TOP DOWN CHARTS

Chart driven macro insights for investors

Weekly Macro Themes – 13 May 2022 - Volume 7, Edition 15

From the top down, here's the bottom lines:

1. Equity Risk: Affirm the risk-watch stance and underweight to equities as the technicals/positioning indicators show clear bearish momentum and still ample downside risk across global equities.

2. Bond Risk: The outlook for treasuries has improved given the shift in valuations, sentiment, technicals, and macro outlook, but the inflation fixation means bond yields could still go higher based on the charts.

3. Pique Inflation: Interest piqued on "peak inflation" – there is still a clear inflationary impulse working its way through the economy, but the weight of risks are starting to shift towards the downside.

4. Commodities: Time to turn bearish on commodities as technicals, intermarkets, sentiment/positioning, macro outlook, value, and initial supply response means risks are now weighted to the downside.

5. Agri Commodities: After a perfect storm, the risks are shifting to the downside for agricultural commodity prices (stretched prices, crowded bulls, rebounding capex/initial supply response).

1. Equity Risk

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1. Equity Risk: Technical check as the bears take hold…

- Clear bearish momentum in global equities as market breadth continues to deteriorate and a bear market signal is sounded (proportion of countries positive YoY has dropped below 60%).
- Global cyclicals vs defensives remain a driver of weakness (having previously been in the driving seat of the bull market), with the all clear sign still a way off.
- The bubble in momentum/growth/cyclicals is very clearly in the process of bursting.
- EM is going from bad to worse as breadth deteriorates, prices probe the lows, EMFX weakens (USD strengthens), and sentiment moves from neutral towards capitulation.
- Surveyed sentiment remains extreme bearish, thereby raising the odds of a short-term bear market rally, but we should take note that sentiment stayed like this throughout 2008 and into 2009.
- Also on sentiment, while surveys shout bearish, actual investor portfolio allocations to equities remain near the top of the range (no capitulation there yet!).

Bottom line: Affirm the risk-watch stance and underweight to equities as the technicals show clear bearish momentum and still ample downside risk across global equities.

1. Equity Risk

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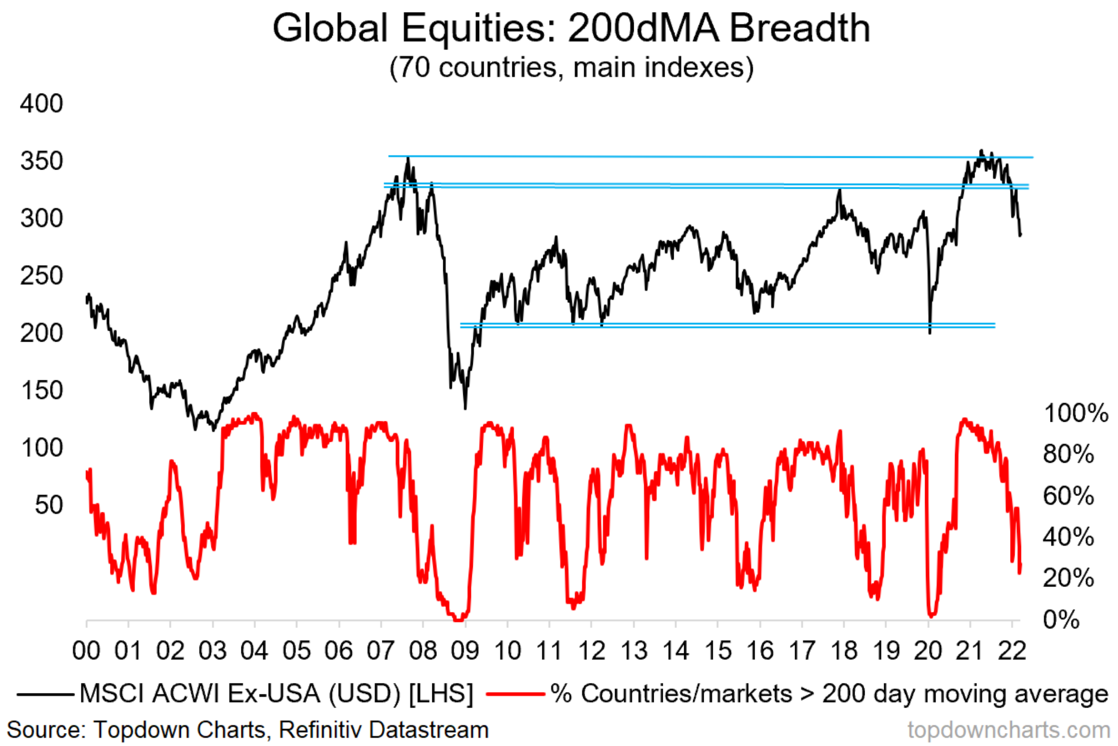
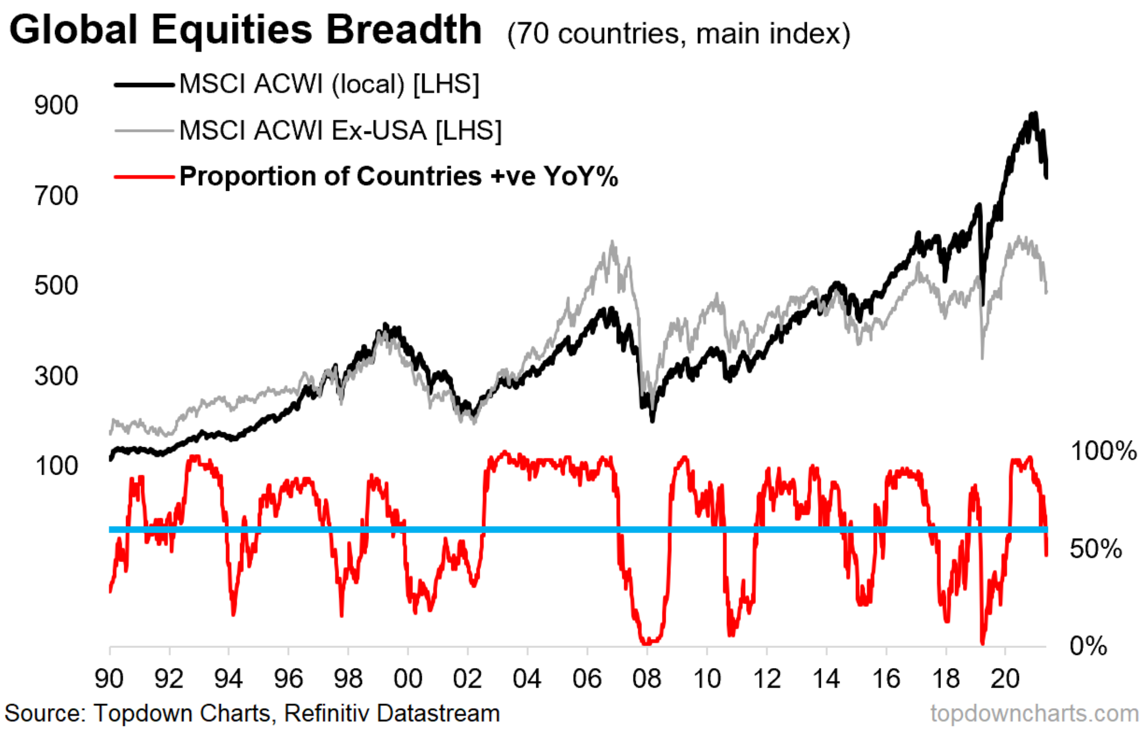
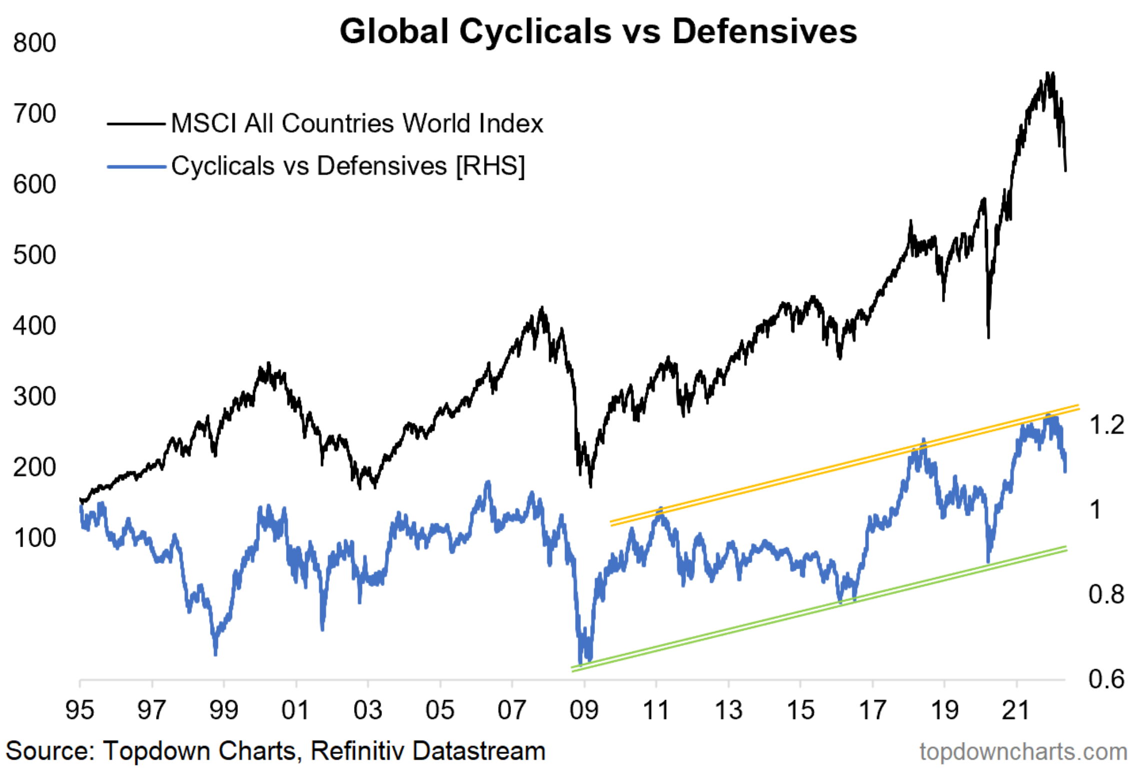
Checking in on technicals, since breaking down, the ACWI ex-US has dropped back below pre-covid highs. Could expect some congestion around this area given how price has moved through this level in the past, but other than that the ultimate floor seems likely lower, and breadth continues to weaken. Meanwhile the bear market signal has been triggered on the proportion of countries positive YoY% breadth indicator chart. This affirms the risk-watch stance and underweight to equities, and means caution is the easy answer in the immediate term.

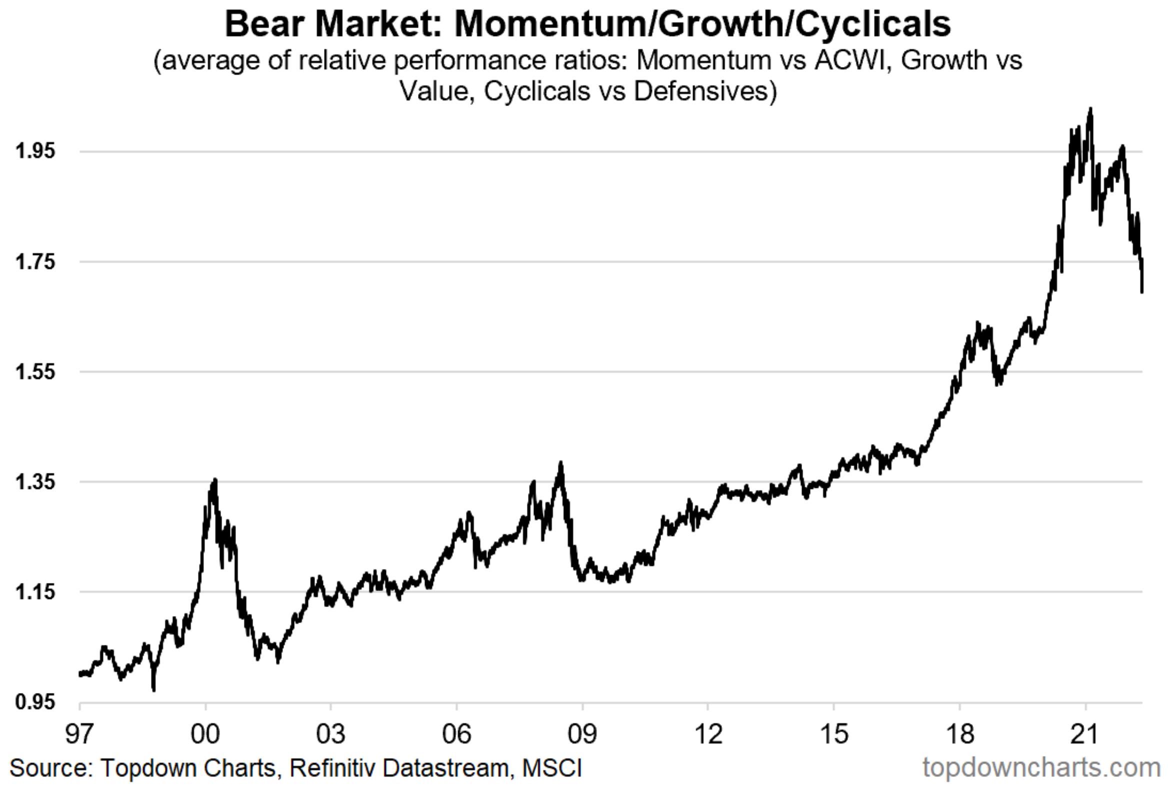




1. Equity Risk

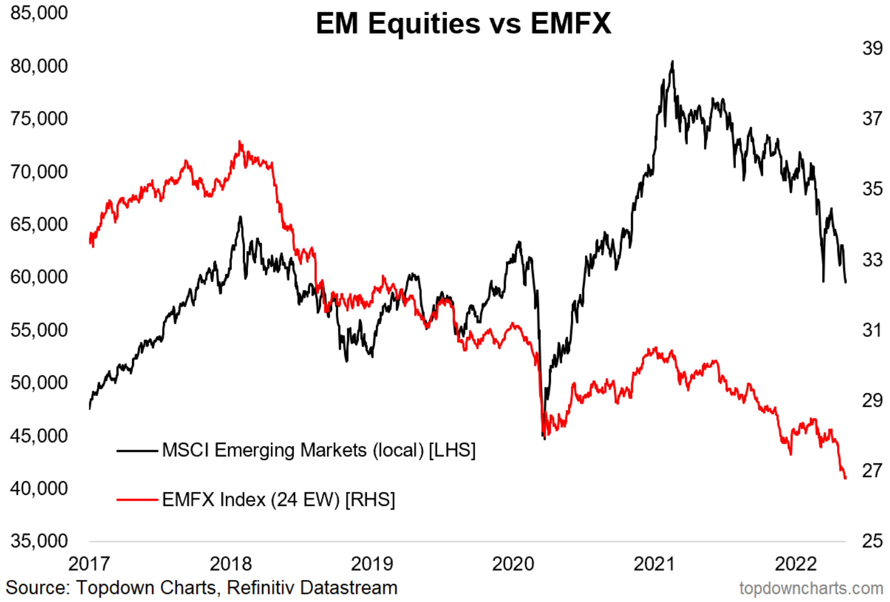
Elsewhere, global cyclicals vs defensives remain a driver of weakness (having previously been in the driving seat of the bull market), and we shouldn't be rushing to sound the all clear until the blue line goes to the bottom end of the trend channel. On a similar note, the bubble in momentum, growth, cyclicals is very clearly in the process of bursting. Keep your hardhat on, falling debris!

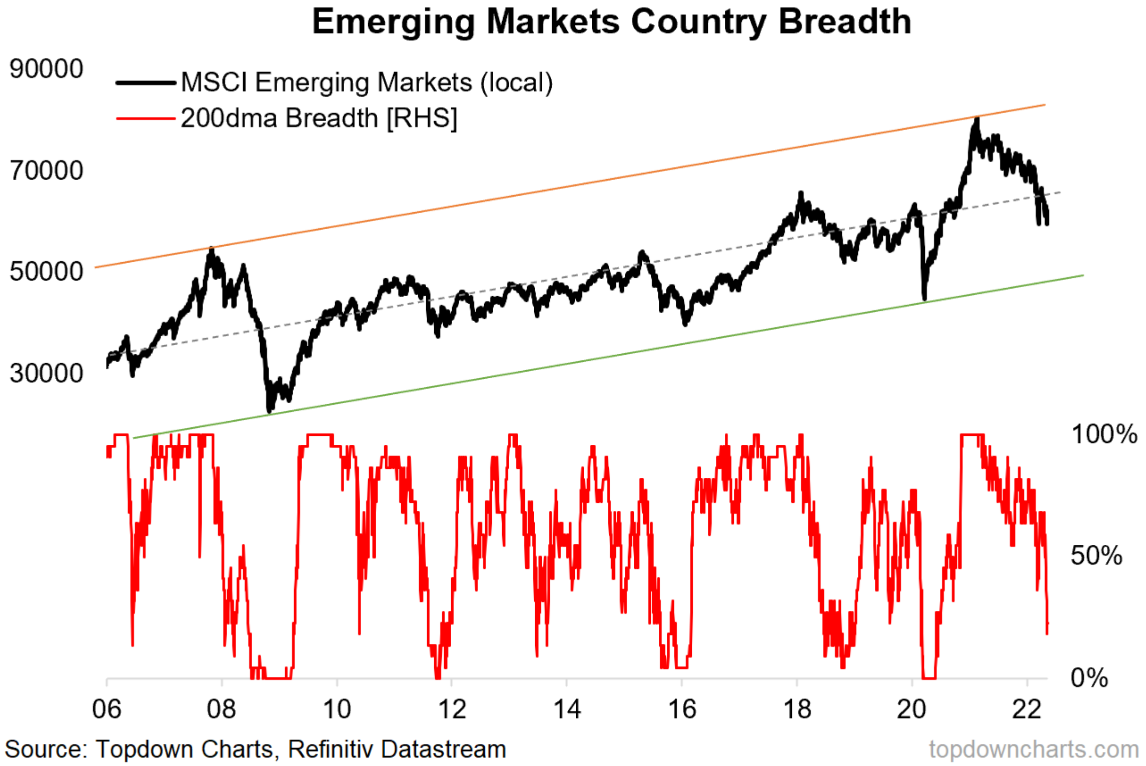


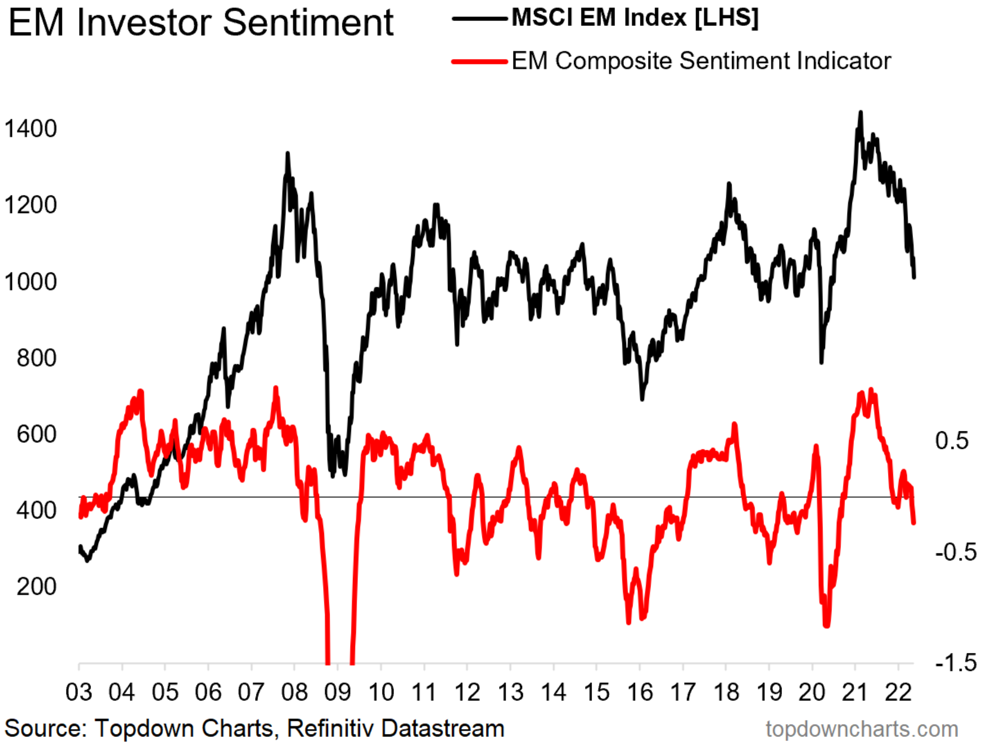


1. Equity Risk

Over to EM in particular, after a prolonged period of weakness there is still no real light at the end of the tunnel yet for EM equities. Breadth continues to deteriorate, price is probing the lows, EMFX has clearly re-established its downtrend (and the breakout in the USD does not help – neither Fed tightening, or EM CB tightening and surging bond yields [EM bonds still look good btw]). Finally, the sentiment indicator now appears to be moving from neutral to early capitulation.







