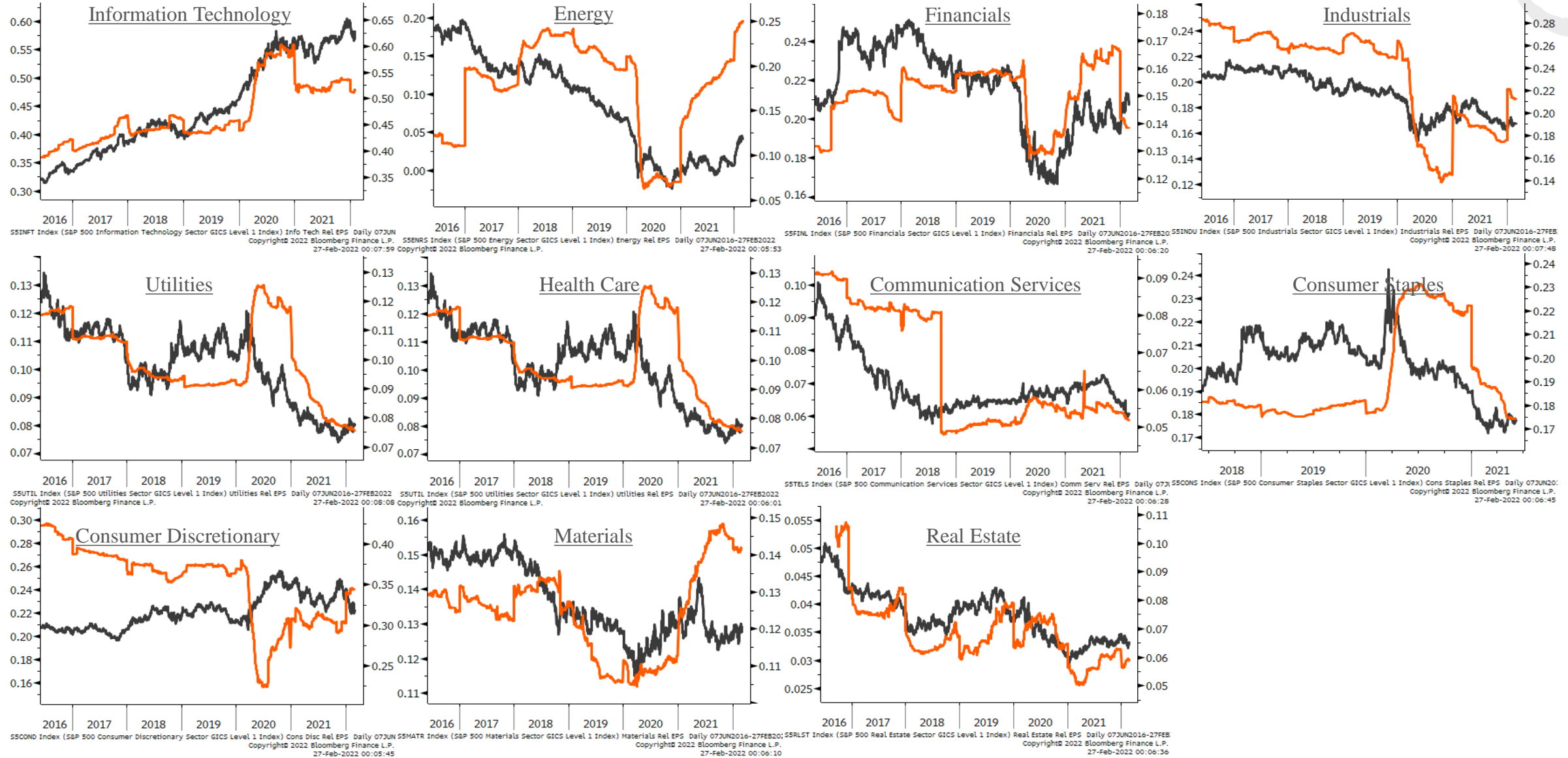
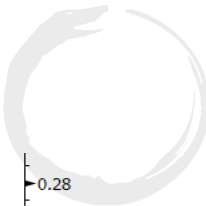
Bitcoin Daily



