# TOP DOWN CHARTS

Chart driven macro insights for investors

**Weekly Macro Themes – 10 November 2023 - Volume 8, Edition 29**

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

**1. Lending Standards:** Commercial banks continue to tighten credit policy (albeit less so lately) at the same time as central banks continue to tighten monetary policy.

**2. Credit Spreads:** There is no room for complacency on credit spreads as loan officers and credit managers flag upside risk, Fed tightening plays through, and recession signals loom.

**3. Commodities:** Remain bullish on commodities as long-running underinvestment in supply meets a material reset in value/sentiment/positioning, and improved technicals.

**4. Emerging Markets:** Bullish EM equities as a prospective inflection point comes against a backdrop of a turn in monetary conditions, capitulating sentiment, and cheap valuations.

**5. Frontier Markets:** Remain low conviction bullish on FM equities based on the strong strategic/value case, but need to see technicals and FX improve to raise conviction.

# 1. Credit Tightening

**1. Credit Tightening:** mixed signals and a monetary wall…

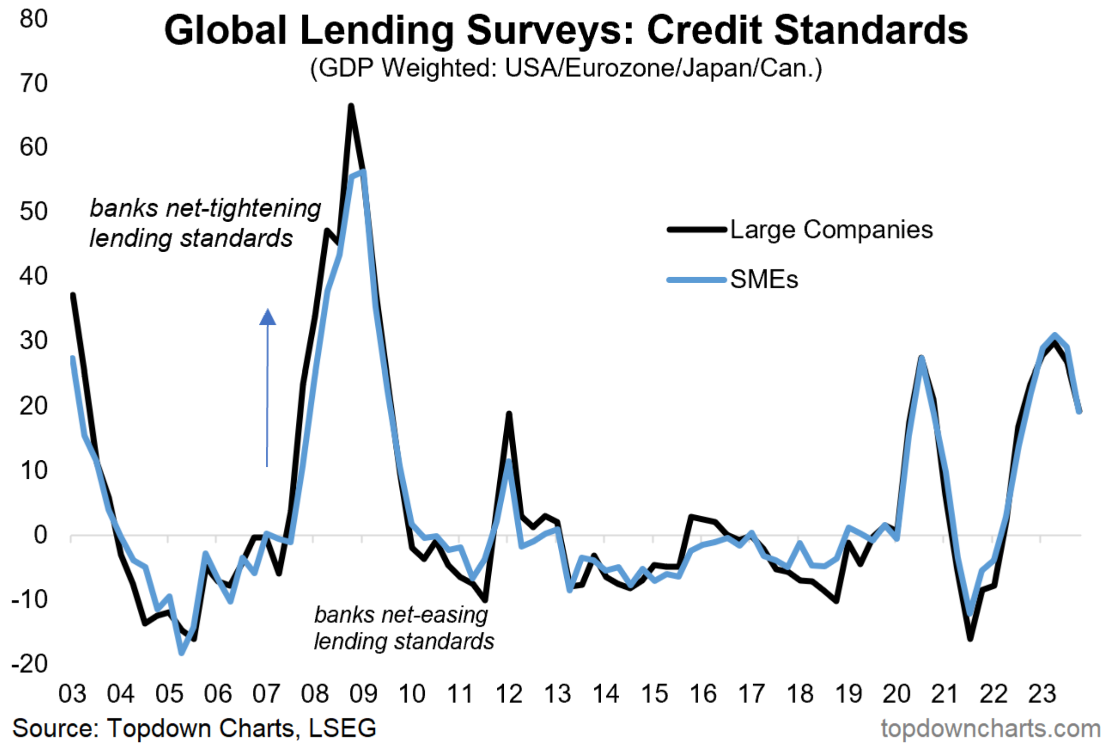
- Loan officer surveys out of Europe and the USA showed banks continuing to tighten credit policy, albeit at a slower rate. Anticipated loan demand also remains negative, but similarly slightly less bad.
- So far though the banks' greatest fears have not been realized (yet) as housing has been defying calls of a downturn and consumers and businesses have largely been resilient to rising rates (cash on hand, high nominal growth, and fixed rates have helped insulate the effects of higher rates and confound recession concerns).
- But thinking about the next steps, there has been substantial central bank monetary policy tightening and commercial bank credit policy tightening already, so it's too soon to get complacent on the macro outlook.
- Indeed, looking at the combined signals from over a dozen monetary/central bank related leading indicators, a veritable monetary brick wall still faces the economy as we head into 2024 (even if it ends up we avoided recession in 2023).

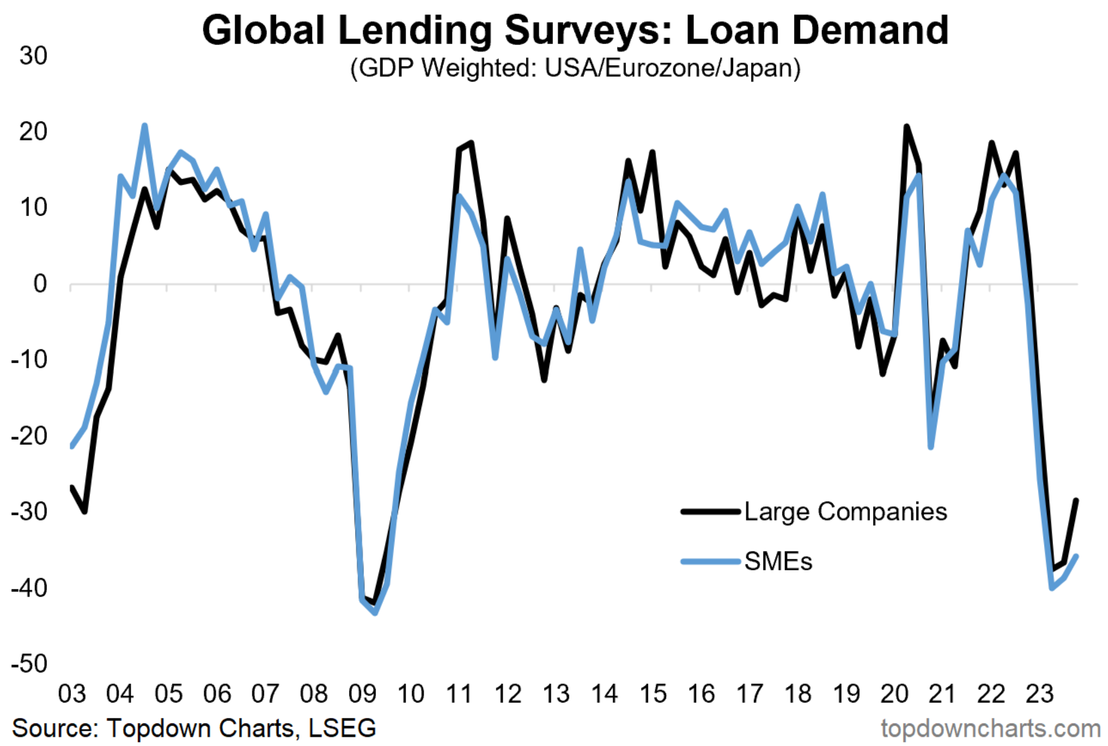
***Bottom line:*** Commercial banks continue to tighten credit policy (albeit less so lately) at the same time as central banks continue to tighten monetary policy (= downside risks remain).

# 1. Lending Standards

TOP DOWN CHARTS

Starting off this week with a check in on credit tightening with the latest loan officer survey data updated out of Europe and the USA – basically it's still a picture of net-tightening of lending criteria, and anticipation of weaker loan demand… but on both counts slightly less bad. Which is to say that credit tightening basically is still ongoing, but you might argue that the banks' greatest fears have not been realized (yet) as housing has been defying calls of a downturn and consumers and businesses have largely been resilient to rising rates (cash on hand, nominal growth, and fixed rates have helped insulate the effects of higher rates and confound recession fears).

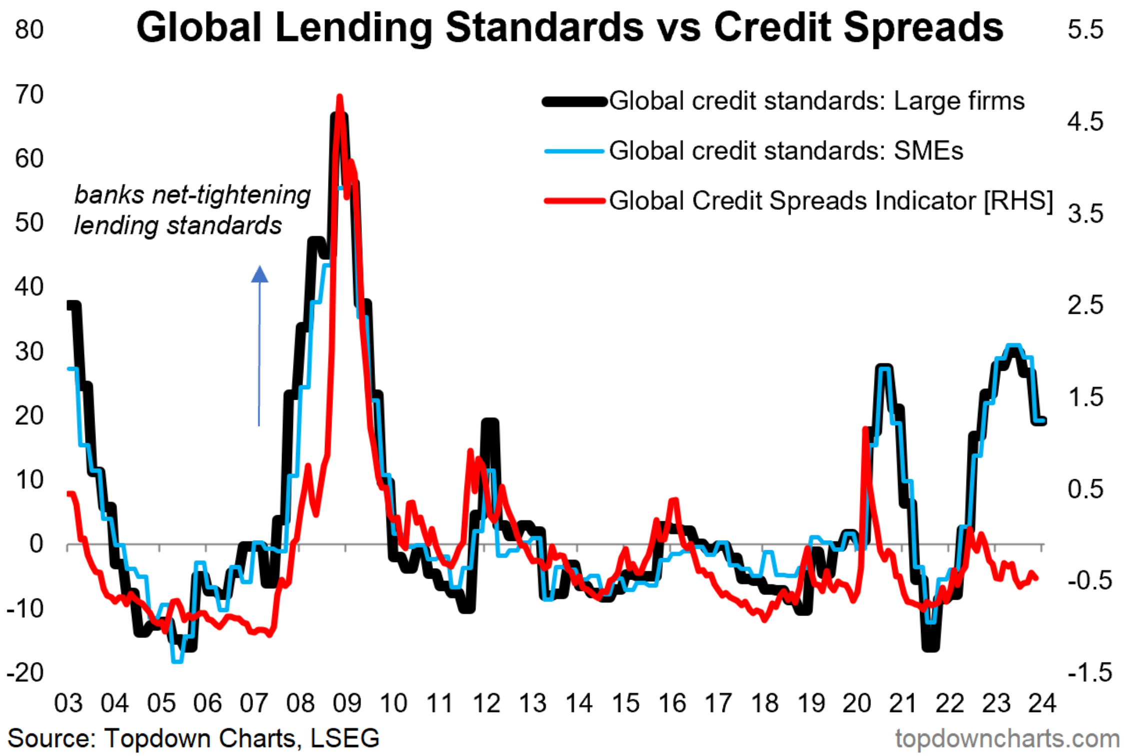


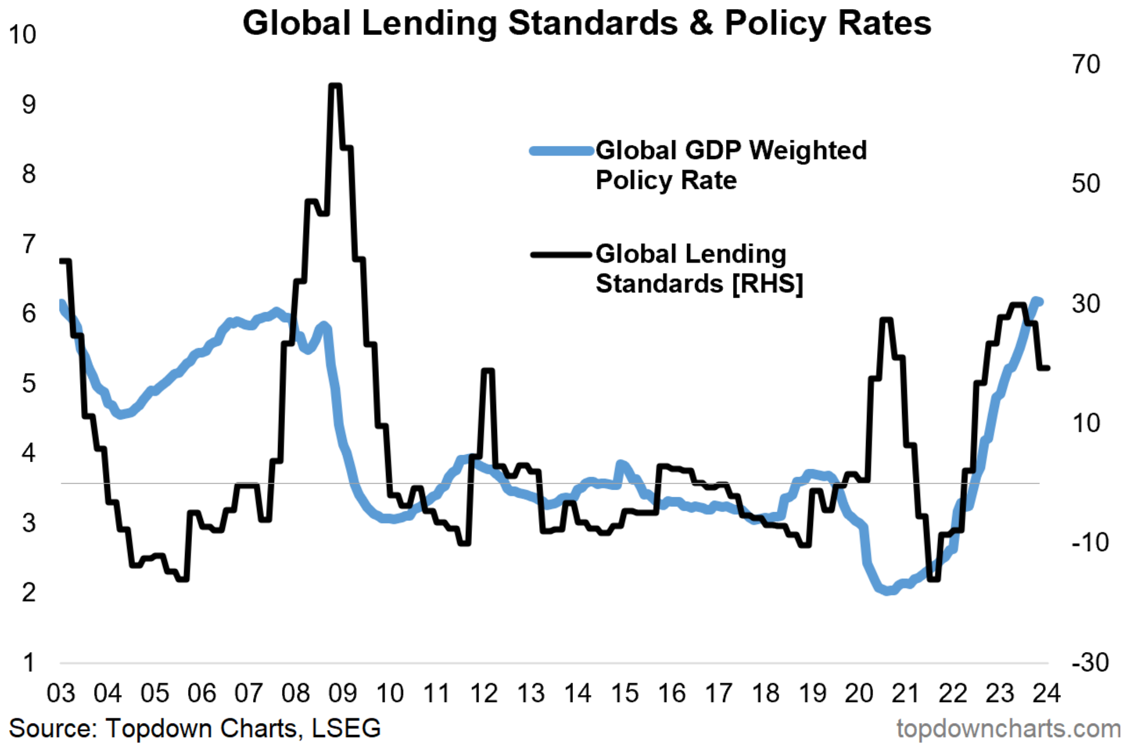



# 1. Lending Standards

TOP DOWN CHARTS

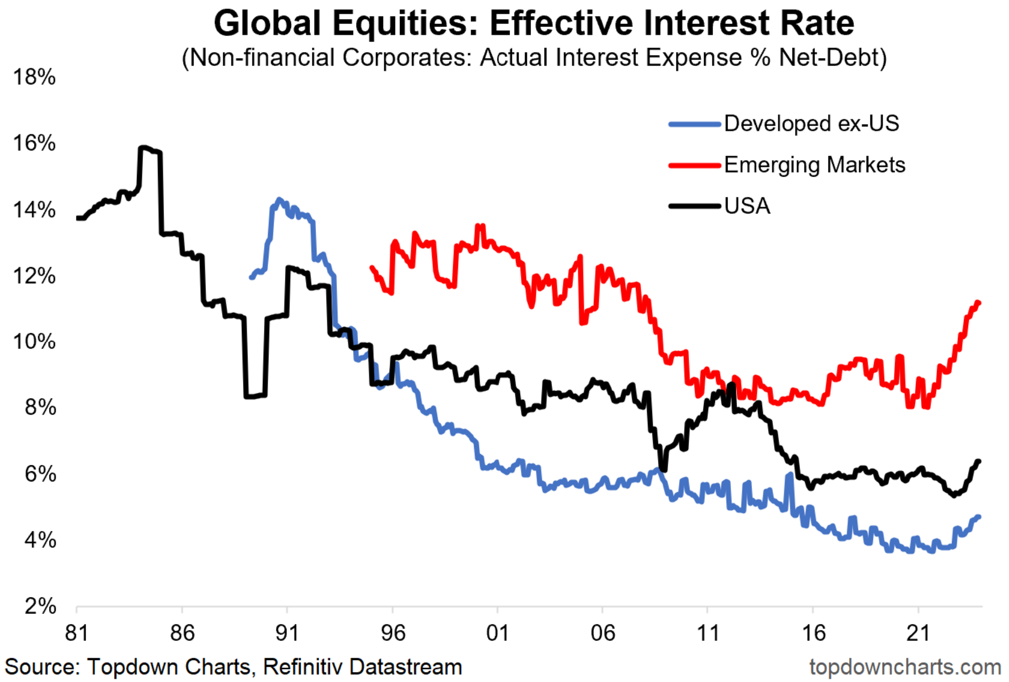
The other interesting points in the loan officer surveys is how the tightening/easing indicator appears to be rolling over and coming down to meet credit spreads (vs credit spreads rising) – this echoes the points from the previous slide. But thinking about the next steps, the next chart showing substantial central bank monetary policy tightening and commercial bank credit policy tightening goes to show that it's too soon to get complacent on the macro outlook.

