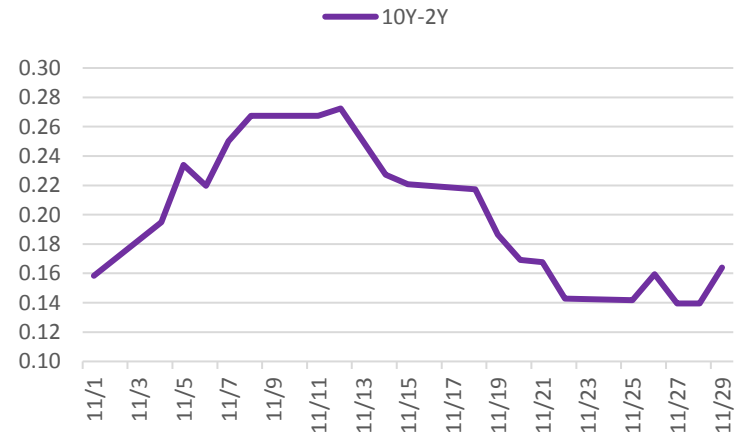
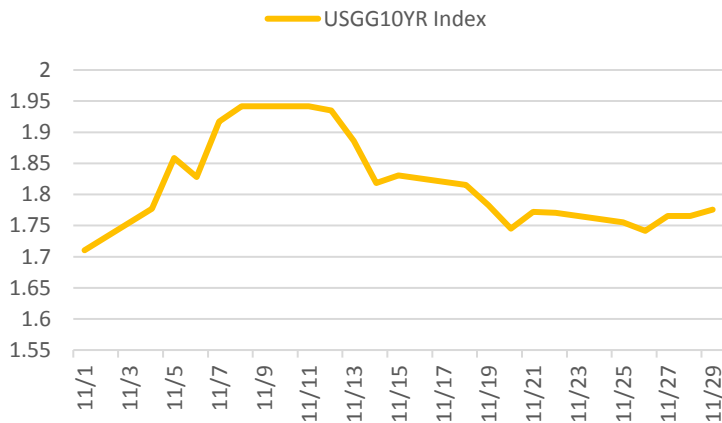
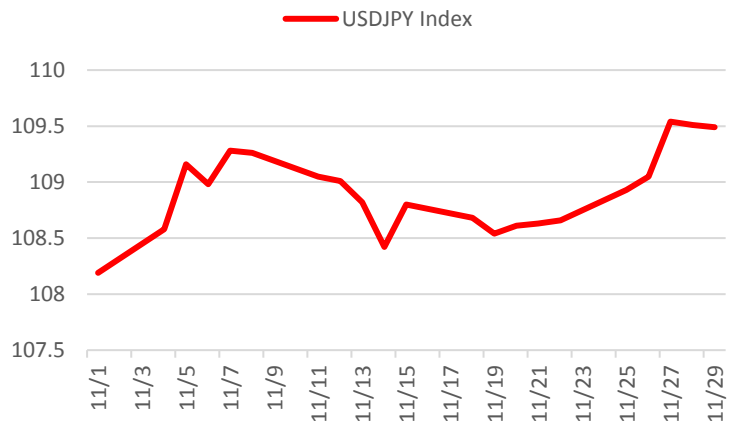
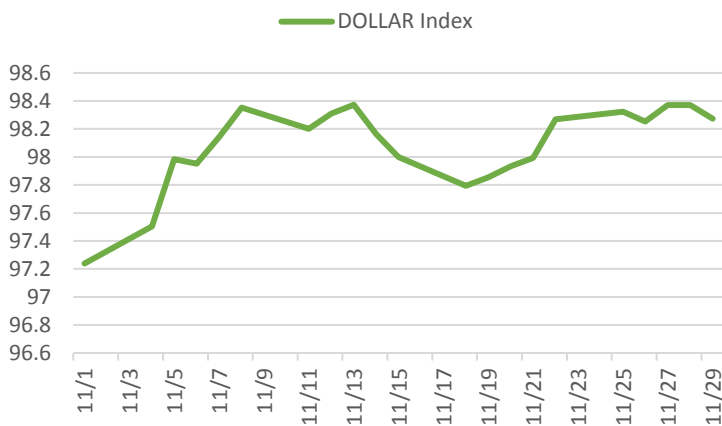
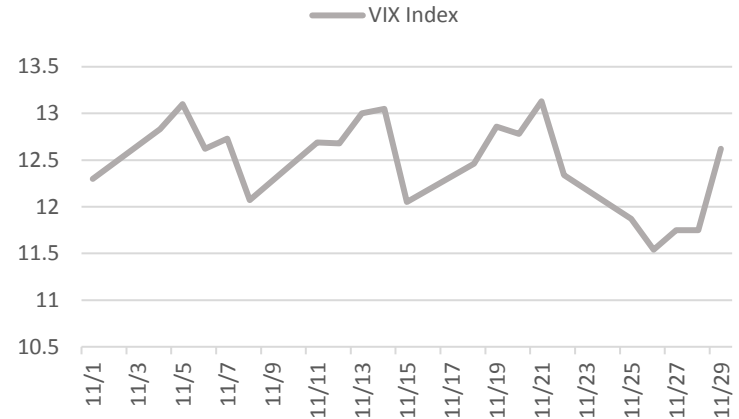
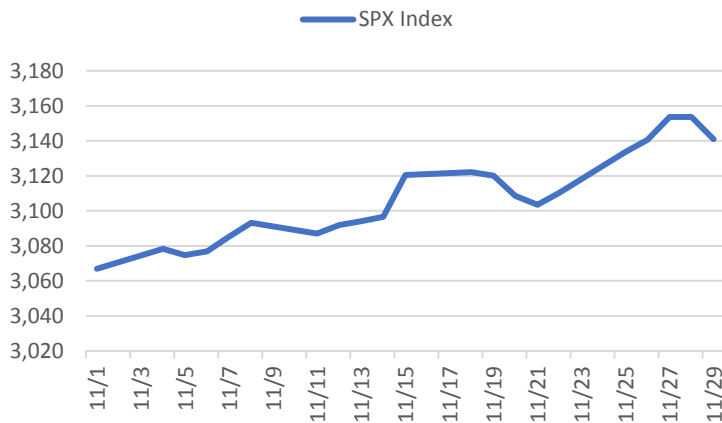