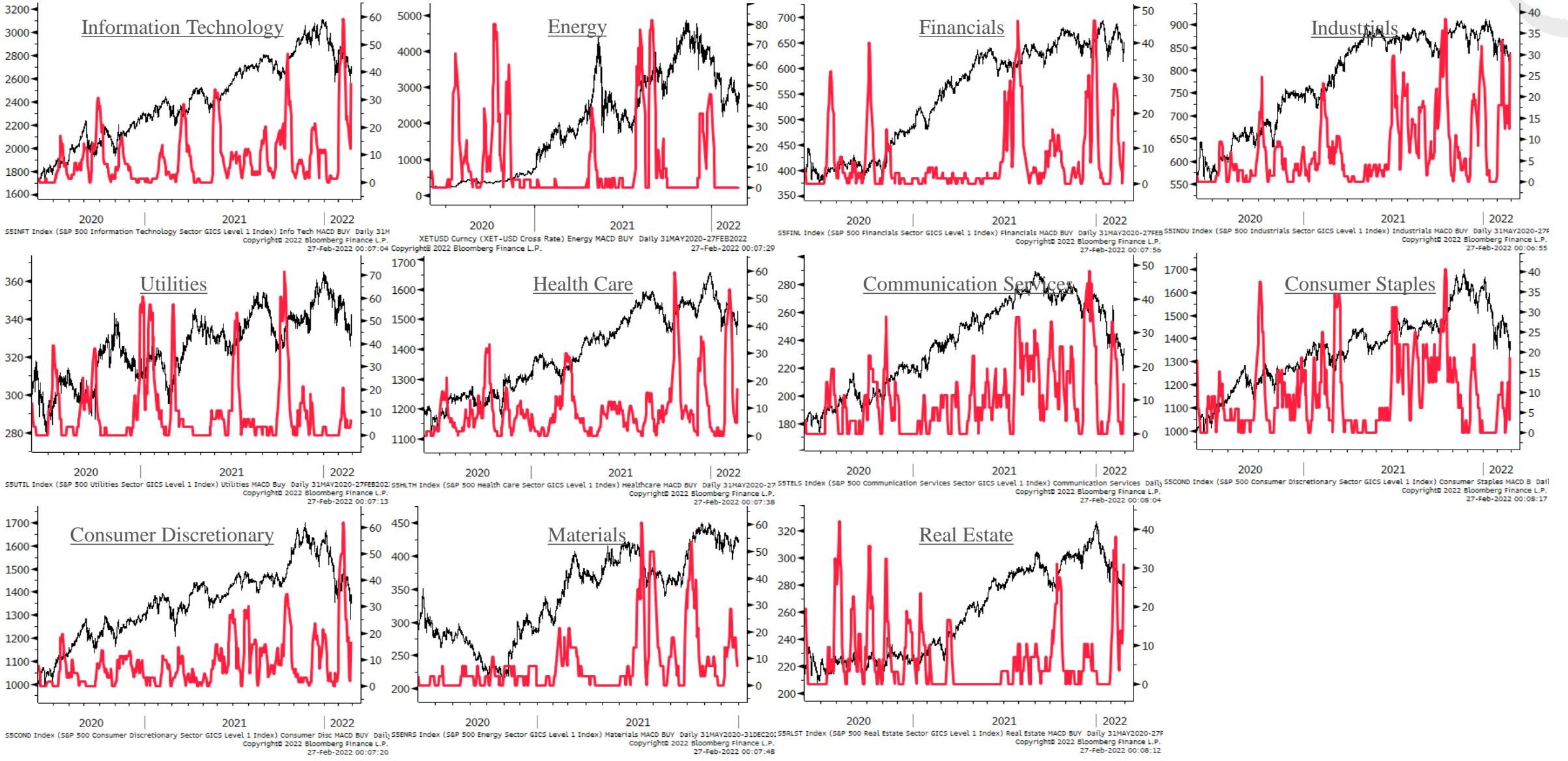
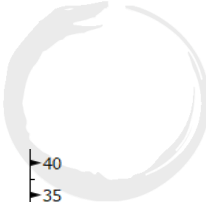
Bitcoin Indicators



