THE MACRO SHOW

FEBRUARY 28, 2017

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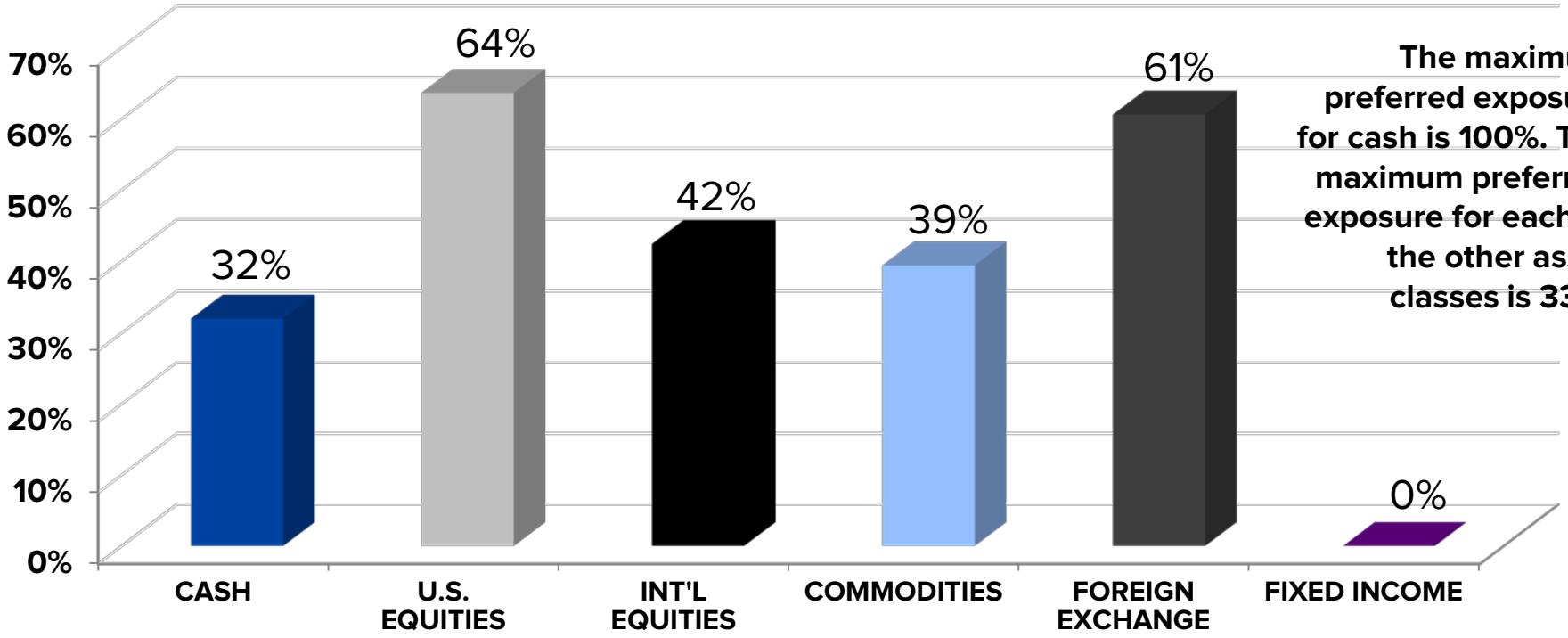
HEDGEYE ASSET ALLOCATION

	CASH	U.S. EQUITIES	INT'L EQUITIES	COMMODITIES	FOREIGN EXCHANGE	FIXED INCOME
2/27/2017	32	21	14	13	20	0
2/28/2017	32	21	14	13	20	0

	CASH	U.S. EQUITIES	INT'L EQUITIES	COMMODITIES	FOREIGN EXCHANGE	FIXED INCOME
2/27/2017	32%	64%	42%	39%	61%	0%
2/28/2017	32%	64%	42%	39%	61%	0%

The maximum preferred exposure for cash is 100%. The maximum preferred exposure for each of the other asset classes is 33%.

HEDGEYE ASSET ALLOCATION



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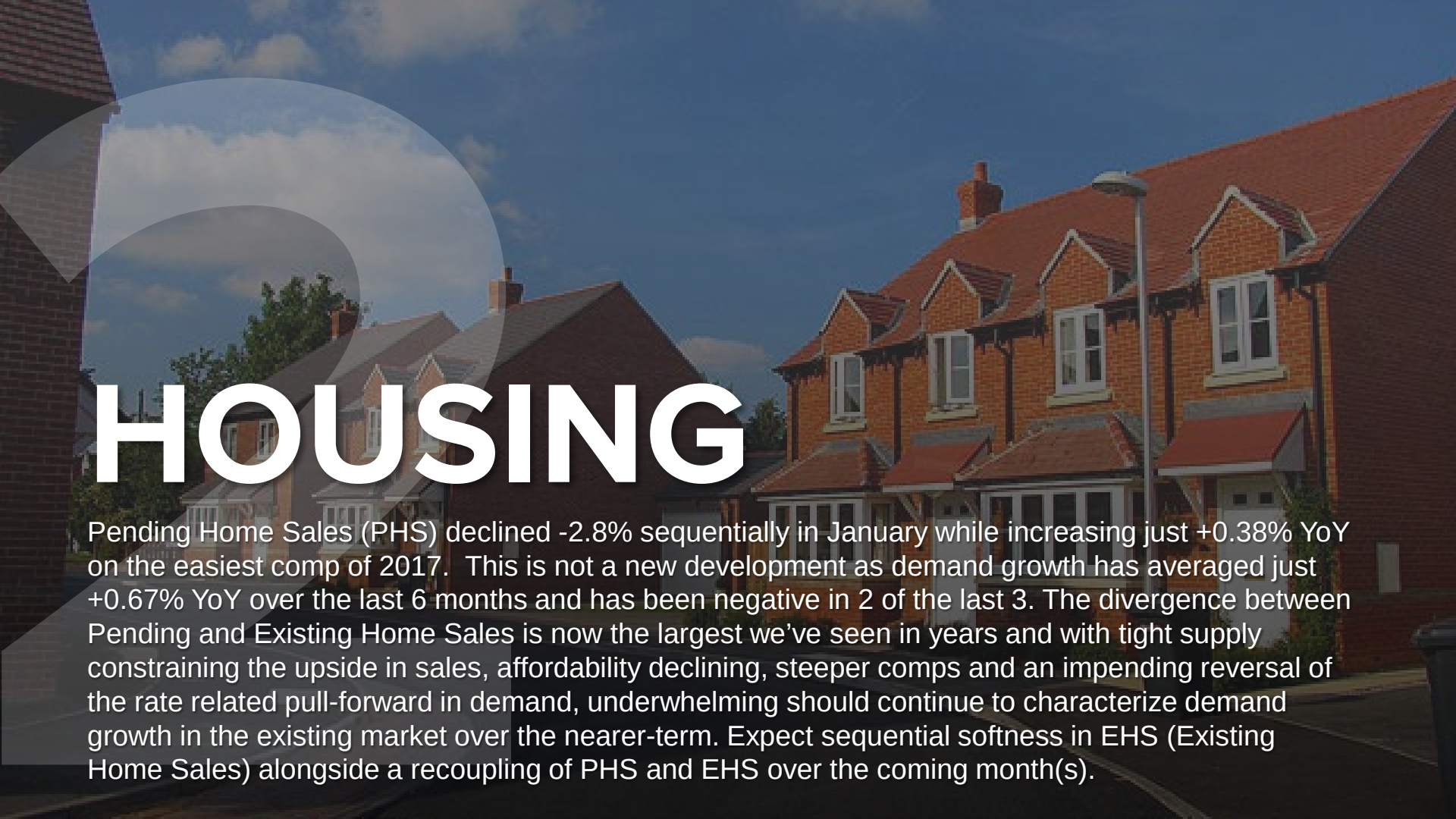
1 U.S. EQUITIES

2 HOUSING

3 EURO

U.S. EQUITIES

Renewed Skepticism (U.S. Equities) – The term structure of volatility has shifted significantly over the last few weeks from unprecedented lows to new skepticism, and that shift applied to all indices. Even back contract months have been bid up again, especially in the Nasdaq. Note that this new spike in implied vol is behind fresh all-time lows in 30D and 60D realized vol in Nasdaq 100 as of the close yesterday. Investors are bucking the trend in volatility to protect against downside.



HOUSING

Pending Home Sales (PHS) declined -2.8% sequentially in January while increasing just +0.38% YoY on the easiest comp of 2017. This is not a new development as demand growth has averaged just +0.67% YoY over the last 6 months and has been negative in 2 of the last 3. The divergence between Pending and Existing Home Sales is now the largest we've seen in years and with tight supply constraining the upside in sales, affordability declining, steeper comps and an impending reversal of the rate related pull-forward in demand, underwhelming should continue to characterize demand growth in the existing market over the nearer-term. Expect sequential softness in EHS (Existing Home Sales) alongside a recoupling of PHS and EHS over the coming month(s).

EURO

To further underline the ongoing political risk pancake playing out in the Eurozone, a new Sentix research group survey showed that 25.2% of respondents expected the Eurozone to lose at least one member state in the next 12 months, up from 21.3% in January (candidates include Netherlands, France, Italy). We remain intermediate term bearish on the EUR/USD, with the strong USD #TrumpTrade continuing to play out.

MACRO

BEN RYAN

WHAT IS PRICED IN GOING FORWARD

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A LOOK AT 2017 RELATIVE PERFORMANCE BY SECTOR

RETURNS

Index/Security	Ticker	D/D %	W/W%	1M%	3M%	6M%	Y/Y%	MTD%	YTD%
S&P 500	SPX	0.10%	0.79%	3.18%	7.57%	8.36%	21.42%	3.99%	5.85%
Russell 2000	RTY	0.96%	0.58%	2.35%	5.52%	12.77%	36.49%	3.39%	3.75%
Nasdaq 100	NDX	0.08%	0.43%	3.70%	9.72%	10.98%	26.09%	4.51%	9.95%
USD Index	UUP	0.06%	0.20%	0.62%	0.22%	5.34%	4.09%	1.58%	-1.11%
CRB Cmdty Index	CRB	-0.55%	-1.17%	-2.25%	1.24%	0.80%	16.75%	-1.27%	-1.51%
Consumer Discret.	XLY	0.12%	0.47%	1.98%	5.22%	6.34%	16.17%	2.58%	6.90%
Financials	XLF	0.53%	0.33%	3.41%	10.34%	25.76%	42.81%	5.32%	5.59%
Healthcare	XLV	0.48%	2.01%	8.62%	8.99%	0.75%	11.45%	6.55%	8.99%
Technology	XLK	-0.06%	0.79%	4.08%	9.61%	11.46%	27.15%	5.03%	8.77%
Consumer Staples	XLP	-0.45%	1.05%	4.48%	7.69%	0.26%	6.19%	4.64%	6.42%
Utilities	XLU	-0.56%	3.49%	5.99%	9.24%	2.23%	8.05%	4.31%	5.62%
Energy	XLE	0.86%	-0.51%	-4.55%	-1.62%	2.16%	25.86%	-1.78%	-4.94%
Energy	XOP	0.79%	-2.92%	-0.09%	-0.04%	0.02%	0.58%	-4.77%	-7.85%
Materials	XLB	-0.25%	0.00%	-1.32%	6.32%	6.00%	26.15%	0.65%	5.23%
Industrials	XLI	0.36%	0.36%	2.46%	6.82%	12.05%	26.25%	4.34%	6.28%
Transports	IYT	0.58%	-0.18%	0.20%	6.55%	19.98%	28.97%	3.31%	4.93%
WTI Crude Oil	USO	0.09%	0.70%	-0.52%	7.90%	3.42%	30.34%	1.33%	-2.13%
Natural Gas	UNG	-3.40%	-8.80%	-22.90%	-15.30%	-20.27%	3.32%	-16.92%	-30.09%
Gold	GLD	-0.48%	1.22%	5.17%	3.10%	-6.76%	1.02%	3.09%	8.68%
Silver	SLV	-0.75%	1.23%	8.41%	9.30%	-3.68%	19.85%	3.85%	14.30%
Copper	JJC	0.19%	-1.15%	0.49%	5.32%	28.12%	29.30%	-1.83%	7.38%
Corn	CORN	-0.67%	-1.69%	-0.77%	-0.10%	2.02%	-7.95%	0.42%	2.73%
Soybeans	SOYB	0.30%	-1.68%	-2.77%	-2.28%	0.10%	12.08%	-0.47%	1.06%
Wheat	WEAT	-1.64%	-3.36%	-0.14%	-0.97%	-6.39%	-17.19%	1.27%	4.36%