US Market Review

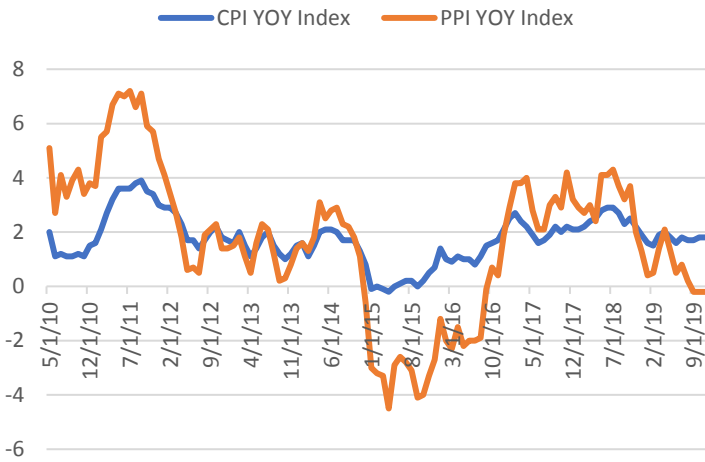
11/29/2019



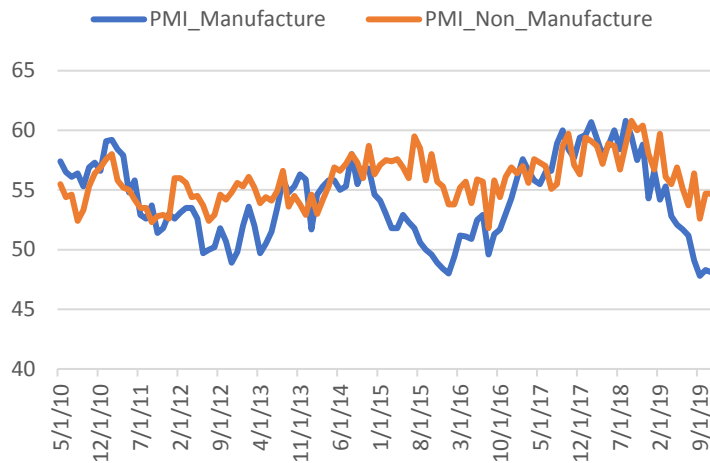
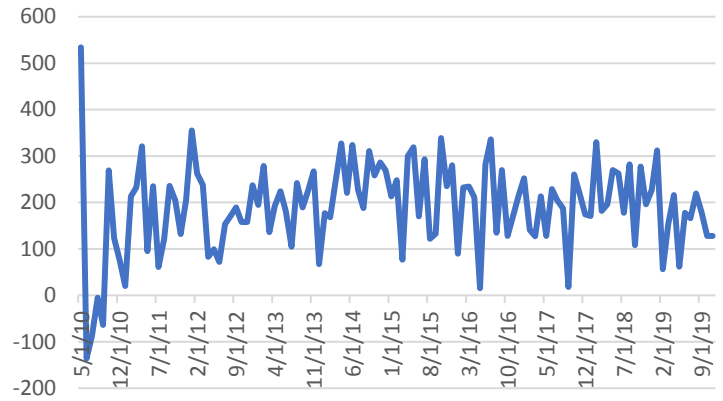
*** Index selection details:

