



Macro Ops

The Trifecta Report

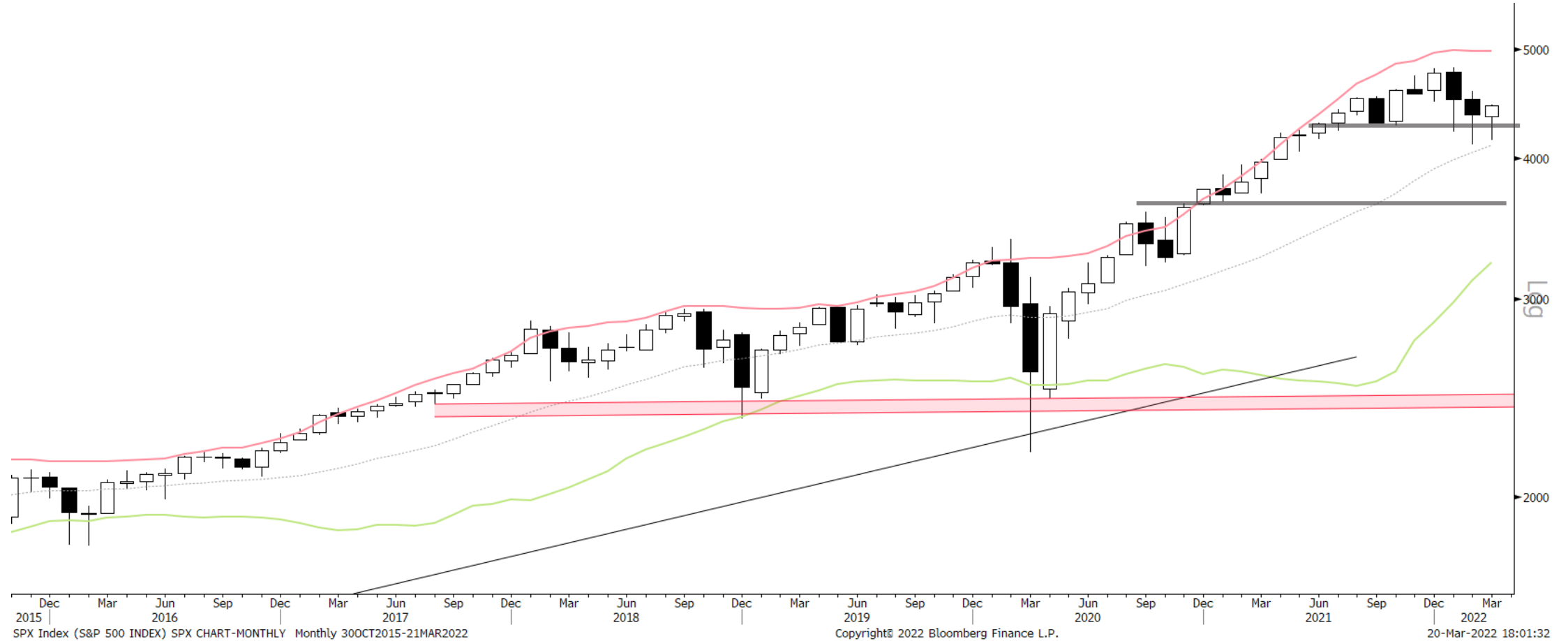
The best trades are the ones in which you have all three things going for you: fundamentals, technical, and market tone. ~ Michael Marcus

Weekly Summary



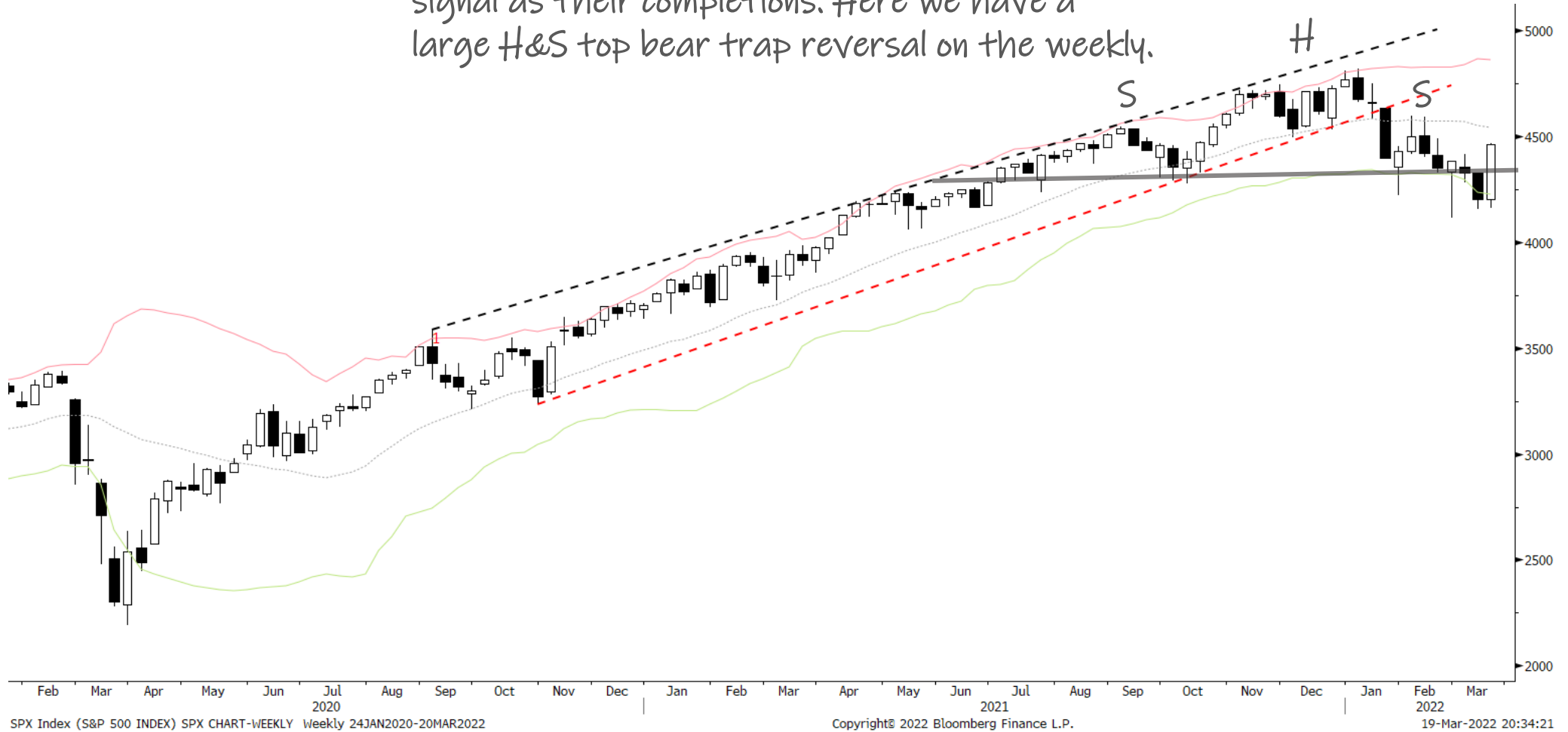
S&P 500	UST 10yr Bonds	Gold	EURUSD
<p>➤ Summary: Large H&S weekly topping pattern failed, with a bear trap reversal. We saw a few of the <u>Breadth Thrusts that we were waiting on trigger Friday</u> (ie, Zweig Breadth Thrust, % of stocks > 10dma over 90%, McClellan Oscillator > 200). And credit turned up (LQD/IEF) while VIX fell from high levels, providing a tailwind for this bounce in stocks. Our TL Score jumped to +1 and <u>N&N weekly is turning up from low levels</u>, both of which are bullish. Rising yields continue to be a headwind but there are some signs bonds might be at a temporary bottom. We'd like to see further breadth thrusts trigger this week and next but with the current sentiment/ positioning backdrop, we'll likely see further upside over the short-term as the market moves into a larger sideways volatile regime.</p>	<p>➤ Summary: No strong view at the moment.</p>	<p>➤ Summary: Gold broke out from its major 2yr triangle and its smaller wedge. Positioning and sentiment are bearish but precious metals are at risk of showing lack of follow-through on the monthly charts and putting in a large double-top on the monthly gold. PMs need to show strength over the next two weeks to prove bulls are in control. We are watching from the sidelines until the picture develops more.</p>	<p>➤ Summary: EURUSD is trading on geopolitical news. It's currently in a bearish flag retrace. We'd consider getting short on a breakdown from the current pattern.</p>

S&P 500 Monthly








S&P 500 Weekly

Chart pattern failures can be as important a signal as their completions. Here we have a large H&S top bear trap reversal on the weekly.



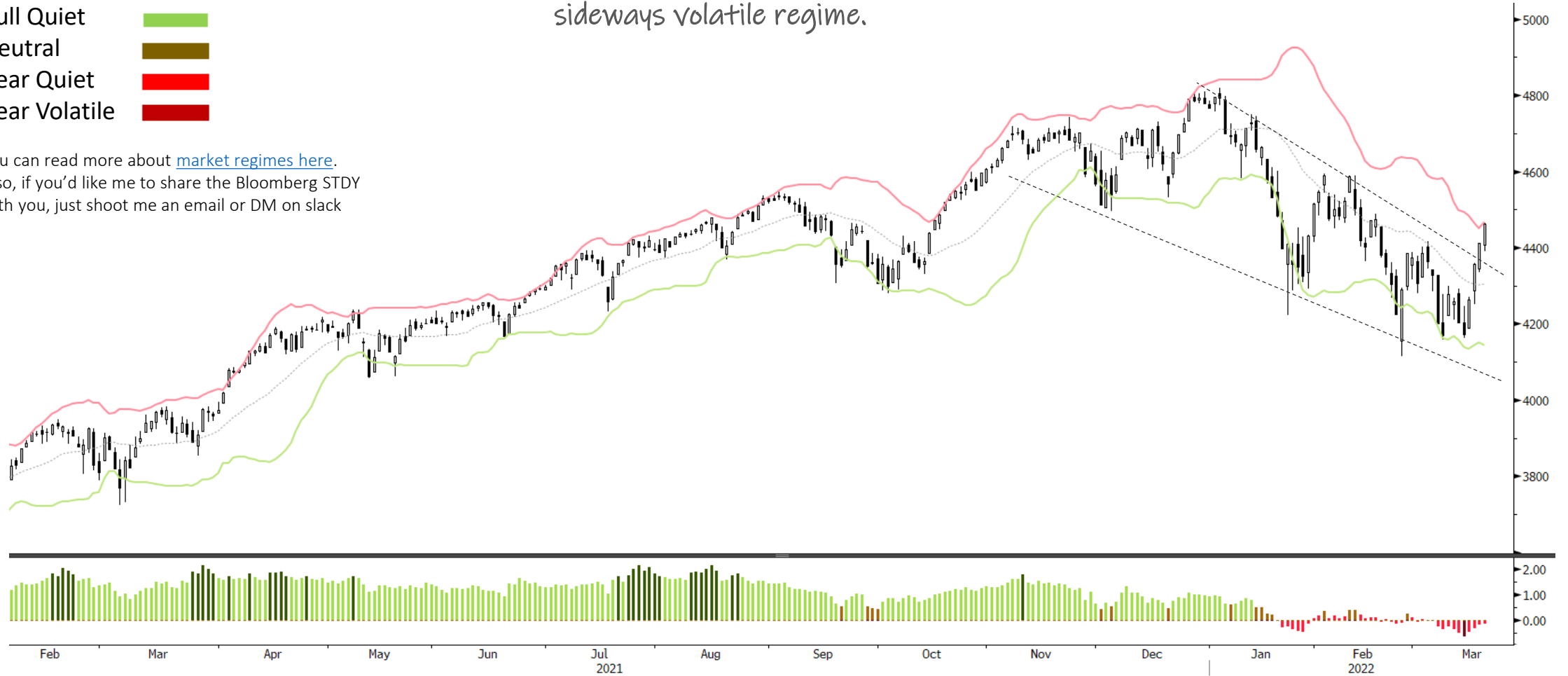
S&P 500 Daily

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

The market broke out of the downward wedge pattern we've been tracking. It's likely the chart will morph into a larger sideways volatile regime.

