# TOP DOWN CHARTS

Chart driven macro insights for investors

**Weekly Macro Themes – 20 January 2023 - Volume 8, Edition 1**

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

**1. EM Equities:** Bullish EM equities given cheap valuations, light allocations, an apparent end to the bear market, turn in monetary conditions, contrarian bullish signals, and much improved technicals.

**2. China:** Remain bullish Chinese equities given cheap valuations, positive long-term technicals, contrarian bullish sentiment signals, and macro catalysts.

**3. EMFX:** Bullish outlook for EMFX given improved technicals, bullish policy rate differential signal, and set against a starting point of cheap valuations, albeit mindful of mixed performances across regional groups.

**4. EM Fixed Income:** Remain bullish EM sovereign bonds given cheap valuations, bullish sentiment and technical signals, improving macro backdrop (for bonds).

**5. Frontier Markets:** Remain bullish frontier market equities given cheap valuations, attractive strategic outlook, improving FX trends, and strengthening technicals.

# 1. Emerging Market Equities

TOP DOWN CHARTS

**1. EM Equities:** from bear market to bull market…

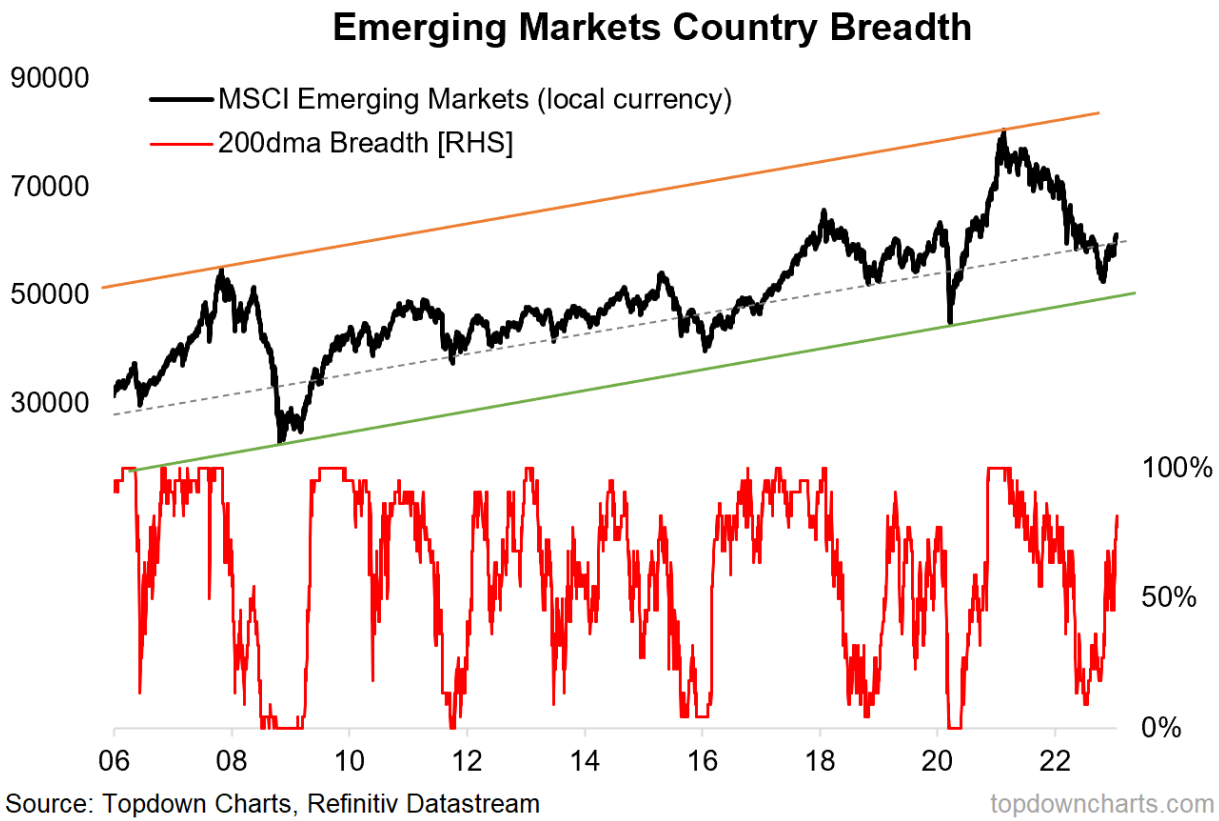
- EM equity sentiment & technicals are turning up from oversold/excess pessimism, and the key EM benchmarks are breaking out on strong breadth.
- Looking at historical bear markets in EM equities, the 2021/22 bear market was slightly worse than average, with a slightly larger valuation re-rating than usual.
- On valuations, EM equities have seen a decent reset to cheap levels.
- Although it is a well-talked about idea, it is far from a crowded trade as EM equity funds have seen record outflows, and allocations to EM ETFs and mutual funds remain near the low end of the range.
- On the monetary/macro front, monetary conditions are still very sight (but starting to turn), while the weakness in the USD is a clear and multi-faceted tailwind.
- It's worth noting, given the bearish outlook for US equities, that there are numerous examples of de-coupling of global equity returns (outside of the usual highly correlated moves), and this year could feature much more nuanced moves across assets and markets vs the everything up and down regime of last year.

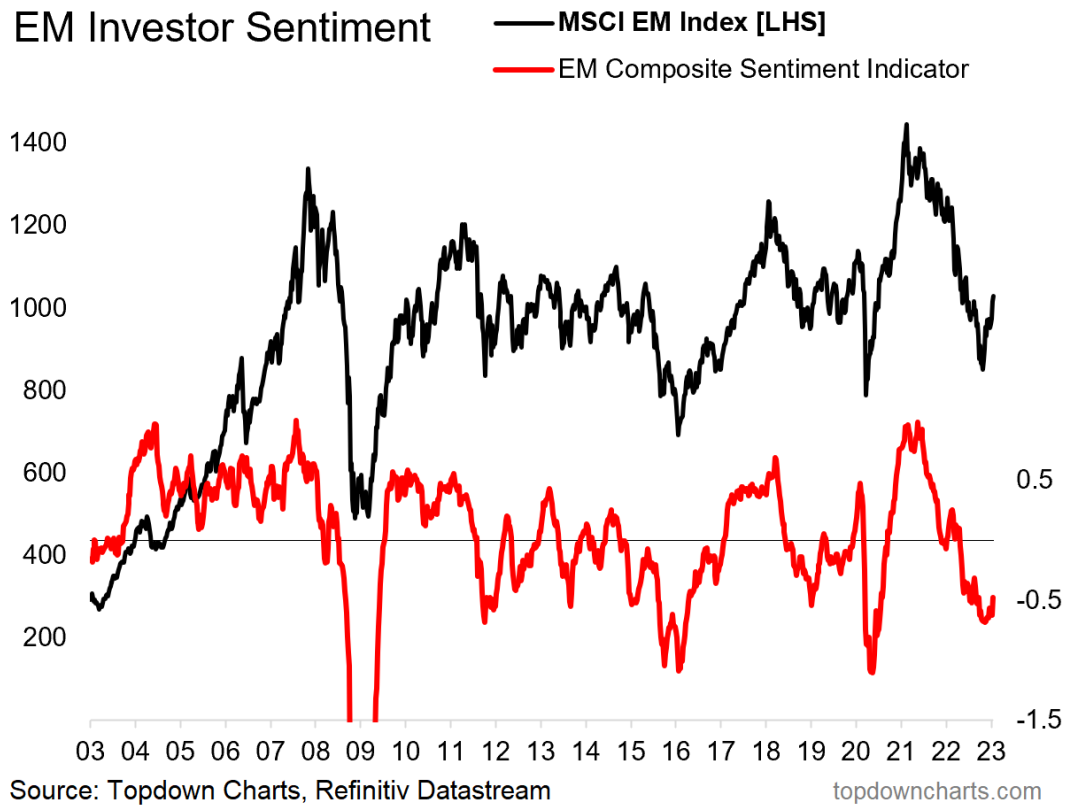
***Bottom line:*** Bullish EM equities given cheap valuations, light allocations, an apparent end to the bear market, turn in monetary conditions, contrarian bullish signals, and bullish technicals.

# 1. EM Equities

TOP DOWN CHARTS

Starting off this week, and this year, with emerging markets – it's definitely become the hot topic, and here's why. EM equities have broken higher after a failed breakdown and with strong breadth showing relatively broad participation across countries. Sentiment has also perked up from extreme bearish levels; a classic contrarian bullish signal.



# 1. EM Equities

Putting the bear market of 2021/22 in EM equities into perspective (which appears to be over now(?)), it was slightly worse than average and one of the longest bear markets for EM equities, and also featuring a slightly larger valuation re-rating than average.

**MSCI Emerging Markets (US$) - Drawdowns exceeding 20%**

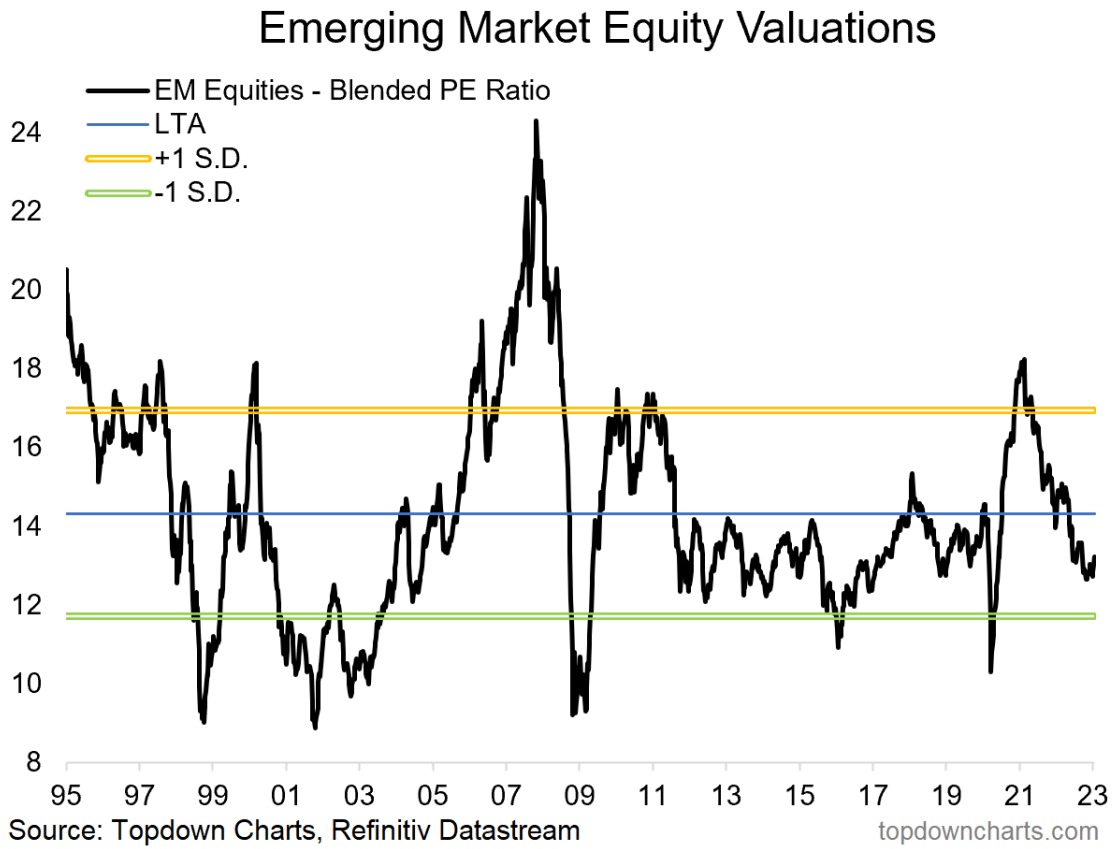
| | | | Forward PE | | | Subsequent Gain From Trough | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Peak** | Total Fall | Days | Peak | Trough | Chg Fwd PE | **3m%** | **6m%** | **1yr %** | **3yr%**** | **5yr%**** |
| 1/08/1990 | -32% | 168 | 17.4 | 12.8 | -27% | 42% | 43% | 72% | 41% | 20% |
| 16/09/1994 | -33% | 174 | 27.6 | 20.3 | -26% | 21% | 19% | 23% | 0% | 5% |
| 9/07/1997 | -59% | 428 | 21.4 | 11.8 | -45% | 27% | 34% | 72% | 9% | 8% |
| 10/02/2000 | -54% | 589 | 23.5 | 11.0 | -53% | 24% | 43% | 21% | 20% | 25% |
| 18/04/2002 | -30% | 175 | 12.4 | 7.9 | -36% | 18% | 12% | 50% | 35% | 33% |
| 8/04/2004 | -20% | 39 | 11.4 | 9.3 | -19% | 7% | 24% | 39% | 34% | 7% |
| 8/05/2006 | -25% | 36 | 12.2 | 10.4 | -15% | 14% | 33% | 55% | 3% | 12% |
| 29/10/2007 | -66% | 364 | 14.4 | 6.1 | -58% | 14% | 41% | 113% | 25% | 15% |
| 2/05/2011 | -31% | 155 | 11.2 | 8.6 | -23% | 13% | 25% | 21% | 9% | 1% |
| 28/04/2015 | -35% | 268 | 12.5 | 10.0 | -20% | 24% | 26% | 29% | 12% | 12% |
| 26/01/2018 | -27% | 276 | 13.3 | 10.1 | -24% | 10% | 15% | 10% | 11% | |
| 15/01/2020 | -33% | 64 | 13.0 | 9.1 | -30% | 30% | 45% | 73% | | |
| **Average** | **-37%** | **228** | **15.8** | **10.6** | **-31%** | **20%** | **30%** | **49%** | **19%** | **14%** |
| 17/02/2021 | -41% | 616 | 16.5 | 10.1 | -39% | | | | | |

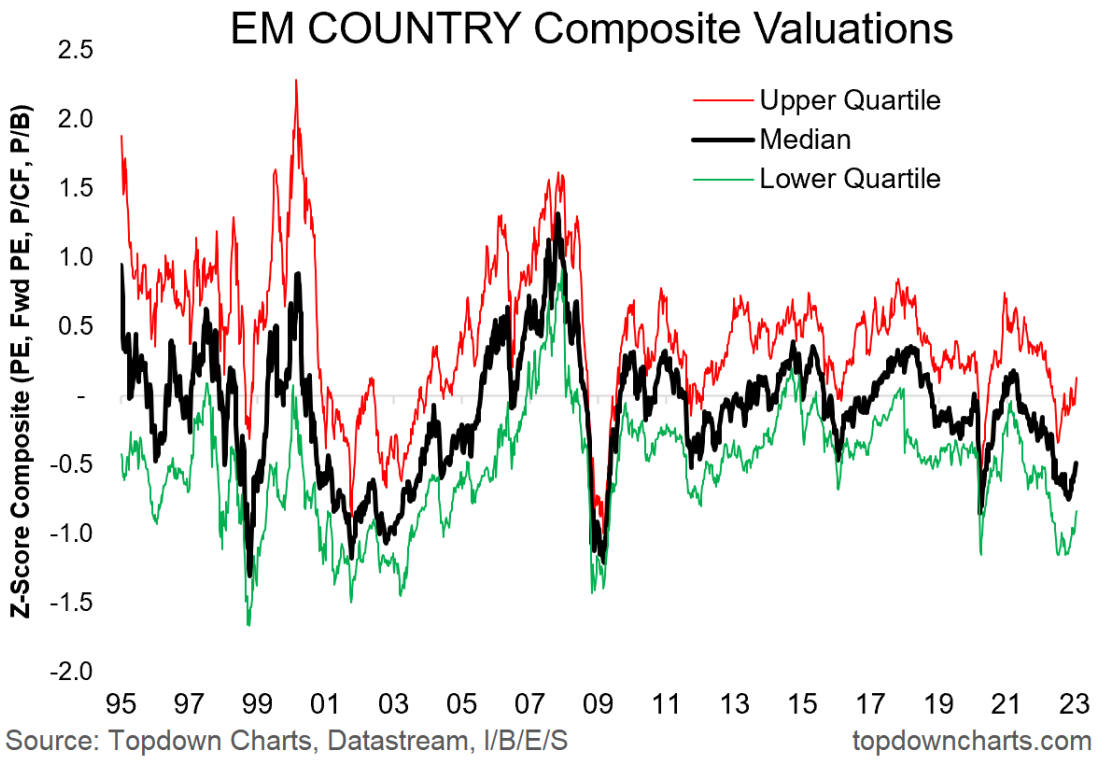
Source: Topdown Charts, Refinitiv Datastream

topdowncharts.com

# 1. EM Equities

Looking at the broader valuation indicators, EM equities as a whole saw a significant reset in valuations from extreme expensive to somewhat cheap (albeit not quite to bargain basement cheap levels seen in previous major downturns). Looking at the median across the countries within EM, the move was actually close to being on par with the move seen during 2020.



