



HEDGEYE CAPITAL ALLOCATION

Dashboard


17 October 2024


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User Guide to Return Prospects

Yield = Current income yield on instrument as reported by Factset; an important variable in the total return projections discussed below.

Drawdown Check = In the CA team's opinion, there's a less than 25% probability the specified exposure will undergo a drawdown exceeding the "Check" over the interval specified in **Longer-Term Return Prospects**.

 = **Positive** = instrument is 75+% likely in the CA team's opinion to produce a positive total return during specified interval.

 = **Indeterminate** = conflicting inputs render a directional appraisal of the instrument infeasible.

 = **Negative** = instrument is 75+% likely in the CA team's opinion to produce a negative total return during specified interval.

* **Black** dates denote **Elements** refreshed since prior edition of **Dashboard**.



HEDGEYE CAPITAL ALLOCATION

Key Takeaways from Dashboard published 17 October 2024

- Focused as we are when compiling fresh editions of our **Dashboards** on actionable opportunities and perils in global financial markets, our cardinal takeaway from all editions including this one comprises a yes or no answer to a straightforward question: do any fresh data furnished herein necessitate changes in our **Return Prospects (RPs)** or **Model Portfolios (MPs)**? Our answer this go-round: no. Accordingly, we encourage **Capital Allocation (CA)** patrons relying on our **RPs** or **MPs** in their deployment of investable wealth to stay the course, i.e., to refrain from making portfolio changes except those necessitated by the quarterly rebalancings we take care in highlighting at each calendar quarter-end.
- We also encourage readers who've not yet consumed the October 11th edition of Hedgeye's daily Macro Show to do so [[LINK](#)], with a focus on the 5th through 11th minutes. That segment focuses on key premises underlying our **MPs** in particular—portfolios crafted in adherence with clearly articulated drawdown and turnover constraints. The premises just referenced are reproduced in part at right, with “Base Case” reflecting the same 75+% probability threshold underlying the **RPs** and in turn **MPs** we publish daily via the **CA** feed at [Hedgeye.com](https://www.hedgeye.com).

Key Premises Underlying **CA** Portfolio Construction Circa Late 2024

- Ongoing capital allocation rooted in *Zeitgeist* articulated initially in 2019
 - Base case (>75% probable) = “Fiscal Dominance” producing ultimately “Financial Repression” in the US
 - Beware nominal bonds including especially conventional long-term USTs
 - Larger regulated banks get slammed creating ultimately painfully large piles of stranded assets
 - Willing to pay for “insurance” if but only if the “price” is reasonable
- Why spend many or indeed any hours contemplating such premises? Three reasons: (1) perhaps obviously, we think all are inherently sound (2) we think our concededly unoriginal presumption of pending “Financial Repression” **isn't** yet fully reflected in asset prices and (3) provided they're indeed sound, premises of this sort are helpful if not essential in managing portfolios subject to turnover constraints. This is especially true when the portfolios being managed, as are our **MPs**, to maximize returns over relatively long holding periods while avoiding drawdowns exceeding carefully specified bounds.

Return Prospects as of 17 October 2024

	Ticker	Yield	Drawdown Check	4Q24	1Q25	2Q25	Refreshed Long-Term Return Prospect (Now through 6/30/25)	Change vs. Prior Prospect	Prior Prospect (August 2024)
Currencies									
Invesco DB US Dollar Index Bullish Fund	UUP	6.0%	10%				Positive	▬	Positive
Invesco CurrencyShares Euro Trust	FXE	2.3%	10%				Indeterminate	▬	Indeterminate
Invesco CurrencyShares Japanese Yen Trust	FXJ	0.0%	15%				Indeterminate	▬	Indeterminate
Invesco CurrencyShares Swiss Franc Trust	FXF	0.0%	10%				Indeterminate	▬	Indeterminate
Invesco CurrencyShares British Pound Sterling Trust	FXB	3.2%	10%				Positive	▬	Positive
SPDR Gold Shares	GLD	0.0%	15%				Positive	▬	Positive
Commodities									
iShares S&P GSCI Commodity Indexed Trust	GSG	0.0%	20%				Positive	▬	Positive
United States Oil Fund LP	USO	0.0%	20%				Indeterminate	▬	Indeterminate
United States Natural Gas Fund LP	UNG	0.0%	25%				Indeterminate	▬	Indeterminate
Invesco DB Agriculture Fund	DBA	3.7%	20%				Positive	▬	Positive
Invesco DB Base Metals Fund	DBB	6.4%	20%				Indeterminate	▬	Indeterminate
iShares Silver Trust	SLV	0.0%	25%				Positive	▬	Positive
Sprott Physical Uranium Trust	SRUUF	0.0%	25%				Indeterminate	▬	Indeterminate
ProShares Bitcoin ETF	BITO	58.9%	25%				Indeterminate	▬	Indeterminate
Grayscale Ethereum Trust (ETH)	ETHE	0.0%	25%				Positive	▬	Positive
Bonds									
iShares 1-3 Year Treasury Bond ETF	SHY	3.8%	5%				Indeterminate	▬	Indeterminate
iShares 7-10 Year Treasury Bond ETF	IEF	3.4%	10%				Indeterminate	▬	Indeterminate
iShares 20+ Year Treasury Bond ETF	TLT	3.5%	15%				Indeterminate	▬	Indeterminate
iShares iBoxx \$ High Yield Corporate Bond ETF	HYG	5.9%	20%				Indeterminate	▬	Indeterminate
iShares iBoxx \$ Investment Grade Corporate Bond ETF	LQD	4.3%	20%				Indeterminate	▼	Positive
iShares MBS ETF	MBB	3.7%	20%				Indeterminate	▬	Indeterminate
iShares Preferred & Income Securities ETF	PFF	6.0%	20%				Indeterminate	▬	Indeterminate
iShares TIPS Bond ETF	TIP	2.7%	10%				Positive	▬	Positive
SPDR FTSE International Government Inflation-Protected Bond ETF	WIP	6.2%	10%				Positive	▬	Positive
Vanguard Total International Bond ETF	BNDX	4.7%	10%				Positive	▬	Positive
iShares JP Morgan USD Emerging Markets Bond ETF	EMB	4.8%	15%				Positive	▬	Positive
Global & Non-US Stocks									
iShares MSCI Emerging Markets ex China ETF	EMXC	2.0%	20%				Positive	▬	Positive
iShares MSCI Japan ETF	EWJ	2.0%	15%				Positive	▬	Positive
iShares MSCI Japan Small-Cap ETF	SCJ	2.2%	20%				Positive	▬	Positive
iShares China Large-Cap ETF	FXI	2.2%	20%				Indeterminate	▬	Indeterminate
iShares MSCI Hong Kong ETF	EHW	4.3%	25%				Indeterminate	▬	Indeterminate
iShares MSCI India ETF	INDA	0.0%	25%				Positive	▬	Positive
iShares MSCI South Korea ETF	EWY	2.6%	25%				Negative	▬	Negative
iShares MSCI Australia ETF	EWA	3.6%	15%				Positive	▬	Positive
iShares MSCI Singapore ETF	EWS	4.0%	25%				Positive	▲	Indeterminate
iShares MSCI Malaysia ETF	EWM	2.9%	25%				Positive	▬	Positive
iShares MSCI South Africa ETF	EZA	2.3%	20%				Positive	▬	Positive
Vanguard FTSE Europe ETF	VGK	2.9%	15%				Positive	▬	Positive
iShares MSCI United Kingdom ETF	EWU	3.9%	15%				Positive	▬	Positive
iShares MSCI Germany ETF	EWG	2.3%	15%				Positive	▬	Positive
iShares MSCI France ETF	EWQ	3.0%	20%				Positive	▬	Positive
iShares MSCI Poland ETF	EPOL	4.6%	25%				Positive	▬	Positive
iShares MSCI Canada ETF	EWC	2.0%	15%				Positive	▬	Positive
iShares MSCI Mexico ETF	EWV	2.8%	25%				Indeterminate	▲	Negative
iShares MSCI Brazil ETF	EWZ	7.5%	25%				Indeterminate	▬	Indeterminate
VanEck Gold Miners ETF	GDX	1.2%	25%				Positive	▬	Positive
Global X Uranium ETF	URA	5.3%	25%				Positive	▬	Positive
VanEck Rare Earth and Strategic Metals ETF	REMX	0.0%	25%				Indeterminate	▲	Negative
VanEck Agribusiness ETF	MOO	3.0%	25%				Indeterminate	▲	Negative
US Stocks									
SPDR S&P 500 ETF Trust	SPY	1.2%	25%				Positive	▬	Positive
Invesco QQQ Trust Series I	QQQ	0.6%	25%				Positive	▬	Positive
iShares Russell 2000 ETF	IWM	1.1%	25%				Indeterminate	▬	Indeterminate
iShares Russell 1000 Growth ETF	IWF	0.5%	25%				Positive	▬	Positive
iShares Russell 1000 Value ETF	IWD	1.8%	20%				Indeterminate	▬	Indeterminate
Technology Select Sector SPDR Fund	XLK	0.7%	20%				Positive	▬	Positive
Financial Select Sector SPDR Fund	XLF	1.4%	20%				Indeterminate	▬	Indeterminate
Industrial Select Sector SPDR Fund	XLI	1.3%	20%				Indeterminate	▬	Indeterminate
Materials Select Sector SPDR Fund	XLB	1.8%	20%				Indeterminate	▬	Indeterminate
Utilities Select Sector SPDR Fund	XLU	2.7%	15%				Positive	▬	Positive
Energy Select Sector SPDR Fund	XLE	3.3%	20%				Positive	▬	Positive
Alerian MLP ETF	AMLP	7.7%	25%				Positive	▲	Indeterminate
iShares U.S. Consumer Discretionary ETF	IYC	0.6%	25%				Positive	▬	Positive
Communication Services Select Sector SPDR Fund	XLC	1.0%	25%				Positive	▬	Positive
Real Estate Select Sector SPDR Fund	XLRE	3.1%	25%				Indeterminate	▬	Indeterminate
iShares U.S. Home Construction ETF	ITB	0.4%	25%				Positive	▲	Indeterminate
iShares U.S. Aerospace & Defense ETF	ITA	0.8%	20%				Positive	▬	Positive
Consumer Staples Select Sector SPDR Fund	XLP	2.6%	15%				Positive	▬	Positive
Health Care Select Sector SPDR Fund	XLV	1.5%	20%				Indeterminate	▬	Indeterminate