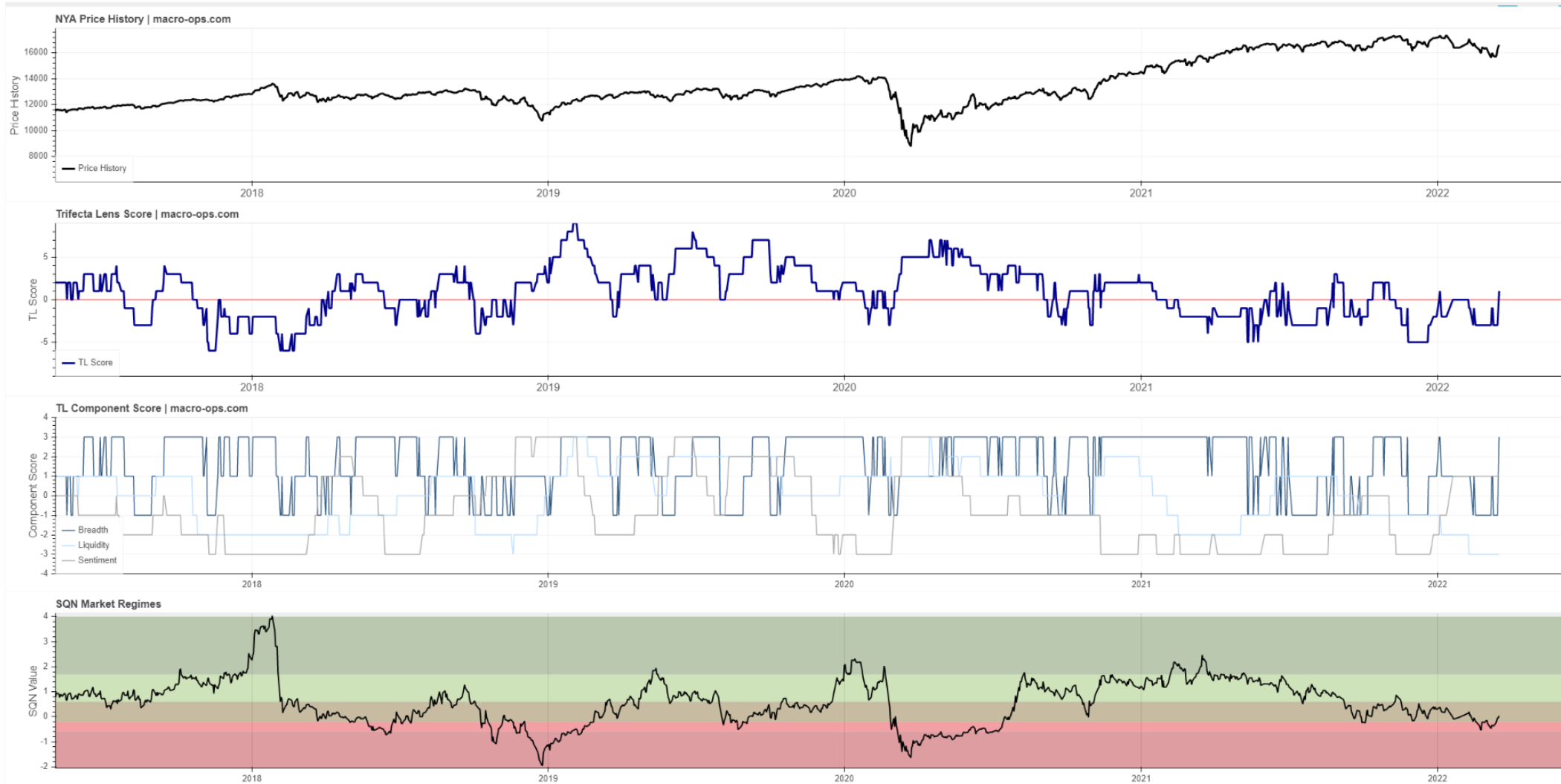


SPX Index (S&P 500 INDEX) SPX CHART-DAILY Daily 02FEB2021-21MAR2022

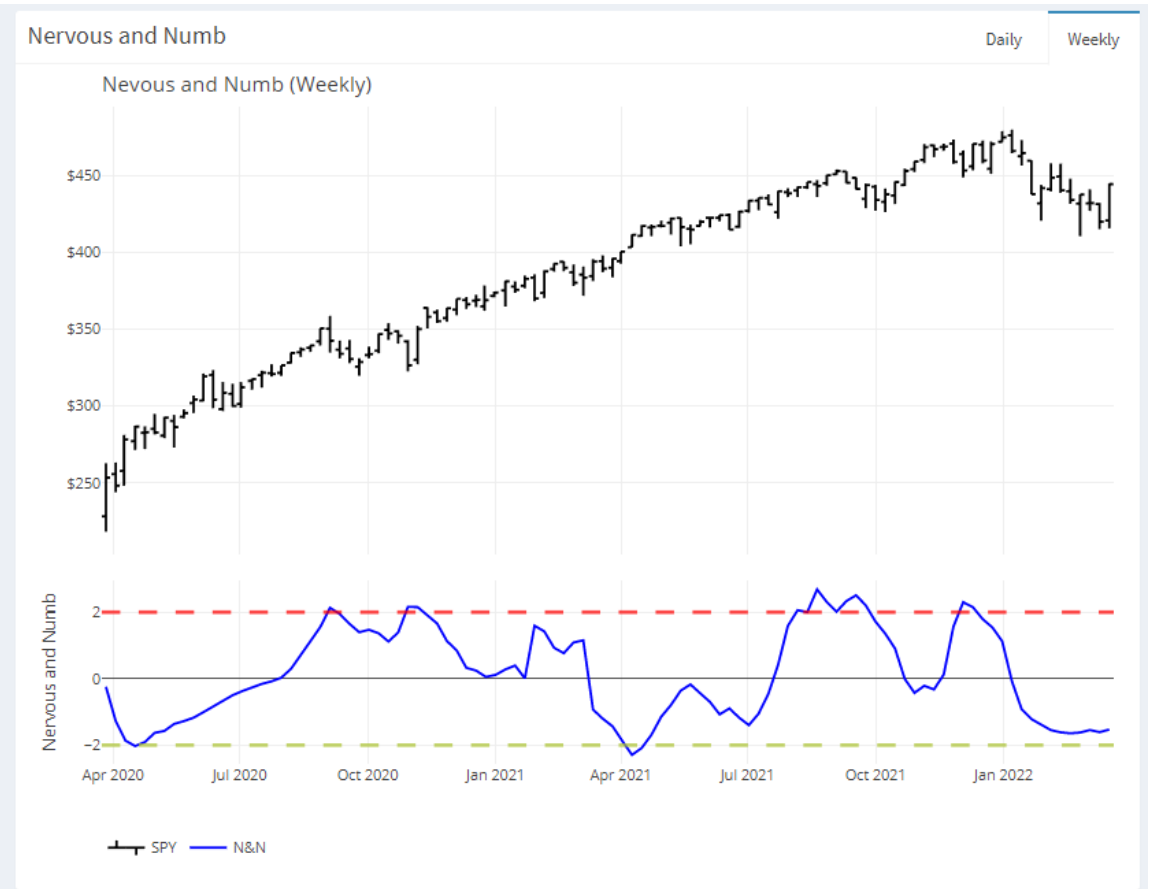
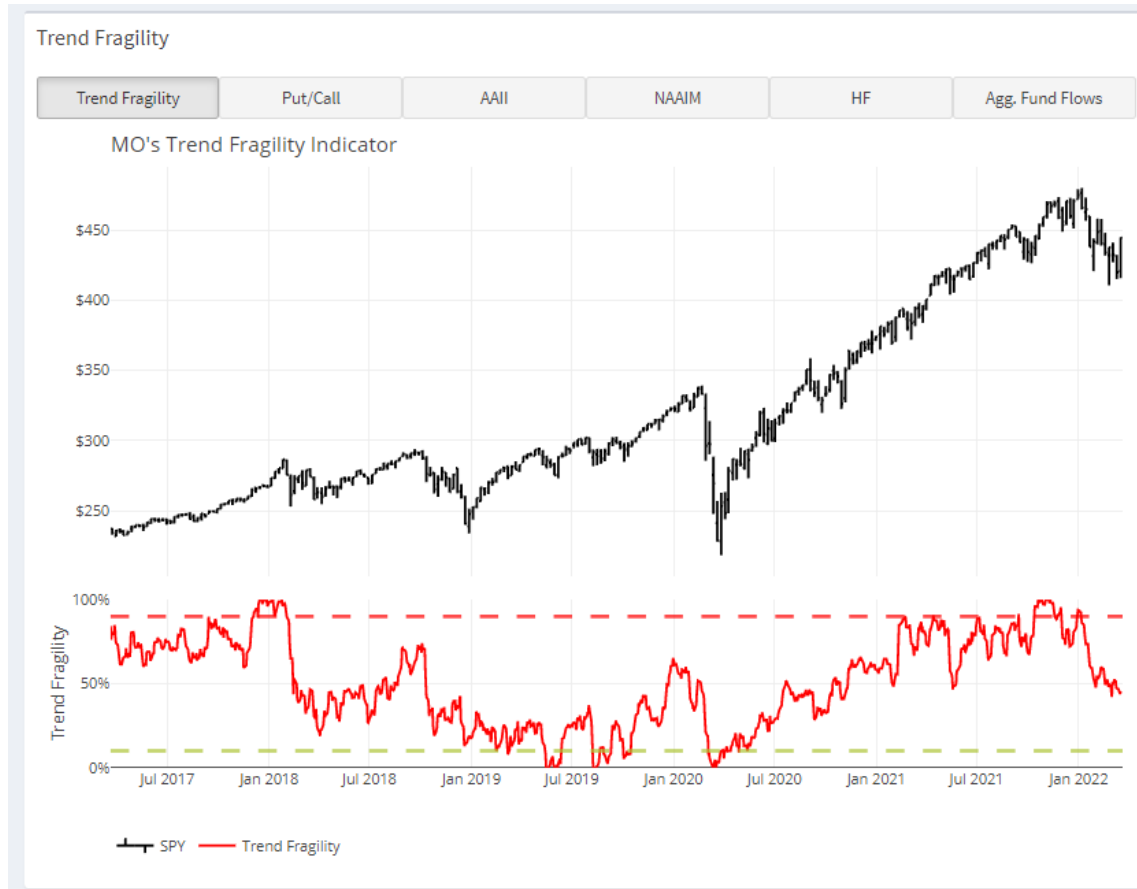
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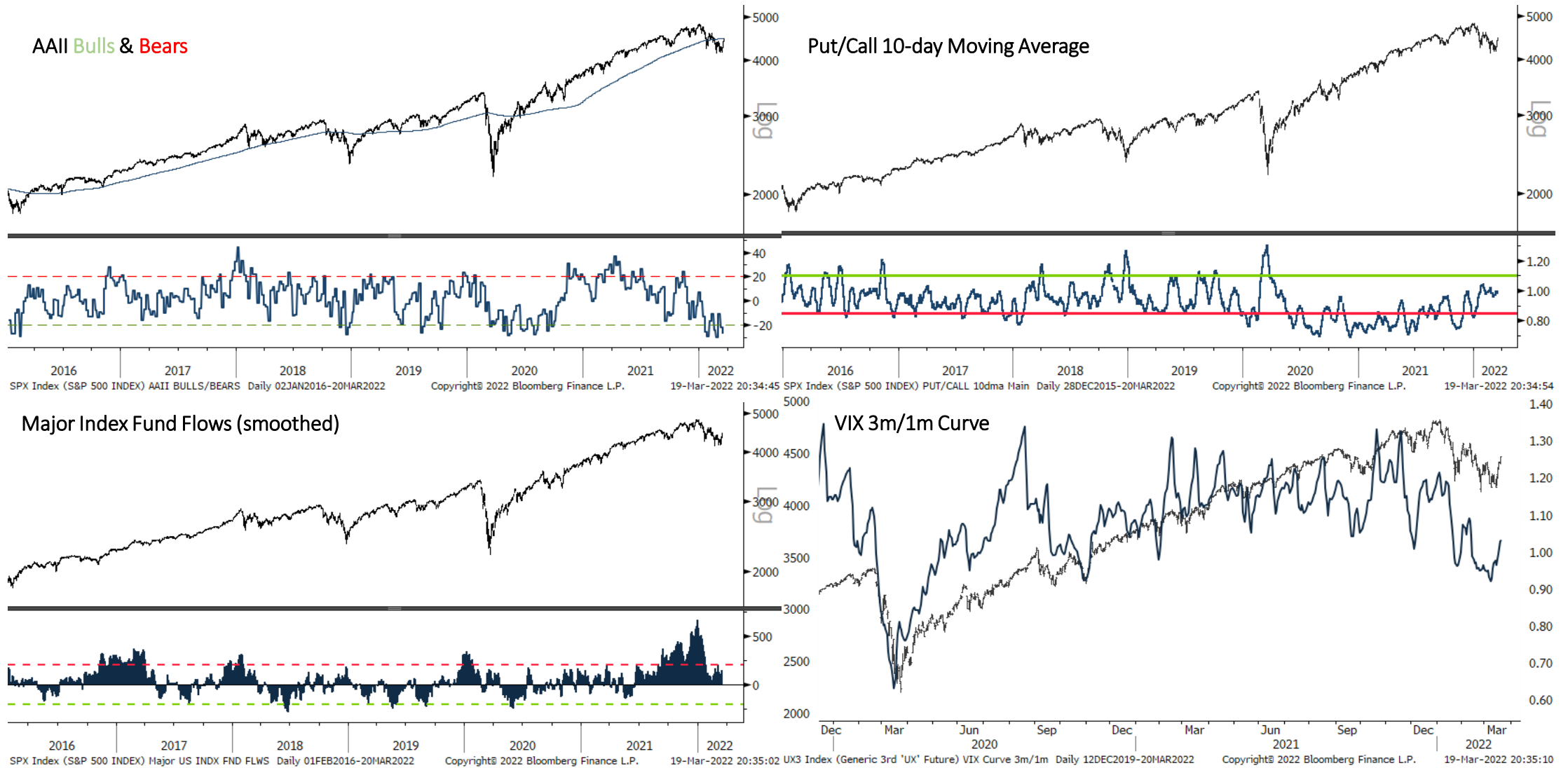
Trifecta Lens Score: **+1** (You can read more about our [Trifecta Lens here](#) and link to the [Dashboard here](#))