# 1. EM Equities

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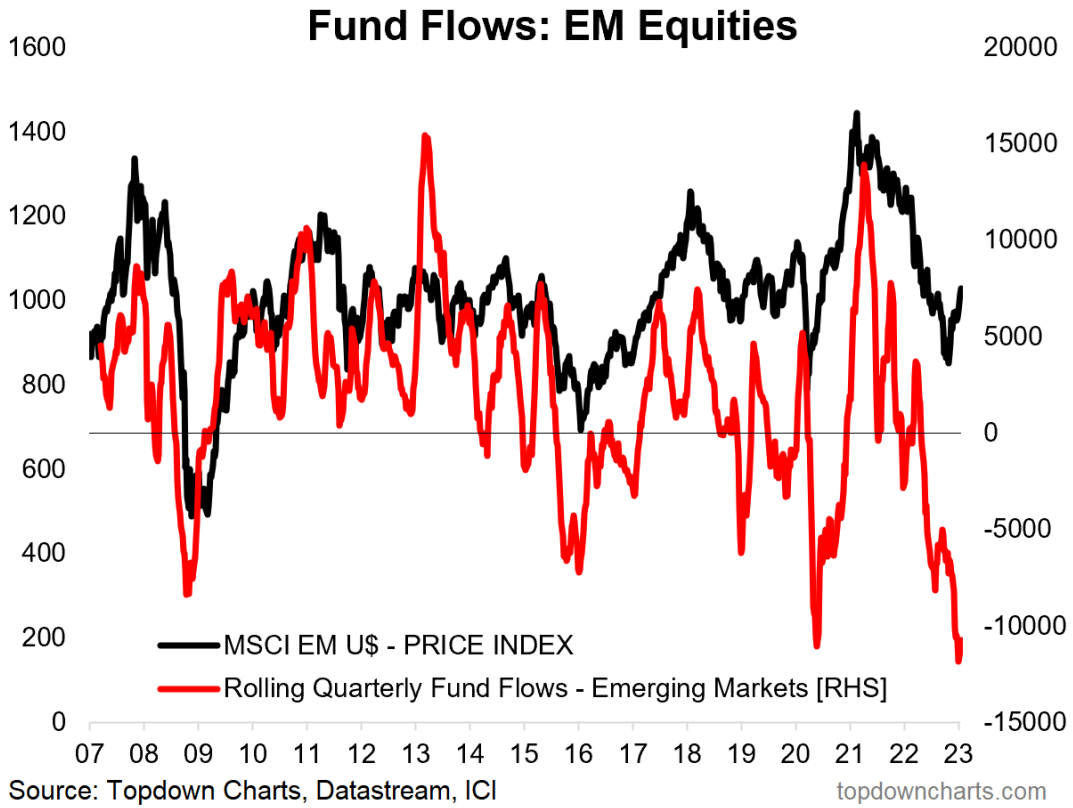
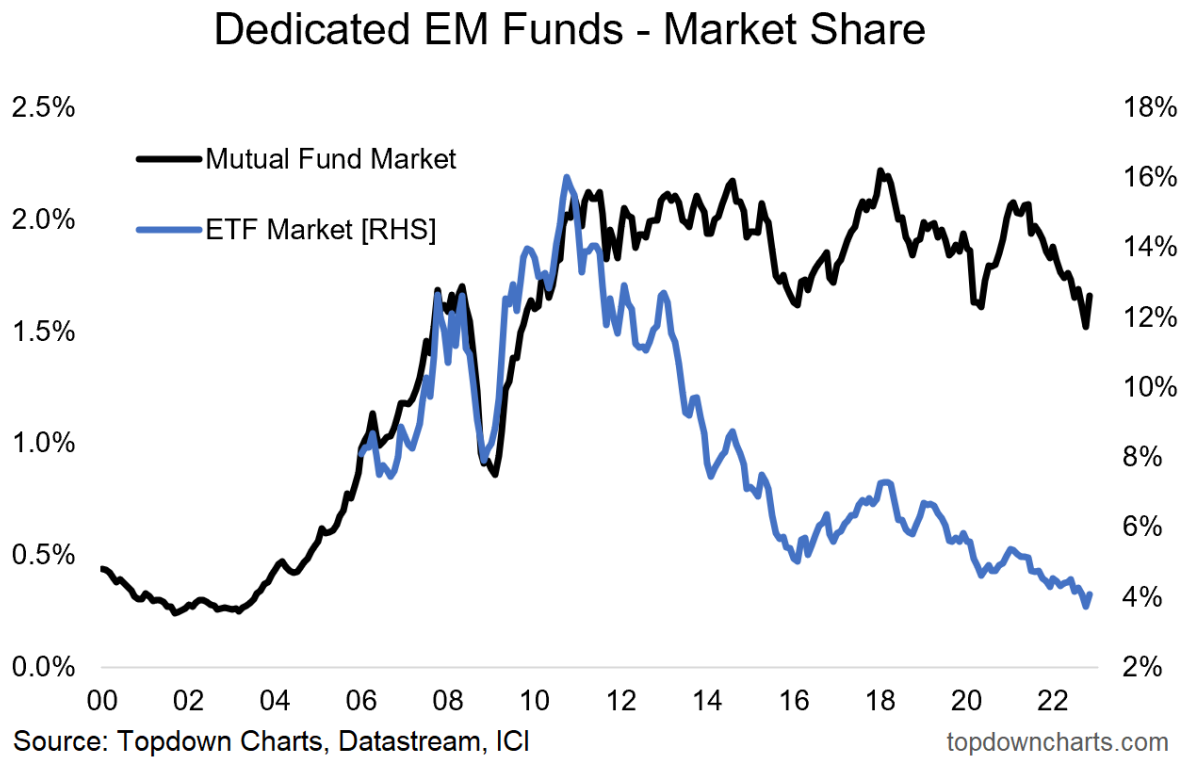
And while a lot of people are making noise about EM – and hence it seems like a consensus idea, from the look of flows and implied allocations, most investors are *not* on board yet (record outflows from EM equity funds, EM equity fund market share aka implied allocations at the low end of the range). There is a long way to go before this becomes a crowded trade.



# 1. EM Equities

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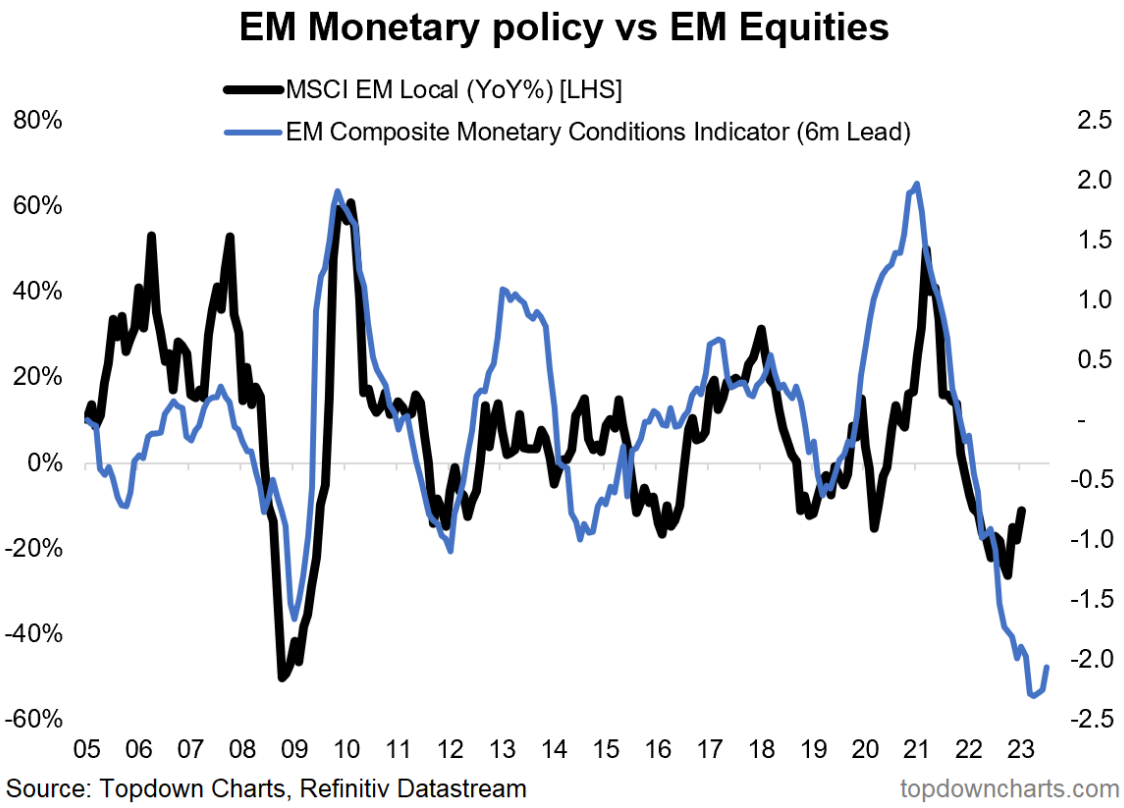
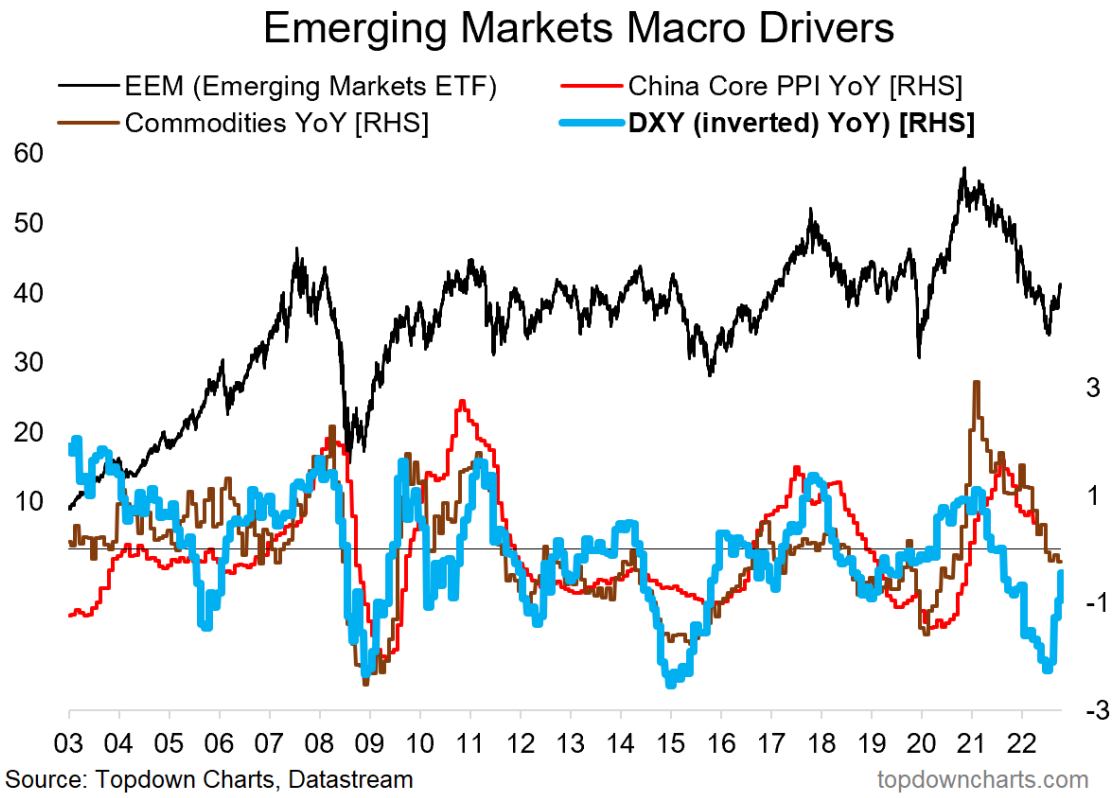
Meanwhile on the macro, monetary headwinds remain considerable, albeit there are early signs of a pivot in monetary conditions (which do not include the US dollar), and the sharp drop in the US dollar is a clear and multi-faceted tailwind for EM assets.