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1. Equity Risk

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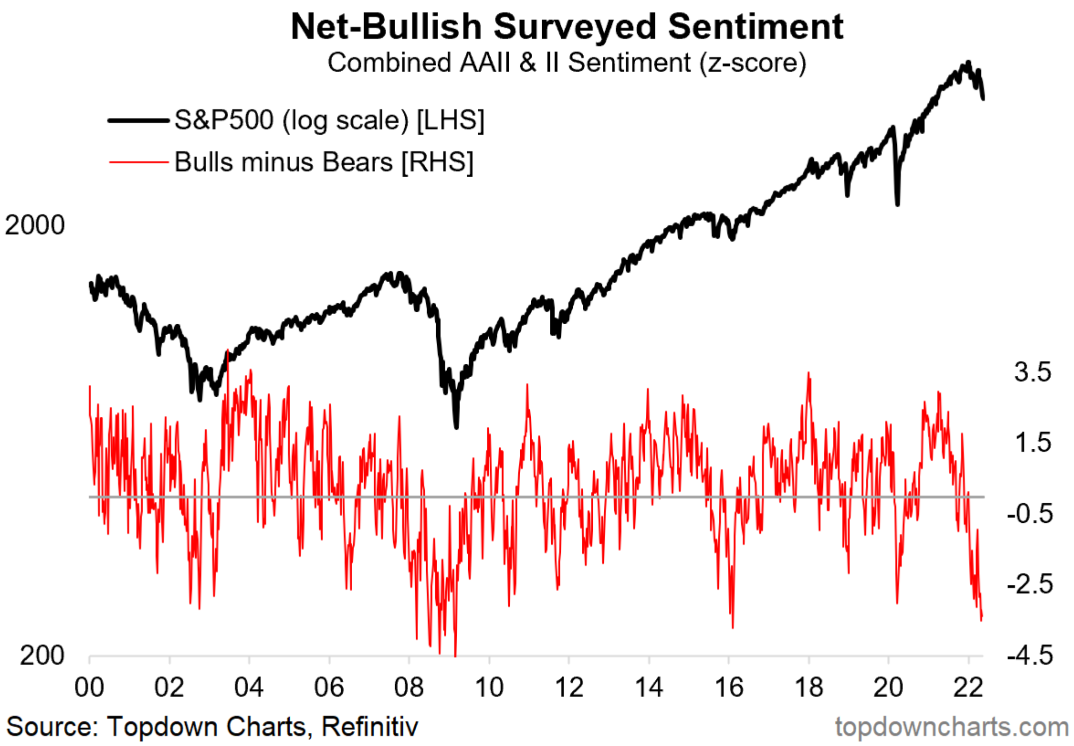
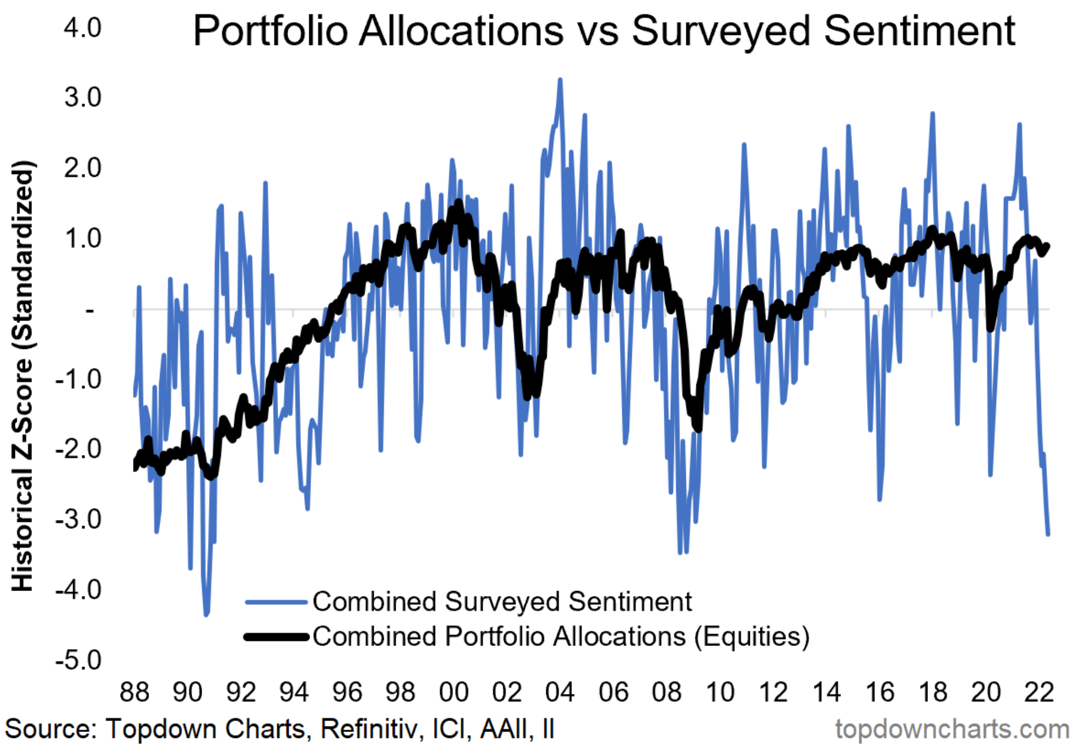
On sentiment, it's interesting to note firstly that the weekly surveys are in extreme pessimism mode and this means that there is a chance of a short-term bounce e.g. a bear market rally (which can be sharp, significant, and deceptive), but do note with benefit that sentiment remained around these levels throughout 2008 and early 09. On that note, also worth highlighting is how while surveyed sentiment is bearish, investor portfolio allocations to equities remain near the top of the range: no capitulation there (and even margin/leveraged positions have been slow to fall).





2. Bond Risk

2. Bond Risk: Want to be bullish bonds, but still cause for hesitancy…

- Bonds are starting to look cheap on some metrics, and sentiment has become fairly one-sided; making for a much improved outlook.
- Meanwhile US 10-year treasury yields have overshot the macro/market model – which has actually been trending down, and leading indicators point lower.
- Relative sentiment/positioning indicators for the copper/gold ratio point to downside risk for copper/gold – which is a key intermarket indicator for bond yields.
- The 10-year yield has caught up with the developed markets PMI, but leading indicators point to downside for the PMIs. Hence the macro/technical outlook implies downside for bond yields.
- (but) there remains a gap with bond yields vs the inflation indicators (inflation expectations, PMI prices indicator, long-term rate of inflation), which collectively suggest yields could go all the way to 4% and possibly a little higher. Thus the inflation fixation means risks remain for bonds.
- Overall, I would say it makes sense to at least bring any underweights to bonds back to neutral, and begin to think about scaling into overweights/increasing duration.

Bottom line: The outlook for treasuries has improved given the shift in valuations, sentiment, intermarkets, and macro outlook, but the inflation situation means risks remain.

2. Bond Risk

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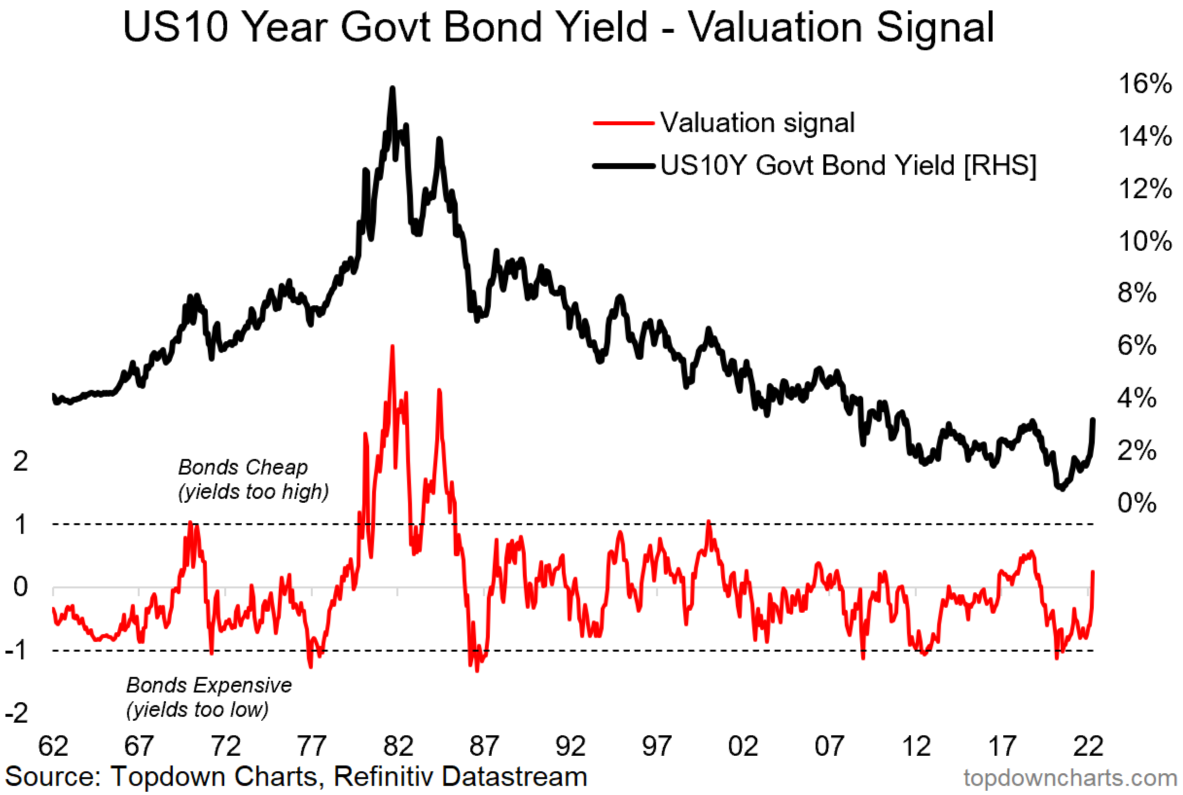
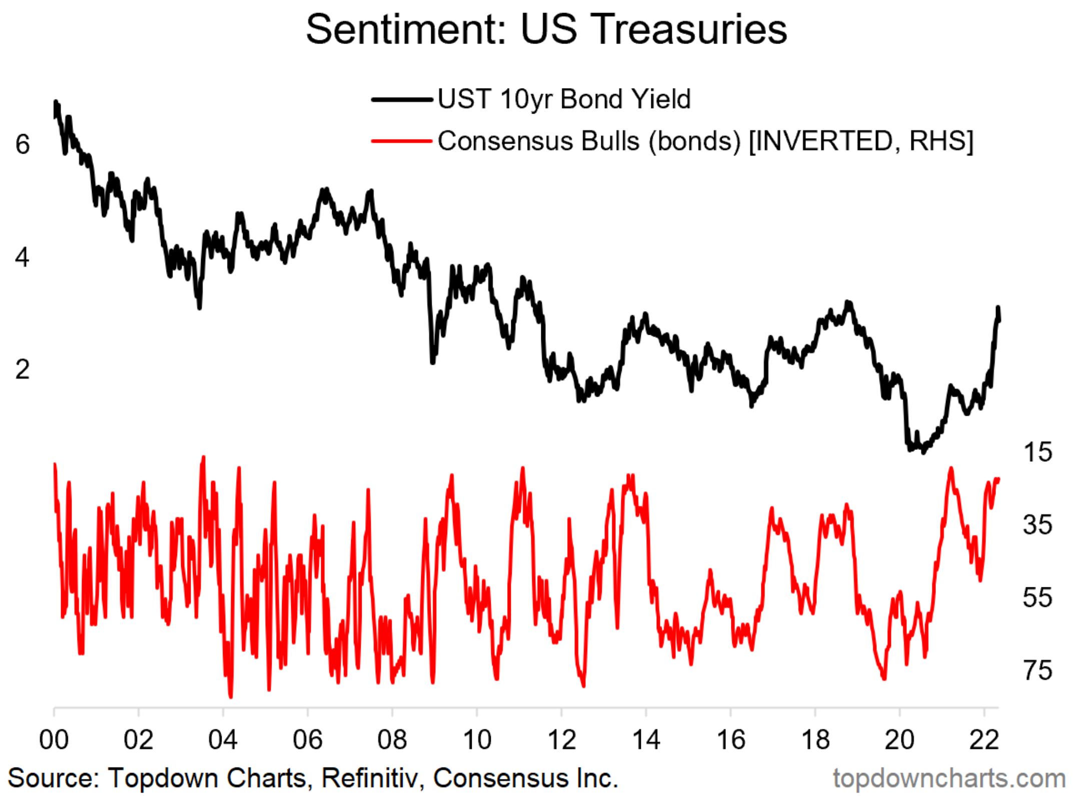
For bonds it's a different calculus than equities. Bonds are starting to look cheap on some metrics, and sentiment has become fairly one-sided. Although the initial wave of weakness in equities has been met with equal weakness in bonds, I suspect the next wave of weakness in equities comes with a bit more strength in bonds. For me it's a question of when to start scaling into bonds and basically adding duration, or at the very least squaring up some of the previous underweights.





2. Bond Risk

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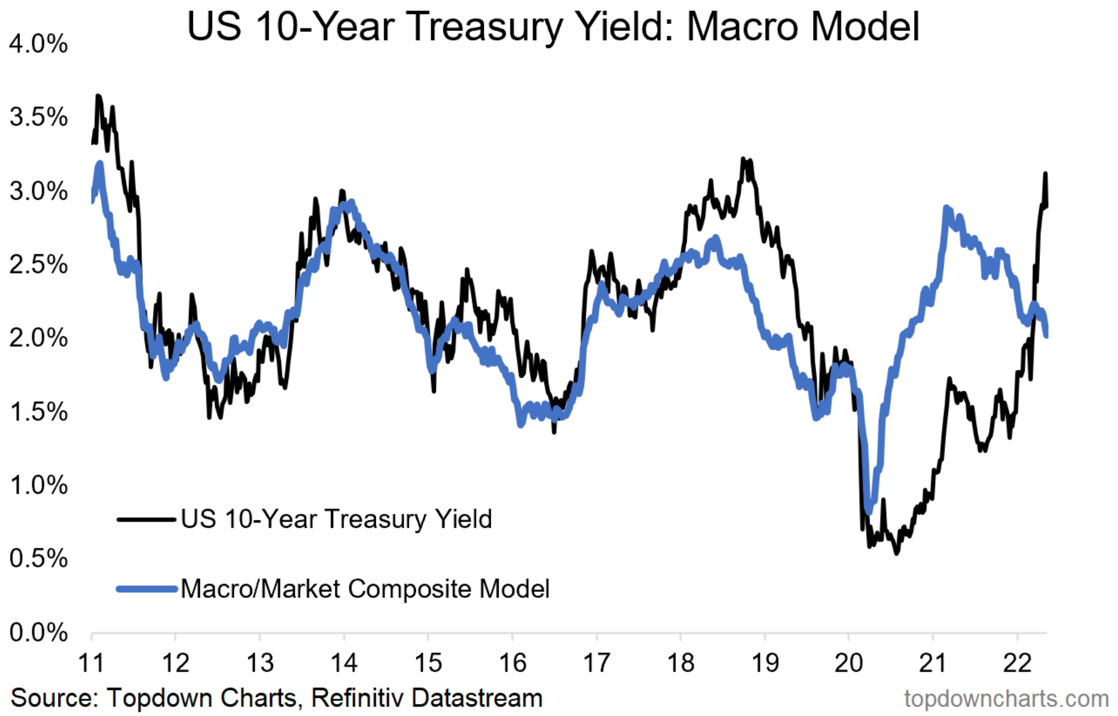
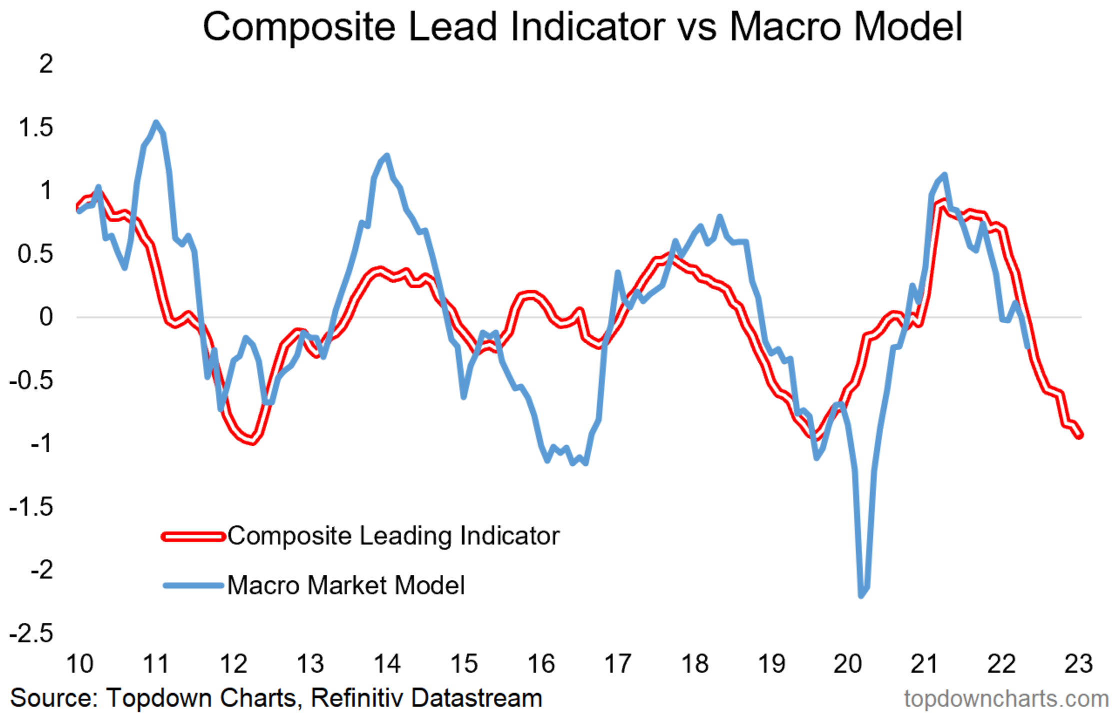
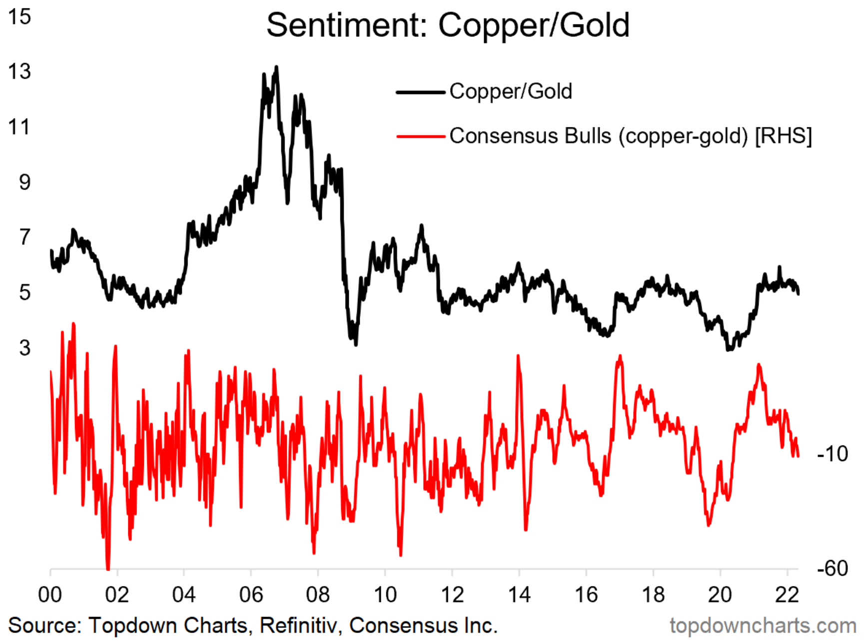
Adding to the value/sentiment picture, bond yields seem to have overshot the macro/market model (I previously pondered whether they might *need* to overshoot, given the amount of time and space that had previously opened up between them). But what's particularly notable is how the macro/market model for 10-year bond yields has been trending down… which is entirely consistent with the downslope of the composite leading indicator. Again, there appears to be a soft patch on the horizon (or at worst a global recession).