10/16/2024	Hedgeye Macro GIP Model Signals													GROWTH					Strength Of Signal				INFLATION					Strength Of Signal											
	Actuals								Estimates					Real GDP YoY					NTM Δ				Conditional Probability Of Est. Δ				Headline CPI YoY					NTM Δ				Conditional Probability Of Est. Δ			
	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24E	4Q24E	1Q25E	2Q25E	COUNTRY	2Q24	3Q24E	4Q24E	1Q25E	2Q25E	2Q25E Less 3Q24E	3Q24E	4Q24E	1Q25E	2Q25E	COUNTRY	2Q24	3Q24E	4Q24E	1Q25E	2Q25E	2Q25E Less 3Q24E	3Q24E	4Q24E	1Q25E	2Q25E				
Argentina	2	3	3	3	3	2	3	3	2	4	1	1	1	Argentina	-1.70	-4.69	-2.19	1.76	2.52	721bps	95	87	98	61	Argentina	279.10	###	161.35	77.73	56.07	-18030bps	98	98	98	98				
Australia	2	2	3	3	4	1	4	4	4	4	2	2	2	Australia	0.97	0.89	1.55	1.91	2.15	126bps	53	77	65	60	Australia	3.33	2.64	2.67	2.76	2.88	24bps	98	53	61	63				
Brazil	2	1	4	1	4	3	2	1	1	3	2	3	3	Brazil	3.33	3.19	3.26	2.14	1.83	-136bps	54	52	81	59	Brazil	3.95	4.39	4.47	4.53	4.65	26bps	70	54	53	56				
Canada	2	4	4	4	4	3	1	4	1	1	1	2	2	Canada	0.91	1.28	1.35	1.55	1.76	48bps	60	52	55	56	Canada	2.74	2.04	2.02	2.34	2.51	46bps	98	52	79	65				
China	3	2	4	1	1	4	1	2	3	3	2	3	3	China	5.60	3.46	3.76	3.21	3.10	-36bps	92	56	61	52	China	0.27	0.50	1.05	1.17	1.40	90bps	66	87	58	66				
Eurozone	3	3	3	4	4	4	1	1	1	1	1	2	2	Eurozone	0.60	0.89	1.09	1.19	1.29	40bps	58	55	53	53	Eurozone	2.50	2.20	2.02	2.04	2.10	-10bps	69	61	51	54				
France	3	3	3	2	1	4	1	1	4	4	1	3	2	France	0.97	0.94	1.02	0.84	1.18	24bps	51	52	55	59	France	2.61	2.11	1.88	2.03	2.42	31bps	94	70	63	85				
Germany	3	2	3	1	4	4	1	4	1	4	2	3	3	Germany	0.30	-0.10	0.58	0.48	0.43	53bps	60	67	53	51	Germany	2.57	2.13	2.14	2.20	2.28	15bps	77	50	54	55				
India	2	4	4	2	1	3	1	4	4	1	1	3	3	India	6.65	6.82	7.07	6.92	6.65	-17bps	53	54	53	55	India	4.90	4.24	4.17	4.32	4.42	18bps	88	54	58	56				
Indonesia	2	2	3	1	1	4	1	2	4	1	1	3	3	Indonesia	5.05	5.13	5.24	4.89	4.75	-37bps	55	57	73	59	Indonesia	2.78	2.03	1.82	2.04	2.57	54bps	94	62	63	81				
Italy	3	3	3	4	4	4	1	4	1	2	2	3	2	Italy	0.61	0.81	1.04	0.91	1.14	33bps	55	56	53	56	Italy	0.87	1.20	1.47	1.65	1.98	78bps	69	65	60	69				
Japan	2	3	3	1	4	4	4	4	3	2	1	3	2	Japan	-1.00	0.67	1.01	0.81	1.31	64bps	98	62	57	68	Japan	2.70	2.86	2.10	2.38	2.45	-42bps	63	98	73	56				
Mexico	2	2	4	4	4	4	4	3	2	3	1	2	3	Mexico	2.09	0.88	1.25	1.63	1.28	40bps	72	57	57	56	Mexico	4.77	5.05	4.47	4.57	4.69	-36bps	72	95	58	60				
Russia	3	1	1	1	1	2	3	2	3	3	4	3	3	Russia	4.10	2.84	2.41	2.01	1.91	-92bps	83	61	60	53	Russia	8.24	8.94	7.47	7.72	7.74	-120bps	66	84	56	51				
South Africa	3	2	4	4	1	4	2	4	4	1	1	2	3	South Africa	0.30	1.20	1.72	2.30	1.95	75bps	70	62	63	58	South Africa	5.17	4.38	3.56	3.81	4.04	-34bps	98	98	72	71				
South Korea	3	2	4	4	4	1	2	1	4	4	1	3	2	South Korea	2.30	2.03	2.28	1.58	2.11	8bps	62	61	82	74	South Korea	2.67	2.07	1.88	2.38	2.42	35bps	98	66	94	53				
Spain	2	3	4	1	4	4	2	1	2	4	1	3	2	Spain	3.10	2.54	2.64	2.06	2.24	-30bps	61	52	61	54	Spain	3.60	2.33	2.23	2.35	2.48	15bps	98	56	57	58				
Turkey	3	3	4	1	1	2	3	2	3	1	1	3	2	Turkey	2.49	2.50	2.64	0.74	2.06	-44bps	50	53	93	80	Turkey	72.28	49.38	43.03	43.78	45.03	-435bps	98	98	57	62				
United Kingdom	3	3	3	4	4	4	4	1	1	2	2	3	3	United Kingdom	0.70	1.38	1.93	1.68	1.58	20bps	61	59	54	52	United Kingdom	2.10	2.13	2.24	2.29	2.49	35bps	52	56	53	61				
United States	3	4	4	1	1	1	4	4	1	4	3	2	3	United States	3.04	2.64	2.16	2.29	2.02	-62bps	67	70	56	62	United States	3.20	2.62	2.74	2.91	3.14	51bps	98	60	64	69				
MODE/MEDIAN	3	3	4	1	4	4	1	4	1	4	1	3	3	MODE/MEDIAN	1.53	1.33	1.82	1.72	1.93	60bps	60	57	59	57	MODE/MEDIAN	2.99	2.48	2.24	2.38	2.54	6bps	91	64	59	61				