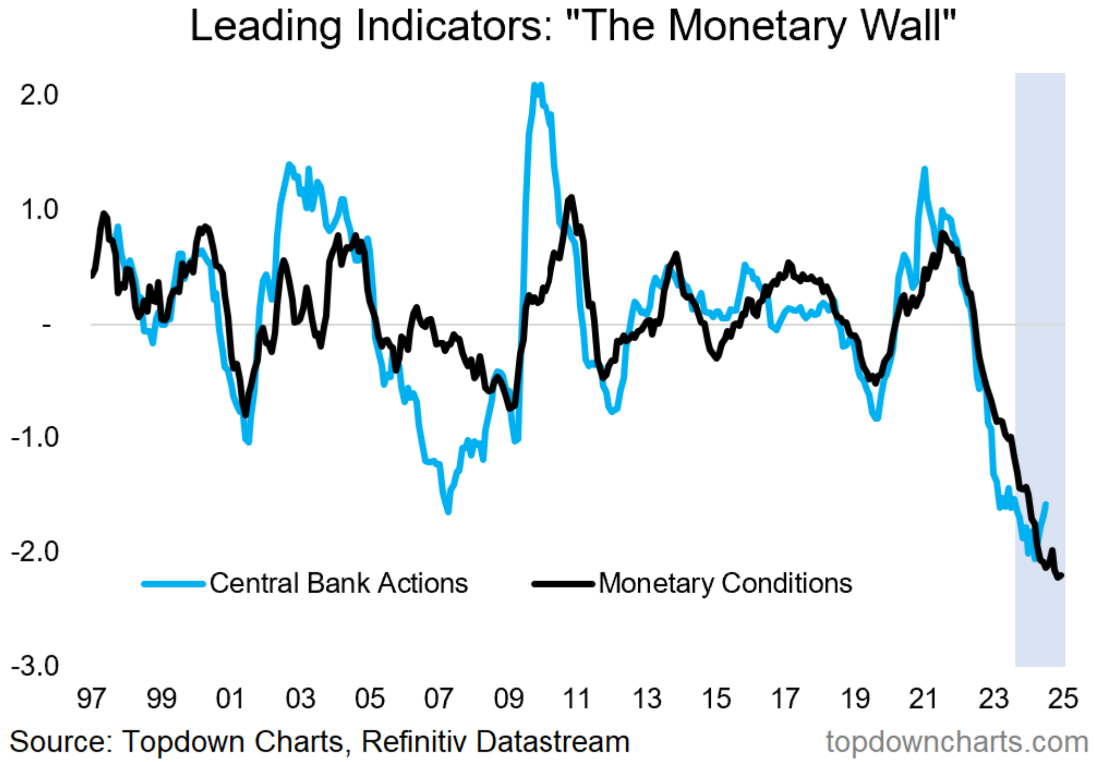


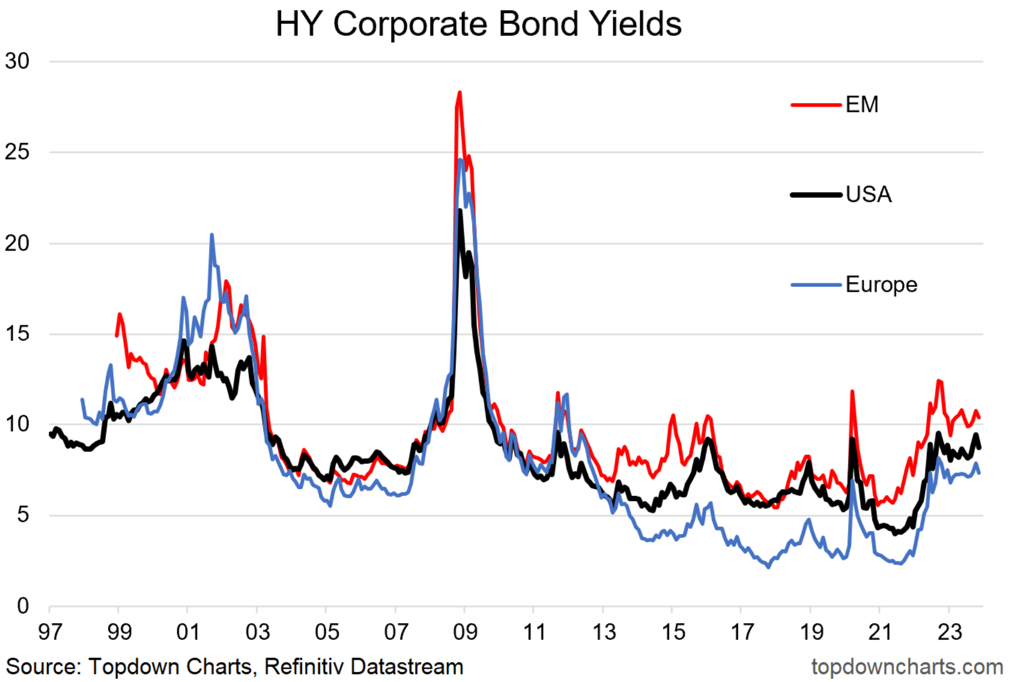



# 1. Monetary Tightening

Indeed, looking at the combined signals from over a dozen monetary/central bank related leading indicators, a veritable monetary brick wall still faces the economy as we head into 2024 (even if it ends up we avoided recession in 2023). Time will soon tell whether businesses and the economy as a whole can been successfully weaned off the low rate world.




TOP DOWN CHARTS

# 2. Credit Spreads

**2. Credit Spreads:** just because something hasn't happened yet doesn't mean it won't…

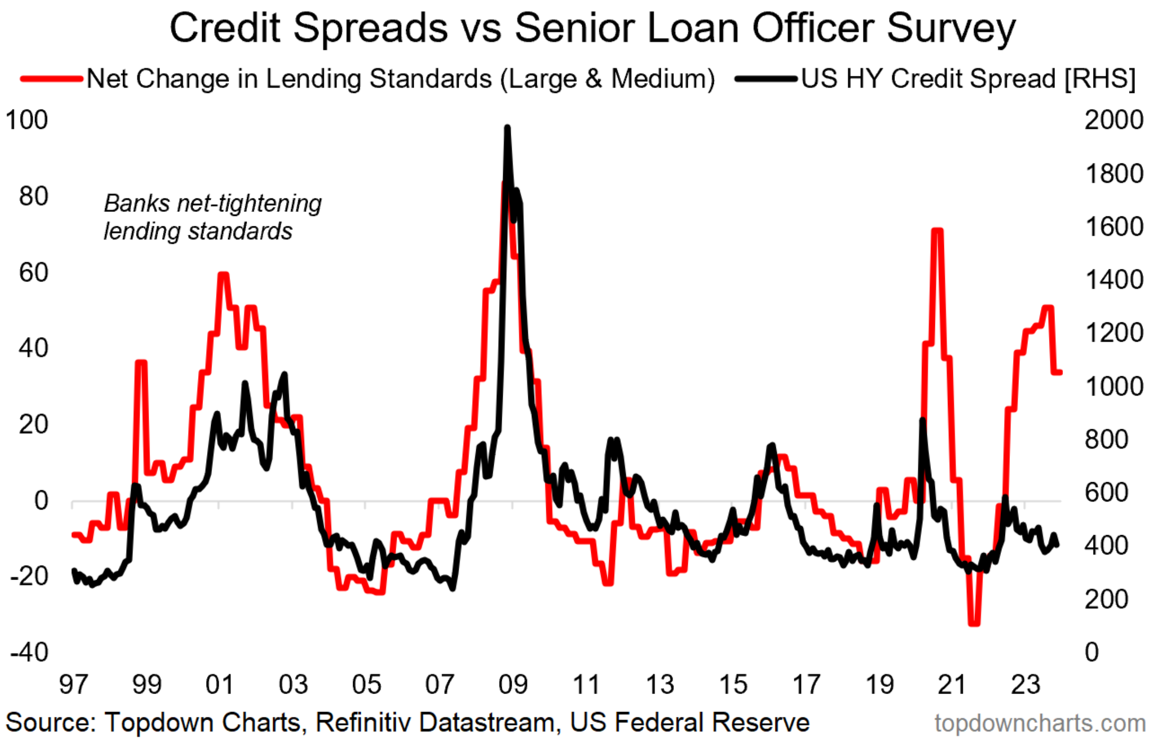
- The Fed's bank loan officer survey continues to remain at odds with the level of credit spreads (suggests they should be higher), this divergence is echoed in the NACM Credit Managers survey – which also points to upside risk for credit spreads.
- Meanwhile the long and variable lags of Fed rate hikes continue to simmer away in the background, with the Fed rate vs credit spreads chart reminding us of the pre-financial crisis period where credit stress only showed up after a long and significant period of rate hikes.
- Likewise, the leading indicator set continues to sound a cautionary tone on the US economic outlook, and the ISM manufacturing PMI also sounds a recessionary tone among the most cyclically sensitive parts of the economy.
- This along with a notably weaker reading in the credit managers "unfavorable" sub index, suggests continued caution on credit spreads.

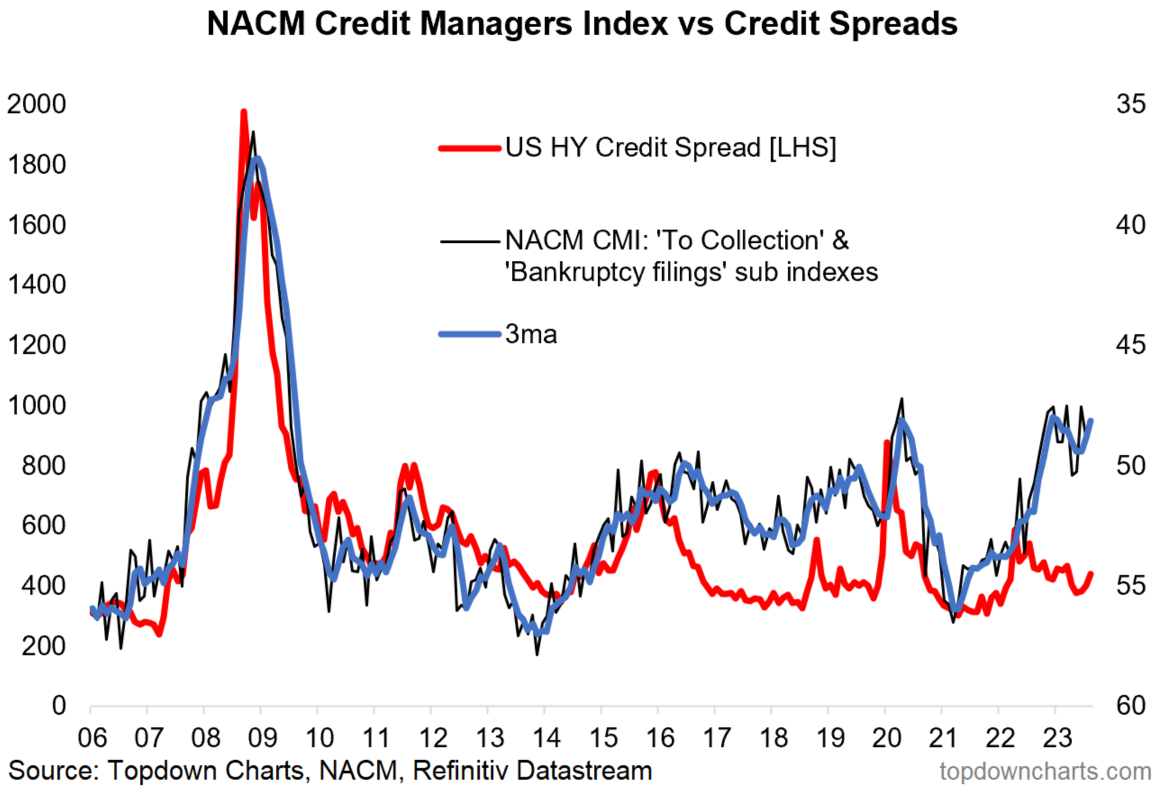
***Bottom line:*** There is no room for complacency on credit spreads as loan officers and credit managers flag upside risk, Fed tightening plays through, and recession signals loom.

# 2. Credit Spreads

TOP DOWN CHARTS

On the topic of tightening lending standards, there remains a significant divergence between credit spreads and the net change in lending standards reported in the Fed senior loan officer survey. This divergence is echoed in the Credit Managers index survey, which likewise shows a divergence between negative credit conditions indicator and the level of credit spreads.  In this backdrop it would wise to avoid complacency on credit spreads.