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



Sector % MACD Buy Signals





Swing Trade Current Positions and Active Setups

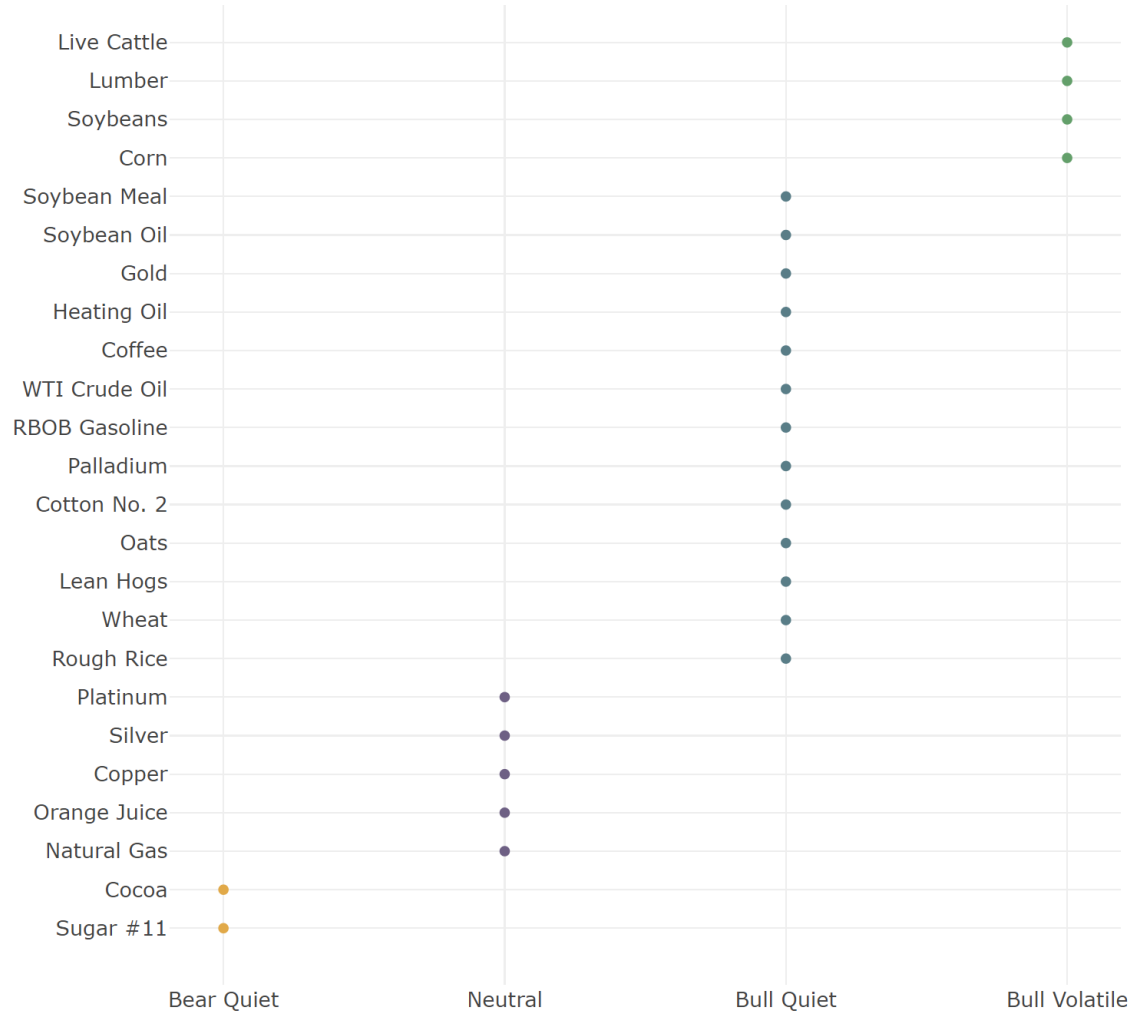
- **Current Positions:**

- Long Corn (ZCH22)
- Long Soybean Oil (ZLH22)
- Long WTI Oil (CLZ23)
- Long Wheat (ZWK22)
- Short DAX minis

