

THE  
MACRO  
SHOW



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1

VIX

2

FRANCE

3

UST 10YR



1

# VIX

With front-month having broken out to 30, implied volatility has ramped back up to a +18% PREMIUM vs. 30-day realized – less than a month ago on the “3<sup>rd</sup> Best Selling Opportunity Since SEP”, SPY’s implied vol was trading at a -36% DISCOUNT! We’ll keep using the same market timing process to highlight the complacency and capitulation embedded in consensus positioning.



## 2

# FRANCE

Steve evidently didn't call France? CAC down another -1.1% this morning taking its draw-down to the exact same percentage drop we've seen in the S&P 500 at -17.5%. Don't forget that major countries like the UK and France are, like the USA, still in *Quad 4 in Q4* – all of that final data will be reported in the coming month (U.S. GDP due out JAN 30<sup>th</sup>, 2019).

## 3 UST 10YR

With the UST 10YR Yield down for 6 out of the last 7 weeks, I'm pleased within having pivoted my personal accounts out of growth and into Treasuries here for *Quad 4 in Q4*. The downside in the @Hedgeye Risk Range for the UST 10YR Yield has opened up to 2.73% this morning – that's the lowest low *Mr. Market* has signaled all year long (great for T-Bonds into 2019).

**MACRO GRIND**

# iShares 1-3 Year Treasury Bond ETF





# 10-Year U.S. Treasury Yield Index



# Light Crude Oil

The Macro Show  
December 24, 2018





# French CAC 40 Index



# South Korea Seoul Composite



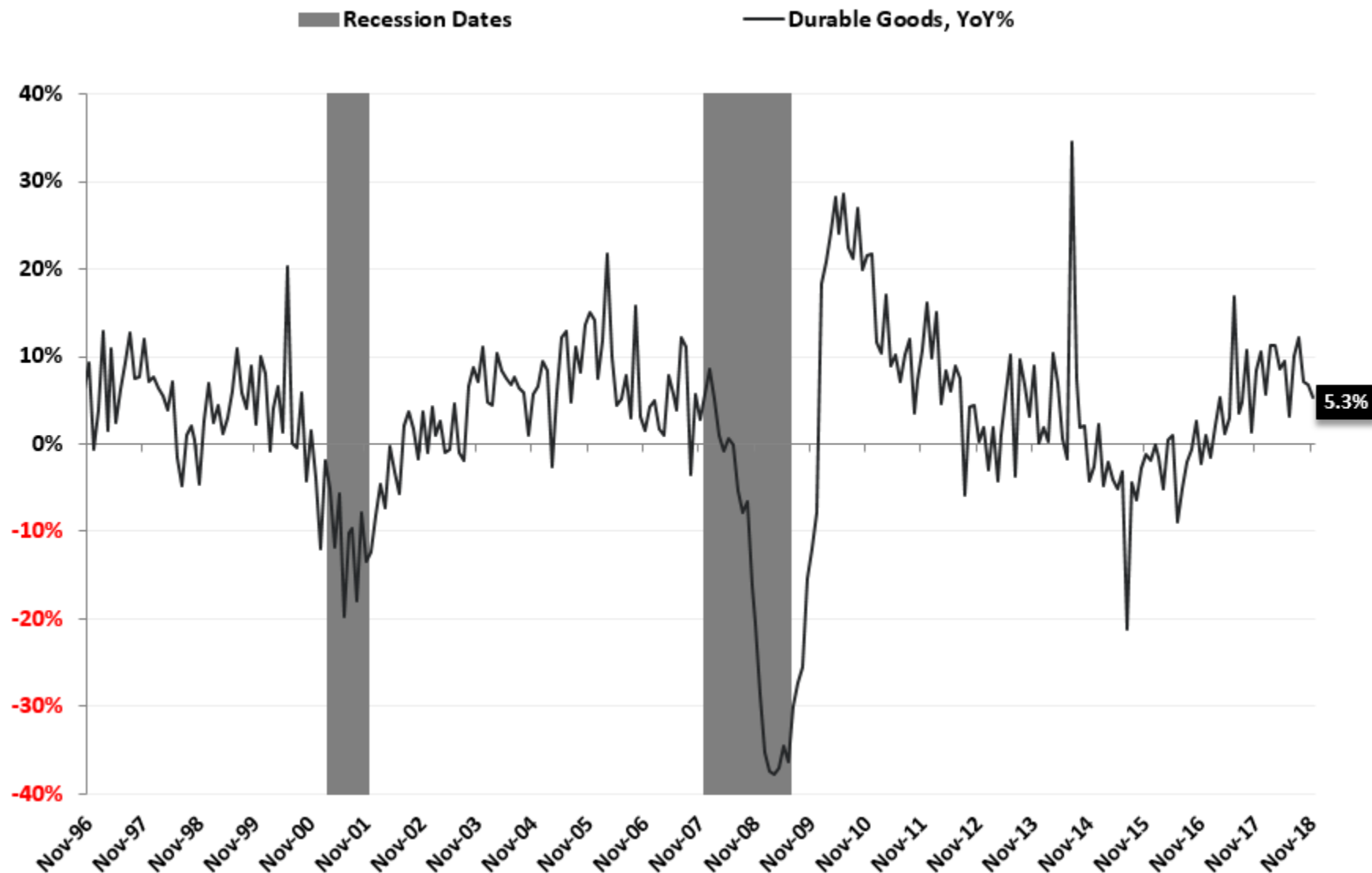


# U.S. Equities

EQUITIES	LAST PRICE	WTD	MTD	QTD	YTD	1M	3M	6M	1Y
S&P 500 Index	2,416.62	-7.05%	-12.4%	-17.1%	-9.6%	-8.8%	-17.5%	-12.1%	-10.0%
Consumer Discretionary Select Sector SPDR Fund	93.76	-8.37%	-13.2%	-20.0%	-5.0%	-8.5%	-19.8%	-15.9%	-5.5%
Consumer Staples Select Sector SPDR Fund	50.18	-7.93%	-10.8%	-7.0%	-11.8%	-8.1%	-8.8%	-2.0%	-11.6%
Energy Select Sector SPDR Fund	56.11	-9.63%	-15.1%	-25.9%	-22.3%	-15.0%	-25.3%	-23.8%	-21.9%
Financial Select Sector SPDR Fund	22.79	-5.98%	-15.5%	-17.4%	-18.3%	-13.0%	-20.7%	-16.2%	-19.0%
Health Care Select Sector SPDR Fund	82.68	-7.06%	-13.8%	-13.1%	0.0%	-7.6%	-12.3%	-2.2%	-0.6%
Industrial Select Sector SPDR Fund	62.25	-7.16%	-14.2%	-20.6%	-17.7%	-10.9%	-22.2%	-14.0%	-17.4%
Materials Select Sector SPDR Fund	48.60	-5.30%	-11.0%	-16.1%	-19.7%	-9.8%	-19.7%	-15.7%	-19.1%
Technology Select Sector SPDR Fund	59.20	-8.32%	-12.9%	-21.4%	-7.4%	-8.5%	-20.7%	-16.7%	-8.3%
Vanguard Real Estate ETF	74.39	-6.60%	-9.3%	-7.8%	-10.4%	-7.2%	-10.1%	-7.2%	-8.5%
Utilities Select Sector SPDR Fund	53.81	-5.30%	-3.2%	2.2%	2.1%	-0.5%	1.4%	6.8%	2.7%
Chicago Board Options Exchange SPX Volatility Index	30.11	39.20%	66.6%	148.4%	172.7%	44.8%	157.8%	105.7%	213.0%
Dow Jones Industrial Average	22,445.37	-6.87%	-12.1%	-15.2%	-9.2%	-8.3%	-16.1%	-8.2%	-9.4%
NASDAQ Composite Index	6,333.00	-8.36%	-13.6%	-21.3%	-8.3%	-9.2%	-20.7%	-17.9%	-9.1%
Russell 2000 Index	1,292.09	-8.42%	-15.7%	-23.8%	-15.9%	-13.2%	-24.5%	-23.5%	-16.5%
STOXX Europe 600 Price Index EUR	336.67	-3.04%	-5.8%	-12.1%	-13.5%	-5.2%	-12.4%	-11.6%	-13.8%
MSCI World Index	1,834.97	-5.54%	-10.1%	-16.0%	-12.8%	-7.5%	-16.6%	-12.9%	-12.7%
MSCI Emerging Markets Index	957.33	-1.50%	-3.8%	-8.6%	-17.4%	-1.8%	-8.9%	-11.4%	-15.6%
MSCI AC Asia ex-Japan Index	592.55	-1.59%	-3.6%	-9.6%	-16.9%	-1.1%	-10.2%	-13.6%	-15.3%
MSCI Emerging Markets Latin America Index	2,521.49	-1.08%	-3.0%	-2.1%	-10.8%	-3.2%	-1.0%	4.8%	-9.6%
MSCI Emerging EMEA Index	237.85	-1.13%	-2.8%	-5.7%	-19.7%	-2.3%	-4.8%	-5.8%	-17.0%
iShares JPM EM USD Bond Fund (EMB)	102.95	-1.62%	-0.7%	-4.5%	-11.3%	-0.3%	-4.0%	-3.6%	-10.8%
Market Vectors EM Local Currency Bond Fund (EMLC)	32.74	0.74%	-0.6%	-0.5%	-13.8%	-0.3%	-0.2%	-4.3%	-13.3%
MSCI World Real Estate Investment Trusts-REITs Index	997.19	-5.21%	-6.1%	-4.8%	-7.4%	-4.6%	-6.1%	-3.9%	-5.7%
Alerian MLP ETF	8.72	-8.21%	-8.7%	-18.4%	-19.2%	-9.1%	-19.5%	-15.1%	-18.6%
S&P/TSX Composite Index	13,935.44	-4.52%	-8.3%	-13.3%	-14.0%	-7.7%	-14.1%	-14.7%	-13.9%