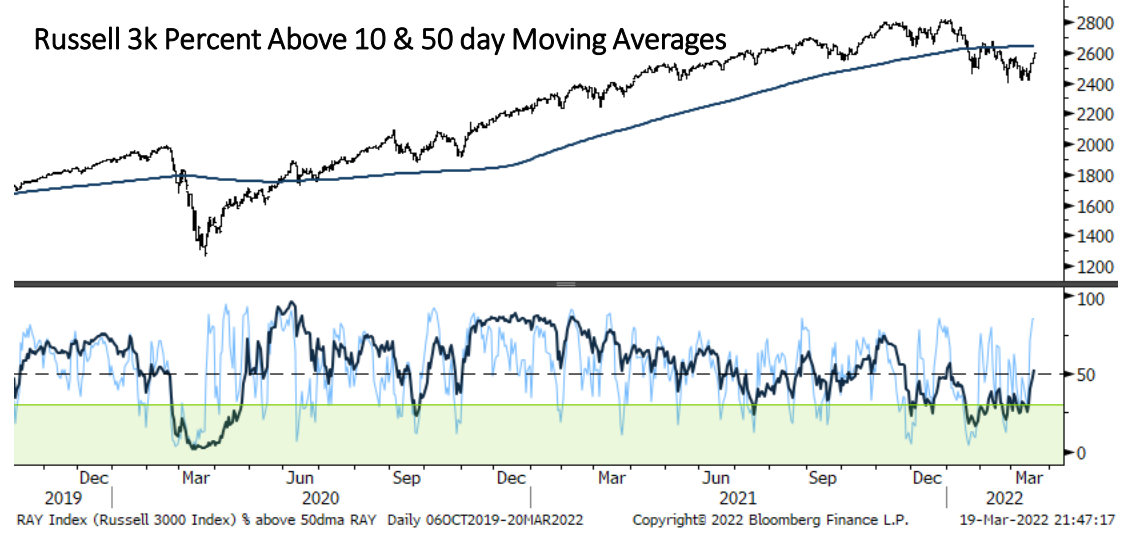
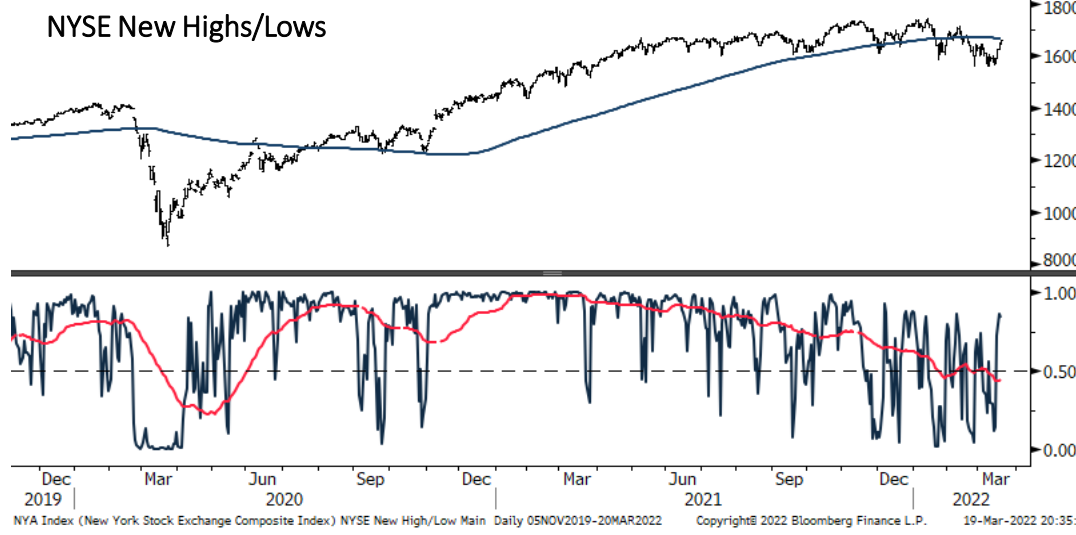
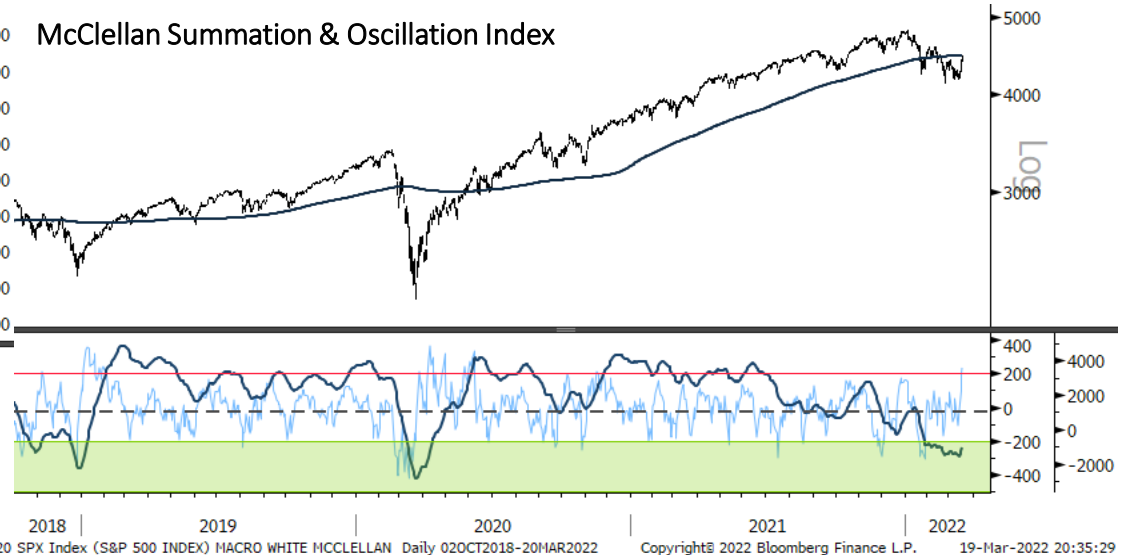
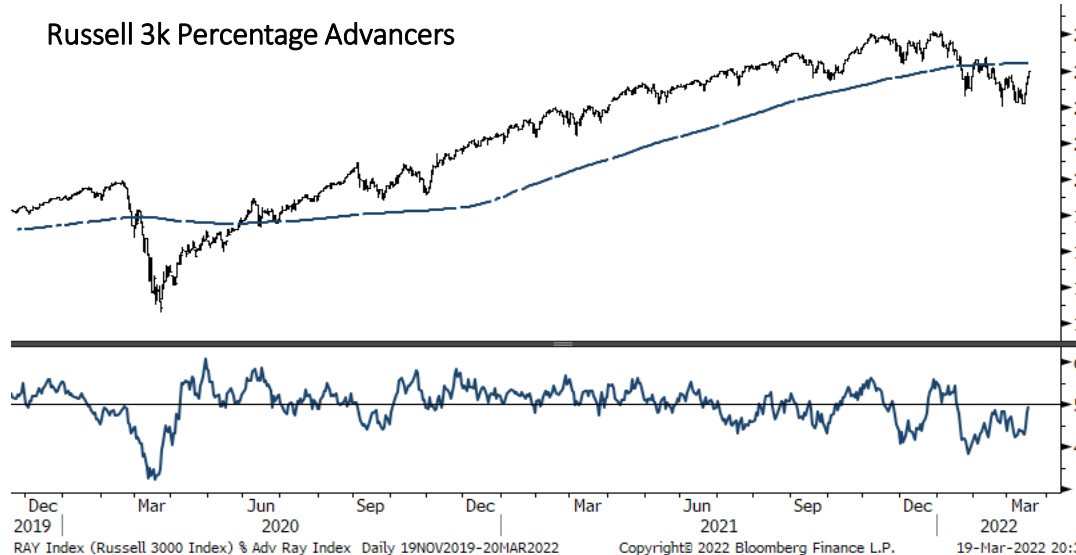
Trend Fragility and N&N: Neutral fragility & Numb Investors (weekly) (see appendix at bottom for more info)