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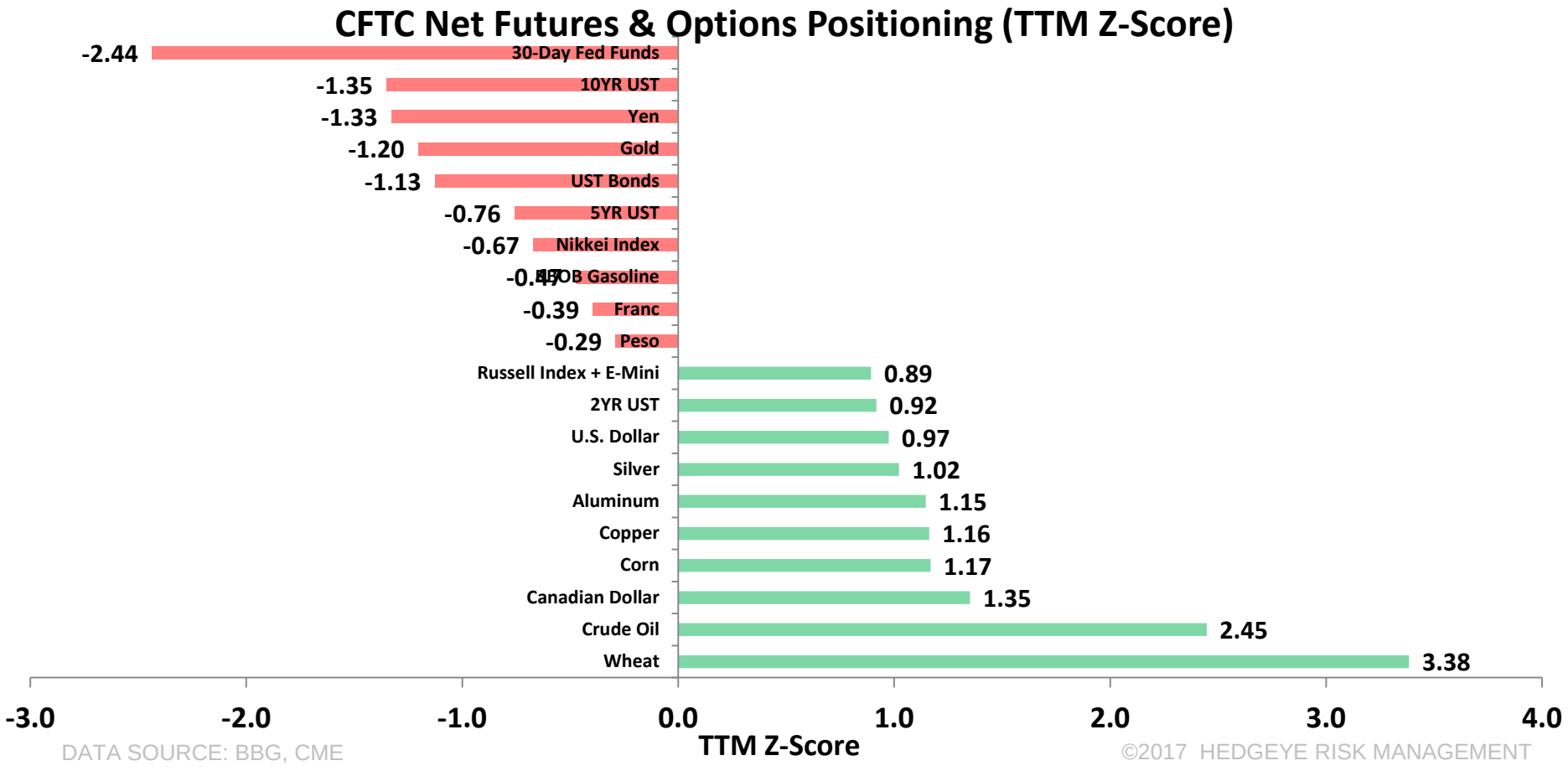
A LOOK AT THE TANGIBLES: CFTC POSITIONING



DATA SOURCE: BBG, HRM

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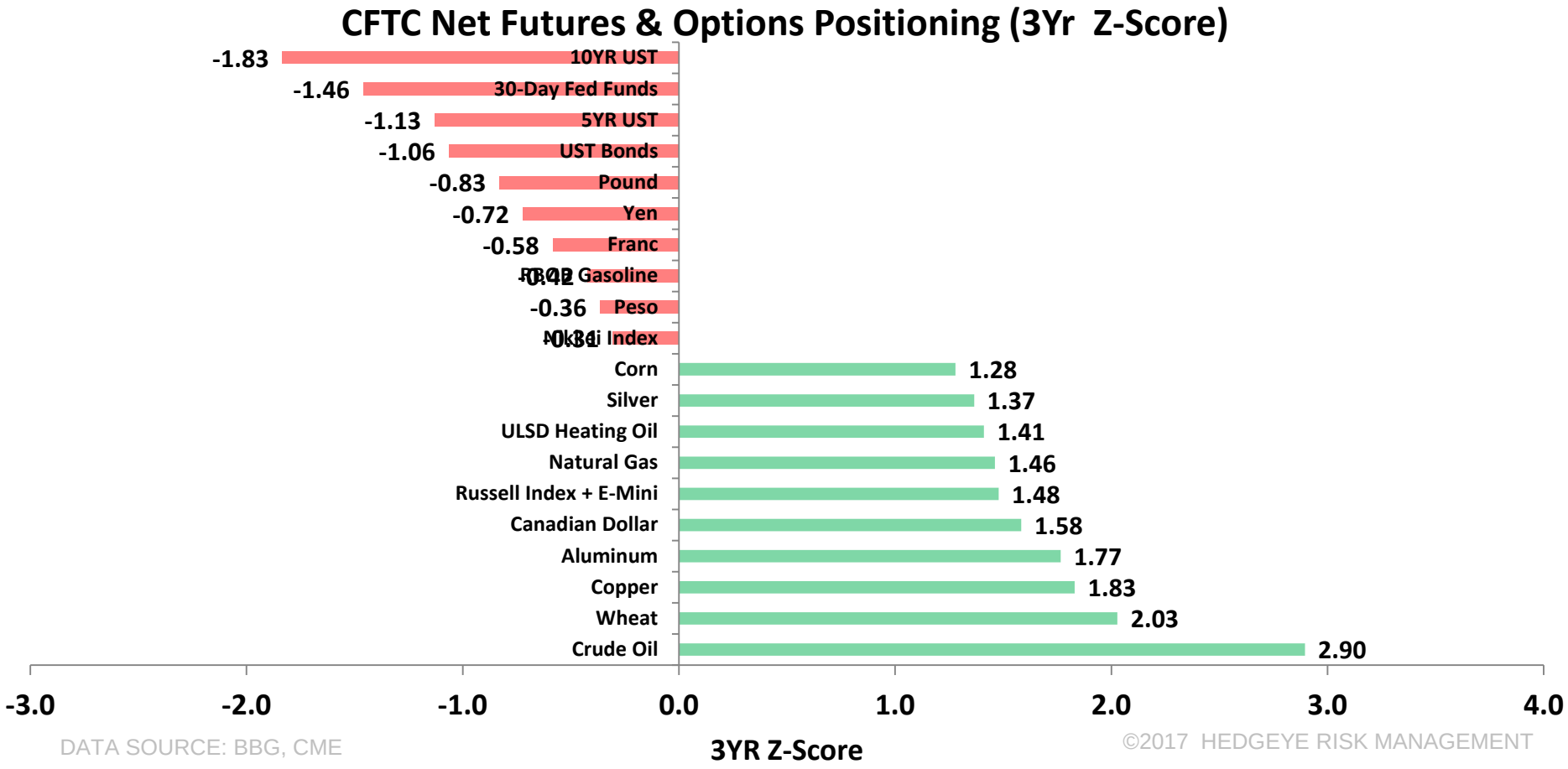

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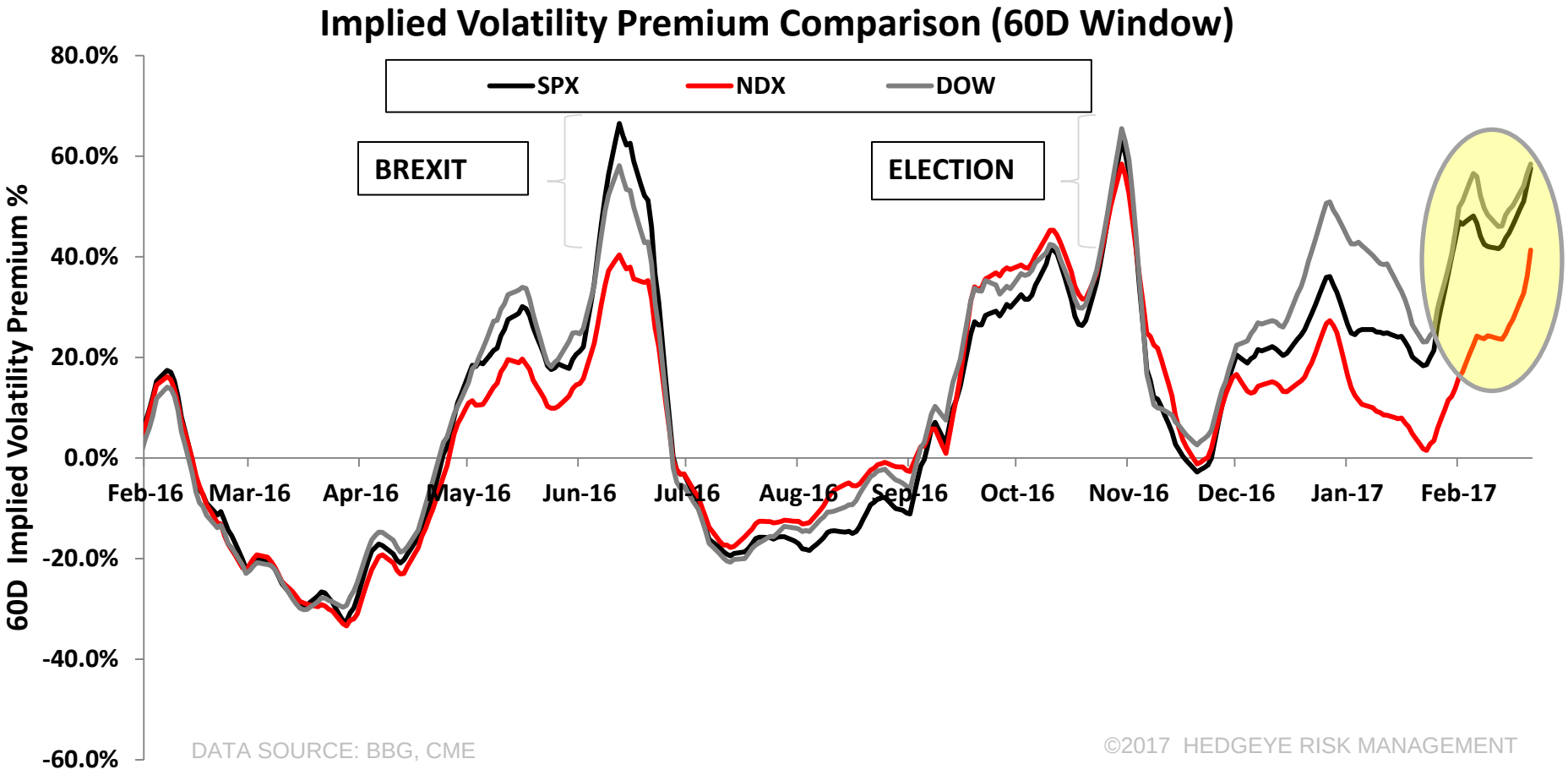
THE PREMIUM CREEP: U.S. EQUITIES