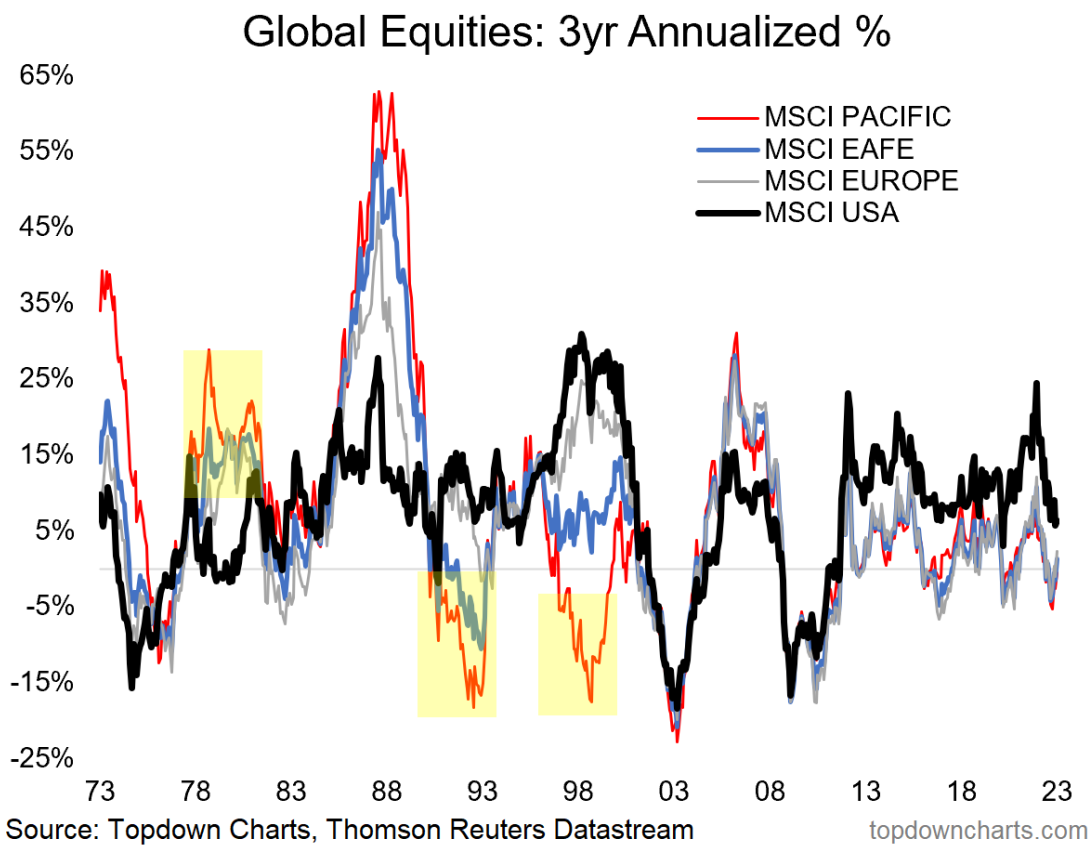


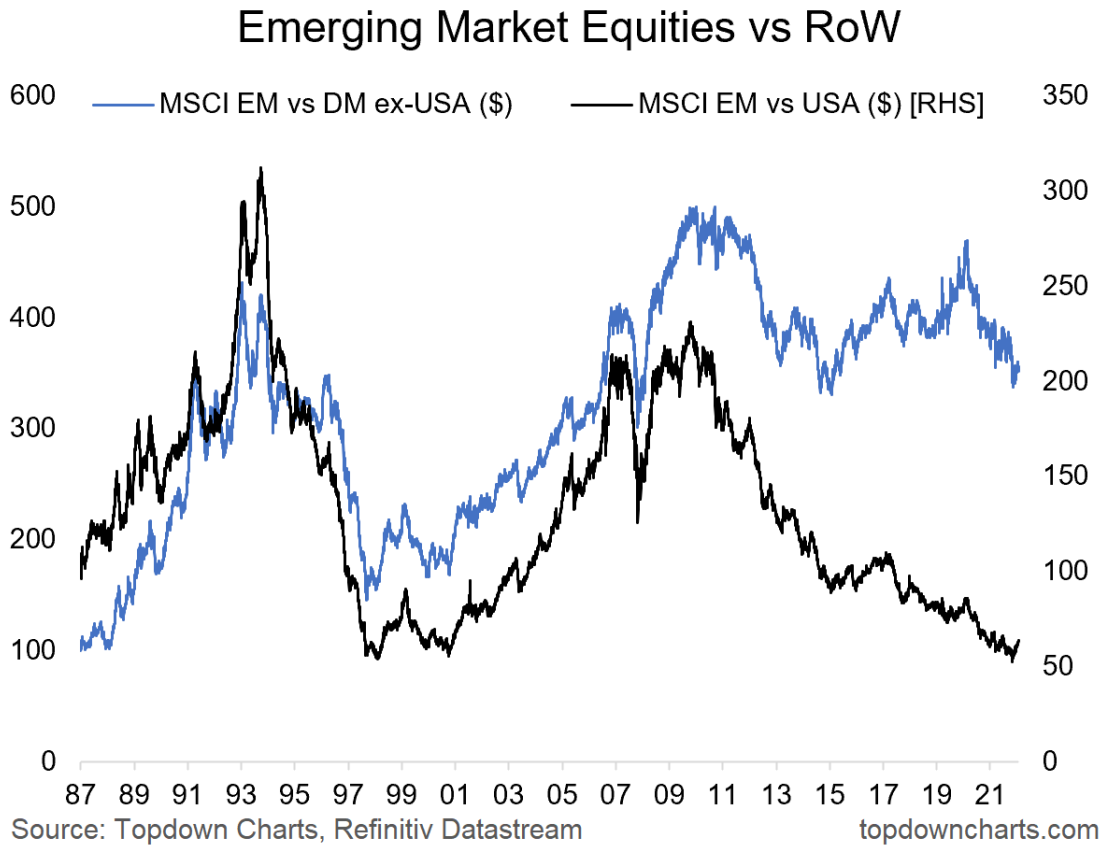



# 1. EM Equities

TOP DOWN CHARTS

Looking at EM performance vs the rest of the world, I thought it worth highlighting the potentially very nuanced times ahead for markets… with US equities looking still very much bearish, it is interesting to note that there have been numerous times in history where you can see wide variation in performance, and with some markets down and others up e.g. the late-1970's. Also of note, EM is turning up off the bottom end of the range vs the rest of the world.



# 1. EM Equities

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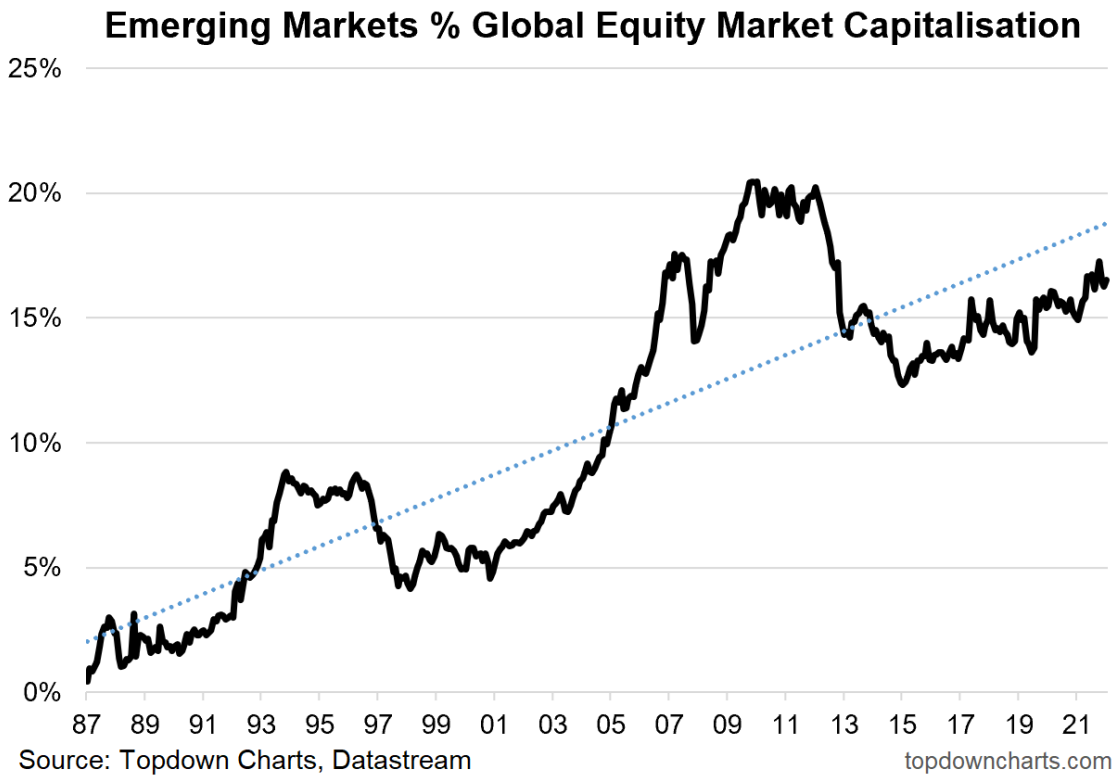
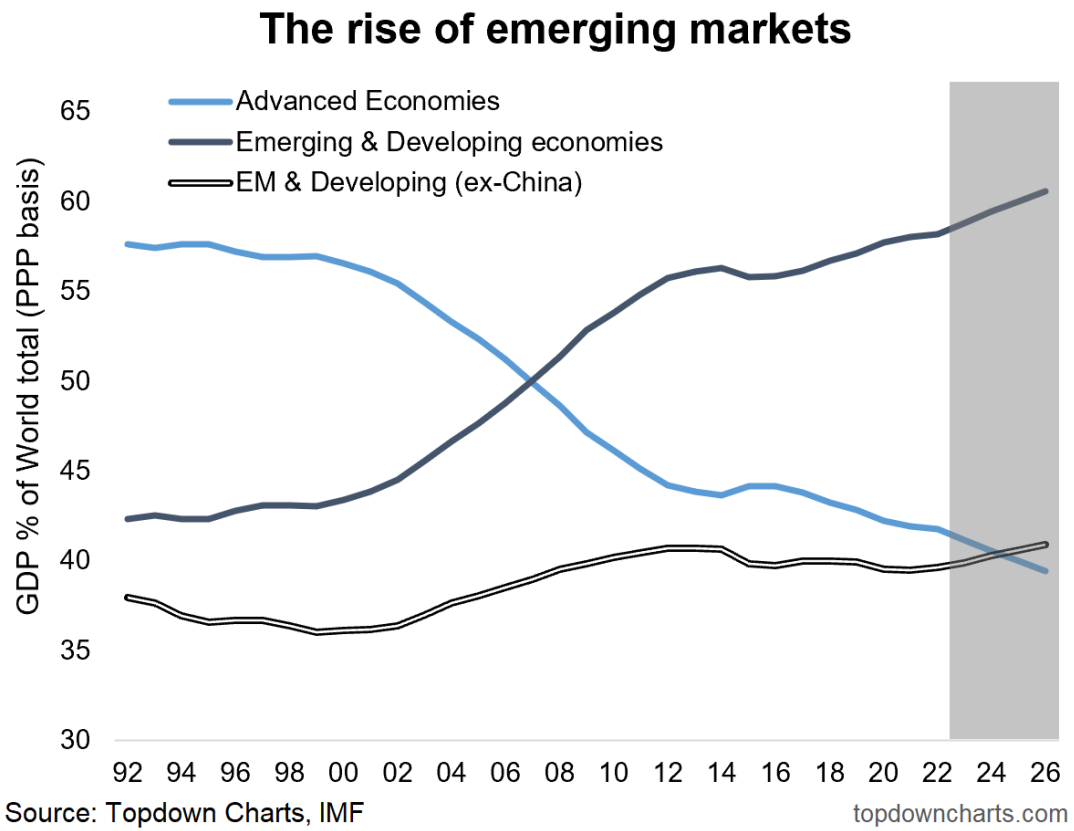
And briefly, a good opportunity to wheel out those structural theme narrative charts… EM equity market cap weighting as a percentage of global is just over 15%, whereas EM GDP share of global is north of 50% – so arguably EM still has some catching up to do on the capital markets front.



# 2. China

TOP DOWN CHARTS

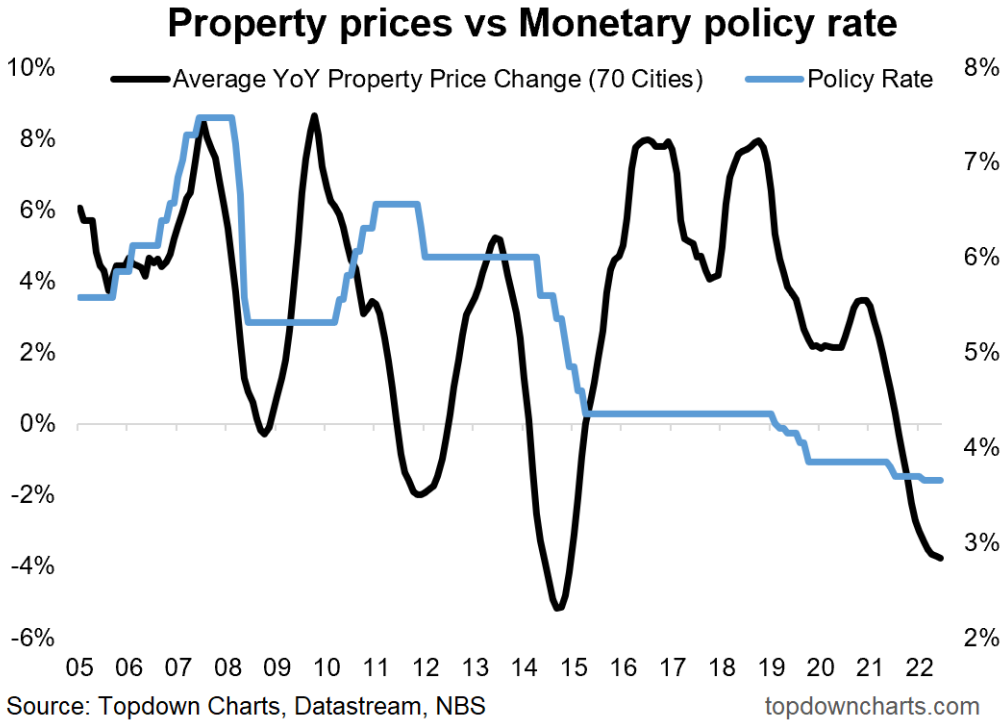
**2. China:** broadly bullish setup for Chinese Equities, scope for further upside…

- Despite the change in covid policy, China's property market remains in a prolonged downturn. This along with weak growth, disinflation, despondent consumer confidence, weakening global growth, and a rebounding Renminbi mean that the door is open for monetary policy easing.
- This comes as Chinese equities have rebounded off key long-term technical levels (both China A-shares and MSCI China).
- Meanwhile the sentiment backdrop sounded a number of contrarian bullish signals e.g. economic policy uncertainty, earnings sentiment, bearish narratives.
- This is all set against a backdrop of cheap valuations on a number of different metrics, so it looks like a solid setup, technically primed, and with viable macro catalysts to drive follow through and further upside.

***Bottom line:*** Remain bullish Chinese equities given cheap valuations, positive long-term technicals, contrarian bullish sentiment signals, and macro catalysts.

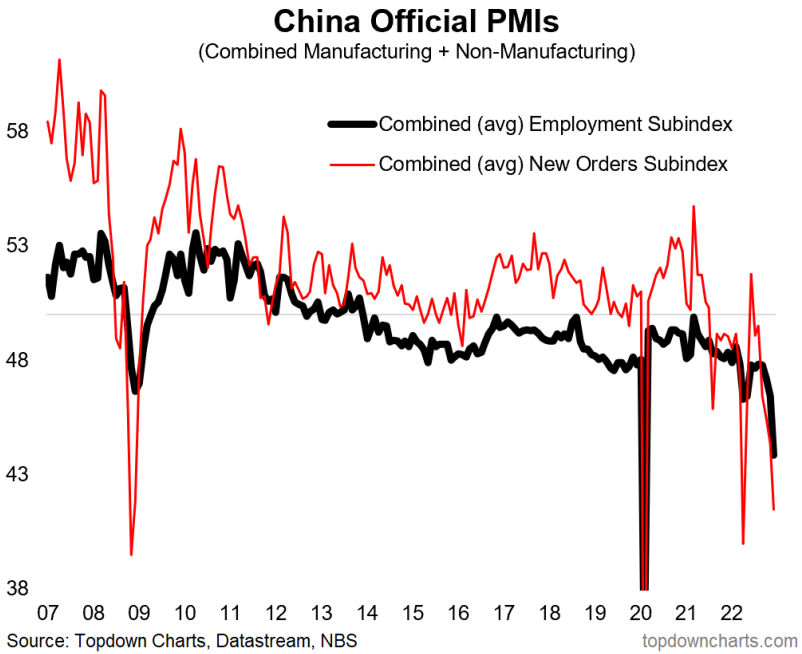
# 2. China

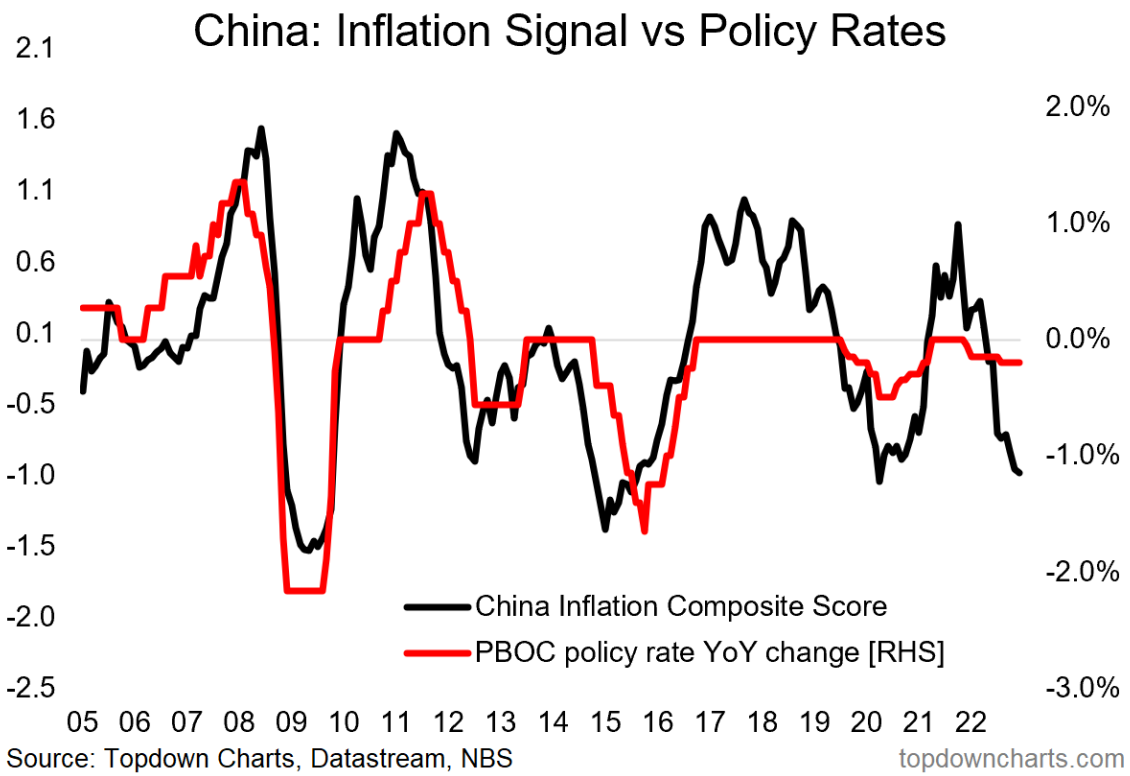
A key element of the EM story is China, and while the Covid reopening is a clear bullish catalyst, it is only one piece of the story. In China the property market downturn remains in full swing, with property prices contracting more than 12 months in a row now, and the breadth of declines showing it is very much a widespread issue. The upside of that downside is prospective monetary easing to ward off excessive falls in property prices.

