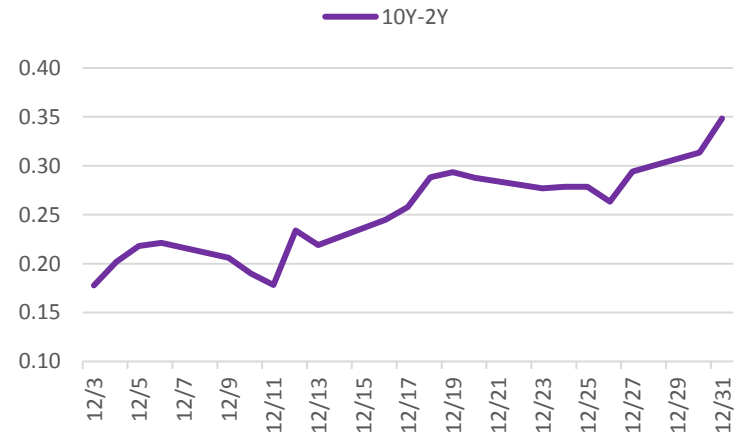
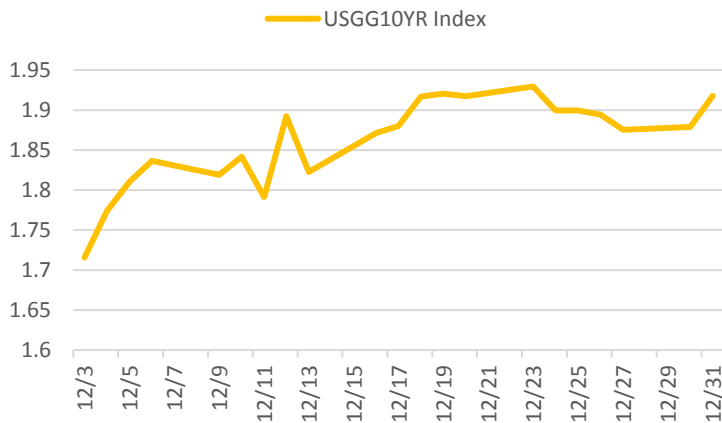
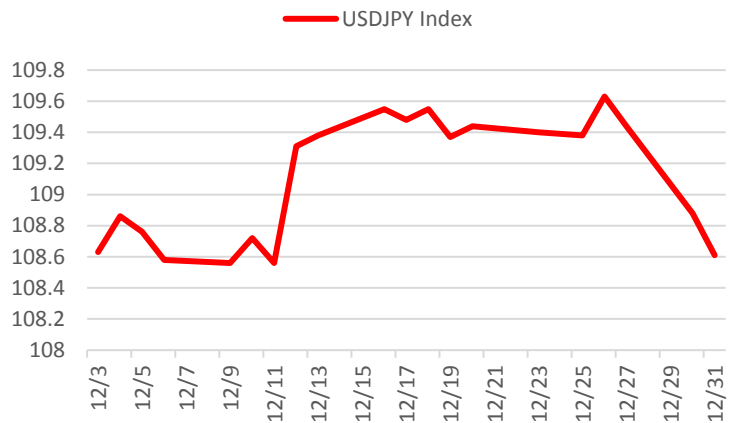
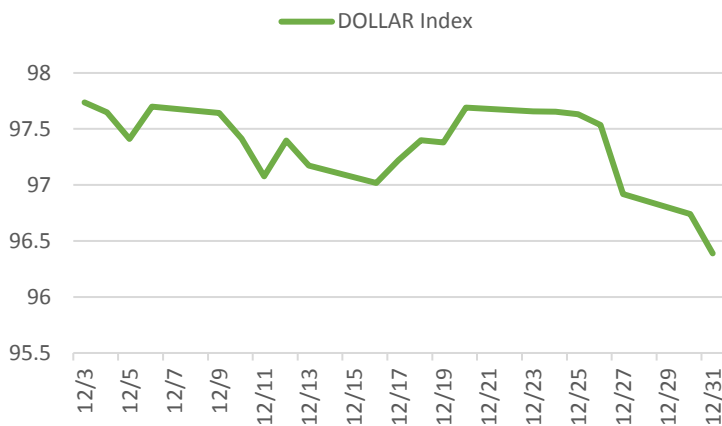
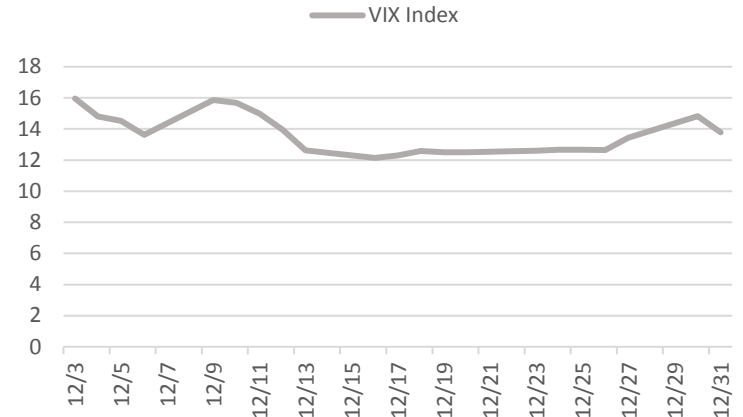
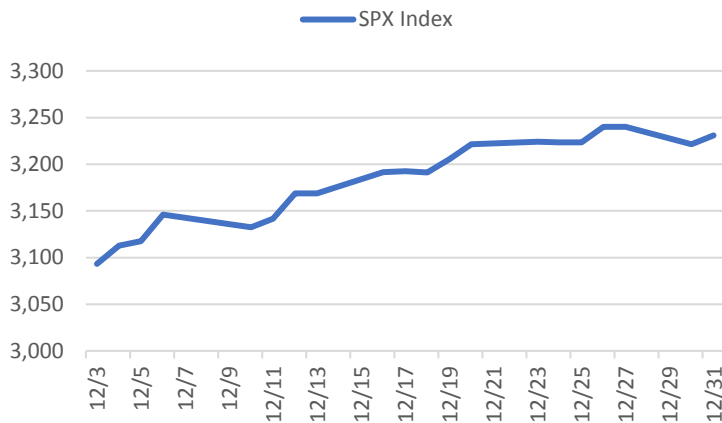