- 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%)

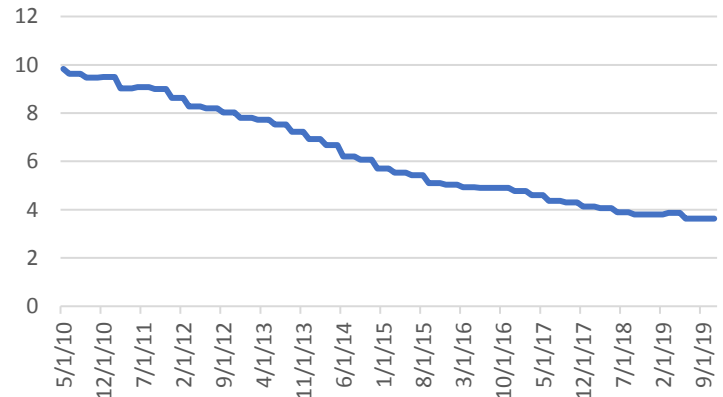
US MACRO (LongTerm)



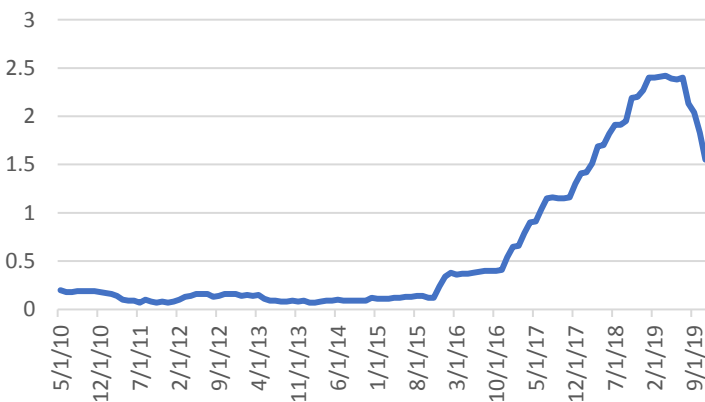
Non-Farm Payroll Change



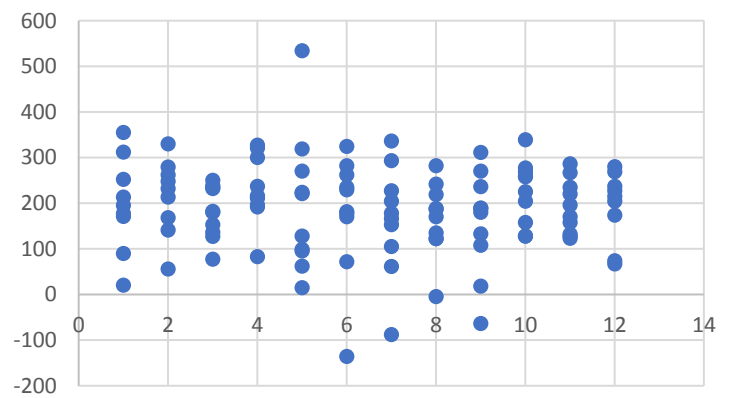
Unemployment Rate



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

11/22/19

TO

11/29/19

- 11/25: U.S.-China Trade Worries Linger, China may not conclude trade deal with US this year. China is looking for trade deal but not afraid to fight back,
- 11/26: Government economic data showed the U.S. goods trade deficit unexpectedly narrowed to the most in over a year in October as imports contracted to the lowest level in two years.
- 11/27: U.S. economy activity was shown to have risen more than previously reported in the third quarter.

Perspective&Review

| Date | Market Driver | Equity | Rates | Vol | 10Y-2Y | USD Index | JPY |
|-----------------|-------------------|----------|----------|-----------|----------|-----------|-----------|
| 25-Nov | Easy of Trade War | 1 | 1 | -1 | 1 | 1 | -1 |
| 11/26&27 | Better Eco. Data | 1 | 1 | -1 | 1 | 1 | 0 |
| Expected | | 1 | 1 | -1 | 1 | 1 | -1 |
| Actual | | 1 | 0 | -1 | 0 | 0 | -1 |

- Equity market is stimulated by the positive outlook of trade war. However, bond market still holds opinions on that. Overall equity market gets record high but not combined with a sell off on bond also the 10Y-2Y still remains lowest level.
- This stock rally probably cannot last long and a potential reversion is on the way. Before the yield spread can come back the market is still on anxious.
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