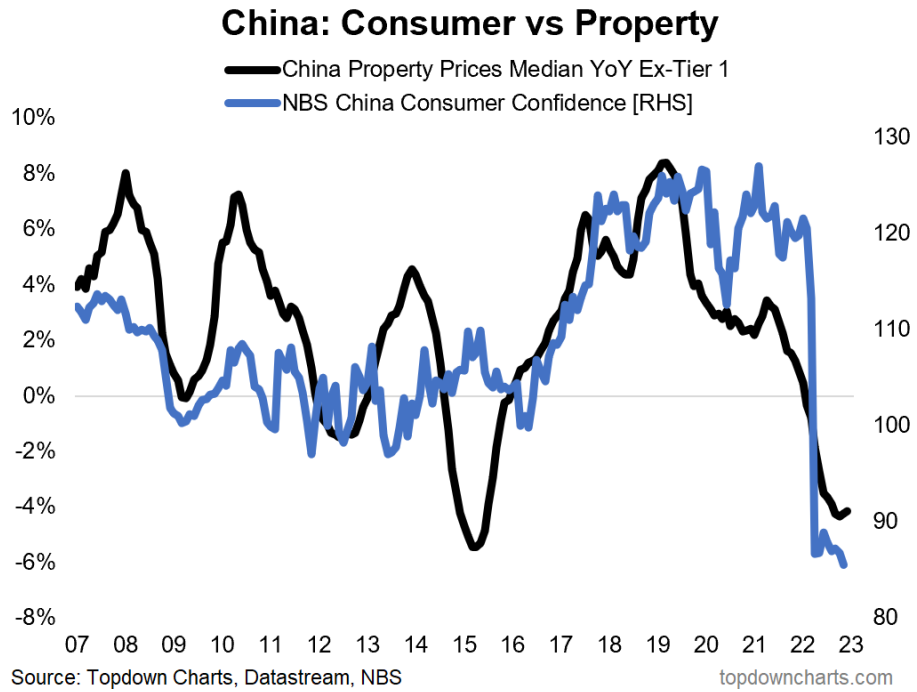


# 2. China

The direction of the inflation indicator (disinflation/deflation), sharp deterioration in the economy (which likely doesn't bounce back until at least February – after Chinese New Year: year of the Rabbit; 22 Jan), and consumer sentiment remains very pessimistic despite the abrupt change from covid zero policy. The rebound in the Renminbi and prospect of the Fed finishing soon also opens the door to more forthright monetary easing.

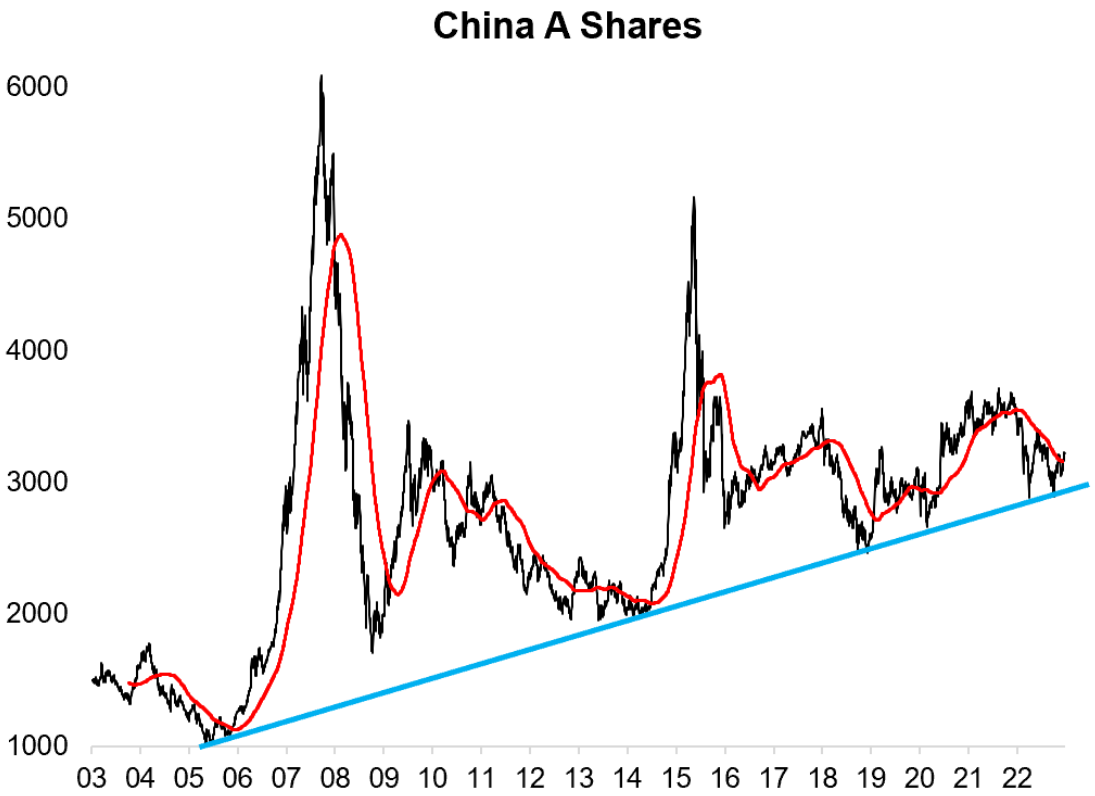


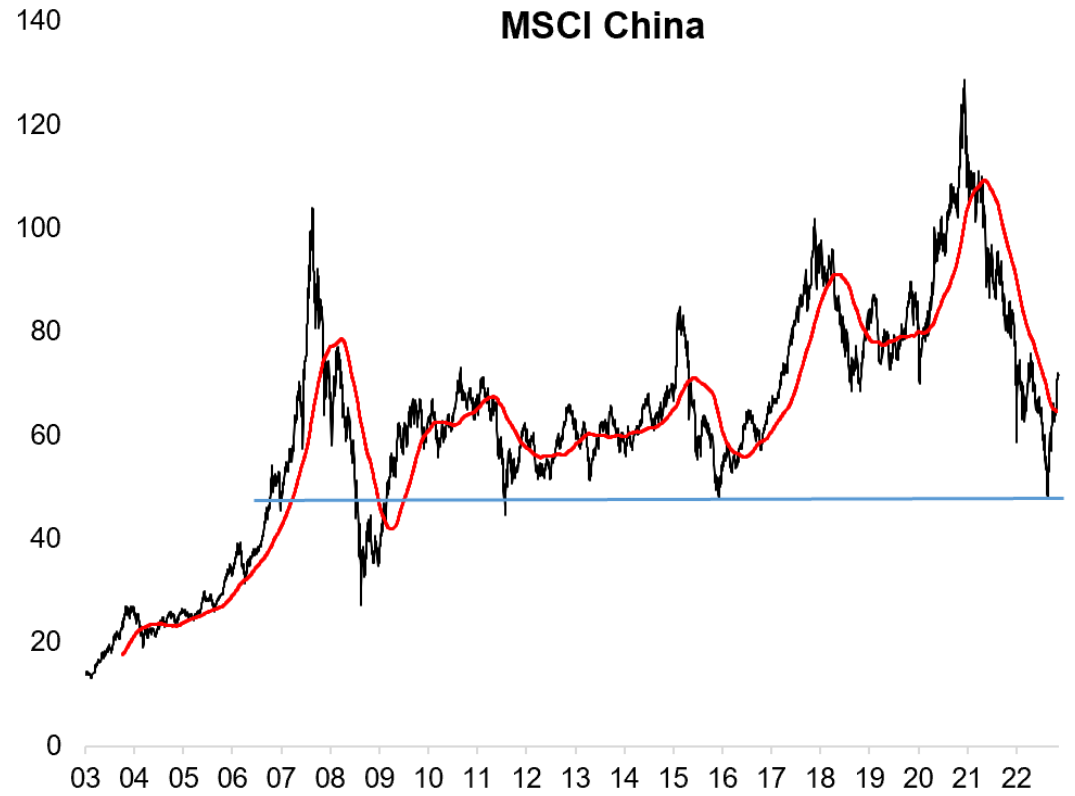



# 2. China

All of that means there is likely further upside in Chinese equities given the prospect of stimulus and eventual rebound in activity from reopening. This is set against a very promising long-term technicals set up for both China A Shares and MSCI China.




Source: Topdown Charts, Refinitiv Datastream topdowncharts.com



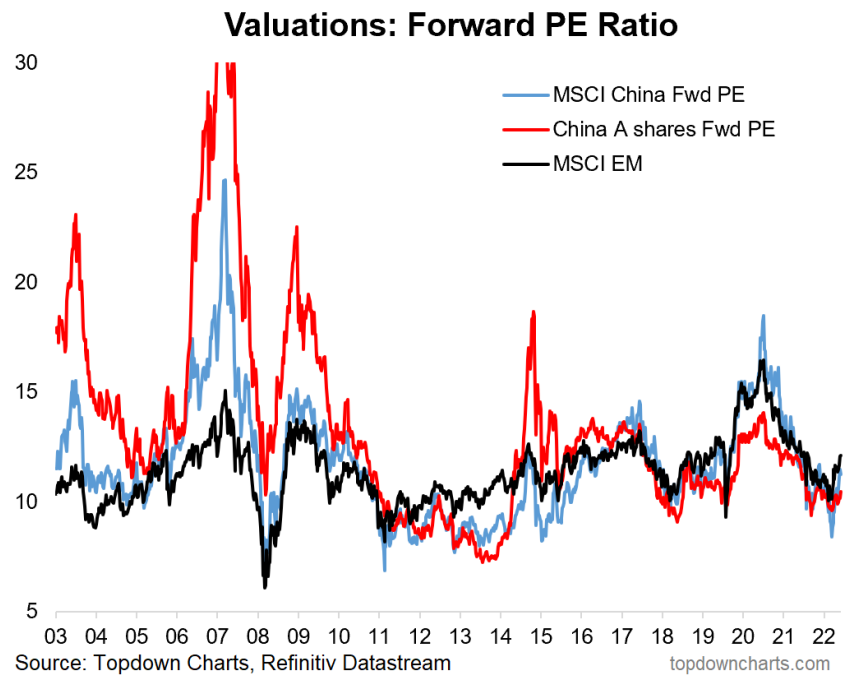

Source: Topdown Charts, Refinitiv Datastream topdowncharts.com

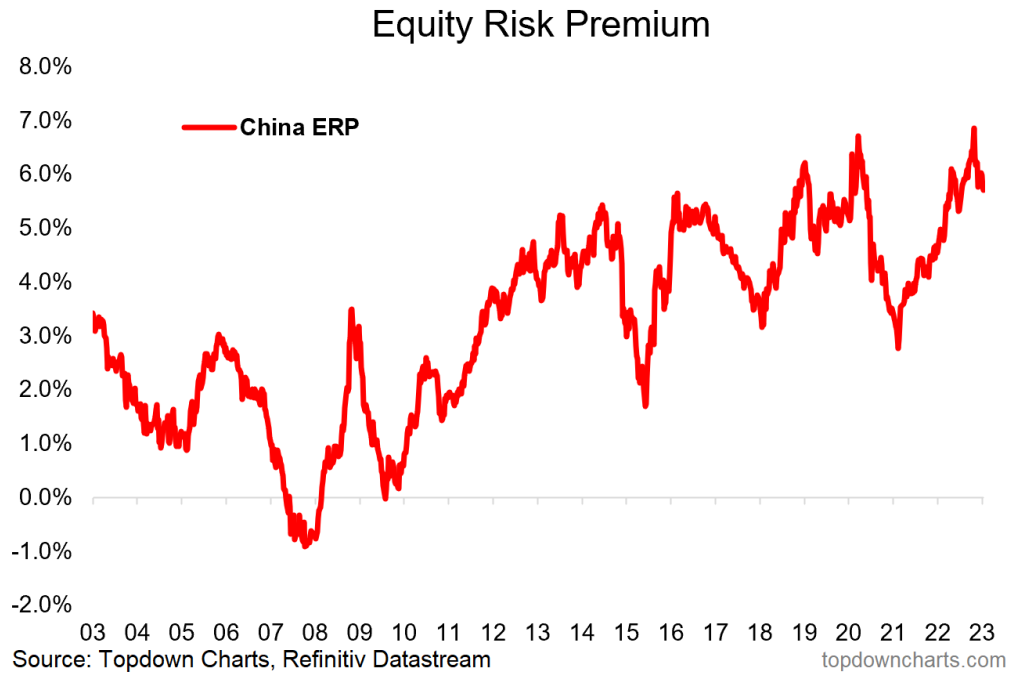
# 2. China

Helping the rebound in Chinese equities has been the extreme pessimism on China e.g. policy uncertainty index very high (and turning down?), and earnings revisions momentum plunging to contrarian bullish levels (and turning up). Indeed, it was right around the lows that you had that chorus of commentators claiming that China is uninvestable. Typically, historically, these sort of instances have been good buying opportunities.

# 2. China

The strong technicals and contrarian bullish sentiment picture are set against a backdrop of cheap valuations both on a trailing PE and forward PE ratio basis, and with the equity risk premium still close to record highs. So it looks like a solid setup, technically primed, and with viable catalysts to drive follow through and further upside.