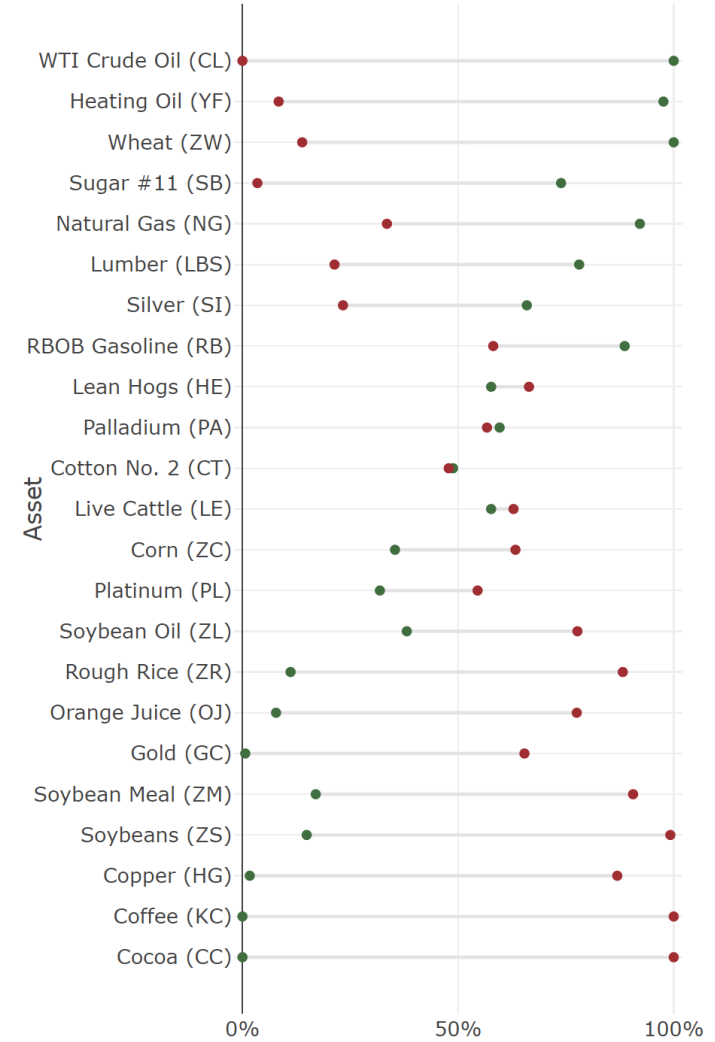
- **Active Setups/On Watch:**

- Long Gold (BullQ/BO)
- Add to Wheat (BullQ/Inverted H&S)