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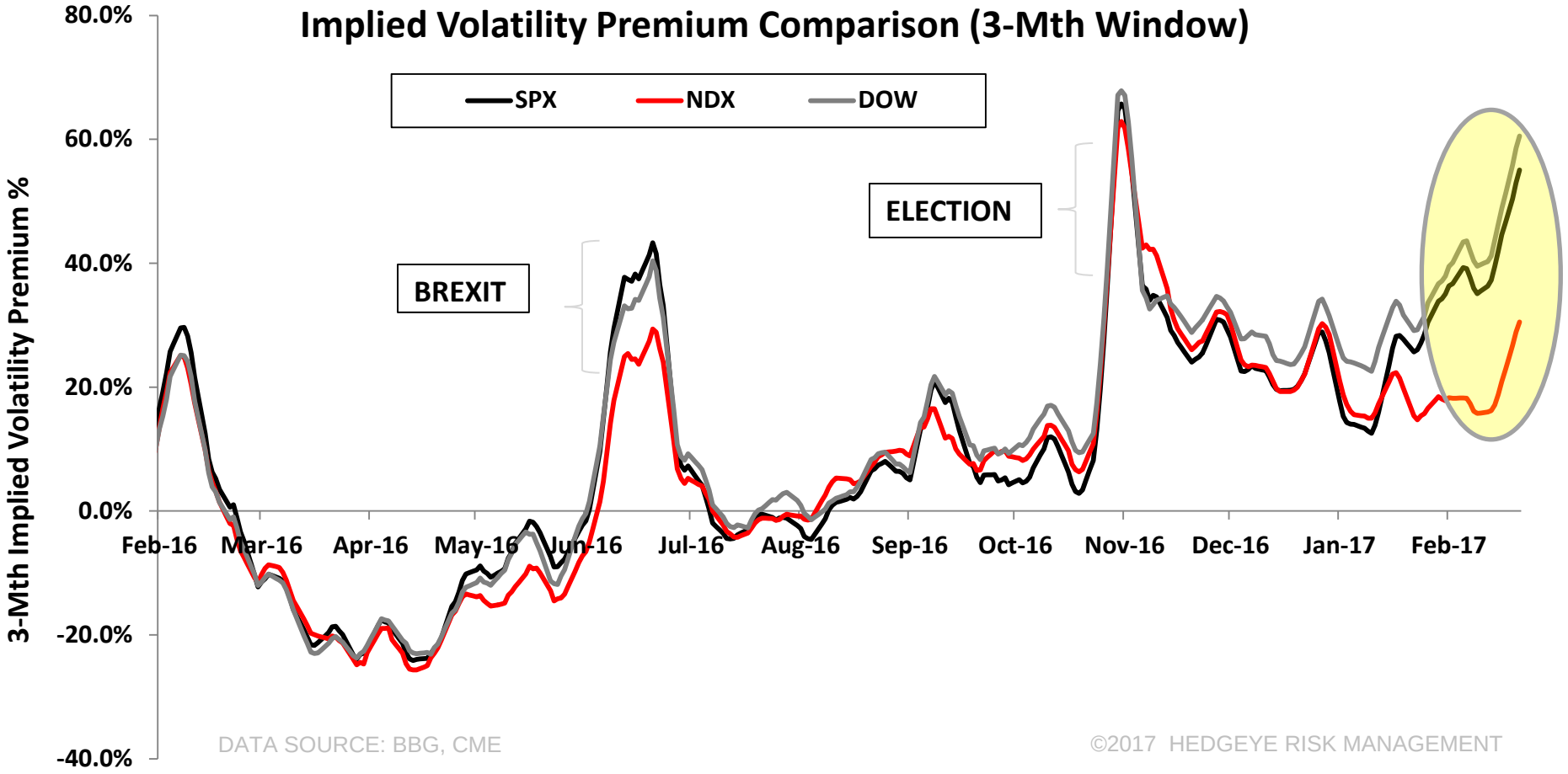

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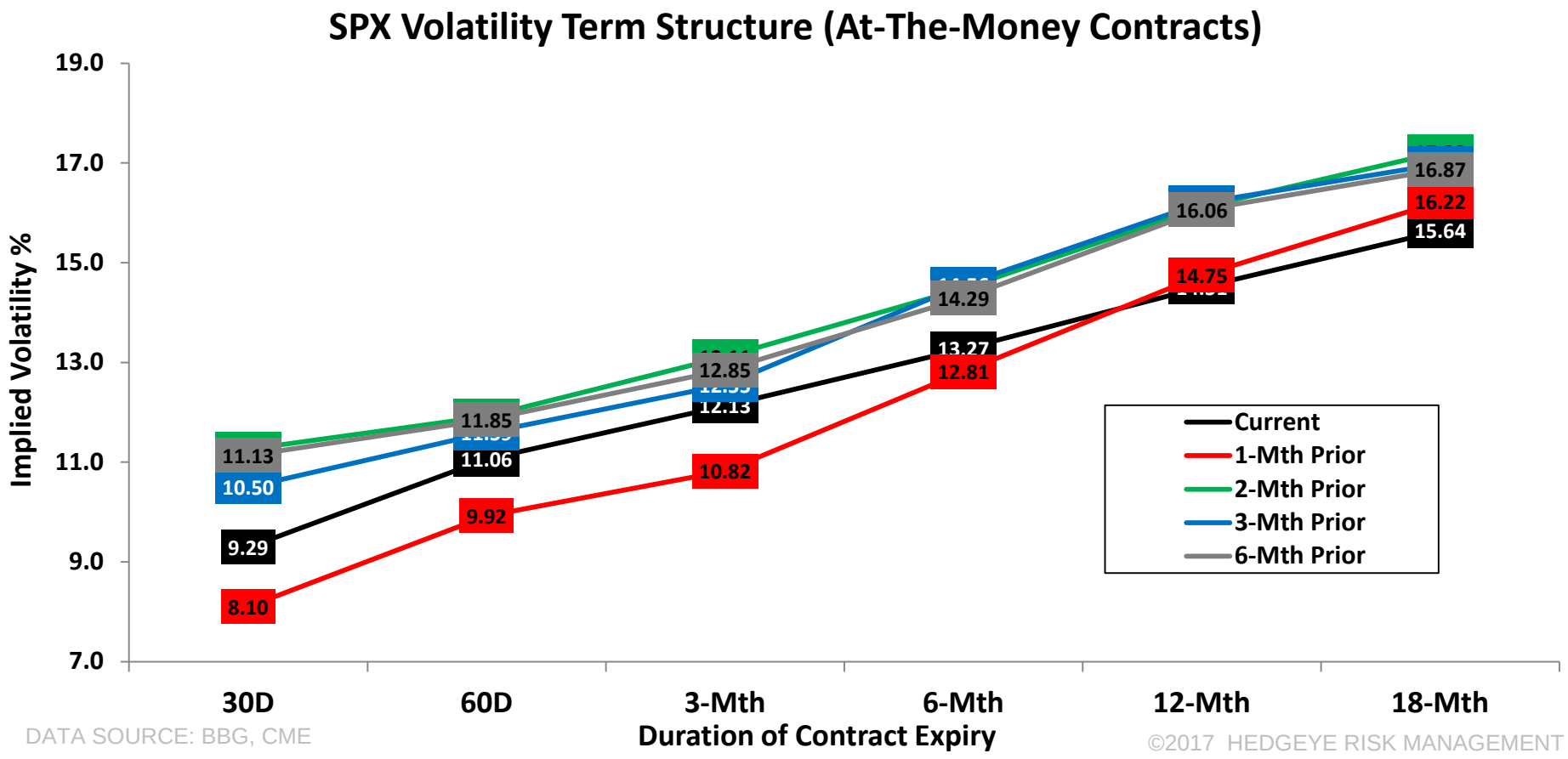
SAME SKEPTICISM OBSERVED ACROSS DURATIONS: SPX



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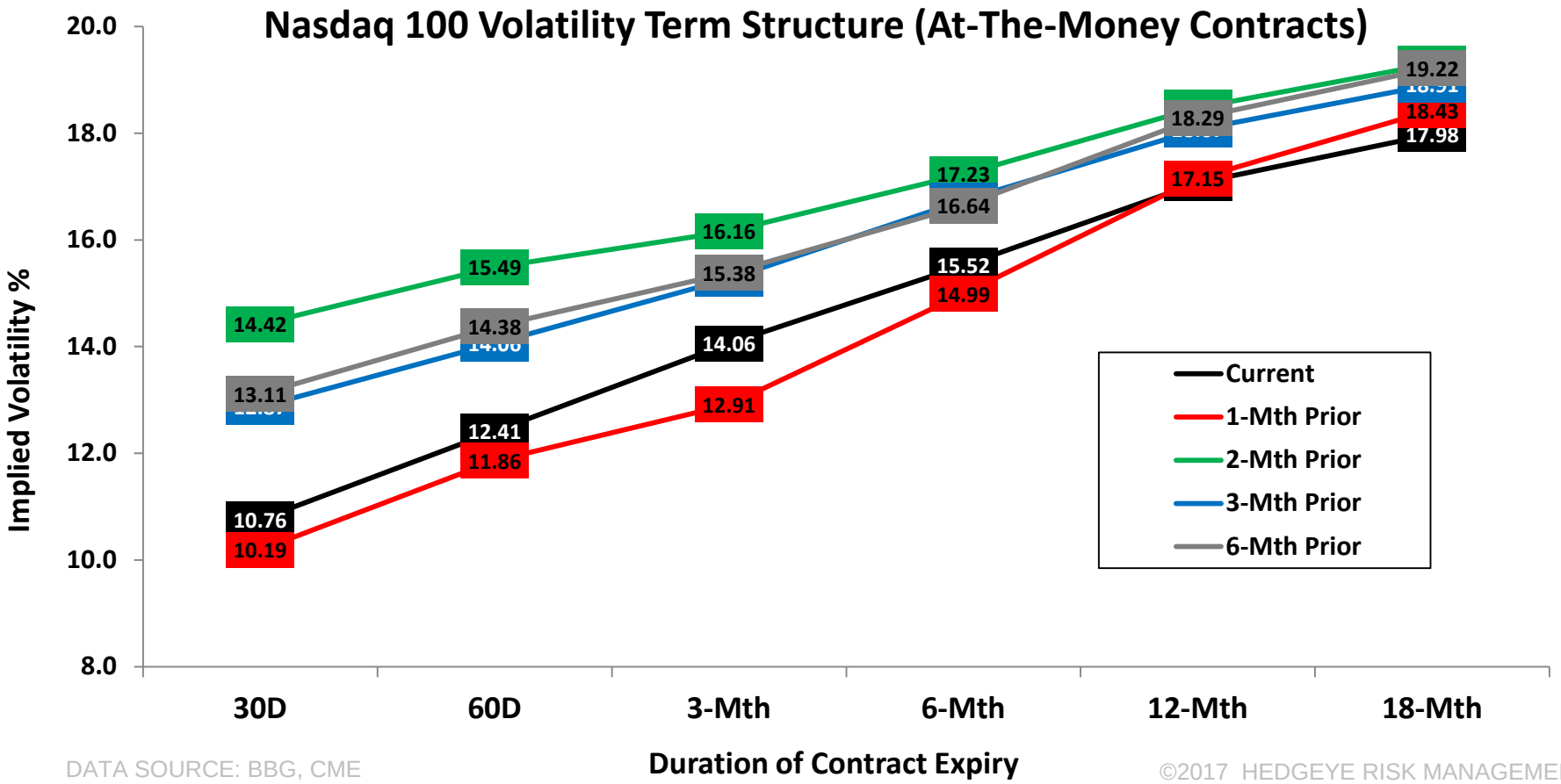
SAME SKEPTICISM OBSERVED ACROSS DURATIONS: NDX



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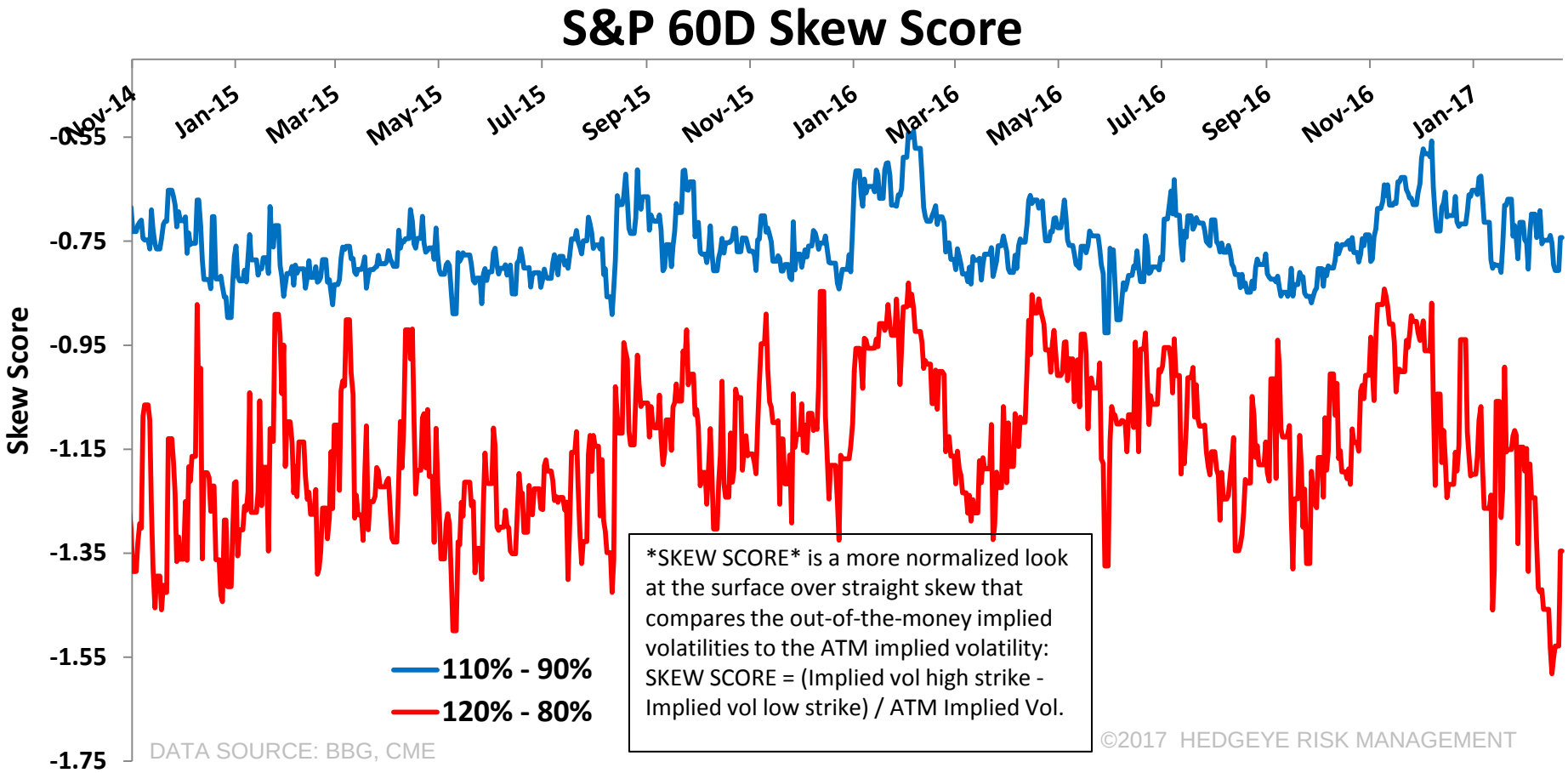
AND IN SKEW....



