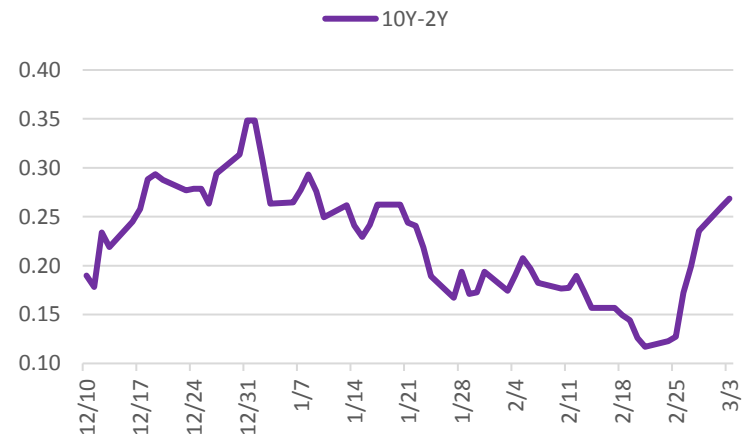
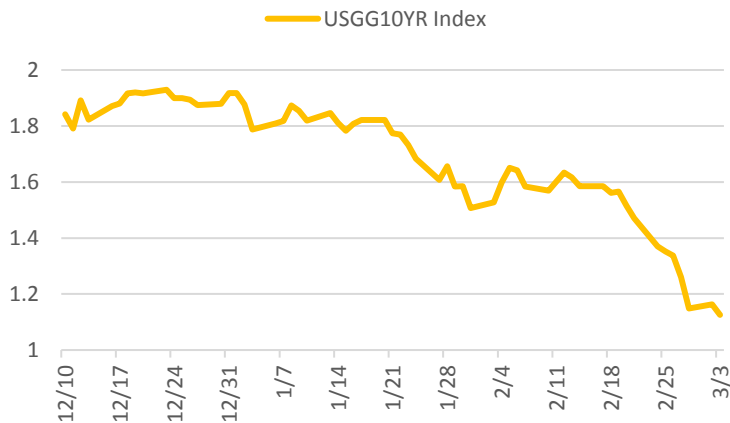
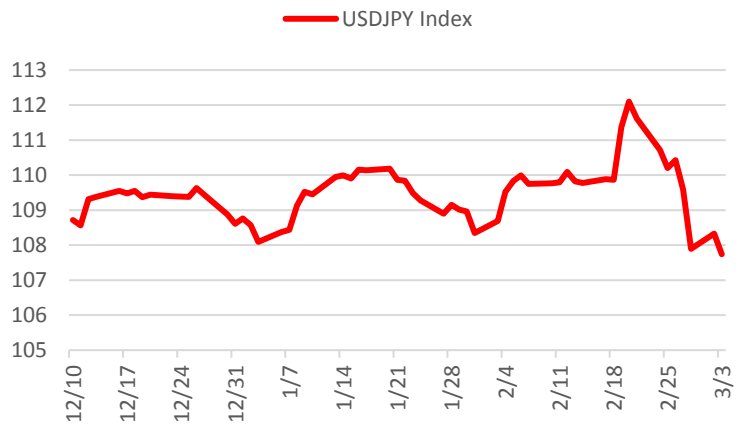
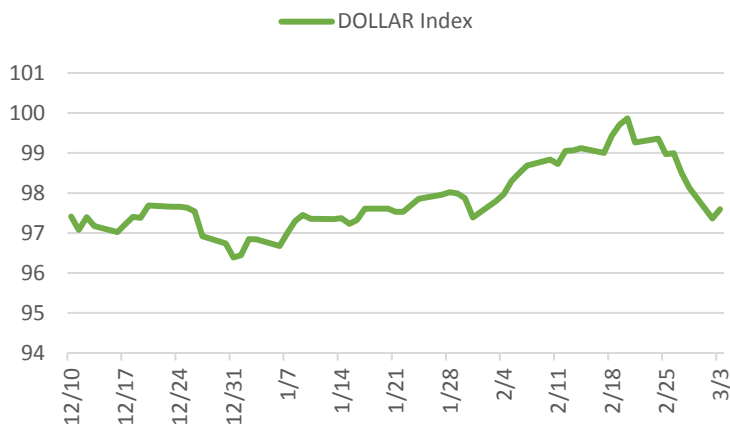
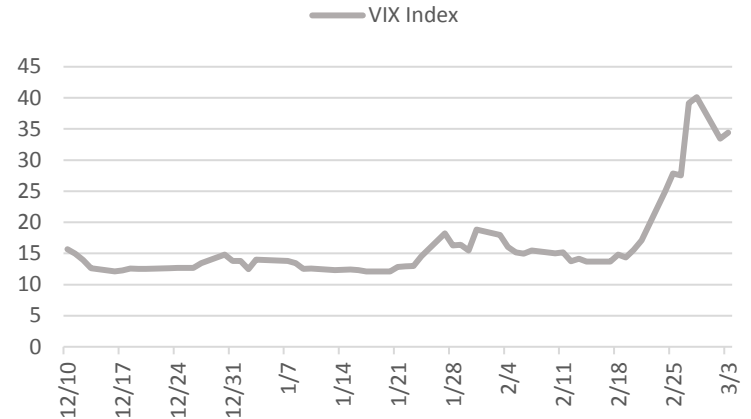
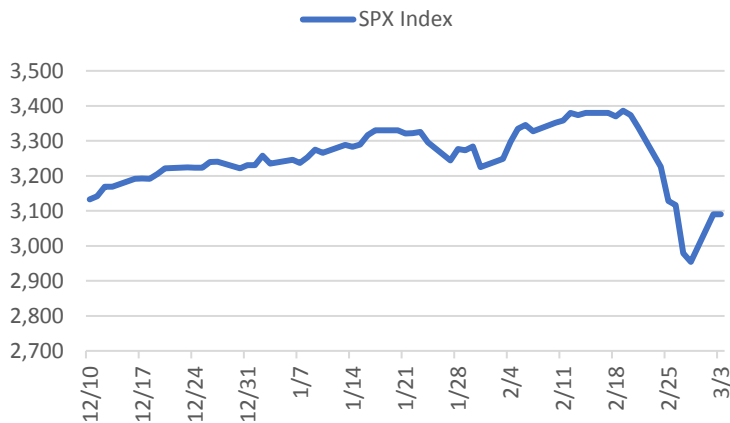


