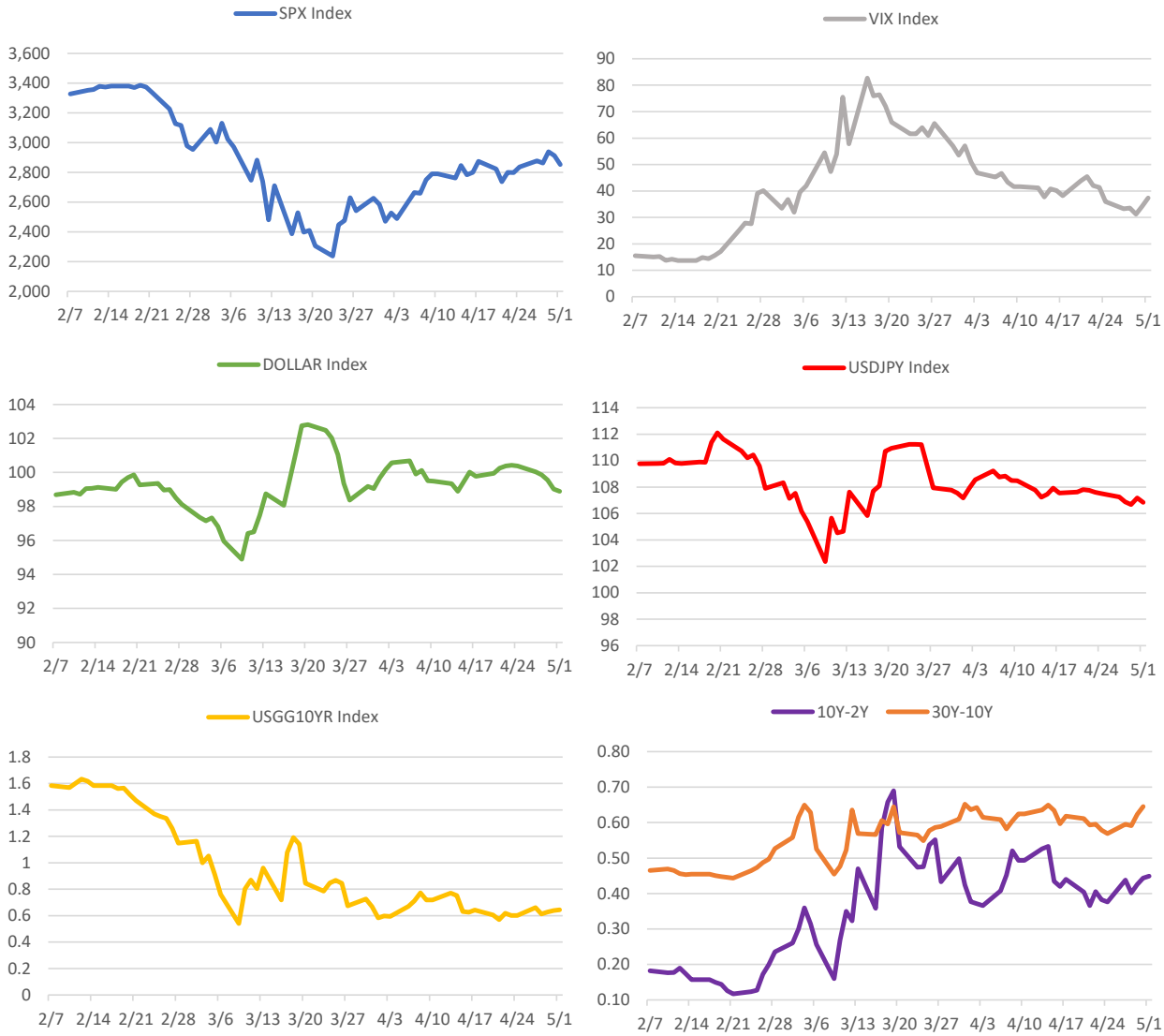


US Market Review

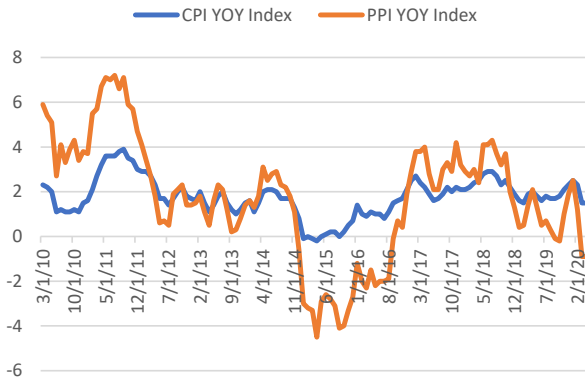
2020/5/1



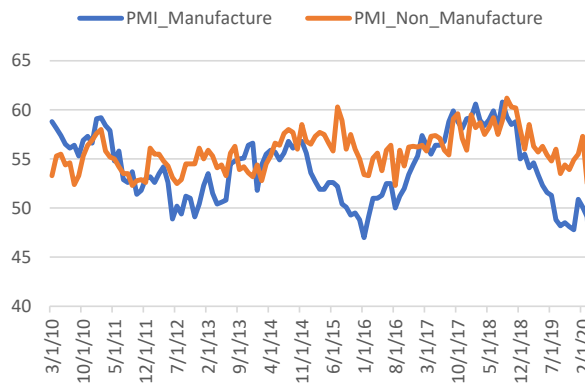
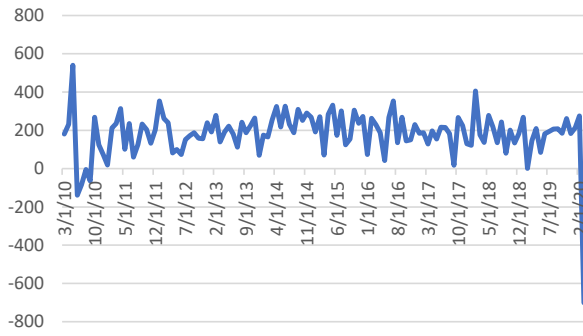
*** Index selection details:

- **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%)

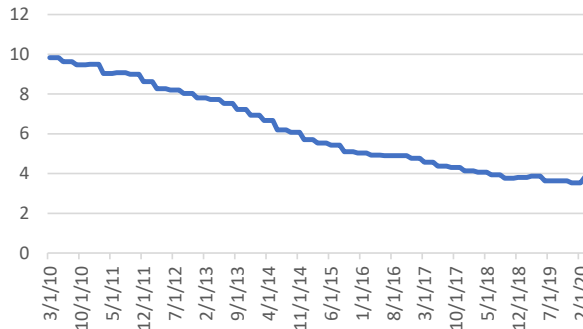
US MACRO (LongTerm,Monthly View)



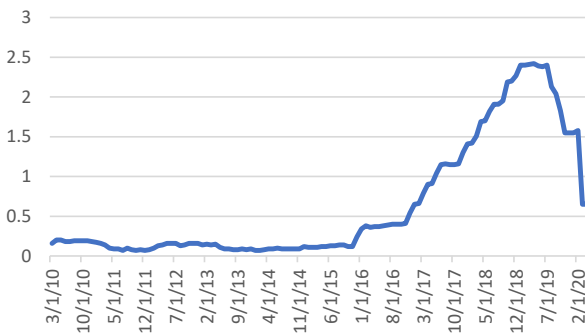
Non-Farm Payroll Change



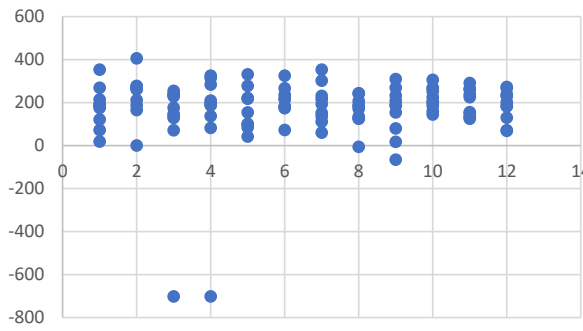
Unemployment Rate



Fed Rate



Non-Farm Change



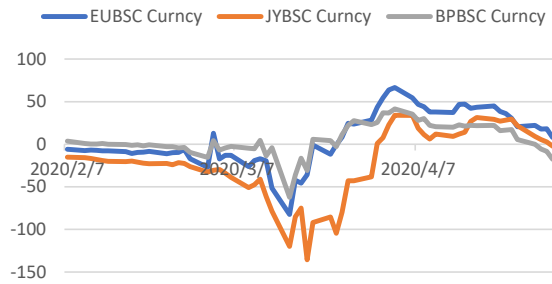
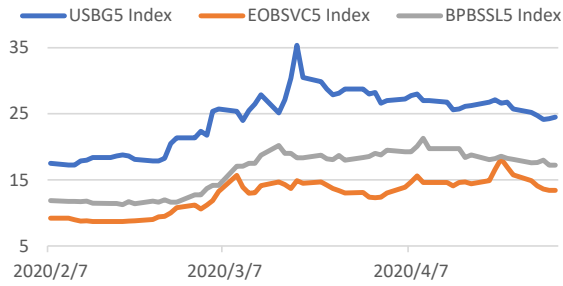
- PPI starts to drop but CPI still looks rosy.
- Manufacture sector PMI rebound stops and revert a bit, however non-manu PMI keeps strong.
- Unemployment rate raising up nad non-farm payroll shoots huge negative spike in the history.
- Fed cuts rates to 0 as a way to show the impacts of current economic situation.

Market News

4/24/20

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5/1/20



- Weekly Credit risk lowering but still in a strong range, Liquidity risk back to normal basis spread around 0.
- 04/30 US market bouncing back 13% in Apr. shows positive sign of control of COVID-19.

Persepectives

- US economic hurts as the COVID-19 at large, Manu-sector sucks compared to previous positive sign of boucning back. Outlook for PPI and Manufacture sector continuous lower over all inflation expectation worse.
- Focus on yield curve structure, as the 30Y-10Y and 10Y-2Y starts getting better, market believes economic will be strong again. As the credit risk and liquidity risk both lowering and seems to be back to normal, market sentiments gets better.