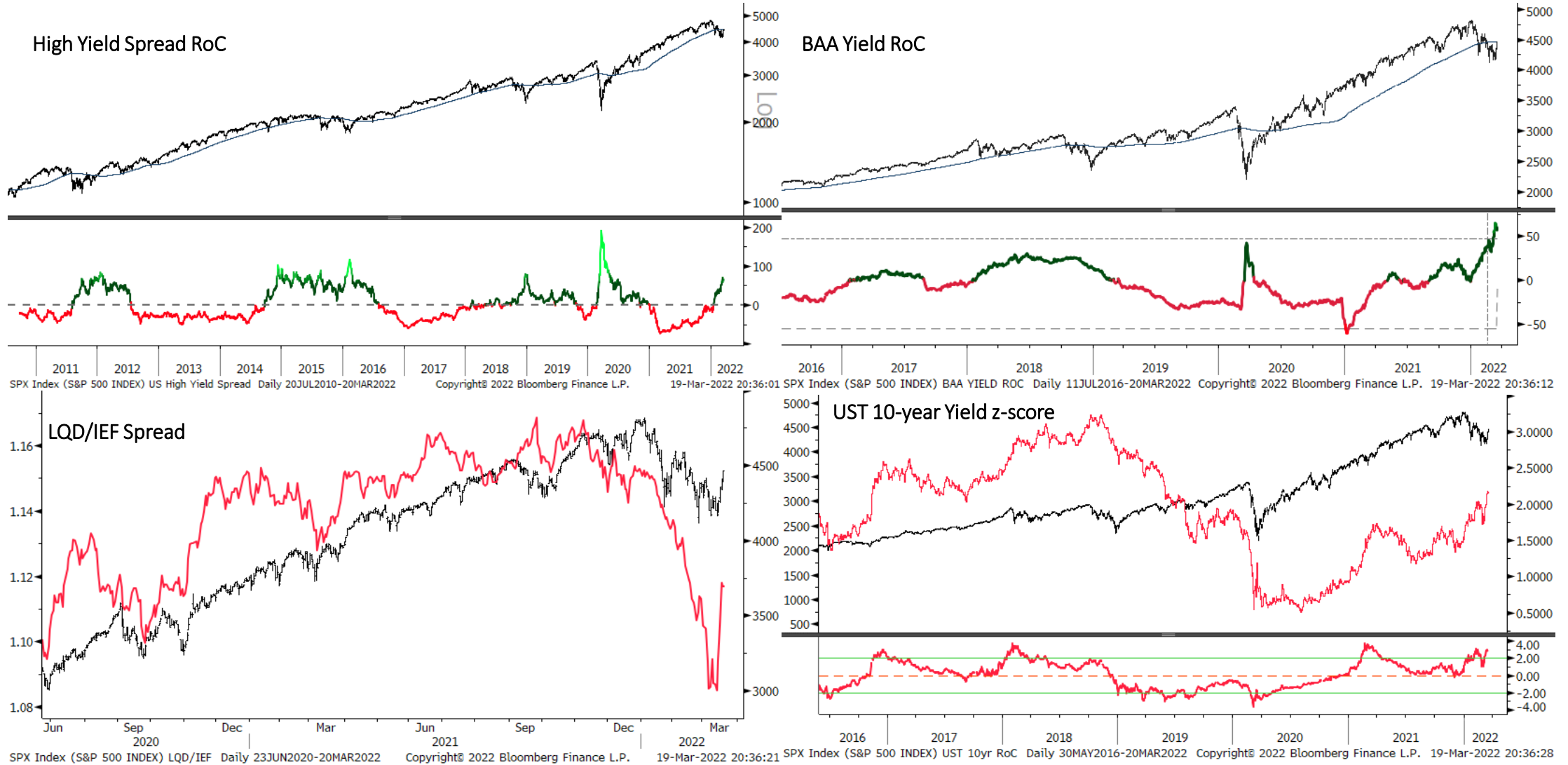
Sentiment & Positioning



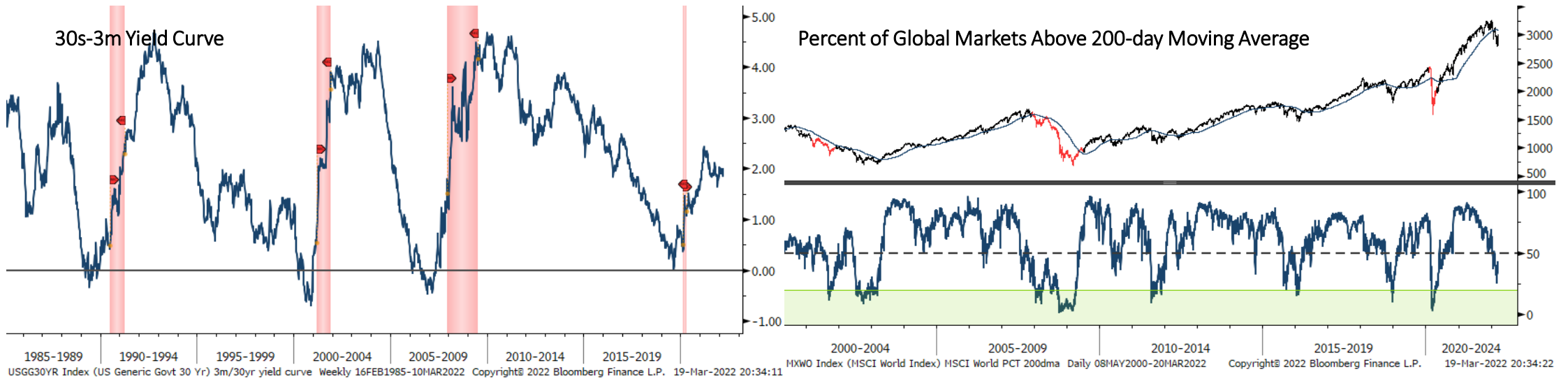
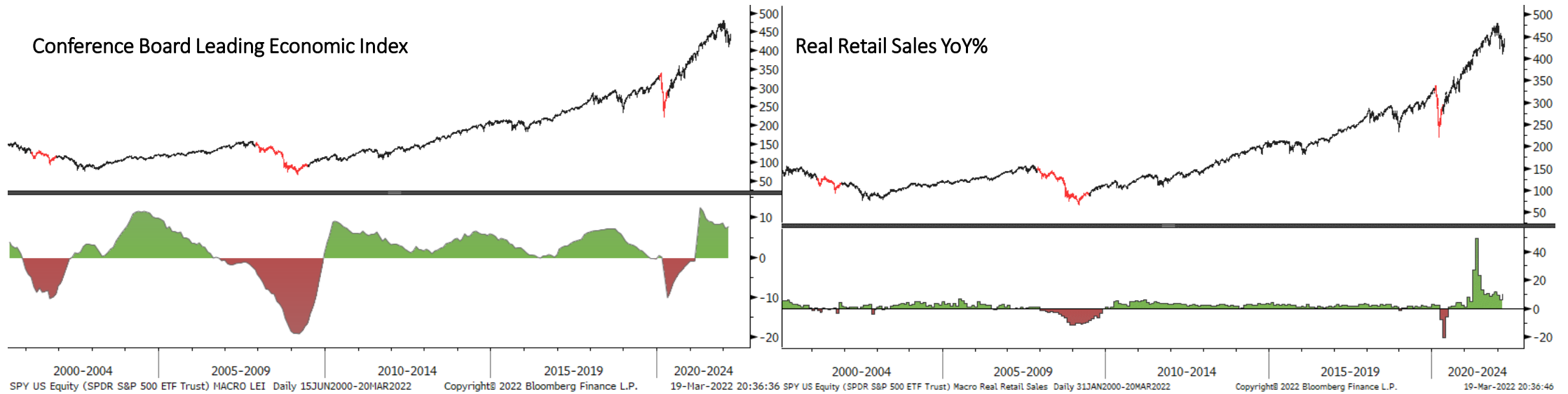
Breadth



Liquidity



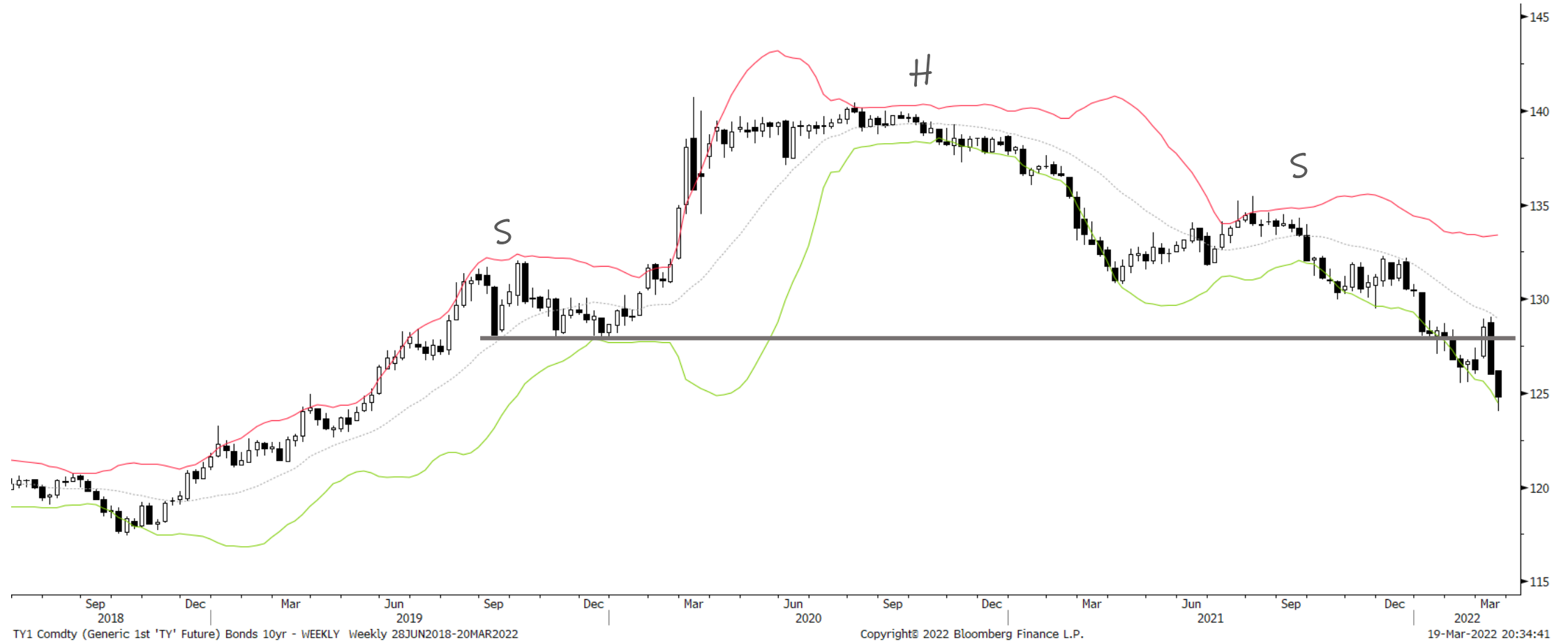
Macro



Bonds: 10-year Futures Monthly



Bonds: 10-year Futures Weekly



Bonds: 10-year Futures Daily

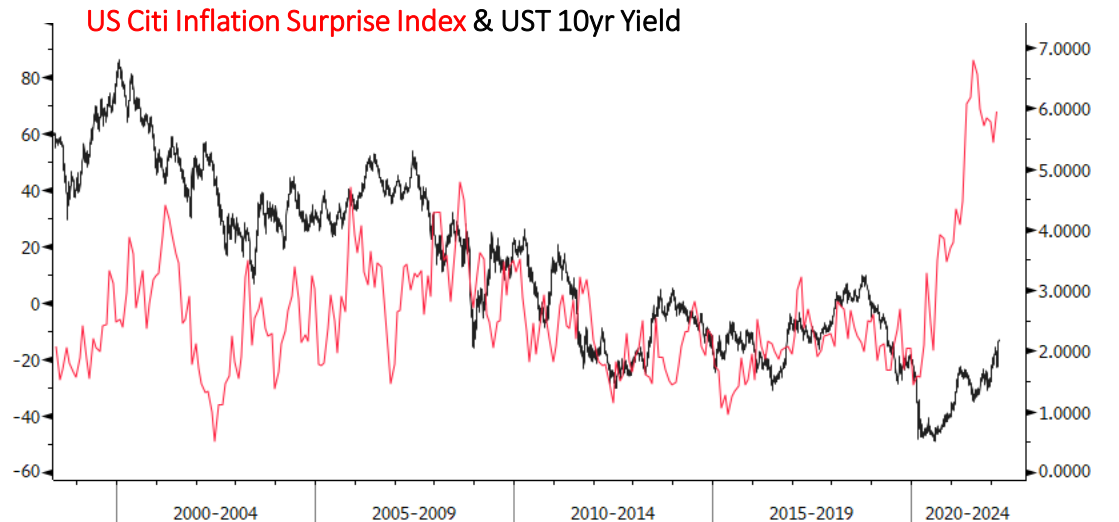


Bond/Yield Indicators



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19-Mar-2022 21:51:59 USGG10YR Index (US Generic Govt 10 Yr) US Citi Inf 10yr yield Daily 02JUN1998-23MAR2022



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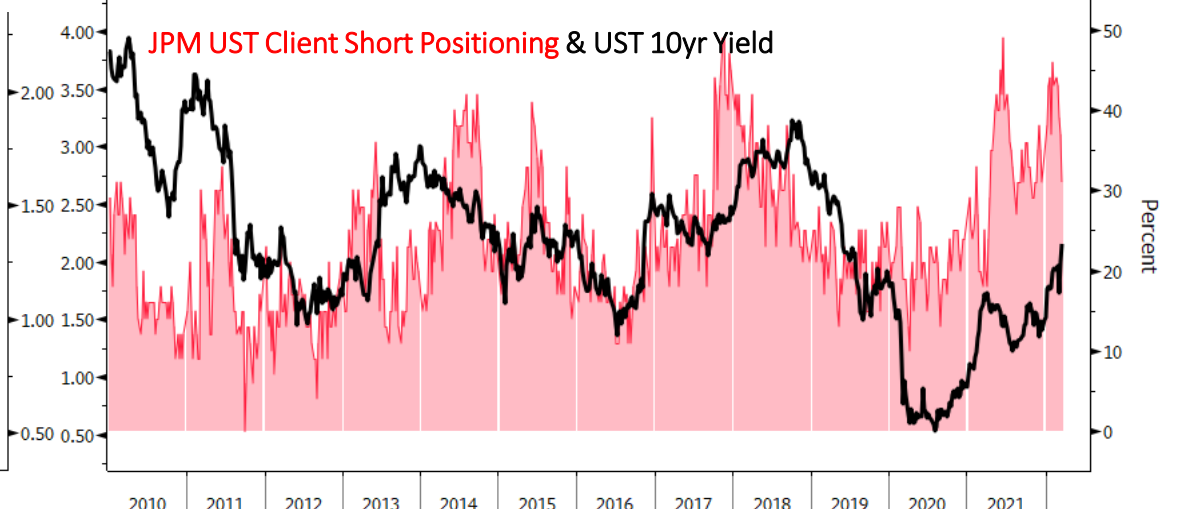
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GSTHUSTY Index (Interest Rate Sensitive) rate sensitive vs yield Daily 29MAY2020-20MAR2022

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19-Mar-2022 20:35:25 TINSALLO Index (U.S. JP Morgan Treasury Investor Sentiment All Client Short) JPM Short Bond srvy Weekly 01JAN2010-20MAR2022 Copyright© 2022 Bloomberg Finance L.P. 19-Mar-2022 20:35:06



Gold Monthly

There are still 9 trading days left in the month. But precious metals need to show strength into the end of March, or they risk putting in a bearish double-top on their monthly charts.