# 3. EMFX

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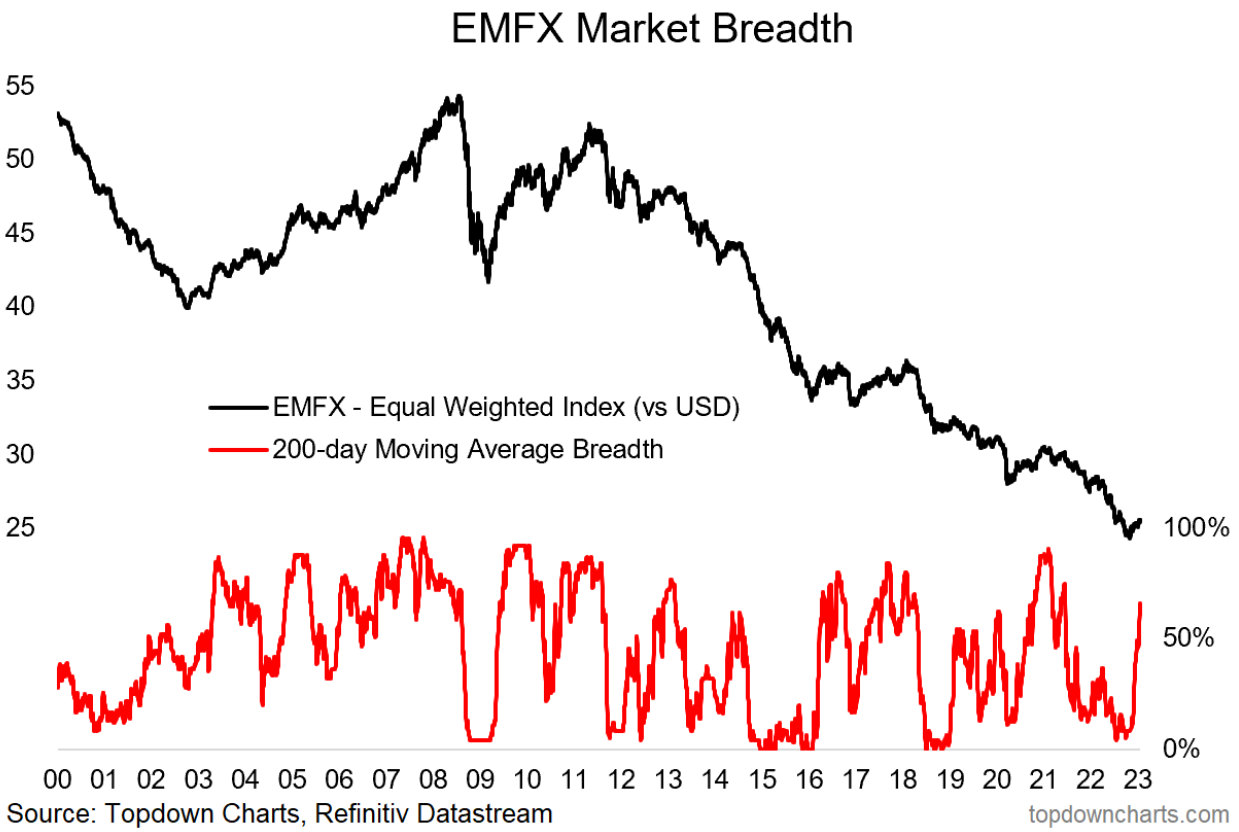
**3. EMFX:** looks bullish as value, macro, technicals are all in alignment…

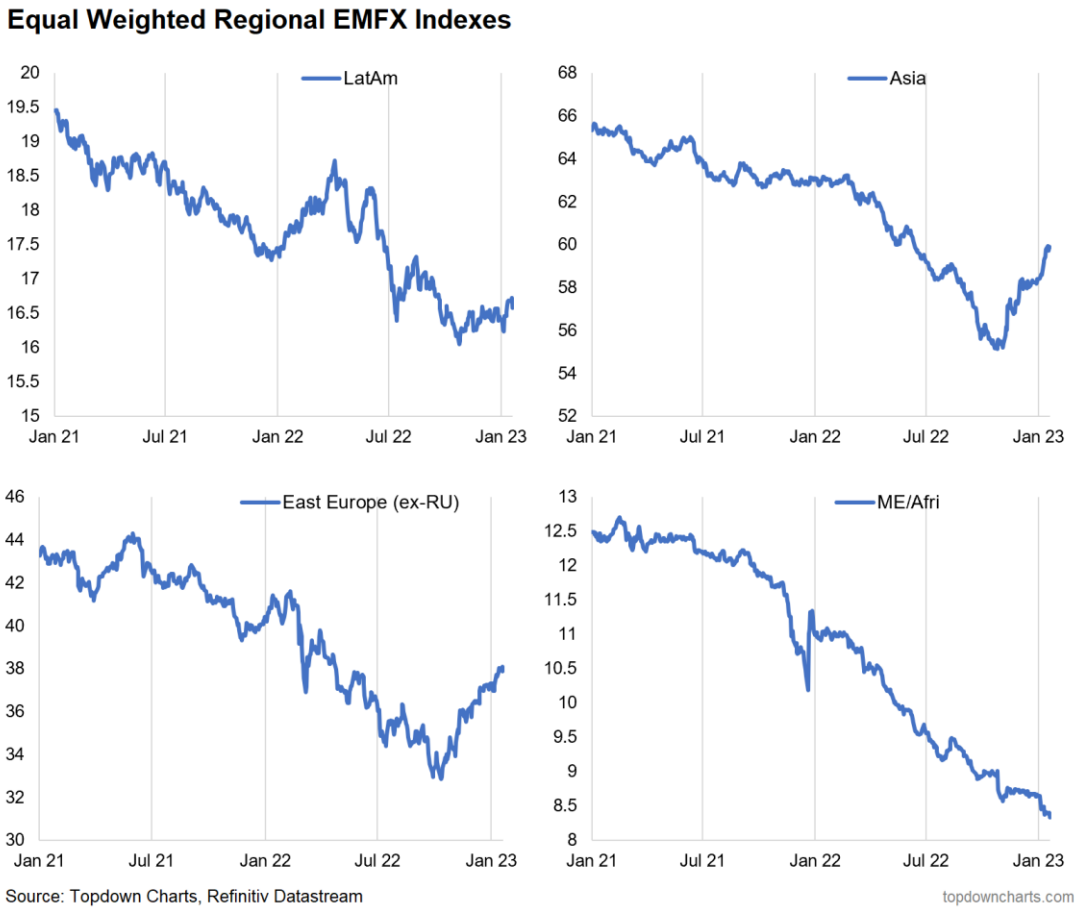
- EMFX as a (equal weighted) group has made a decent rebound into 2023, with longer-term breadth indicators turning sharply higher off oversold levels.
- Albeit, looking across the regions, most the strength is in Asia (China covid reopening) and East Europe (relief rally/complacency(?) as geopolitics have seen no new bad news recently), while LatAm is mildly stronger and Middle East/Africa is making new lows (albeit skewed by Turkey/Egypt).
- On the macro, the policy rate differential indicator has turned lower after spiking – this type of pattern showed up during several major bottoms for EMFX e.g. early-2000's, 2009, 2020.
- Finally, the rally in EMFX is coming off of one of the cheapest levels of the past couple decades, so while the strength in EMFX is not quite universal, it does line up with my bearish USD view, and we see value, macro, technicals all in alignment.

***Bottom line:*** Bullish outlook for EMFX given improved technicals, macro indicator, cheap valuations, albeit mindful of the mixed performances across regional groups.

# 3. EMFX

Back onto EM as a group, EMFX has undertaken a solid rebound into 2023 with the long-term breadth indicator turning sharply higher to multi-year highs from oversold levels. Albeit looking across the regional groups most the strength is in Asia (China covid reopening) and East Europe (relief rally/complacency(?)) as geopolitics have seen no new bad news recently.

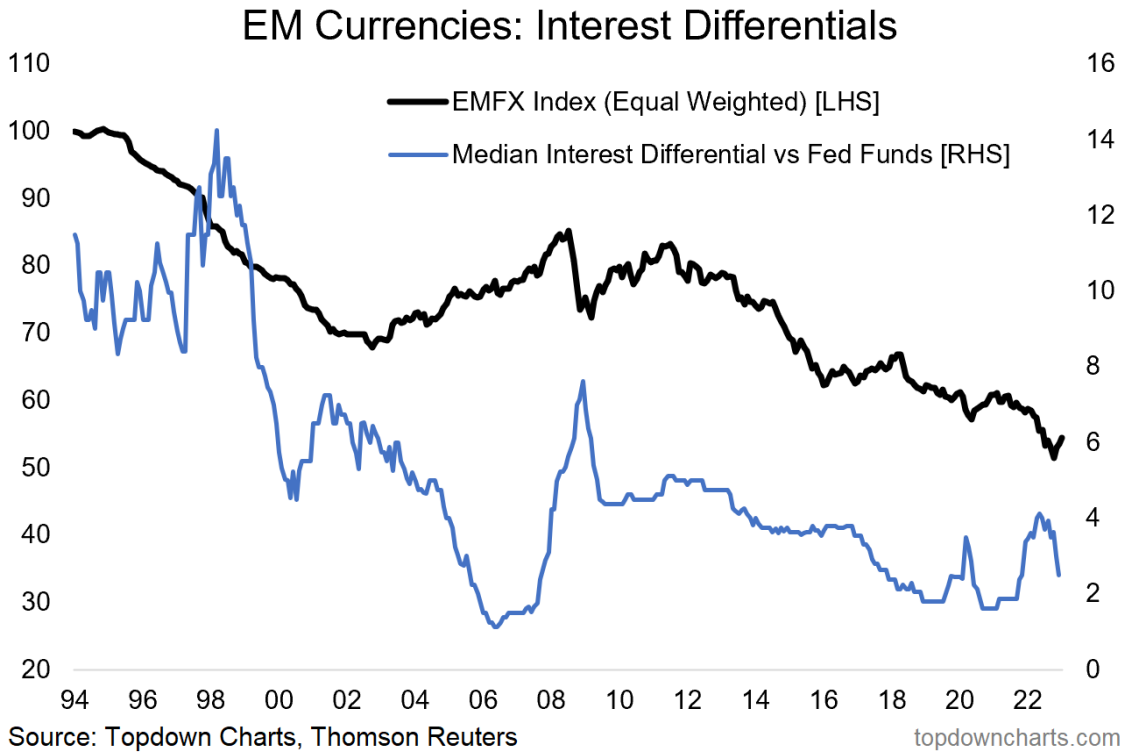


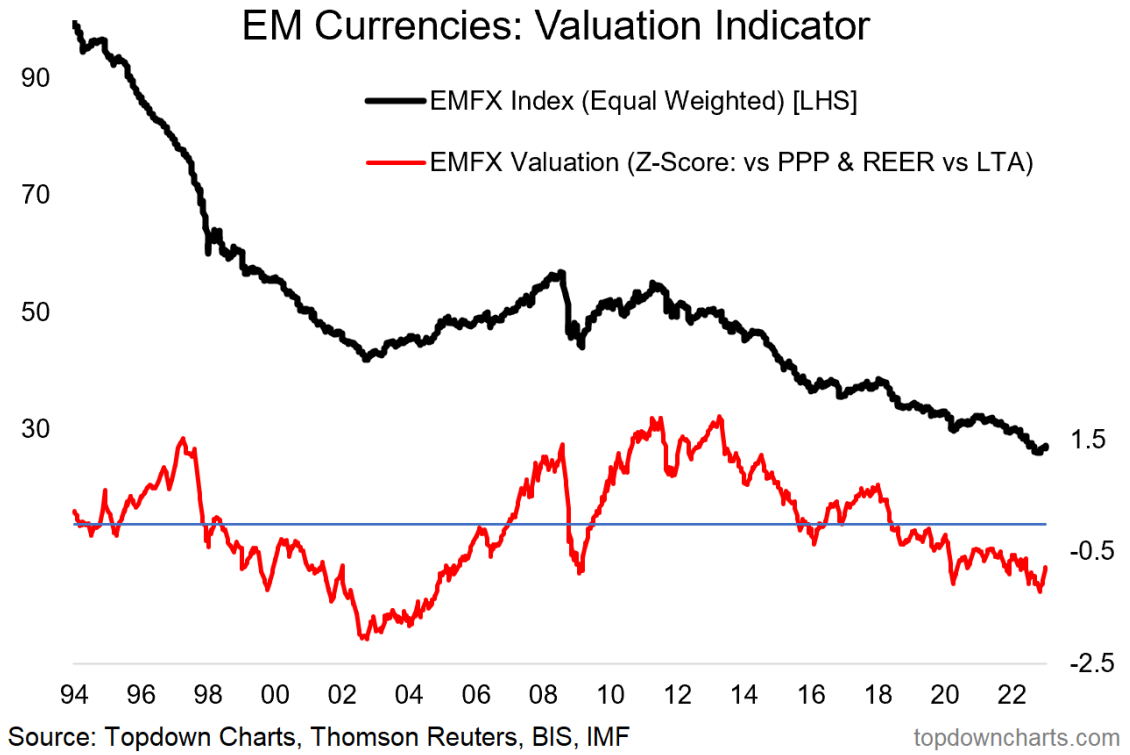



# 3. EMFX

TOP DOWN CHARTS

On the fundamental/medium-term indicators, the rally in EMFX is coming off of one of the cheapest levels of the past couple decades. It also comes as the policy rate differential indicator turns lower after spiking – this type of pattern showed up during several major bottoms for EMFX e.g. early-2000's, 2009, 2020. So while the strength in EMFX is not quite universal, it does line up with my bearish USD view, and we see value, macro, technicals all in alignment.



# 4. EM Bonds

TOP DOWN CHARTS

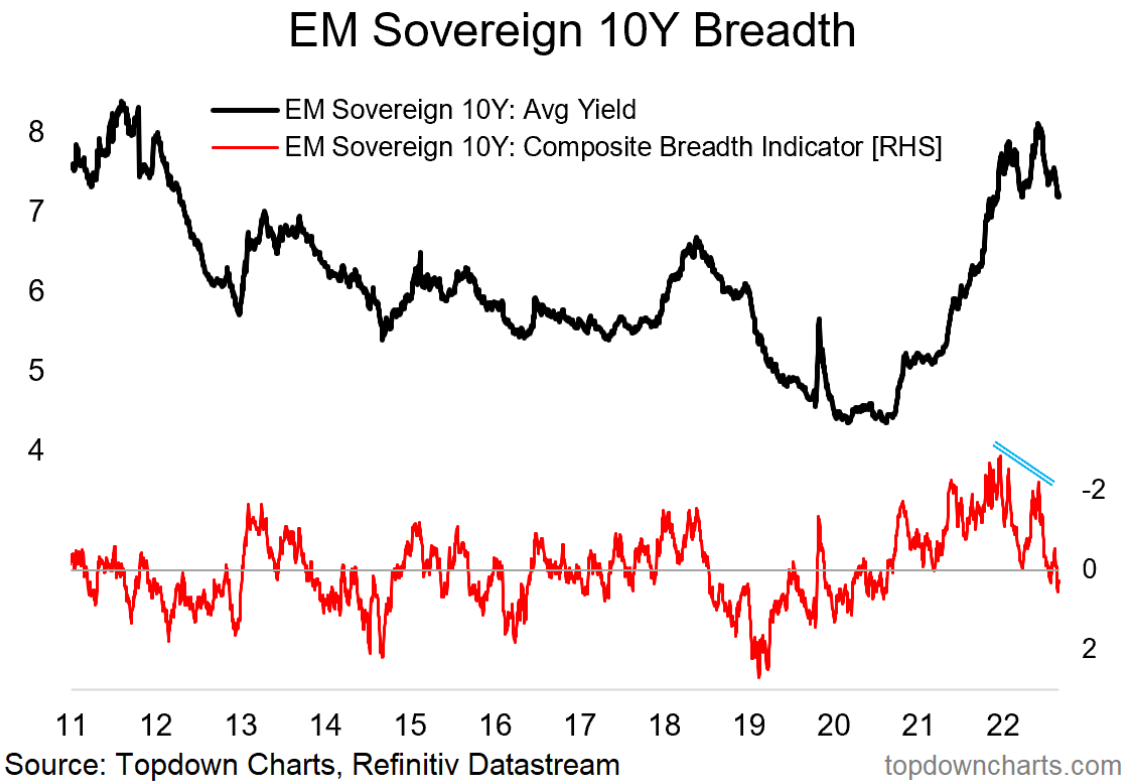
**4. EM Bonds:** similar bullish setup as EMFX and equities…