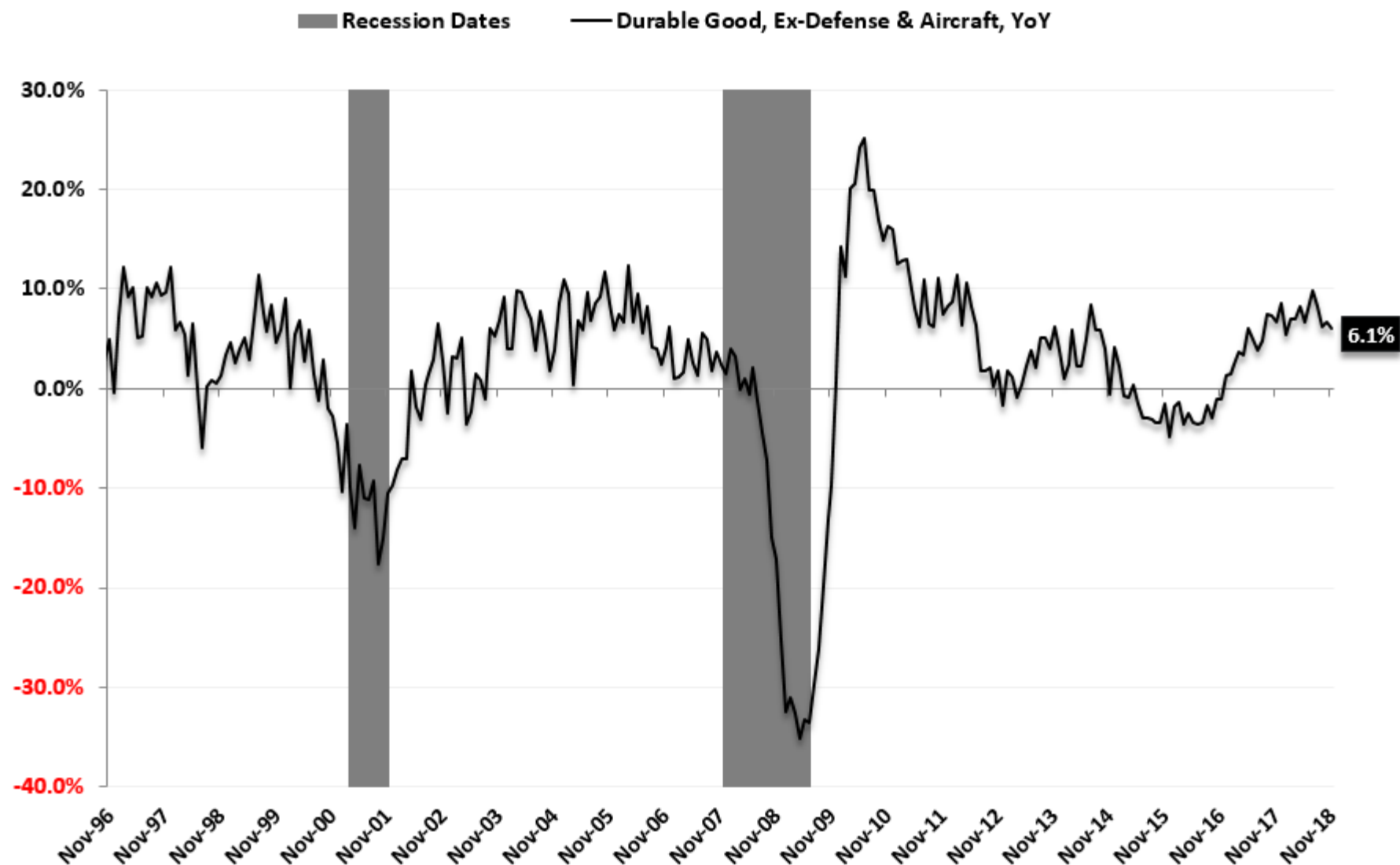
# U.S. Durable Goods

The Macro Show  
December 24, 2018





# U.S. Durable Goods



## GDP: Durable Goods in Context

	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18
Real GDP, Chained \$'s	-	18,224	-	-	18,324	-	-	18,512	-	-	18,672	-	-
Consumer Spending (Real PCE)	12,721	12,736	12,721	12,688	12,760	12,799	12,843	12,884	12,928	12,965	12,978	13,035	-
Services	8,249	8,262	8,267	8,255	8,282	8,309	8,323	8,357	8,378	8,399	8,405	8,446	-
Goods (i.e. Retail Sales)	4,498	4,498	4,476	4,453	4,502	4,514	4,547	4,552	4,578	4,594	4,602	4,616	-
Durable Goods	1,646	1,640	1,627	1,612	1,646	1,656	1,664	1,667	1,669	1,680	1,685	1,691	-
NonDurable Goods	2,863	2,869	2,859	2,850	2,866	2,869	2,895	2,896	2,919	2,925	2,928	2,937	-
Durable Goods, % of PCE	12.9%	12.9%	12.8%	12.7%	12.9%	12.9%	13.0%	12.9%	12.9%	13.0%	13.0%	13.0%	-
Durable Goods, % of GDP	-	9.0%	-	-	9.0%	-	-	9.0%	-	-	9.0%	-	-

## DURABLE GOODS

Durable Goods - New Orders	238,226	245,875	235,508	246,039	252,760	250,109	249,374	251,499	248,571	260,223	260,178	248,939	250,827
M/M, % Chg	2.2%	3.2%	-4.2%	4.5%	2.7%	-1.0%	-0.3%	0.9%	-1.2%	4.7%	0.0%	-4.3%	0.8%
Y/Y, % Chg	8.4%	10.5%	5.6%	11.3%	11.2%	8.5%	9.5%	3.1%	10.0%	12.1%	7.1%	6.8%	5.3%
2Y Ave	3.1%	5.7%	2.1%	6.7%	8.3%	4.8%	6.2%	10.0%	6.7%	8.5%	8.9%	4.1%	6.9%
Durable Goods - Ex-Transports	156,231	158,708	157,251	159,308	160,063	163,074	163,506	163,917	164,178	164,643	163,741	164,394	163,823
M/M, % Chg	-0.4%	1.6%	-0.9%	1.3%	0.5%	1.9%	0.3%	0.3%	0.2%	0.3%	-0.5%	0.4%	-0.3%
Y/Y, % Chg	8.0%	9.7%	6.5%	7.9%	7.2%	9.0%	8.3%	8.9%	8.1%	7.6%	5.2%	4.8%	4.9%
2Y Ave	4.0%	5.6%	4.3%	5.9%	6.3%	6.9%	7.4%	7.6%	7.1%	7.3%	7.3%	7.0%	6.4%
Durable Goods - Ex-Defense	225,615	233,445	225,535	230,449	240,341	236,709	233,318	236,599	235,153	241,252	238,133	234,792	234,582
M/M, % Chg	1.5%	3.5%	-3.4%	2.2%	4.3%	-1.5%	-1.4%	1.4%	-0.6%	2.6%	-1.3%	-1.4%	-0.1%
Y/Y, % Chg	10.6%	12.7%	6.4%	7.4%	11.6%	9.0%	7.9%	2.6%	10.3%	9.9%	5.5%	5.6%	4.0%
2Y Ave	3.8%	5.8%	2.3%	5.5%	9.3%	5.1%	5.2%	9.1%	6.2%	7.7%	7.2%	3.7%	7.3%
Durable Goods - Non-Defense Aircraft & parts	14,184	17,590	12,415	14,211	22,845	15,930	14,076	14,257	10,110	16,547	13,391	9,545	10,189
M/M, % Chg	27.6%	24.0%	-29.4%	14.5%	60.8%	-30.3%	-11.6%	1.3%	-29.1%	63.7%	-19.1%	-28.7%	6.7%
Y/Y, % Chg	139.7%	109.4%	25.6%	13.9%	88.4%	20.9%	31.8%	-45.0%	20.0%	40.5%	-5.5%	-14.1%	-28.2%
2Y Ave	48.6%	37.2%	-7.4%	19.8%	102.7%	-2.0%	-2.4%	222.6%	-3.7%	29.9%	15.6%	-31.5%	55.8%
Durable Goods - Ex-Defense & Aircraft	211,431	215,855	213,120	216,238	217,496	220,779	219,242	222,342	225,043	224,705	224,742	225,247	224,393
M/M, % Chg	0.1%	2.1%	-1.3%	1.5%	0.6%	1.5%	-0.7%	1.4%	1.2%	-0.2%	0.0%	0.22%	-0.38%
Y/Y, % Chg	6.8%	8.6%	5.4%	7.0%	7.1%	8.3%	6.6%	8.6%	9.9%	8.2%	6.3%	6.6%	6.1%
2Y Ave	2.9%	4.9%	3.5%	4.7%	5.4%	5.9%	6.3%	6.8%	6.9%	6.5%	6.9%	7.0%	6.4%
Durable Goods - Ex-Defense & Transports	143,620	146,278	147,278	143,718	147,644	149,674	147,450	149,017	150,760	145,672	141,696	150,247	147,578
M/M, % Chg	-1.7%	1.9%	0.7%	-2.4%	2.7%	1.4%	-1.5%	1.1%	1.2%	-3.4%	-2.7%	6.0%	-1.8%
Y/Y, % Chg	11.5%	13.1%	7.8%	1.8%	7.5%	9.8%	5.7%	8.6%	8.3%	3.8%	2.5%	2.8%	2.8%
2Y Ave	5.2%	5.8%	4.9%	4.0%	7.7%	7.5%	5.9%	6.1%	6.4%	6.1%	4.4%	6.7%	7.1%
CAPITAL GOODS - Non-Defense Ex-Air	65,034	66,860	66,070	67,149	66,478	67,838	68,306	68,832	69,863	69,747	69,346	69,331	69,288
M/M, % Chg	-3.0%	2.8%	-1.2%	1.6%	-1.0%	2.0%	0.7%	0.8%	1.5%	-0.2%	-0.6%	-0.02%	-0.06%
Y/Y, % Chg	7.2%	10.5%	6.2%	7.5%	5.7%	6.8%	6.8%	8.4%	8.8%	7.9%	1.4%	3.4%	6.5%
2Y Ave	2.3%	5.5%	3.6%	5.4%	4.8%	5.8%	7.3%	7.5%	7.3%	6.2%	7.4%	7.6%	6.9%