Data Source: Bloomberg, BIS, World Bank, and IMF. Intellectual Property of Hedgeye Risk Management.
 LIGHT BLUE header = Hedgeye Nowcast Model estimates. DARK BLUE header = Hedgeye Comparative Base Effects Model estimates.
 GREEN/RED shading in GDP and CPI projections denotes sequential acceleration/deceleration.

Conditional probabilities of forecasted deltas are proportional to the prior base rate's percentile score within a 95% confidence interval band around the projected GROWTH or INFLATION rate in a given quarter.

10/16/2024	Hedgeye Macro GIP Model Signals													GROWTH					Strength Of Signal				INFLATION					Strength Of Signal											
	Actuals										Estimates			Real GDP YoY					NTM Δ				Conditional Probability Of Est. Δ				Headline CPI YoY					NTM Δ				Conditional Probability Of Est. Δ			
	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24E	4Q24E	1Q25E	2Q25E	COUNTRY	2Q24	3Q24E	4Q24E	1Q25E	2Q25E	2Q25E Less 3Q24E	3Q24E	4Q24E	1Q25E	2Q25E	COUNTRY	2Q24	3Q24E	4Q24E	1Q25E	2Q25E	2Q25E Less 3Q24E	3Q24E	4Q24E	1Q25E	2Q25E				
Argentina	2	3	3	3	3	2	3	3	2	4	1	1	1	Argentina	-1.70	-4.69	-2.19	1.76	2.52	721bps	95	87	98	61	Argentina	####	####	161.35	77.73	56.07	-18030bps	98	98	98	98				
Brazil	2	1	4	1	4	3	2	1	1	3	2	3	3	Brazil	3.33	3.19	3.26	2.14	1.83	-136bps	54	52	81	59	Brazil	3.95	4.39	4.47	4.53	4.65	26bps	70	54	53	56				
Chile	3	3	4	1	4	1	4	1	3	2	2	3	2	Chile	1.63	2.36	3.02	2.24	2.75	39bps	65	64	66	60	Chile	4.10	4.47	4.57	4.65	4.72	25bps	67	55	54	53				
China	3	2	4	1	1	4	1	2	3	3	2	3	3	China	5.60	3.46	3.76	3.21	3.10	-36bps	92	56	61	52	China	0.27	0.50	1.05	1.17	1.40	90bps	66	87	58	66				
Colombia	2	3	3	2	4	4	1	1	1	1	3	2		Colombia	1.58	2.09	2.52	2.33	2.51	42bps	58	57	53	53	Colombia	7.17	6.26	5.33	5.42	5.47	-79bps	97	98	55	53				
Czech Republic	3	3	4	3	4	4	1	4	2	1	2	2	3	Czech Republic	0.90	1.45	1.86	2.59	2.44	99bps	66	62	71	54	Czech Republic	2.50	2.33	2.38	2.47	2.53	20bps	56	52	53	53				
Greece	3	3	4	4	1	4	3	1	1	3	1	2	3	Greece	2.70	2.19	2.36	2.54	2.08	-11bps	58	53	53	57	Greece	2.70	3.07	2.67	2.70	2.77	-30bps	68	70	52	53				
Hong Kong	1	3	1	2	3	1	2	4	1	3	3	2		Hong Kong	3.30	2.92	2.77	2.07	2.35	-57bps	62	55	72	59	Hong Kong	1.27	1.88	1.96	2.07	2.22	35bps	86	55	57	59				
India	2	4	4	2	1	3	1	4	4	1	1	3	3	India	6.65	6.82	7.07	6.92	6.65	-17bps	53	54	53	55	India	4.90	4.24	4.17	4.32	4.42	18bps	88	54	58	56				
Indonesia	2	2	3	1	1	4	1	2	4	1	1	3	3	Indonesia	5.05	5.13	5.24	4.89	4.75	-37bps	55	57	73	59	Indonesia	2.78	2.03	1.82	2.04	2.57	54bps	94	62	63	81				
Israel	3	3	3	1	4	4	4	1	3	2	1	3	2	Israel	-1.63	-0.11	6.78	3.83	4.25	436bps	84	98	98	60	Israel	2.83	3.43	3.10	3.28	3.47	3bps	94	74	63	63				
Malaysia	2	2	4	4	4	1	4	2	2	4	2	2	2	Malaysia	5.90	4.12	4.42	4.67	4.71	59bps	78	55	54	51	Malaysia	1.95	1.81	2.13	2.26	2.51	70bps	58	69	58	65				
Mexico	2	2	4	4	4	4	4	3	2	3	1	2	3	Mexico	2.09	0.88	1.25	1.63	1.28	40bps	72	57	57	56	Mexico	4.77	5.05	4.47	4.57	4.69	-36bps	72	95	58	60				
Peru	3	3	4	3	4	4	1	1	1	3	2	3		Peru	3.58	3.65	3.10	3.31	2.68	-97bps	51	56	52	57	Peru	2.24	1.98	2.15	2.37	2.43	45bps	66	61	64	54				
Philippines	3	2	3	3	1	4	4	1	2	4	1	2	3	Philippines	6.30	5.01	5.18	6.10	6.00	99bps	75	53	68	52	Philippines	3.80	3.20	2.60	2.92	3.20	0bps	85	85	69	67				
Poland	3	3	3	4	4	1	1	1	2	2	2	3		Poland	3.20	3.25	3.43	3.65	3.38	13bps	52	56	58	60	Poland	2.50	4.47	4.94	5.06	5.21	74bps	98	66	54	55				
Russia	3	1	1	1	1	2	3	2	3	3	4	3	3	Russia	4.10	2.84	2.41	2.01	1.91	-92bps	83	61	60	53	Russia	8.24	8.94	7.47	7.72	7.74	-120bps	66	84	56	51				
Saudi Arabia	2	3	3	4	4	4	4	2	1	2	2	4	2	Saudi Arabia	-0.31	4.03	4.68	4.54	5.41	-	98	59	52	62	Saudi Arabia	1.55	1.60	1.74	1.74	1.94	34bps	52	56	50	59				
South Africa	3	2	4	4	1	4	2	4	4	1	1	2	3	South Africa	0.30	1.20	1.72	2.30	1.95	75bps	70	62	63	58	South Africa	5.17	4.38	3.56	3.81	4.04	-34bps	98	98	72	71				
South Korea	3	2	4	4	4	1	2	1	4	4	1	3	2	South Korea	2.30	2.03	2.28	1.58	2.11	8bps	62	61	82	74	South Korea	2.67	2.07	1.88	2.38	2.42	35bps	98	66	94	53				
Taiwan	3	1	4	3	1	2	2	1	4	3	1	2	3	Taiwan	5.06	2.42	2.61	2.85	1.58	-85bps	98	57	59	98	Taiwan	2.20	2.23	1.93	2.19	2.23	0bps	54	82	78	55				
Thailand	2	2	4	1	4	4	1	4	2	1	2	3	2	Thailand	2.30	2.69	3.42	3.07	3.32	63bps	58	66	57	55	Thailand	0.78	0.60	1.33	1.68	1.77	117bps	61	92	71	55				
Turkey	3	3	4	1	1	2	3	2	3	1	1	3	2	Turkey	2.49	2.50	2.64	0.74	2.06	-44bps	50	53	93	80	Turkey	72.28	49.38	43.03	43.78	45.03	-435bps	98	98	57	62				
MODE/MEDIAN	3	3	4	1	4	4	1	1	1	1	1	3	3	MODE/MEDIAN	2.70	2.69	3.02	2.59	2.52	-17bps	65	57	61	58	MODE/MEDIAN	2.78	3.20	2.67	2.92	3.20	0bps	72	70	58	56				