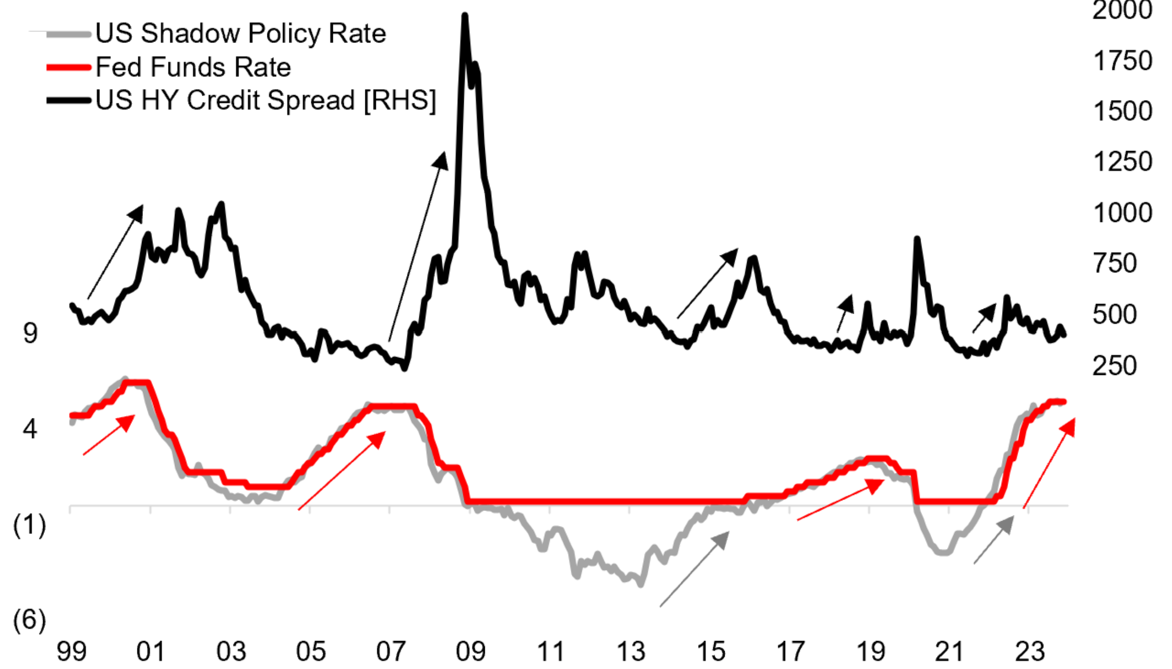


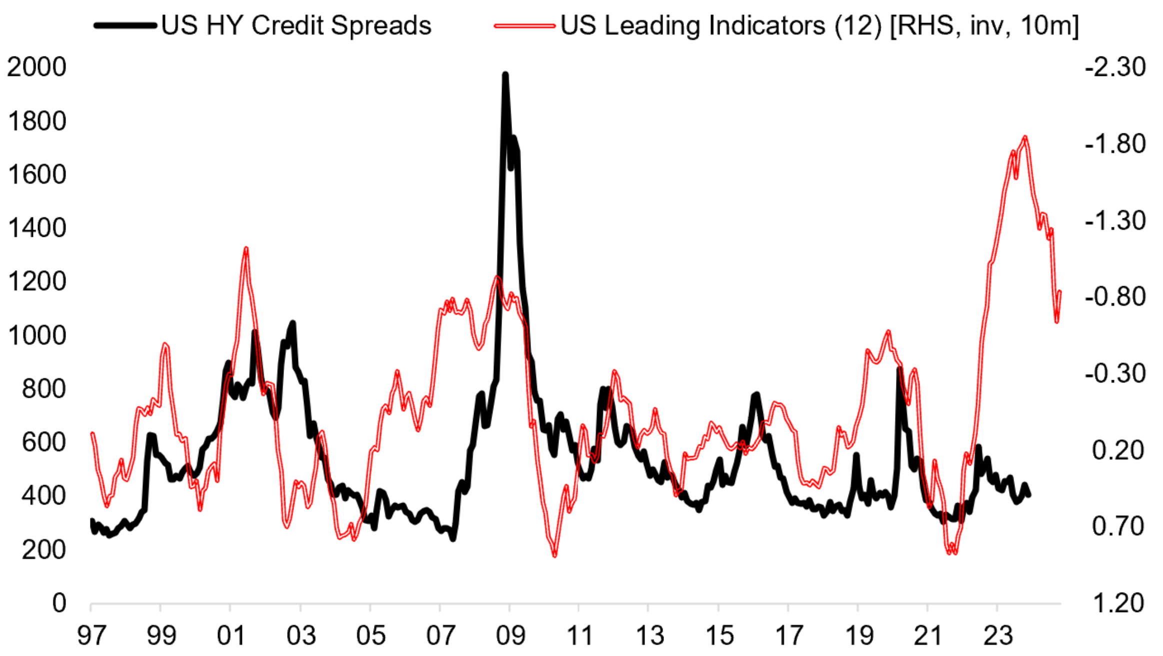
# 2. Credit Spreads

TOP DOWN CHARTS

Particularly so as the long and variable lags of monetary tightening continue to simmer away in the background – perhaps even reminding us of how things played out pre-financial crisis (where there was a long and significant period of rate hikes, which took some time to play out in the form of higher credit spreads/credit events). The pre-financial crisis period is also echoed in the leading indicator set, which continues to sound a large warning tone for the US economic outlook, and hence continue to present upside risk to credit spreads.



Source: Topdown Charts, Refinitiv Datastream, ljkmfa.com topdowncharts.com

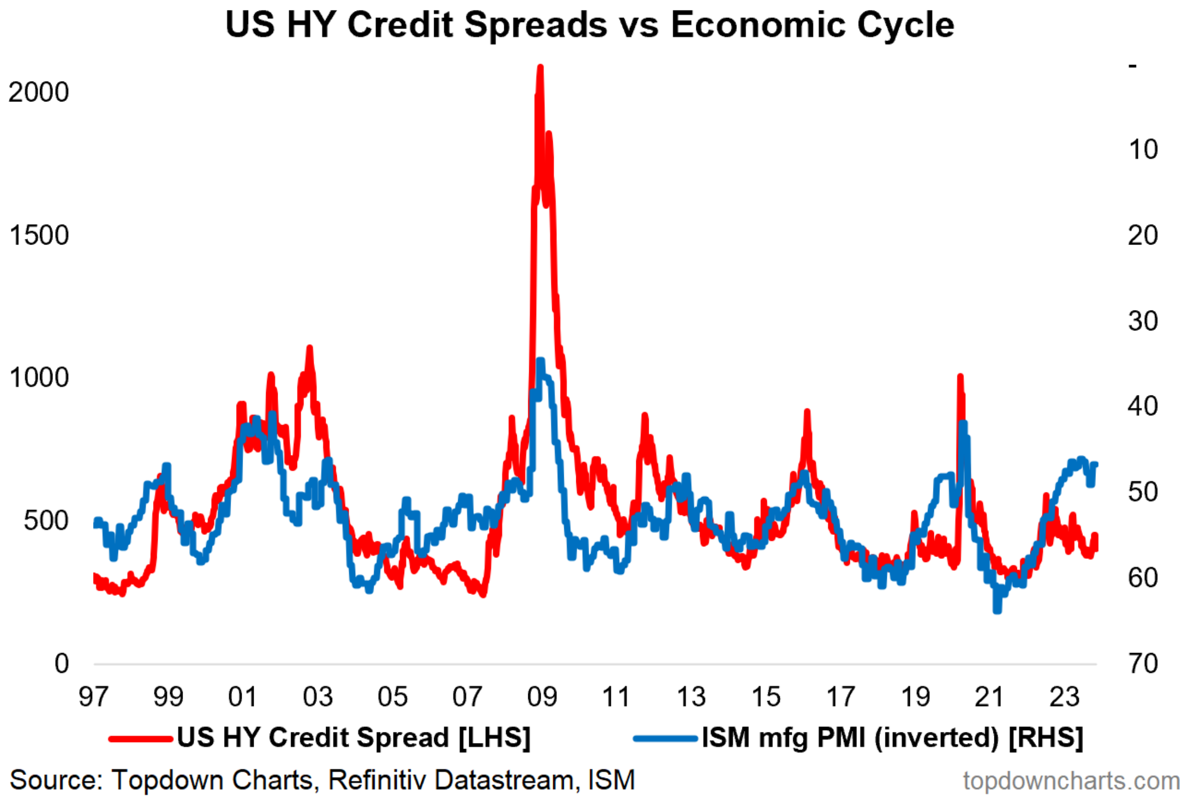


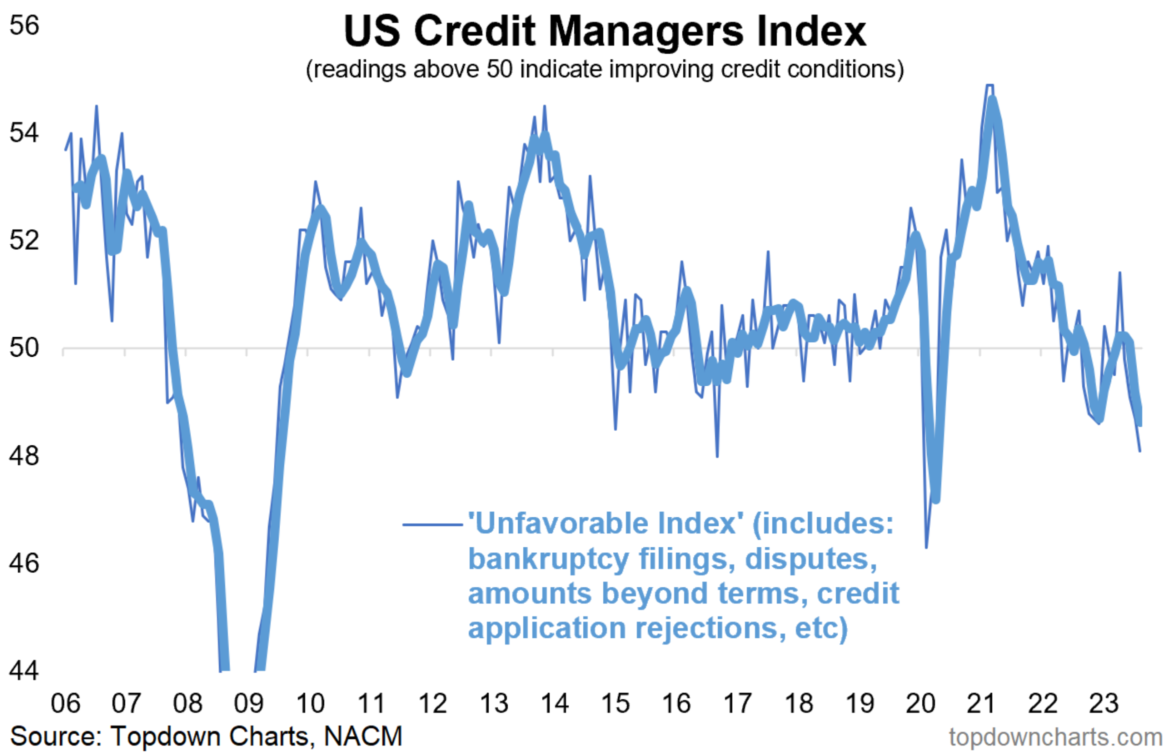
Source: Topdown Charts, Refinitiv topdowncharts.com

# 2. Credit Spreads

TOP DOWN CHARTS

Lastly, there is also a divergence between the ISM manufacturing PMI and credit spreads – and this might be dismissed by some as not meaningful given the importance of services in the US economy, but it is a clear and important signal from the most cyclically sensitive part of the economy. Meanwhile, looking at the "Unfavorable Index" from the Credit Managers survey – the October reading saw the worst conditions since 2020. So while there may be pushback along the lines of "yeah, but where's the recession?" …again I would advise against complacency here.



# 3. Commodities

TOP DOWN CHARTS

**3. Commodities:** a new higher floor…

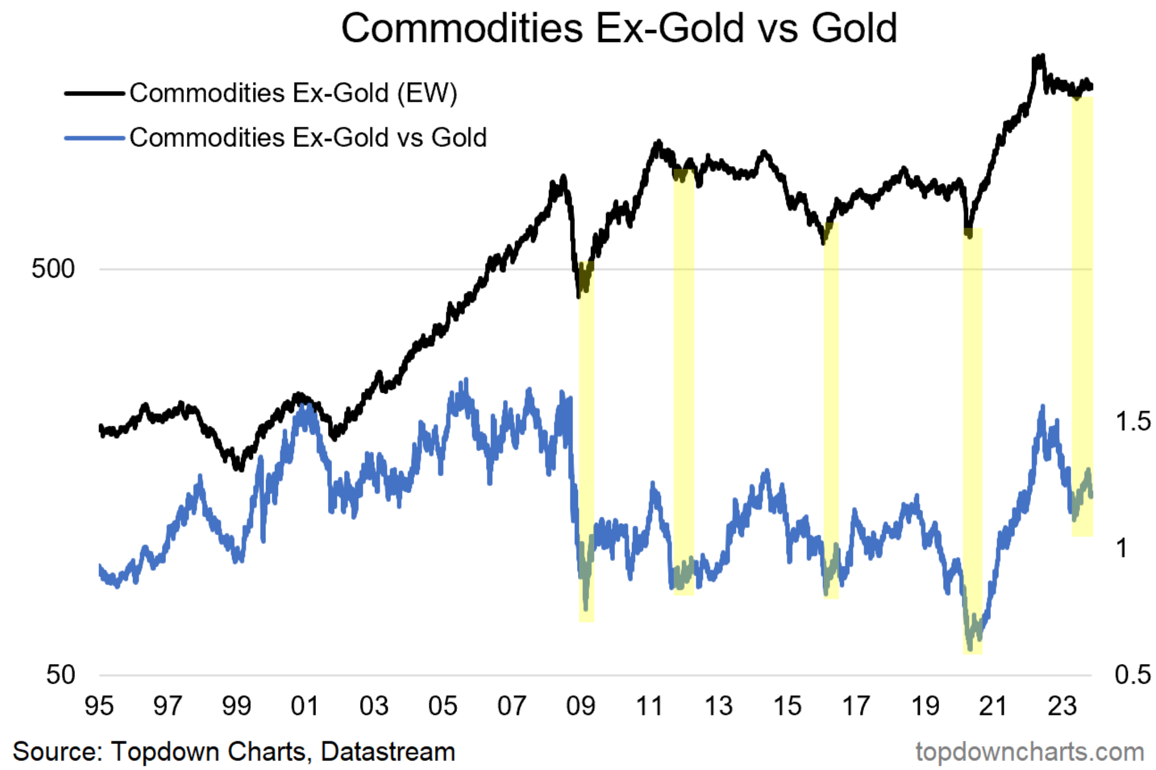
- The medium-term bullish signals on commodities (which were part of the reason I switched from bearish to bullish commodities) remain a work in progress.
- Shorter-term technicals remain constructive, albeit energy has been notably weak in recent weeks (yet industrial metals continue their base-building process).
- The mixed but constructive technicals picture is set against a backdrop of a notable reset in valuations and sentiment/positioning back to neutral as the cyclical bear off the 2022 peak runs its course.
- As previously noted, my view even when I turned bearish on commodities in early-mid 2022 was that they likely find a higher floor given the previous near decade-long period of underinvestment in supply by commodity producers.
- This appears to be playing out now, and hence my cyclical bull view on commodities.