Market Regimes & Positioning



● Bull Volatile ● Bull Quiet ● Neutral ● Bear Quiet



● Commercials Net Position
● Speculators Net Position

Soybean Oil





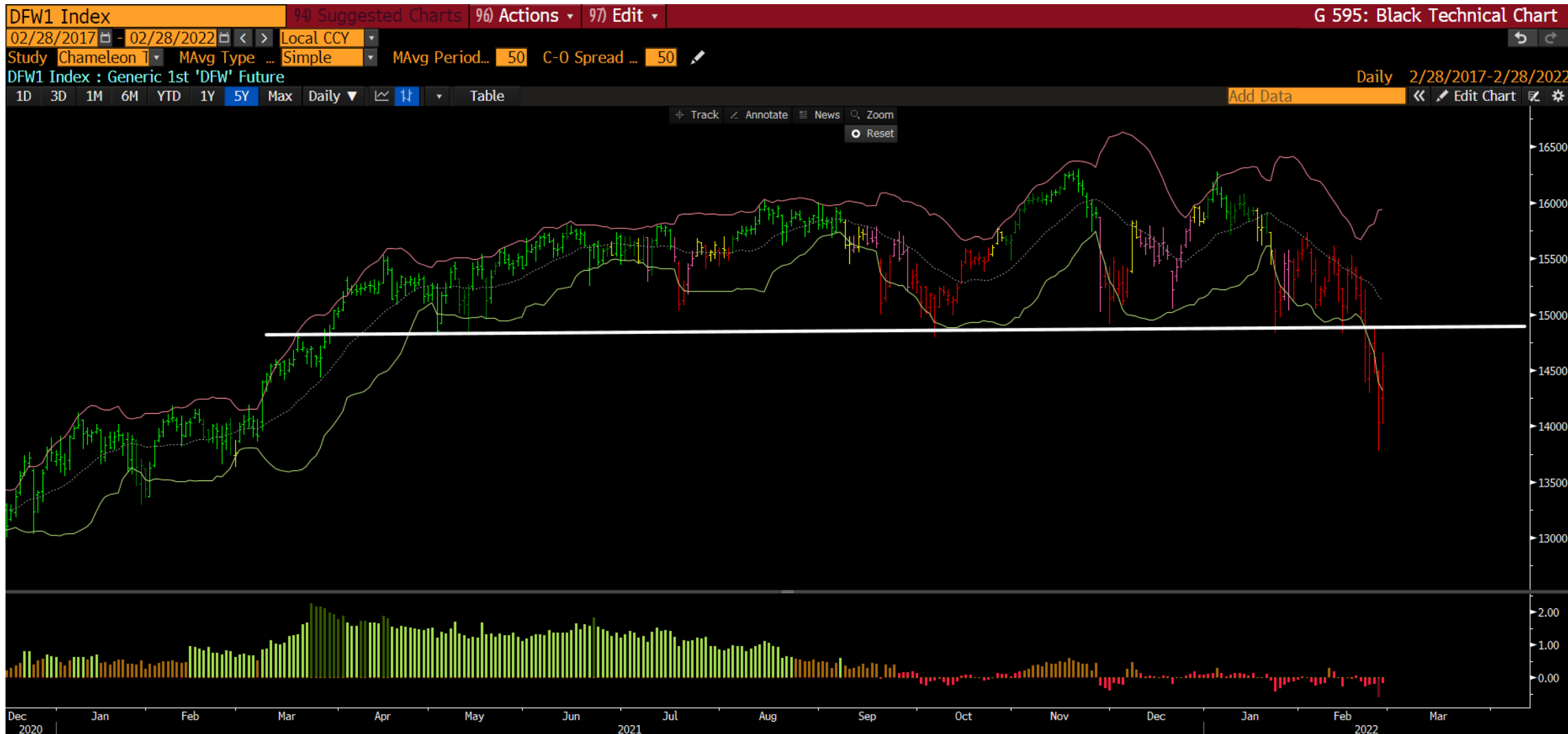
WTI Crude



Wheat



DAX minis



The Macro Ops Portfolio

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

2022 YTD Return 3.59%
 2021 Final Return 6.39%
 2020 Final Return 66.40%

Futures, Bonds & FX

	Ticker	Contracts	Capital	Notional	Actual Risk	Cost Basis	Current Price	Initial Stop-Loss	Current Stop-Loss	Current P&L	R-Multiple (Curr.)	Total Notional	Total Risk
Soybean Oil	ZLK2022	6	\$248,148.00	15.89%	-1.17%	\$0.65	\$0.69	\$0.63	\$0.70	6.65%	2.22	6.74%	-2.25%
Corn Futures	ZCH2022	7	\$230,790.00	14.78%	-1.59%	\$6.04	\$6.59	\$5.84	\$6.75	9.14%	2.68		
Mini Dax Futures	FDXMM2022	-16	-\$233,360.00	-14.94%	0.47%	\$14,693.00	\$14,585.00	\$14,785.00	\$14,785.00	0.74%	1.17		
Crude Oil Futures	CLZ2023	2	\$149,760.00	9.59%	0.00%	\$73.02	\$74.88	\$70.50	\$73.00	2.55%	0.74		
Wheat Futures	ZWK2022	3	\$128,940.00	8.26%	-0.02%	\$8.54	\$8.60	\$8.11	\$8.66	0.61%	0.12		
Corn Futures (Second Leg)	ZCH2022	3	\$98,850.00	6.33%	-0.46%	\$6.27	\$6.59	\$6.09	\$6.75	5.04%	1.74		
E-mini Russell 2000	RTYH2022	-2	-\$203,800.00	-13.05%	0.51%	\$2,025.00	\$2,038.00	\$2,105.00	\$2,105.00	-0.64%	-0.18		