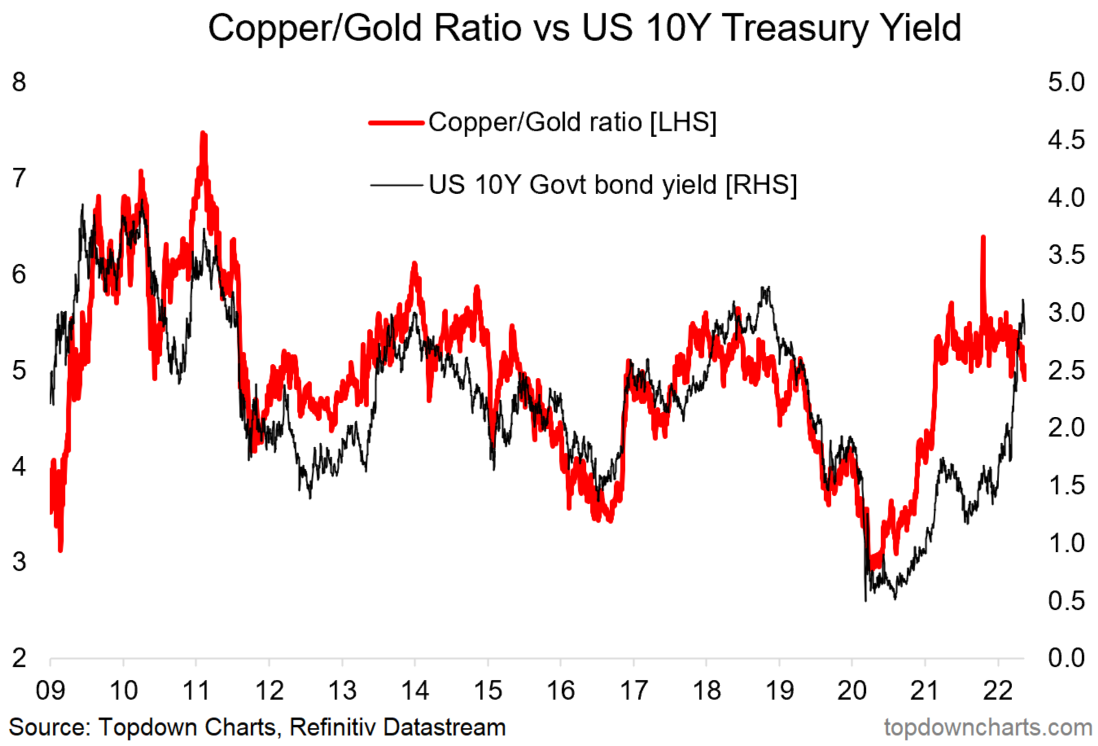


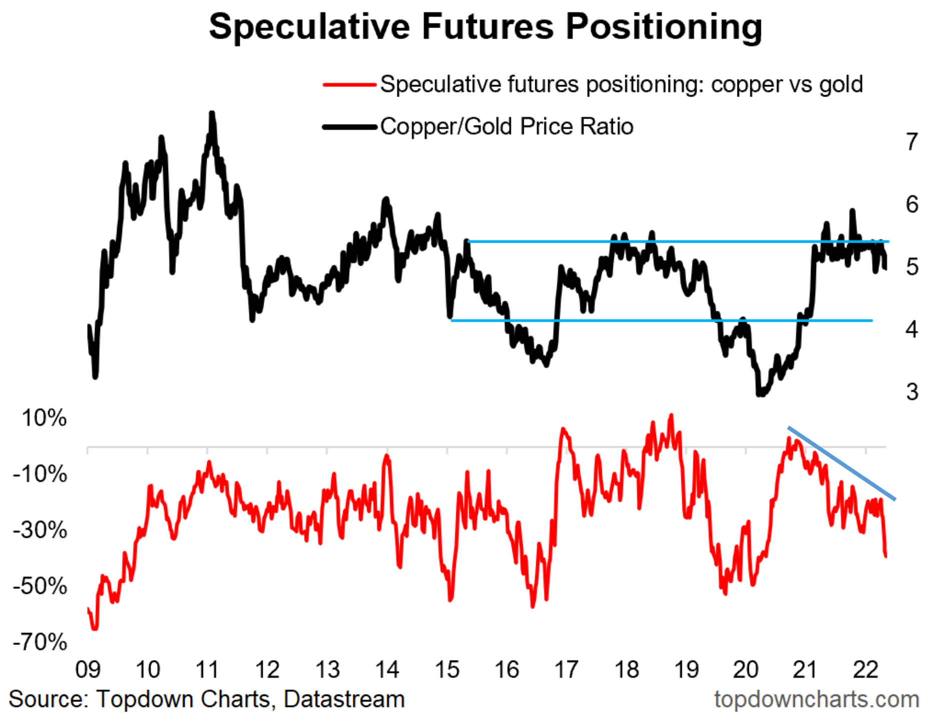


2. Bond Risk

One of the components of that model is the copper/gold ratio, and it's quite interesting to see how some of the underlying momentum has been steadily deteriorating under the surface. For instance, relative sentiment has been steadily falling, and relative positioning has been trending down (i.e. bearish divergence). I suspect that price, the copper/gold ratio, falls soon as these indicators have led price in the past. It's also consistent with the macro outlook (China slowdown, etc).







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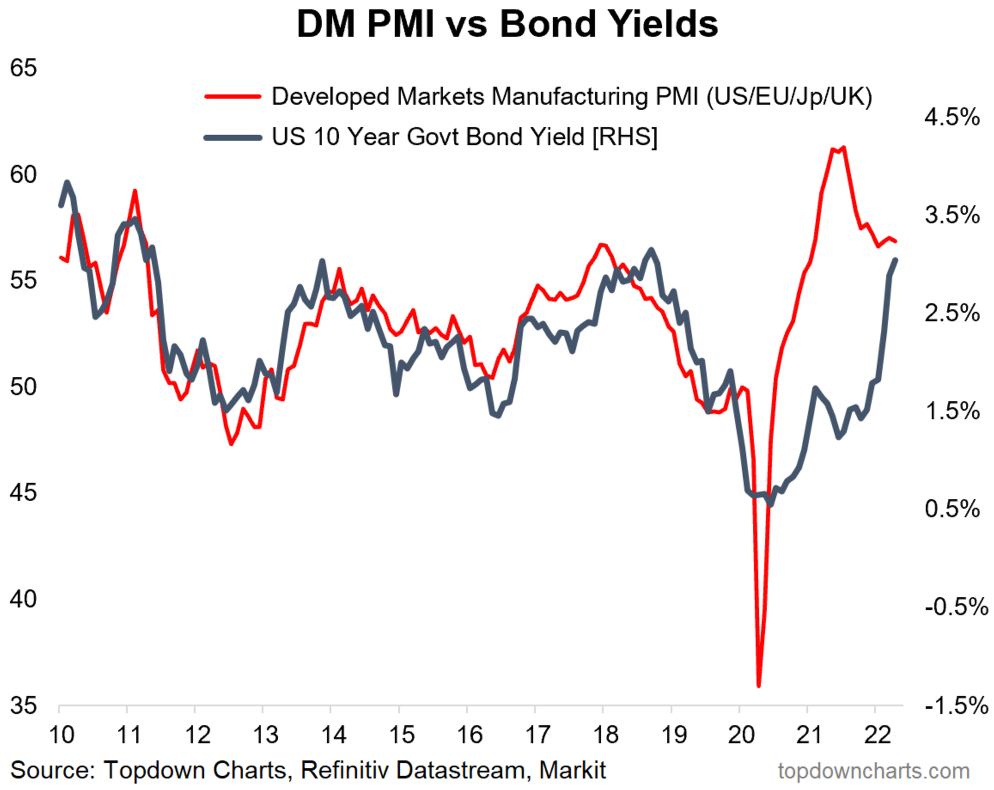
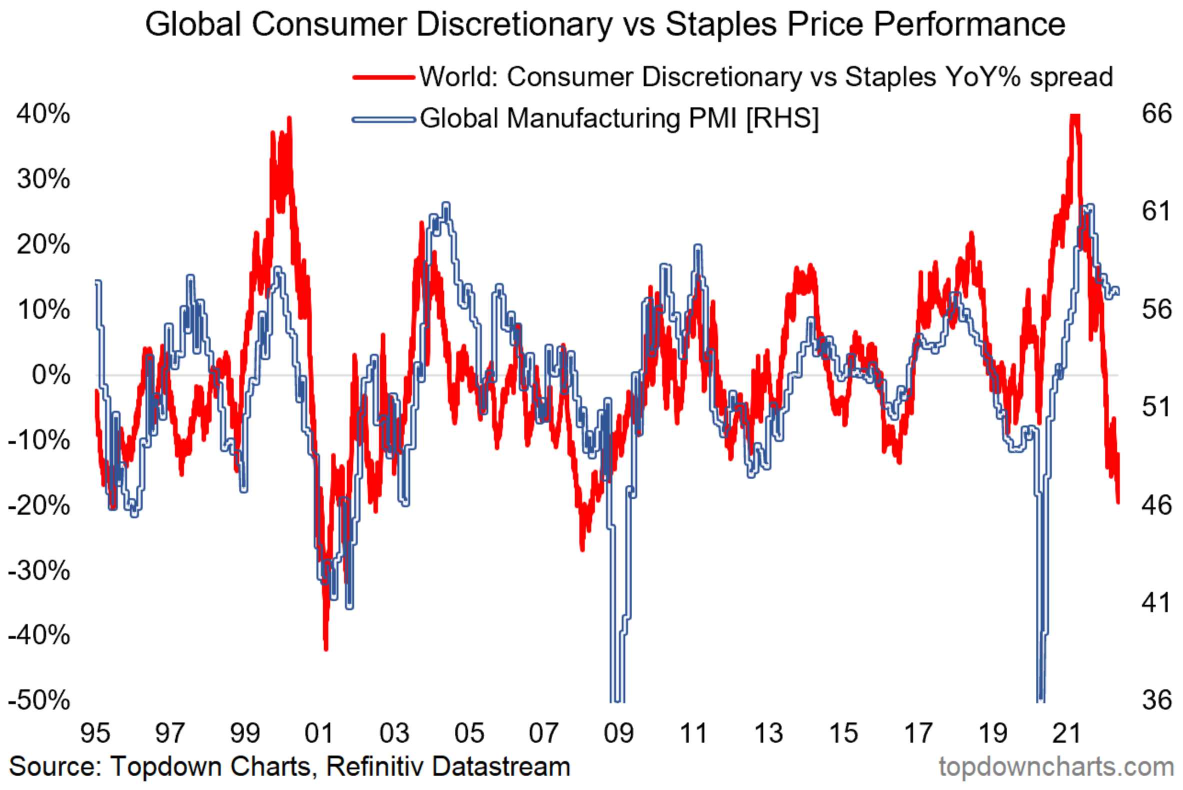
2. Bond Risk

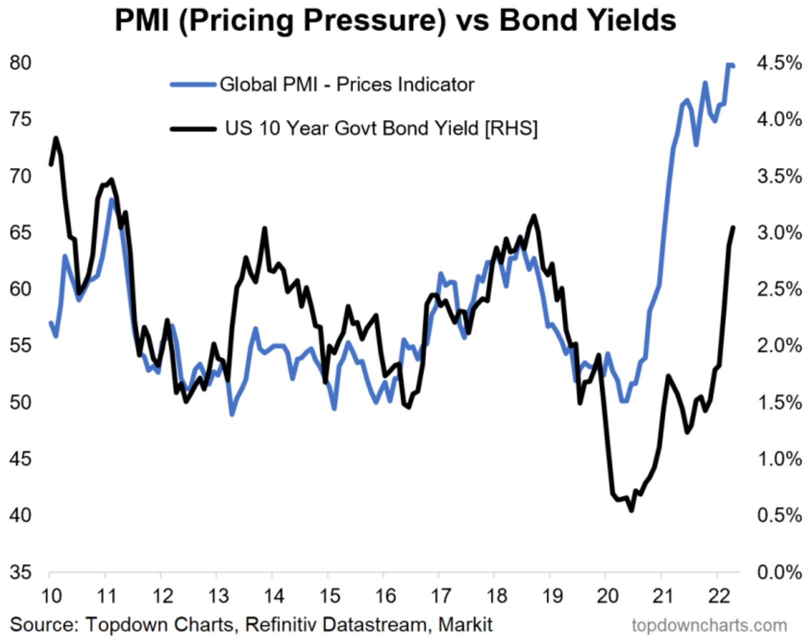
Another component, the developed markets PMI, has also started to taper and come down to meet rising yields, which are now more or less in agreement with the current level of the PMI. But again, it's about what comes next: multiple leading indicators point to a plunge in the PMI. If bonds do recouple to the PMI then this would imply downside risk to bond yields also. So in other words there does appear to be macro support incoming for bonds.

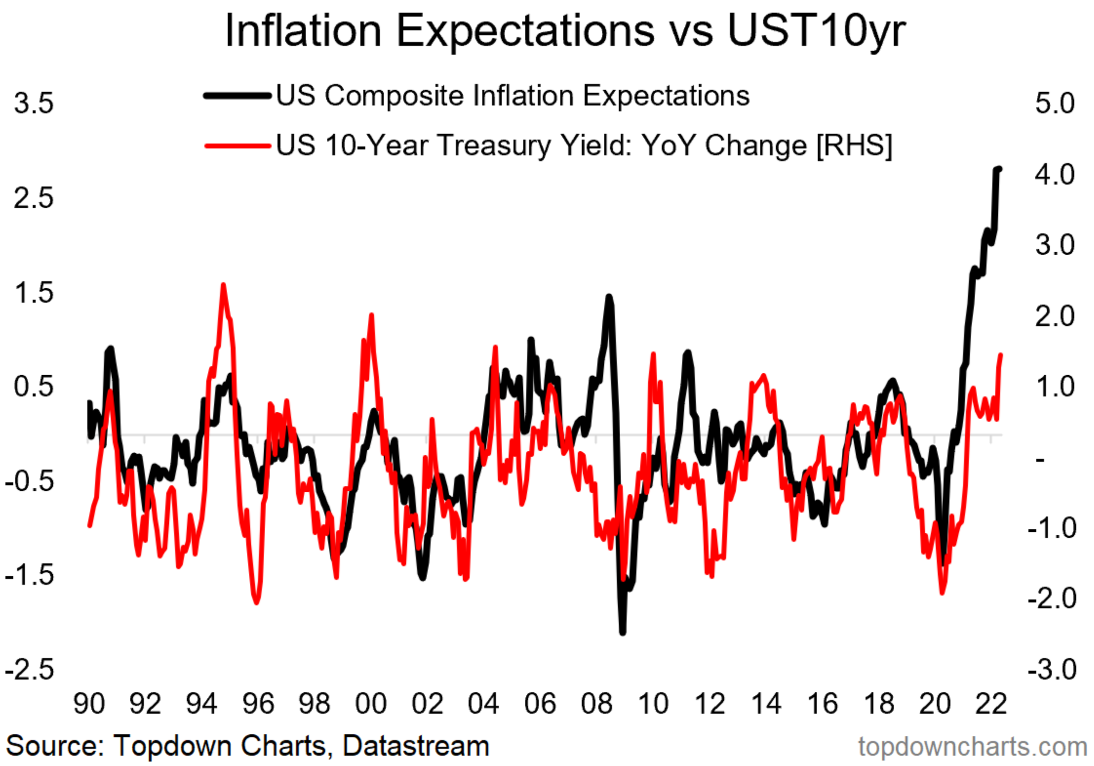


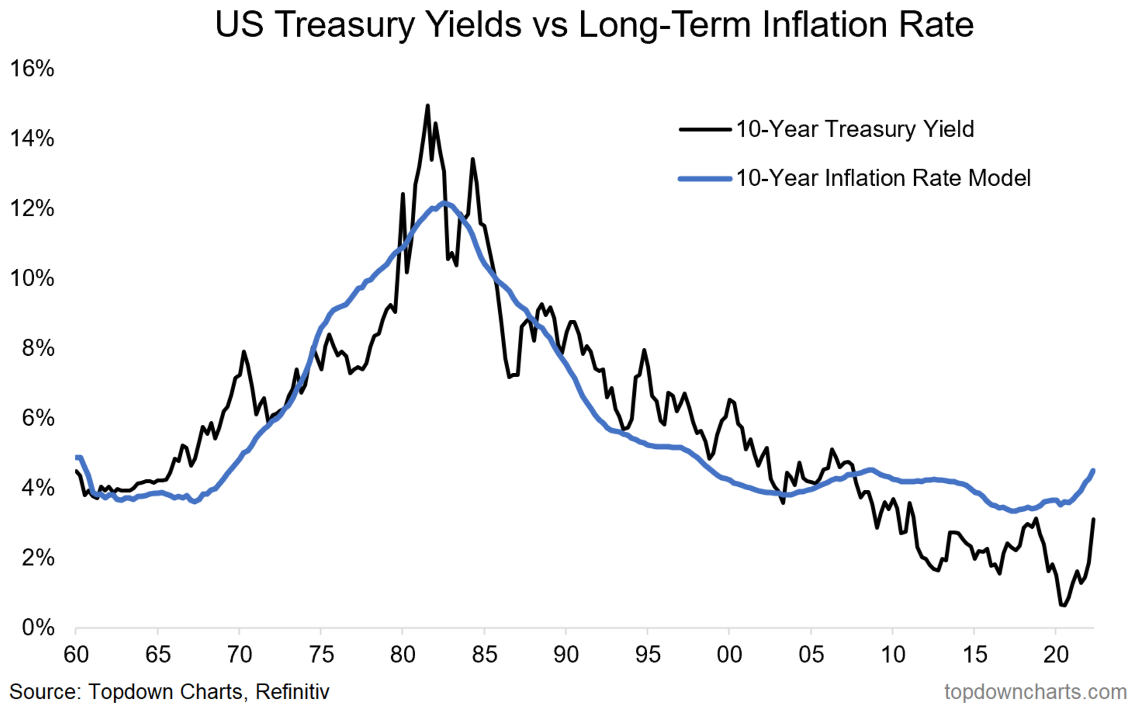


2. Bond Risk

But the big question mark is inflation. Arguably inflation and the policy pivot to catch-up has been driving the bond market recently. And in that respect, these charts show just how much more upside could still be yet to come for bond yields if they close the gap with the inflation indicators (expectations, PMI price indicators, and longer-term rate of inflation). On this lens 10-year yields could go all the way to 4% and possibly a little higher. This and the fact that the value indicator is only starting to look cheap (vs being say very cheap [very cheap would be ~4%]), make me hesitant at getting too bullish too early on bonds (risks remain).







