THE MACRO SHOW

FEBRUARY 8, 2017

LEGAL

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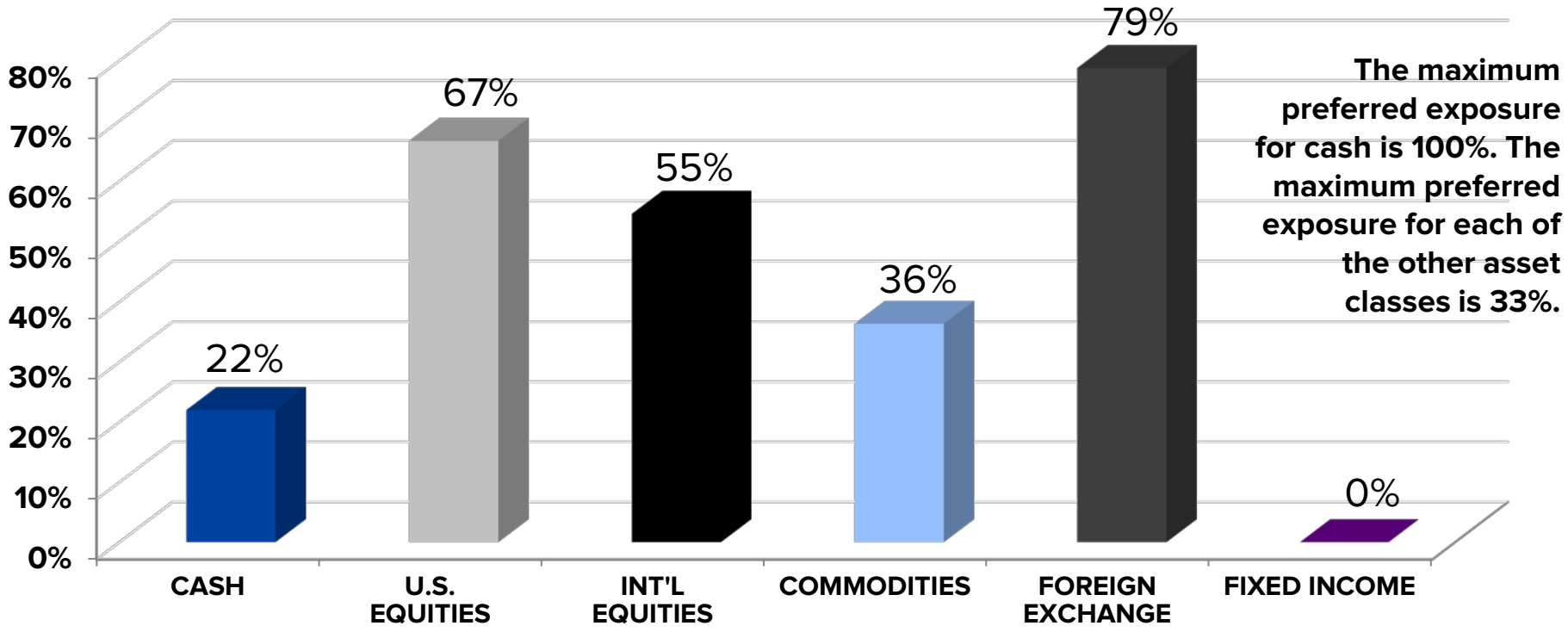
HEDGEYE ASSET ALLOCATION

	CASH	U.S. EQUITIES	INT'L EQUITIES	COMMODITIES	FOREIGN EXCHANGE	FIXED INCOME
2/7/2017	22	22	18	12	26	0
2/8/2017	22	22	18	12	26	0

	CASH	U.S. EQUITIES	INT'L EQUITIES	COMMODITIES	FOREIGN EXCHANGE	FIXED INCOME
2/7/2017	22%	67%	55%	36%	79%	0%
2/8/2017	22%	67%	55%	36%	79%	0%