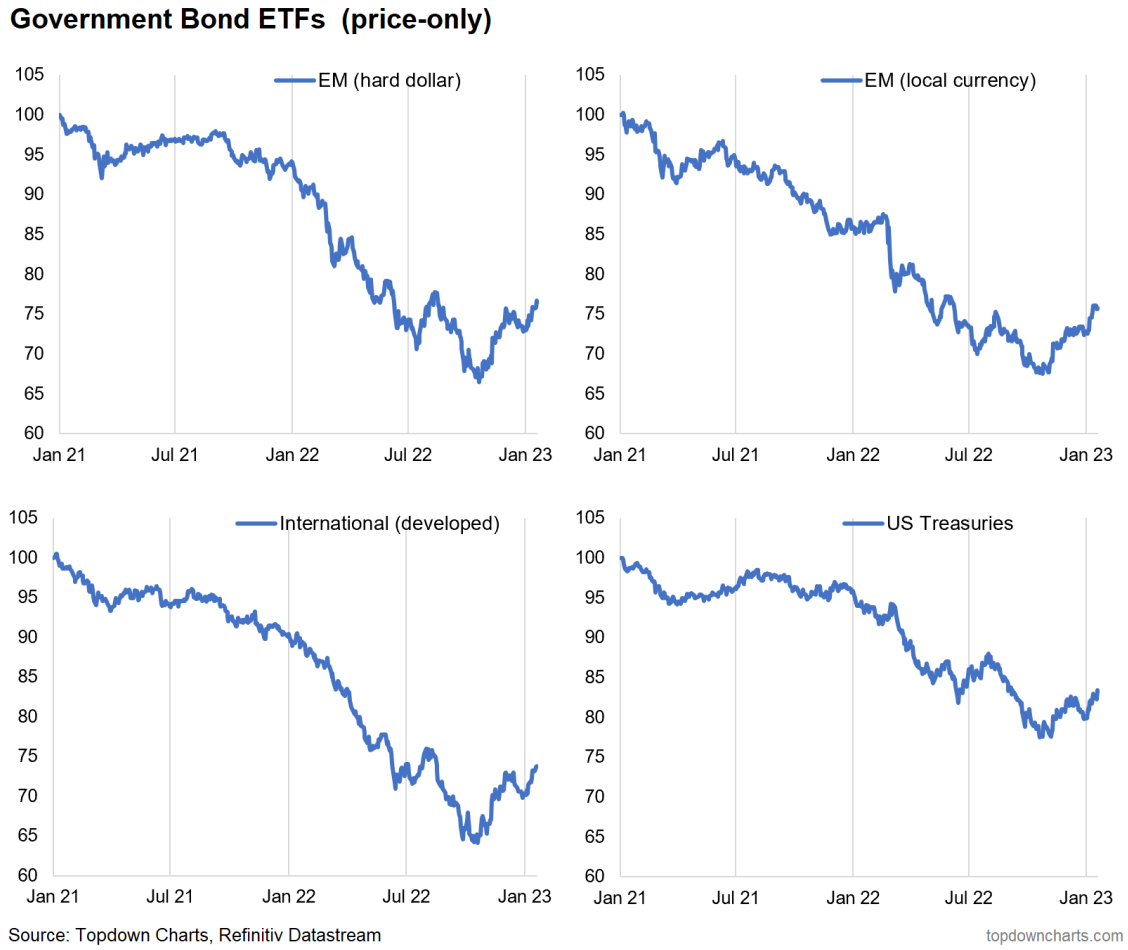
- Similar to the price action in EM equities and EMFX, EM sovereign bonds are also seeing much improved technicals.
- From a sentiment standpoint, EM bond sentiment has rebounded off the bottom of the range – again, similar to the equities, this is a classic contrarian bullish signal.
- Meanwhile EM sovereign bonds continue to trade on compelling cheap valuations.
- Lastly, with emerging economies in recessionary territory (based on the OECD leading indicators), and following significant front-loading of policy tightening, and waning of global inflationary pressures, EM central banks collectively could be first to pivot or at least pause. This would be a key step for sustained upside in EM sovereign bonds.

***Bottom line:*** Remain bullish EM sovereign bonds given cheap valuations, bullish sentiment and technical signals, improving macro backdrop (for bonds).

# 4. EM Bonds

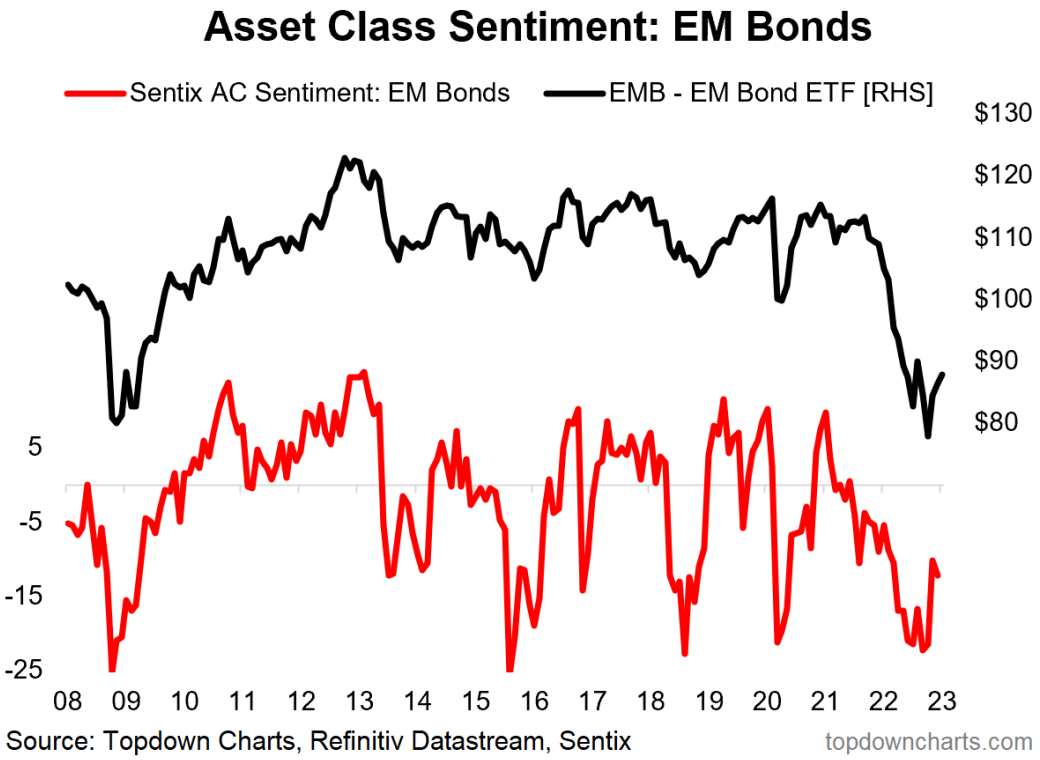
Similar to the price action in EM equities and EMFX, EM sovereign bonds are also seeing much improved technicals (EM sovereign yields turning down following bullish breadth divergence and shift from bearish momentum to bullish momentum). Much like the rest of the world, EM bond ETFs have put in a fairly convincing bottom.

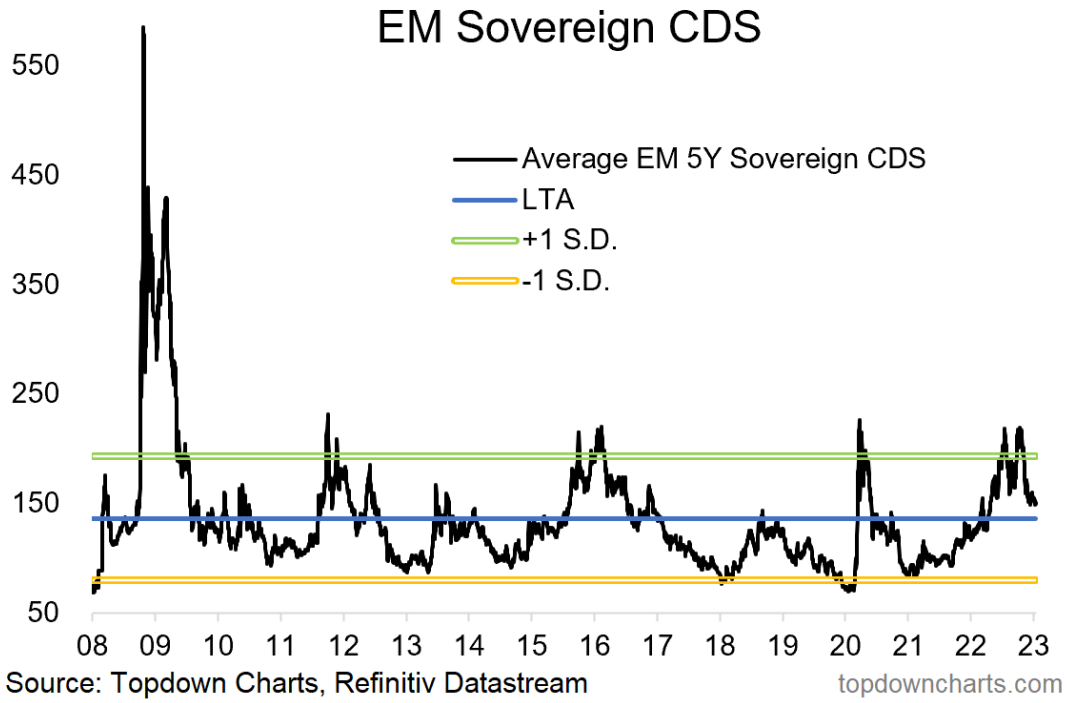


# 4. EM Bonds

From a sentiment standpoint, EM bond sentiment has rebounded off the bottom of the range – again, similar to the equities, this is a classic contrarian bullish signal. Similarly, EM sovereign CDS had pushed up to the upper end of the range of the past decade and then turned down – which arguably is also a bullish contrarian signal.



# 4. EM Bonds

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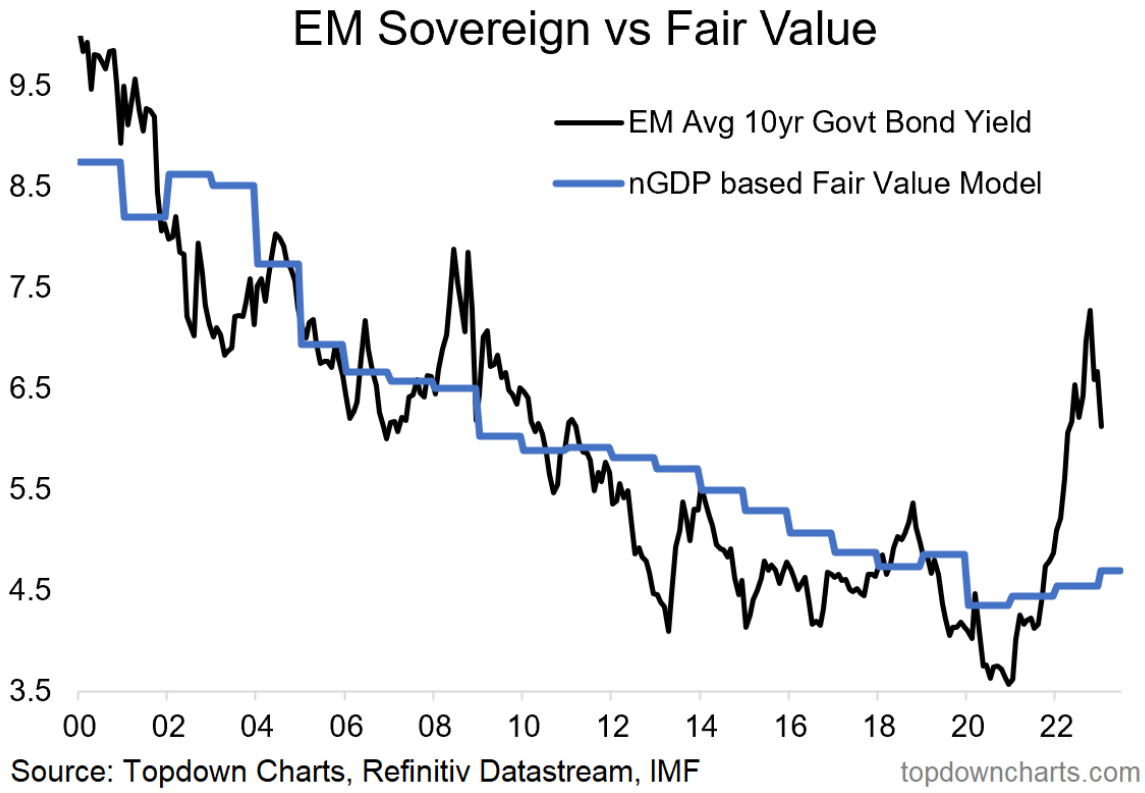
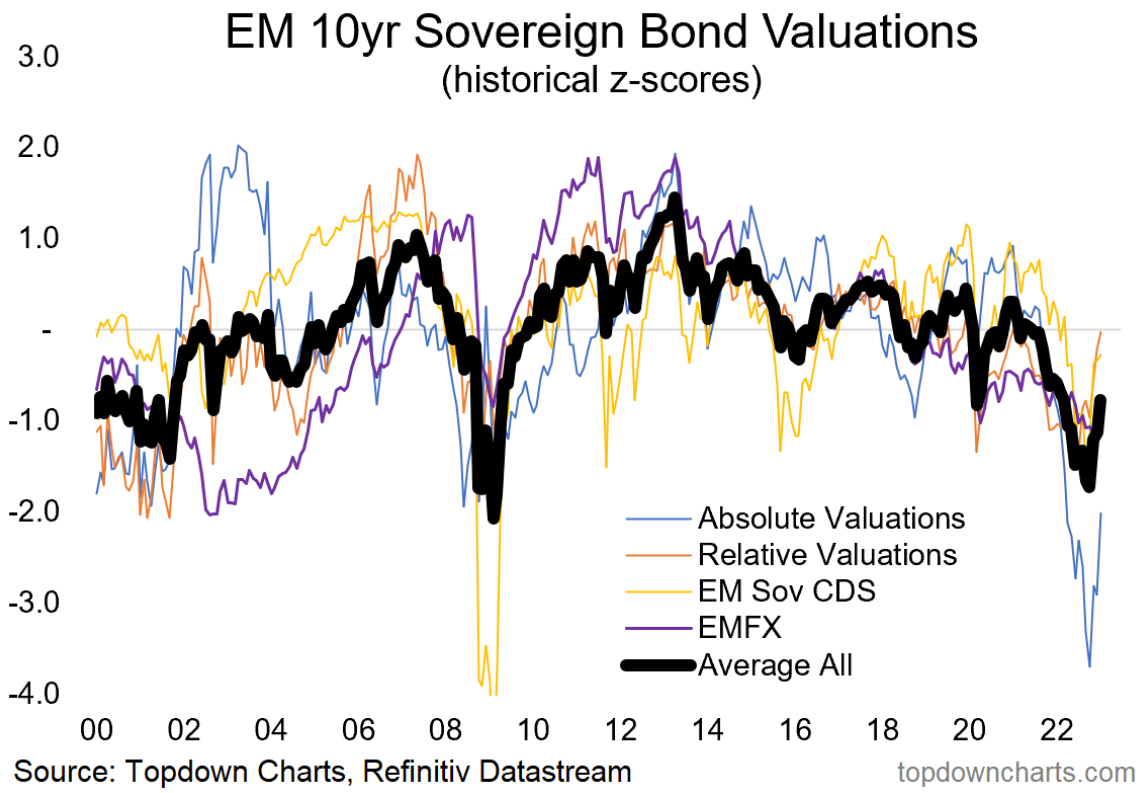
Meanwhile from a valuation standpoint, EM sovereign yields remain materially disconnected from the long-term nominal GDP fair value model, and the broader composite valuation indicator for EM bonds remains very cheap (at 2020 and early-2000's levels) despite the already significant rebound.