3. Pique Inflation

3. Pique Inflation: Interest has been piqued on peak inflation…

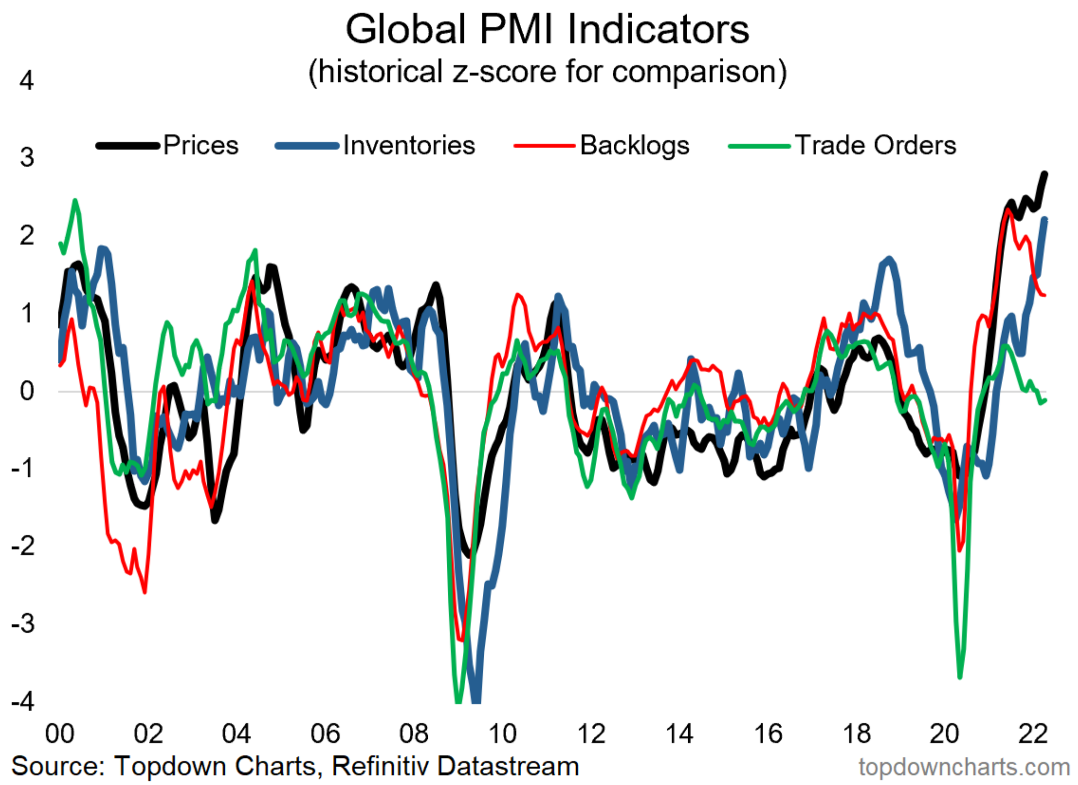
- Although PMI price pressure indicators are ticking higher (along with other late-cycle indicators such as rising inventories), backlog pressures appear to be falling (along with demand indicators such as trade orders).
- Along with that picture of macro-dissonance, monetary headwinds are set to put downward pressure on prices over the next 12-15 months. Basically the demand/macro outlook suggests downside risk to inflation.
- Also the peak in the growth rate of commodity prices and passing of base effects (reversal in some ways) points to commodity price tailwinds to inflation fading.
- Inflation surprises also are tentatively peaking, albeit at high levels.
- Meanwhile short-term measures of inflation expectations are at 40+ year highs, but that stands in contrast to longer-term expectations (elevated, but nowhere near the same as short-term measures). It's longer-term inflation expectations that we have to worry about with regards to possible price-hike-spirals and anchoring higher.
- Yet rental inflation remains intense (partly boosted by base effects, but also actual significant rises), and the labour market remains very tight. So it's likely we continue to see an inflationary impulse working its way through, but the weight of risks to inflation are now shifting from clear upside to clues of downside risk.

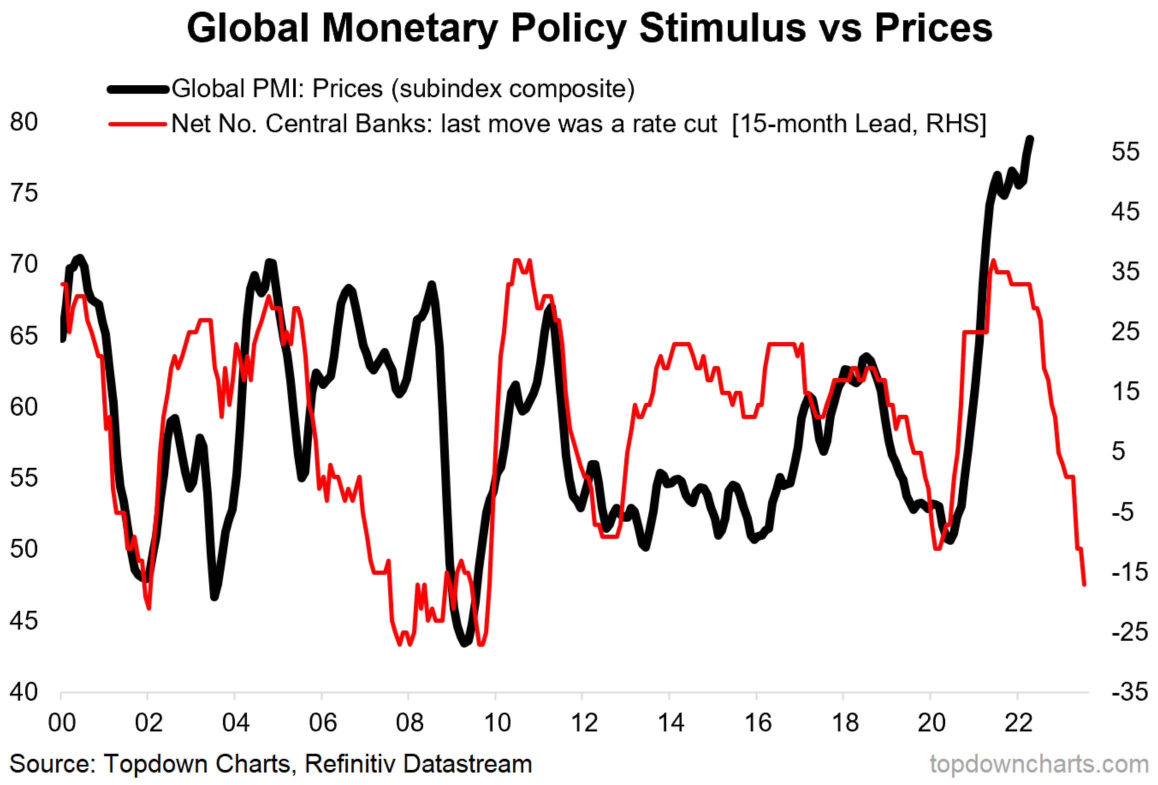
Bottom line: Interest piqued on "peak inflation" – there is still a clear inflationary impulse working its way through the economy, but the weight of risks are starting to shift towards the downside.

3. Pique Inflation

TOP DOWN CHARTS

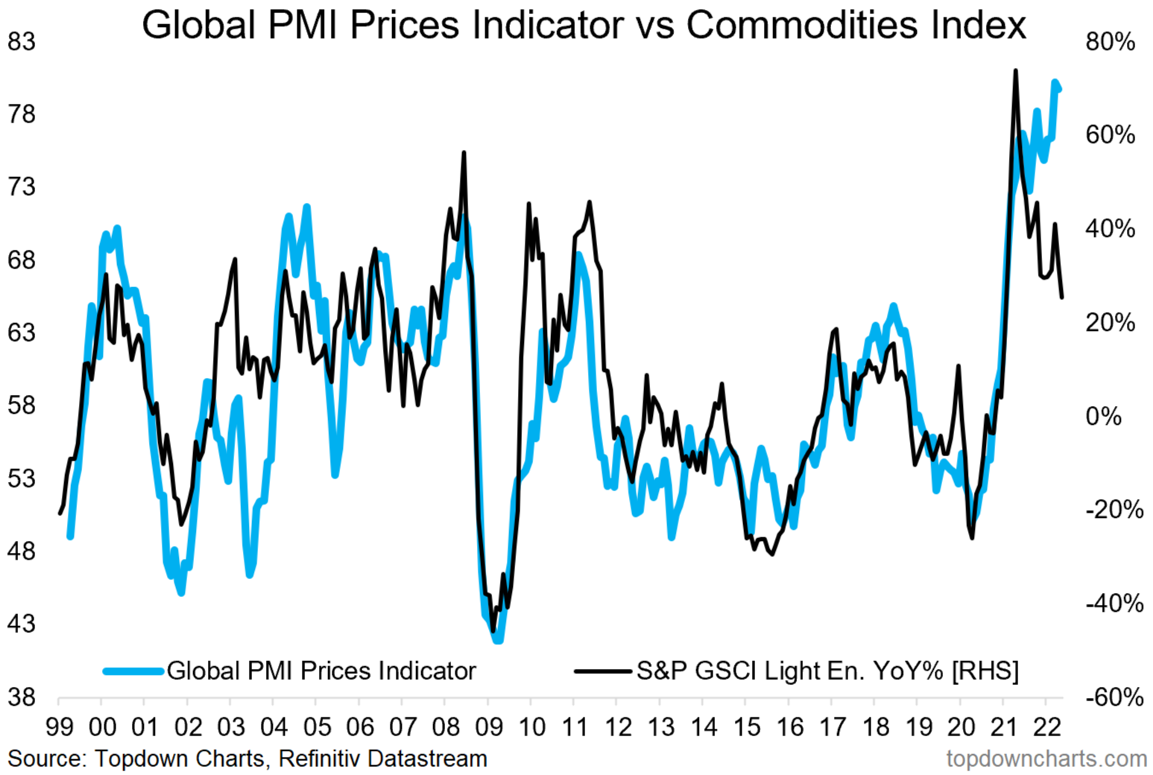
One of the key topics of interest at the moment is "peak inflation", I thought it would be worth having a think about this – about 18 months since first warning about the upside risks to inflation. So what, if anything, are the downside risks to inflation? First stop is the global PMI indicators, note with benefit how the late-cycle indicators of prices and inventories are surging, while backlogs are trending downwards along with trade orders. Also note the impending monetary headwinds to the inflation outlook: basically the demand/macro outlook suggests downside risk to inflation.

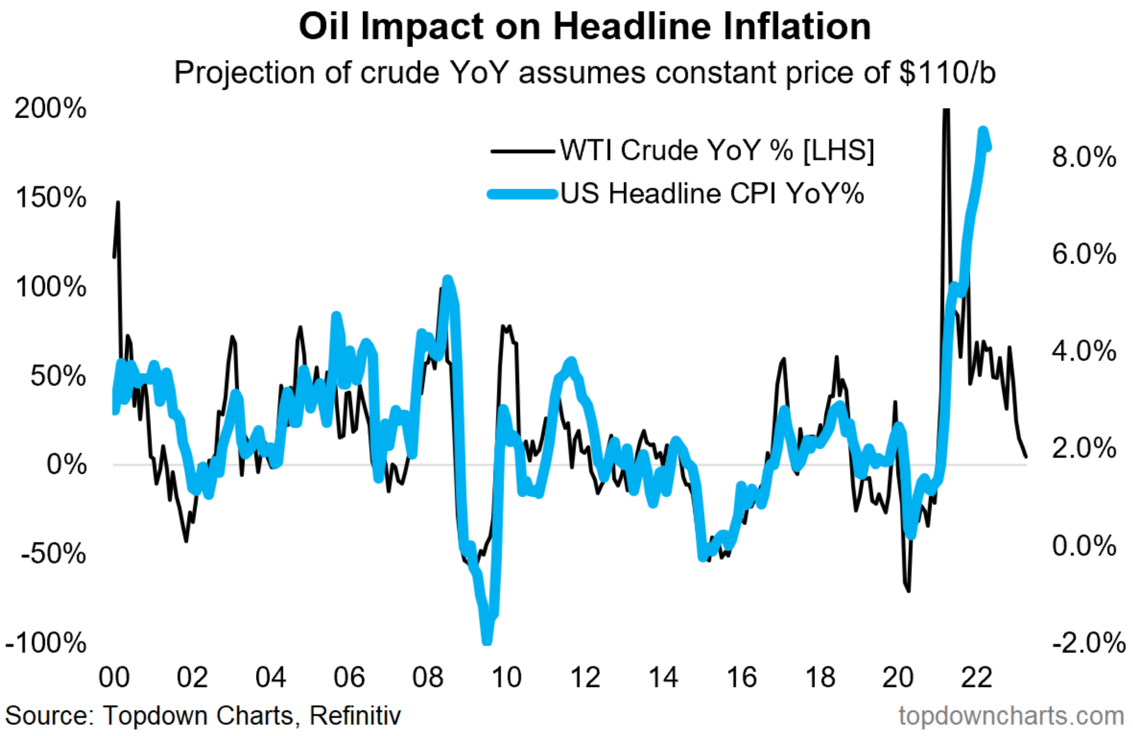




3. Pique Inflation

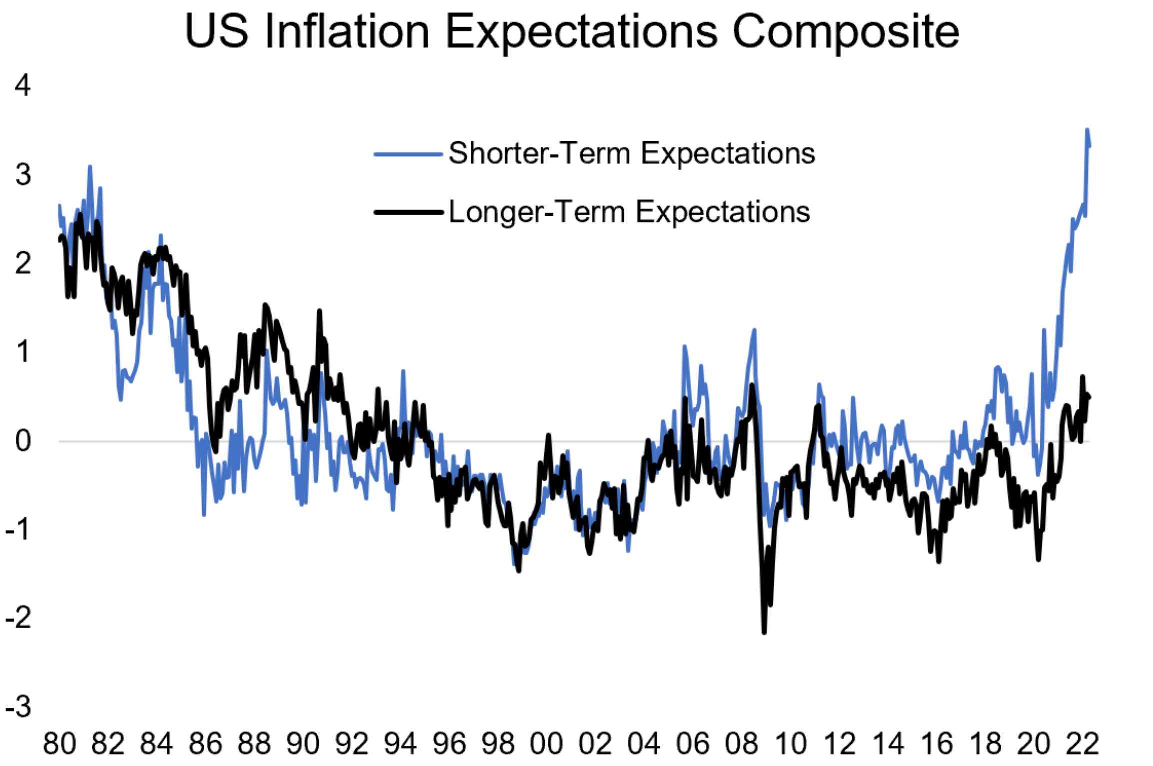
Another key aspect is base effects and commodity prices. In topic 4 I have outlined the shift in the weight of risks for commodity prices to the downside, but already the rate of change for commodity prices has peaked and turned down (diverging from surveyed price pressure indicator). Similarly, the rate of change in oil prices (assuming no major escalation in prices) is steadily tapering, which together points to commodity price tailwinds to inflation fading.



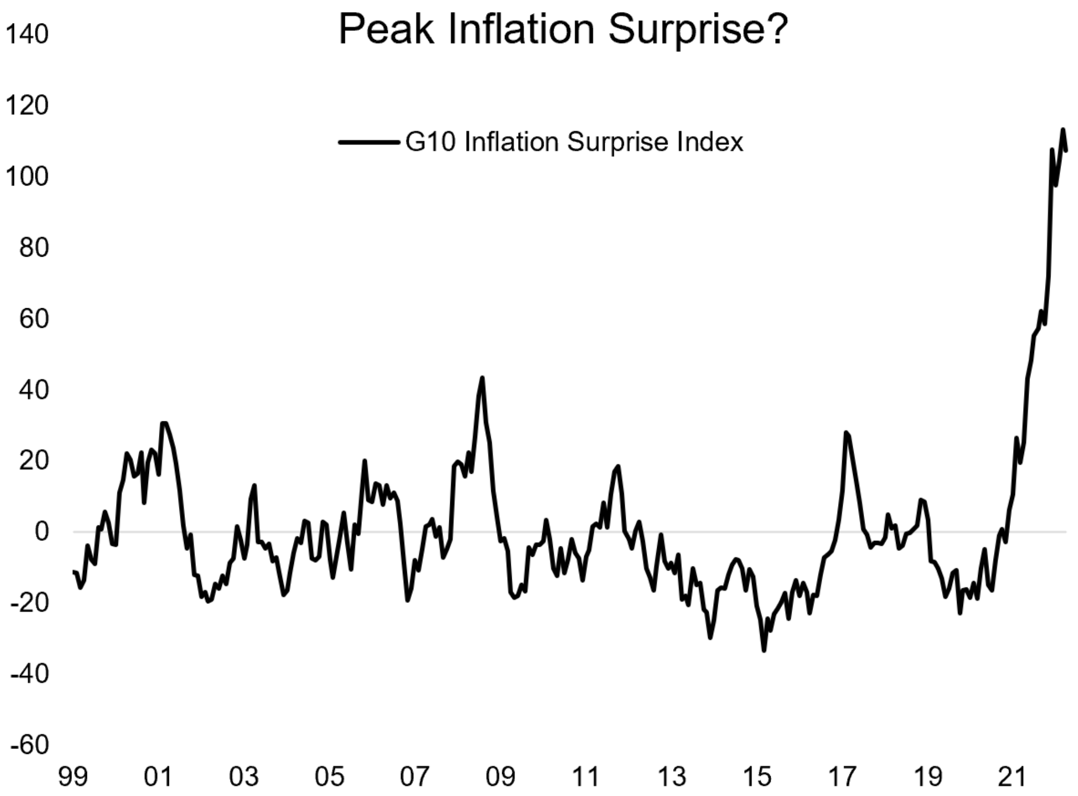


3. Pique Inflation

Another interesting aspect is the difference in shorter term measures of inflation expectations (at 40+year highs) vs longer-term measures. Longer term measures have lifted, but far from the spike seen in shorter term inflation expectations. It's longer-term inflation expectations that we have to worry about with regards to possible price-hike-spirals and anchoring structurally higher. To that end, also of note is the tentative peak in inflation surprise index (albeit at high levels).