Data Source: Government Statistics Agencies, BIS, World Bank, and IMF. Intellectual Property of Hedgeye Risk Management.

LIGHT BLUE header = Hedgeye Nowcast Model estimates. DARK BLUE header = Hedgeye Comparative Base Effects Model estimates.

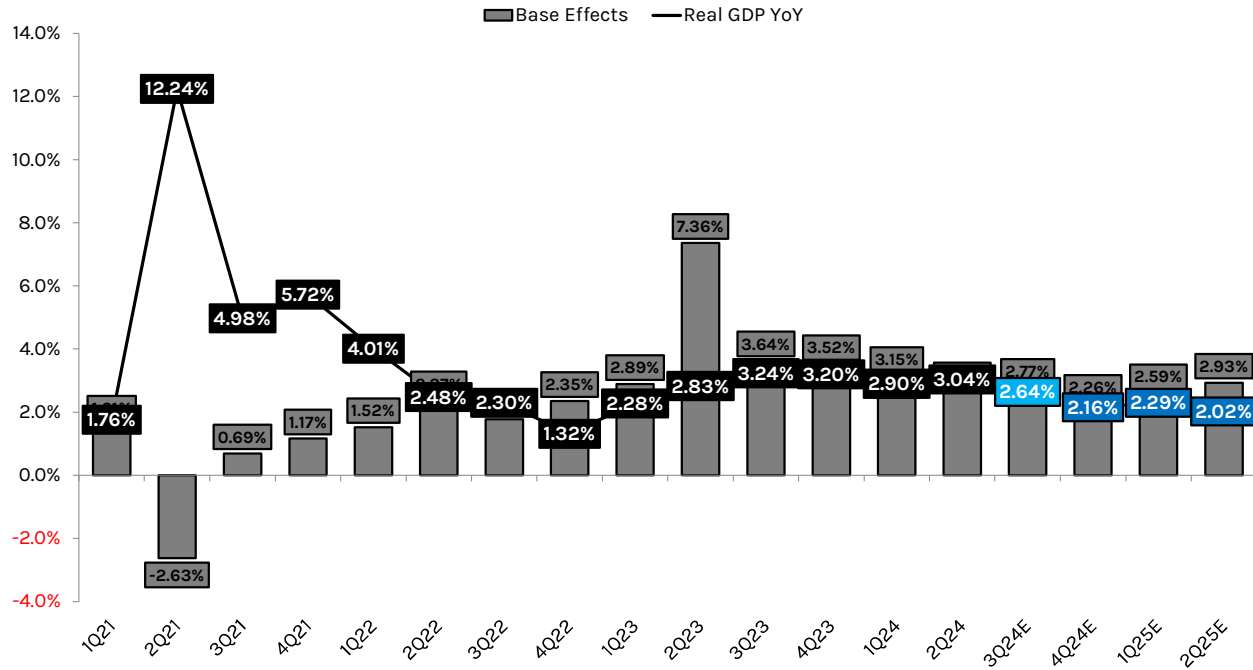
GREEN/RED shading in GDP and CPI projections denotes sequential acceleration/deceleration.

Conditional probabilities of forecasted deltas are proportional to the prior base rate's percentile score within a 95% confidence interval band around the projected GROWTH or INFLATION rate in a given quarter.

GROWTH																		
	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24E	4Q24E	1Q25E	2Q25E
Base Effects	1.61%	-2.63%	0.69%	1.17%	1.52%	2.37%	1.78%	2.35%	2.89%	7.36%	3.64%	3.52%	3.15%	3.65%	2.77%	2.26%	2.59%	2.93%
Real GDP YoY	1.76%	12.24%	4.98%	5.72%	4.01%	2.48%	2.30%	1.32%	2.28%	2.83%	3.24%	3.20%	2.90%	3.04%	2.64%	2.16%	2.29%	2.02%
GIP Model Quad	2	2	3	2	3	3	4	4	1	1	1	4	4	1	4	3	2	3
Unconditional Probability Of Forecasted Delta	78%																	
Conditional Probability Of Forecasted Delta	67%																	
Conditional Probability Of Quad 1	32.4%																	
Conditional Probability Of Quad 2	0.8%																	
Conditional Probability Of Quad 3	1.7%																	
Conditional Probability Of Quad 4	65.1%																	

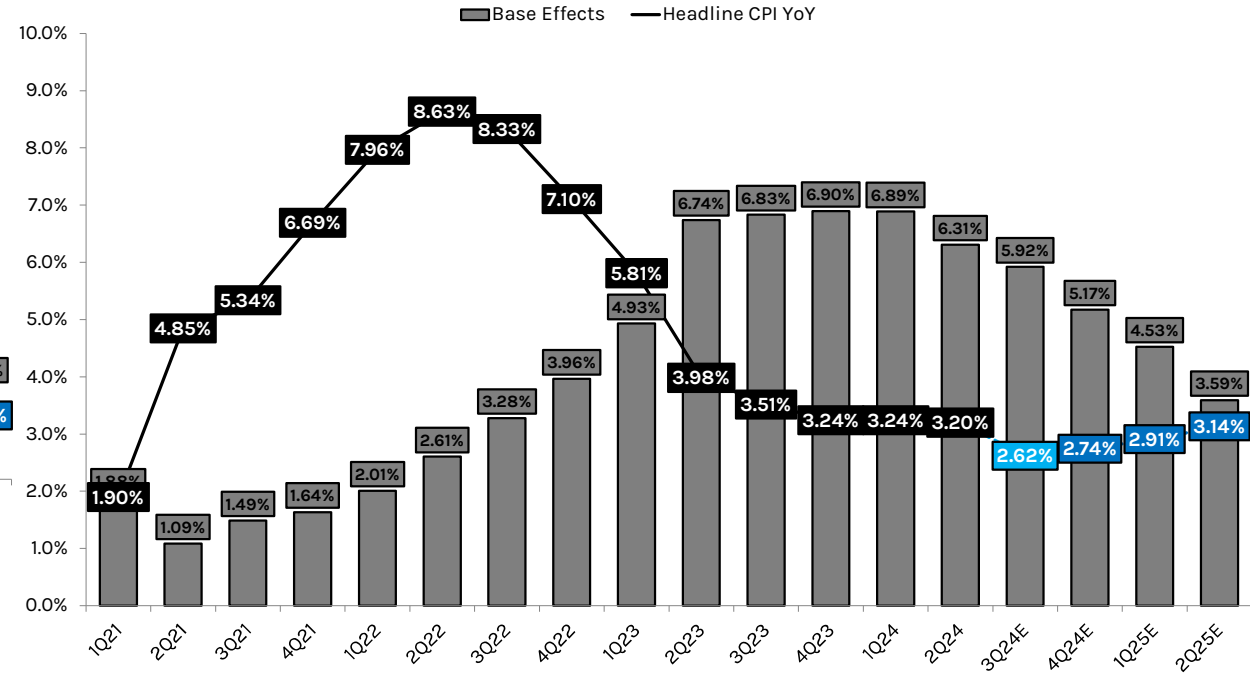
INFLATION																		
	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24E	4Q24E	1Q25E	2Q25E
Base Effects	1.88%	1.09%	1.49%	1.64%	2.01%	2.61%	3.28%	3.96%	4.93%	6.74%	6.83%	6.90%	6.89%	6.31%	5.92%	5.17%	4.53%	3.59%
Headline CPI YoY	1.90%	4.85%	5.34%	6.69%	7.96%	8.63%	8.33%	7.10%	5.81%	3.98%	3.51%	3.24%	3.24%	3.20%	2.62%	2.74%	2.91%	3.14%
GIP Model Quad	2	2	3	2	3	3	4	4	1	1	1	4	4	1	4	3	2	3
Unconditional Probability Of Forecasted Delta	63%																	
Conditional Probability Of Forecasted Delta	98%																	
Conditional Probability Of Quad 1	32.4%																	
Conditional Probability Of Quad 2	0.8%																	
Conditional Probability Of Quad 3	1.7%																	
Conditional Probability Of Quad 4	65.1%																	