GDP: Consumer Spending in Context

	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18
Real GDP, Chained \$'s	-	-	18,224	-	-	18,324	-	-	18,512	-	-	18,665	-	-
Consumer Spending (Nominal PCE)	13,506	13,598	13,634	13,663	13,646	13,730	13,805	13,881	13,941	14,008	14,063	14,080	14,189	14,244
Consumer Spending (Real PCE)	12,662	12,721	12,736	12,721	12,688	12,760	12,799	12,843	12,884	12,928	12,967	12,966	13,041	13,083
Services	8,229	8,249	8,262	8,267	8,255	8,282	8,309	8,323	8,357	8,377	8,402	8,405	8,450	8,463
Goods	4,455	4,498	4,498	4,476	4,453	4,502	4,514	4,547	4,552	4,577	4,592	4,587	4,618	4,651
Durable Goods	1,624	1,646	1,640	1,627	1,612	1,646	1,656	1,664	1,667	1,669	1,680	1,683	1,695	1,710
NonDurable Goods	2,842	2,863	2,869	2,859	2,850	2,866	2,869	2,895	2,896	2,918	2,923	2,916	2,935	2,953
PCE Deflator, MoM	0.2%	0.2%	0.1%	0.3%	0.1%	0.1%	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%	0.2%	0.1%
PCE Deflator, YoY	1.7%	1.9%	1.8%	1.8%	1.9%	2.1%	2.0%	2.3%	2.3%	2.4%	2.2%	2.0%	2.0%	1.8%
Consumer Spending, % of GDP	-	-	69.9%	-	-	69.6%	-	-	69.6%	-	-	69.5%	-	-

CONSUMER SPENDING

Consumer Spending, Real	12,662	12,721	12,736	12,721	12,688	12,760	12,799	12,843	12,884	12,928	12,967	12,966	13,041	13,083
M/M, % Chg	0.3%	0.5%	0.1%	-0.1%	-0.3%	0.6%	0.3%	0.3%	0.3%	0.3%	0.3%	0.0%	0.6%	0.3%
Y/Y, % Chg	2.6%	2.8%	2.7%	2.5%	2.4%	2.2%	2.5%	2.6%	2.7%	3.0%	3.1%	2.7%	3.0%	2.8%
2Y Ave	2.7%	2.8%	2.7%	2.7%	2.2%	2.6%	2.5%	2.6%	2.5%	2.7%	2.7%	2.5%	2.8%	2.8%
QoQ Annualized, %			3.9%			0.5%			3.7%			3.5%		3.4%

Services	8,229	8,249	8,262	8,267	8,255	8,282	8,309	8,323	8,357	8,377	8,402	8,405	8,450	8,463
M/M, % Chg	0.2%	0.2%	0.2%	0.1%	-0.1%	0.3%	0.3%	0.2%	0.4%	0.2%	0.3%	0.0%	0.5%	0.2%
Y/Y, % Chg	1.8%	1.8%	1.9%	1.9%	1.7%	1.5%	1.9%	1.9%	2.2%	2.4%	2.6%	2.4%	2.7%	2.6%
2Y Ave	2.0%	2.2%	2.2%	2.1%	1.8%	2.1%	2.0%	2.0%	2.1%	2.2%	2.2%	2.0%	2.3%	2.2%

NonDurable Goods	2,842	2,863	2,869	2,859	2,850	2,866	2,869	2,895	2,896	2,918	2,923	2,916	2,935	2,953
M/M, % Chg	0.2%	0.7%	0.2%	-0.3%	-0.3%	0.6%	0.1%	0.9%	0.1%	0.8%	0.2%	-0.3%	0.7%	0.6%
Y/Y, % Chg	2.7%	3.3%	3.2%	2.7%	2.7%	2.4%	2.2%	2.8%	2.7%	3.6%	3.1%	2.8%	3.3%	3.2%
2Y Ave	2.5%	2.6%	2.4%	2.3%	1.8%	2.1%	2.0%	2.2%	2.0%	2.7%	2.7%	2.6%	3.0%	3.2%

Durable Goods	1,624	1,646	1,640	1,627	1,612	1,646	1,656	1,664	1,667	1,669	1,680	1,683	1,695	1,710
M/M, % Chg	0.7%	1.4%	-0.4%	-0.8%	-0.9%	2.1%	0.6%	0.4%	0.2%	0.1%	0.6%	0.2%	0.7%	0.9%
Y/Y, % Chg	7.2%	9.3%	6.5%	6.4%	6.5%	6.9%	6.9%	6.7%	6.2%	5.5%	6.9%	4.4%	4.4%	3.8%
2Y Ave	7.3%	7.3%	7.1%	6.9%	5.6%	7.0%	7.1%	6.9%	6.3%	6.0%	6.2%	5.7%	5.8%	6.6%

PERSONAL INCOME, SAAR Bill \$'s

Personal Income	17,043	17,101	17,165	17,258	17,316	17,384	17,415	17,461	17,525	17,586	17,654	17,694	17,782	17,822
Disposable Personal Income (DPI)	14,982	15,030	15,084	15,236	15,286	15,346	15,381	15,428	15,486	15,535	15,590	15,621	15,705	15,743
DPI (Real, Per Capita)	42,994	43,011	43,077	43,346	43,408	43,535	43,506	43,526	43,614	43,660	43,747	43,748	43,869	43,923
Private, Salaries & Wages	7,194	7,231	7,267	7,318	7,346	7,378	7,387	7,394	7,418	7,447	7,488	7,505	7,539	7,553
Government, Salaries & Wages	1,356	1,358	1,359	1,361	1,363	1,365	1,367	1,371	1,376	1,380	1,385	1,392	1,394	1,396
Savings, % of Disposable Income	6.5	6.2	6.2	7.0	7.4	7.2	6.8	6.6	6.5	6.3	6.3	6.3	6.1	6.0