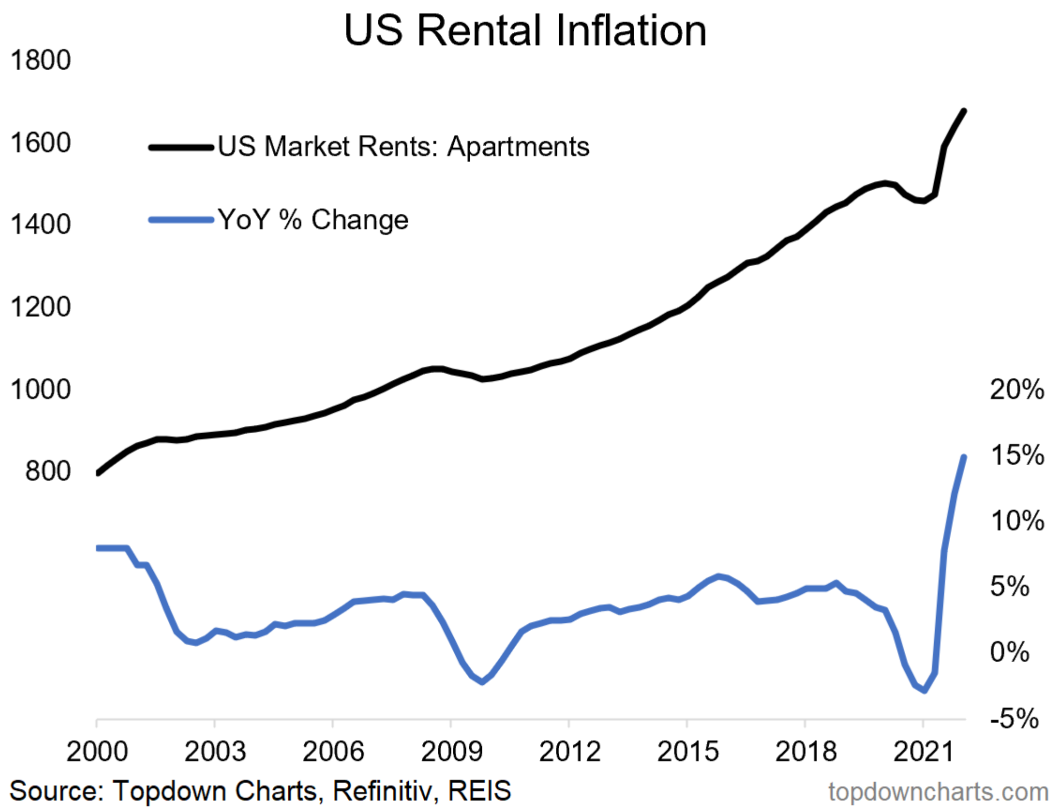
Source: Topdown Charts, Datastream

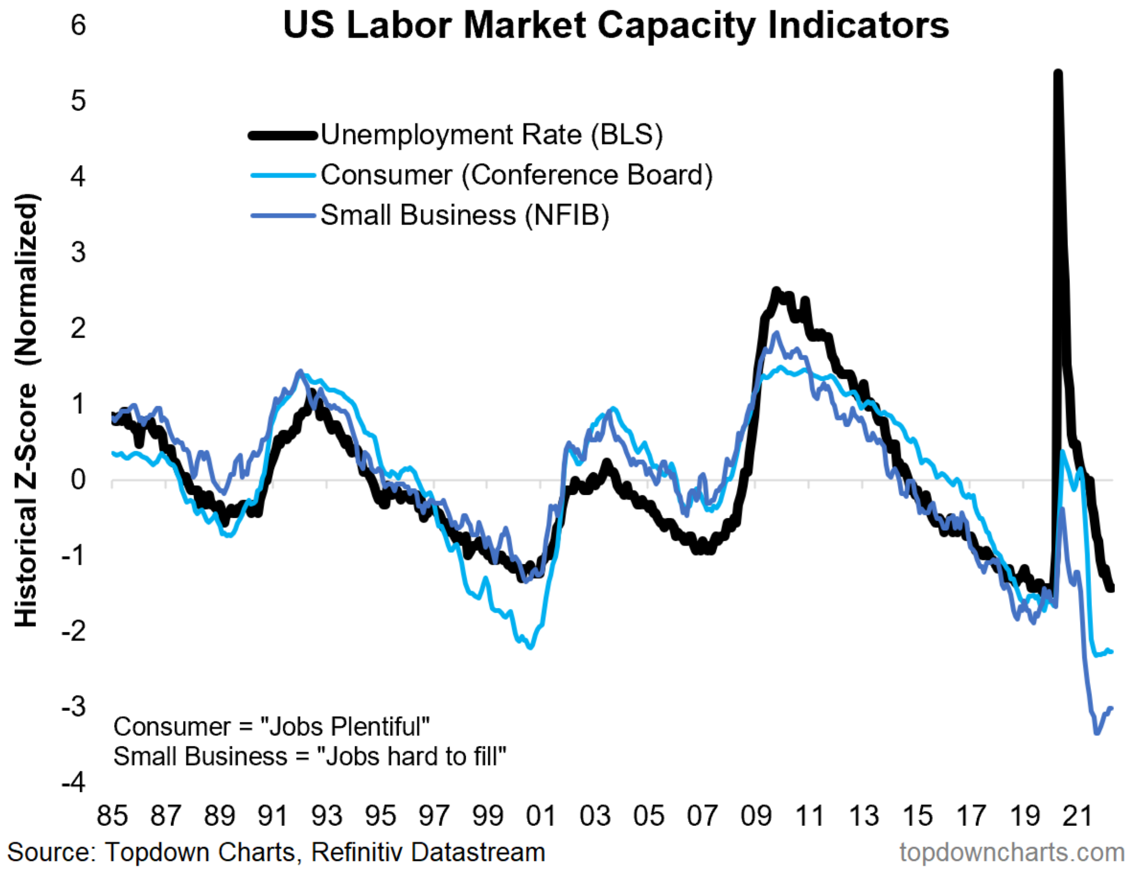


Source: Topdown Charts, Datastream, Citi

3. Pique Inflation

But there are still underlying forces pushing prices higher e.g. the still very tight labour market (albeit that itself is a late-cycle/lagging indicator, and the surveyed metrics appear to be turning). Also of note is surging rent prices (with base effects boosting the YoY). Overall, I would say there remains an inflationary impulse still working its way through the economy, it might be too early to call for peak inflation, but it might well come soon.





4. Commodities

TOP DOWN CHARTS

4. Commodities: Time to turn bearish on commodities…

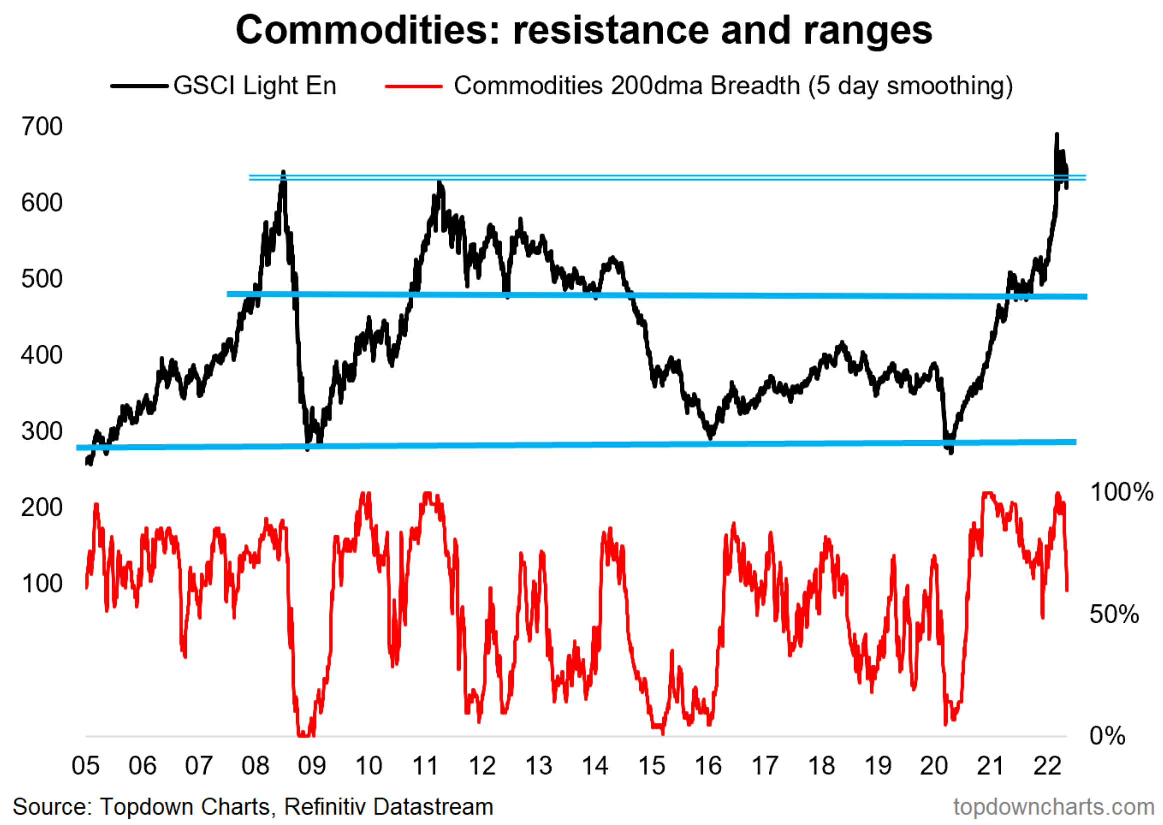
- Commodity technicals have taken a decidedly different tone recently.
- The GSCI light energy index peaked just above the all time highs and has now dropped back below what was previously resistance.
- Meanwhile 200dma breadth has rolled over from overbought, and the "proportion of commodities positive on a YoY basis" indicator has turned down, with a familiar and ominously major topping pattern appearing (similar in the commodity/gold ratio).
- Sentiment and positioning have also been tapering off from crowded net-longs and extreme optimism, with bullish commodities a very much consensus trade.
- Value indicators across 46 commodities are at similar stretched/expensive levels to the 2008 peak.
- US dollar is breaking out (bearish for commodities in that many are priced in USD, but also in that strong dollar = tighter global financial conditions = demand destruction).
- The global recession thesis (i.e. a growing list of leading indicators pointing to a soft patch) means the previous demand tailwinds for commodities are set to disappear.
- Supply investment remains weak/depressionary, but has started to tick up (initial supply response underway). Anticipate commodities find a higher floor though.

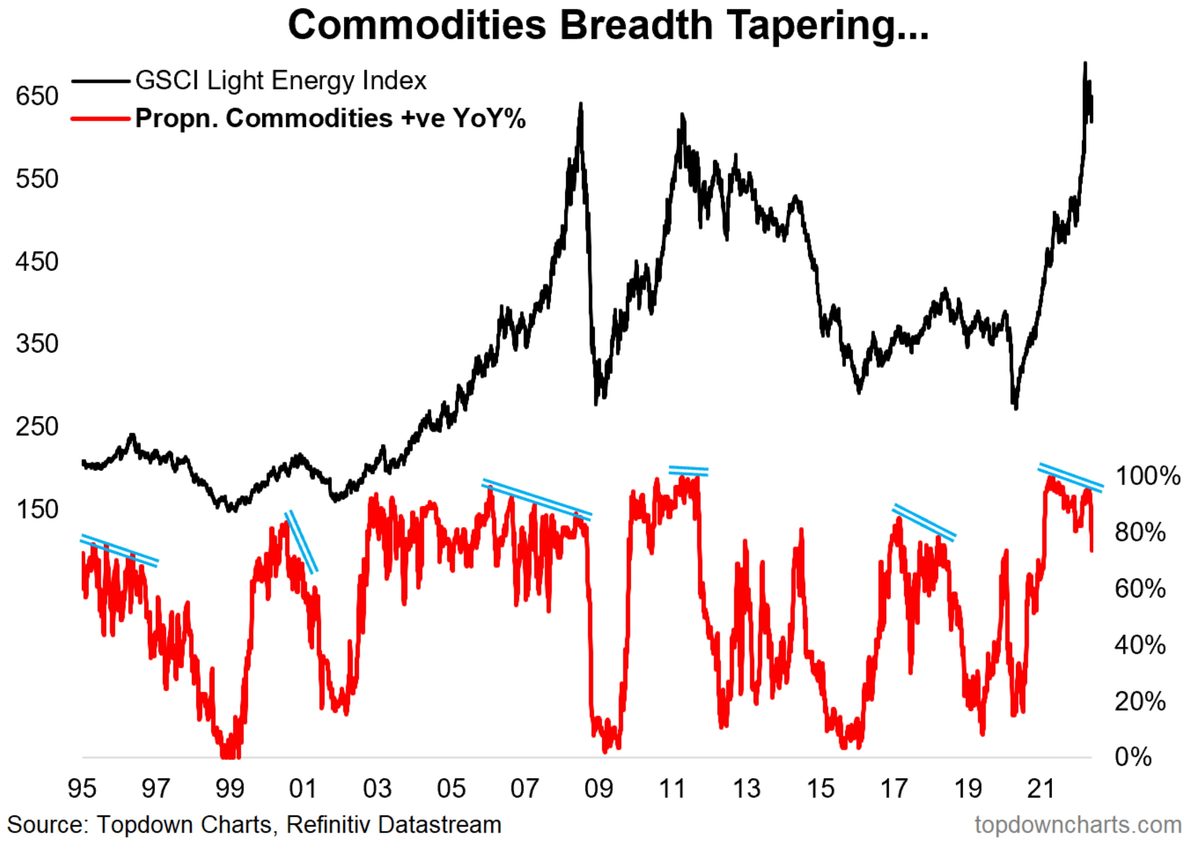
Bottom line: Time to turn bearish on commodities as technicals, intermarkets, sentiment/positioning, macro, value, and initial supply response means risks weighted down.

4. Commodities

TOP DOWN CHARTS

Commodity technicals have taken a decidedly different tone recently. The relatively diversified GSCI light energy index peaked just above the all time highs and has now dropped back below what was previously resistance. Meanwhile 200dma breadth has rolled over from overbought, and another breadth metric (proportion of commodities positive on a YoY basis) has turned down, with a familiar and ominously bearish pattern appearing. This is *not* March 2020 for commodities!!

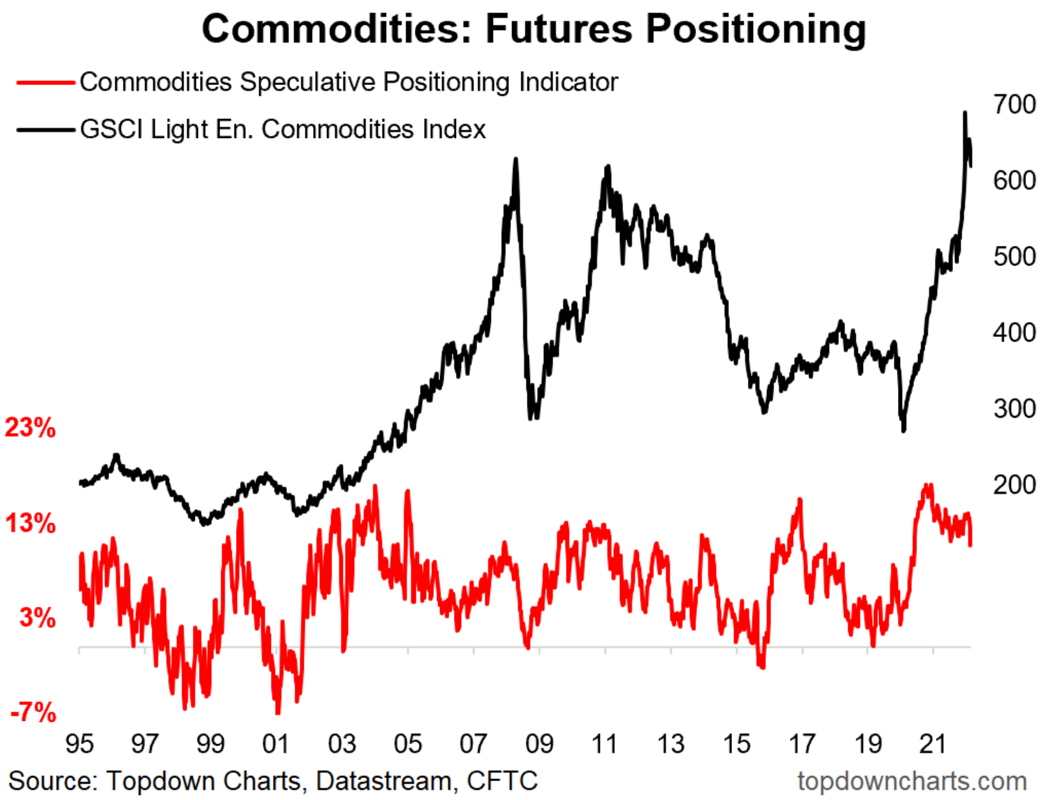


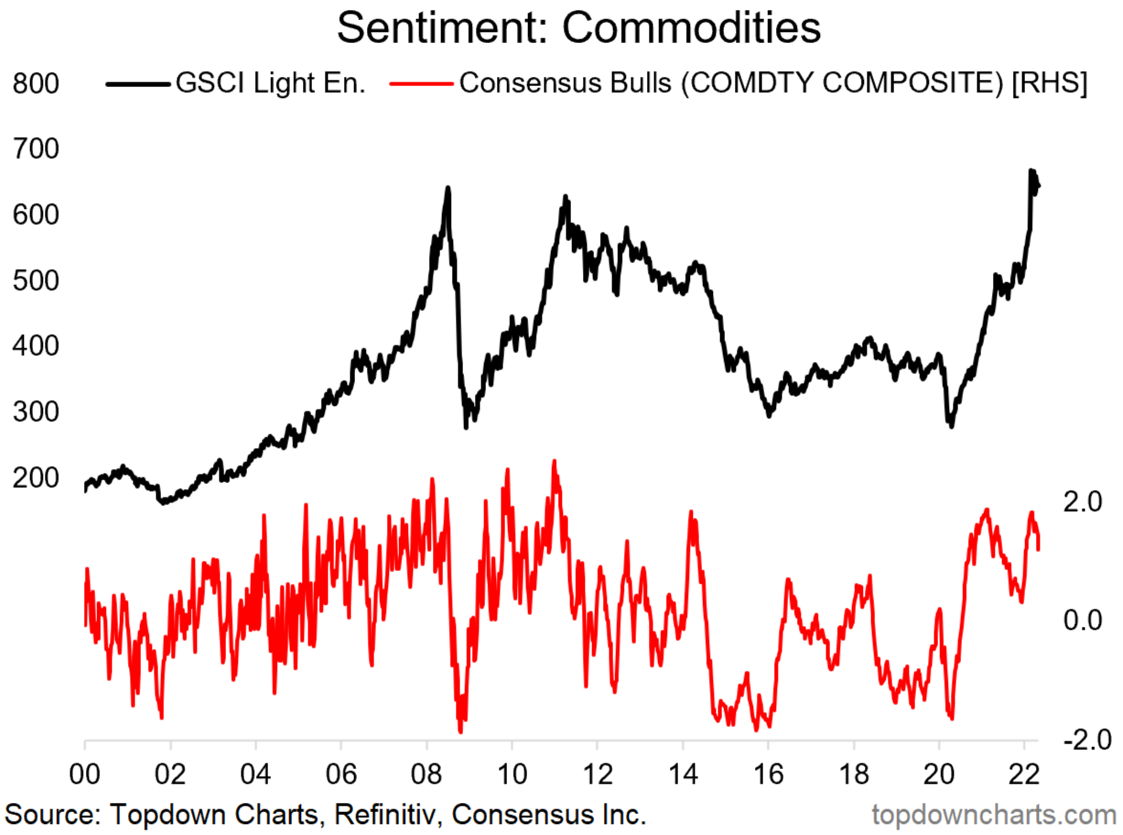


4. Commodities

TOP DOWN CHARTS

Furthermore, futures positioning across commodities has been trending downwards from fairly crowded net-longs, and sentiment has also begun to rollover from extreme optimism. This is basically your classic contrarian bearish sentiment signal.