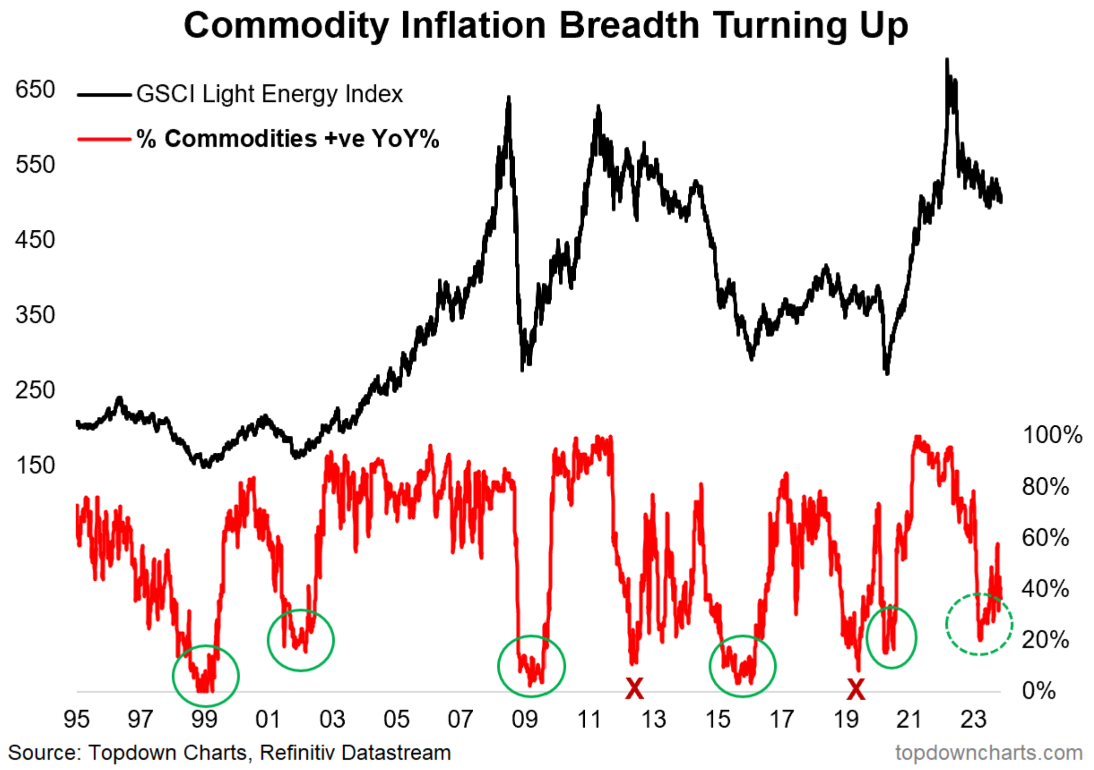
***Bottom line:*** Remain bullish on commodities as long-running underinvestment in supply meets a material reset in value/sentiment/positioning, and improved technicals.

# 3. Commodities

TOP DOWN CHARTS

Checking in on commodities, I previously pivoted from bearish to bullish, partly on the back of these longer-term technical charts which turned in bullish signals. So far the signals have not been negated, but as yet progress has been somewhat start-stop.

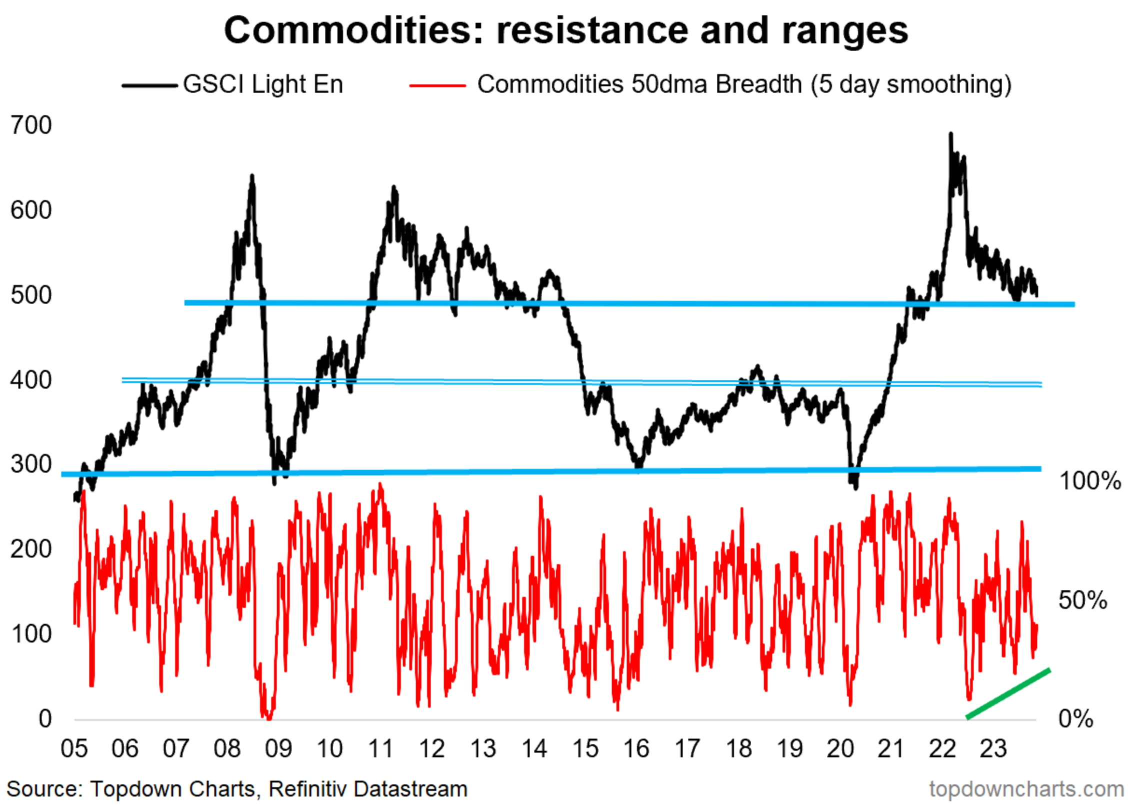


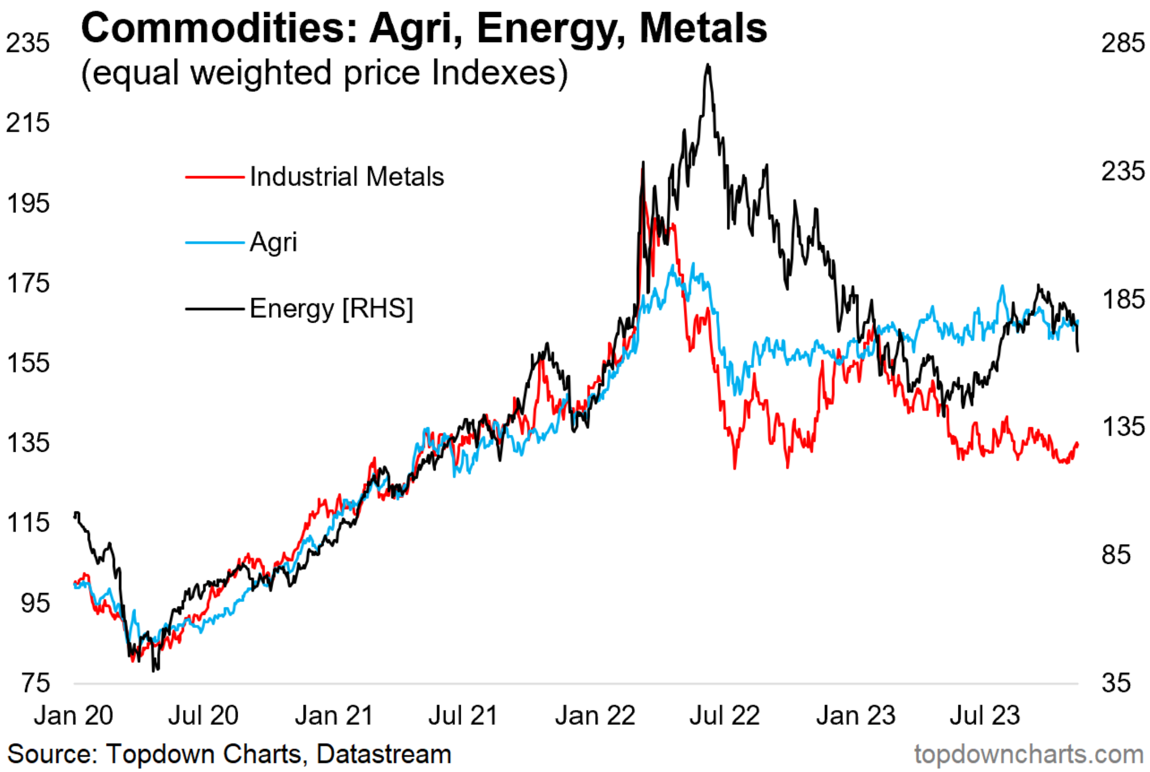



# 3. Commodities

TOP DOWN CHARTS

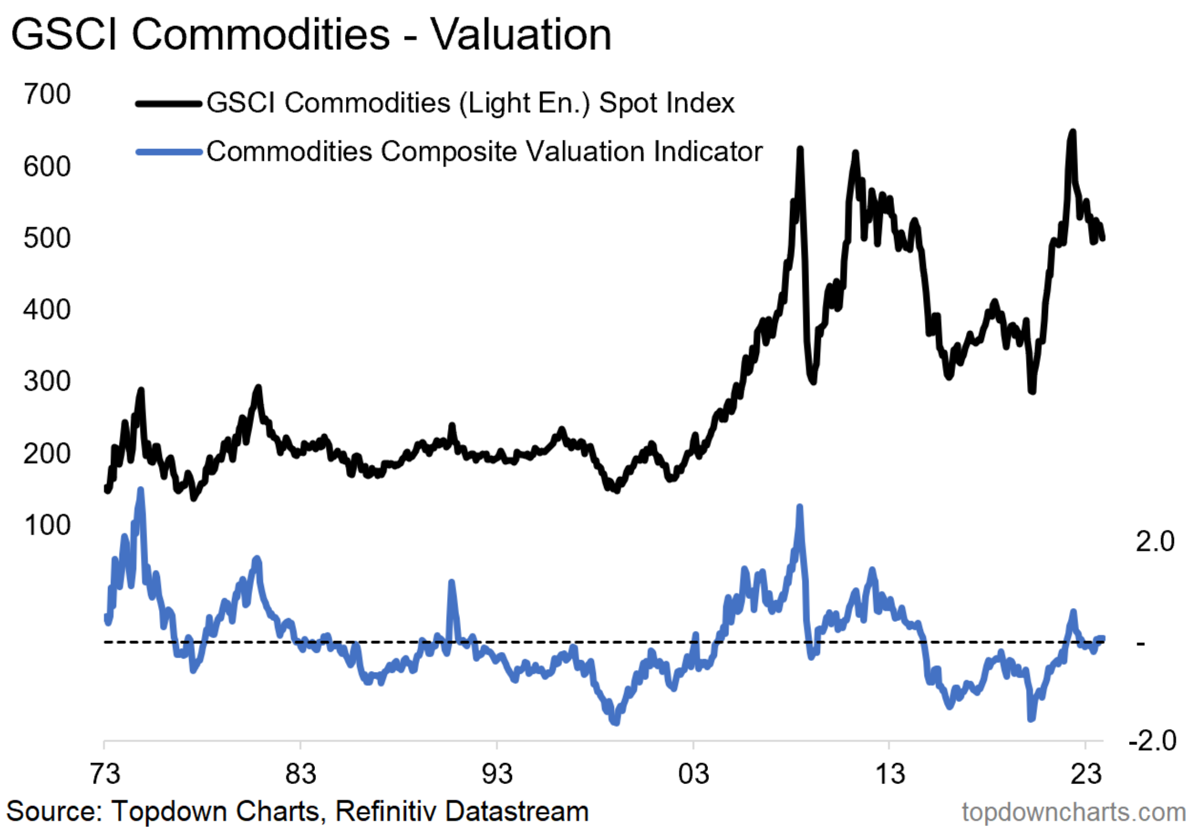
Looking at the shorter-term technicals, commodities have pulled back after rebounding off the lows, but so far have not revisited the lows/support. Meanwhile short-term breadth has made a higher low, which is one reason to remain constructive. Looking at the major groups within commodities, energy has pulled back notable, meanwhile agri is largely ticking along (albeit quite mixed across individual agri commodities), and industrial metals continue base-building.