United States



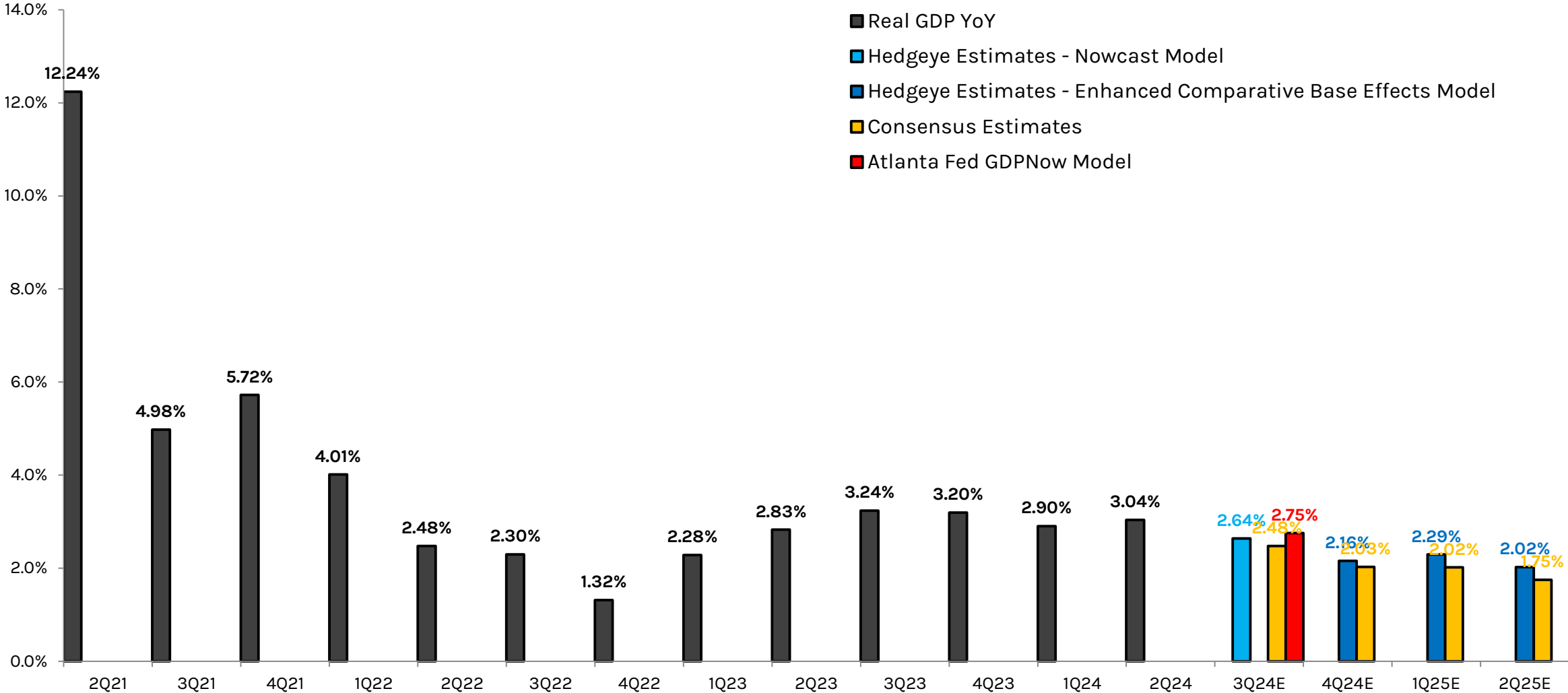
Data Source: BEA, BLS . Light Blue box = Hedgeye Nowcast Model estimate. Dark Blue boxes = Hedgeye Comparative Base Effects Model estimates.

United States



Data Source: BEA, BLS . Light Blue box = Hedgeye Nowcast Model estimate. Dark Blue boxes = Hedgeye Comparative Base Effects Model estimates.