# US Market Review

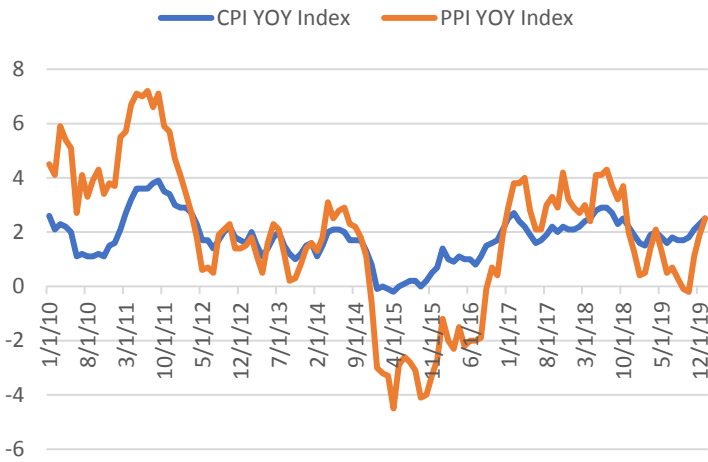
3/3/2020



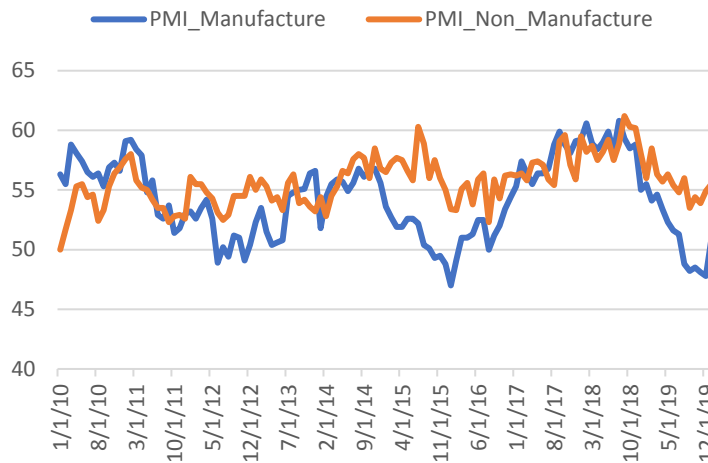
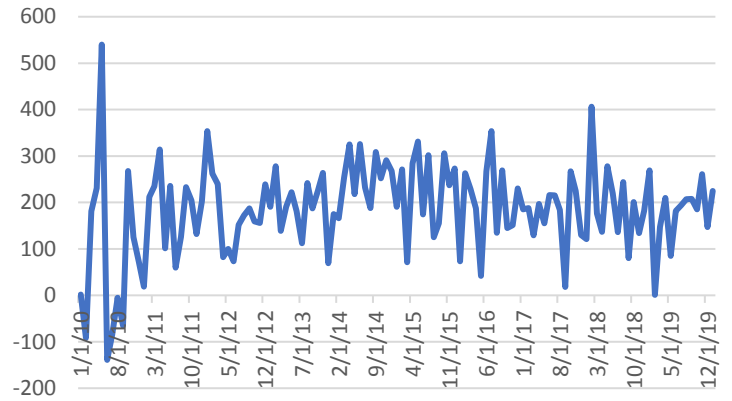
## \*\*\* Index selection details:

- 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%)

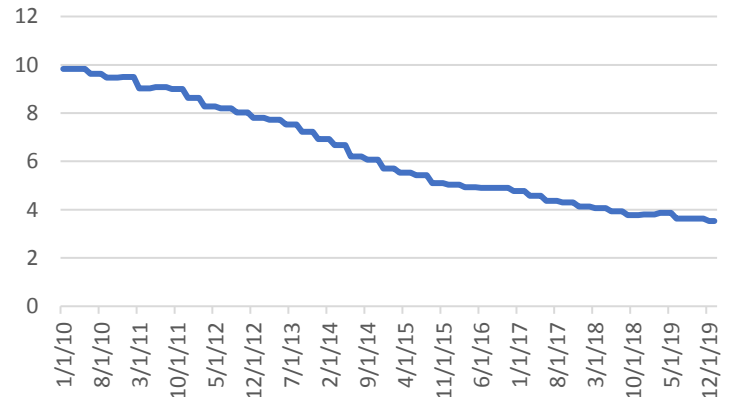
## US MACRO (LongTerm)



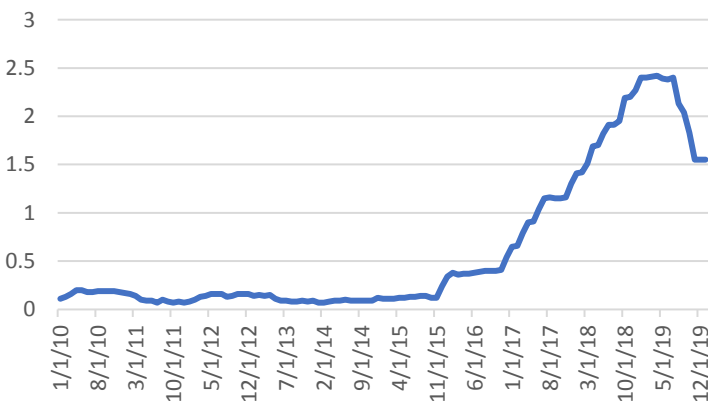
Non-Farm Payroll Change



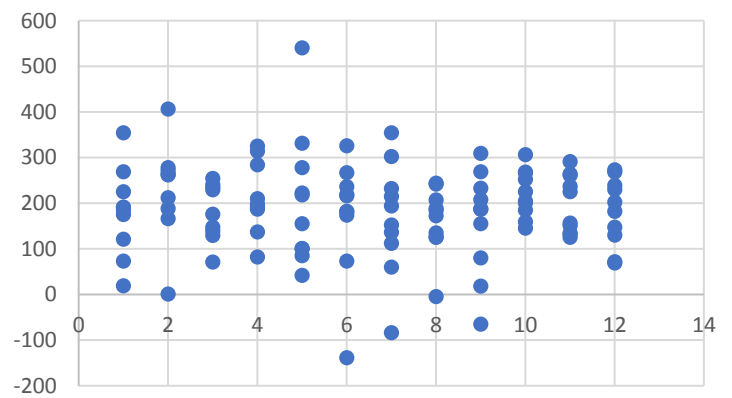
Unemployment Rate



Fed Rate



Non-Farm Change



- Healthy CPI and PPI is getting better suggests inflation is mild and economic is getting better.
- Manufacture sector PMI goes above 50 shows a rebound, as PMI keep below live-dead line.
- Strong employment data support spending and general output.
- Expect Fed gets large cuts in response to COVID.

## Market News

2/25/20 TO 3/3/20

- 02/20 Since Feb-20, market starts selling off and US dollar weakens a lot. In response to COVID JPY and bond market rallies
- 2/28 Pay special attention to 10Y-2Y spread as a response to expecting Fed cut it goes up significantly but still remains in question going forward.
- 02/28 Equity market rallies as expecting a rate cut but dollar continues going down and VIX is holding high position.
- 3/3 In response to long term perspective, the yield curve is getting up sharply shows a positive sign after COVID.

## Perspectives

- US economic data still shows strong fundamentals, as seen in lowest unemployment rate and up trending CPI.
- Dollar index losing a lot since COVID starts at large, currency in focus still on JPY.
- Bond market spread starts getting sharp growth in expecting for a large rate cut, if the spread can hold for long that will be a pretty good positive sign for long term economic growth.