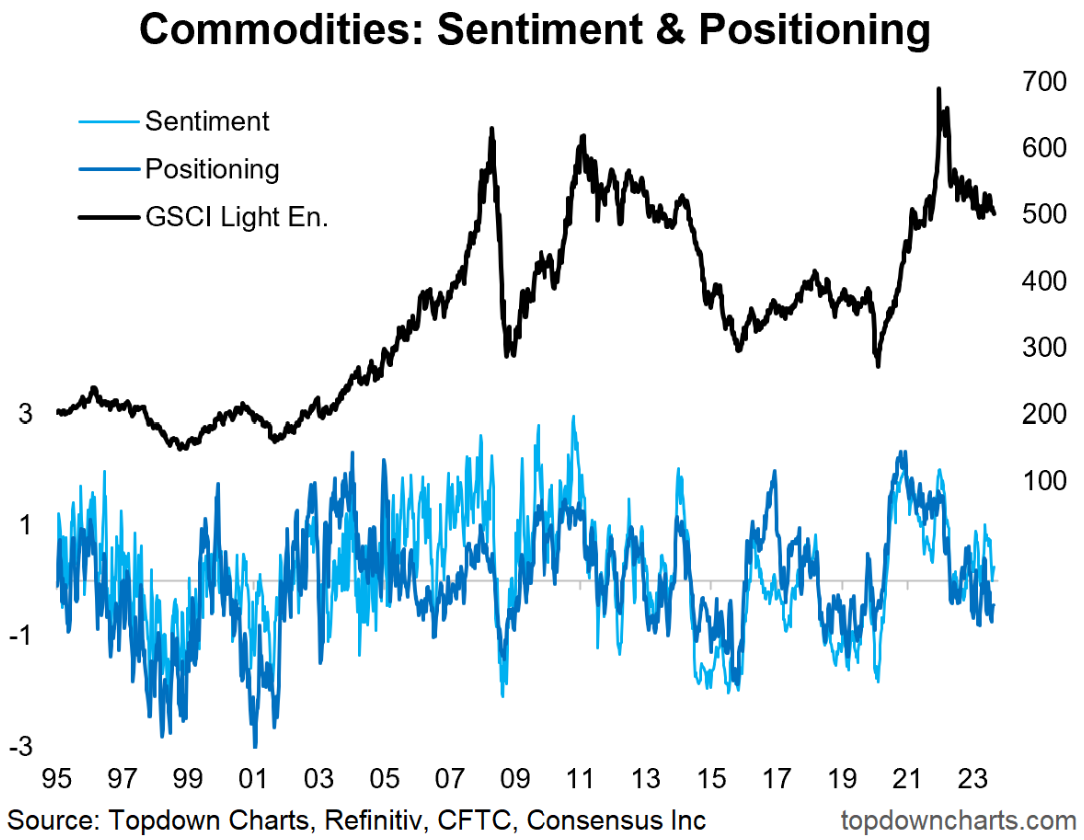


# 3. Commodities

These mixed, yet overall constructive technicals are set against a backdrop of the value signal pulling back to neutral, and sentiment/positioning resetting towards neutral/bearish. Overall I would say this is consistent with the end of the cyclical bear market in commodities from the 2022 peak, and the idea that commodities would probably find a new higher floor price.

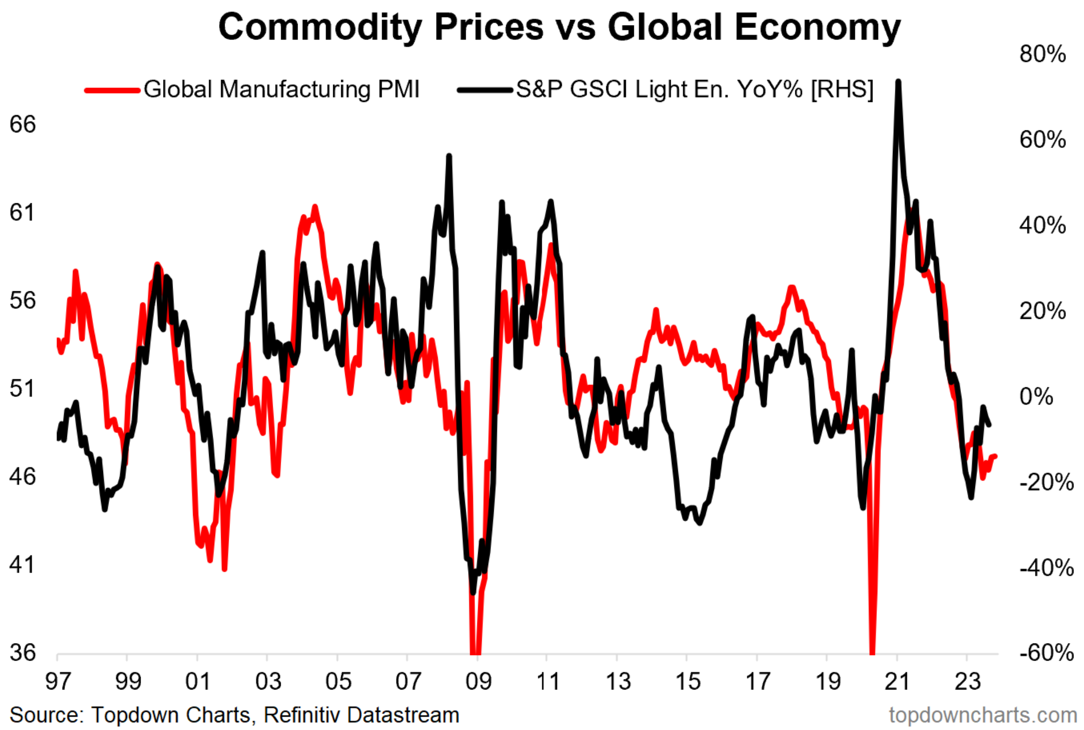


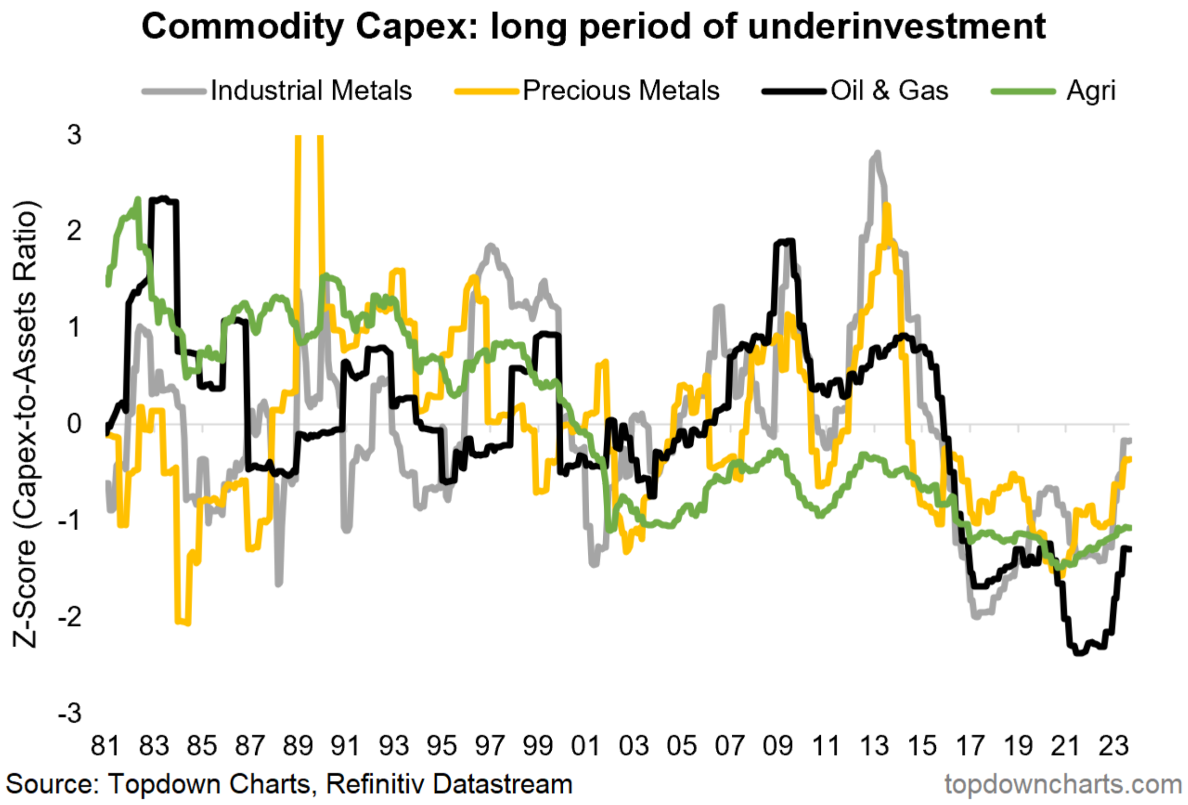



# 3. Commodities

TOP DOWN CHARTS

That assertion that commodities find a higher floor price is based on the long period of underinvestment in supply by commodity producers (basically a commodity capex depression). Yet the demand side of things still matters and there has indeed been cyclical downdrafts for commodities particularly as global trade and manufacturing have been stagnant/recessionary over the past year. But taken all together, there is a case for bullishness on commodity prices following the big reset in prices, value, and sentiment.



# 4. Emerging Markets

**4. Emerging Markets:** looking for signs and signals of an inflection point…

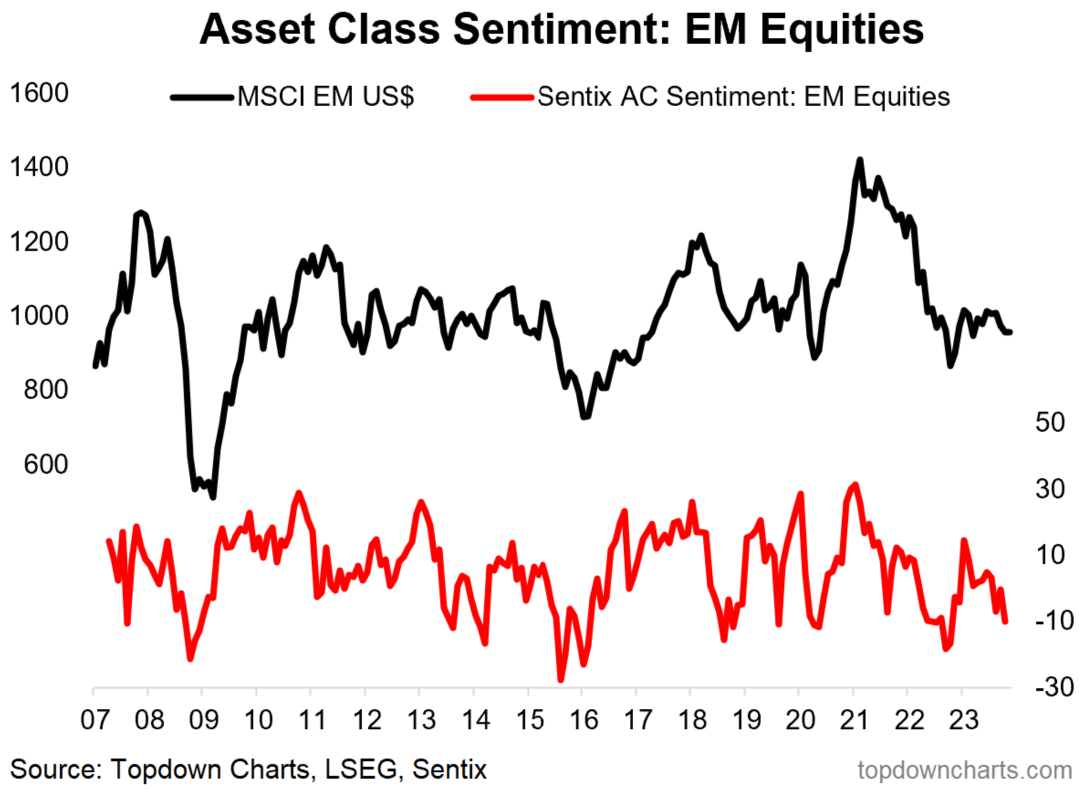
- EM asset pricing saw a significant shift since last week's weak payrolls and FOMC, as EM investors basically signal their belief that the Fed is done (and USD peaked).
- This comes just as investors began to capitulate once more on EM equities.
- It also comes as EM monetary conditions improve – with EM central banks as a group now pivoting to rate cuts (recall: they were previously first and most furious to hike), this along with a bearish outlook for the US dollar makes for a setup where previous monetary headwinds are set to turn to tailwinds.
- Meanwhile, the valuation case remains sound, with the composite value indicator across countries still at compelling cheap levels.
- While the Fed/USD are likely to be the main and most likely bullish catalyst for EM, the recent weak CPI numbers from China along with ongoing property downturn raise the odds and scope for more meaningful stimulus (another key potential catalyst).

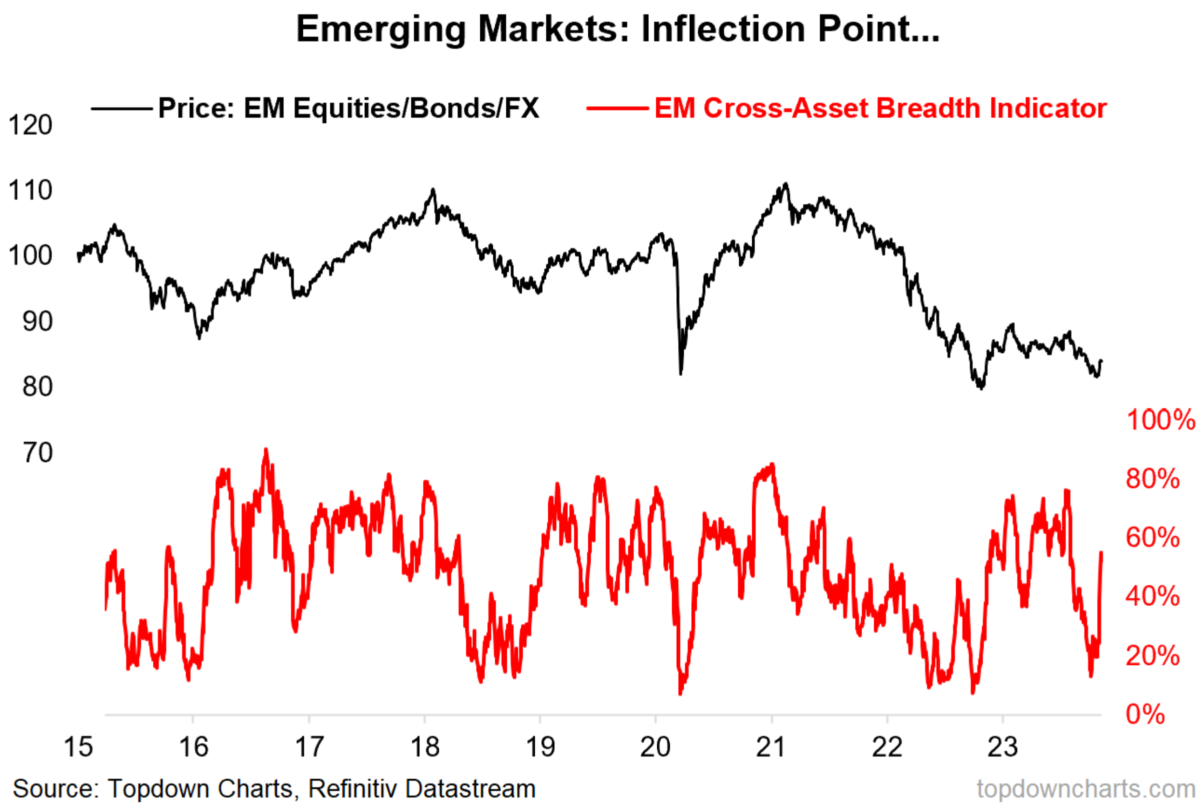
***Bottom line:*** Bullish EM equities as a prospective inflection point comes against a backdrop of a turn in monetary conditions, capitulating sentiment, and cheap valuations.