United States

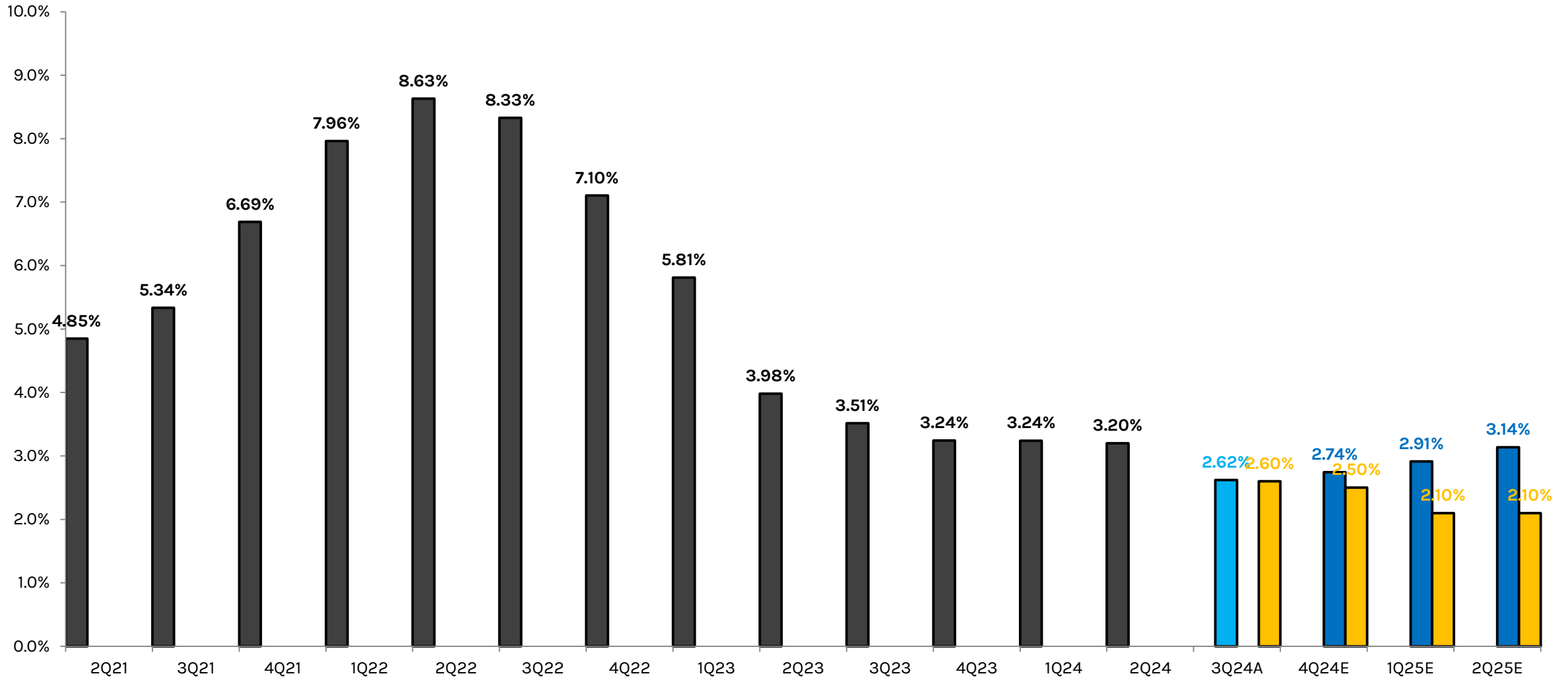


Data Source: BLS, BEA, Atlanta Fed, FactSet

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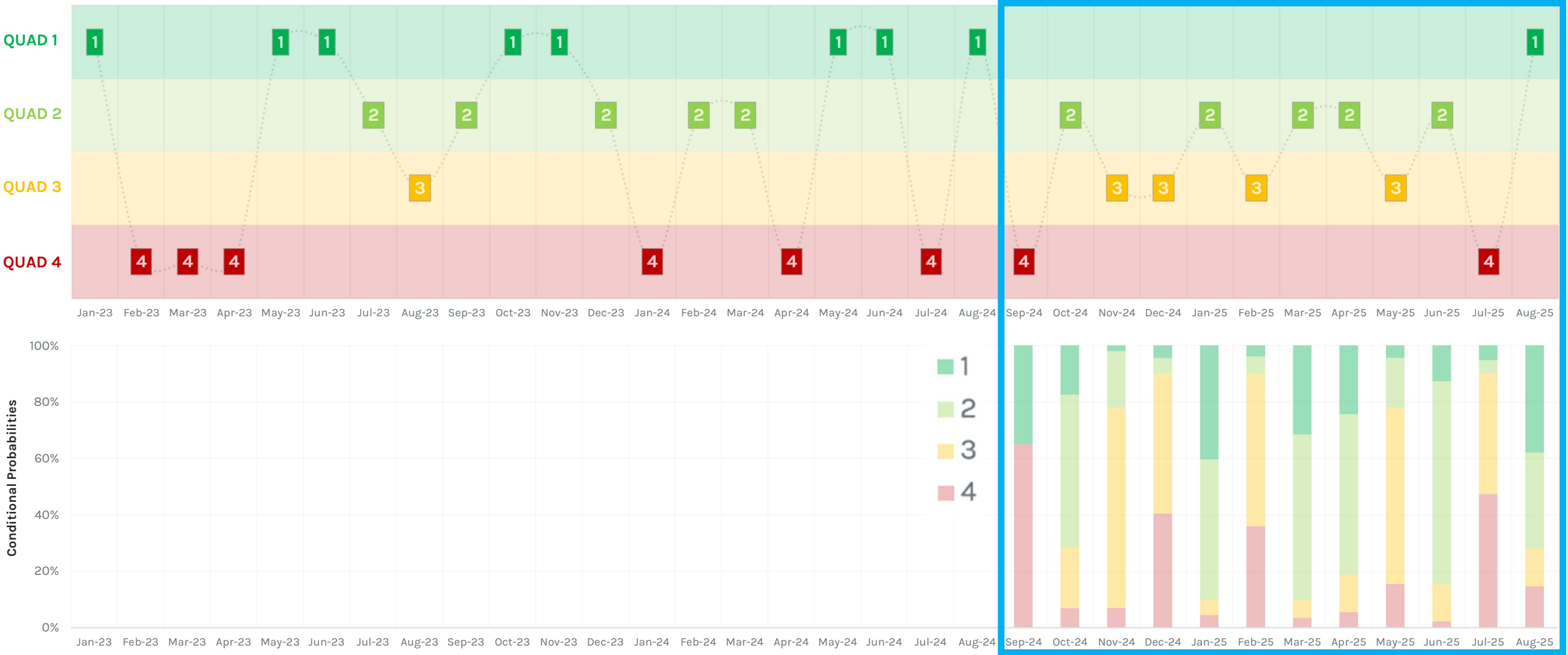
United States

■ Headline CPI YoY
 ■ Hedgeye Estimates - Nowcast Model
 ■ Hedgeye Estimates - Comparative Base Effects Model
 ■ Consensus Estimates



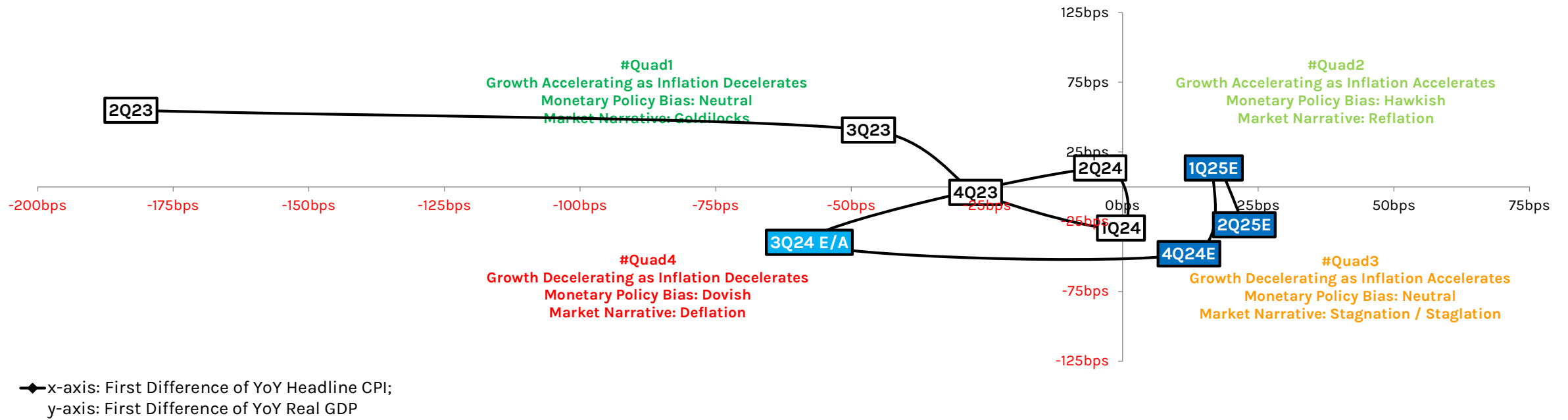
Monthly Quads: NTM

We Utilize Real PCE as a Monthly Proxy for Real GDP. We have developed a proprietary, dynamic monthly system with a long-term directional accuracy of 75%.