4. Commodities

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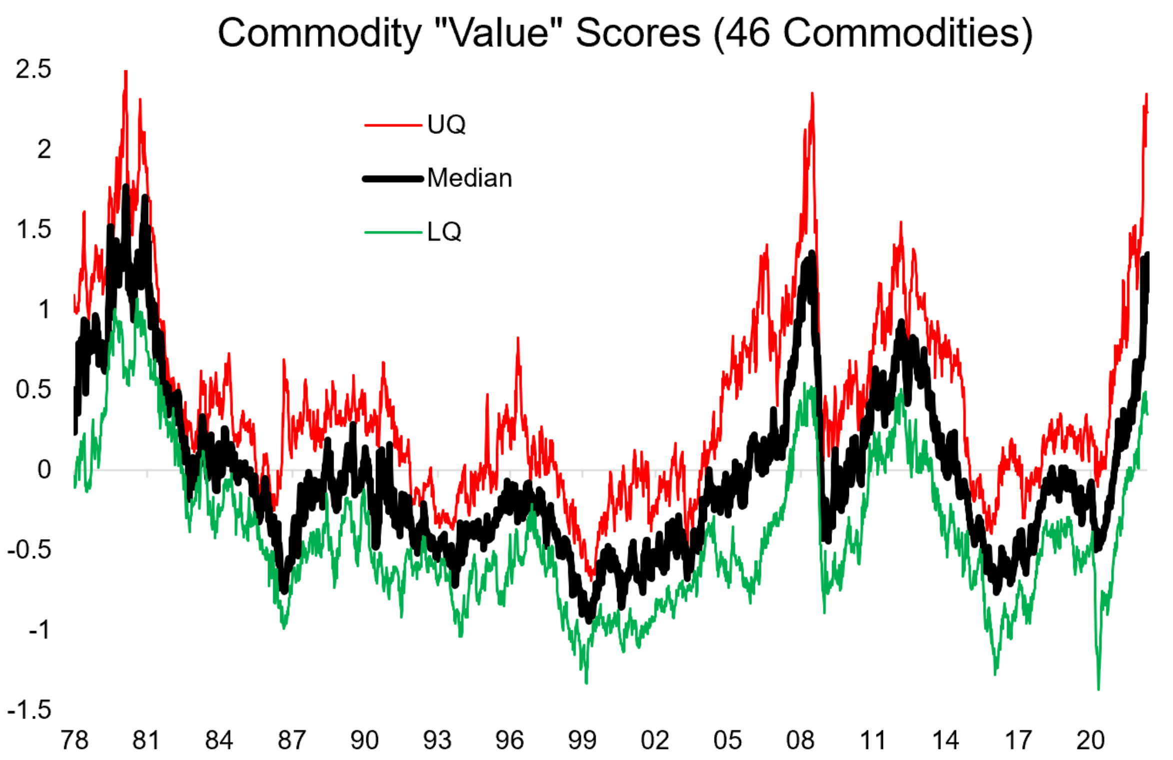
And more: the longer-term value indicators across 46 commodities (combination of mean/trend reversion, relative price, real price vs long-term average) reached similar levels to the 2008 peak, and the upper quartile of commodities in the same echelons as the late-1970's. Meanwhile we have the US dollar breaking out (shown inverted here): strong dollar is bearish for commodities in that many commodities are priced in USD, but also in that a strong dollar is basically a tightening factor for global financial conditions (demand destruction).



Source: Topdown Charts, Refinitiv Datastream

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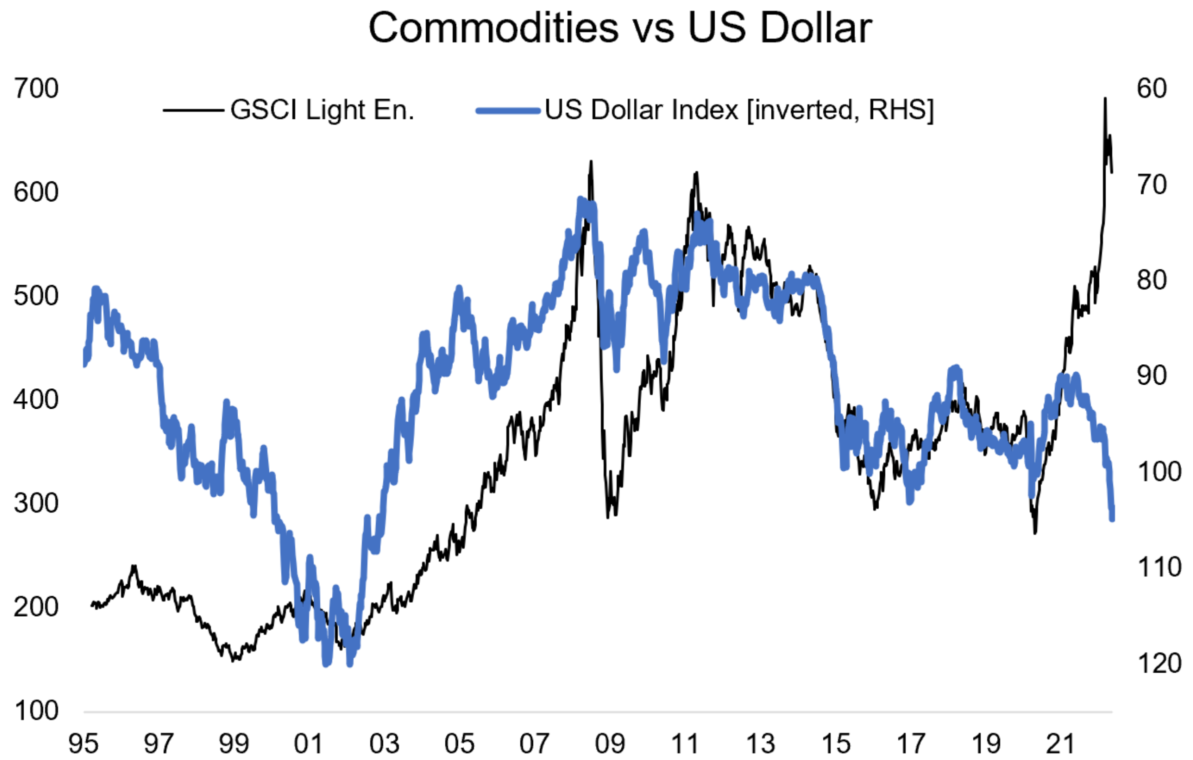

Source: Topdown Charts, Refinitiv Datastream

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4. Commodities

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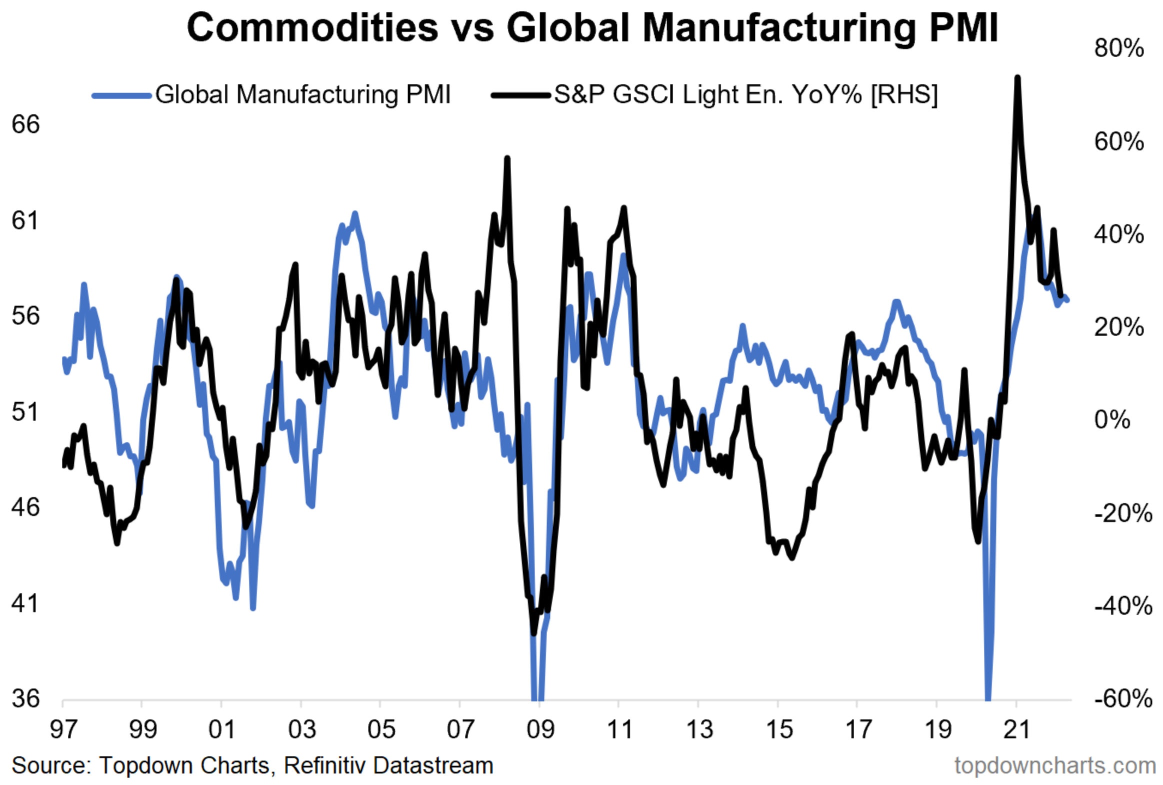
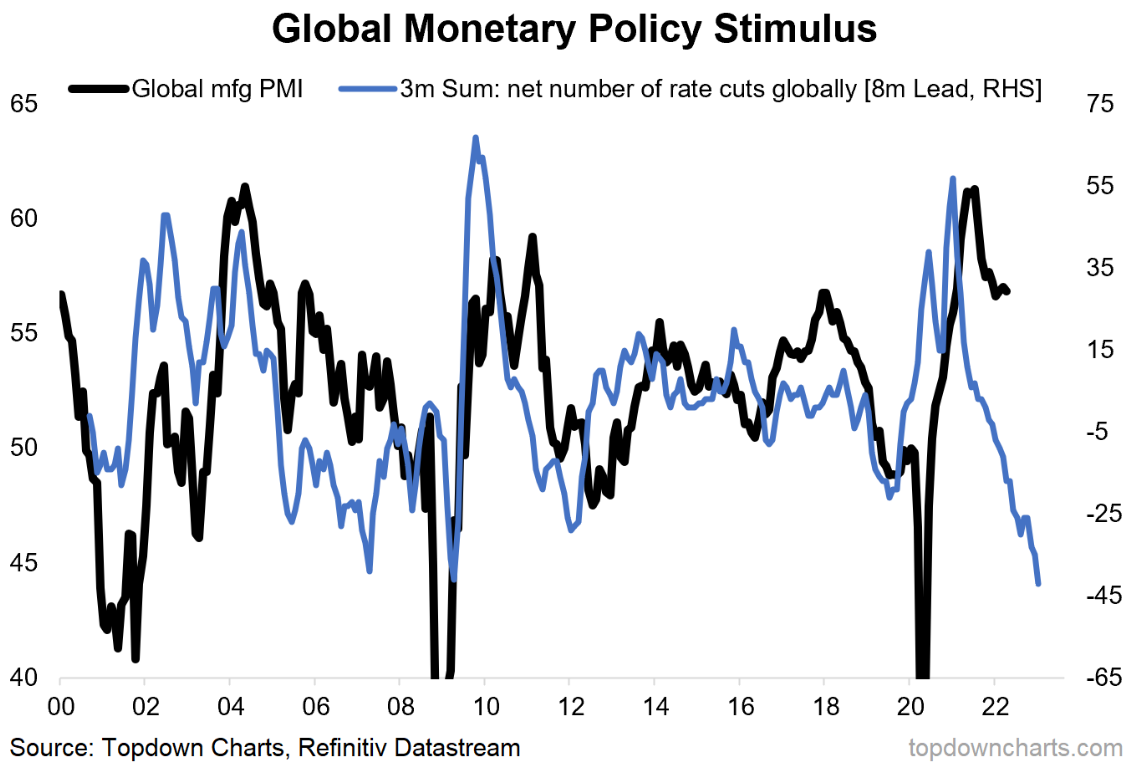
Speaking of demand, commodity returns usually do follow the path of the global PMI, and as I have extensively documented, there are numerous indicators pointing to a drop in the PMI. For example the global scramble to undo pandemic stimulus in the face of surging inflation (count that alongside rising bond yields, price pressures, and the demand negative impact of geopolitics and China lockdowns). So the demand tailwinds for commodities are set to dissipate.





4. Commodities

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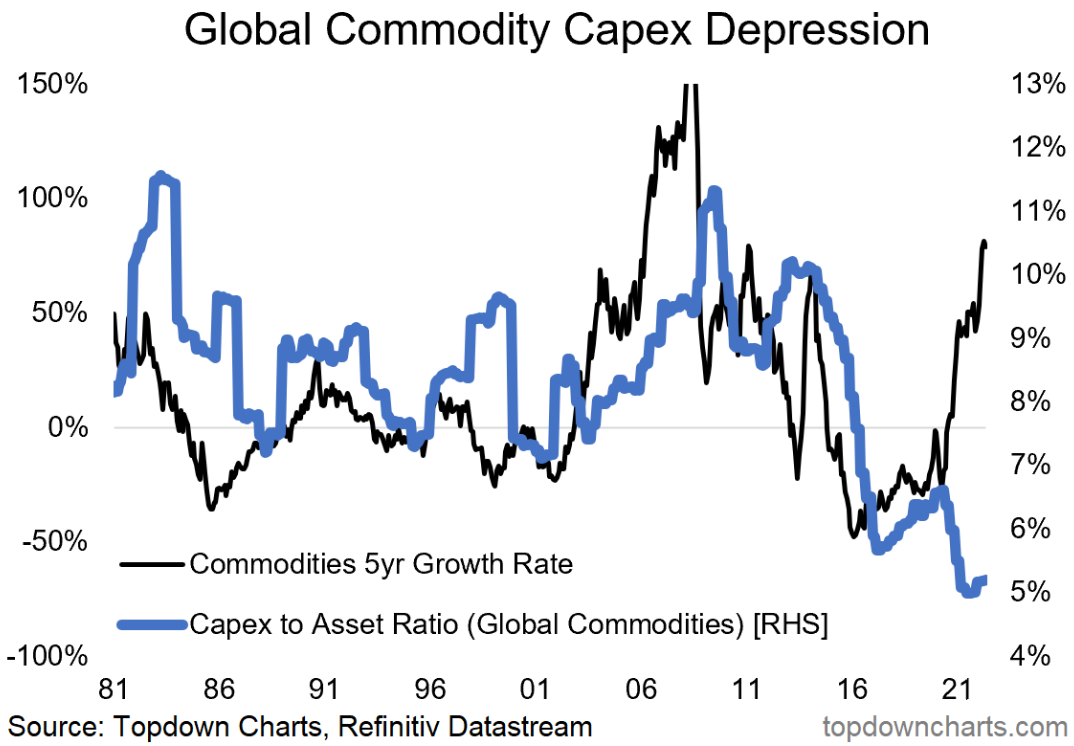
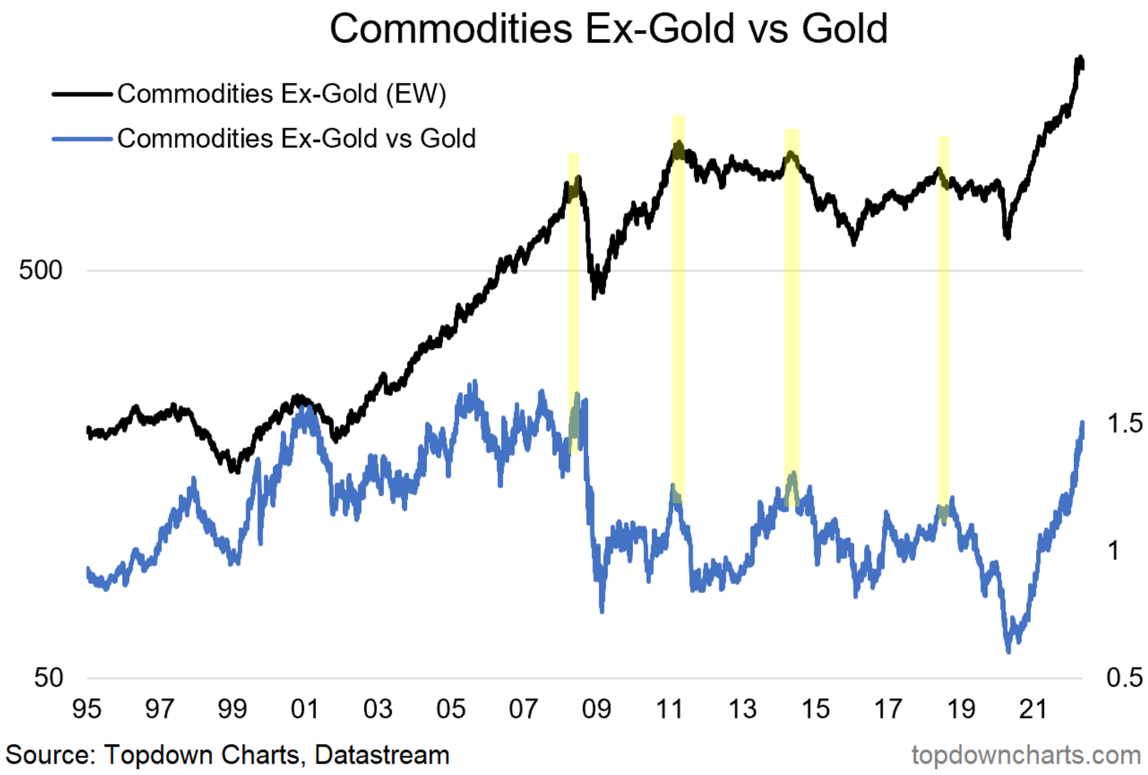
Finally, commodity capex is still running at a very low pace, and it likely will take a long time for proper investment in supply comes on line. This likely means that prospective weakness in commodities may well find a higher floor. In the meantime though we should expect some initial supply response in the near term. Meanwhile, as a last snippet, commodities look particularly stretched vs gold, and while this indicator does not have the perfect track record, spikes and peaks in the commodity/gold ratio have flagged some major peaks in commodities in the past.





5. Agri Commodities

TOP DOWN CHARTS

5. Agri Commodities: After a perfect storm the risks shift…

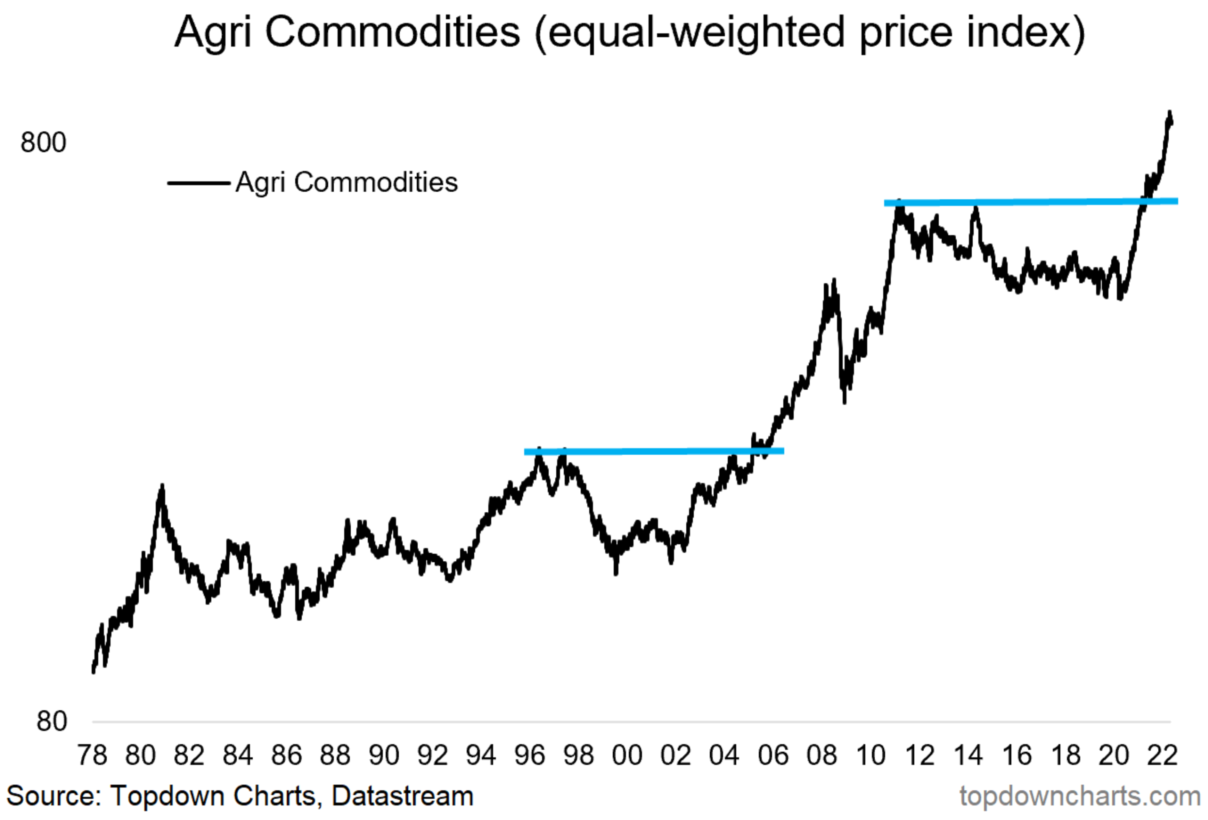
- Agri commodity prices doubled vs pre-pandemic on the back of a perfect storm of underinvestment in supply, weather volatility, pandemic disruption (supply + demand shocks), geopolitics, surging input costs, and speculative interest.
- But with some of those forces beginning to wane it is worth asking where the weight of risks lie for the agri commodity price outlook.
- Speculators are on one side of the boat, and sentiment/positioning has started to taper slightly as price loses momentum.
- Furthermore, the average value indicator across agri commodities reached an all time high recently – meaning agri prices look stretched. Meanwhile, global food producer capex has begun to rebound in response to the price surge.
- Thus the weight of risks are, consistent with topic 4, now skewed to the downside for agricultural commodity prices.