# 4. Emerging Markets

TOP DOWN CHARTS

As noted on Monday, Emerging Market assets have seen a sharp shift higher off the lows following last week's weak payrolls and FOMC meeting – the implication being that EM investors basically reckon the Fed is done. Interestingly this came just as investors began to once again capitulate and give up on EM equities. In these markets, sentiment can shift swift. That said, we have definitely seen false dawns in EM asset price action previously, so back to the fundamentals…

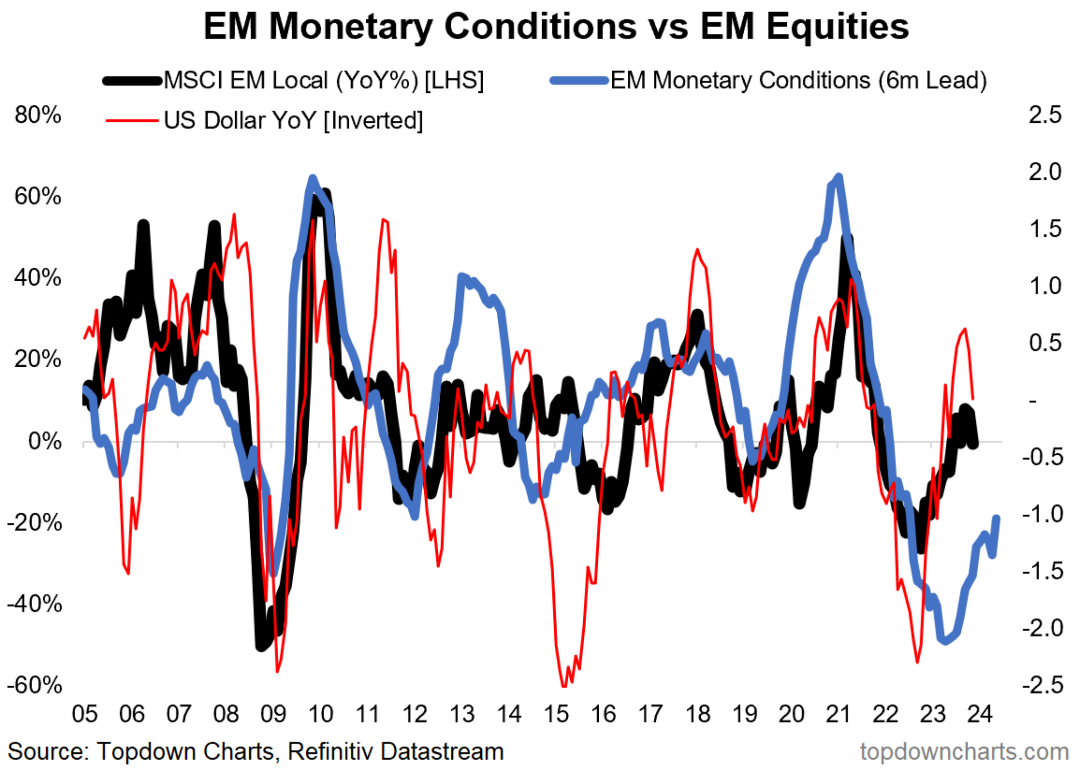


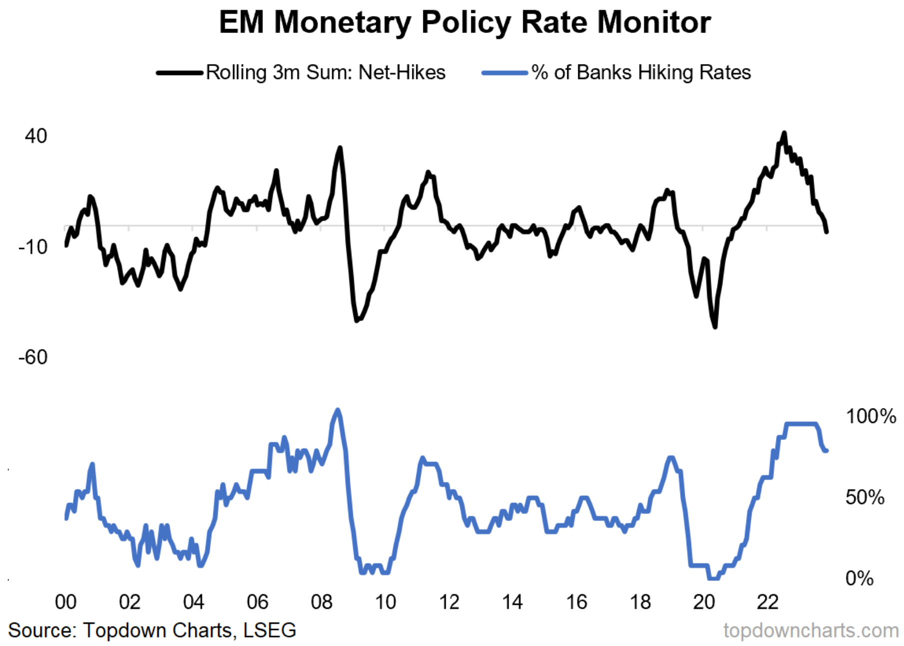



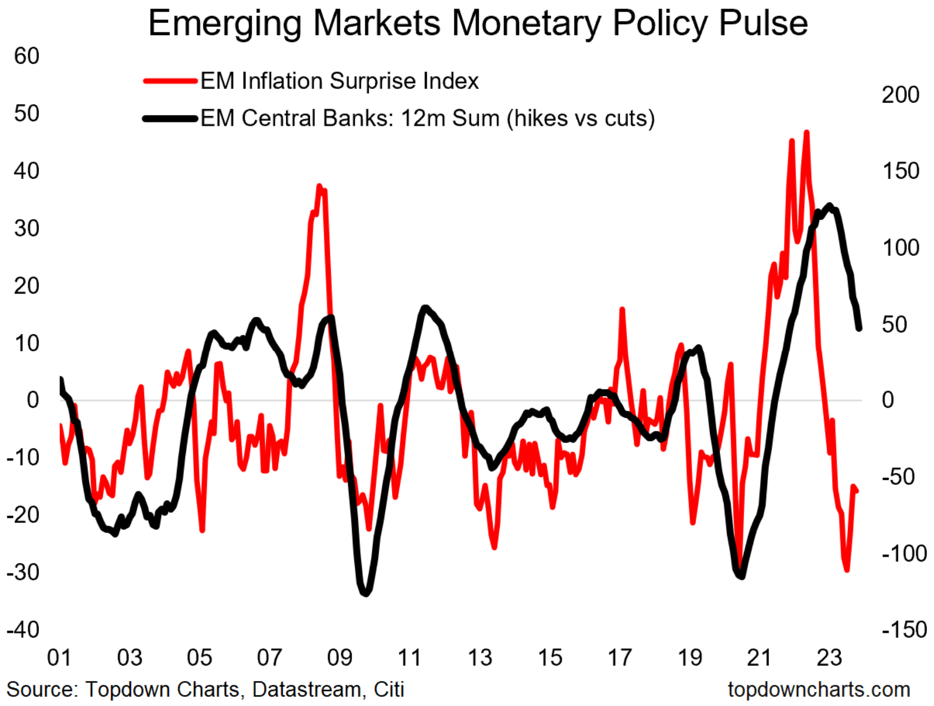
# 4. Emerging Markets

TOP DOWN CHARTS

A key reason to be constructive on EM, aside from a potential peak in Fed rates and bearish outlook for the US dollar, is the fact that EM central banks have already turned the corner. As a group, EM central banks have already begun to move toward interest rate cuts, and broad EM monetary conditions have turned toward easing from previous record tightening. Should we get follow through on this and USD weakness it will be a big tailwind for EM.



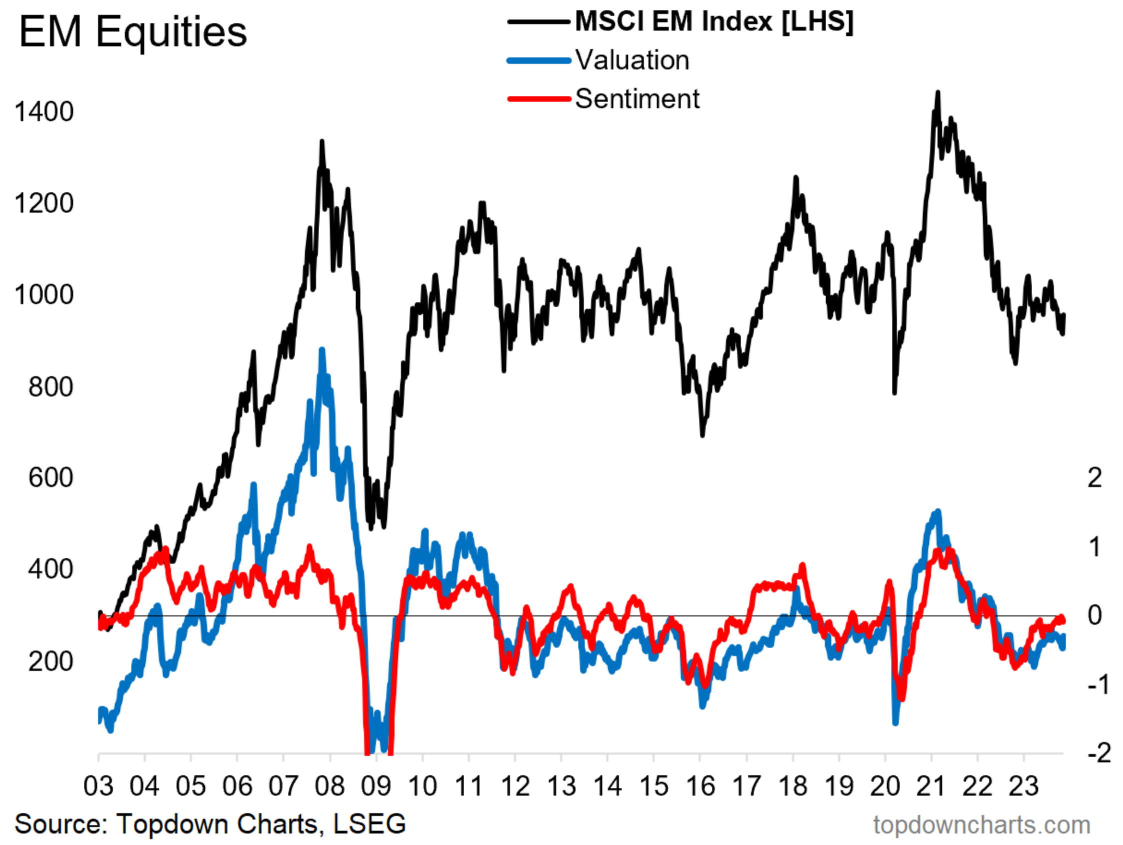



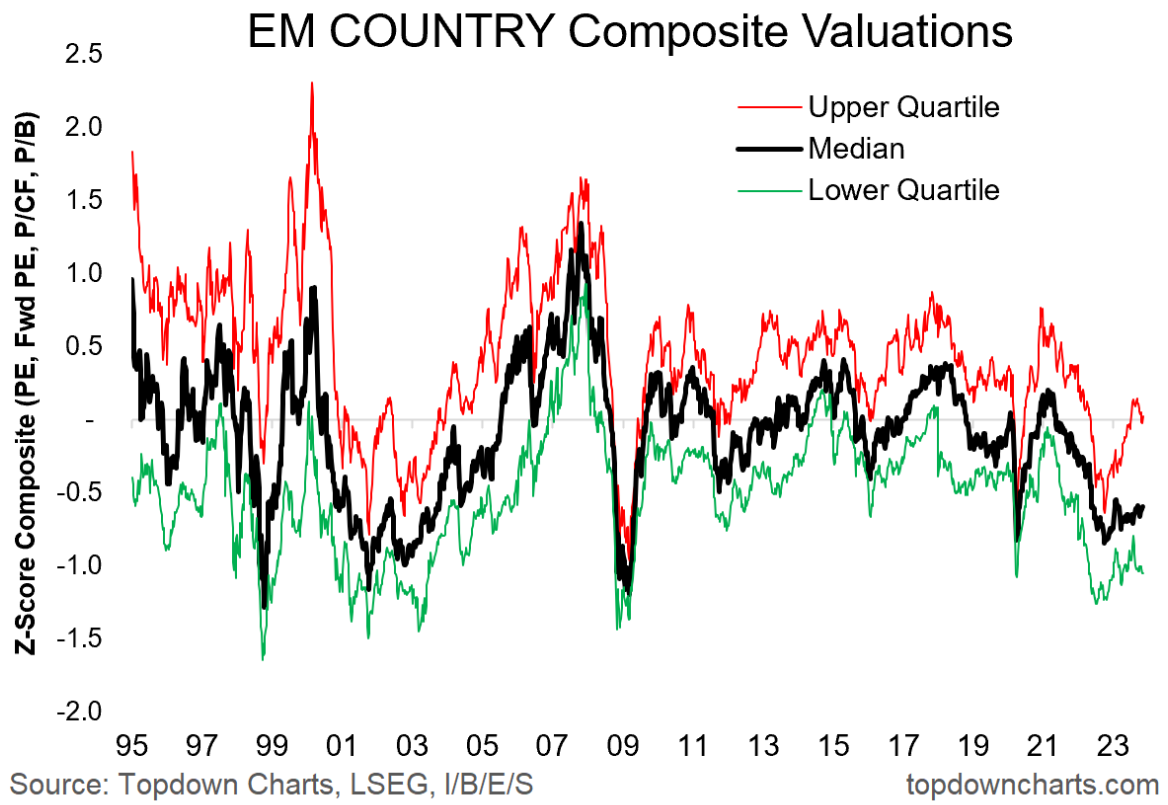



# 4. Emerging Markets

TOP DOWN CHARTS

This all comes as EM equities bounce off lower support, with sentiment and valuations trending up from previous notably significant contrarian bullish conditions (cheap valuation, excess pessimism), and broad valuation measures across countries still materially cheap. Taken as a whole it does look promising, particularly as the weak inflation readings for China during October likely further raise the odds of more material stimulus – certainly at least gives them the option.