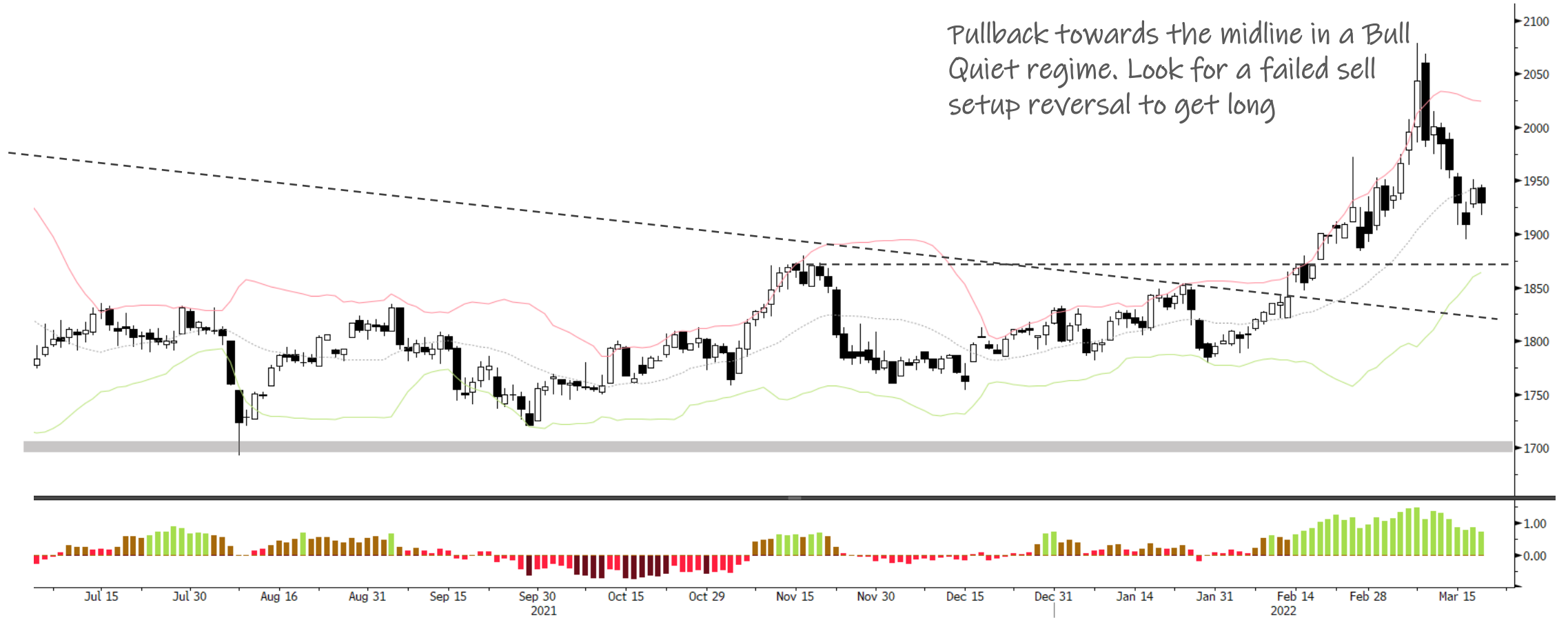
Gold Weekly



Gold Daily



Pullback towards the midline in a Bull Quiet regime. Look for a failed sell setup reversal to get long



GC1 Comdty (Generic 1st 'GC' Future) GOLD - DAILY Daily 02JUL2021-20MAR2022

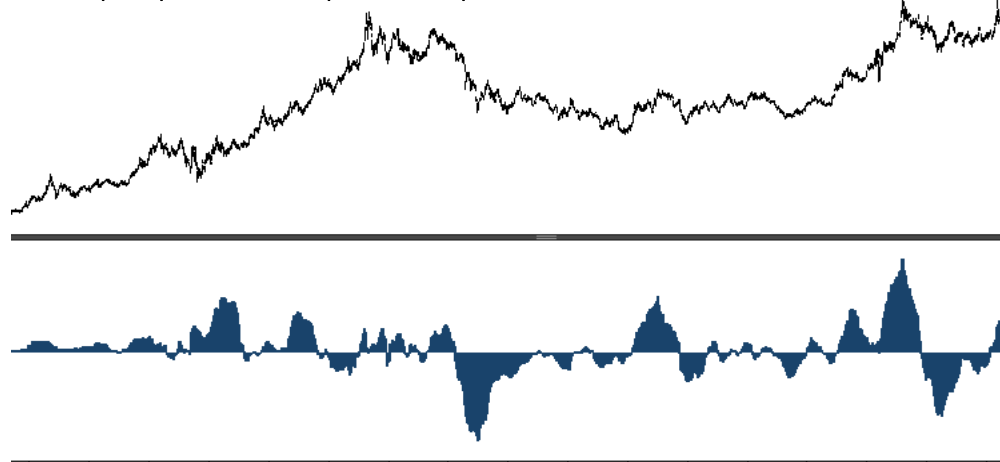
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Gold Indicators

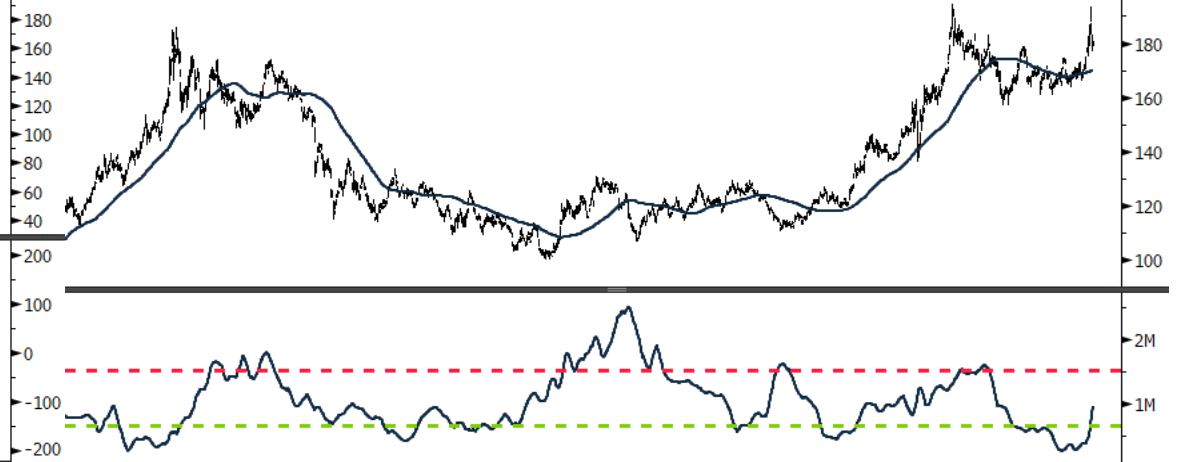


Gold (GLD) Fund Flows (smoothed)



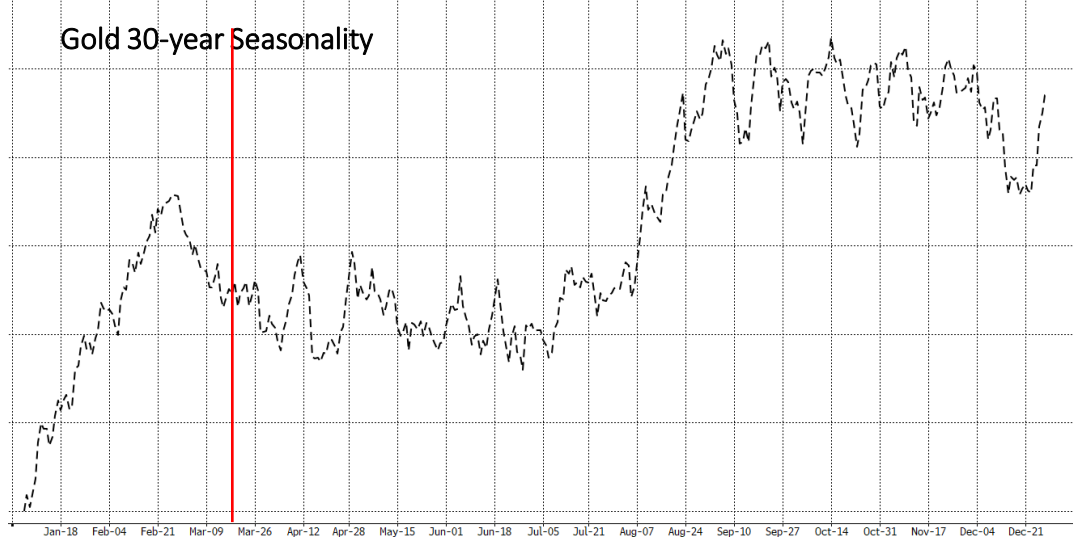
2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021
 GLD US Equity (SPDR Gold Shares) Gold (GLD) Fund Flows z Daily 08SEP2005-20MAR2022 Copyright© 2022 Bloomberg Finance L.P. 19-Mar-2022 20:36:26

Gold Net Call-Put OI



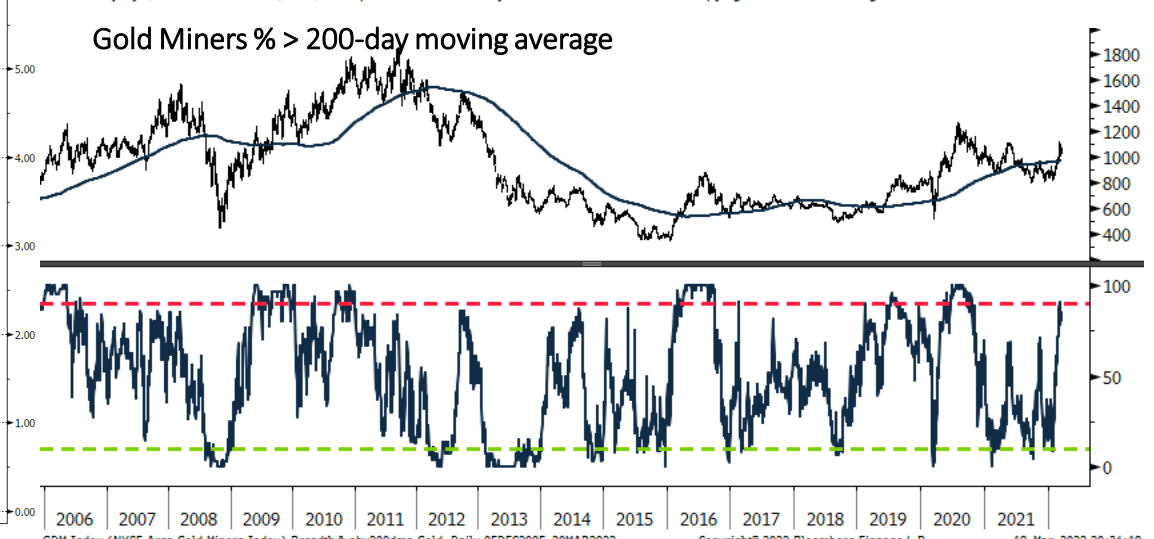
2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022
 GLD US Equity (SPDR Gold Shares) Call/Put Open Intrst GLD Daily 29MAY2010-20MAR2022 Copyright© 2022 Bloomberg Finance L.P. 19-Mar-2022 20:36:08