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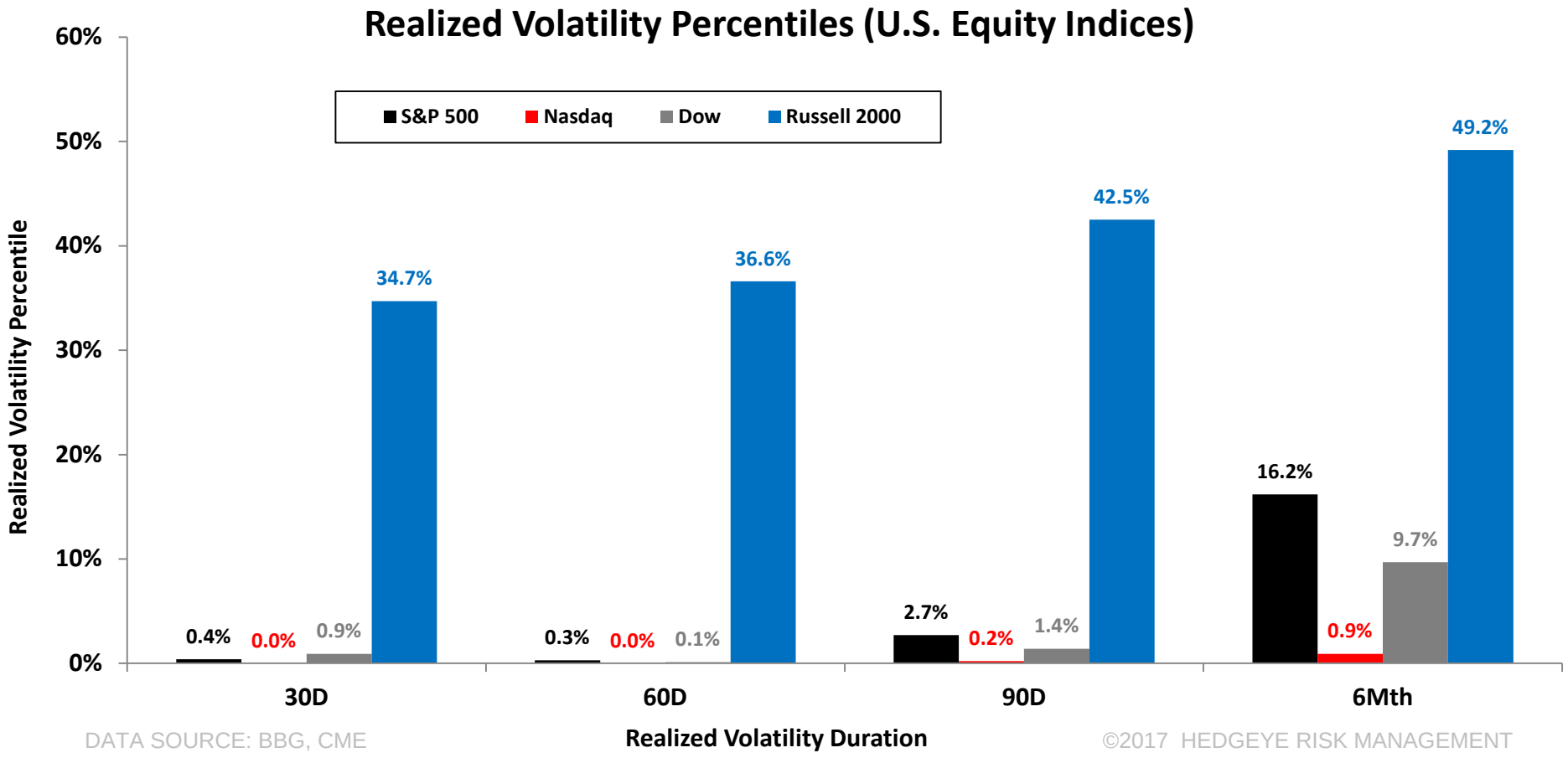
IT'S HAPPENING BEFORE ANY CHANGE IN TRENDING VOLATILITY



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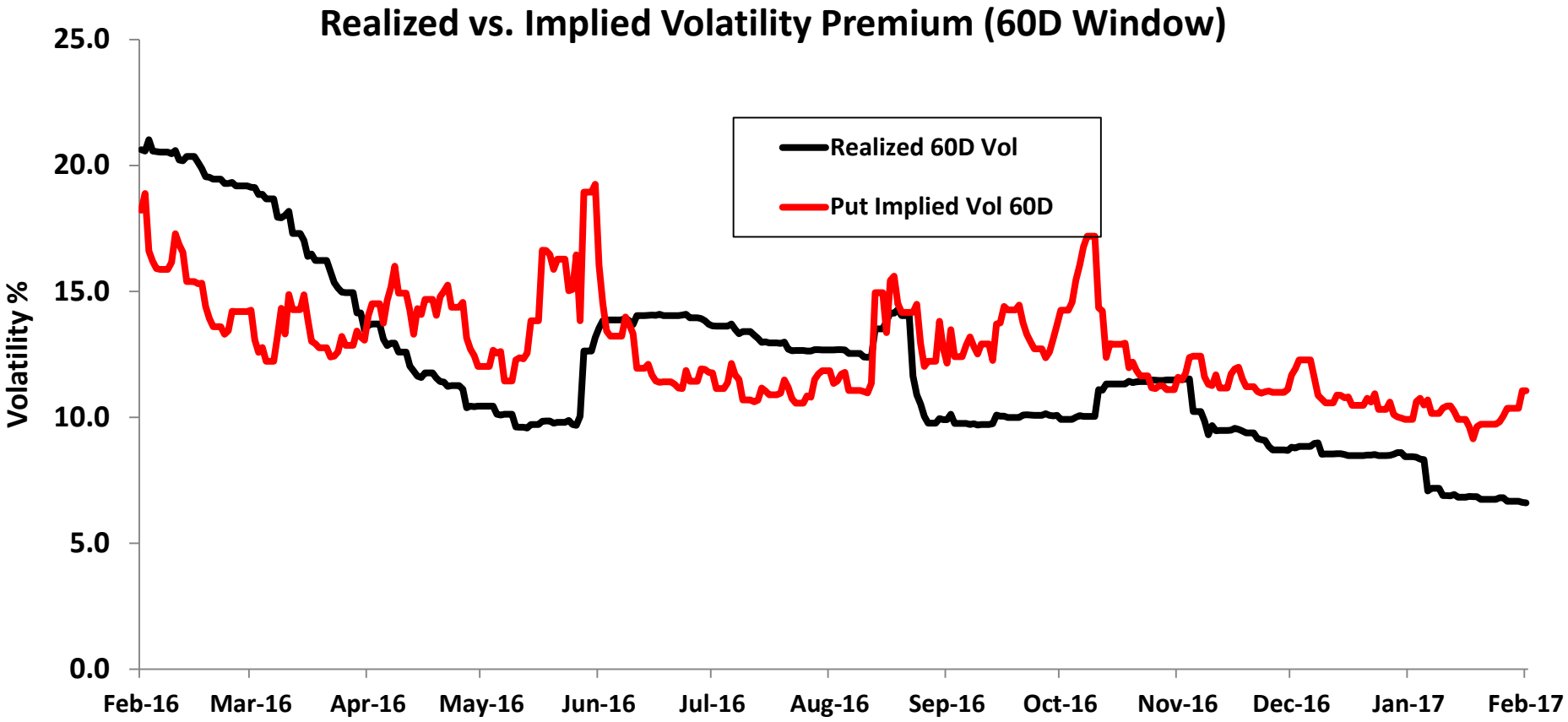
WIDENING PREMIUMS IN THE S&P 500



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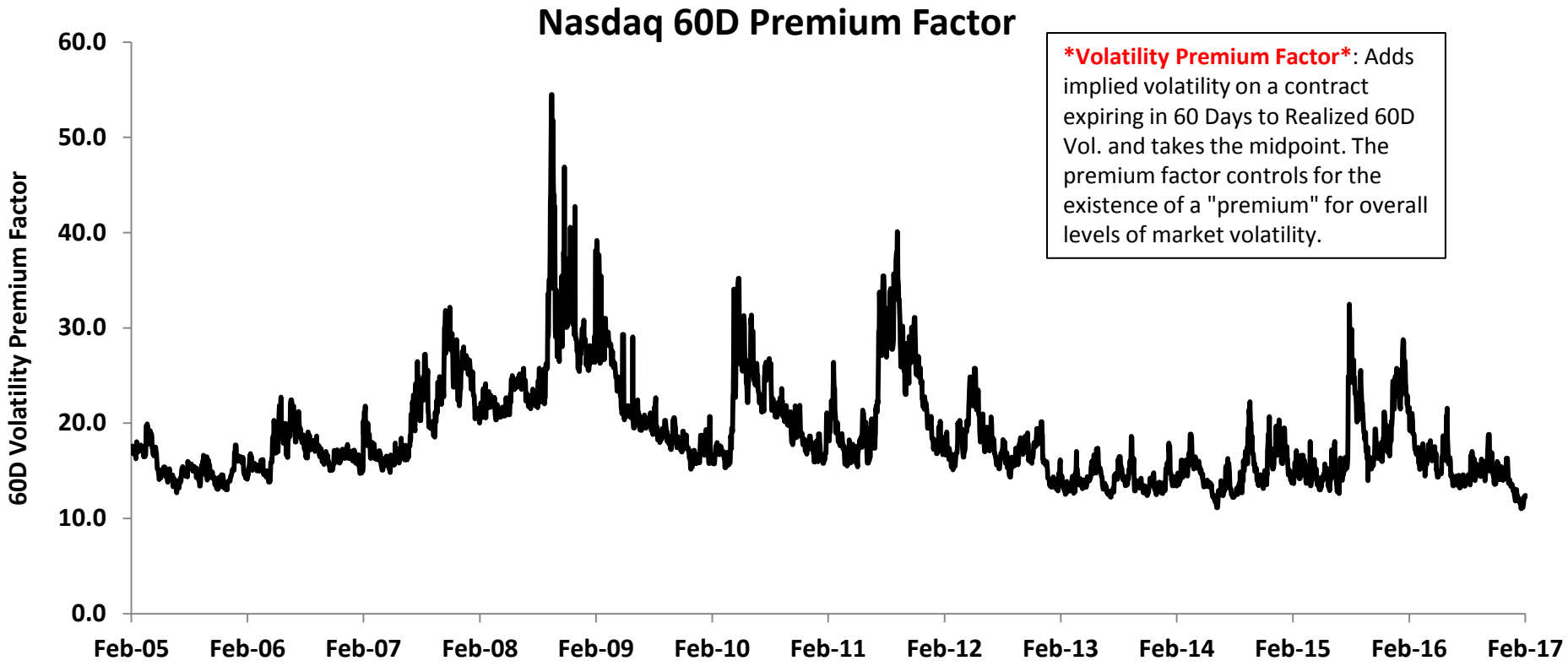
IMPLIED VOLATILITY PREMIUM FACTOR: CONTEXT

HELPS PUT THE IMPLIED VOL PREMIUM IN CONTEXT



Volatility Premium Factor: Adds implied volatility on a contract expiring in 60 Days to Realized 60D Vol. and takes the midpoint. The premium factor controls for the existence of a "premium" for overall levels of market volatility.

