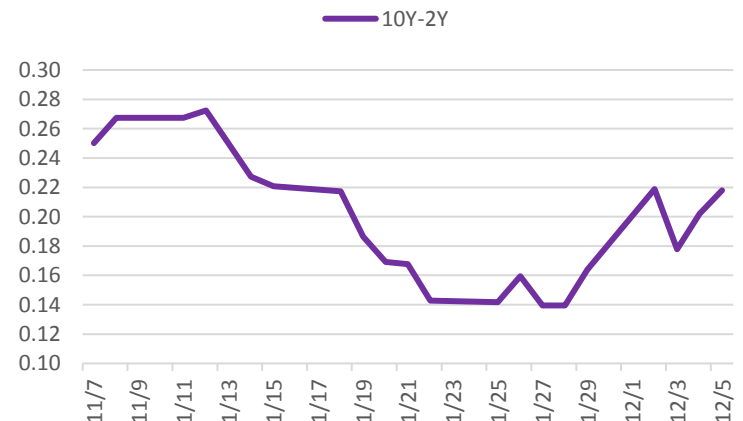
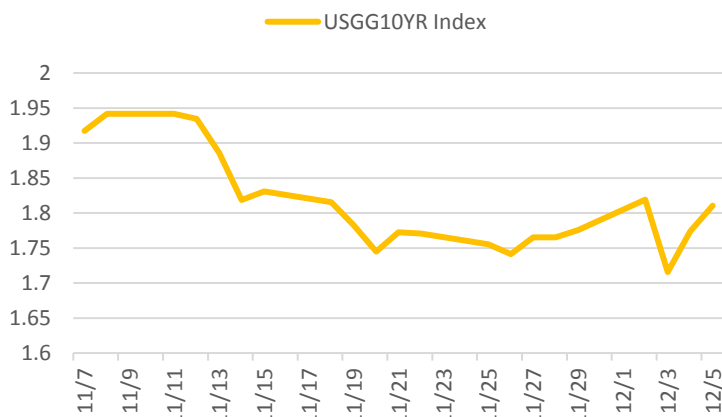
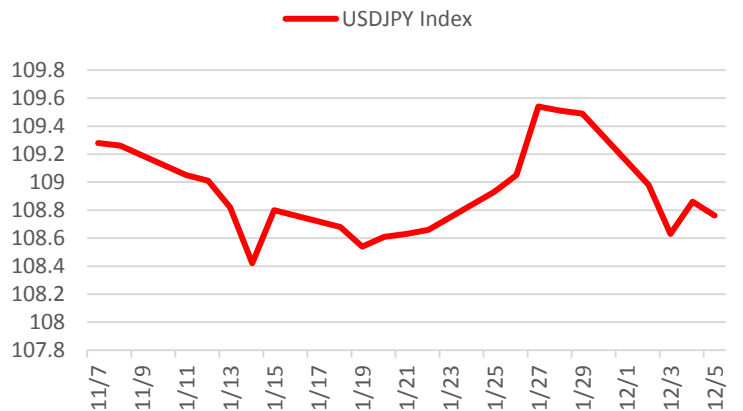
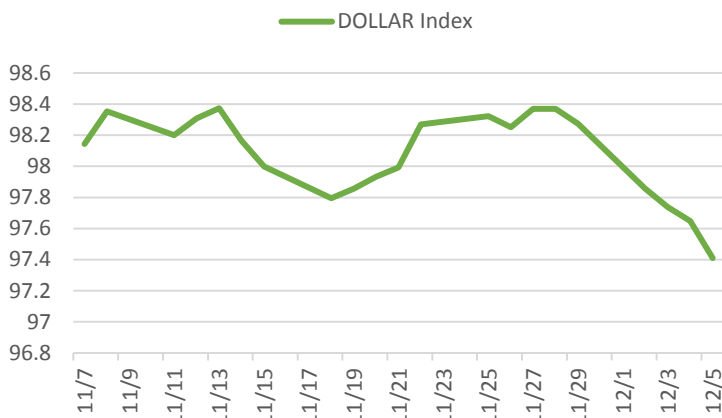
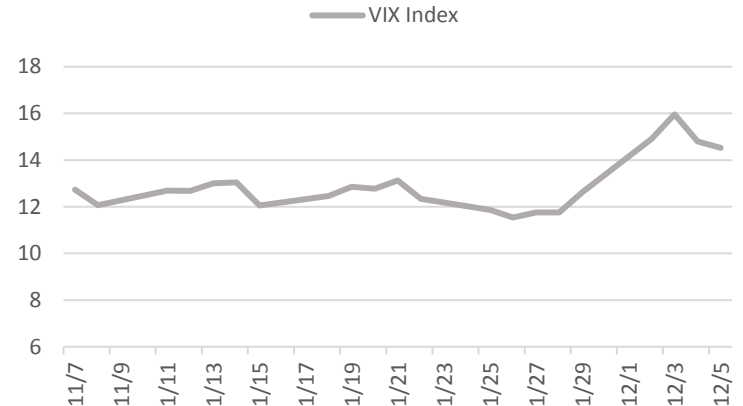
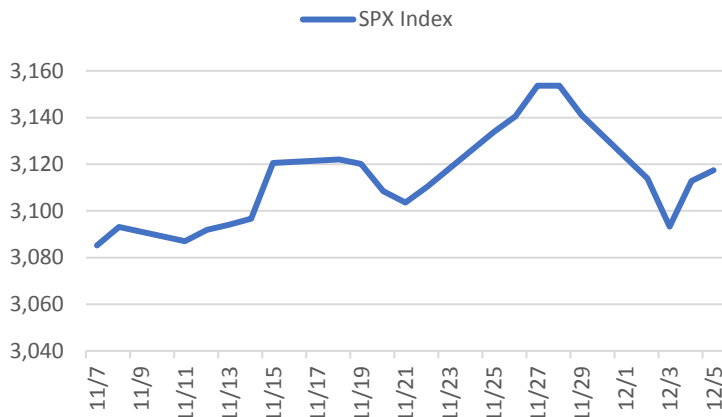