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

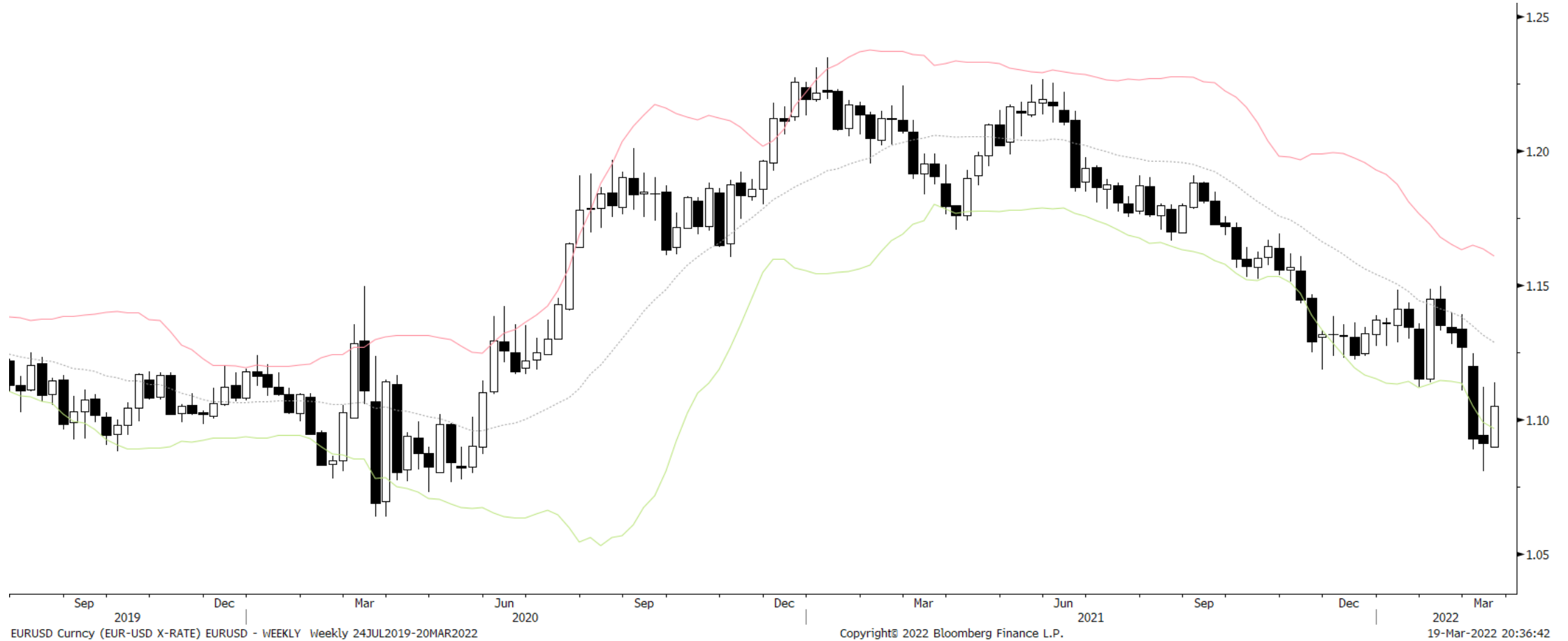


2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021
 GDM Index (NYSE Arca Gold Miners Index) Breadth % abv200dma Gold Daily 05DEC2005-20MAR2022 Copyright© 2022 Bloomberg Finance L.P. 19-Mar-2022 20:36:18

EURUSD Monthly



EURUSD Weekly



EURUSD Daily



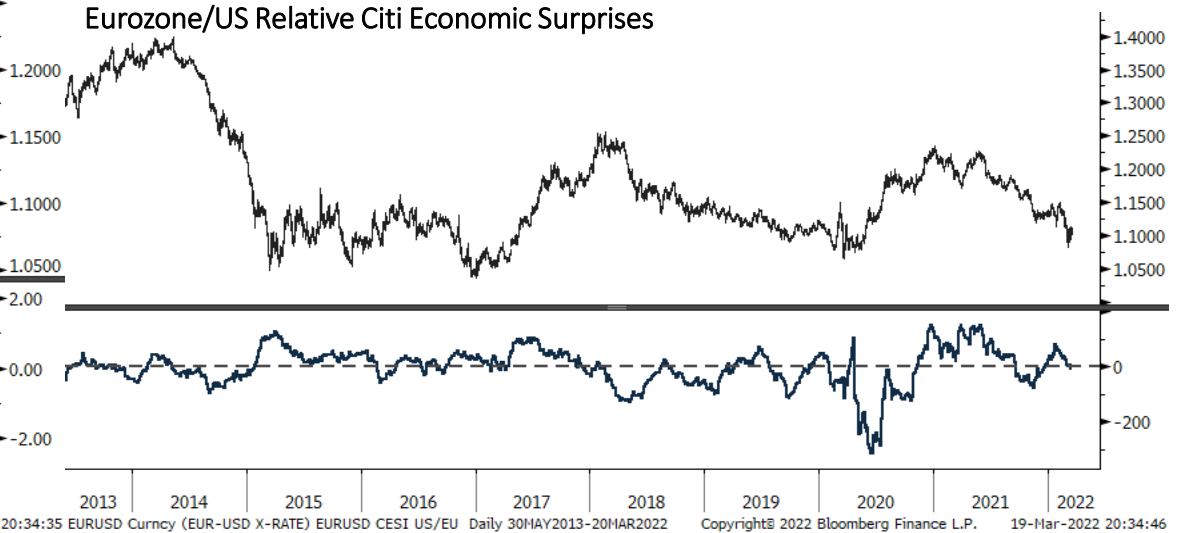
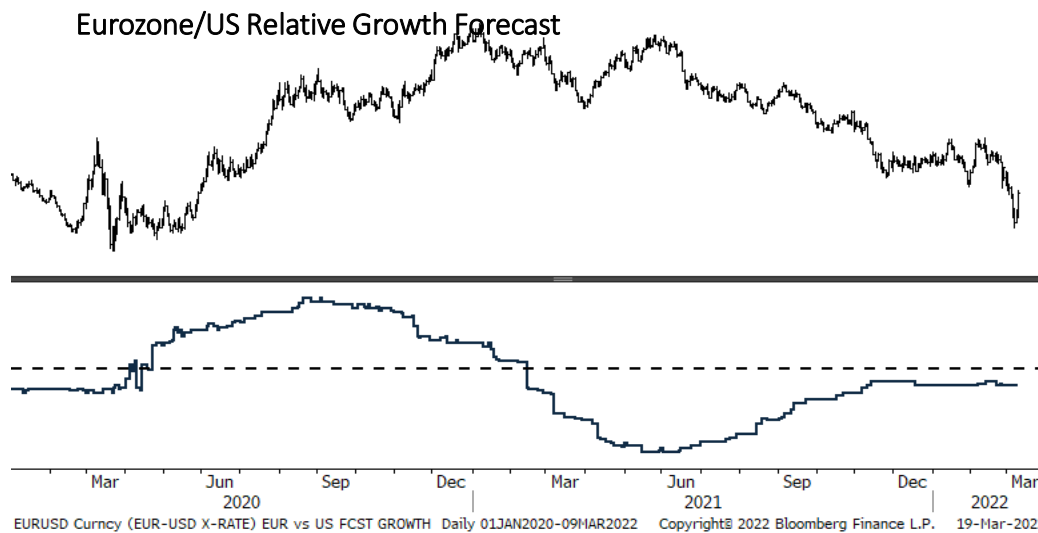
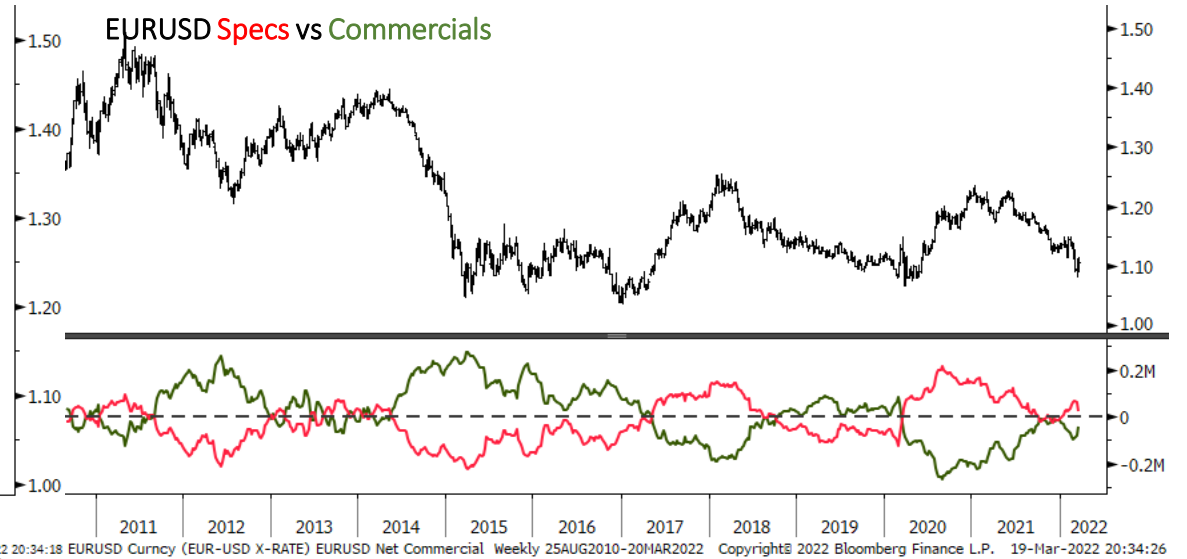
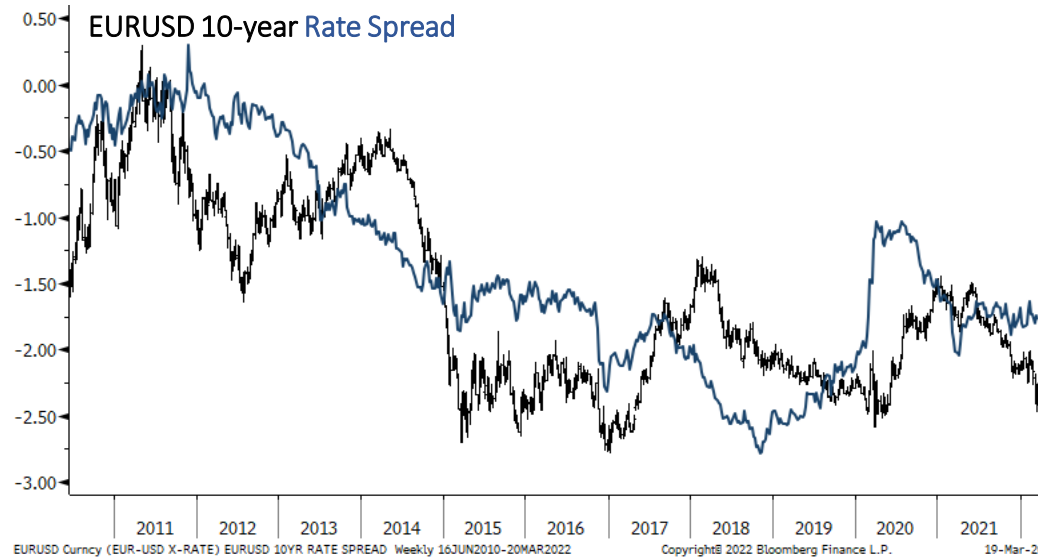
EURUSD Curncy (EUR-USD X-RATE) EURUSD - DAILY Daily 02APR2021-20MAR2022