United States	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	← Actuals Estimates →	3Q24 E/A	4Q24E	1Q25E	2Q25E
Real GDP QoQ SAAR	3.50%	7.40%	-1.00%	0.30%	2.70%	3.40%	2.80%	2.40%	4.40%	3.20%	1.60%	3.00%	Real GDP QoQ SAAR	2.75%	1.28%	2.17%	1.90%
Real GDP YoY	4.98%	5.72%	4.01%	2.48%	2.30%	1.32%	2.28%	2.83%	3.24%	3.20%	2.90%	3.04%	Real GDP YoY	2.64%	2.16%	2.29%	2.02%
2yr Comparative Base Effects	0.69%	1.17%	1.52%	2.37%	1.78%	2.35%	2.89%	7.36%	3.64%	3.52%	3.15%	2.65%	2yr Comparative Base Effects	2.77%	2.26%	2.59%	2.93%
Headline CPI YoY	5.34%	6.69%	7.96%	8.63%	8.33%	7.10%	5.81%	3.98%	3.51%	3.24%	3.24%	3.20%	Headline CPI YoY	2.62%	2.74%	2.91%	3.14%
2yr Comparative Base Effects	1.49%	1.64%	2.01%	2.61%	3.28%	3.96%	4.93%	6.74%	6.83%	6.90%	6.89%	6.31%	2yr Comparative Base Effects	5.92%	5.17%	4.53%	3.59%

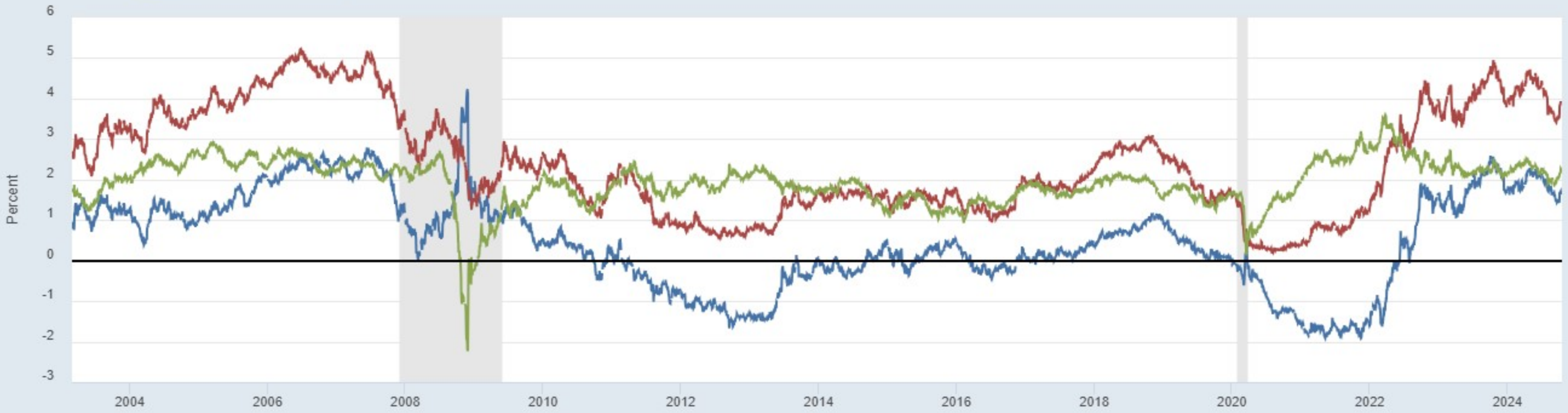
United States



Data Source: BEA, BLS Light Blue box = Hedgeye Nowcast Model estimate. Dark Blue boxes = Hedgeye Comparative Base Effects Model estimates.

FRED

- Market Yield on U.S. Treasury Securities at 5-Year Constant Maturity, Quoted on an Investment Basis, Inflation-Indexed
- Market Yield on U.S. Treasury Securities at 5-Year Constant Maturity, Quoted on an Investment Basis
- 5-Year Breakeven Inflation Rate



Shaded areas indicate U.S. recessions.

Sources: Board of Governors; St. Louis Fed

fred.stlouisfed.org

FRED



- Market Yield on U.S. Treasury Securities at 10-Year Constant Maturity, Quoted on an Investment Basis, Inflation-Indexed
- Market Yield on U.S. Treasury Securities at 10-Year Constant Maturity, Quoted on an Investment Basis
- 10-Year Breakeven Inflation Rate



Shaded areas indicate U.S. recessions.

Sources: Board of Governors; St. Louis Fed

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FRED



- Market Yield on U.S. Treasury Securities at 30-Year Constant Maturity, Quoted on an Investment Basis, Inflation-Indexed
- Market Yield on U.S. Treasury Securities at 30-Year Constant Maturity, Quoted on an Investment Basis
- 30-year Breakeven Inflation Rate



Shaded areas indicate U.S. recessions.

Sources: Board of Governors; St. Louis Fed

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ETF Pro Positions With Trend+ (>63 Day) Holds

Last updated: 10/17/24

Short Long

Bonds

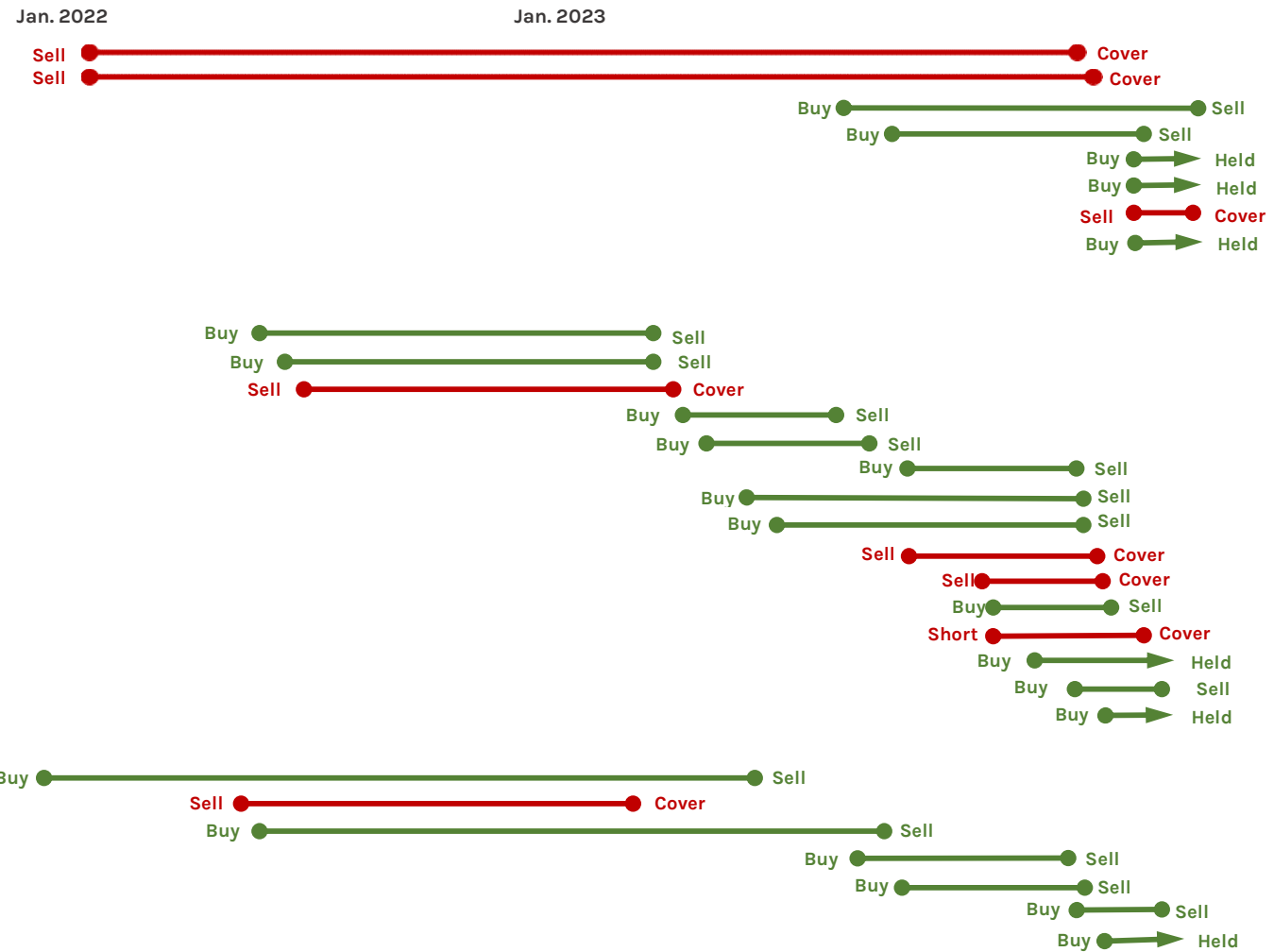
iShares:iBoxx \$HY Corp (2/28/22-2/5/24)	HYG
SPDR Bbg High Yield Bd (2/28/22-2/29/24)	JNK
US Treas 3 Month BI (8/28/23-9/30/24)	TBIL
iShares:Tr FI Rate Bond (9/15/23-6/11/24)	TFLO
iShares:USD EM Bond (6/28/24)	EMB
iShares:Inv Grade Corp Bond (6/28/24)	LQD
Simplify: Interest Rate Hedge (6/28/24-10/11/24)	PFIX
Blackrock Taxable Muni Bond (7/3/24)	BBN