US Market Review

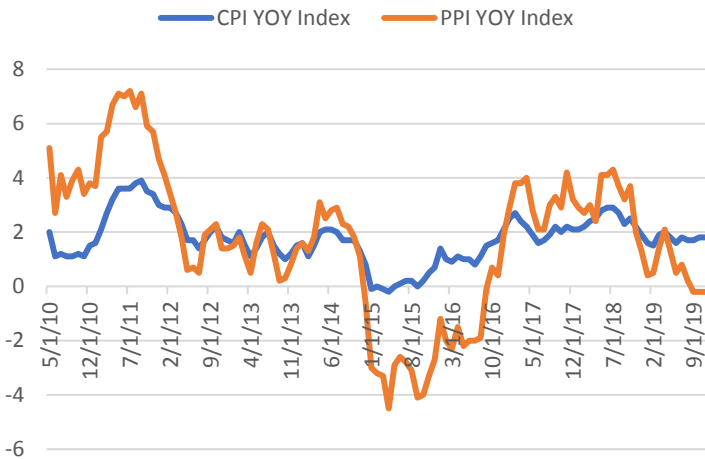
12/6/2019



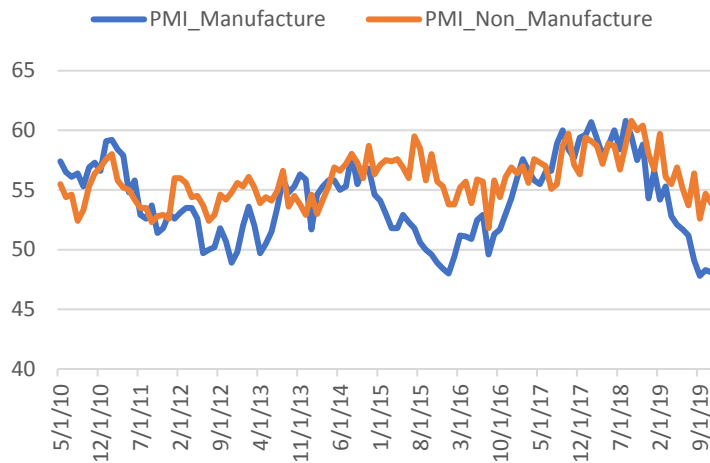
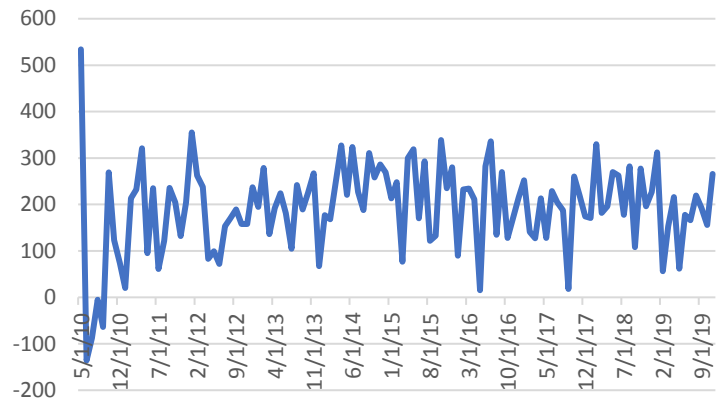
*** Index selection details:

- **SPX index:** S&P 500 index stands for overall market performance
- **Dollar index:** The overall index value of US dollar currency
- **USGG xYR:** US government x-year bond yield stands for overall bond market
- **USDJPY:** USD currency in terms of JPY currency stands for macro risk sentiment
- **10Y-2Y:** 10Y US treasury yield – 2Y US treasury yield stands for macro risk sentiment
- **BCOM index:** Bloomberg commodity index details of composition
(Energy: 30%, Grains: 23%, Industrial metals: 17, Precious metals: 16%, Softs: 7%, Livestock: 5%)