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

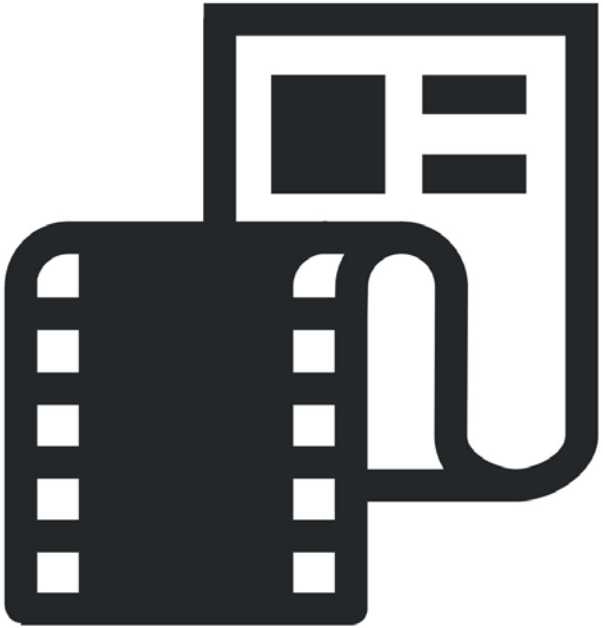
HEDGEYE ASSET ALLOCATION



February 8, 2017

THE MACRO SHOW

HEDGEYE TV

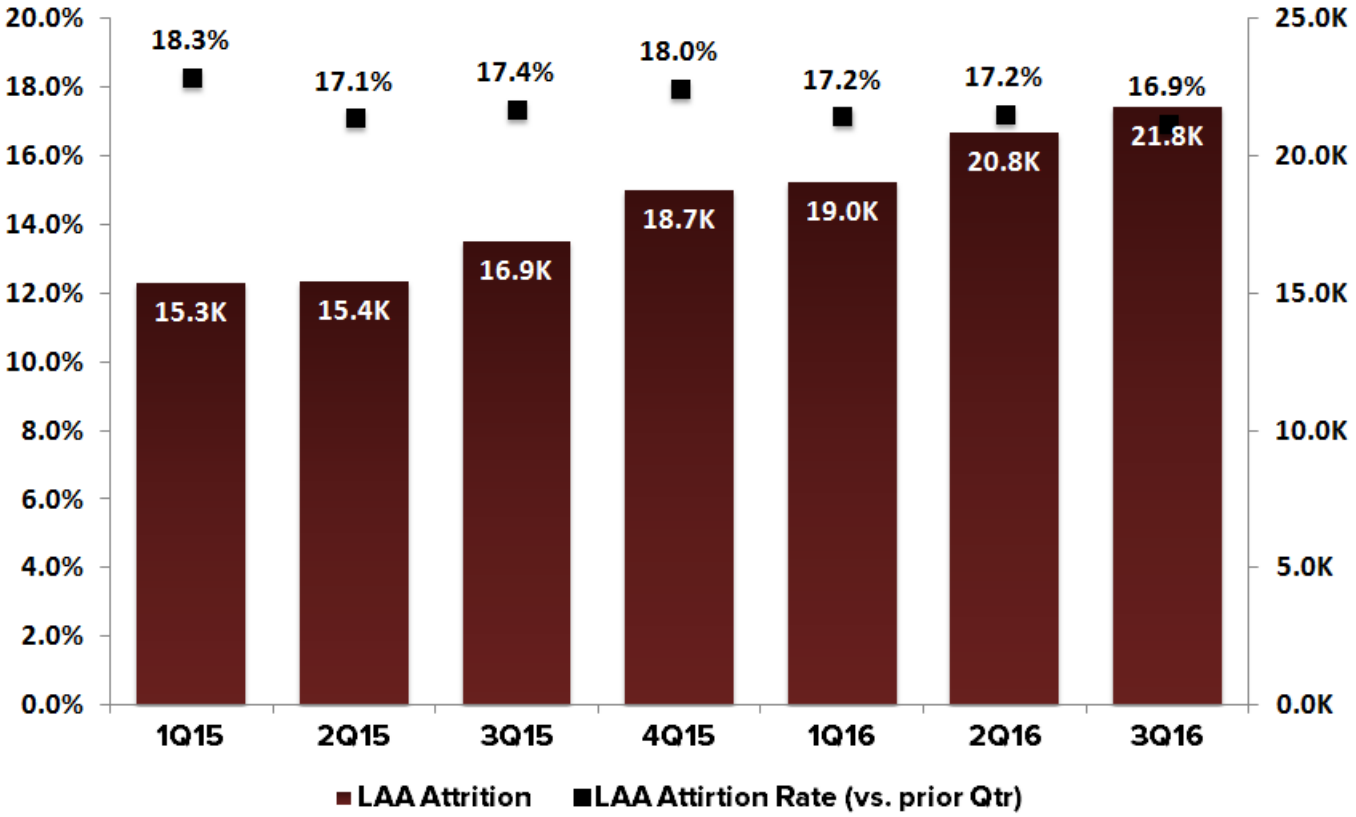


INTERNET & MEDIA

HESHAM SHAABAN

YELP Local Advertising Accounts Attrition

Total Lost LAAs & Quarterly Attrition Rate



Source: Company Reports, Transcripts, Hedgeye Estimates