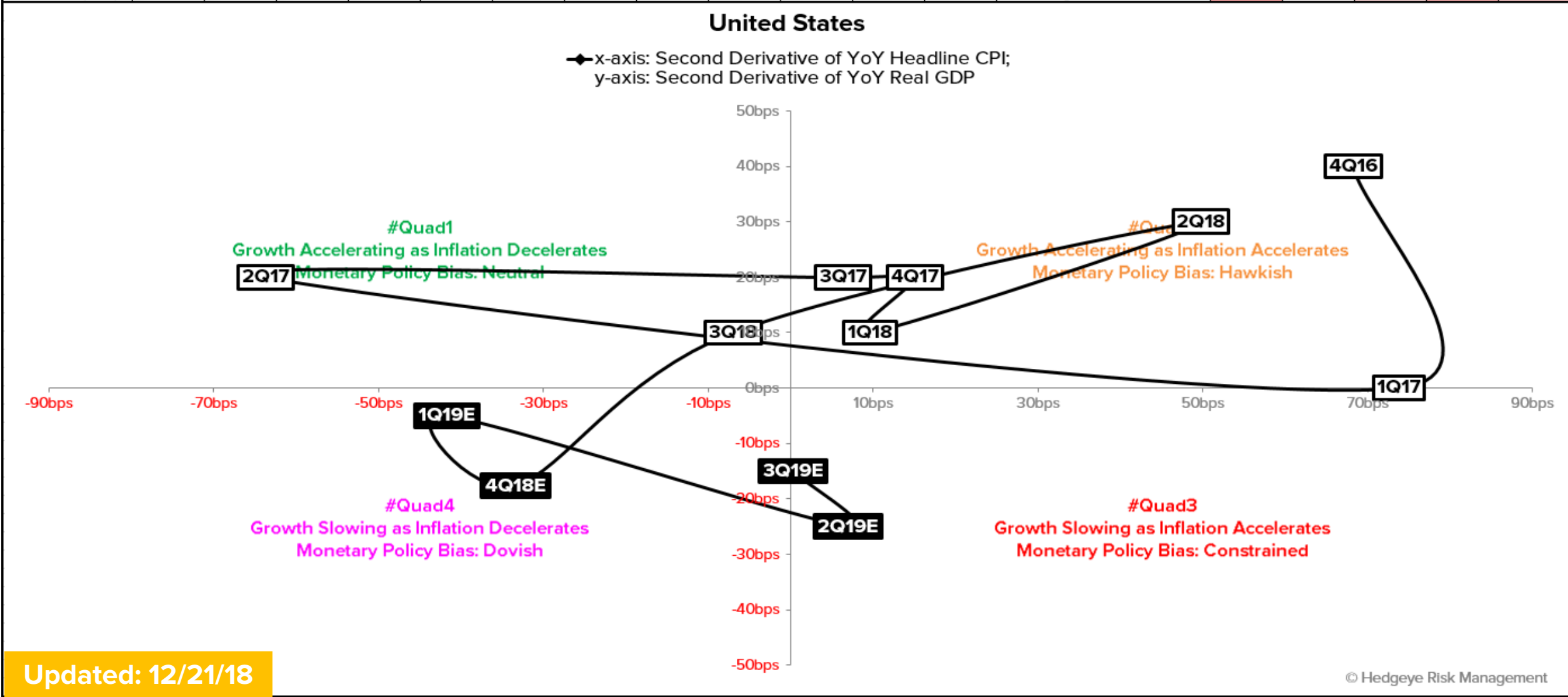
PERSONAL INCOME, YoY %

Personal Income	4.6%	4.6%	4.6%	4.4%	4.2%	4.3%	4.4%	4.3%	4.6%	4.6%	4.5%	4.2%	4.3%	4.2%
Disposable Personal Income (DPI)	4.6%	4.6%	4.6%	4.8%	4.6%	4.7%	4.9%	4.8%	5.1%	5.1%	5.0%	4.7%	4.8%	4.7%
DPI (Real, Per Capita)	2.1%	2.0%	2.0%	2.3%	2.0%	1.9%	2.0%	1.7%	2.1%	2.0%	2.0%	2.0%	2.0%	2.1%
Private, Salaries & Wages	4.9%	5.0%	5.0%	5.0%	4.9%	5.3%	5.0%	5.0%	4.7%	4.5%	4.7%	4.4%	4.8%	4.5%
Government, Salaries & Wages	2.8%	2.8%	2.6%	2.4%	2.2%	2.1%	2.1%	2.2%	2.4%	2.4%	2.6%	2.9%	2.8%	2.8%

PERSONAL INCOME, 2Y Ave

Personal Income	3.6%	3.8%	3.9%	4.1%	4.3%	4.3%	4.3%	4.4%	4.5%	4.4%	4.5%	4.4%	4.5%	4.4%
Disposable Personal Income (DPI)	3.7%	4.0%	4.0%	4.3%	4.4%	4.5%	4.5%	4.7%	4.8%	4.7%	4.8%	4.7%	4.7%	4.7%
DPI (Real, Per Capita)	1.4%	1.5%	1.5%	1.6%	1.6%	1.8%	1.9%	2.0%	2.1%	2.1%	2.1%	2.0%	2.1%	2.1%
Private, Salaries & Wages	3.9%	4.2%	4.3%	4.6%	4.9%	5.0%	4.9%	4.9%	4.9%	4.8%	5.1%	4.9%	4.9%	4.7%
Government, Salaries & Wages	2.8%	2.7%	2.7%	2.7%	2.7%	2.6%	2.6%	2.6%	2.7%	2.6%	2.7%	2.8%	2.8%	2.8%

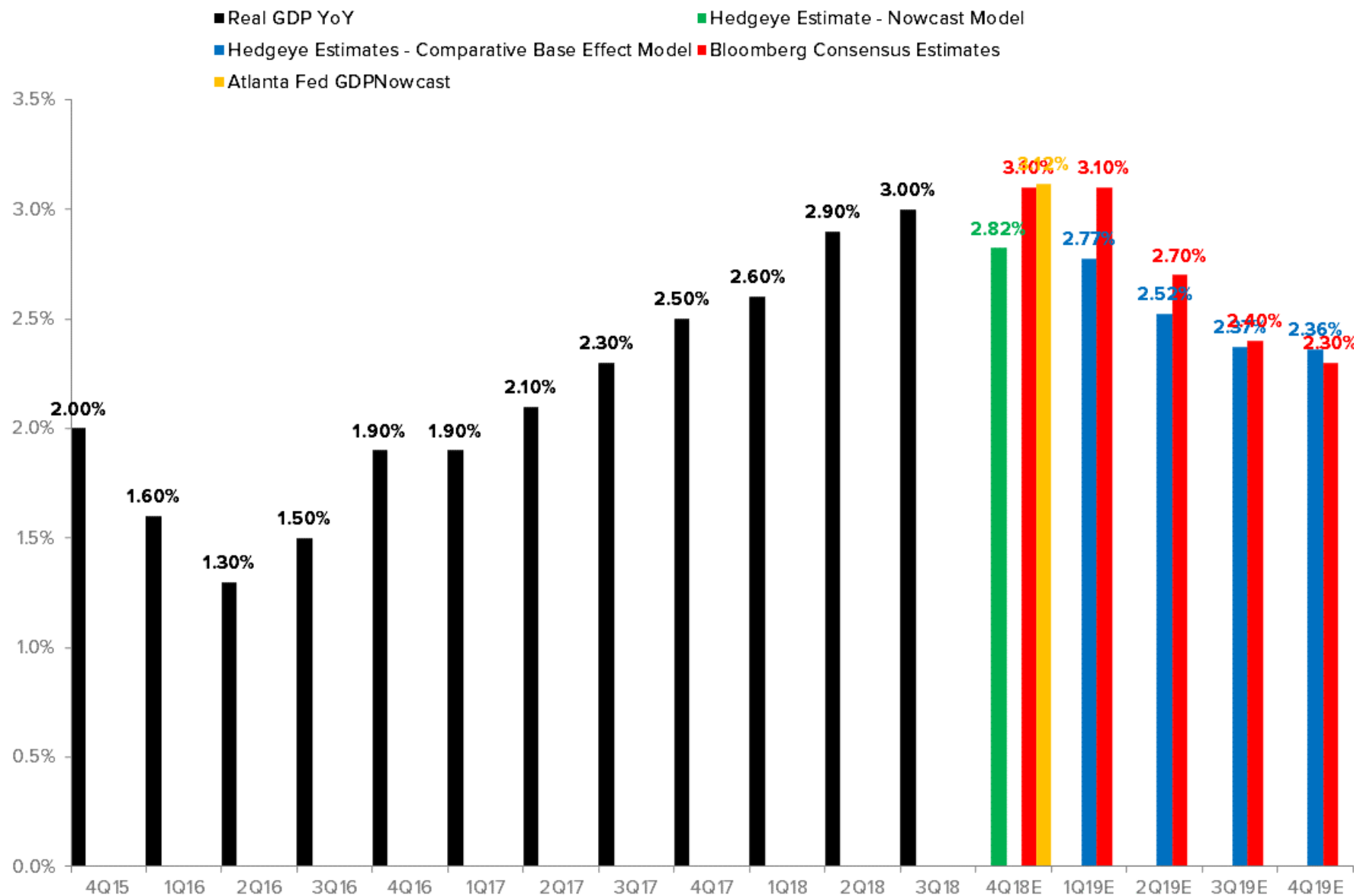
United States	4Q15	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18		4Q18E	1Q19E	2Q19E	3Q19E	NTM
Real GDP QoQ SAAR	0.40%	1.50%	2.30%	1.90%	1.80%	1.80%	3.00%	2.80%	2.30%	2.20%	4.20%	3.40%	Hedgeye Estimates	1.57%	2.00%	3.11%	2.72%	-
Percentile (T10Y)	21%	41%	59%	46%	46%	44%	69%	64%	59%	56%	90%	82%	Bloomberg Consensus Estimates	2.60%	2.30%	2.49%	2.29%	-
Real GDP YoY	2.00%	1.60%	1.30%	1.50%	1.90%	1.90%	2.10%	2.30%	2.50%	2.60%	2.90%	3.00%	Hedgeye Estimates	2.82%	2.77%	2.52%	2.37%	2.62%
Percentile (T10Y)	51%	33%	23%	28%	54%	51%	64%	67%	72%	74%	90%	90%	Bloomberg Consensus Estimates	3.10%	3.10%	2.70%	2.40%	2.83%
Headline CPI YoY	0.47%	1.08%	1.05%	1.12%	1.80%	2.54%	1.90%	1.97%	2.12%	2.21%	2.71%	2.64%	Hedgeye Estimates	2.31%	1.89%	1.96%	1.96%	2.03%
Percentile (T10Y)	15%	18%	18%	23%	59%	77%	67%	69%	74%	79%	87%	87%	Bloomberg Consensus Estimates	2.27%	2.07%	2.15%	2.25%	2.19%