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WINDOW FOR LONG VOL TRADES CLOSING

LONG VOL. TRADES THAT LOOKED ATTRACTIVE JUST A FEW WEEKS AGO ARE LOOKING LESS ATTRACTIVE ON THE MARGIN

Straddle On April Expiry (71 Days)		
NDX Index	**$/Share**	**1 Contract**
Ref Price	**5213**	
5210 Call	$113.70	$11,370
5210 Put	$106.70	$10,670
Total Premium Paid		**$22,040**
	Index Breakeven	**Breakeven %**
Downside Breakeven	**4,993**	**-4.2%**
Upside Breakeven	**5,433**	**4.2%**

Straddle On March Expiry (50 Days)		
QQQ US Equity	**$/Share**	**1 Contract**
Ref Price	**127**	
127 Call	$2.16	$216
127 Put	$2.27	$227
Total Premium Paid		**$443**
	Index Breakeven	**Breakeven %**
Downside Breakeven	**123**	**-3.5%**
Upside Breakeven	**131**	**3.5%**

On 02/10 you paid a $4.43 net premium per option for March 31 $127 QQQ straddles.

An unfavorable environment has manifest for this strategy and you can still sell it for a net premium of $4.73 which is a +7% gain on capital risked. Much of the gain is helped by a pop in implied vol. from 10.5 to almost 13 currently.

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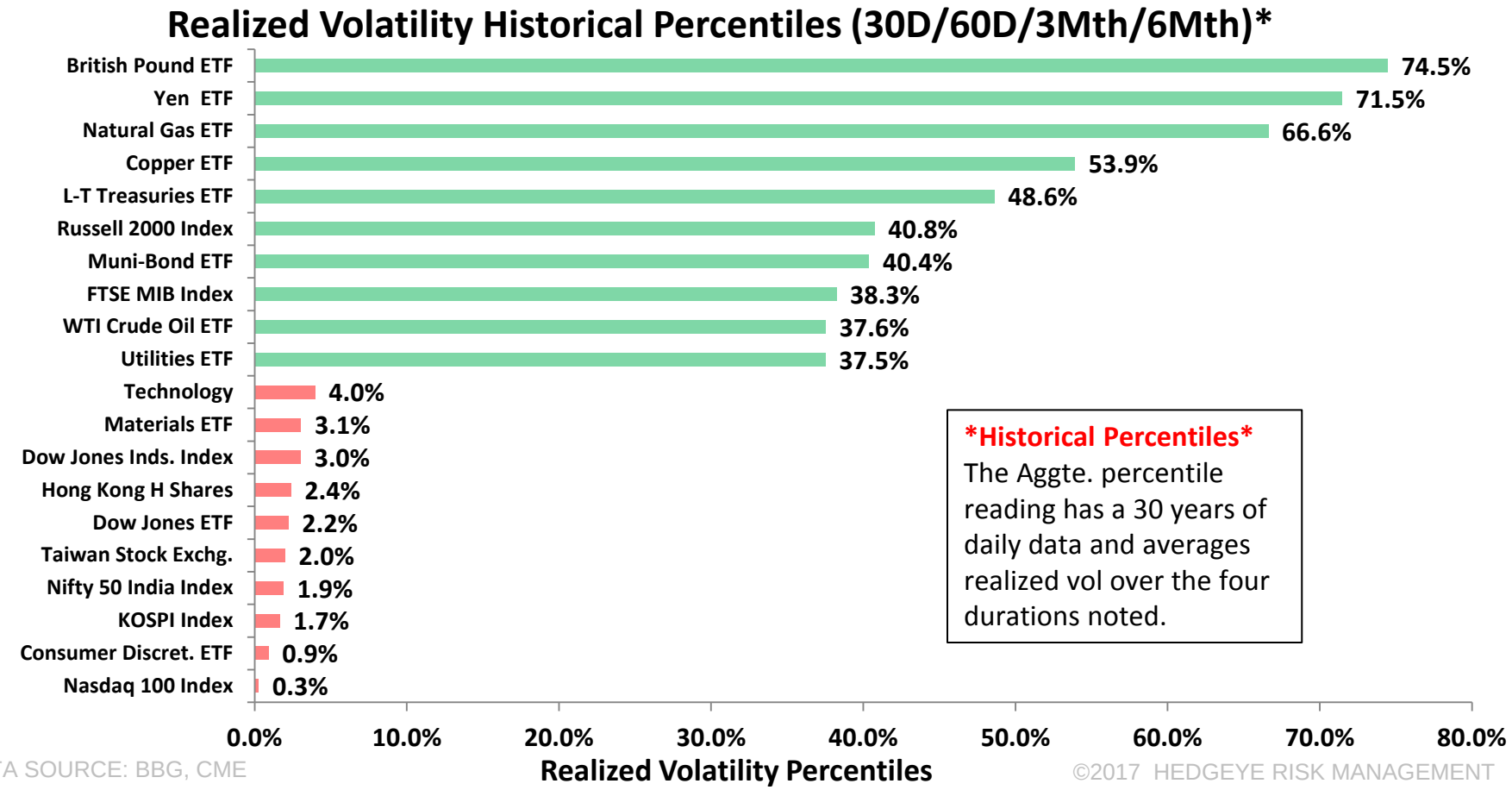
LOOKING AROUND THE WORLD....ASIA ALSO IN A LOW VOL ENVIRONMENT



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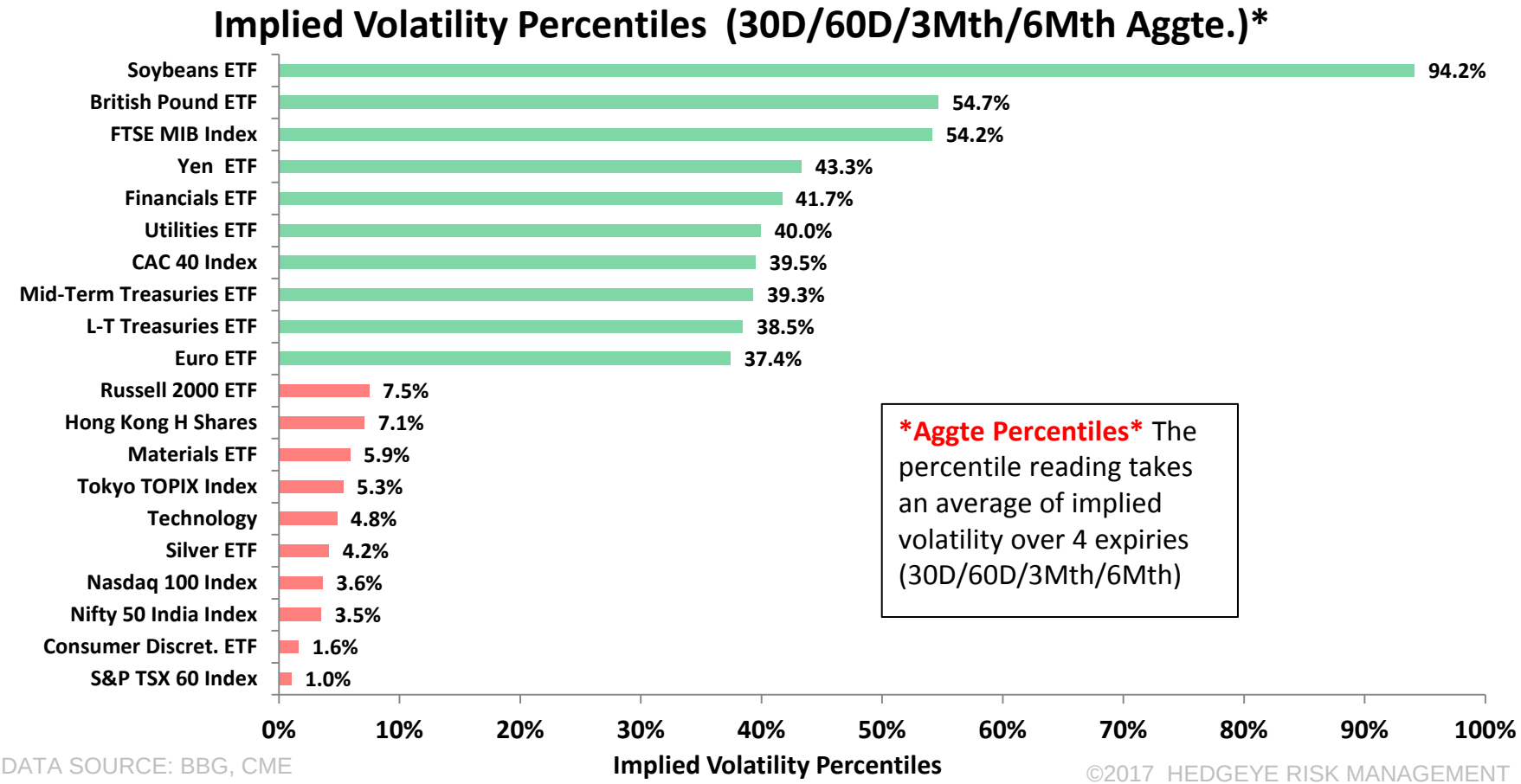
FXB: THE VOL SET-UP A GOOD INDICATOR OUR POSITION IS NON-CONSENSUS



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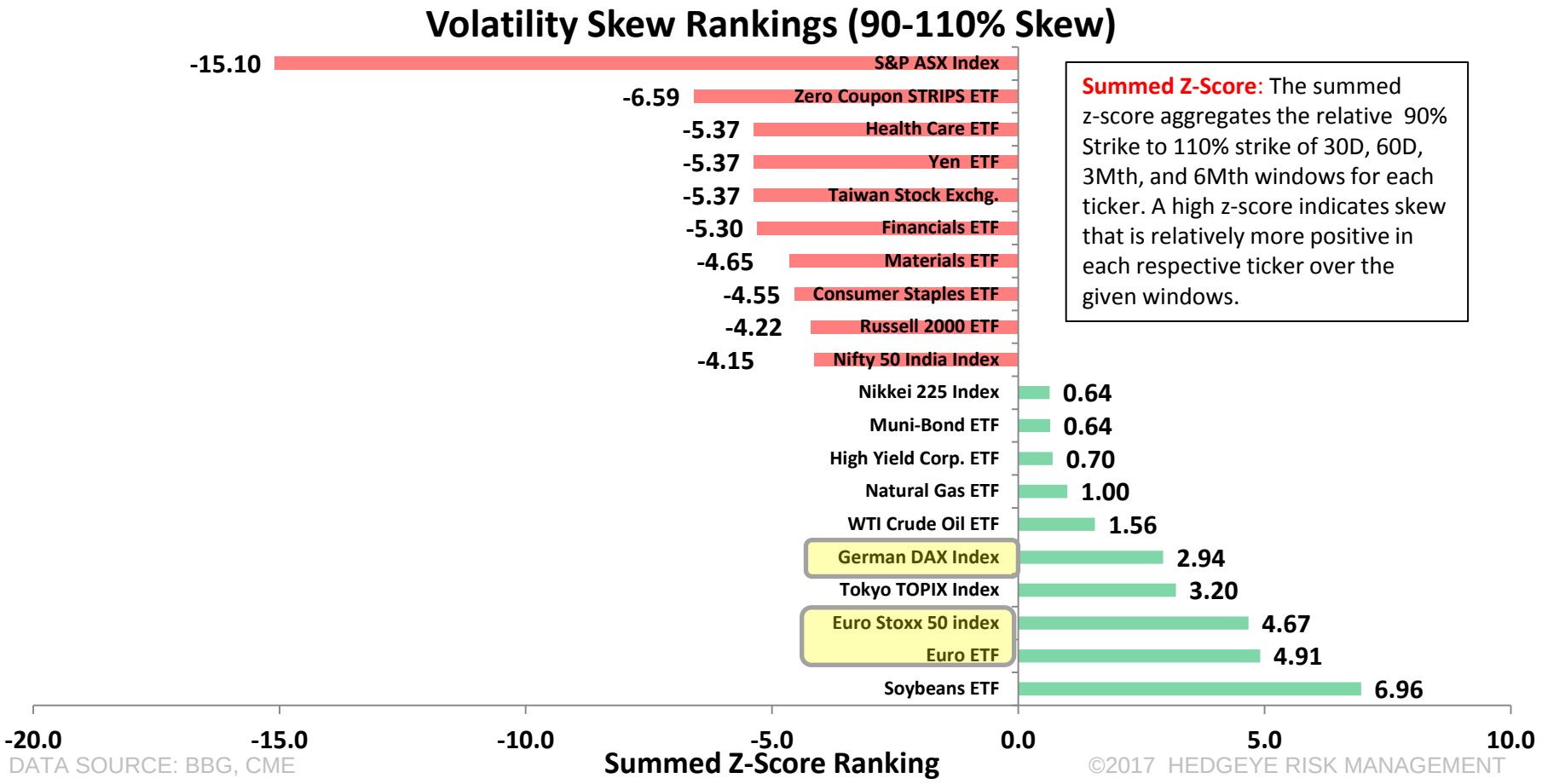
OBSERVING EURO SKEPTICISM…VOLATILITY SKEW



Summed Z-Score: The summed z-score aggregates the relative 90% Strike to 110% strike of 30D, 60D, 3Mth, and 6Mth windows for each ticker. A high z-score indicates skew that is relatively more positive in each respective ticker over the given windows.