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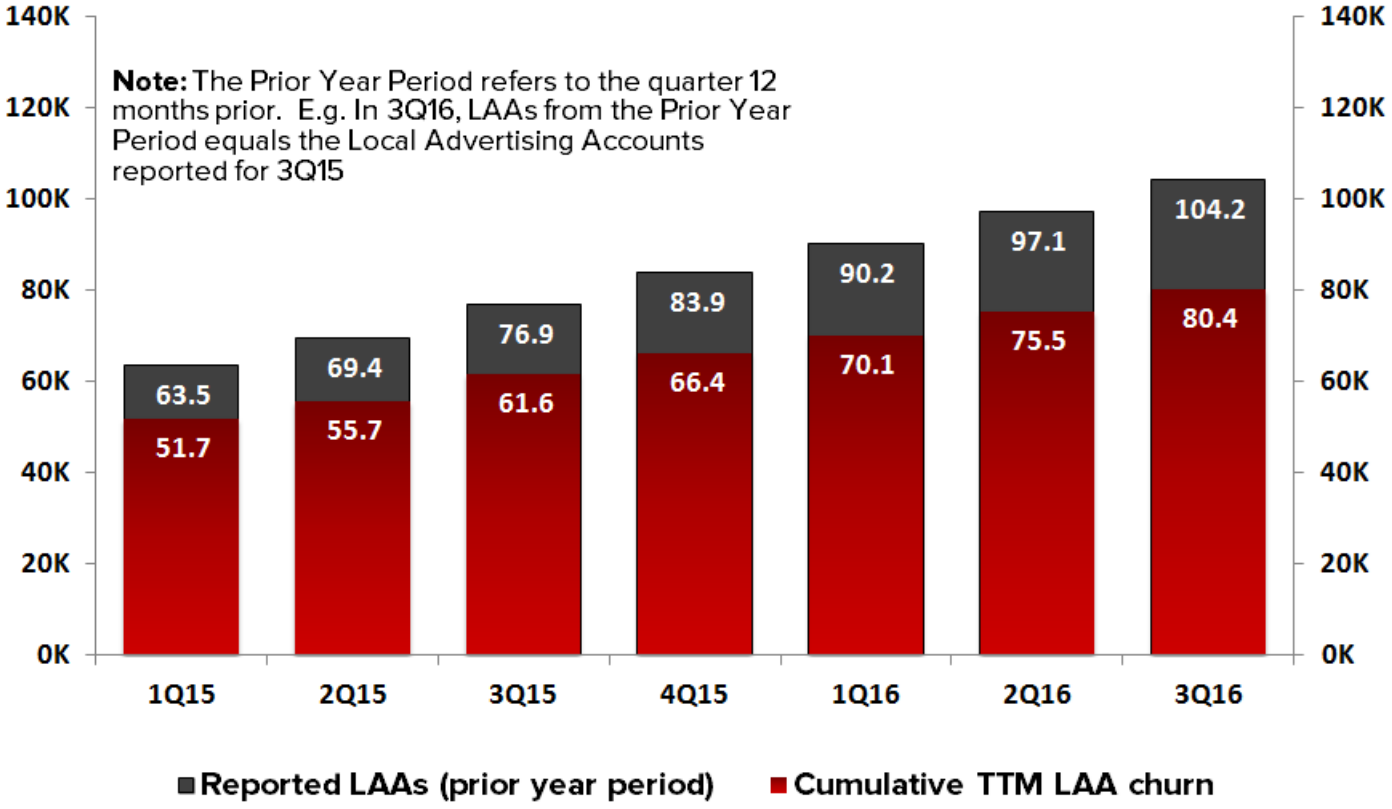
YELP Local Advertising Accounts (Prior Year Period) vs. Cummulative TTM LAA Churn



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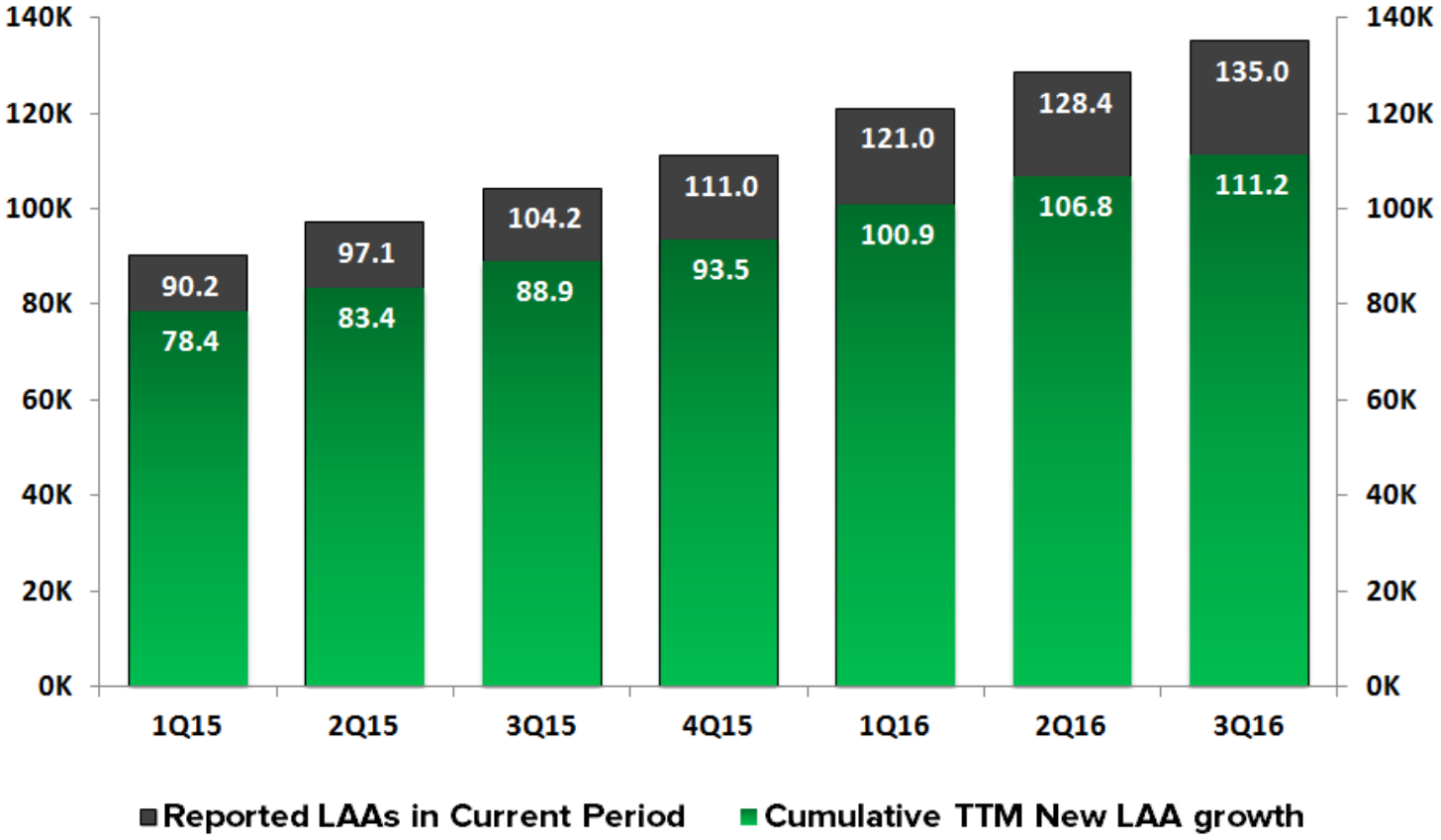
YELP Current Local Advertising Accounts vs. Cumulative TTM New LAA growth