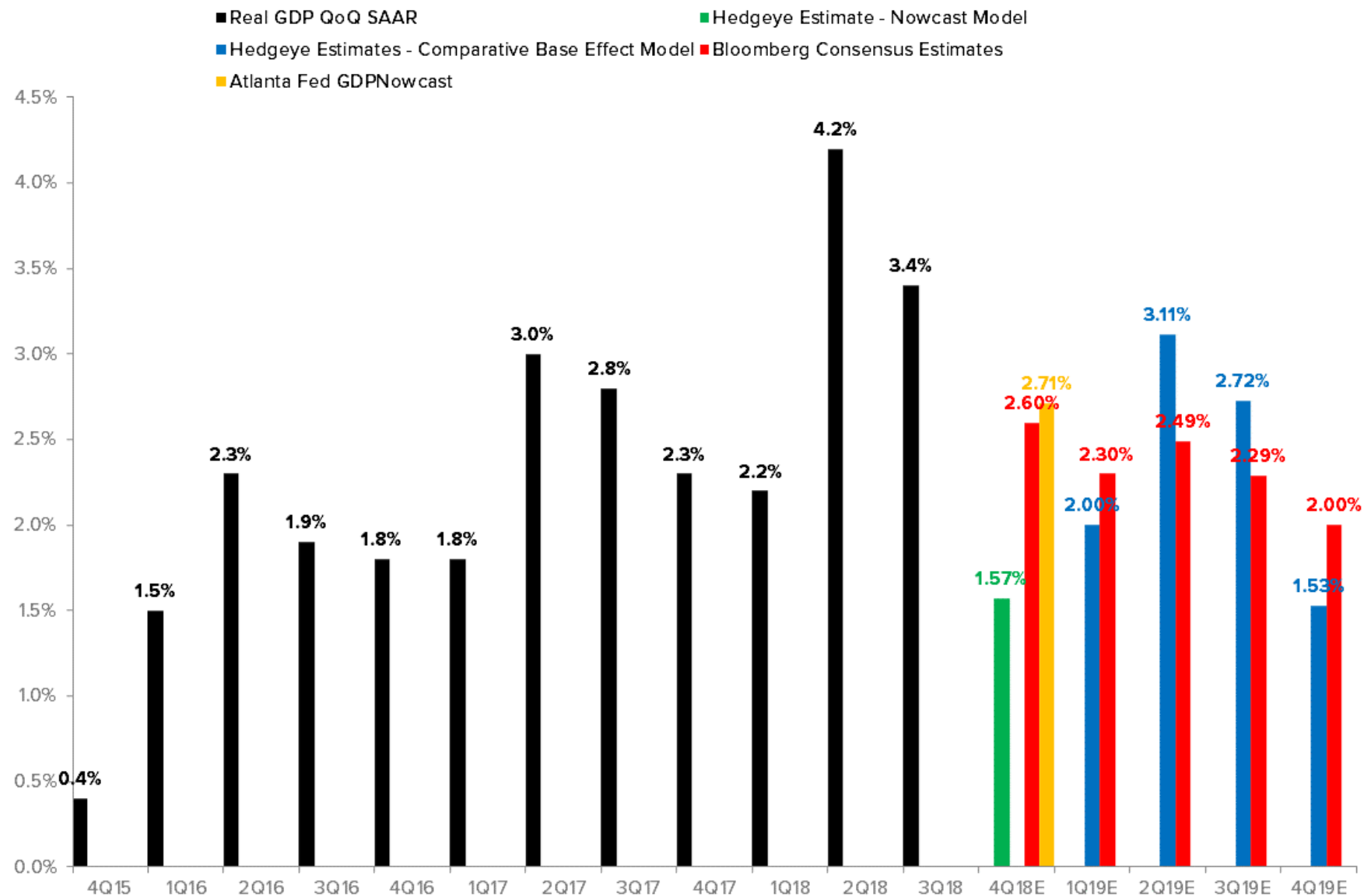


# U.S. GDP YoY

The Macro Show  
December 24, 2018



# U.S. GDP QoQ



# Hedgeye Macro GIP Model Signals

12/14/2018

## Hedgeye Macro GIP Model Signals

## High-Frequency Economic Data Signals

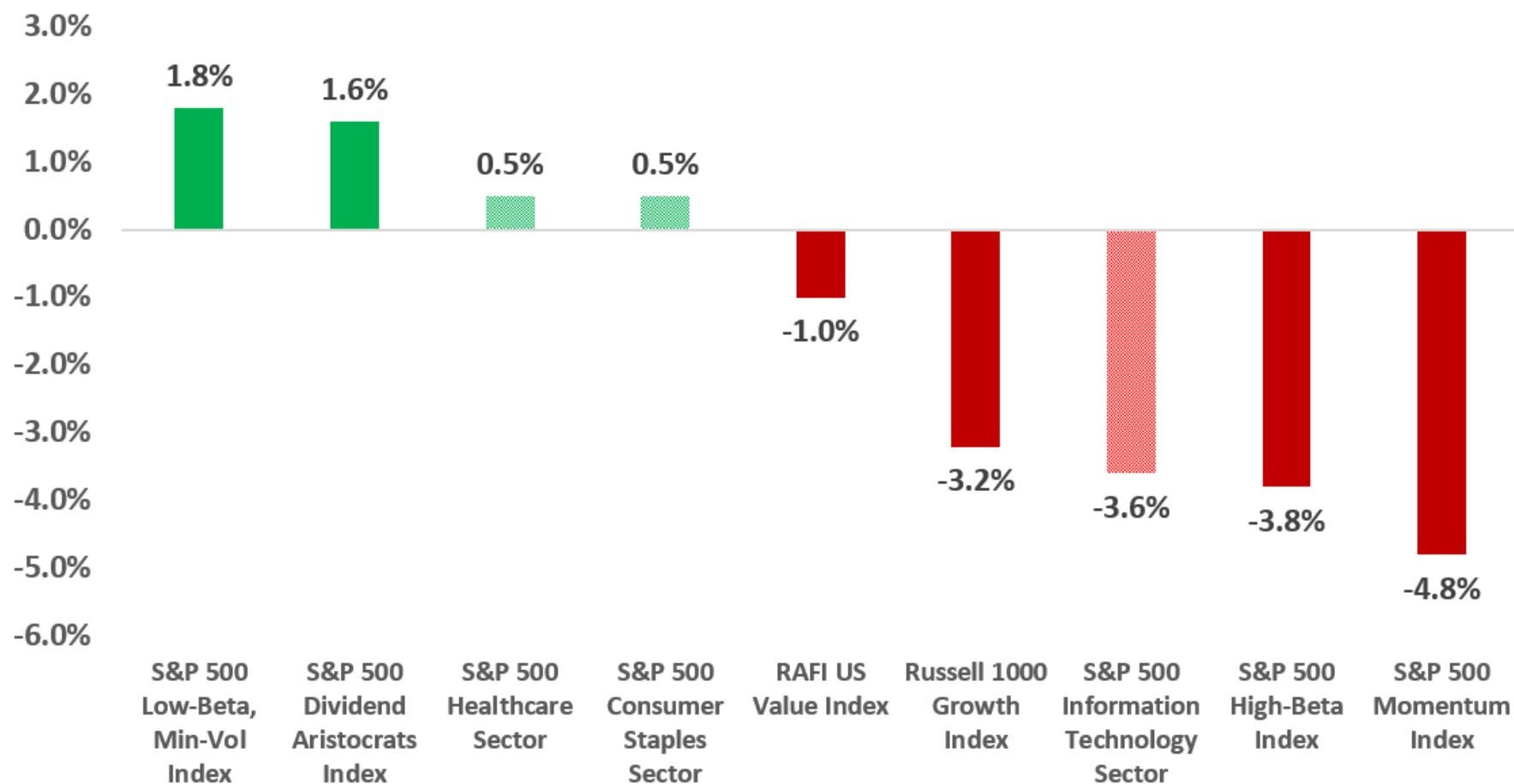
12/14/2018	Actuals									Hedgeye Forecasts				Consumption		Manufacturing		Exports		Composite PMI		Headline CPI		Core CPI	
	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18E	1Q19E	2Q19E	3Q19E	6MMA Trend	Percentile of Latest Reading (T10Y)	6MMA Trend	Percentile of Latest Reading (T10Y)	6MMA Trend	Percentile of Latest Reading (T10Y)	6MMA Trend	Percentile of Latest Reading (T10Y)	6MMA Trend	Percentile of Latest Reading (T10Y)	6MMA Trend	Percentile of Latest Reading (T10Y)
Argentina	-	-	-	-	-	-	3	3	3	2	4	1	-	📉	25%	-	-	📉	60%	-	-	📈	100%	-	-
Australia	3	2	3	4	1	3	2	2	4	4	4	-	3	📈	50%	📉	64%	📈	82%	📉	64%	👉	30%	📉	7%
Brazil	1	1	1	1	1	2	4	3	2	2	3	3	4	📈	37%	📈	91%	📈	85%	📈	97%	📈	11%	📈	6%
Canada	1	2	2	1	3	3	3	3	2	4	1	3	1	👉	42%	📉	63%	📈	76%	📉	63%	📈	85%	📈	94%
China	1	2	1	4	3	3	3	4	3	4	3	2	1	📉	1%	📉	13%	📉	46%	📉	0%	📈	55%	📉	66%
Eurozone	2	2	2	1	1	4	4	3	3	4	1	4	1	👉	74%	📉	14%	📈	24%	📉	3%	📈	73%	📉	40%
France	3	2	2	1	1	2	3	3	3	4	1	4	4	📈	55%	📉	26%	📉	82%	👉	46%	📉	80%	📉	24%
Germany	2	3	2	1	2	1	4	3	3	2	1	1	1	📉	37%	📉	6%	📉	76%	📉	0%	👉	83%	📉	47%
India	4	4	4	4	2	2	2	2	4	1	3	2	2	-	-	📈	94%	📉	54%	📈	94%	📉	2%	-	-
Indonesia	4	3	2	2	1	1	4	1	4	3	1	4	2	📉	15%	📉	40%	📉	54%	📉	40%	👉	13%	📈	11%
Italy	2	2	2	2	1	4	4	3	3	3	4	1	1	📈	82%	📉	0%	📉	20%	📉	0%	📈	69%	📈	33%
Japan	1	2	2	2	2	2	3	1	3	1	1	3	1	📈	89%	📉	31%	👉	67%	📈	71%	📈	84%	📈	83%
Mexico	3	2	2	3	3	3	4	1	3	4	1	1	1	📈	80%	📉	3%	📉	76%	📉	3%	📈	73%	📉	63%
Russia	1	1	1	1	4	4	1	2	3	3	3	3	2	📉	41%	📈	89%	📉	84%	📈	69%	📈	16%	📈	13%
South Africa	1	2	1	1	1	4	4	3	2	2	2	2	4	📈	44%	-	-	📈	80%	📉	14%	📈	43%	👉	25%
South Korea	4	3	2	4	2	4	-	3	3	2	4	1	4	👉	68%	👉	17%	📉	55%	👉	17%	📈	57%	📈	10%
Spain	3	3	2	1	4	1	4	3	3	4	1	1	1	👉	65%	📉	23%	📈	61%	📉	14%	📉	54%	📈	61%
Turkey	3	1	2	2	1	3	4	3	3	3	4	1	4	📉	0%	📉	6%	📈	79%	📉	6%	📈	98%	📈	98%
United Kingdom	-	2	2	2	3	3	4	1	2	4	1	4	4	📈	62%	📉	29%	📈	42%	📉	3%	👉	43%	📉	41%
United States	2	2	2	1	2	2	2	2	1	4	4	3	3	📉	71%	📈	93%	📉	64%	📈	99%	📉	71%	📉	77%
MODE/MEAN	1	2	2	1	1	3	4	3	3	4	1	1	1	📈	49%	📉	39%	📉	63%	📉	37%	📈	57%	📈	44%
Data Source: Bloomberg, BIS, World Bank, IMF. Intellectual Property of Hedgeye Risk Management.																									