# 5. Frontier Markets

TOP DOWN CHARTS

**5. Frontier Markets:** bullish strategic, mixed tactical…

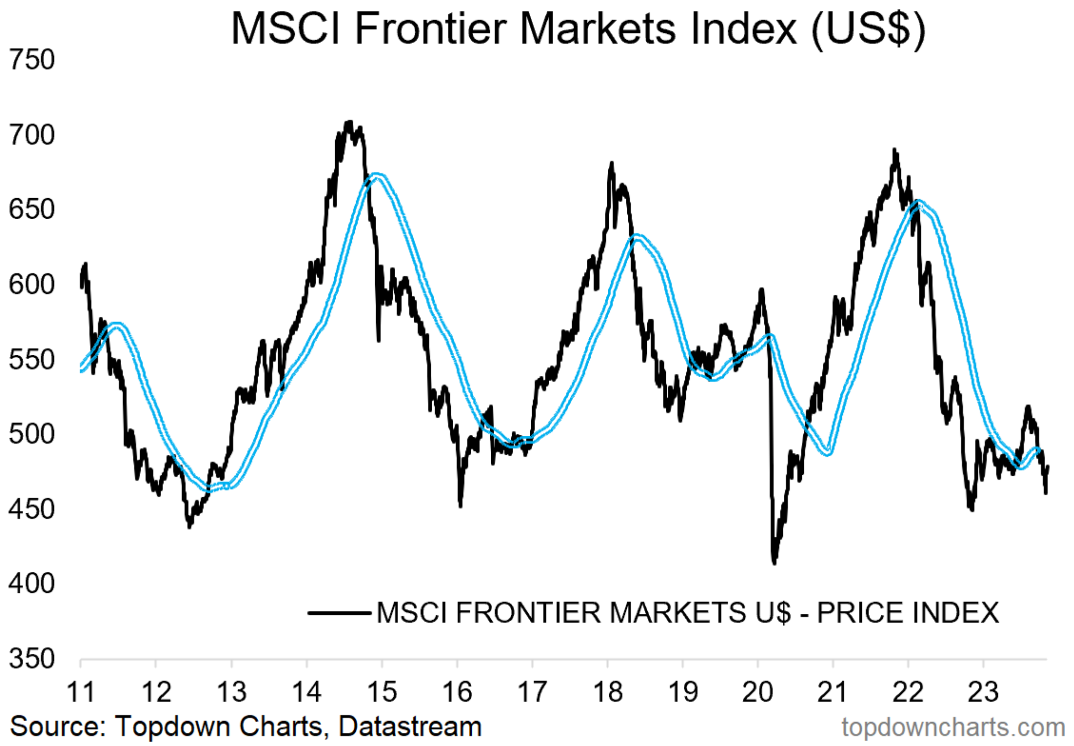
- Similar to EM, FM equities have rebounded off the lows. Yet the technicals picture is somewhat mixed, the MSCI Frontier (US$) index managed to avoid making a new low, yet remains below support and its 200dma. Breadth has also weakened.
- Overall on the tactical outlook, it's a case of mixed signals, but with some cause for optimism (in that it stopped falling, and avoided a new low).
- On the strategic outlook, FM equity valuations remain cheap, expected returns high, and the other aspects still there too (FM countries have stronger demographics, FM equities historically had lower correlations vs the rest of global equities, lower historical volatility than EM).
- One issue however has been ongoing weakness on the FX front (recall, FM equities basically need to be considered in USD terms due to likely difficulty of hedging FX). On the other hand though, you might argue it looks even better given FM FX is now significantly undervalued and breadth is basically oversold. And that is true, however the first rule of picking turning points is you want to see the thing stop falling first.

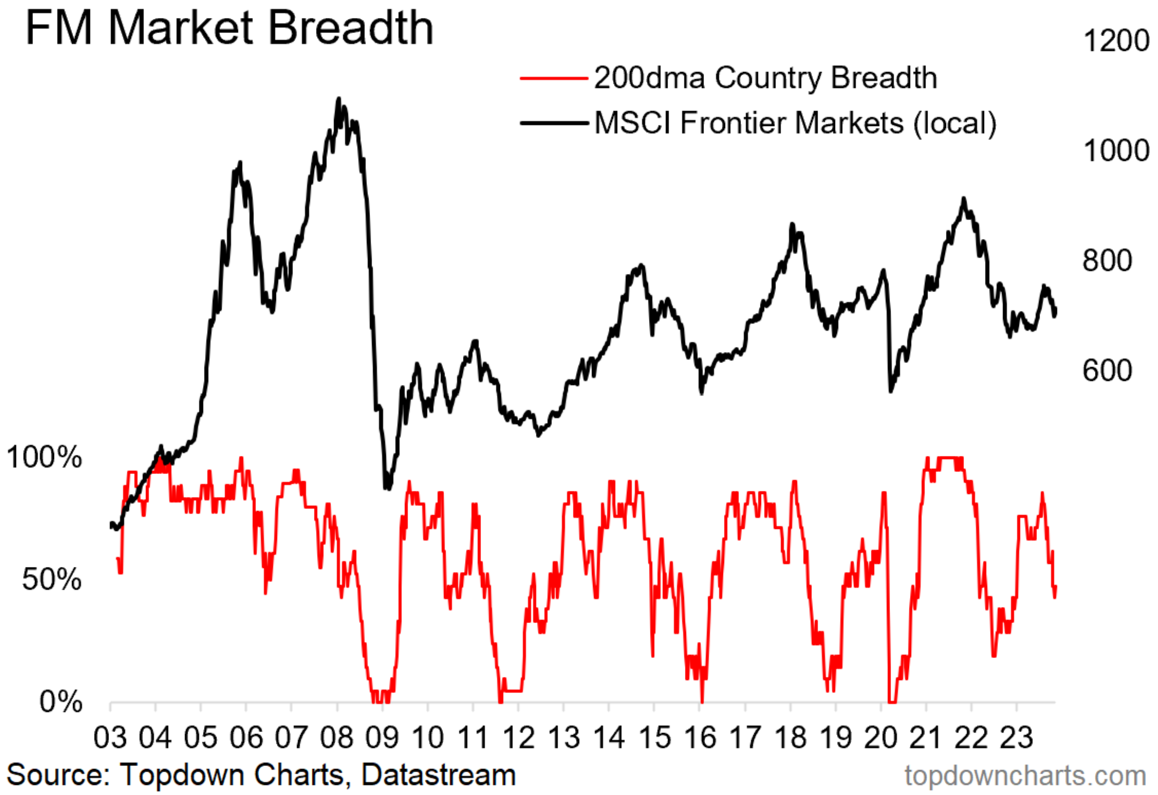
***Bottom line:*** Remain low conviction bullish on FM equities based on the strong strategic/value case, but need to see technicals and FX improve to raise conviction.

# 5. Frontier Markets

TOP DOWN CHARTS

Checking in on Frontier Market equities, much like EM, FM equities also rebounded off the lows. But technically it still looks to be on somewhat tenuous ground. The Index in USD terms remains below its 200-day moving average (albeit at least it managed to avoid making a new low), and country breadth has dropped to about only 50% of FM countries trading above their respective 200-dma – but has ticked up after the reset of the past few months. So, overall mixed signals on the technicals, but with some cause for optimism.

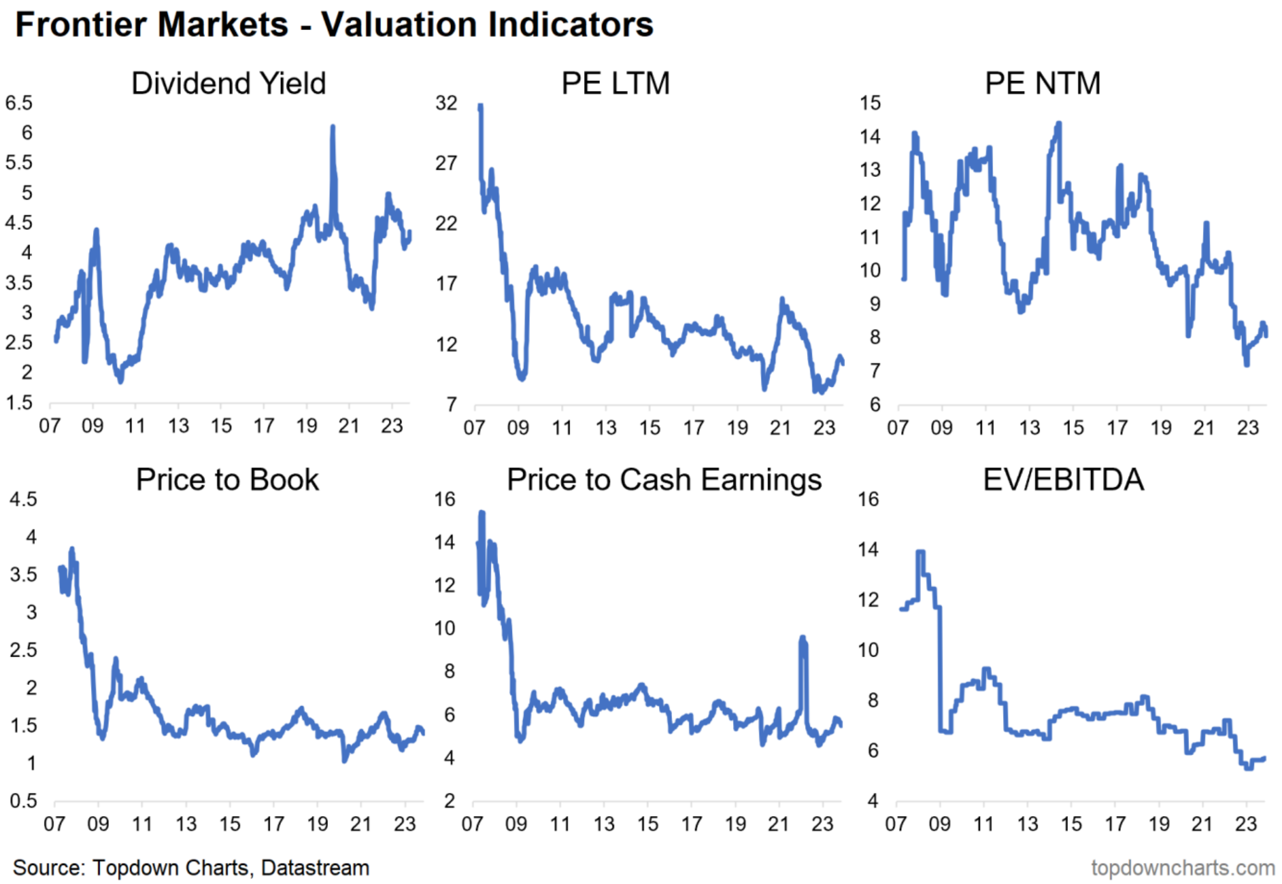


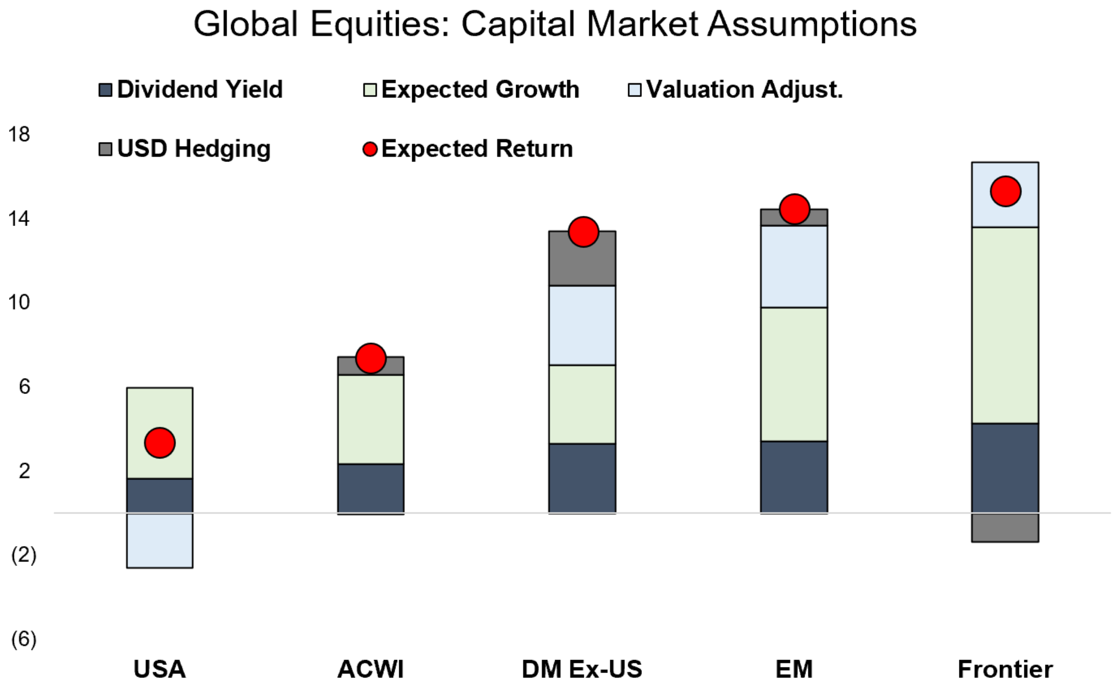



# 5. Frontier Markets

TOP DOWN CHARTS

On the strategic case, FM equity valuations remain cheap across most metrics, and FM equities remain at the top of the expected returns table (albeit there is not much between them and developed ex-US or Emerging Markets). So overall, the medium-term bias remains bullish.