Source: Company Reports, Hedgeye Estimates

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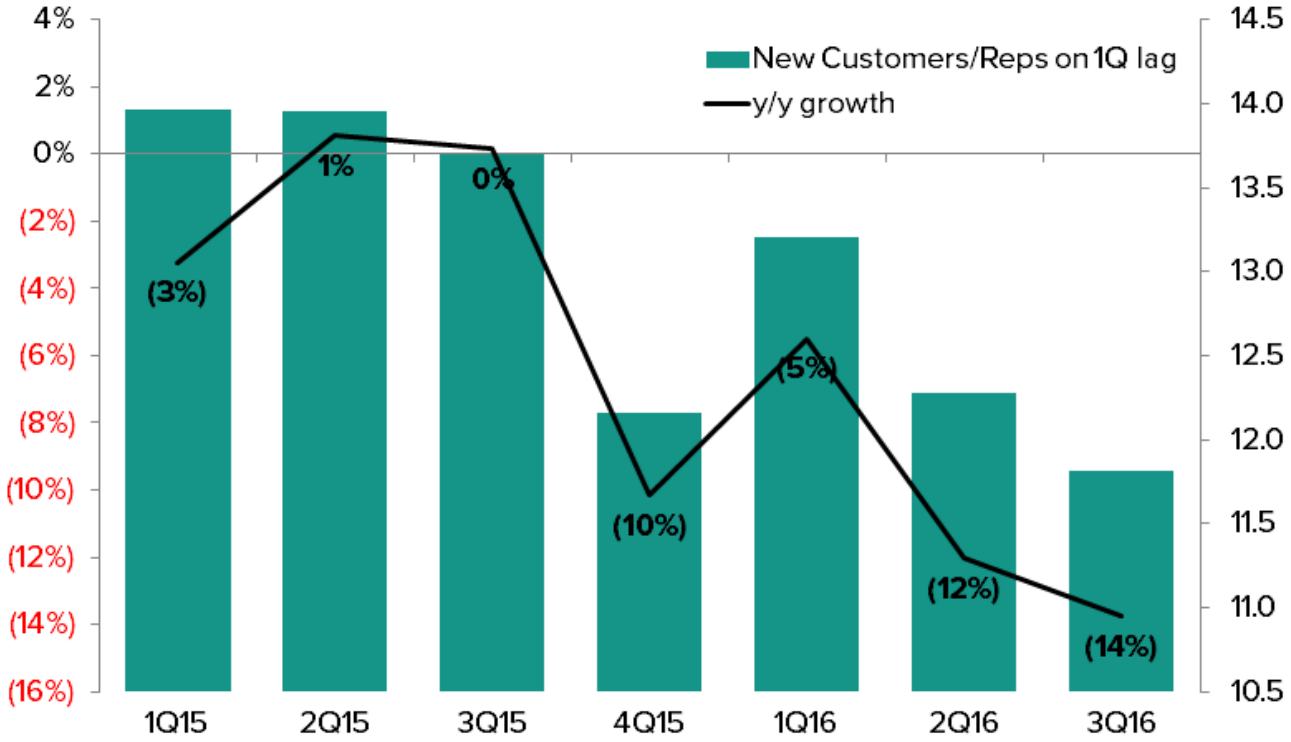
YELP | Salesforce Productivity?