Data Source: Bloomberg, BIS, World Bank, IMF. Intellectual Property of Hedgeye Risk Management.

# Q: Why Are We Talking About Style Factor Returns in Quad 4?

**A: PLAYING QUAD 4 WITH STYLE FACTOR CONSTRUCTIONS HAS HISTORICALLY CREATED HIGHER DISPERSION RETURN STREAMS THAN PICKING WINNERS AND LOSERS BY SECTOR.**

## Expected Value In #Quad4



Historically, the most divergent QUAD 4 returns at the sector level have come in the following:

**Staples: +0.5%**  
**Healthcare: +0.5%**  
**Info Tech: -3.6%**

However “Style-Factor” return capture has historically been even more powerful during historical instances of Quad 4:

**Low-Beta, Min-Vol: +1.8%**  
**Dividend Yield: +1.6%**  
**High-Beta: -3.8%**  
**Momentum: -4.8%**



# U.S. Index Revenue & Earnings Comps

<b>Q3 2018 QTD</b>			
<b>S&amp;P 500</b>	<b>SALES GROWTH (YY%)</b>	<b>EARNINGS GROWTH (YY%)</b>	<b>#REPORTED</b>
S&P 500 (Aggte.)	8.1%	26.1%	491 / 500
Energy	19.6%	123.9%	30 / 30
Materials	10.7%	29.6%	23 / 23
Industrials	6.8%	17.1%	69 / 69
Consumer Discretionary	8.1%	22.6%	61 / 64
Consumer Staples	2.9%	9.3%	31 / 33
Healthcare	7.1%	14.6%	61 / 62
Financials	4.5%	37.9%	67 / 67
Information Technology	10.8%	25.5%	65 / 68
Communication Services	12.1%	27.5%	22 / 22
Utilities	1.2%	13.0%	29 / 29
Real Estate	13.1%	8.9%	32 / 32

<b>Nasdaq 100</b>	<b>SALES GROWTH (YY%)</b>	<b>EARNINGS GROWTH (YY%)</b>	<b>#REPORTED</b>
Nasdaq (Aggte.)	12.1%	23.2%	97 / 100
Industrials	10.2%	29.3%	7 / 7
Consumer Discretionary	22.7%	72.3%	16 / 17
Consumer Staples	5.4%	5.4%	6 / 6
Healthcare	3.9%	4.7%	19 / 19
Information Technology	14.9%	28.2%	33 / 35
Communication Services	10.5%	21.5%	12 / 12

# U.S. Index Revenue & Earnings Comps

<b>Dow Jones</b>	<b>SALES GROWTH (YY%)</b>	<b>EARNINGS GROWTH (YY%)</b>	<b>#REPORTED</b>
Dow Jones (Aggte.)	8.8%	27.3%	30 / 30
Energy	17.8%	98.8%	2 / 2
Industrials	10.1%	32.4%	1 / 1
Consumer Discretionary	6.7%	22.4%	4 / 4
Consumer Staples	4.4%	23.0%	3 / 3
Health Care	2.4%	6.0%	4 / 4
Financials	8.1%	12.7%	4 / 4
Information Technology	8.1%	29.9%	4 / 4
Communication Services	14.7%	28.6%	6 / 6

<b>Russell 2000</b>	<b>SALES GROWTH (YY%)</b>	<b>EARNINGS GROWTH (YY%)</b>	<b>#REPORTED</b>
Russell 2000 (Aggregate)	8.8%	34.3%	1920 / 2005
Energy	24.4%	5821.5%	122 / 124
Materials	10.9%	27.4%	71 / 72
Industrials	10.4%	31.3%	251 / 267
Consumer Discretionary	5.6%	18.3%	196 / 226
Consumer Staples	-5.8%	1.5%	46 / 55
Healthcare	7.8%	3.8%	377 / 384
Financials	14.6%	44.1%	401 / 404
Information Technology	6.7%	24.3%	219 / 230
Communication Services	7.9%	N.M.	66 / 67
Utilities	6.9%	-4.6%	36 / 36
Real Estate	6.5%	5.1%	110 / 113

# Sector Performance

<u>SECTOR</u>	<u>Ticker</u>	<u>Price</u>	<u>1-Day %</u> <u>Chg</u>	<u>MTD %</u> <u>Chg</u>	<u>QTD %</u> <u>Chg</u>	<u>YTD %</u> <u>Chg</u>
Consumer Discretionary	XLY	\$93.76	-2.27%	-13.18%	-20.01%	-5.00%
Financial Select Sector	XLF	\$22.79	-2.00%	-15.50%	-17.37%	-18.34%
Health Care Select Sector	XLV	\$82.68	-1.24%	-13.76%	-13.11%	0.00%
Technology Select Sector	XLK	\$59.20	-3.04%	-12.86%	-21.41%	-7.43%
Consumer Staples Select Sector	XLP	\$50.18	-1.04%	-10.81%	-6.95%	-11.79%
Industrial Select Sector	XLI	\$62.25	-1.89%	-14.19%	-20.60%	-17.73%
Materials Select Sector	XLB	\$48.60	-0.90%	-11.01%	-16.11%	-19.71%
The Energy Select Sector	XLE	\$56.11	-0.97%	-15.13%	-25.92%	-22.35%
Utilities Select Sector	XLU	\$53.81	-0.43%	-3.20%	2.20%	2.15%
Real Estate Select Sector	XLRE	\$30.95	-1.53%	-8.57%	-5.09%	-6.04%
Communications Services Sector	XLC	\$39.81	-3.27%	-11.55%	-18.76%	
<b>S&amp;P 500</b>	<b>SPX</b>	<b>2,416.62</b>	<b>-2.06%</b>	<b>-12.45%</b>	<b>-17.07%</b>	<b>-9.61%</b>

# Sector Relative Performance

	<u>Ticker</u>	<u>Price</u>	<u>1-Day %</u> <u>Chg</u>	<u>MTD %</u> <u>Chg</u>	<u>QTD %</u> <u>Chg</u>	<u>YTD %</u> <u>Chg</u>
Consumer Discretionary	XLY	\$93.76	-0.21%	-0.73%	-2.95%	4.62%
Financial Select Sector	XLF	\$22.79	0.06%	-3.05%	-0.30%	-8.73%
Health Care Select Sector	XLV	\$82.68	0.82%	-1.31%	3.96%	9.61%
Technology Select Sector	XLK	\$59.20	-0.98%	-0.42%	-4.34%	2.18%
Consumer Staples Select Sector	XLP	\$50.18	1.02%	1.64%	10.11%	-2.18%
Industrial Select Sector	XLI	\$62.25	0.17%	-1.74%	-3.53%	-8.12%
Materials Select Sector	XLB	\$48.60	1.16%	1.44%	0.96%	-10.10%
The Energy Select Sector	XLE	\$56.11	1.09%	-2.68%	-8.85%	-12.74%
Utilities Select Sector	XLU	\$53.81	1.63%	9.24%	19.27%	11.76%
Real Estate Select Sector	XLRE	\$30.95	0.53%	3.88%	11.98%	3.57%
Communications Services Sector	XLC	\$39.81	-1.21%	0.89%	-1.69%	



# Market Share Volume & Total Value Traded

<u>INDEX/SECURITY</u>	<b>VOLUME: (12/21) vs.</b>			
	<u>Prior Day</u>	<u>1M Ave</u>	<u>3M ave</u>	<u>1Y Ave</u>
<b>Total Market Volume*</b>	1%	53%	56%	47%
<b>Total Exchange Volume**</b>	25%	75%	83%	111%

\*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)