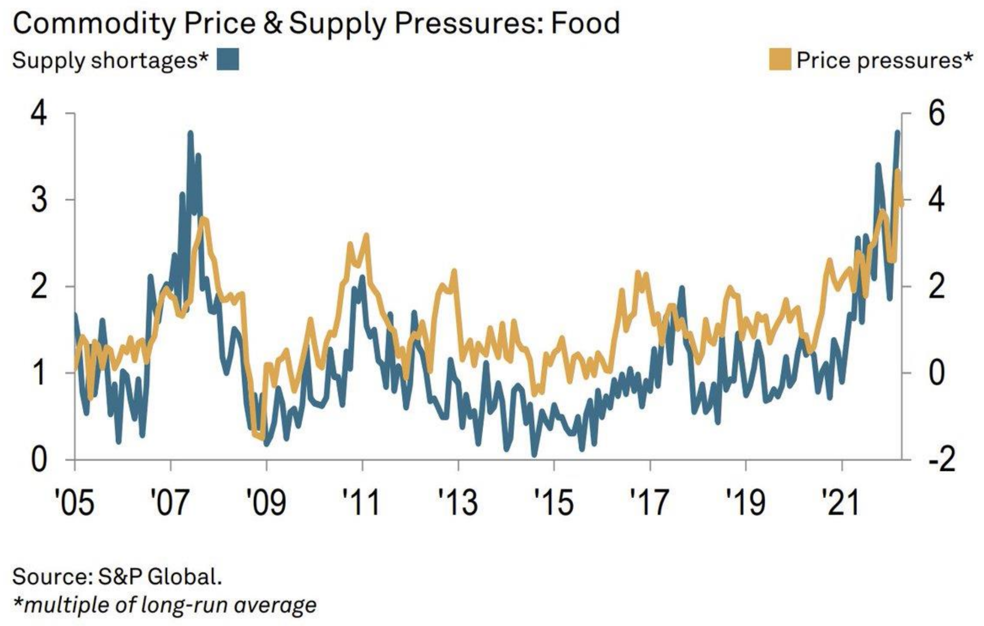
Bottom line: After a perfect storm, the risks are shifting to the downside for agricultural commodity prices (stretched prices, crowded bulls, rebounding capex).

5. Agri Commodities

TOP DOWN CHARTS

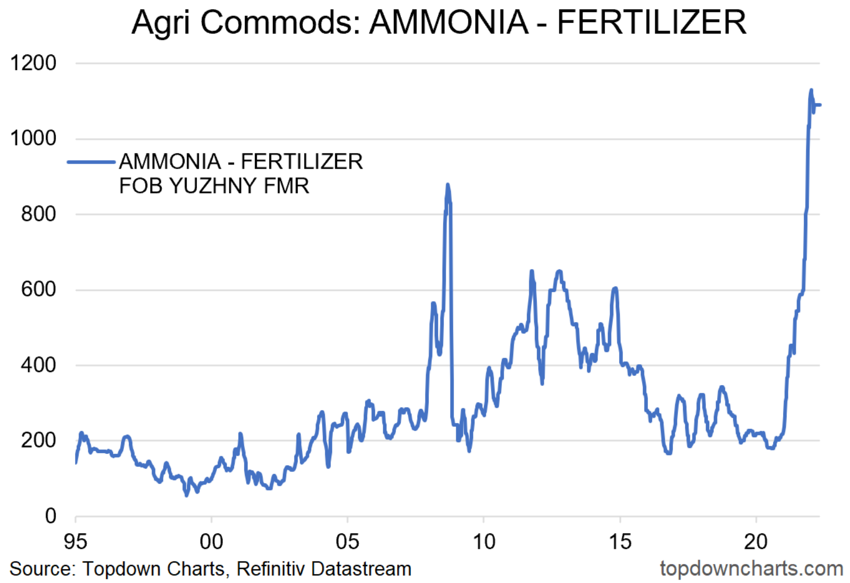
One subset of commodities, and an important input into the inflation outlook, is agricultural commodities. Agri commodities broke out to new all time highs on the back of pandemic, weather, and geopolitical disruptions, with supply shortages reportedly the worst since 2007/08. So where to next for this important set of commodities (whose price rise impacts can go beyond headline inflation to civil unrest in poorer/developing countries).

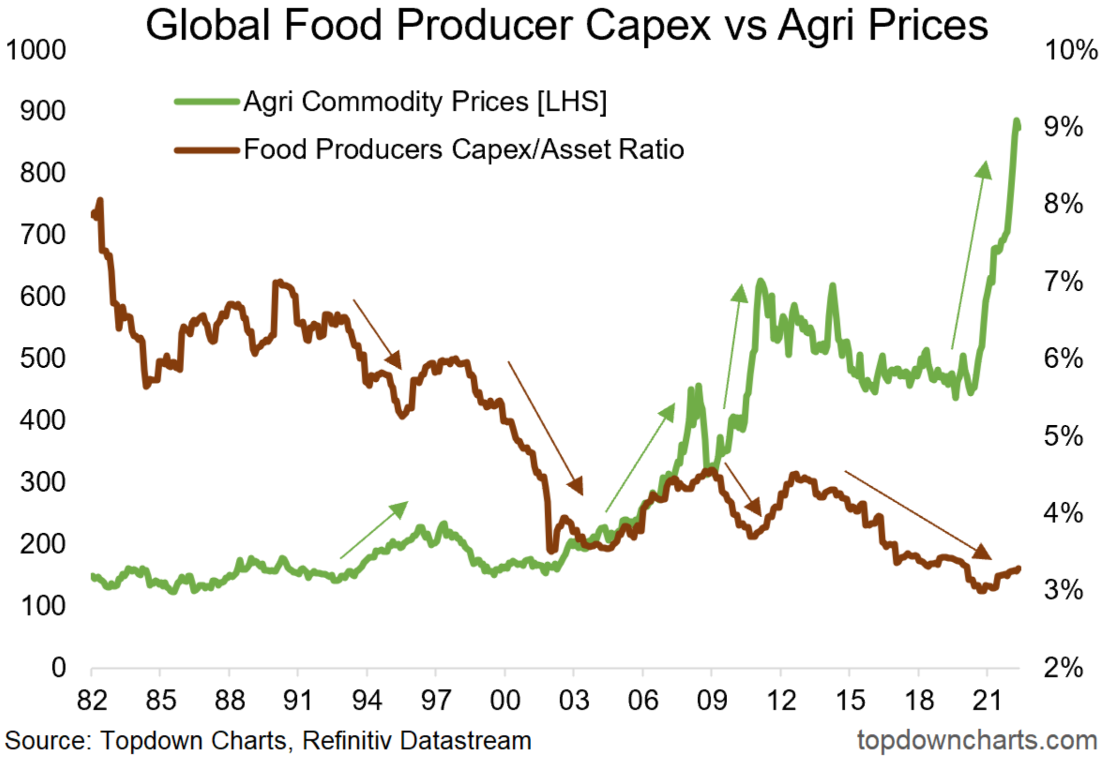


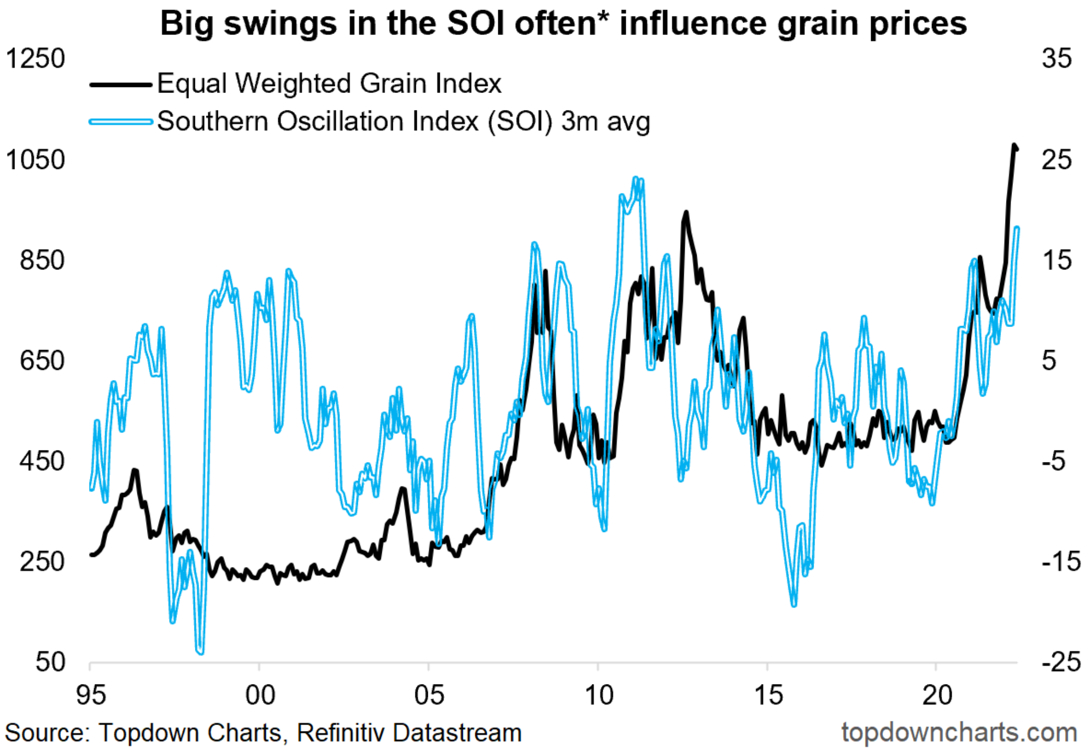


5. Agri Commodities

I've previously noted the impact of stagnant capex (basically creating structural supply tailwinds), rising input costs e.g. energy and fertilizer, but also the big swings higher in the southern oscillation index (part of this is volatility in weather conditions, but also greater odds of adverse weather). All that along with the supply chain disruption effects of the pandemic created the perfect storm for agri commodity prices.

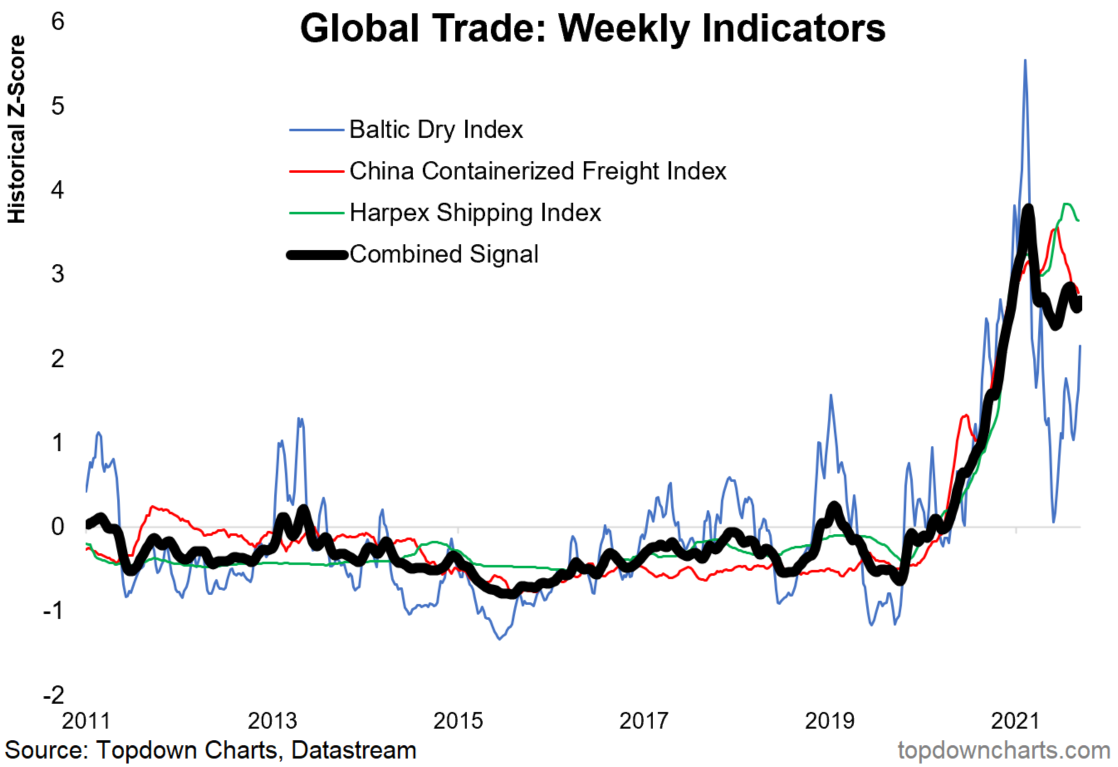


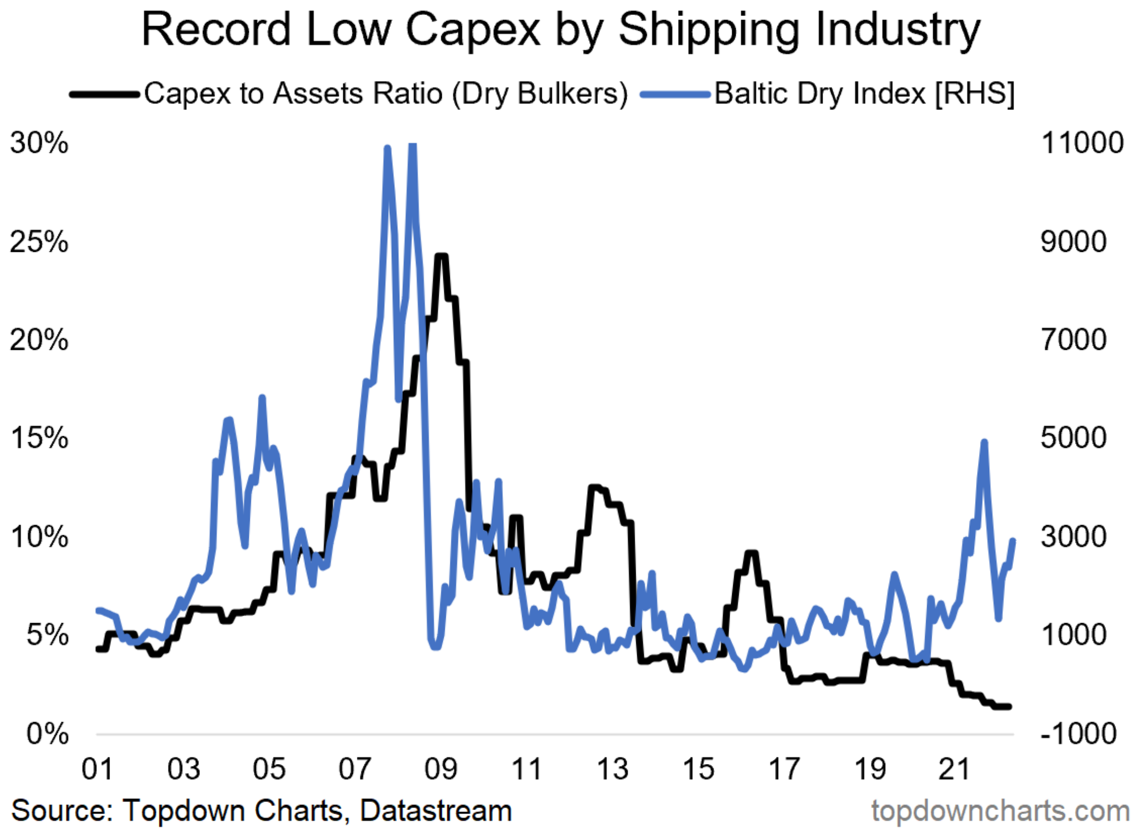




5. Agri Commodities

Another aspect has been shipping costs, which have also surged – again partly due to pandemic disruption (supply shock) and pandemic stimulus efforts (demand shock)… but partly also due to low rate of capex by shipping companies. The surge in shipping costs is both a symptom and cause for commodity prices.