New Accounts per Sales Rep & Y/Y Growth %

(based on reported sales reps as of prior quarter)



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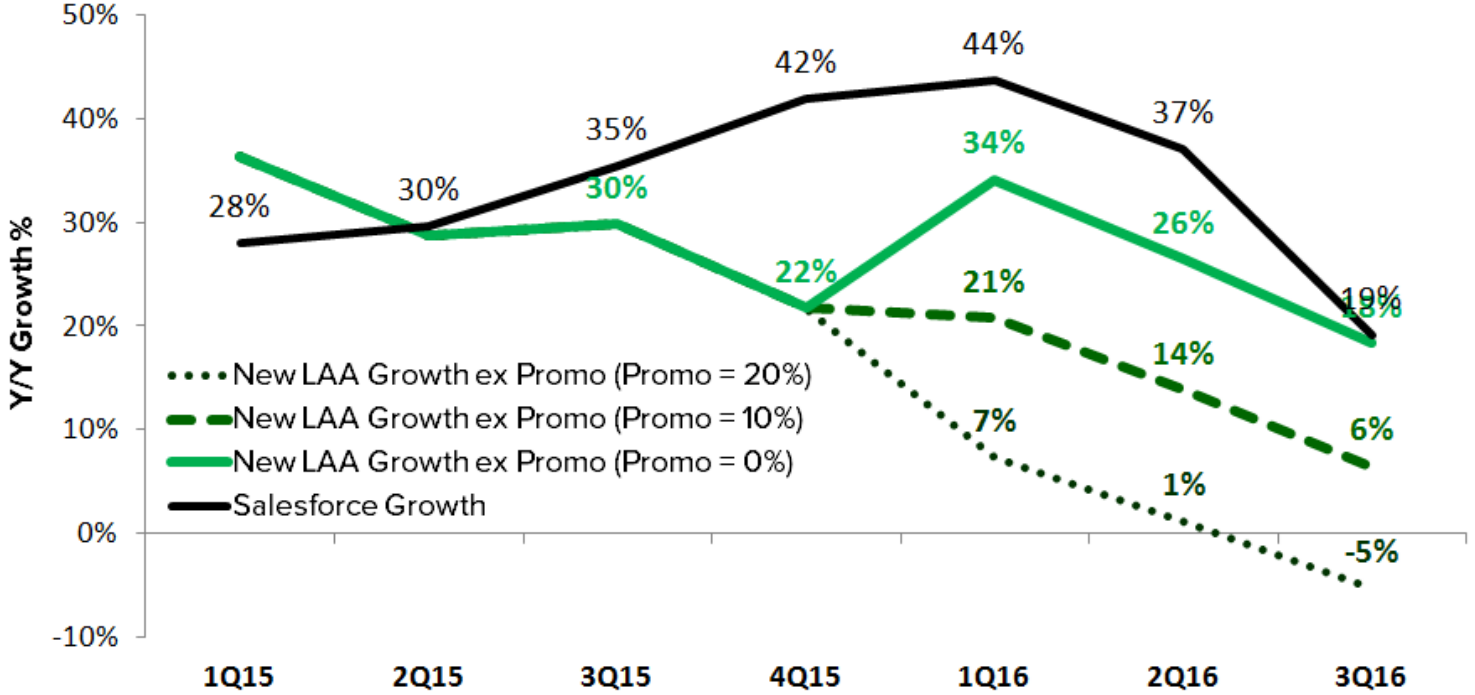
YELP: New LAA vs. Sales Rep Scenario Analysis

New LAA growth (ex self-serve) flexed by assumed self-serve %

1Q16 Earning Call: *"we just wouldn't want to anybody to expect that that 10,000 net increase in local advertising accounts would be ...necessarily repeatable...given that **a meaningful percentage of those were kind of low spending self-serve accounts."***



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MACRO GRIND

EARNINGS SEASON

Q4 2016 QTD

SECTOR	SALES GROWTH (% CHG)	EARNINGS GROWTH (% CHG)	#REPORTED
S&P 500 (Aggregate)	4.3%	4.8%	310 / 500
Energy	1.3%	-10.5%	18 / 35
Materials	5.3%	5.2%	18 / 25
Industrials	2.4%	-5.6%	49 / 67
Consumer Discretionary	8.1%	-2.1%	38 / 81
Consumer Staples	0.3%	7.1%	20 / 37
Healthcare	5.7%	3.2%	40 / 60
Financials	4.8%	10.6%	55 / 63
Information Technology	7.2%	9.5%	47 / 66
Telecom	-2.9%	0.8%	2 / 5
Utilities	3.9%	21.6%	7 / 28
Real Estate	-1.2%	2.1%	15 / 29