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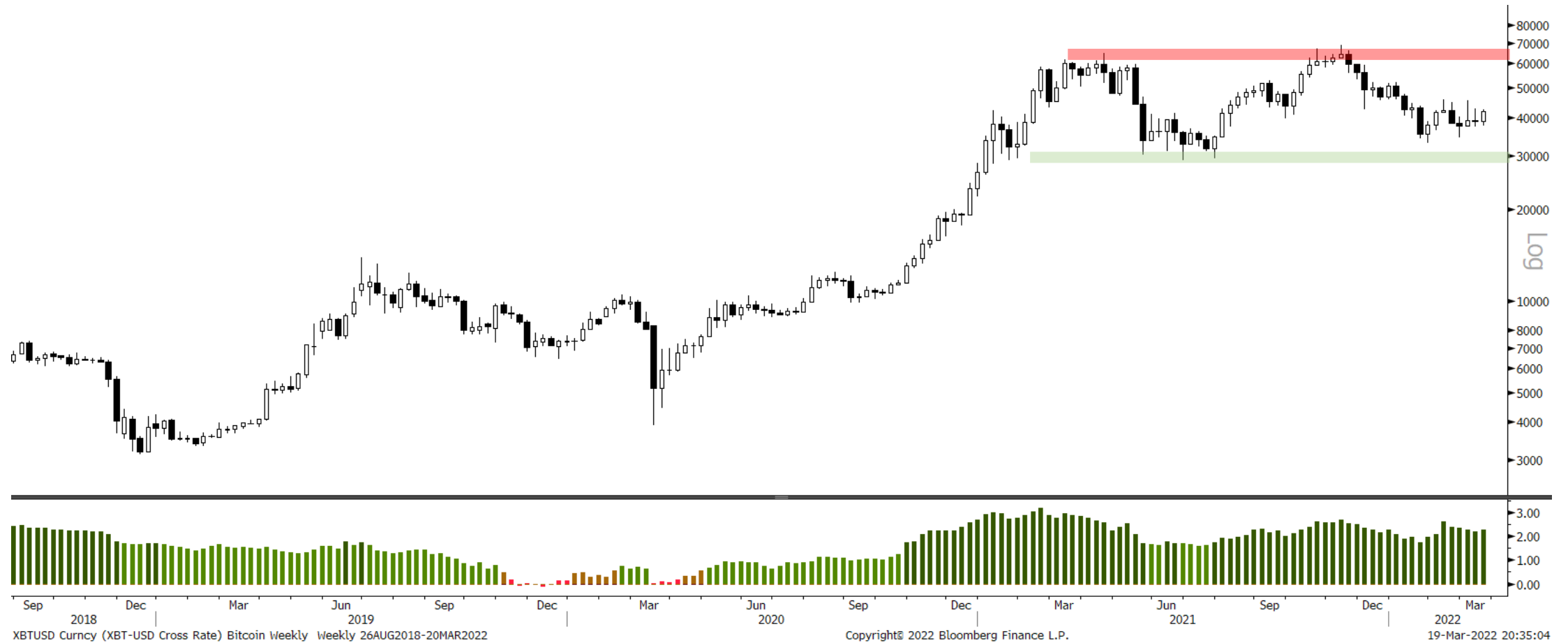
EURUSD Indicators



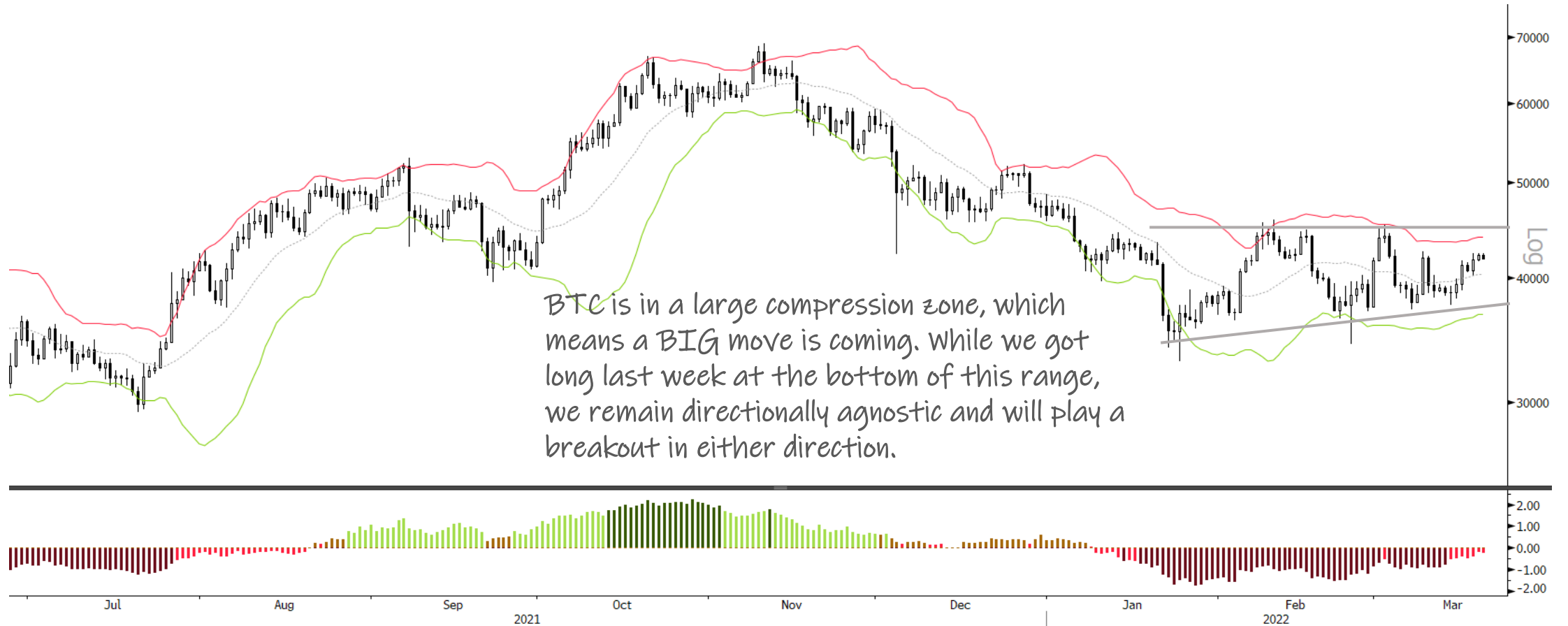
Bitcoin Monthly



Bitcoin Weekly



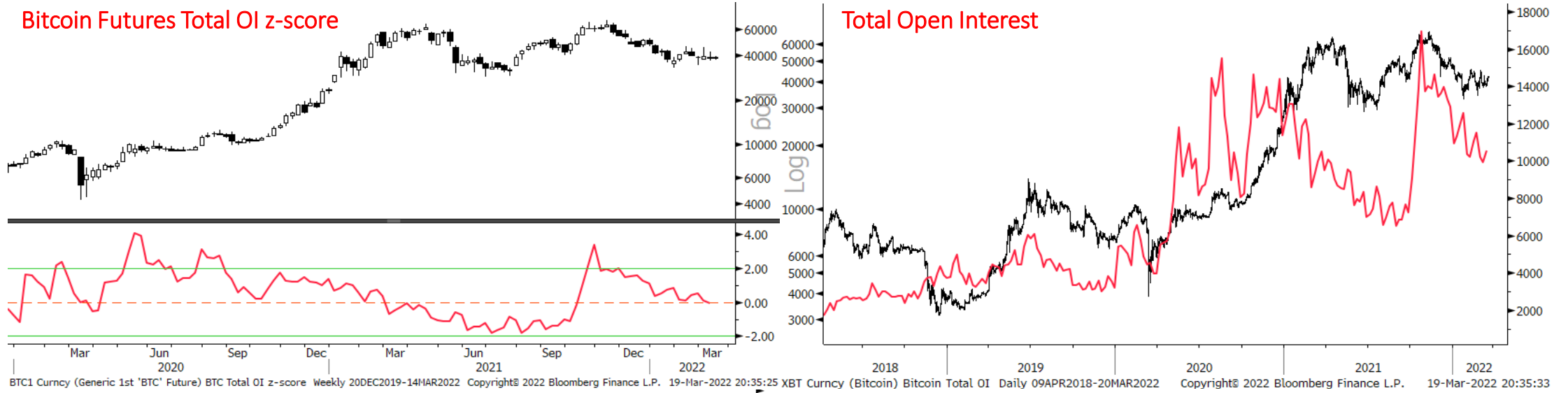
Bitcoin Daily



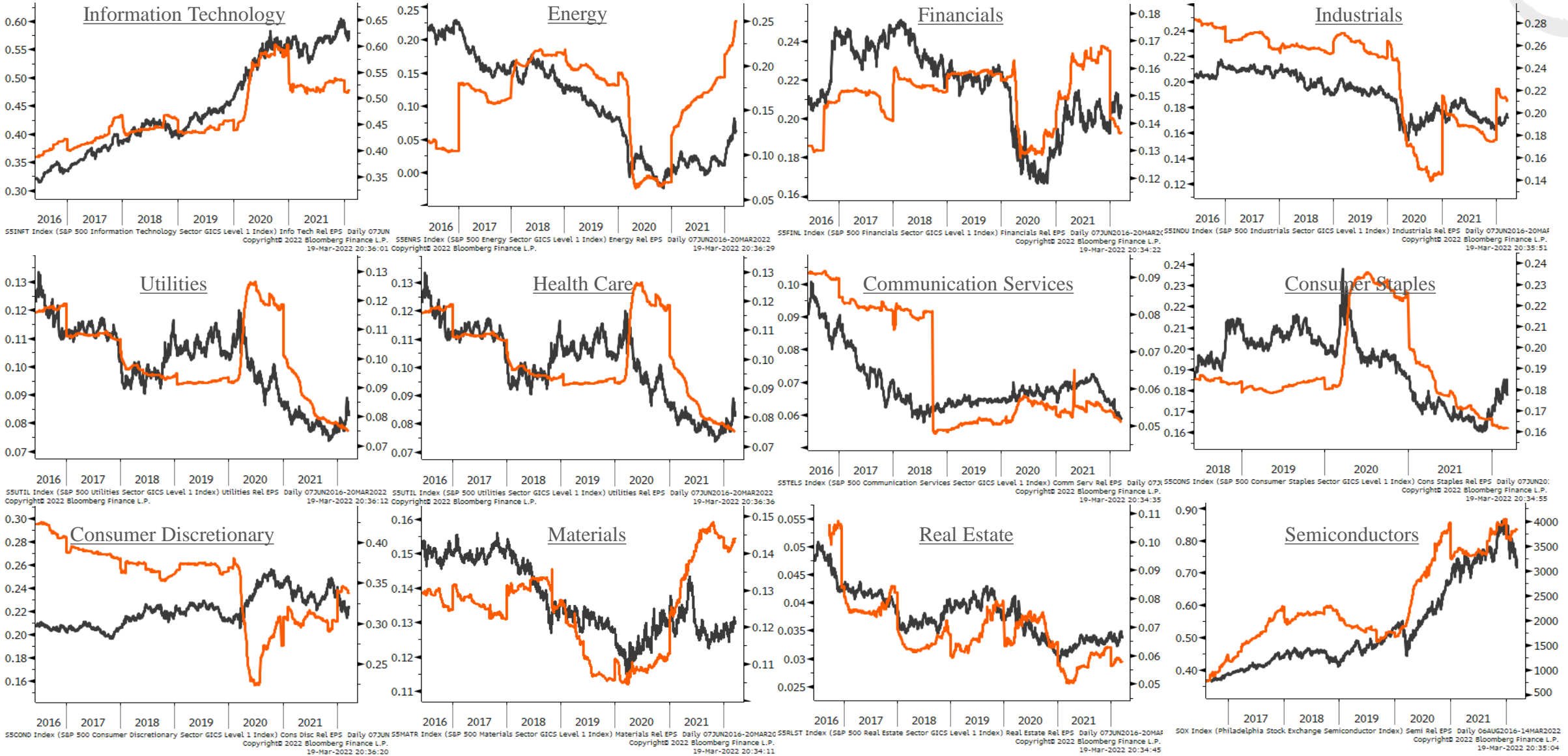
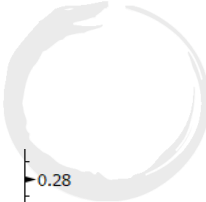
BTC is in a large compression zone, which means a BIG move is coming. While we got long last week at the bottom of this range, we remain directionally agnostic and will play a breakout in either direction.