# 4. EM Bonds

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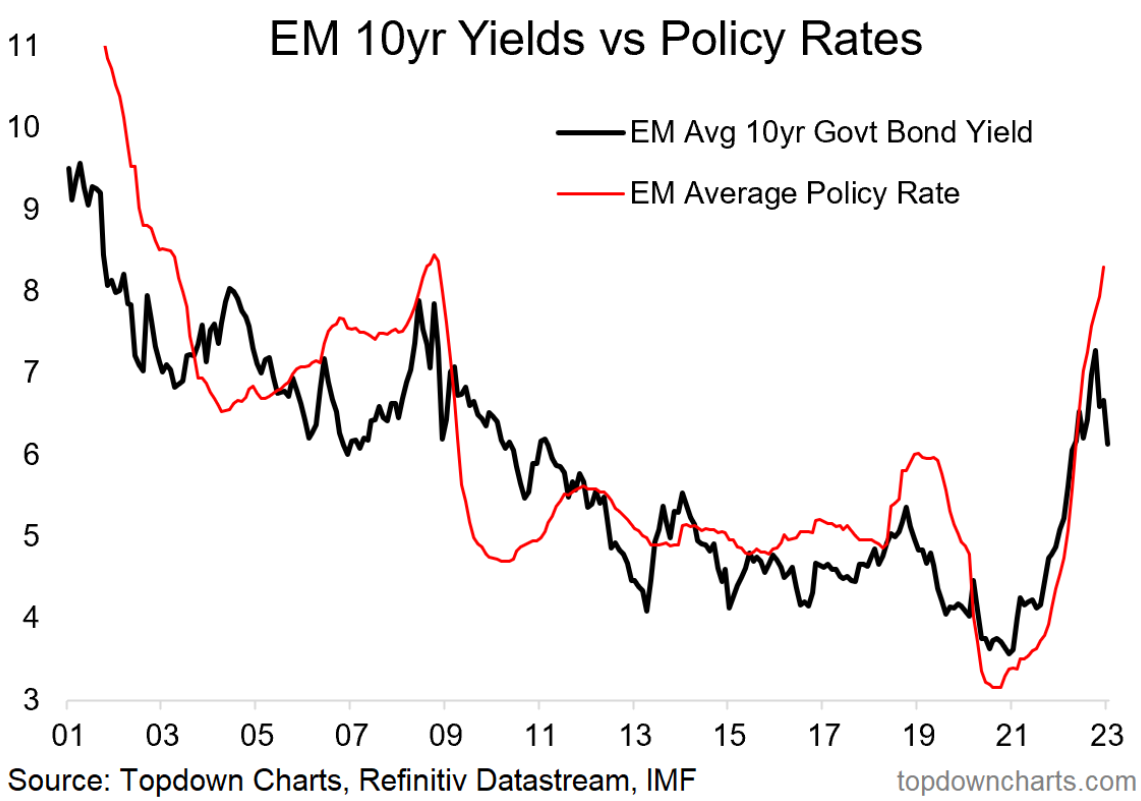
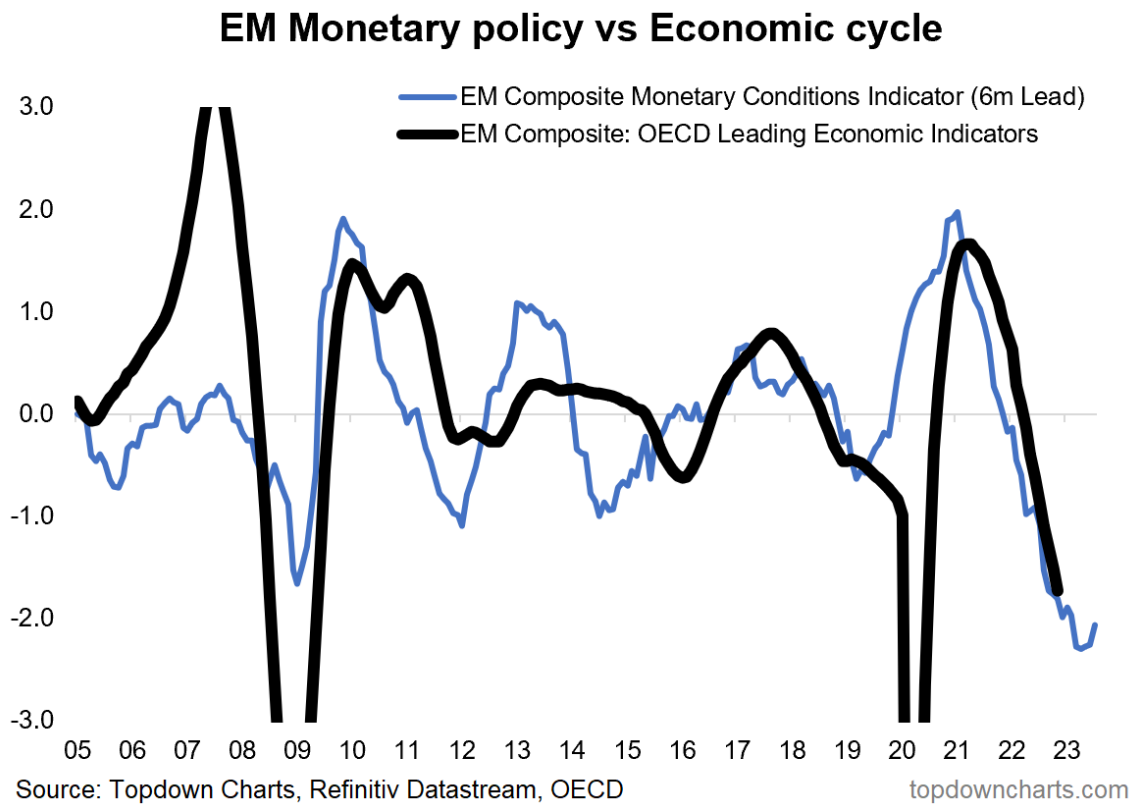
Lastly, with emerging economies in recessionary territory (based on the OECD leading indicators), and following significant front-loading of policy tightening, and waning of global inflationary pressures, EM central banks collectively could be first to pivot or at least pause. This would be a key step for sustained upside in EM sovereign bonds.



# 5. Frontier Markets

TOP DOWN CHARTS

**5. Frontier Markets:** also bullish as technicals turn and value cheap…

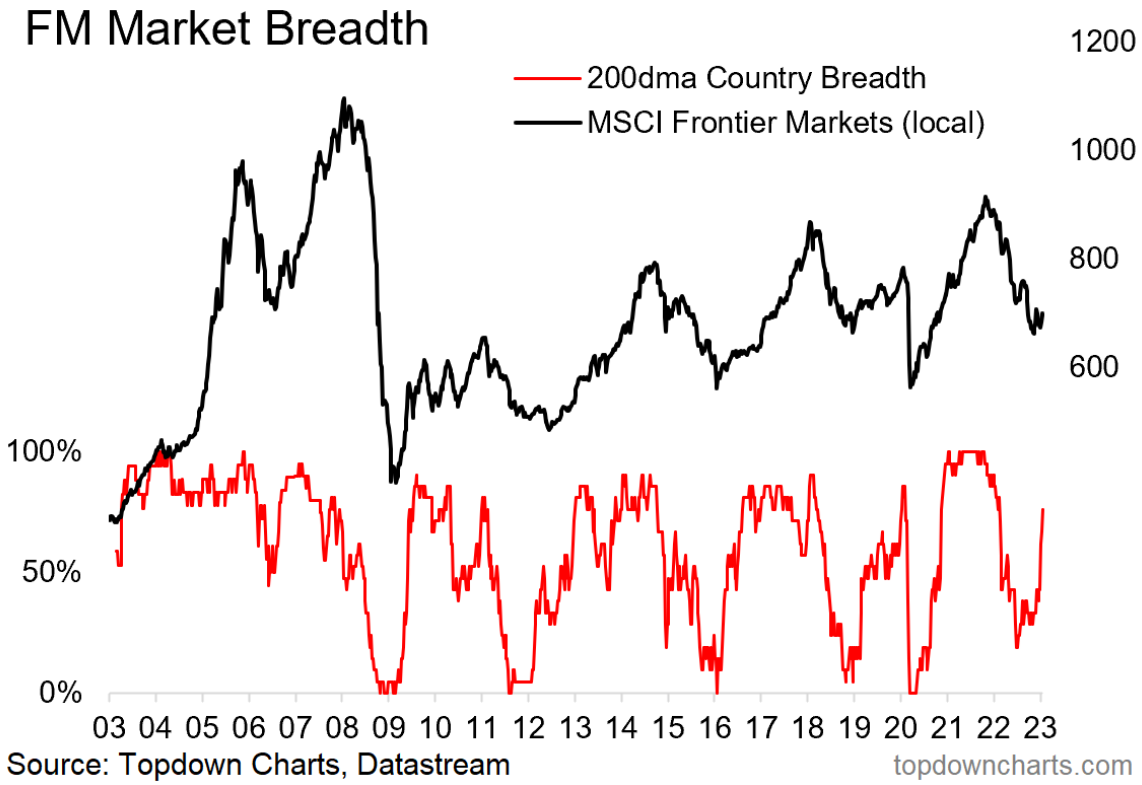
- FM equity technicals have also been on an improving path with breadth indicators turning up from oversold and the index putting in initial higher lows.
- This is set against a backdrop of cheap valuations, strong longer term expected returns and solid demographics as a group.
- Furthermore, FM FX has also turned up with strong participation and off cheap valuations, which helps the case for FM equity returns in US$ terms.

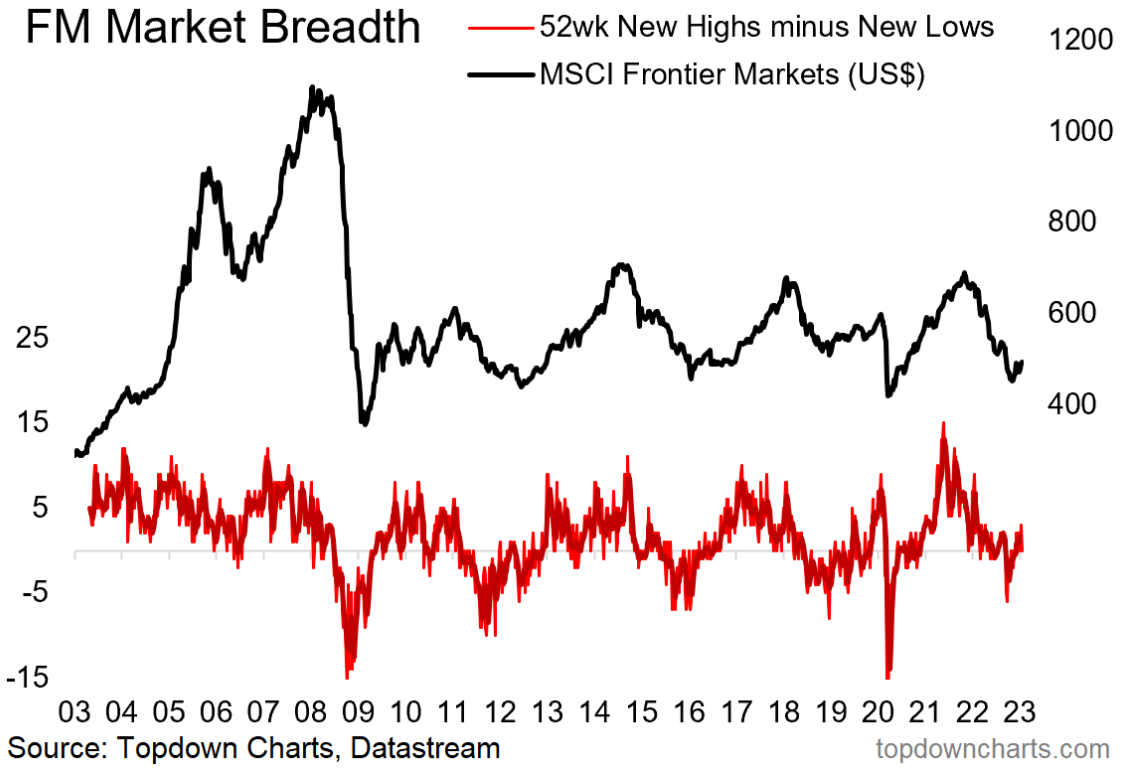
***Bottom line:*** Remain bullish frontier market equities given cheap valuations, attractive strategic outlook, improving FX trends, and bullish technicals.

# 5. Frontier Markets

TOP DOWN CHARTS

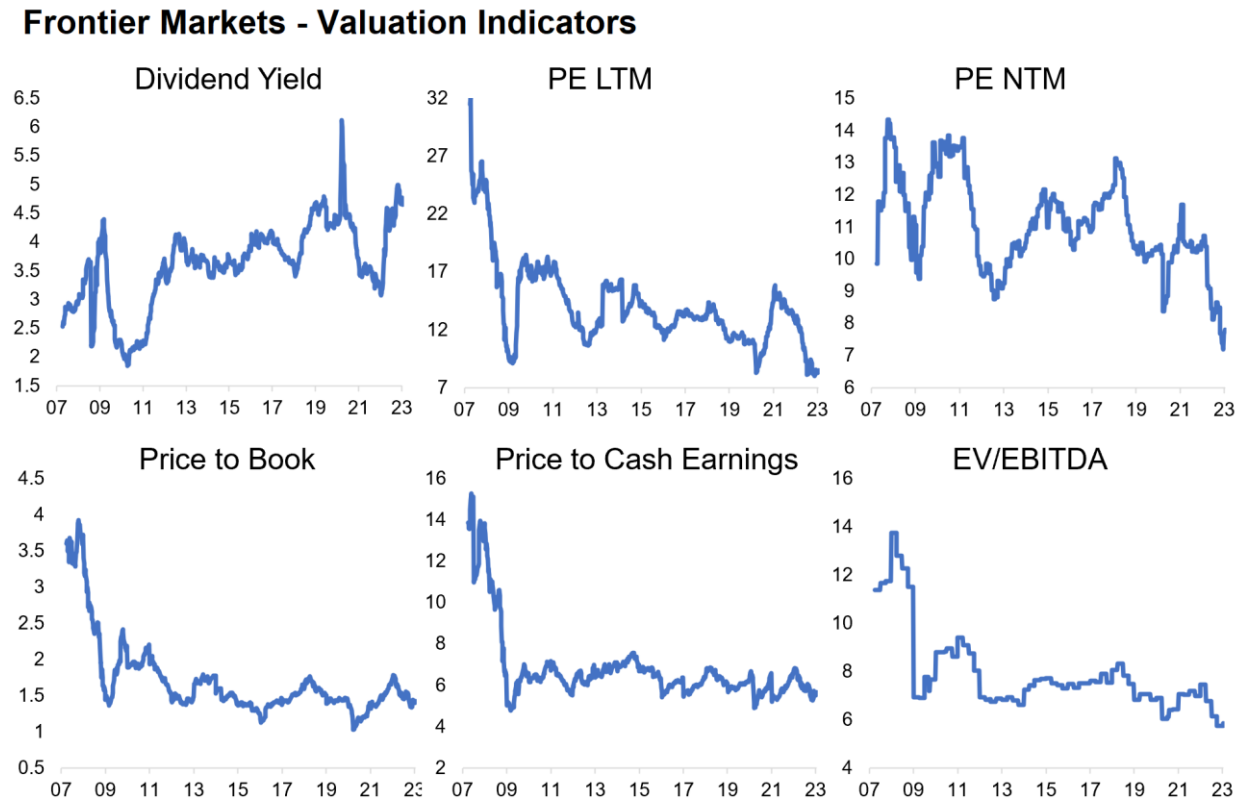
Moving down a tier to frontier markets, there are also promising technical developments here. Breadth indicators are turning up from oversold levels and the index has put in an interim higher low on both a local currency and US$ basis – eyeballing it, it almost looks like a continuation of the pattern of bull/bear runs of the past decade (which would still mean material upside case).