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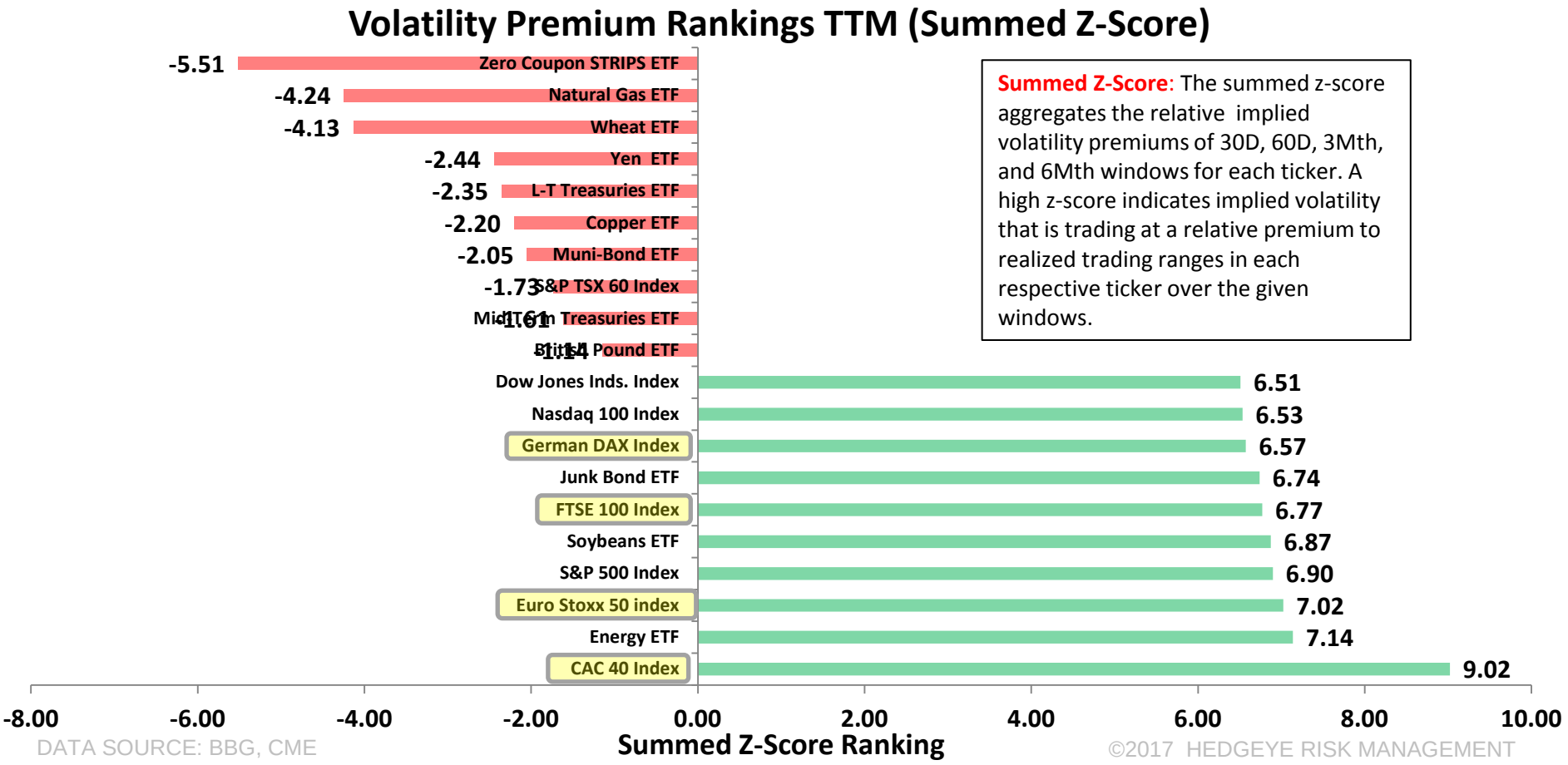
OBSERVING EURO SKEPTICISM.... IMPLIED VOLATILITY PREMIUMS



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MACRO GRIND

HEDGEYE

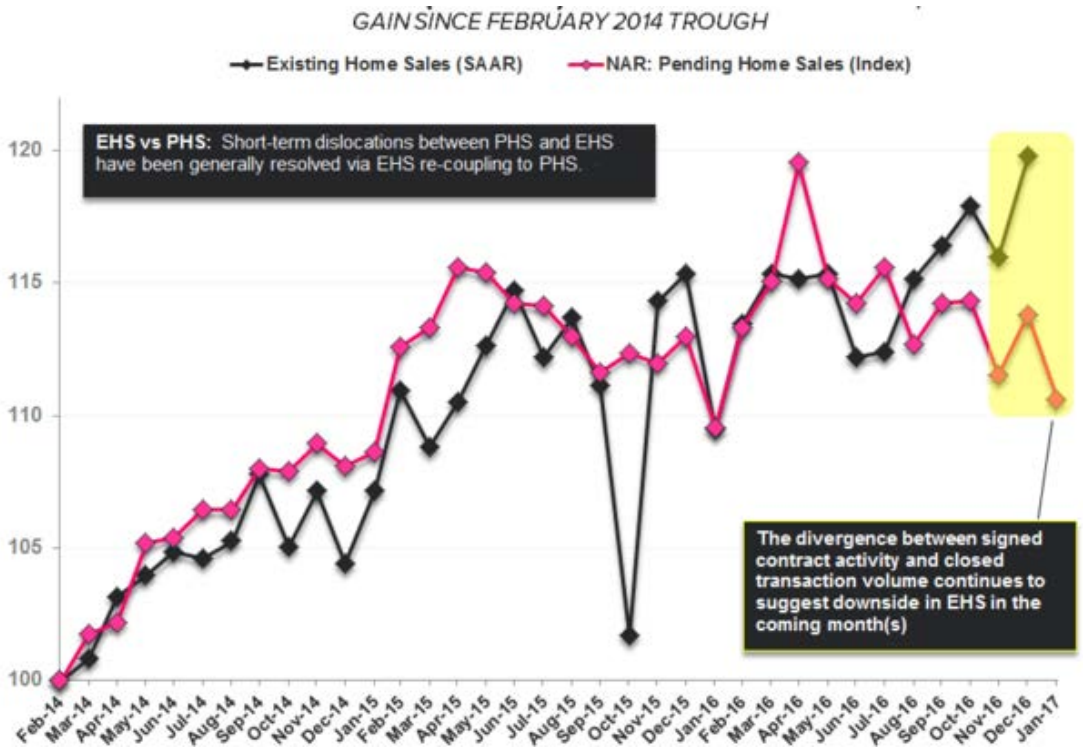
U.S. GDP SUMMARY

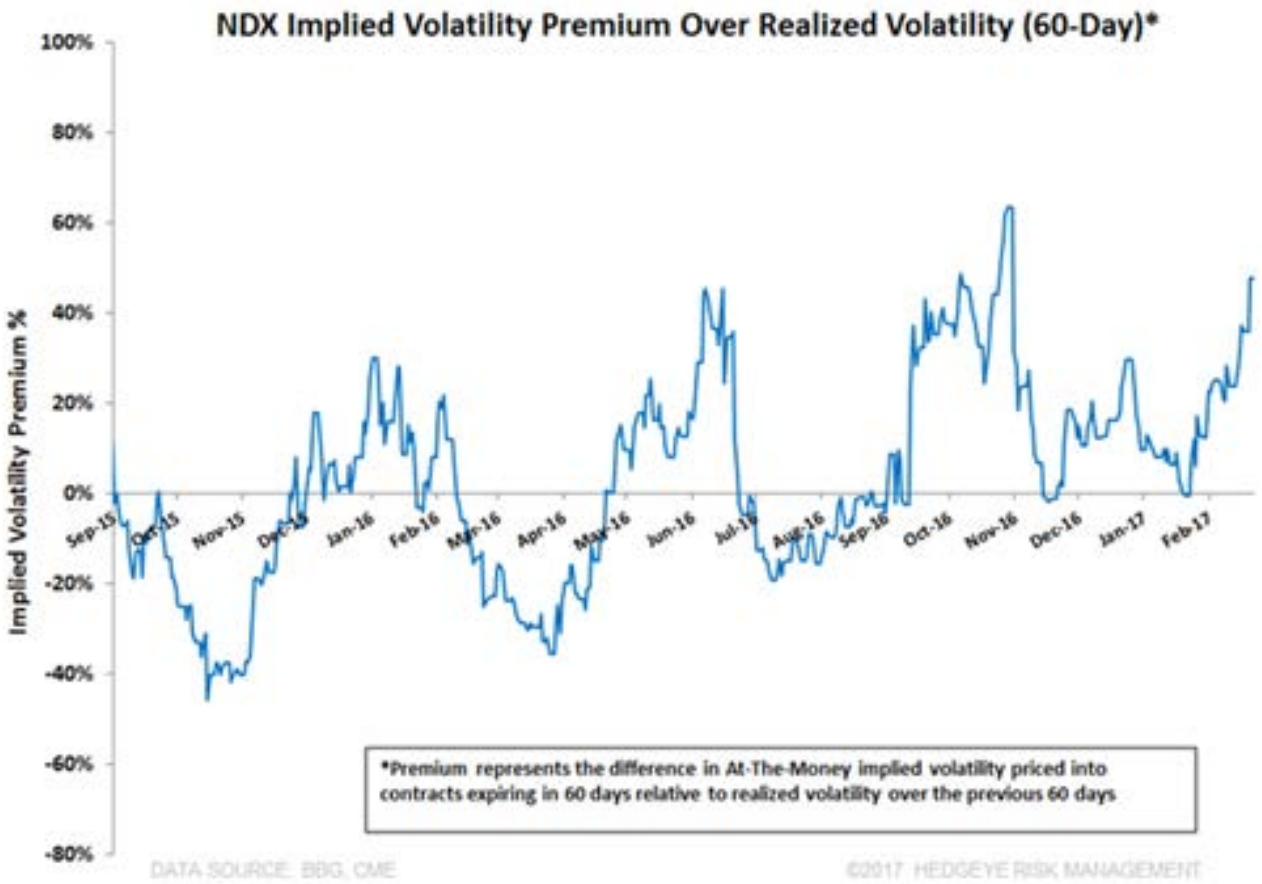
	Mar-14	Jul-14	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Q/Q Chg	1st Revision
Real GDP, Q/Q	-1.20	4.00	5.00	2.30	2.00	2.60	2.00	0.90	0.80	1.40	3.50	1.90	-1.60	0.00
Real GDP, Y/Y	1.60	2.40	2.90	2.50	3.30	3.00	2.20	1.90	1.60	1.30	1.70	1.90	0.20	0.00
GDP Nominal Dollars	17,025	17,286	17,569	17,692	17,784	17,998	18,142	18,223	18,282	18,450	18,675	18,856		
GDP Chained Dollars	15,747	15,901	16,095	16,187	16,269	16,374	16,455	16,491	16,525	16,583	16,727	16,804		
CONTRIBUTION TO % CHANGE IN GDP														
Real GDP, Q/Q	-1.2	4.0	5.0	2.3	2.0	2.6	2.0	0.9	0.8	1.4	3.5	1.9	-1.60	0.00
C: Consumption	1.26	2.56	2.52	3.07	1.63	1.94	1.81	1.53	1.11	2.88	2.03	2.05	-0.33	0.35
I: Investment	-1.10	1.79	1.49	0.45	1.62	0.18	0.35	-0.39	-0.56	-1.34	0.50	1.45	1.17	-0.22
G: Government	-0.19	0.02	0.46	-0.07	0.45	0.57	0.34	0.18	0.28	-0.30	0.14	0.06	0.07	-0.15
E: Net Exports	-1.16	-0.41	0.50	-1.14	-1.65	-0.08	-0.52	-0.45	0.01	0.18	0.85	-1.70	-2.55	0.00
Consumer Spending	1.3	2.6	2.5	3.1	1.6	1.9	1.8	1.5	1.1	2.9	2.0	2.1	-0.33	0.35
Durable Goods	0.3	0.9	0.6	0.6	0.3	0.6	0.5	0.3	-0.1	0.7	0.8	0.8	-0.05	0.04
NonDurable Goods	0.2	0.6	0.4	0.5	0.3	0.4	0.5	0.2	0.3	0.8	-0.1	0.4	0.39	0.08
Services	0.7	1.1	1.5	1.9	1.0	1.0	0.9	1.1	0.9	1.4	1.3	0.8	-0.68	0.23
Residential Investment	0.0	0.4	0.1	0.4	0.4	0.5	0.4	0.4	0.3	-0.3	-0.2	0.4	0.53	-0.02
Nonresidential Invesment	0.8	0.8	1.1	-0.1	0.2	0.2	0.5	-0.4	-0.4	0.1	0.2	0.2	0.12	-0.13
Government	-0.2	0.0	0.5	-0.1	0.5	0.6	0.3	0.2	0.3	-0.3	0.1	0.1	0.07	-0.15
State & Local Government	-0.2	0.2	0.2	0.4	0.3	0.6	0.3	-0.1	0.4	-0.3	0.0	0.1	0.30	-0.14
Exports	-0.4	1.2	0.3	0.6	-0.8	0.4	-0.4	-0.3	-0.1	0.2	1.2	-0.5	-1.69	0.03
Imports	-0.8	-1.6	0.2	-1.7	-0.9	-0.4	-0.2	-0.1	0.1	0.0	-0.3	-1.2	-0.86	-0.03
Net Exports	-1.2	-0.4	0.5	-1.1	-1.7	-0.1	-0.5	-0.5	0.0	0.2	0.9	-1.7	-2.55	0.00
Inventories	-1.9	0.7	0.3	0.2	1.0	-0.5	-0.6	-0.4	-0.4	-1.2	0.5	0.9	0.51	-0.06