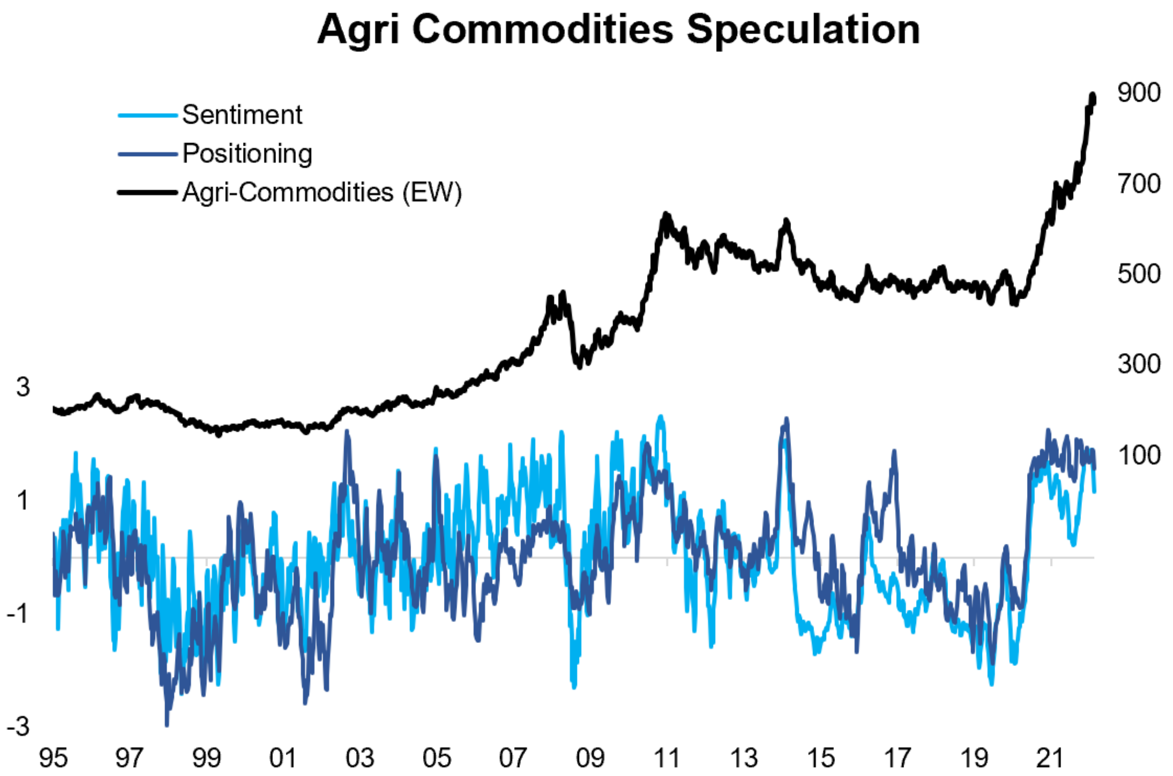




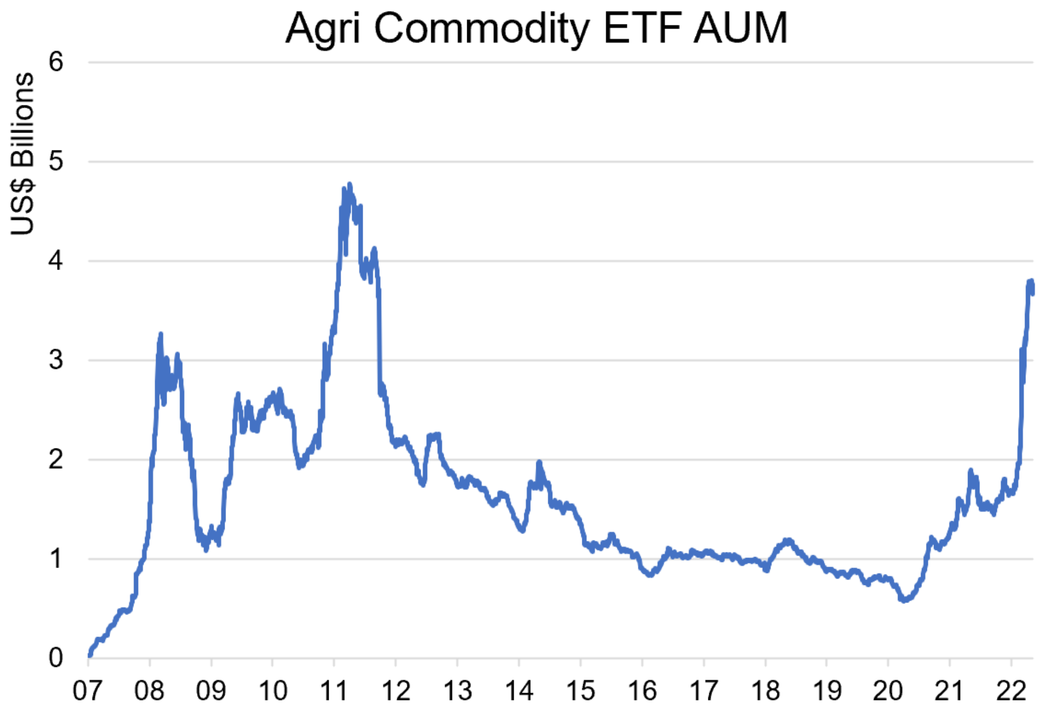
5. Agri Commodities

TOP DOWN CHARTS

Last but not least, there has been significant speculative interest in agri commodities, with speculators crowded to the long side and sentiment fairly consensus bullish. But it is interesting to note that sentiment/positioning have started to taper as agri prices begin to lose momentum. Also of note is the surge in assets in agri commodity ETFs. Overall, there is clearly a high degree of speculative interest, and the contrarian position would be to lean bearish/short.



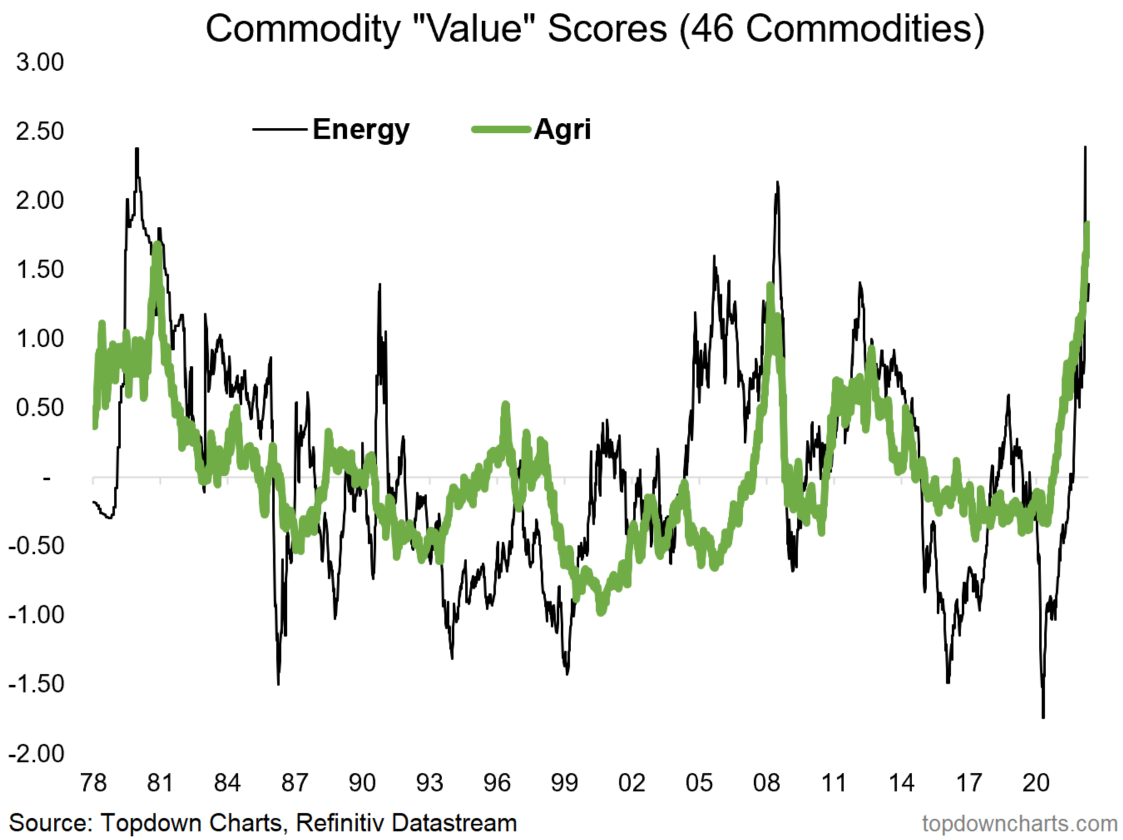
Source: Topdown Charts, Datastream topdowncharts.com

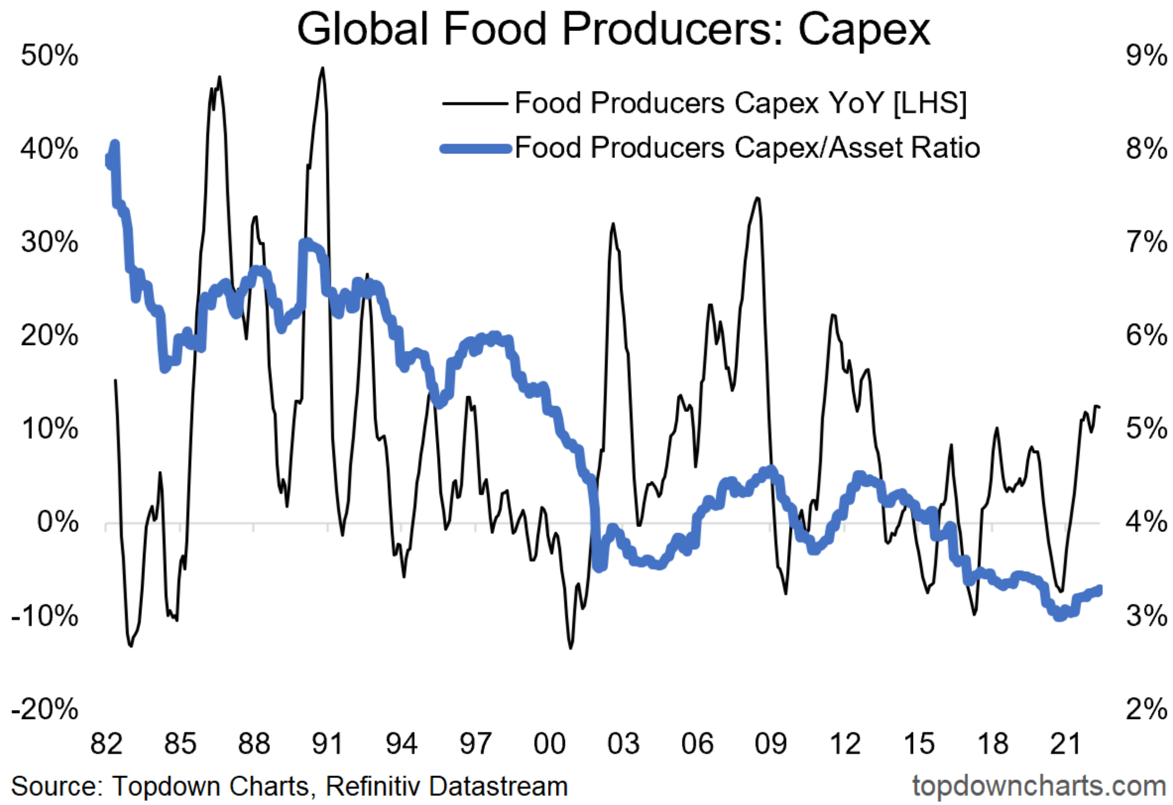


Source: Topdown Charts, Refinitiv Datastream topdowncharts.com

5. Agri Commodities

On that note, with speculators all on one side of the boat, it's interesting then to observe that the average value score across agri commodities reached an all time high… so basically agri prices look stretched. Also of note is global food producers capex has started to rebound as supply responds to the surge in prices. So much like the rest of commodities, I would say the weight of risks are now skewed to the downside for agri commodities.





Ideas Inventory – OPEN/CURRENT THEMES AND IDEAS

TOP DOWN CHARTS

Date	Category	Subject	Topic	Direction	Timeframe	Conviction	Comments/Notes	Updates
13 May 2022	**Idea**	Bonds	Treasuries	Bullish	6-12m	Low	WMT: initiate initial bullish view on technicals/sentiment/macro	
13 May 2022	**Idea**	Comdty	Commodities	Bearish	6-18m	Med.	WMT: technicals/sentiment/macro/value all point to downside risk	
11 Mar 2022	**Risk**	Equities	Global	Bearish	6-12m	Med.	WMT: weak technicals, policy/inflation headwinds, lack of value case	13 May 2022: reiterate
11 Feb 2022	**Risk**	Credit	Credit Spreads	Bearish	3-6m	Low	WMT: on risk-watch given risk flags, stretched valuations, rate hikes	22 Apr 2022: maintain
28 Jan 2022	**Idea**	AA	Stocks vs Bonds	Bearish	6-18m	High	WMT: lead indicators, "growth scare" thesis, technicals/sentiment	29 Apr 2022: reiterate
21 Jan 2022	**Idea**	Bonds	EM Sovereign	Bullish	12-18m	High	WMT: absolute + relative value, supportive sentiment & technicals	22 Apr 2022: maintain
21 Jan 2022	**Idea**	FX	EMFX	Bullish	12-18m	Low	WMT: supportive valuations, macro, technicals	11 Mar 2022: maintain
21 Jan 2022	**Macro**	Economy	Global	Down	6-12m	High	WMT: multiple leading indicators point to a "Growth Scare"	6 May 2022: reiterate
27 Aug 2021	**Idea**	Equities	US Small Caps	Bullish	6-12m	Low	WMT: capitulation in positioning/flows, reset in relative value	25 Mar 2022: maintain
23 Jul 2021	**Macro**	Capex	Global	Up	1-3yrs	High	WMT: expect capex to rebound, esp. commodities + infra/climate	25 Feb 2022: reiterate
7 May 2021	**Macro**	Policy	Global	Hawkish	1-3yrs	High	WMT: switch to hawkish given turn in interest rates cycle + inflation risk	6 May 2022: reiterate
9 Apr 2021	**Macro**	Tax	Global	Up	1-3yrs	High	WMT: anticipate stall/turn (up) in global corporate tax rate trends	25 Feb 2022: reiterate
19 Mar 2021	**Idea**	Equities	Defensive Value	Bullish	1-3yrs	Med.	WMT: (relative) increasingly cheap relative valuations	6 May 2022: reiterate
21 Aug 2020	**Idea**	Equities	Energy Stocks	Bullish	1-3yrs	Low	WMT: cheap valuations, contrarian signals, + rel. vs gold/miners	18 Mar 2022: lower conv.
21 Aug 2020	**Idea**	Equities	UK Equities	Bullish	12-18m	Med.	WMT: cheap valuations, consensus underweight, tactical indicators	18 Feb 2022: reiterate
22 May 2020	**Idea**	Equities	Europe vs US	Bullish	12-18m	Low	WMT: relative valuations favor Eurozone	25 Feb 2022: maintain
15 May 2020	**Idea**	Equities	Global Banks	Bullish	12-18m	Med.	WMT: cheap valuations, improving technicals/macro outlook	28 Jan 2022: maintain
10 Apr 2020	**Idea**	Equities	EM ex-Asia	Bullish	12-18m	High	WMT: relative value, implied allocations below avg., oversold, FX	11 Mar 2022: reiterate
10 Apr 2020	**Idea**	Equities	Eurozone	Bullish	12-18m	Low	WMT: relative value, pessimistic sentiment, policy (fiscal+monetary)	25 Feb 2022: reduce conv.
27 Mar 2020	**Idea**	Equities	Global Ex-US	Bullish	3-5yrs	Low	WMT: cheap valuations (absolute & relative), expected return differential	22 Apr 2022: maintain
27 Mar 2020	**Idea**	Equities	Value vs Growth	Bullish	3-5yrs	Low	WMT: value cheaper than usual vs growth, techs + macro drivers +ve	6 May 2022: reiterate

Ideas Inventory – CLOSED/PAST THEMES AND IDEAS

TOP DOWN CHARTS

Date	Category	Subject	Topic	Direction	Timeframe	Conviction	Comments/Notes	Updates	Outcome	% Return
16 Jan 2021	**Macro**	Inflation	Global/US	Up	12-18m	High	WMT: mix of short/medium-term factors present clear upside risk	13 May 2022: run its course	Correct	n/a
20 Mar 2020	**Idea**	Comdty	Commodities	Bullish	3-5yrs	Low	WMT: underinvestment in supply, global capex/demand outlook	13 May 2022: reverse	" Profit "	74%
17 Sep 2021	**Idea**	Equities	Gold Miners	Bullish	6-12m	Low	WMT: (relative to S&P500) valuation, sentiment, positioning, technicals	6 May 2022: move neutral	" Profit "	12%
10 Apr 2020	**Idea**	Equities	EM	Bullish	12-18m	Low	WMT: Still some relative value, but risks more mixed now	25 Mar 2022: move neutral	" Profit "	27%
24 Sep 2021	**Idea**	Bonds	US Treasuries	Bearish	3-6m	Low	WMT: technicals, sentiment, macro, valuations, policy	21 Feb 2022: move neutral	" Profit "	3%
8 May 2020	**Idea**	FX	US Dollar	Bearish	1-3yrs	Low	WMT: long-term cycles, fading yield support, fiscal outlook, sentiment	25 Feb 2022: move neutral	" Profit "	3%
19 Nov 2021	**Risk**	Comdty	Ind. Metals	Bearish	3-6m	Low	WMT: place on risk-watch given weak technicals/sentiment/macro risks	4 Feb 2022: lift risk watch	"Loss"	-8%
30 Jul 2021	**Risk**	Equities	EM	Bearish	1-3m	Low	WMT: place on risk-watch given suite of risk indicators "orange flags"	21 Jan 2022: lift risk watch	" Profit "	3%
10 Apr 2020	**Idea**	Equities	Frontier	Bullish	12-18m	Low	WMT: strategic +MT case good, but ST mixed.	13 Dec 2021: move neutral	" Profit "	59%
9 Oct 2020	**Idea**	Comdty	Gold	Bearish	12-18m	Low	WMT: maintain medium-term bias: valuations, real yields, macro	12 Nov 2021: move neutral	" Profit "	3%
9 Jul 2021	**Idea**	FX	Safe Haven FX	Bullish	3-6m	Med.	WMT: value reset, positioning signal, technicals look bullish	22 Oct 2021: close (neutral)	"Loss"	-2%
13 Mar 2020	**Idea**	Equities	Global	Bullish	12-18m	Low	WMT: risks clearly shifted, but not enough to flip outright bearish yet	20 Aug 2021: move neutral	" Profit "	59%
6 Mar 2020	**Macro**	Capex	Commodities	Down	12-18m	Med.	WMT: Comdty Capex rolling over: key variable for LT AC view	23 Jul 2021: reverse	Correct	n/a
14 Aug 2020	**Idea**	Bonds	US Treasuries	Bearish	6-12m	Low	WMT: ST mixed (sentiment/techs), bearish MT on macro/value	9 Jul 2021: move neutral ST	" Profit "	4%
16 Apr 2021	**Idea**	Comdty	Gold	Bullish	1-3m	Low	WMT: bullish technical and sentiment signals	18 Jun 2021: change to bear	"Loss"	-1%
10 Apr 2020	**Idea**	Equities	US Small Caps	Bullish	6-12m	Low	WMT: n.b. *no more relative value*, but cyclicals + cycles positive	28 May 2021: change to neutral	" Profit "	82%
19 Feb 2021	**Macro**	Policy	Global	Neutral	12-18m	Med.	WMT: mon.policy outlook switching to neutral -- increasingly hawkish	7 May 2021: change to hawk	Correct	n/a
20 Mar 2020	**Idea**	Bonds	TIPS B/E	Bullish	12-18m	Low	WMT: *no longer cheap* but links to recovery and inflation theme	9 Apr 2021: change to neutral	" Profit "	8%
11 Sep 2020	**Idea**	Comdty	Agri/Grains	Bullish	12-18m	Low	WMT: low capex, supply disruption, sentiment/positioning, SOI	19 Mar 2021: change to neutral	" Profit "	33%
6 Mar 2020	**Macro**	Policy	Global	Dovish	12-18m	High	WMT: "Global Policy Pivot Part 2" - expect new big wave of stimulus	19 Feb 2021: change to neutral	Correct	n/a
27 Mar 2020	**Idea**	Equities	GLIF	Bullish	12-18m	Low	WMT: oversold technicals, cheap absolute & relative valuations	5 Feb 2021: close (neutral)	" Profit "	18%
26 Jun 2020	**Risk**	Equities	EM	Bearish	1-3m	Low	WMT: mindful of O/H resistance, EMFX divergence	9 Nov 2020: alert lifted	"Loss"	-19%
26 Jun 2020	**Idea**	Equities	Gold Miners	Bullish	12-18m	Med.	WMT: short + longer term technicals setup in gold + miners rel.	9 Oct 2020: close (bearish)	" Profit "	16%
17 Apr 2020	**Idea**	FX	AUDUSD	Bullish	12-18m	Low	WMT: cheap valuations, IRDs +metals turned, ~~crowded shorts~~	4 Sep 2020: close (neutral)	" Profit "	14%
13 Apr 2020	**Idea**	Equities	Gold Miners	Bullish	1-3m	Med.	GMM: rel perf. near breakout; technicals & sentiment bullish	26 June 2020: replace (LT)	" Profit "	14%
27 Mar 2020	**Idea**	REITs	US REITs	Bullish	12-18m	Low	WMT: oversold, rel val cheap, but abs val not, some uncertanties/risks	15 May 2020: close (neutral)	"Loss"	-4%
24 Feb 2020	**Risk**	Equities	EM + S&P500	Bearish	1-3m	Med.	GMM: bearish divergence for EM equities, S&P500, +EMFX breakdown	27 Mar 2020 (implied closed)	" Profit "	21%

n.b. The Ideas Inventory was only launched in early 2020 (so ideas older than that are not included). "WMT" = Weekly Macro Themes (ideas from this report) "GMM" = Global Markets Monitor (ideas from the market themes section of the Monday report)

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Best regards,

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