Equities

Strategic

	Ticker	Shares	Capital	Notional	Actual Risk	Cost Basis	Current Price	Initial Stop-Loss	Current Stop-Loss	Current P&L	R-Multiple (Curr.)	Total Notional	Total Risk
Basic-Fit	BFIT	1,794	\$81,288.05	5.20%	0.22%	\$45.26	\$45.30	\$40.74	\$43.32	0.09%	0.01	18.02%	4.87%
XP, Inc.	XP	1,860	\$60,155.62	3.85%	0.99%	\$34.00	\$32.35	\$25.70	\$25.70	-4.85%	-0.20		
Asana, Inc.	ASAN	692	\$37,451.23	2.40%	3.04%	\$68.57	\$54.10	\$0.00	\$0.00	-21.10%	-0.21		
Ammo, Inc.	POWW	12,806	\$56,985.76	3.65%	0.47%	\$4.52	\$4.45	\$3.95	\$3.95	-1.55%	-0.12		
Nintendo	NTDOY	733	\$45,579.28	2.92%	0.15%	\$62.17	\$62.19	\$53.00	\$59.00	0.03%	0.00		

Thematic

	Ticker	Shares	Capital	Notional	Actual Risk	Cost Basis	Current Price	Initial Stop-Loss	Current Stop-Loss	Current P&L	R-Multiple (Curr.)	Total Notional	Total Risk
Pantheon Resources	PANR	57,746	\$98,168.31	6.29%	0.55%	\$1.05	\$1.70	\$0.88	\$0.90	61.90%	3.82	23.30%	2.20%
Vista Oil & Gas	VIST	9,019	\$72,149.33	4.62%	-0.09%	\$5.85	\$8.00	\$5.00	\$6.00	36.75%	2.53		
Sprott Uranium	U.UN	8,977	\$110,062.03	7.05%	1.01%	\$11.75	\$12.26	\$9.96	\$10.00	4.34%	0.28		
Alphamin Resources	AFM.TSX	58,715	\$51,081.84	3.27%	0.49%	\$0.76	\$0.87	\$0.63	\$0.63	14.47%	0.85		
Alphamin Resources (Second Leg Tactical)	AFM.TSX	37,302	\$32,453.13	2.08%	0.24%	\$0.86	\$0.87	\$0.76	\$0.76	1.16%	0.10		

Tactical

	Ticker	Shares	Capital	Notional	Actual Risk	Cost Basis	Current Price	Initial Stop-Loss	Current Stop-Loss	Current P&L	R-Multiple (Curr.)	Total Notional	Total Risk
Basic-Fit (Second Leg Tactical)	BFIT	1,473	\$66,739.58	4.27%	0.20%	\$45.47	\$45.30	\$43.01	\$43.32	-0.37%	-0.07	4.27%	0.20%

Options

	Ticker	Contracts	Capital	Notional	Actual Risk	Cost Basis	Current (Mid) Price	Initial Stop-Loss	Current Stop-Loss	Current P&L	R-Multiple (Curr.)	Total Notional	Total Risk
CRK JAN 2023 \$10 CALLS	CRK	171	\$23,940.00	1.53%	1.31%	\$120.00	\$140.00	\$0.00	\$0.00	16.67%	0.17	6.21%	8.94%
ENB Jan 2023 \$50 CALLS	ENB	389	\$17,505.00	1.12%	0.75%	\$30.00	\$45.00	\$0.00	\$0.00	50.00%	0.50		
MU Jan 2023 \$125 CALLS	MU	82	\$43,255.00	2.77%	2.48%	\$473.00	\$527.50	\$0.00	\$0.00	11.52%	0.12		
MO JAN 2023 \$70 CALLS	MO	299	\$8,222.50	0.53%	1.76%	\$92.00	\$27.50	\$0.00	\$0.00	-70.11%	-0.70		
EWJ JAN 2023 \$90 CALLS	EWJ	173	\$3,027.50	0.19%	1.35%	\$122.00	\$17.50	\$0.00	\$0.00	-85.66%	-0.86		
BHP Jan 2023 \$115 CALLS	BHP	55	\$1,237.50	0.08%	1.34%	\$380.00	\$22.50	\$0.00	\$0.00	-94.08%	-0.94		
SQ APR 2022 \$70 PUTS	SQ	-4	-\$264.00	-0.02%	-0.06%	\$220.00	\$66.00	\$0.00	\$0.00	233.33%	0.70		

Appendix

- Trifecta Lens & SQN Methodology & Case Study ([link here](#))
 - TL Score 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](#))