GDP by EXPENDITURE, Q/Q %														
C: Consumption	1.90	3.80	3.70	4.60	2.40	2.90	2.70	2.30	1.60	4.30	3.00	3.00	-0.50	0.50
I: Investment	-6.60	11.20	8.90	2.60	9.90	1.00	2.00	-2.30	-3.30	-7.90	3.00	9.20	7.70	-1.50
G: Government	-1.00	0.10	2.50	-0.40	2.60	3.20	1.90	1.00	1.60	-1.70	0.80	0.40	0.40	-0.80
E: Net Exports	-2.70	8.70	2.10	4.50	-5.80	2.90	-2.80	-2.70	-0.70	1.80	10.00	-4.00	-14.30	0.30
I: Imports	4.90	9.90	-1.20	11.20	5.60	2.90	1.10	0.70	-0.60	0.20	2.20	8.50	6.10	0.20
Real Final Sales	*0.8*	*3.3*	*4.7*	*2.1*	*1.0*	*3.2*	*2.6*	*1.2*	*1.2*	*2.6*	*3.0*	*0.9*	*-2.10*	*0.00*
Gross Domestic Purchases	*0.0*	*4.3*	*4.3*	*3.4*	*3.6*	*2.6*	*2.4*	*1.3*	*0.8*	*1.2*	*2.6*	*3.5*	*0.90*	*0.00*
Real Final Sales to Domestic Purchasers	***1.9***	***3.6***	***4.0***	***3.1***	***2.6***	***3.1***	***3.0***	***1.6***	***1.2***	***2.3***	***2.1***	***2.6***	***0.40***	***0.05***
Consumer Spending	1.9	3.8	3.7	4.6	2.4	2.9	2.7	2.3	1.6	4.3	3.0	3.0	-0.50	0.50
Durable Goods	4.6	13.0	8.7	8.5	4.1	7.6	6.2	4.0	-0.6	9.8	11.6	11.5	-0.70	0.60
NonDurable Goods	1.4	3.8	2.3	3.5	1.9	2.7	3.2	1.2	2.1	5.7	-0.5	2.8	2.80	0.50
Services	1.7	2.3	3.4	4.3	2.3	2.2	2.0	2.3	1.9	3.0	2.7	1.8	-1.40	0.50
Residential Investment	-1.4	11.7	3.6	11.4	13.3	14.9	12.6	11.5	7.8	-7.7	-4.1	9.6	14.30	-0.60
Nonresidential Invesment	7.0	6.1	8.3	-1.1	1.3	1.6	3.9	-3.3	-3.4	1.0	1.4	1.3	1.00	-1.10
Government	-1.0	0.1	2.5	-0.4	2.6	3.2	1.9	1.0	1.6	-1.7	0.8	0.4	0.40	-0.80
State & Local Government	-1.5	2.0	1.6	3.3	3.0	5.1	2.5	-0.6	3.5	-2.5	-0.2	1.3	2.80	-1.30
Exports	-2.7	8.7	2.1	4.5	-5.8	2.9	-2.8	-2.7	-0.7	1.8	10.0	-4.0	-14.30	0.30
Imports	4.9	9.9	-1.2	11.2	5.6	2.9	1.1	0.7	-0.6	0.2	2.2	8.5	6.10	0.20
INFLATION														
GDP Price Index, %	1.7	2.1	1.7	0.5	-0.1	2.3	1.3	0.8	0.5	2.3	1.4	2.0	0.7	-0.1
PCE - Core Price Index, %	1.6	2.0	1.5	1.1	1.1	1.8	1.4	1.2	2.1	1.8	1.7	1.2	-0.4	-0.1

Source: Bloomberg, BEA, HRM

EXISTING HOME SALES VS PENDING




NDX Implied Volatility Premium Over Realized Volatility (60-Day)*
Implied Volatility Premium %
100%
80%
60%
40%
20%
0%
-20%
-40%
-60%
-80%
Sep-15
Oct-15
Nov-15
Dec-15
Jan-16
Feb-16
Mar-16
Apr-16
May-16
Jun-16
Jul-16
Aug-16
Sep-16
Oct-16
Nov-16
Dec-16
Jan-17
Feb-17
*Premium represents the difference in At-The-Money implied volatility priced into contracts expiring in 60 days relative to realized volatility over the previous 60 days
DATA SOURCE: BBG, CME
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EARNINGS SEASON

Q4 2016 QTD

SECTOR	SALES GROWTH (% CHG)	EARNINGS GROWTH (% CHG)	#REPORTED
S&P 500 (Aggregate)	4.7%	4.8%	471 / 499
Energy	3.1%	-5.3%	35 / 35
Materials	4.4%	2.5%	24 / 25
Industrials	2.4%	-5.2%	68 / 68
Consumer Discretionary	8.5%	3.6%	69 / 81
Consumer Staples	2.4%	4.6%	34 / 37
Healthcare	4.8%	3.8%	54 / 60
Financials	5.7%	6.6%	63 / 63
Information Technology	6.2%	10.2%	63 / 66
Telecom	-1.7%	-0.7%	5 / 5
Utilities	10.4%	9.8%	25 / 28
Real Estate	3.6%	11.3%	29 / 29

Source: BBG

	REALIZED VOLATILITY				IMPLIED VOLATILTY*				IMPLIED** VS. REALIZED VOLATILITY									
		Duration of Realized (%)			At-The-Money %					30 Day			60 Day			3 Month		
											Z-Score			Z-Score			Z-Score	
Index/Security	Ticker	30D	60D	90D	Current	v 1M Avg	v 3M Avg	v 6M Avg.	Ticker	Premium	TTM	3Yr	Premium	TTM	3Yr	Premium	TTM	3Yr
S&P 500	SPX	5.7%	6.6%	7.6%	9.9%	4.5%	-1.9%	-13.9%	SPX	55.3%	1.05	1.57	56.5%	1.72	2.11	56.1%	2.21	2.24
Russell 2000	RTY	12.9%	13.6%	15.0%	15.6%	-0.2%	-4.3%	-7.9%	RTY	15.3%	0.55	0.46	17.5%	0.97	0.58	16.8%	1.16	0.43
Nasdaq 100	NDX	5.8%	8.4%	10.6%	11.8%	5.3%	-6.7%	-14.3%	NDX	79.9%	1.95	2.66	45.1%	1.70	2.01	32.4%	1.32	1.39
USD Index	UUP	6.8%	7.8%	7.3%	7.6%	-10.6%	-14.7%	-10.7%	UUP	9.6%	-0.12	-0.17	-0.5%	-0.71	-0.63	19.2%	0.40	0.23
Consumer Discret.	XLY	6.3%	9.1%	10.0%	11.0%	-3.1%	-12.0%	-18.0%	XLY	58.6%	1.37	1.91	23.0%	0.58	0.79	25.8%	0.91	1.02
Financials	XLF	14.8%	14.1%	16.5%	16.3%	3.1%	-4.9%	-5.6%	XLF	0.7%	-0.26	-0.23	17.2%	0.58	0.58	7.7%	0.62	0.16
Healthcare	XLV	9.5%	9.5%	13.1%	12.1%	1.9%	-9.1%	-15.4%	XLV	22.3%	0.53	0.78	29.2%	1.47	1.55	0.9%	-0.05	-0.11
Technology	XLK	6.2%	9.6%	11.0%	11.4%	1.2%	-9.1%	-15.1%	XLK	47.6%	1.12	1.62	21.7%	0.82	0.89	21.4%	0.98	0.86
Consumer Staples	XLP	8.5%	8.8%	10.6%	9.8%	0.5%	-9.8%	-16.0%	XLP	6.6%	-0.04	0.00	13.1%	0.69	0.52	1.0%	-0.10	-0.33
Utilities	XLU	12.4%	12.4%	16.4%	13.2%	-0.3%	-11.4%	-16.9%	XLU	3.5%	0.23	0.31	7.4%	1.00	0.89	-14.7%	-1.22	-1.13
Energy	XLE	13.9%	12.7%	16.9%	17.7%	7.3%	0.7%	-8.1%	XLE	23.9%	1.00	0.88	39.8%	3.39	2.09	9.9%	1.43	0.43
Energy	XOP	21.7%	19.8%	30.2%	29.2%	9.5%	2.3%	-7.3%	XOP	29.4%	1.09	1.30	47.9%	4.08	3.06	-1.8%	0.71	0.00
Materials	XLB	11.2%	10.5%	10.8%	12.9%	-3.6%	-6.4%	-14.2%	XLB	13.4%	0.13	0.16	23.8%	0.93	0.78	29.8%	1.67	1.16
Industrials	XLI	9.0%	9.4%	10.8%	11.9%	-1.2%	-8.3%	-12.9%	XLI	27.2%	0.50	0.78	28.2%	1.10	1.16	21.6%	1.28	0.95
Transports	IYT	14.4%	13.8%	13.9%	16.3%	-3.1%	-5.7%	-7.7%	IYT	8.6%	-0.16	0.00	19.7%	0.46	0.66	27.7%	1.06	1.26
WTI Crude Oil	USO	18.4%	23.2%	31.3%	24.4%	-7.7%	-17.3%	-28.2%	USO	-7.7%	1.13	0.95	6.1%	0.71	-0.01	-16.5%	-0.71	-1.04
Natural Gas	UNG	38.9%	51.5%	49.9%	41.6%	0.6%	-9.7%	-6.8%	UNG	2.9%	0.07	-0.22	-19.5%	-1.27	-1.02	-18.8%	-1.35	-0.95
Gold	GLD	10.7%	11.0%	12.4%	12.3%	-7.1%	-13.2%	-15.8%	GLD	13.4%	0.41	0.28	13.7%	0.79	0.46	13.7%	0.91	0.50
Silver	SLV	14.8%	18.5%	21.1%	19.7%	-6.8%	-14.8%	-17.8%	SLV	29.6%	1.80	0.50	8.0%	0.43	-0.25	3.0%	-0.35	-0.52
Copper	JJC	28.3%	25.9%	26.2%	21.2%	-10.0%	-19.8%	-17.6%	JJC	-7.1%	-0.36	-0.46	-16.7%	-0.74	-0.96	-10.6%	-0.69	-0.89
Corn	CORN	14.3%	15.1%	15.9%	17.7%	-1.3%	1.0%	-5.6%	CORN	23.9%	0.38	0.15	23.0%	0.48	0.20	29.6%	0.55	0.47
Soybeans	SOYB	14.0%	15.9%	15.6%	13.8%	-29.8%	-37.0%	-35.7%	SOYB	-1.4%	-1.00	-0.75	80.1%	0.82	0.71	315.4%	3.27	4.46
Wheat	WEAT	20.8%	19.5%	18.6%	56.4%	81.4%	80.1%	91.5%	WEAT	171.8%	1.59	1.50	181.6%	2.27	2.03	132.5%	2.16	1.73

*implied volatility on at-the-money front month contracts

**implied volatility of at-the-money options expiring in the given duration vs. realized volatility over the given duration

HEDGEYE SECTOR PERFORMANCE

SECTOR	Ticker	Price	1-Day % Chg	MTD % Chg	YTD % Chg
Consumer Discretionary	XLY	$87.02	0.12%	2.58%	6.90%
Financial Select Sector	XLF	$24.55	0.53%	5.32%	5.59%
Health Care Select Sector	XLV	$75.14	0.48%	6.55%	8.99%
Technology Select Sector	XLK	$52.60	-0.06%	5.03%	8.77%
Consumer Staples Select Sector	XLP	$55.02	-0.47%	4.62%	6.40%
Industrial Select Sector	XLI	$66.13	0.36%	4.34%	6.28%
Materials Select Sector	XLB	$52.30	-0.25%	0.65%	5.23%
The Energy Select Sector	XLE	$71.60	0.86%	-1.78%	-4.94%
Utilities Select Sector	XLU	$51.30	-0.56%	4.31%	5.62%
S&P 500	SPX	2,369.73	0.10%	3.99%	5.85%