Source: BBG

VOLATILITY

VOLATILITY

Index/Security	Ticker	REALIZED VOLATILITY Duration of Realized (%) 30D	60D	90D	IMPLIED VOLATILTY* At-The-Money % Current	v 1M Avg	v 3M Avg	v 6M Avg.	IMPLIED** VS. REALIZED VOLATILITY Ticker	30 Day Premium	30 Day Z-Score TTM	30 Day Z-Score 3Yr	60 Day Premium	60 Day Z-Score TTM	60 Day Z-Score 3Yr	3 Month Premium	3 Month Z-Score TTM	3 Month Z-Score 3Yr
S&P 500	SPX	6.7%	6.9%	8.1%	9.6%	2.0%	-9.9%	-16.7%	SPX	23.7%	0.24	0.54	50.5%	1.66	1.94	39.0%	1.57	1.46
Russell 2000	RTY	14.3%	14.5%	15.5%	16.4%	3.5%	-2.3%	-2.8%	RTY	9.4%	0.32	0.18	15.7%	0.89	0.49	11.7%	0.73	0.10
Nasdaq 100	NDX	8.1%	9.9%	11.1%	11.0%	-7.5%	-18.6%	-21.2%	NDX	21.8%	0.34	0.63	20.0%	0.62	0.77	17.4%	0.55	0.56
USD Index	UUP	8.2%	8.1%	7.4%	8.8%	-3.2%	-2.4%	4.4%	UUP	-1.1%	-0.60	-0.59	7.8%	-0.28	-0.29	22.0%	0.62	0.36
Consumer Discret.	XLY	7.1%	9.7%	10.3%	11.2%	-7.1%	-14.3%	-16.9%	XLY	48.9%	1.20	1.62	24.6%	0.68	0.90	25.6%	0.91	1.03
Financials	XLF	14.9%	15.2%	16.7%	15.9%	-3.8%	-10.6%	-6.8%	XLF	-0.1%	-0.29	-0.25	6.8%	0.20	0.10	-0.9%	0.07	-0.30
Healthcare	XLV	10.4%	10.8%	13.8%	11.7%	-8.8%	-18.4%	-18.1%	XLV	1.7%	-0.25	-0.07	13.8%	0.68	0.71	-5.2%	-0.51	-0.52
Technology	XLK	8.1%	11.3%	11.4%	10.8%	-9.3%	-18.3%	-20.2%	XLK	29.4%	0.66	0.99	7.3%	0.15	0.17	14.1%	0.57	0.45
Consumer Staples	XLP	8.9%	9.5%	10.8%	10.2%	-0.1%	-12.0%	-13.1%	XLP	10.1%	0.13	0.17	9.0%	0.43	0.26	0.0%	-0.18	-0.39
Utilities	XLU	11.9%	14.7%	16.8%	13.7%	-2.7%	-13.8%	-14.3%	XLU	14.1%	0.88	1.01	-4.1%	-0.18	-0.09	-13.8%	-1.26	-1.09
Energy	XLE	13.0%	18.2%	17.0%	15.9%	-3.0%	-14.0%	-18.2%	XLE	20.5%	0.93	0.75	-6.6%	-0.05	-0.48	3.1%	0.90	0.07
Energy	XOP	19.6%	32.8%	30.1%	26.2%	0.1%	-14.1%	-17.8%	XOP	27.4%	1.10	1.24	-18.1%	-0.87	-1.14	-8.1%	0.07	-0.39
Materials	XLB	12.3%	11.2%	12.0%	13.7%	4.4%	-3.3%	-9.0%	XLB	4.6%	-0.18	-0.14	25.8%	1.11	0.89	21.1%	1.27	0.75
Industrials	XLI	9.4%	9.2%	11.2%	11.9%	-4.1%	-11.6%	-13.1%	XLI	24.2%	0.44	0.69	37.1%	1.63	1.67	16.5%	0.94	0.65
Transports	IYT	13.8%	13.9%	13.7%	17.1%	-2.5%	-2.8%	-3.9%	IYT	24.1%	0.39	0.68	26.6%	0.82	1.07	31.5%	1.35	1.56
WTI Crude Oil	USO	23.5%	33.9%	31.9%	27.5%	-4.5%	-17.5%	-21.8%	USO	-4.5%	0.51	0.23	-13.9%	-0.70	-1.06	-6.2%	-0.07	-0.59
Natural Gas	UNG	49.5%	50.5%	48.5%	43.9%	-2.0%	-9.7%	-1.6%	UNG	-11.5%	-0.93	-0.65	-14.9%	-1.04	-0.84	-12.8%	-1.03	-0.74
Gold	GLD	11.5%	13.3%	13.6%	14.3%	4.9%	-3.5%	-3.6%	GLD	19.4%	0.74	0.59	4.8%	0.10	-0.05	5.6%	0.23	0.00
Silver	SLV	16.2%	24.2%	23.4%	22.2%	1.5%	-7.7%	-8.5%	SLV	33.3%	2.30	0.66	-8.2%	-1.40	-1.05	-2.6%	-0.98	-0.85
Copper	JJC	27.0%	25.1%	24.7%	24.0%	-3.6%	-13.8%	-6.9%	JJC	-10.5%	-0.43	-0.55	-8.4%	-0.56	-0.70	-9.3%	-0.68	-0.86
Corn	CORN	14.6%	15.6%	17.8%	17.9%	7.5%	2.8%	-7.2%	CORN	25.1%	0.45	0.22	17.9%	0.22	-0.07	5.2%	-0.43	-0.74
Soybeans	SOYB	16.9%	16.3%	15.6%	17.8%	-24.3%	-20.5%	-19.6%	SOYB	7.1%	-0.78	-0.63	11.3%	-0.62	-0.57	18.5%	-0.48	-0.45
Wheat	WEAT	20.4%	19.4%	19.9%	21.9%	-19.5%	-22.8%	-25.7%	WEAT	7.1%	-0.85	-0.62	44.6%	-0.36	-0.03	50.1%	-0.19	0.20