US Market Review

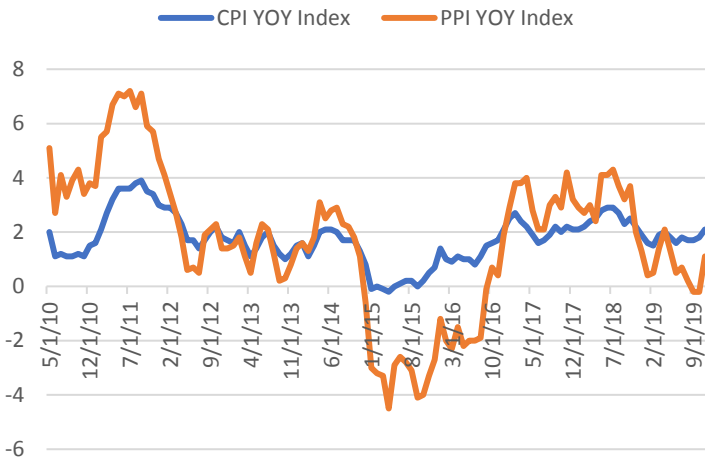
1/3/2020



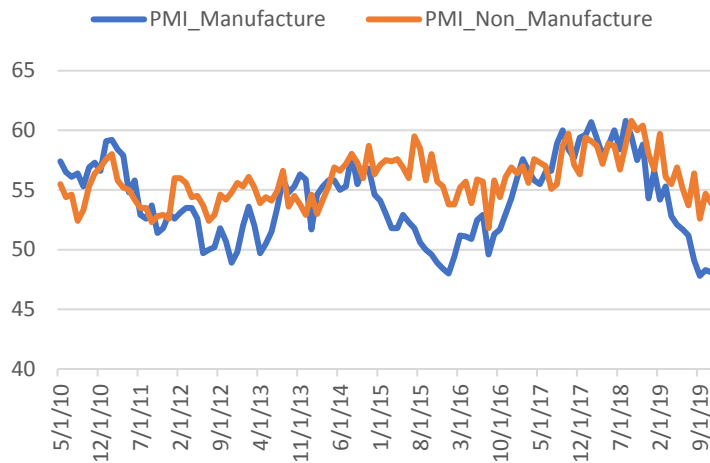
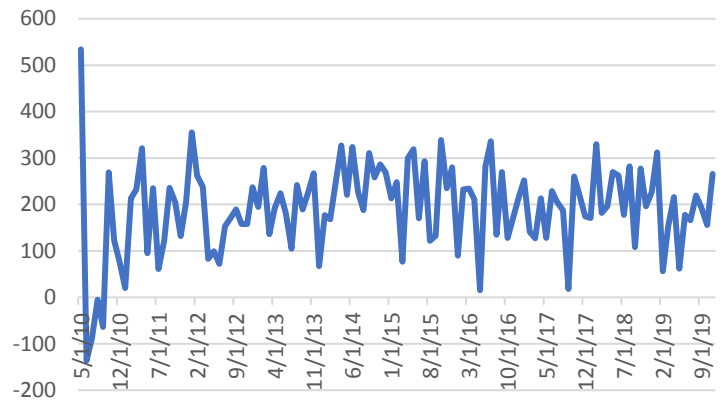
*** Index selection details:

- 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%)

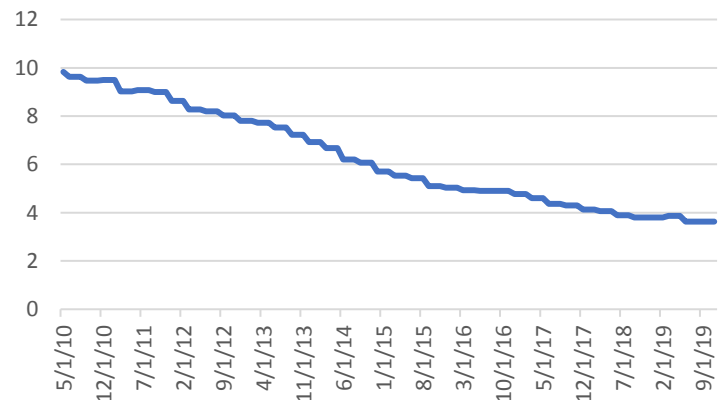
US MACRO (LongTerm)



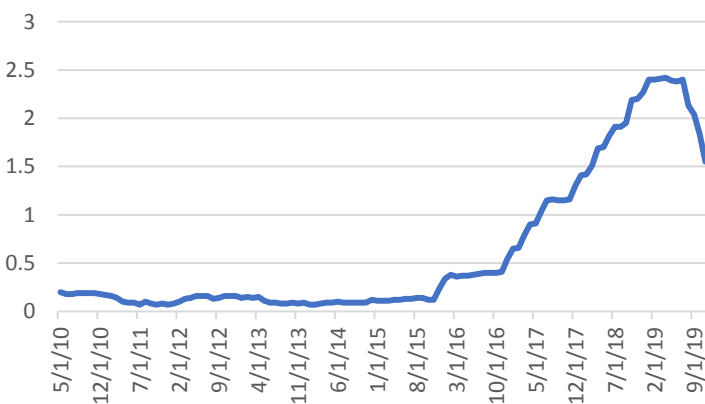
Non-Farm Payroll Change



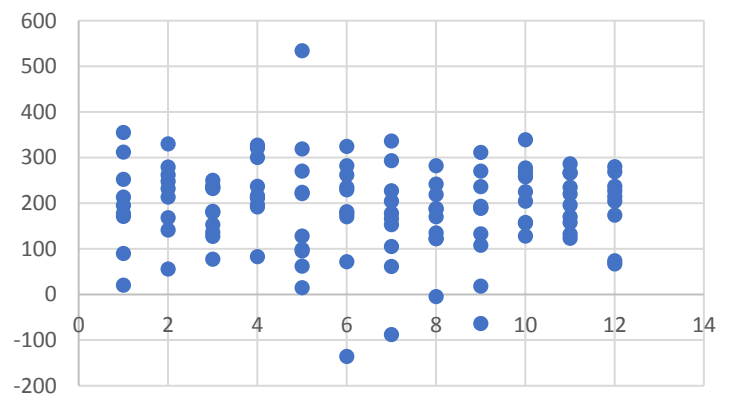
Unemployment Rate



Fed Rate



Non-Farm Change



- Healthy CPI 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.

Perspectives

12/24/19 TO 12/31/19

- After trade-war resolved, global economic might start to rebound that gives a positive view for 2020 US market.
- Interest rate may start to increase as central bank is holding the purchasing program and huge chunk of investor inflows into US fixed income market since 2018. The positive outlook would generate a risk on event as investors leaving bond market.
- US job market is strong and CPI is stable at 2%. Giving Fed the ability to quit protection easing program.
- Stock market should continue its strong long trend in 2020 and bond market starts to get money out-flow in the beginning.