HEDGEYE SECTOR RELATIVE PERFORMANCE

	Ticker	Price	1-Day % Chg	MTD % Chg	YTD % Chg
Consumer Discretionary	XLY	$87.02	0.01%	-1.41%	1.06%
Financial Select Sector	XLF	$24.55	0.43%	1.33%	-0.26%
Health Care Select Sector	XLV	$75.14	0.38%	2.56%	3.15%
Technology Select Sector	XLK	$52.60	-0.16%	1.04%	2.92%
Consumer Staples Select Sector	XLP	$55.02	-0.57%	0.63%	0.55%
Industrial Select Sector	XLI	$66.13	0.26%	0.35%	0.44%
Materials Select Sector	XLB	$52.30	-0.35%	-3.33%	-0.62%
The Energy Select Sector	XLE	$71.60	0.76%	-5.77%	-10.79%
Utilities Select Sector	XLU	$51.30	-0.66%	0.32%	-0.23%

HEDGEYE STYLE FACTOR PERFORMANCE

	FACTOR	1D % Chg	1W % Chg	1M % Chg	3M % Chg	6M % Chg	YTD % Chg
Debt	High Debt/EV	0.2%	1.0%	2.8%	6.0%	9.9%	5.4%
	Low Debt/EV	0.1%	0.3%	2.7%	4.5%	5.8%	5.7%
SI	High Short Interest	0.4%	0.1%	1.5%	2.5%	4.0%	3.6%
	Low Short Interest	0.0%	1.0%	3.6%	7.0%	11.5%	6.0%
BETA	High Beta	0.7%	0.1%	1.5%	6.8%	17.2%	6.0%
	Low Beta	-0.3%	1.5%	4.3%	6.6%	3.3%	4.8%
YIELD	High Yield	0.0%	1.5%	2.8%	3.6%	2.8%	2.8%
	Low Yield	0.4%	0.0%	2.5%	4.7%	6.6%	6.0%
MKT CAP	MCAP Bottom 25%	0.3%	0.3%	1.2%	1.2%	2.7%	2.7%
	MCAP Top 25%	0.2%	1.0%	3.4%	7.4%	12.1%	6.3%
Sales	Top 25% Sales Growth	0.4%	0.1%	0.7%	5.2%	8.1%	4.8%
	Bottom 25% Sales Growth	-0.1%	1.0%	2.8%	3.4%	3.8%	3.7%
EPS	Top 25% EPS Growth	0.5%	-0.4%	-0.3%	4.3%	9.6%	4.0%
	Bottom 25% EPS Growth	0.0%	1.2%	3.8%	3.7%	3.2%	3.6%

**Mean Performance of Top Quartile vs. Bottom Quartile, S&P500 Companies*

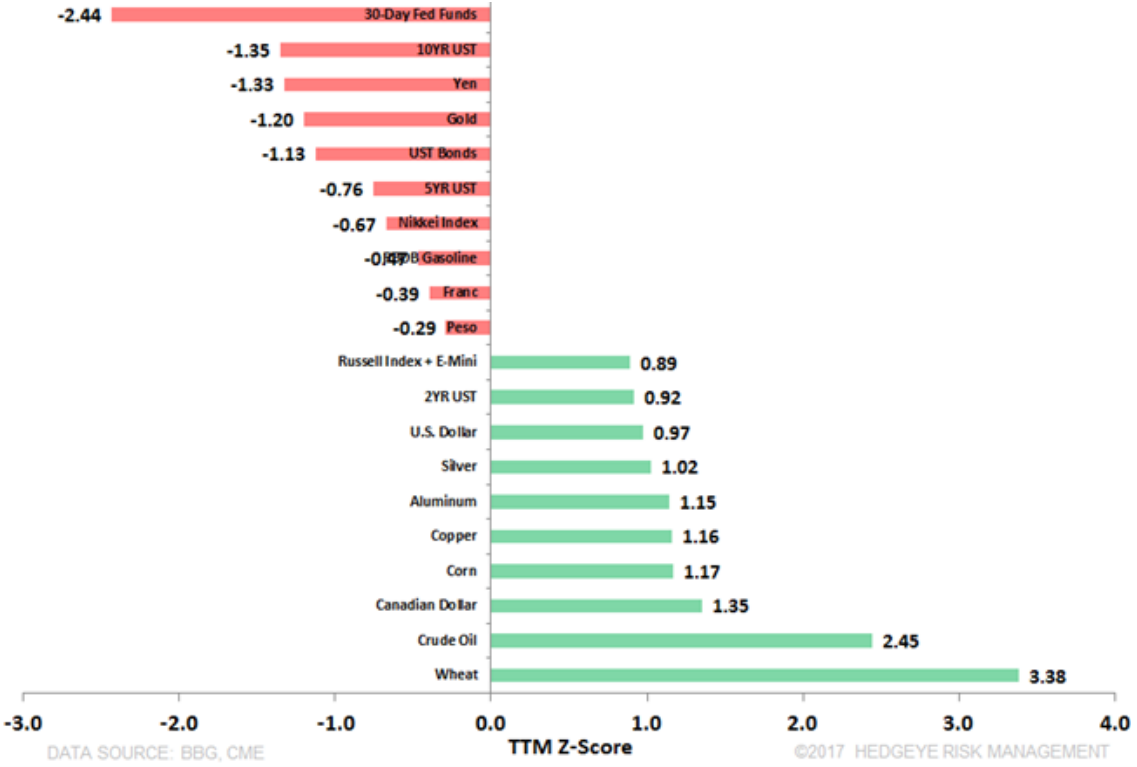
HEDGEYE RATES & SPREADS

	Price	1D Bps Chg	5D Bps Chg	1M Bps Chg	3M Bps Chg	vs. 52-Wk, Bps High	vs. 52-Wk, Bps Low	vs. 3Y Ave	vs. 5Y Ave
3M T-Bill	0.50%	0.0	-1.0	-1	1	-5	34	35	39
3M LIBOR	1.05%	0.0	0.1	2	12	0	43	58	64
2Y T-Note	1.20%	5.4	-1.0	-2	8	-10	70	50	66
5Y T-Note	1.86%	5.9	-5.6	-8	3	-26	97	35	55
10Y T-Note	2.36%	5.1	-6.6	-12	1	-28	105	22	22
30Y T-Note	2.98%	3.1	-5.8	-8	-2	-23	89	10	-4
2Y-10Y Spread, Bps	117	-0.2	-5.5	-9.9	-7	-17	34	-28	-44
IG SPREAD (AAABBB)	1.52%	0.0	0.0	1	-6	-76	5	-17	-23
HIGH YIELD	5.92%	0.0	-5.2	-25	#VALUE!	-253	3	-72	-65
5Y BREAKEVEN	2.02%	0.9	-0.5	-0.9	26.0	-5.7	78.7	46.0	29.3

CFTC NON-COMMERCIAL NET LONG POSITIONING

METRIC	Latest	W/W Chg	3M Ave	6M Ave	1Y Ave	Z-Score 1Y	Z-Score 3Y
SPX (Index + E-mini)	17,524	(8,421)	(6,807)	31,461	22,686	-0.05X	0.47X
Russell 2000 (mini)	38,045	(12,964)	65,173	38,100	1,161	0.78X	1.70X
10Y Treasury	(284,605)	63,528	(308,387)	(123,106)	(59,867)	-1.35X	-1.97X
CRUDE OIL	586,229	28,659	500,060	437,421	394,935	2.45X	3.04X
GOLD	82,464	14,482	65,776	128,936	171,307	-1.16X	-0.24X
COPPER	42,406	(2,449)	50,171	26,169	5,140	1.16X	2.20X
$USD	45,776	(18)	50,680	41,796	28,180	0.97X	0.40X
JPY	(46,657)	393	(60,989)	(7,943)	20,976	-1.33X	-0.26X
EUR	(50,795)	(11,601)	(66,168)	(86,955)	(76,259)	0.77X	0.81X
GBP	(63,995)	(1,254)	(64,110)	(73,050)	(62,388)	-0.08X	-1.06X

CFTC NET FUTURES & OPTIONS POSITIONING (TTM Z-SCORE)

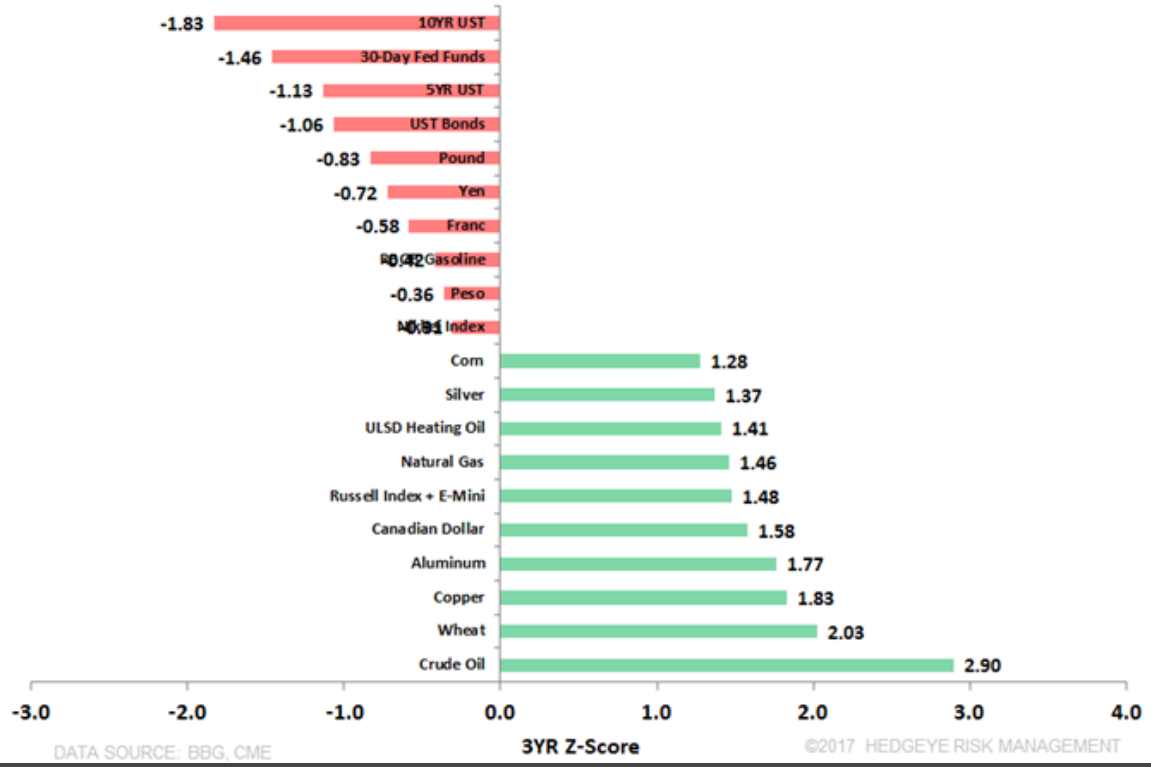


March 1, 2017

THE MACRO SHOW

HEDGEYE TV

CFTC NET FUTURES & OPTIONS POSITIONING (3YR Z-SCORE)



March 1, 2017

THE MACRO SHOW

HEDGEYE TV

MARKET SHARE VOLUME & TOTAL VALUE TRADED

INDEX/SECURITY	VOLUME: (2/27) vs.			
	Prior Day	1M Ave	3M ave	1Y Ave
Total Market Volume*	-6%	-9%	7%	35%
Total Exchange Volume**	0.4%	0.0%	-0.3%	-2%

*Total Market Volume = Total US exchange volume plus OTC and OTCBB trading volume for all security types. Calculated by Bloomberg.

**Tape A+B+C volume = total US exchange volume

*** Total Traded Value for Russell 3000 (total mkt proxy)

Source: Bloomberg, Hedgeye

KEY $USD CORRELATIONS

METRIC	15D	30D	90D	120D	180D	52-Wk Rolling 30D Correlation			
						High	Low	% Time Pos	% Time Neg
SPX	0.79	0.65	0.55	0.69	0.71	*0.95*	*-0.90*	*44%*	*56%*
BRENT Oil	0.68	0.08	0.55	0.63	0.69	*0.77*	*-0.78*	*46%*	*54%*
CRB Index	-0.04	-0.04	0.49	0.63	0.71	*0.83*	*-0.88*	*26%*	*74%*
GOLD	0.11	0.41	-0.87	-0.92	-0.92	*0.90*	*-0.97*	*16%*	*84%*

**Days = Trading Days*