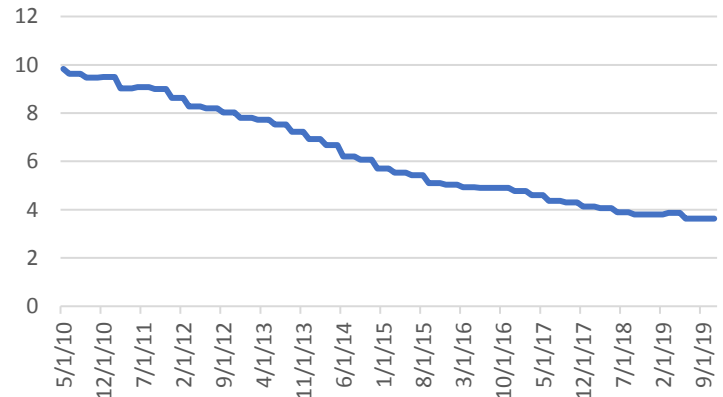
US MACRO (LongTerm)



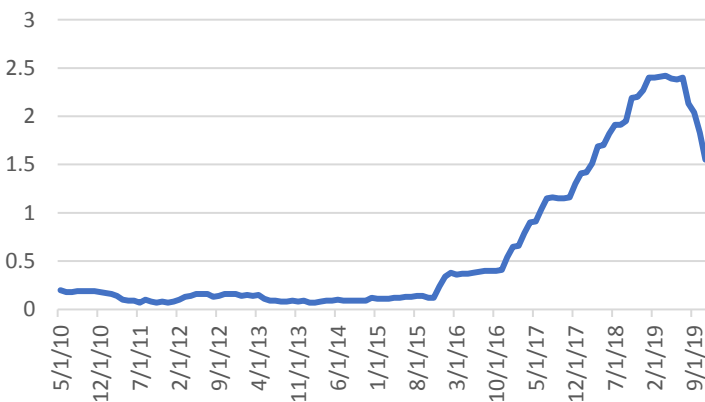
Non-Farm Payroll Change



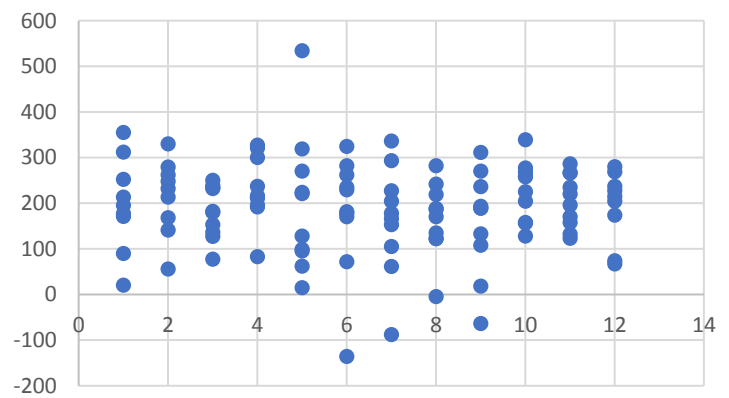
Unemployment Rate



Fed Rate



Non-Farm Change



- Healthy CPI plus a weak PPI suggests inflation is mild but economic outlook starts becoming grey.
- Manufacture sector still weak, as PMI keep below live-dead line.
- Strong employment data support spending and general output.
- Fed protection intend rate cut continues.

News of the week

11/28/19

TO

12/5/19

- 12/02: ISM PMI lower than expected falling from 48.3 to 48.1. U.S. spending on construction projects fell by 0.8% in October, where an increase of 0.4% had been expected.

Trump's announcement reimpose tariffs on Brazilian and Argentinian.
- 12/05: The Institute for Supply Management (ISM) reported that its services (non-manufacturing) index for the month of November decreased to 53.9 from 54.7 in October
- 12/06: Strong job market data: joblessness rate at 50-year low.
Non-farm payrolls rose by a much better-than-expected 266,000 during the month.

Perspective&Review

Date	Market Driver	Equity	Rates	Vol	10Y-2Y	USD Index	JPY
2-Dec	ISM PMI < Exp and Construction shrinks	-1	-1	1	-1	-1	0
6-Dec	Strong Job market and Non-farm payroll	1	1	-1	1	1	-1
Expected		1	1	0	1	1	-1
Actual		1	1	-1	1	-1	0

- Dollar value starts going into a real short trend which will open a time window for metals as well as EM market.
- SP starts to make a head shape and at a high probability still remains in a congestion market.
- Overall market sentiment starts getting better outlook for US since the spread of 10Y-2Y bouncing back a lot.
- The real strong sign probably comes from a confirmation from VIX and 10Y bond. Before this stock market shows no trending logic.