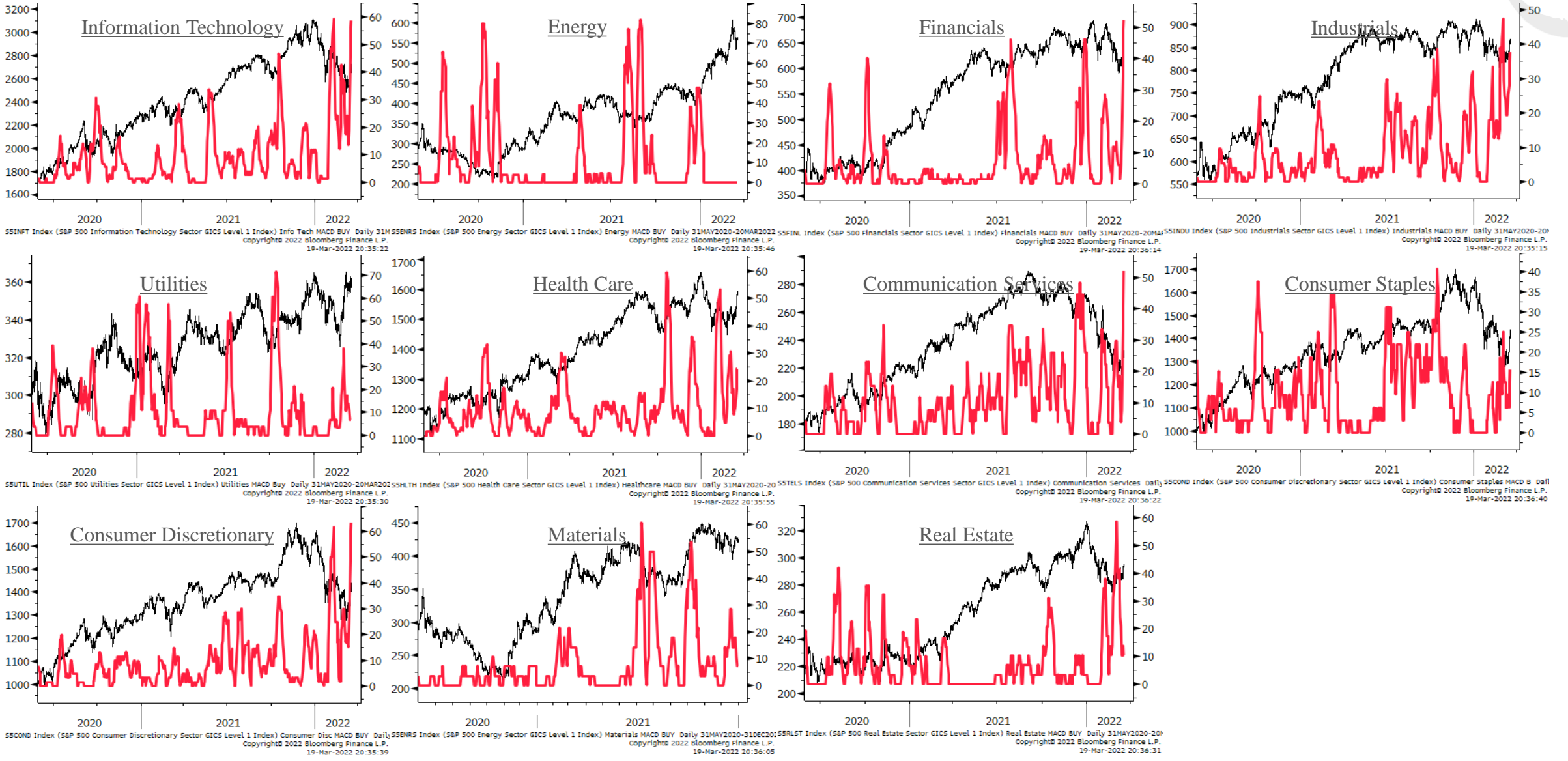
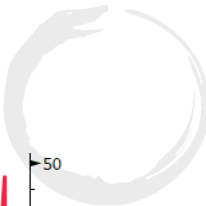
Bitcoin Indicators



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 Soybean Oil (ZLK22) - Took half profits
- Long WTI Oil (CLZ23)
- Long Wheat (ZWK22) - Took half profits
- Short DAX minis (FDXMM22)

- **Active Setups/On Watch:**

- Add to SoyOil on BO / reversal
- Add to WTI Oil
- Long Sugar on BO
- Long DXY on BO

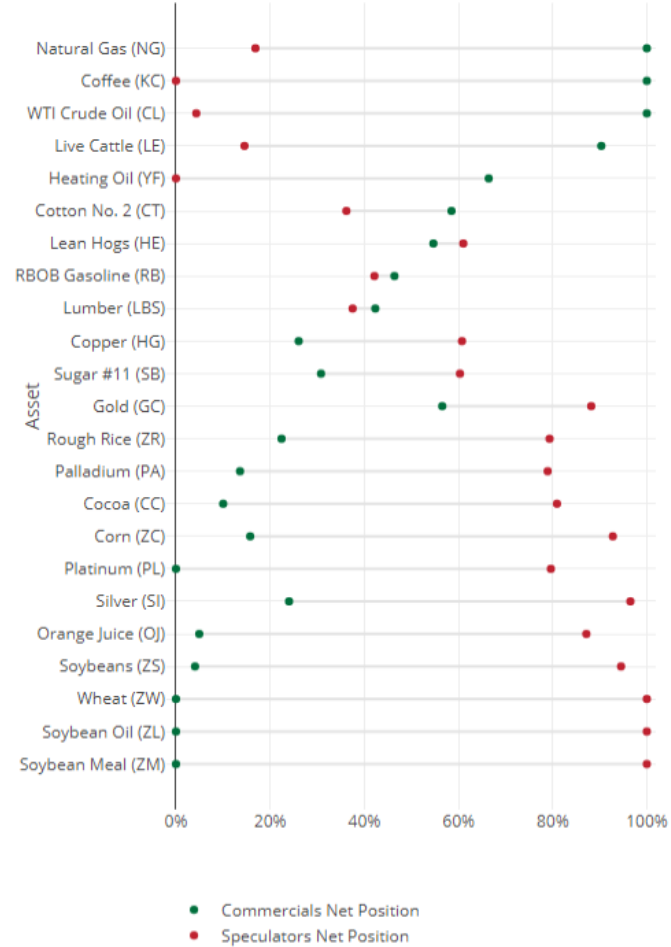
Market Regimes & Positioning



Commodity Market Regimes



Net Position



Asset	Above 50 SMA	Above 200 SMA
Copper (HG)	YES	YES
Corn (ZC)	YES	YES
Cotton No. 2 (CT)	YES	YES
Gold (GC)	YES	YES
Heating Oil (YF)	YES	YES
Lean Hogs (HE)	YES	YES
Live Cattle (LE)	YES	YES
Natural Gas (NG)	YES	YES
Oats (ZO)	YES	YES
Orange Juice (OJ)	YES	YES
Palladium (PA)	YES	YES
RBOB Gasoline (RB)	YES	YES
Rough Rice (ZR)	YES	YES
Silver (SI)	YES	YES
Soybean Meal (ZM)	YES	YES
Soybean Oil (ZL)	YES	YES
Soybeans (ZS)	YES	YES
Sugar #11 (SB)	YES	YES
Wheat (ZW)	YES	YES
WTI Crude Oil (CL)	YES	YES
Cocoa (CC)	NO	YES
Coffee (KC)	NO	YES
Lumber (LBS)	NO	YES

Soybean Oil





WTI Crude



Wheat



DAX minis



DXY



Sugar



The Macro Ops Portfolio

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

2022 YTD Return	10.51%
Current Cash Value (%)	16.42%
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	3	\$130,122.00	7.81%	-1.01%	\$0.65	\$0.72	\$0.63	\$0.74	11.85%	3.95	11.63%	-0.96%
Mini Dax Futures	FDXMM2022	-18	-\$230,384.00	-13.82%	0.44%	\$14,693.00	\$14,399.00	\$14,785.00	\$14,785.00	2.00%	3.20		
Crude Oil Futures	CLZ2023	3	\$240,750.00	14.45%	-0.10%	\$75.31	\$80.25	\$70.50	\$75.85	6.55%	1.03		
Wheat Futures	ZWK2022	1	\$53,300.00	3.20%	-0.30%	\$8.54	\$10.66	\$8.11	\$9.55	24.77%	4.88		

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
Ammo, Inc.	POWW	26,495	\$133,008.05	7.98%	1.10%	\$4.64	\$5.02	\$3.95	\$3.95	8.10%	0.54	29.80%	4.21%
XP, Inc.	XP	1,880	\$80,267.19	3.82%	0.93%	\$34.00	\$32.41	\$25.70	\$25.70	-4.68%	-0.19		
Telefonica Brasil	VIV	13,135	\$138,044.91	8.28%	0.50%	\$10.13	\$10.51	\$9.50	\$9.50	3.75%	0.80		
Nintendo	NTDOY	733	\$47,316.26	2.84%	0.14%	\$62.17	\$64.56	\$53.00	\$59.00	3.84%	0.26		
Twitter, Inc.	TWTR	1,632	\$81,652.77	3.70%	0.50%	\$38.10	\$37.77	\$31.00	\$31.00	4.63%	0.33		
Block, Inc.	SQ	401	\$56,356.92	3.38%	1.05%	\$123.50	\$140.64	\$80.00	\$80.00	13.88%	0.39		

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
Sprott Uranium	U.UN	8,977	\$124,068.66	7.44%	0.94%	\$11.75	\$13.82	\$9.96	\$10.00	17.62%	1.16	25.05%	1.48%
Pantheon Resources	PANR	57,746	\$92,393.70	5.64%	-0.52%	\$1.05	\$1.60	\$0.88	\$1.20	52.38%	3.24		
Vista Oil & Gas	VIST	9,019	\$71,427.84	4.29%	-0.43%	\$5.85	\$7.92	\$5.00	\$6.65	35.38%	2.44		
Paladin Energy	PDN.ASX	83,923	\$46,997.01	2.82%	0.81%	\$0.64	\$0.56	\$0.48	\$0.48	-12.50%	-0.50		
Alphamin Resources	AFM.TSX	58,715	\$50,494.49	3.03%	0.46%	\$0.76	\$0.86	\$0.63	\$0.63	13.16%	0.77		
Alphamin Resources (Second Leg Tactical)	AFM.TSX	37,302	\$32,080.10	1.92%	0.22%	\$0.86	\$0.86	\$0.76	\$0.76	0.00%	0.00		

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
Bitcoin	BTCUSD	2	\$80,568.22	4.83%	0.25%	\$39,666.00	\$41,328.40	\$37,566.00	\$37,566.00	4.19%	0.79		
Desktop Metal	DM	9183	\$45,815.76	2.75%	0.50%	4.91	\$5.00	\$4.00	\$4.00	1.83%	0.10		
Corteva, Inc.	CTVA	2965	\$165,568.65	9.93%	0.52%	52.37	\$55.85	\$49.45	\$49.45	6.65%	1.19		
Yellow Cake	YCA	17430	\$87,152.05	5.23%	0.52%	5	\$5.00	\$4.50	\$4.50	0.00%	0.00		

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
ENB Jan 2023 \$50 CALL S	ENB	389	\$35,982.50	2.16%	0.70%	\$30.00	\$92.50	\$0.00	\$0.00	208.33%	2.08	5.98%	8.38%
CRK JAN 2023 \$10 CALL S	CRK	171	\$32,917.50	1.98%	1.23%	\$120.00	\$192.50	\$0.00	\$0.00	60.42%	0.60		
MU Jan 2023 \$125 CALL S	MU	82	\$20,910.00	1.25%	2.33%	\$473.00	\$255.00	\$0.00	\$0.00	-46.09%	-0.46		
MO JAN 2023 \$70 CALL S	MO	299	\$6,877.00	0.41%	1.65%	\$92.00	\$23.00	\$0.00	\$0.00	-75.00%	-0.75		
BHP Jan 2023 \$115 CALL S	BHP	55	\$1,787.50	0.11%	1.25%	\$380.00	\$32.50	\$0.00	\$0.00	-91.45%	-0.91		
EWJ JAN 2023 \$90 CALL S	EWJ	173	\$1,297.50	0.08%	1.27%	\$122.00	\$7.50	\$0.00	\$0.00	-93.85%	-0.94		
SQ APR 2022 \$70 PUTS	SQ	-4	-\$52.00	0.00%	-0.05%	\$220.00	\$13.00	\$0.00	\$0.00	1592.31%	0.94		

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](#))