*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	$84.16	-0.09%	-0.79%	3.39%
Financial Select Sector	XLF	$23.55	-0.25%	1.03%	1.29%
Health Care Select Sector	XLV	$71.57	0.10%	1.49%	3.81%
Technology Select Sector	XLK	$50.92	0.39%	1.68%	5.29%
Consumer Staples Select Sector	XLP	$53.14	0.82%	1.05%	2.77%
Industrial Select Sector	XLI	$63.82	0.17%	0.69%	2.57%
Materials Select Sector	XLB	$51.53	-0.79%	-0.83%	3.68%
The Energy Select Sector	XLE	$71.75	-1.42%	-1.58%	-4.74%
Utilities Select Sector	XLU	$48.92	0.25%	-0.53%	0.72%
S&P 500	SPX	2,293.08	0.02%	0.62%	2.42%

HEDGEYE SECTOR RELATIVE PERFORMANCE

	Ticker	Price	1-Day % Chg	MTD % Chg	YTD % Chg
Consumer Discretionary	XLY	$84.16	-0.12%	-1.41%	0.97%
Financial Select Sector	XLF	$23.55	-0.28%	0.41%	-1.13%
Health Care Select Sector	XLV	$71.57	0.08%	0.87%	1.39%
Technology Select Sector	XLK	$50.92	0.37%	1.05%	2.87%
Consumer Staples Select Sector	XLP	$53.14	0.79%	0.42%	0.34%
Industrial Select Sector	XLI	$63.82	0.15%	0.07%	0.15%
Materials Select Sector	XLB	$51.53	-0.81%	-1.45%	1.26%
The Energy Select Sector	XLE	$71.75	-1.44%	-2.20%	-7.16%
Utilities Select Sector	XLU	$48.92	0.22%	-1.15%	-1.70%

HEDGEYE STYLE FACTOR PERFORMANCE

	FACTOR	1D % Chg	1W % Chg	1M % Chg	3M % Chg	6M % Chg	YTD % Chg
Debt	High Debt/EV	-0.5%	0.6%	0.2%	12.4%	7.9%	2.3%
	Low Debt/EV	-0.2%	-0.1%	0.3%	7.3%	2.3%	2.3%
SI	High Short Interest	-0.2%	0.0%	-0.5%	10.3%	5.0%	1.4%
	Low Short Interest	-0.3%	0.7%	0.8%	10.1%	6.1%	2.6%
BETA	High Beta	-0.5%	0.1%	0.7%	17.7%	15.9%	3.5%
	Low Beta	-0.4%	0.8%	-0.1%	4.3%	-2.6%	1.0%
YIELD	High Yield	-0.4%	0.3%	-1.7%	6.3%	-0.2%	-0.3%
	Low Yield	-0.3%	0.9%	0.5%	9.9%	4.2%	3.4%
MKT CAP	MCAP Bottom 25%	-0.4%	-0.4%	-1.4%	7.5%	0.3%	0.5%
	MCAP Top 25%	-0.2%	0.4%	0.7%	10.9%	8.1%	2.6%
Sales	Top 25% Sales Growth	-0.4%	0.1%	-0.3%	9.8%	5.8%	2.4%
	Bottom 25% Sales Growth	-0.3%	-0.1%	-0.6%	7.8%	1.4%	1.0%
EPS	Top 25% EPS Growth	-0.4%	0.0%	0.8%	13.2%	10.6%	3.6%
	Bottom 25% EPS Growth	-0.3%	0.8%	-1.1%	7.7%	0.3%	0.7%