# Style Factor Performance

	FACTOR	1D % Chg	1W % Chg	1M % Chg	3M % Chg	6M % Chg	YTD % Chg
Debt	High Debt/EV	-1.9%	-7.6%	-10.1%	-16.3%	-13.4%	-16.3%
	Low Debt/EV	-1.9%	-7.0%	-9.2%	-18.8%	-14.9%	-6.0%
SI	High Short Interest	-2.3%	-8.2%	-11.8%	-18.4%	-16.0%	-10.3%
	Low Short Interest	-1.9%	-6.8%	-9.5%	-17.1%	-11.1%	-8.6%
BETA	High Beta	-2.3%	-7.8%	-12.9%	-24.8%	-21.5%	-15.9%
	Low Beta	-1.3%	-6.3%	-6.3%	-7.8%	-4.4%	-4.6%
YIELD	High Yield	-1.6%	-7.2%	-10.3%	-17.3%	-15.5%	-17.8%
	Low Yield	-2.4%	-8.2%	-10.6%	-20.6%	-16.3%	-4.1%
MKT CAP	MCAP Bottom 25%	-2.3%	-8.1%	-13.9%	-23.3%	-22.8%	-21.7%
	MCAP Top 25%	-2.0%	-7.0%	-8.3%	-15.2%	-9.2%	-5.8%
Sales	Top 25% Sales Growth	-2.3%	-7.9%	-9.9%	-19.1%	-15.3%	-7.7%
	Bottom 25% Sales Growth	-2.0%	-7.5%	-10.9%	-18.2%	-16.2%	-17.4%
EPS	Top 25% EPS Growth	-2.1%	-7.3%	-10.7%	-20.0%	-14.9%	-8.6%
	Bottom 25% EPS Growth	-1.9%	-7.4%	-10.5%	-18.0%	-17.0%	-17.1%

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

# Rates & Spreads

		1D	5D	1M	3M	vs. 52-Wk, Bps		vs.	vs.
	Price	Bps Chg	Bps Chg	Bps Chg	Bps Chg	High	Low	3Y Ave	5Y Ave
3M T-Bill	2.38%	-0.3	-3.3	-2	21	-5	106	133	173
3M LIBOR	2.82%	0.0	2.3	15	45	0	114	140	186
2Y T-Note	2.64%	-3.2	-9.4	-18	-16	-33	77	107	148
5Y T-Note	2.64%	-2.9	-9.2	-25	-31	-46	45	65	81
10Y T-Note	2.79%	-1.6	-9.9	-27	-27	-47	39	44	44
30Y T-Note	3.03%	-1.8	-11.3	-29	-17	-43	29	16	7
2Y-10Y Spread, Bps	15	1.5	-0.5	-9.8	-11	-13	-38	-63	-103
IG SPREAD (AAABBB)	1.82%	2.0	7.0	17	35	0	62	24	22
HIGH YIELD									
5Y BREAK EVEN	1.54%	-0.6	-7.4	-28.8	-48.8	-65.1	4.2	-21.0	-15.7



# Key \$USD Correlations

METRIC	15D	30D	90D	120D	180D	52-Wk Rolling 30D Correlation			
						High	Low	% Time Pos	% Time Neg
SPX	0.23	0.09	-0.80	-0.71	0.01	0.73	-0.92	37%	63%
BRENT Oil	0.26	-0.01	-0.79	-0.78	-0.53	0.84	-0.90	27%	73%
CRB Index	0.11	-0.20	0.31	-0.78	-0.71	0.67	-0.94	45%	55%
GOLD	-0.51	-0.19	0.65	0.25	-0.72	0.54	-0.94	9%	91%

\*Days = Trading Days

# CFTC Non-Commercial Net Long Positioning

## CFTC NON-COMMERCIAL NET LONG POSITIONING

	METRIC	Latest	W/W Chg	3M Ave	6M Ave	1Y Ave	3Y		Z-Score	
							Max	Min	1Y	3Y
EQUITIES	SPX (Index + E-mini)	192,577	36,953	192,786	173,117	164,846	249,638	(248,441)	0.64X	1.00X
	VIX	44,245	4,148	(18,586)	(56,411)	(25,921)	92,913	(174,665)	0.97X	1.72X
	Russell 2000 (mini)	(18,153)	973	(36,959)	(6,812)	(1,089)	93,772	(86,821)	-0.38X	-0.30X
	Dow Jones (mini)	23,444	1,457	28,971	27,047	28,252	95,976	(999)	-0.26X	-0.81X
	Nasdaq (mini)	4,624	6,736	8,505	20,359	12,746	163,838	(24,647)	-0.47X	-0.99X
	Nikkei Index	(7,700)	(2,432)	(7,316)	(6,400)	(133)	14,253	(9,128)	-0.99X	-2.08X
RATES	10Y UST	(240,521)	52,121	(462,346)	(488,977)	(376,423)	372,991	(758,490)	0.77X	-0.51X
	2Y UST	(327,281)	94,270	(325,420)	(208,603)	(161,200)	104,027	(421,551)	-1.30X	-1.93X
	5Y UST	(255,246)	17,706	(582,330)	(659,137)	(576,146)	(33,993)	(866,140)	1.90X	0.38X
	UST Bonds	(35,878)	7,623	(85,868)	(57,511)	(9,829)	122,839	(142,810)	-0.41X	-1.00X
	30D Fed Funds	1,033	49,156	(50,128)	10,465	31,038	219,071	(286,025)	-0.32X	0.56X
	Eurodollar	(1,807,500)	80,929	(2,013,892)	(2,298,223)	(2,484,619)	251,098	(3,110,209)	1.82X	-0.16X
CURRENCIES	USD	36,031	(2,073)	38,446	33,283	16,806	56,635	(10,666)	1.09X	0.77X
	JPY	(104,327)	(4,993)	(103,113)	(80,202)	(67,157)	70,342	(140,151)	-0.83X	-1.08X
	EUR	(51,796)	3,969	(37,287)	(11,621)	53,154	147,318	(155,847)	-1.46X	-0.63X
	GBP	(60,151)	(17,104)	(45,725)	(49,379)	(14,151)	49,216	(113,271)	-1.19X	-0.60X
	AUD	(36,792)	8,554	(61,907)	(55,064)	(28,726)	77,969	(74,181)	-0.27X	-1.20X
	CAD	(11,073)	2,102	(10,398)	(22,854)	(10,989)	78,001	(99,736)	-0.00X	-0.18X
	MXN	(783)	(12,226)	32,389	26,748	44,274	117,131	(89,524)	-1.26X	-0.19X
	NZD	3,541	18,639	(24,503)	(24,693)	(10,254)	35,981	(35,412)	0.77X	0.43X
COMMODITIES	CHF	(23,027)	(4,654)	(17,313)	(29,097)	(24,969)	10,064	(47,216)	0.15X	-0.70X
	CRUDE OIL	371,510	(3,760)	457,734	544,226	631,113	784,290	195,086	-2.17X	-0.80X
	GOLD	24,369	14,317	(41,046)	(43,293)	42,086	286,921	(103,009)	-0.18X	-0.89X
	COPPER	(3,030)	(9,829)	7,047	6,821	24,833	67,602	(44,710)	-1.31X	-0.68X
	Natural Gas	12,048	(6,474)	1,708	(44,347)	(68,648)	57,455	(207,953)	1.60X	1.47X
	RBOB Gasoline	79,307	2,038	90,304	96,778	92,221	114,862	29,519	-1.09X	0.29X
	ULSD Heating Oil	(6,095)	(3,853)	22,882	32,434	34,399	67,696	(6,891)	-2.22X	-1.84X
	Silver	18,723	8,880	(8,714)	(4,716)	2,654	107,003	(30,158)	0.83X	-0.68X
	Platinum	11,815	645	15,280	3,766	13,480	56,853	(11,540)	-0.10X	-0.79X
	Aluminum	163,475	(2,043)	159,128	161,735	157,727	168,292	122,356	0.55X	1.31X
	Nickel	42,230	(365)	42,658	44,005	37,006	47,708	13,508	0.60X	1.21X
	Corn	189,592	32,408	70,640	40,732	100,892	373,443	(166,835)	0.60X	1.06X
	Soybeans	17,113	9,868	(32,889)	(40,688)	26,530	255,950	(113,144)	-0.09X	-0.42X
	Wheat	5,692	17,486	(14,313)	7,657	(12,398)	63,219	(143,292)	0.43X	1.24X
	Live Cattle	112,432	11,826	95,205	80,575	75,444	164,117	7,825	1.14X	0.64X
	Lean Hogs	39,754	(3,102)	34,153	18,296	19,525	90,653	(11,151)	0.87X	-0.10X
	Sugar	(13,317)	(29,225)	12,861	(25,782)	(47,122)	351,383	(131,628)	0.56X	-0.63X
	Cotton	44,702	(3,950)	52,360	72,766	89,500	132,318	(28,816)	-1.77X	-0.87X
	Coffee	(50,657)	(6,464)	(48,506)	(67,372)	(55,389)	67,942	(106,651)	0.20X	-0.93X
	Cocoa	6,887	8,728	(10,478)	3,725	18,971	61,244	(43,846)	-0.45X	-0.10X
	Orange Juice	(6,075)	126	(5,301)	(1,002)	(714)	10,123	(7,592)	-1.31X	-1.79X