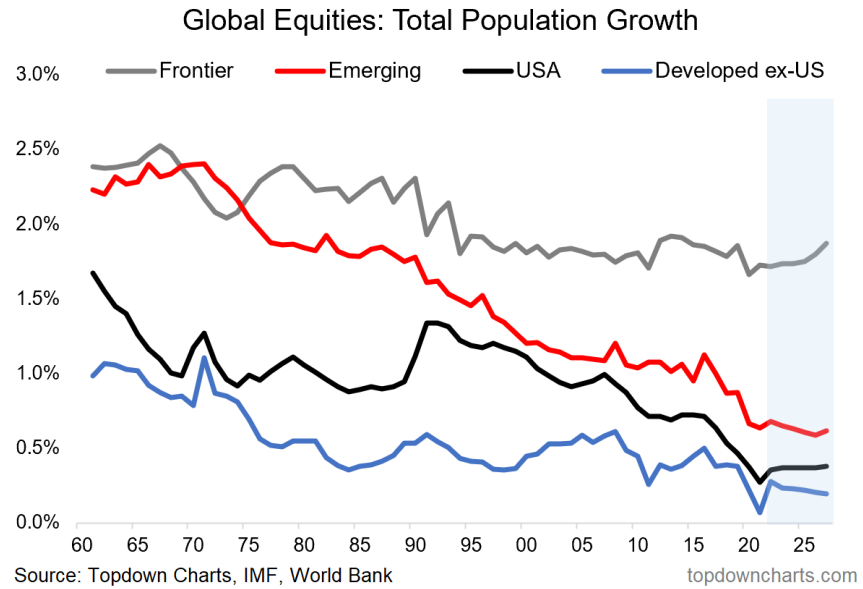


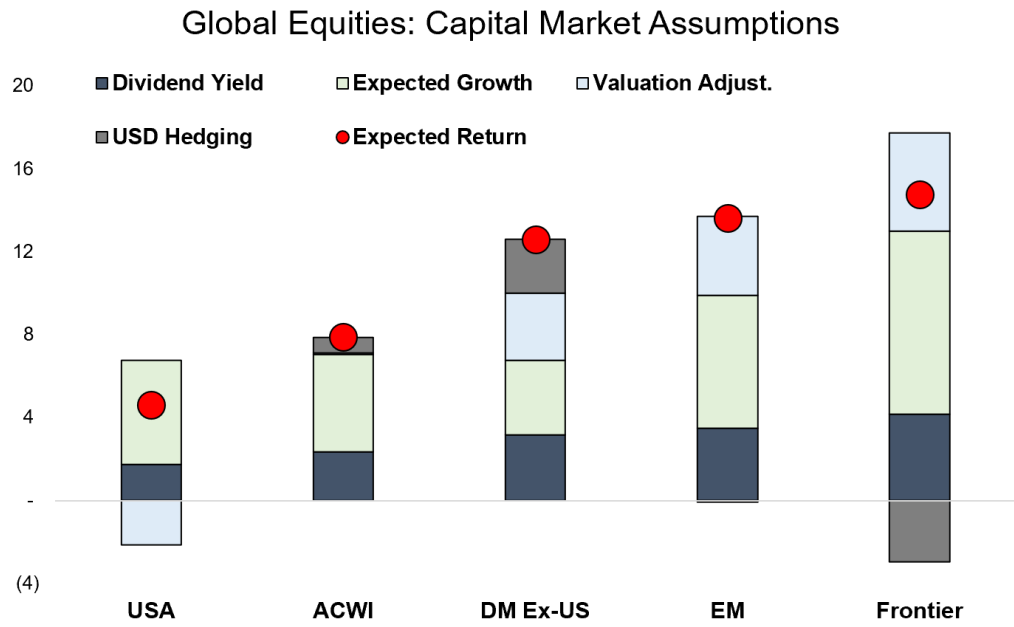



# 5. Frontier Markets

Meanwhile the valuation setup remains compelling cheap, and again as a reminder, FM equities boast the highest (mid-double digit) expected return within global equities – which in part is helped by stronger demographics as a group. So, much like EM equities, FM equities see improving technicals against a backdrop of cheap valuations.




Dividend yield = latest dividend yield (via Refinitiv Datastream)
Expected growth = expected real GDP growth + expected inflation (informed by IMF historical data and forecasts)
Valuation adjustment = mean reversion over a 5 year period based on combined: PE10, LTM PE, NTM PE (via Refinitiv Datastream)
USD Hedging/FX adjustment = 3-month interest rate differential as a proxy for hedging premium/discount (via Refinitiv Datastream)

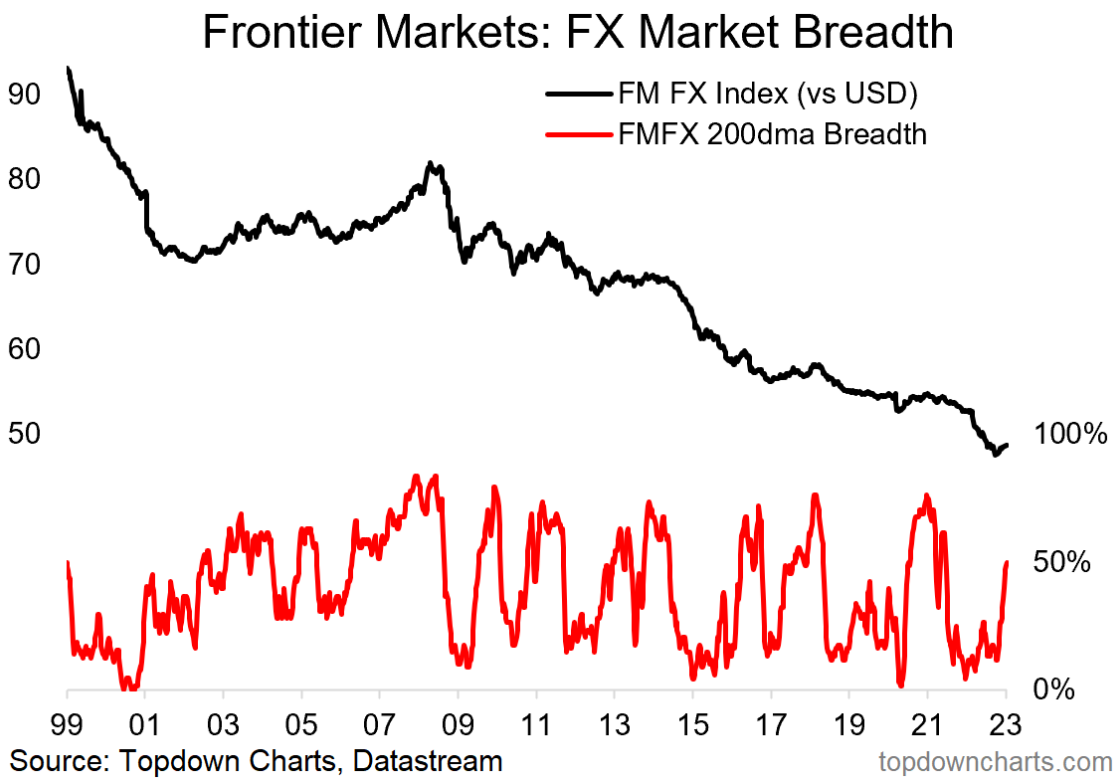
Source: Topdown Charts

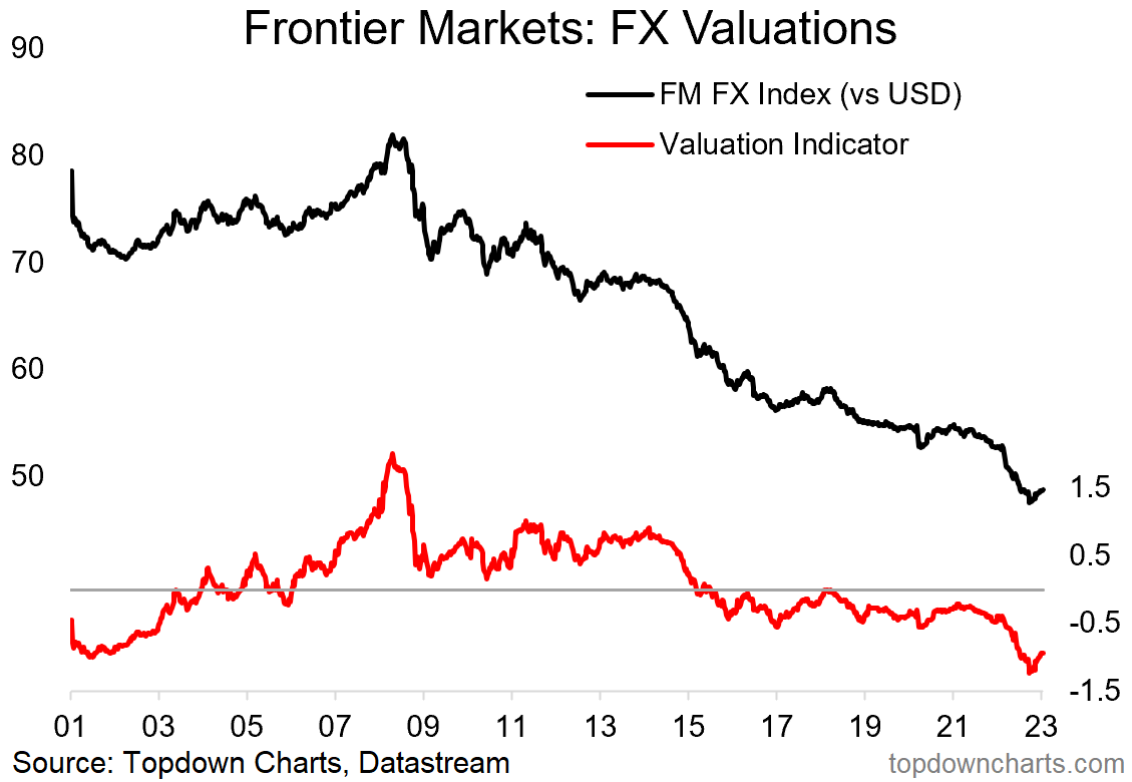
www.topdowncharts.com

# 5. Frontier Markets

TOP DOWN CHARTS

Lastly, FM FX has also turned up with strong breadth and from very cheap valuations. This helps the case for FM equity returns in US$ terms.



# Ideas Inventory – OPEN/CURRENT THEMES AND IDEAS

TOP DOWN CHARTS

| Date | Category | Subject | Topic | Direction | Timeframe | Conviction | Comments/Notes | Updates |
|---|---|---|---|---|---|---|---|---|
| 20 Jan 2023 | **Idea** | Equities | Emerging | Bullish | 6-18m | Med. | Cheap valuations, improving technicals/sentiment, macro/FX | |
| 11 Nov 2022 | **Idea** | FX | US Dollar | Bearish | 6-18m | Med. | Overvalued, overstretched, overcrowded, pillars of support fading | 26 Dec 2022: reiterate |
| 21 Oct 2022 | **Macro** | Housing | US/Developed | Down | 1-3yrs | Med. | excessive valuations, rate shock, reinforcing macro headwinds | |
| 14 Oct 2022 | **Idea** | Equities | US Small Caps | Bullish | 6-18m | Low | Valuation reset, contrarian bullish sentiment, promising technicals | |
| 12 Aug 2022 | **Idea** | Equities | Frontier Markets | Bullish | 6-18m | Med. | Valuations cheap, FX value also (extreme) cheap, technicals turning | 20 Jan 2023: maintain |
| 24 Jun 2022 | **Macro** | Inflation | Global | Down | 6-18m | Med. | commodity downside, growth risks, base effects, supply rebound | 9 Dec 2022: reiterate |
| 17 Jun 2022 | **Idea** | Equities | China | Bullish | 6-18m | Med. | Technicals/value/macro/policy/sentiment (A-shares + MSCI) | 20 Jan 2023: raise conv. |
| 13 May 2022 | **Idea** | Bonds | Treasuries | Bullish | 12-18m | High | initiate initial bullish view on technicals/sentiment/macro | 25 Nov 2022: raise conv. |
| 13 May 2022 | **Idea** | Comdty | Commodities | Bearish | 6-18m | High | technicals/sentiment/macro/value all point to downside risk | 9 Dec 2022: maintain |
| 11 Mar 2022 | **Risk** | Equities | Global | Bearish | 6-12m | Med. | weak technicals, policy/inflation headwinds, lack of value case | 2 Jan 2023: maintain |
| 11 Feb 2022 | **Risk** | Credit | Credit Spreads | Bearish | 3-6m | Low | on risk-watch given risk flags, stretched valuations, rate hikes | 11 Nov 2022: maintain |
| 28 Jan 2022 | **Idea** | AA | Stocks vs Bonds | Bearish | 1-2yrs | High | lead indicators, "growth scare" thesis, technicals/sentiment | 9 Dec 2022: reiterate |
| 21 Jan 2022 | **Idea** | Bonds | EM Sovereign | Bullish | 1-2yrs | High | absolute + relative value, supportive sentiment & technicals | 20 Jan 2023: maintain |
| 21 Jan 2022 | **Macro** | Economy | Global | Down | 6-12m | High | multiple leading indicators point to a "Growth Scare" | 25 Nov 2022: reiterate |
| 23 Jul 2021 | **Macro** | Capex | Global | Up | 1-3yrs | Low | expect capex to rebound, esp. commodities + infra/climate | 16 Sep 2022: downgrade |
| 7 May 2021 | **Macro** | Policy | Global | Hawkish | 1-3yrs | High | switch to hawkish given turn in interest rates cycle + inflation risk | 9 Dec 2022: maintain |
| 9 Apr 2021 | **Macro** | Tax | Global | Up | 1-3yrs | Med. | anticipate corporate tax trend turn, and fiscal headwinds | 16 Sep 2022: maintain |
| 19 Mar 2021 | **Idea** | Equities | Defensive Value | Bullish | 1-3yrs | Med. | (relative) increasingly cheap relative valuations | 14 Oct 2022: maintain |
| 27 Mar 2020 | **Idea** | Equities | Global Ex-US | Bullish | 3-5yrs | Low | cheap valuations (absolute & relative), expected return differential | 18 Nov 2022: maintain |
| 27 Mar 2020 | **Idea** | Equities | Value vs Growth | Bullish | 3-5yrs | Med. | value cheaper than usual vs growth, techs + macro drivers +ve | 14 Oct 2022: raise conv. |

# Ideas Inventory – CLOSED/PAST THEMES AND IDEAS

TOP DOWN CHARTS

| Date | Category | Subject | Topic | Direction | Timeframe | Conviction | Comments/Notes | Updates | Outcome | % Return |
|---|---|---|---|---|---|---|---|---|---|---|
| 10 Apr 2020 | **Idea** | Equities | EM ex-Asia | Bullish | 12-18m | Low | WMT: value, positioning, FX: *Lower Conv* favor LatAm | 15 Jul 2022: neutral/on watch | " Profit " | 5% |
| 21 Aug 2020 | **Idea** | Equities | UK Equities | Bullish | 12-18m | Med. | WMT: cheap valuations, consensus underweight, tactical indicators | 15 Jul 2022: change to neutral | " Profit " | 18% |
| 21 Jan 2022 | **Idea** | FX | EMFX | Bullish | 12-18m | Low | WMT: supportive valuations | 8 Jul 2022: neutral/on watch | "Loss" | -9% |
| 21 Aug 2020 | **Idea** | Equities | Energy Stocks | Bullish | 1-3yrs | Low | WMT: cheap valuations, contrarian signals, + rel. vs gold/miners | 27 Jun 2022: change to neutral | " Profit " | 105% |
| 27 Aug 2021 | **Idea** | Equities | US Small Caps | Bullish | 6-12m | Low | WMT: capitulation in positioning/flows, reset in relative value | 27 May 2022: change to neutral | "Loss" | -10% |
| 10 Apr 2020 | **Idea** | Equities | Eurozone | Bullish | 12-18m | Low | WMT: relative value, pessimistic sentiment, policy (fiscal+monetary) | 20 May 2022: neutral/on watch | " Profit " | 26% |
| 15 May 2020 | **Idea** | Equities | Global Banks | Bullish | 12-18m | Med. | WMT: cheap valuations, improving technicals/macro outlook | 20 May 2022: change to neutral | " Profit " | 50% |
| 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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