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

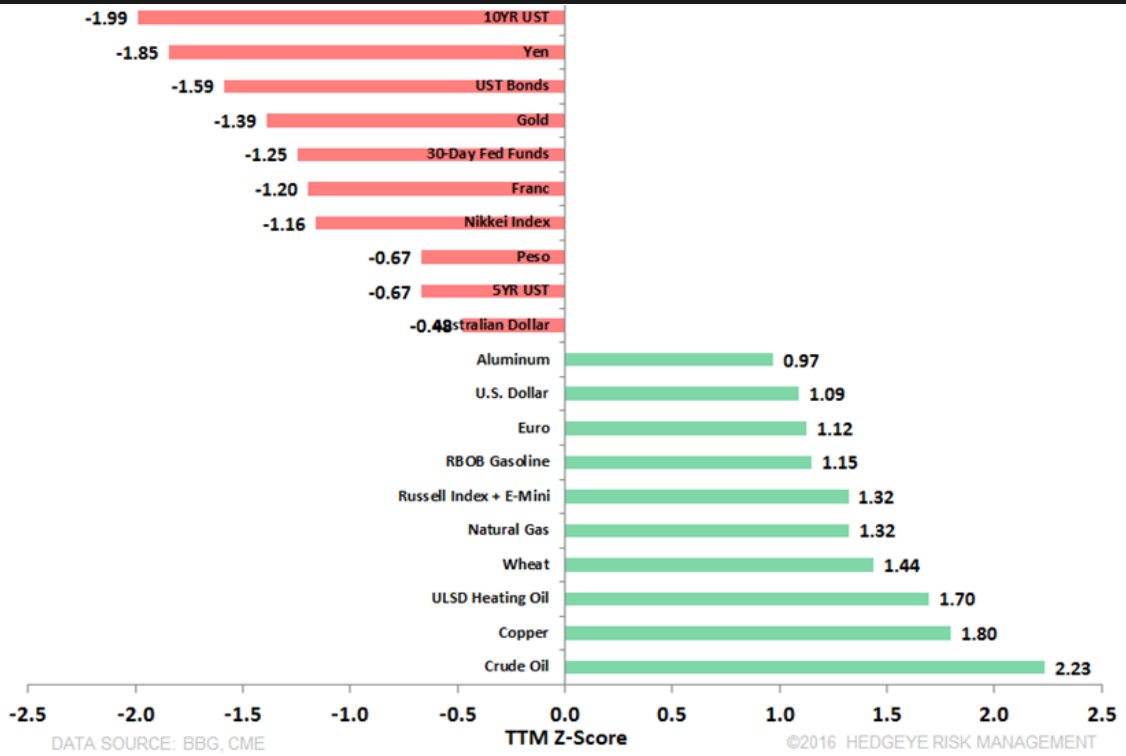
HEDGEYE RATES & SPREADS

	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	0.52%	2.0	1.5	1	15	-4	36	38	41
3M LIBOR	1.03%	0.0	0.0	2	15	-1	42	58	63
2Y T-Note	1.15%	-4.8	-6.3	-6	37	-15	65	47	63
5Y T-Note	1.85%	-6.4	-10.4	-8	61	-28	95	34	54
10Y T-Note	2.41%	-5.7	-8.0	-1	63	-23	109	26	27
30Y T-Note	3.05%	-4.3	-3.1	4	49	-17	96	15	2
2Y-10Y Spread, Bps	126	-0.9	-1.7	4.9	27	-8	44	-22	-35
IG SPREAD (AAABBB)	1.53%	0.0	0.0	3	-10	-77	6	-16	-23
HIGH YIELD	5.91%	-1.6	-28.4	-15	-55	-341	0	-73	-67
5Y BREAKEVEN	2.02%	-2.7	-1.1	13.6	47.7	-5.2	116.7	46.7	29.9

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)	62,759	3,587	(12,525)	44,983	10,009	*0.45X*	*0.93X*
Russell 2000 (mini)	54,446	(21,798)	57,047	34,957	(4,598)	*1.25X*	*2.29X*
10Y Treasury	(349,557)	(66,458)	(246,265)	(87,794)	(40,797)	*-1.99X*	*-2.70X*
CRUDE OIL	543,830	16,996	448,054	416,533	376,673	*2.23X*	*2.69X*
GOLD	72,067	12,388	81,429	145,792	172,542	*-1.34X*	*-0.38X*
COPPER	56,942	6,912	49,536	21,246	986	*1.80X*	*3.01X*
$USD	46,452	(1,874)	51,848	39,224	27,360	*1.09X*	*0.46X*
JPY	(62,105)	8,763	(45,592)	2,049	26,436	*-1.85X*	*-0.51X*
EUR	(39,280)	6,938	(85,176)	(93,127)	(76,276)	*1.12X*	*0.97X*
GBP	(63,277)	(700)	(67,509)	(75,825)	(60,547)	*-0.13X*	*-1.08X*

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



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MARKET SHARE VOLUME & TOTAL VALUE TRADED

INDEX/SECURITY	VOLUME: (2/7) vs.			
	Prior Day	1M Ave	3M ave	1Y Ave
Total Market Volume*	21%	30%	51%	87%
Total Exchange Volume**	10%	0%	-6%	-6%

*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	-0.37	-0.73	0.74	0.72	0.75	*0.95*	*-0.91*	*42%*	*58%*
BRENT Oil	-0.71	0.06	0.44	0.67	0.58	*0.77*	*-0.78*	*46%*	*54%*
CRB Index	-0.55	-0.82	0.70	0.67	0.59	*0.83*	*-0.89*	*24%*	*76%*
GOLD	-0.33	-0.88	-0.92	-0.97	-0.86	*0.90*	*-0.97*	*15%*	*85%*

**Days = Trading Days*