HEDGEYE TV

The Macro Show  
December 24, 2018

# Economic Data

Date Time	Country/Region	C	Event	Period	Surv(M)	Actual	Prior	Revised	S	Ticker
12/19/18 06:00	United Kingdom	UK	CBI Trends Total Orders	Dec	6	8	10	--	22.9885	MTEF1C Index
12/19/18 06:00	United Kingdom	UK	CBI Trends Selling Prices	Dec	8	14	9	--	16.092	MTEF4C Index
12/19/18 07:00	Brazil	BZ	CNI Consumer Confidence	Dec	--	114.3	113.6	--	3.38983	BZCCI Index
12/19/18 08:30	Russia	RU	Retail Sales Real YoY	Nov	2.10%	3.00%	1.90%	2.00%	82.8571	RURSRYOY Index
12/19/18 08:30	Russia	RU	Real Disposable Income	Nov	0.60%	-2.90%	1.40%	0.30%	45.7143	RUMERDIY Index
12/19/18 08:30	Russia	RU	Real Wages YoY	Nov	4.20%	4.60%	4.40%	5.20%	57.1429	RUMEREAL Index
12/19/18 08:30	Russia	RU	Cargo Shipments YoY	Nov	1.80%	2.40%	-0.10%	1.50%	0	RUCTTRY Index
12/19/18 08:30	Russia	RU	Construction YoY	Nov	1.50%	4.30%	2.90%	--	2.85714	RUCCBRY Index
12/19/18 08:30	Canada	CA	CPI YoY	Nov	1.80%	1.70%	2.40%	--	95.3488	CACPIYOY Index
12/19/18 08:30	Canada	CA	CPI Core- Median YoY%	Nov	--	1.90%	2.00%	--	4.65116	CACPMYOY Index
12/19/18	Brazil	BZ	CNI Industrial Confidence	Dec	--	63.8	63.2	--	6.77966	BZICINDX Index
12/20/18 01:00	Japan	JN	Machine Tool Orders YoY	Nov F	--	-17.00%	-16.80%	--	66.2921	JNMTOY Index
12/20/18 02:00	Turkey	TU	Home Sales (YoY)	Nov	--	-27.00%	19.20%	--	18.1818	TRHSYY Index
12/20/18 02:00	Japan	JN	Convenience Store Sales YoY	Nov	--	0.60%	-1.50%	--	31.4607	JNCVSSY Index
12/20/18 04:00	Italy	IT	PPI YoY	Nov	--	5.70%	7.10%	--	47.3684	ITPNIYOY Index
12/20/18 04:30	United Kingdom	UK	Retail Sales Ex Auto Fuel YoY	Nov	2.30%	3.80%	2.70%	2.80%	74.7126	UKRVAYOY Index
12/20/18 04:30	United Kingdom	UK	Retail Sales Inc Auto Fuel YoY	Nov	2.00%	3.60%	2.20%	2.40%	78.1609	UKRVINFY Index
12/20/18 06:00	United Kingdom	UK	CBI Retailing Reported Sales	Dec	15	-13	19	--	24.1379	DTSRR1RB Index
12/20/18 06:00	United Kingdom	UK	CBI Total Dist. Reported Sales	Dec	--	10	18	--	2.29885	DTSD1RB Index

\*\*\*No new data

# Volatility

TIME WINDOW SETTING:		TOTAL RETURN	IVOL PREMIUM/DISCOUNT						REALIZED VOLATILITY TRENDS			IMPLIED VOLATILITY TRENDS		
VOLATILITY_30D		PERFORMANCE	IVOL PREM %							RVOL	PERCENTILE	IVOL	PERCENTILE	
PUT_IMP_VOL_30D	TICKER	YTD %	IVOL / RVOL	Yesterday	1W Ago	1M Ago	TTM Z-Score	3Yr Z-Score	CURRENT	MM %	10YR	CURRENT	MM %	10YR
US EQUITIES														
CURRENT														
Utilities Sector SPDR ETF	XLU US EQUITY	5.67%	25%	25%	20%	-4%	1.5	1.0	15.3	-9%	64%	19.1	18%	87%
Health Care Sector SPDR ETF	XLV US EQUITY	1.58%	25%	25%	-9%	-11%	0.7	0.5	21.7	3%	88%	27.2	45%	96%
Consumer Discretionary Sector SPDR ETF	XLY US EQUITY	-3.79%	13%	13%	-9%	-17%	0.1	-0.1	26.8	1%	87%	30.3	38%	91%
Power Shares QQQ Trust ETF	QQQ US EQUITY	-4.46%	6%	6%	-14%	-24%	0.1	-0.2	30.4	-9%	92%	32.4	28%	95%
Technology Sector SPDR ETF	XLK US EQUITY	-6.07%	-3%	-3%	-14%	-29%	-0.2	-0.4	33.1	-4%	94%	32.3	31%	95%
Vanguard Real Estate REIT ETF	VNQ US EQUITY	-6.25%	18%	18%	11%	-14%	1.9	0.9	18.6	16%	64%	22.0	60%	74%
SPDR S&P 500 ETF Trust	SPY US EQUITY	-8.08%	18%	18%	-12%	-13%	0.6	0.2	21.8	3%	84%	25.7	41%	91%
Consumer Staples Sector SPDR ETF	XLP US EQUITY	-9.16%	30%	30%	16%	1%	0.8	0.8	15.3	1%	81%	20.0	30%	94%
I-Shares Russell 2000 ETF	IWM US EQUITY	-14.78%	19%	19%	0%	-14%	0.5	0.5	24.7	-1%	82%	29.5	36%	87%
Industrials Sector SPDR ETF	XLI US EQUITY	-16.15%	27%	27%	1%	-4%	0.7	0.5	23.5	7%	82%	29.8	42%	90%
Financials Sector SPDR ETF	XLF US EQUITY	-16.80%	39%	39%	9%	2%	1.3	1.2	22.2	5%	70%	31.0	44%	84%
Materials Sector SPDR ETF	XLB US EQUITY	-18.11%	47%	47%	11%	-3%	1.8	1.6	20.6	-7%	63%	30.2	41%	86%
Energy Sector SPDR ETF	XLE US EQUITY	-19.98%	37%	37%	1%	-1%	2.2	1.5	26.5	2%	77%	36.4	40%	92%
Communication Services	XLC US EQUITY		39%	39%	28%	-5%			24.7	-18%	67%	34.3	20%	98%
INTERNATIONAL EQUITIES														
Euro Stoxx 50 Index	SXSE INDEX	-11.37%	2%	2%	-3%	23%	-0.2	-0.4	17.5	27%	49%	17.9	5%	41%
I-Shares China Large-Cap ETF	FXI US EQUITY	-13.48%	17%	17%	0%	-18%	1.4	0.6	24.0	-25%	56%	28.0	7%	74%
I-Shares MSCI Japan ETF	EWJ US EQUITY	-15.84%	11%	11%	-4%	-18%	0.9	0.0	19.7	3%	73%	21.9	39%	79%
I-Shares MSCI Emerging Markets ETF	EEM US EQUITY	-16.48%	16%	16%	-7%	-20%	1.4	0.6	22.7	-24%	68%	26.4	11%	75%
CURRENCIES														
PowerShares US Dollar Index ETF	UUP US EQUITY	9.10%	16%	16%	27%	30%	-0.2	0.1	6.5	4%	33%	7.5	-6%	34%
Currency Shares Japanese Yen ETF	FXJ US EQUITY	0.86%	22%	22%	11%	24%	0.7	0.8	6.2	11%	14%	7.5	9%	17%
Currency Shares Euro Trust ETF	FXE US EQUITY	-6.08%	-12%	-12%	-5%	13%	-1.0	-0.9	7.5	8%	30%	6.6	-16%	9%
Currency Shares British Pound ETF	FXB US EQUITY	-6.66%	7%	7%	1%	25%	-0.3	0.0	10.7	-4%	80%	11.5	-18%	80%
COMMODITIES														
United States Natural Gas Fund ETF	UNG US EQUITY	29.72%	-34%	-34%	-33%	12%	-2.0	-2.2	112.6	15%	100%	74.7	-32%	98%
SPDR Gold Shares ETF	GLD US EQUITY	-3.99%	9%	9%	23%	31%	0.2	0.1	9.1	14%	6%	9.9	-6%	6%
PowerShares DB Agriculture Fund ETF	DBA US EQUITY	-8.42%	68%	68%	48%	35%	2.2	1.5	8.5	-24%	13%	14.3	-5%	43%
PowerShares DB Base Metals Fund ETF	DBB US EQUITY	-17.14%	118%	118%	28%	81%	1.2	0.2	15.7	1%	29%	34.2	22%	86%
United States Oil Fund ETF	USO US EQUITY	-20.32%	-2%	-2%	-12%	33%	-0.4	-0.4	50.9	39%	92%	49.7	2%	91%
FIXED INCOME														
I-Shares 7-10 Year Treasury Bond ETF	IEF US EQUITY	0.04%	414%	414%	65%	12%	5.5	9.1	2.9	-25%	0%	14.9	242%	99%
I-Shares 20+ Year Treasury Bond ETF	TLT US EQUITY	-2.25%	53%	53%	25%	32%	3.3	3.3	7.6	7%	1%	11.7	23%	31%
I-Shares IBOXB HY Corporate Bond ETF	HYG US EQUITY	-3.07%	114%	114%	9%	47%	3.0	2.7	6.9	34%	60%	14.8	95%	90%
I-Shares IBOXB IG Corporate Bond ETF	LQD US EQUITY	-4.20%	109%	109%	36%	43%	5.3	4.7	2.9	-12%	0%	6.1	29%	56%
I-Shares J.P. Morgan USD EM Bond ETF	EMB US EQUITY	-6.34%	2%	2%	-17%	50%	-0.8	-1.0	7.1	45%	69%	7.2	-1%	47%