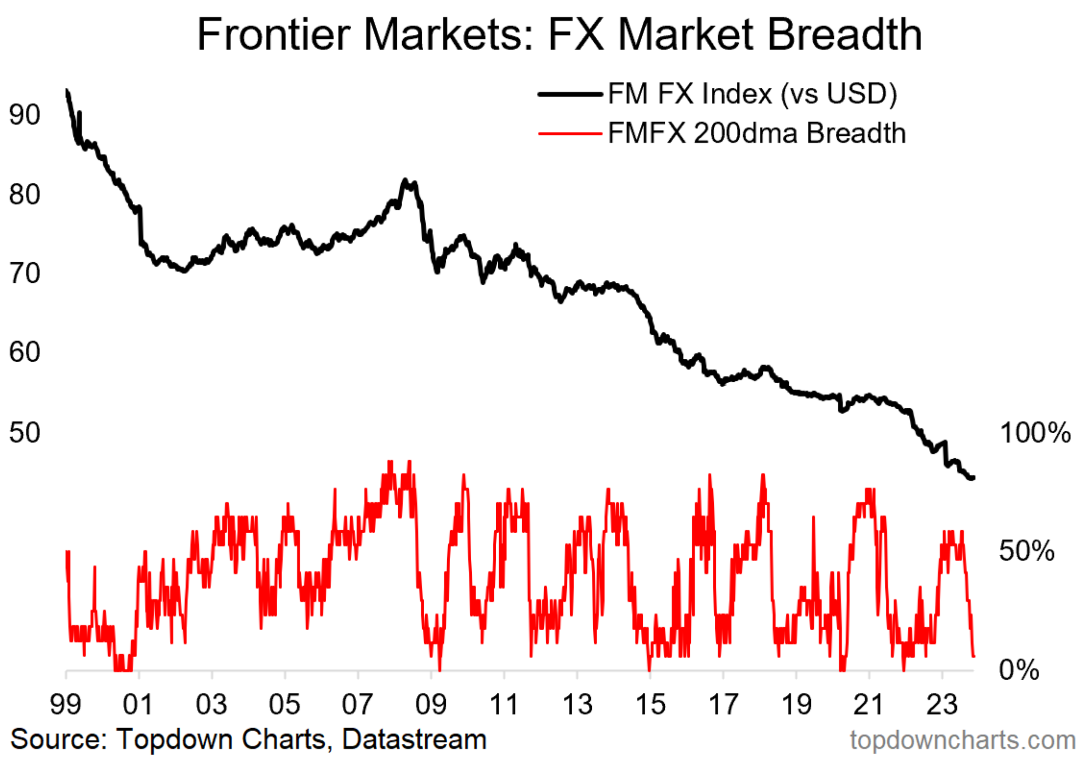



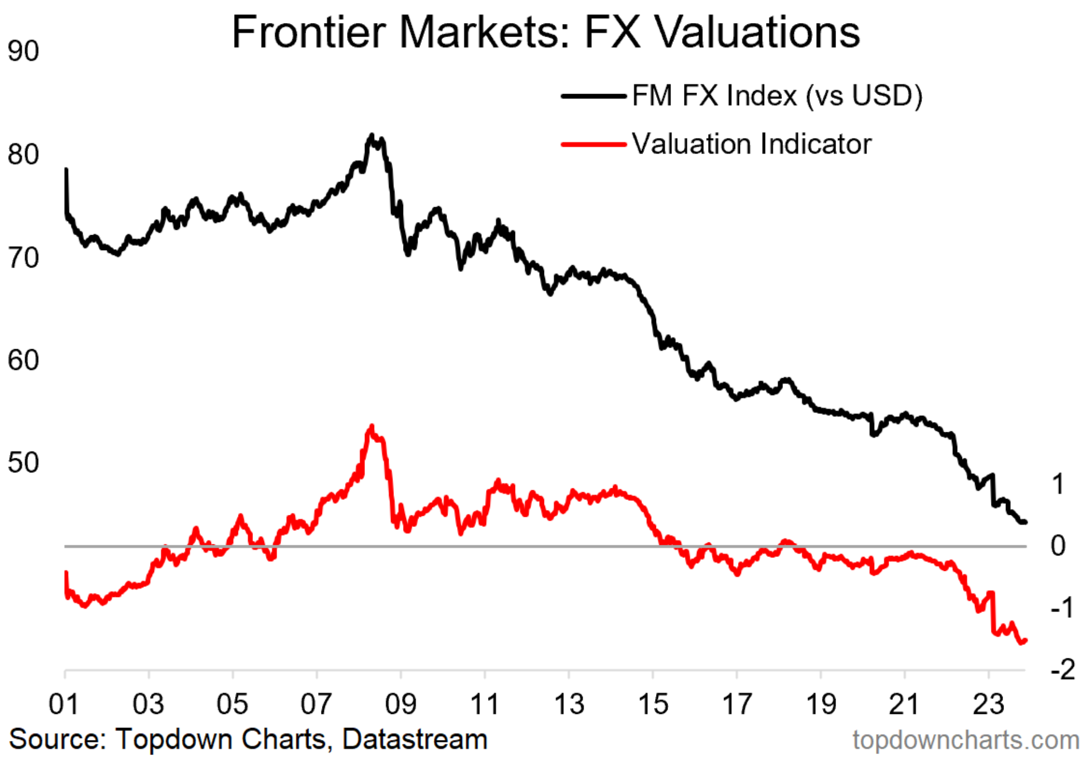

Dividend yield = latest dividend yield (via Refinitiv Datastream)
Expected growth = expected real GDP growth + expected inflation (informed by IMF historical data and forecasts)
Valuation adjustment = mean reversion over a 5 year period based on combined: PE10, LTM PE, NTM PE (via Refinitiv Datastream)
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



One issue however has been ongoing weakness on the FX front (recall, FM equities basically need to be considered in USD terms due to likely difficulty of hedging FX). On the other hand though, you might argue it looks even better given these charts as FM FX is significantly undervalued and breadth is basically oversold. And that is true, however the first rule of picking turning points is you want to see the thing stop falling first.



# Ideas Inventory – OPEN/CURRENT THEMES AND IDEAS

TOP DOWN CHARTS

| Date | Category | Subject | Topic | Direction | Timeframe | Conviction | Comments/Notes | Updates |
|---|---|---|---|---|---|---|---|---|
| 13 Oct 2023 | **Idea** | Equities | Defensive Value | Bullish | 6-18m | Med. | Cheap relative value, light allocations, (vs growth stocks expensive) | |
| 15 Sep 2023 | **Idea** | Comdty | Commodities | Bullish | 1-3yrs | Med. | Risks shifted back to upside: technicals, sentiment, value, thematics | 10 Nov 2023: maintain |
| 21 Jul 2023 | **Idea** | Equities | REITs | Bullish | 3-6m | Low | Technicals turning up, extreme pessimism, slight relative value | 27 Oct 2023: maintain |
| 9 Jun 2023 | **Macro** | Policy | Global | Dovish | 6-18m | Med. | Downside risks to growth/inflation, monetary tides turning on the fringe | 13 Oct 2023: maintain |
| 26 May 2023 | **Idea** | Equities | Japan | Bullish | 1-3yrs | High | Improving economics, compelling valuations, underallocated | 18 Aug 2023: raise conv. |
| 20 Jan 2023 | **Idea** | Equities | Emerging | Bullish | 6-18m | Med. | Cheap valuations, improving technicals/sentiment, macro/FX | 10 Nov 2023: maintain |
| 11 Nov 2022 | **Idea** | FX | US Dollar | Bearish | 6-18m | High | Overvalued, overstretched, overcrowded, pillars of support fading | 27 Oct 2023: maintain |
| 21 Oct 2022 | **Macro** | Housing | US/Developed | Down | 1-3yrs | Med. | excessive valuations, rate shock, reinforcing macro headwinds | 14 July 2023: maintain |
| 14 Oct 2022 | **Idea** | Equities | US Small Caps | Bullish | 6-18m | Low | Valuation reset, contrarian bullish sentiment, promising technicals | 15 Sep 2023: on-watch |
| 12 Aug 2022 | **Idea** | Equities | Frontier Markets | Bullish | 6-18m | Low | Valuations cheap, FX value also (extreme) cheap, technicals turning | 10 Nov 2023: maintain |
| 24 Jun 2022 | **Macro** | Inflation | Global | Down | 6-18m | Med. | commodity downside, growth risks, base effects, supply rebound | 15 Sep 2023: reduce conv. |
| 17 Jun 2022 | **Idea** | Equities | China | Bullish | 6-18m | Low | Technicals/value/macro/policy/sentiment (A-shares + MSCI) | 20 Oct 2023: maintain |
| 13 May 2022 | **Idea** | Bonds | Treasuries | Bullish | 12-18m | Med. | initiate initial bullish view on technicals/sentiment/macro | 20 Oct 2023: raise conv. |
| 11 Feb 2022 | **Risk** | Credit | Credit Spreads | Bearish | 6-18m | Med. | on risk-watch given risk flags, stretched valuations, rate hikes | 10 Nov 2023: maintain |
| 28 Jan 2022 | **Idea** | AA | Stocks vs Bonds | Bearish | 1-2yrs | Med. | wary of bullish technicals, but clear macro + value downside risks | 20 Oct 2023: raise conv. |
| 21 Jan 2022 | **Idea** | Bonds | EM Sovereign | Bullish | 1-2yrs | Med. | absolute + relative value, supportive sentiment & technicals | 27 Oct 2023: maintain |
| 21 Jan 2022 | **Macro** | Economy | Global | Down | 1-2yrs | High | multiple leading indicators point to a global recession | 20 Oct 2023: maintain |
| 9 Apr 2021 | **Macro** | Tax | Global | Up | 1-3yrs | Med. | anticipate corporate tax trend turn, and fiscal headwinds | 27 Oct 2023: maintain |
| 27 Mar 2020 | **Idea** | Equities | Global Ex-US | Bullish | 3-5yrs | Low | cheap valuations (absolute & relative), expected return differential | 27 Oct 2023: maintain |
| 27 Mar 2020 | **Idea** | Equities | Value vs Growth | Bullish | 3-5yrs | Low | value cheaper than usual vs growth, techs + macro drivers +ve | 13 Oct 2023: maintain |

# Ideas Inventory – CLOSED/PAST THEMES AND IDEAS



| Date | Category | Subject | Topic | Direction | Timeframe | Conviction | Comments/Notes | Updates | Outcome | % Return |
|---|---|---|---|---|---|---|---|---|---|---|
| 14 Apr 2023 | **Idea** | Comdty | Gold | Bullish | 6-18m | Low | Promising technicals, value, positioning/flows (but needs breakouts x3) | 2 Oct 2023: change to neutral | "Loss" | -9% |
| 13 May 2022 | **Idea** | Comdty | Commodities | Bearish | 6-18m | Low | Still bearish, but big adjustment already, risk outlook more balanced | 31 July 2023: change to neutral | " Profit " | 18% |
| 7 May 2021 | **Macro** | Policy | Global | Hawkish | 1-3yrs | Low | still hawkish, but expect global policy pause soon (pivot much later) | 28 Apr 2023: change to neutral | Correct | n/a |
| 23 Jul 2021 | **Macro** | Capex | Global | Up | 1-3yrs | Low | expect capex to rebound, esp. commodities + infra/climate | 17 Feb 2023: run its course | Correct | n/a |
| 11 Mar 2022 | **Risk** | Equities | Global | Bearish | 6-12m | Med. | weak technicals, policy/inflation headwinds, lack of value case | 27 Jan 2023: change to neutral | " Profit " | 1% |
| 19 Mar 2021 | **Idea** | Equities | Defensive Value | Bullish | 1-3yrs | Med. | (relative) increasingly cheap relative valuations | 27 Jan 2023: change to neutral | " Profit " | 12% |
| 10 Apr 2020 | **Idea** | Equities | EM ex-Asia | Bullish | 12-18m | Low | 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. | cheap valuations, consensus underweight, tactical indicators | 15 Jul 2022: change to neutral | " Profit " | 18% |
| 21 Jan 2022 | **Idea** | FX | EMFX | Bullish | 12-18m | Low | supportive valuations | 8 Jul 2022: neutral/on watch | "Loss" | -9% |
| 21 Aug 2020 | **Idea** | Equities | Energy Stocks | Bullish | 1-3yrs | Low | 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 | 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 | 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. | 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 | 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 | underinvestment in supply, global capex/demand outlook | 13 May 2022: reverse | " Profit " | 74% |
| 17 Sep 2021 | **Idea** | Equities | Gold Miners | Bullish | 6-12m | Low | (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 | 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 | technicals, sentiment, macro, valuations, policy | 21 Feb 2022: move neutral | " Profit " | 3% |
| 8 May 2020 | **Idea** | FX | US Dollar | Bearish | 1-3yrs | Low | 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 | 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 | 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 | strategic +MT case good, but ST mixed. | 13 Dec 2021: move neutral | " Profit " | 59% |
| 9 Oct 2020 | **Idea** | Comdty | Gold | Bearish | 12-18m | Low | 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. | value reset, positioning signal, technicals look bullish | 22 Oct 2021: close (neutral) | "Loss" | -2% |
| 13 Mar 2020 | **Idea** | Equities | Global | Bullish | 12-18m | Low | 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. | 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 | 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 | 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 | 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. | 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 | "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 | 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 | "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 | oversold technicals, cheap absolute & relative valuations | 5 Feb 2021: close (neutral) | " Profit " | 18% |
| 26 Jun 2020 | **Risk** | Equities | EM | Bearish | 1-3m | Low | 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. | 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 | 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. | 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 | 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. | 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)

# Thanks for reading...

Thanks for reading, if you have any questions about the report, or if you have not yet subscribed and would like to, please contact me.

Note: The Weekly Macro Themes is a paid subscription service, please do not forward this document without permission (just ask/tell me).

Please let me know if you would like to refer a potential client as we do offer referral benefits.

Best regards,

Callum Thomas
Head of Research
**Topdown Charts Limited**

info@topdowncharts.com
**www.topdowncharts.com**

+64 22 378 1552