Commodities

VanEck:Gold Miners (11/18/22-3/10/23)	GDX
iShares:Silver Trust (11/28/22-3/10/23)	SLV
ProShares:Bitcoin Strat (12/5/22-3/20/23)	BITO
VanEck:Gold Miners (3/21/23-7/10/23)	GDX
iShares:Silver Trust (4/17/23-8/14/23)	SLV
Goldman Sachs Phys Gold (11/6/24-2/16/24)	AAAU
Gbl X Uranium ETF (6/23/23-2/26/24)	URA
VanEck:Urnium+Nuclr En (7/20/23-2/26/24)	NLR
Teucrium:Corn (11/22/23-3/28/24)	CORN
Teucrium:Wheat (1/2/24-4/23/24)	WEAT
Amplify Cmmnty:Brkvw DB (2/1/24-5/6/24)	BDRY
Gbl X Hydrogen ETF (1/2/24-6/10/24)	HYDR
United States Copper Idx (2/27/24)	CPER
iShares:Silver Trust (4/1/24-7/29/24)	SLV
Goldman Sachs Phys Gold (4/23/24)	AAAU

Currencies

Invesco DB USD Idx BI (1/3/22-5/2/23)	UUP
Invesco:Euro (11/1/22-2/8/23)	FXE
SPDR Gold (11/18/22-10/5/23)	GLD
Invesco DB USD Idx BI (8/30/23-12/18/23)	UUP
SPDR Gold (11/6/23-2/16/24)	GLD
Invesco DB USD Idx BI (4/5/24-7/15/24)	UUP
SPDR Gold (4/23/24)	GLD

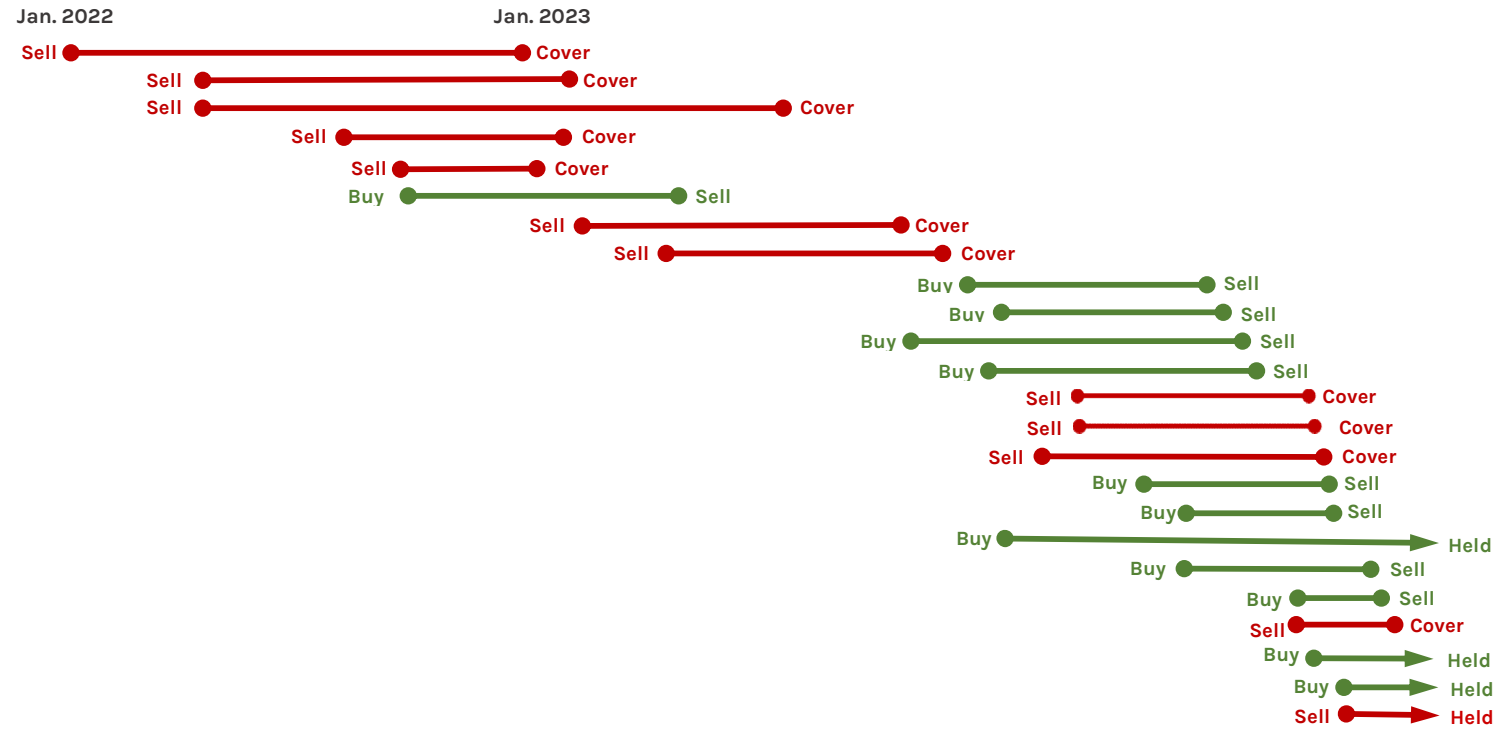


ETF Pro Positions With Trend+ (>63 Day) Holds

Last updated: 10/17/24

Short _____ Long _____

Non-US Stocks	
iShares:MSCI S Korea (9/28/21-11/18/22)	EWY
iShares:MSCI Poland (4/4/22-12/19/22)	EPOL
iShares:MSCI Italy (4/4/22-2/8/23)	EWI
Glbl X DAX Germany (5/2/22-12/8/22)	DAX
iShares:MSCI Taiwan (8/15/22-11/18/22)	EWT
iShares:MSCI Turkey (8/24/22-1/17/23)	TUR
iShares:MSCI UAE (12/19/22-4/26/23)	UAE
Glbl X MSCI Pakistan ETF (1/3/23-5/4/23)	PAK
iShares:MSCI Japan SC (5/18/23-10/3/23)	SCJ
iShares:JPX-Nikkei 400 (6/23/23-10/5/23)	JPXN
iShares:MSCI Japan SC (4/26/23-10/23/23)	EWJ
iShares:MSCI Japan Value (5/30/23-10/30/23)	EWJV
iShares: MSCI France (8/1/23-12/20/23)	EWQ
iShares:MSCI Germany (8/1/23-12/26/23)	EWG
iShares:MSCI Hong Kong (7/6/23-2/22/24)	EWH
iShares:MSCI Ind Sm-Cap (10/5/23-3/12/24)	SMIN
iShares:MSCI EM xChn (1/10/24-4/16/24)	EMXC
iShares:MSCI India (6/12/23)	INDA
iShares:MSCI Netherlands (1/5/24-7/23/24)	EWN
iShares:MSCI Germany (4/5/24-8/5/24)	EWG
iShares:MSCI Brazil (4/23/24-8/22/24)	EWZ
iShares:MSCI Ind Sm-Cap (5/8/24)	SMIN
iShares:MSCI South Africa (7/3/24)	EZA
iShares:MSCI Mexico (7/3/24)	EWW

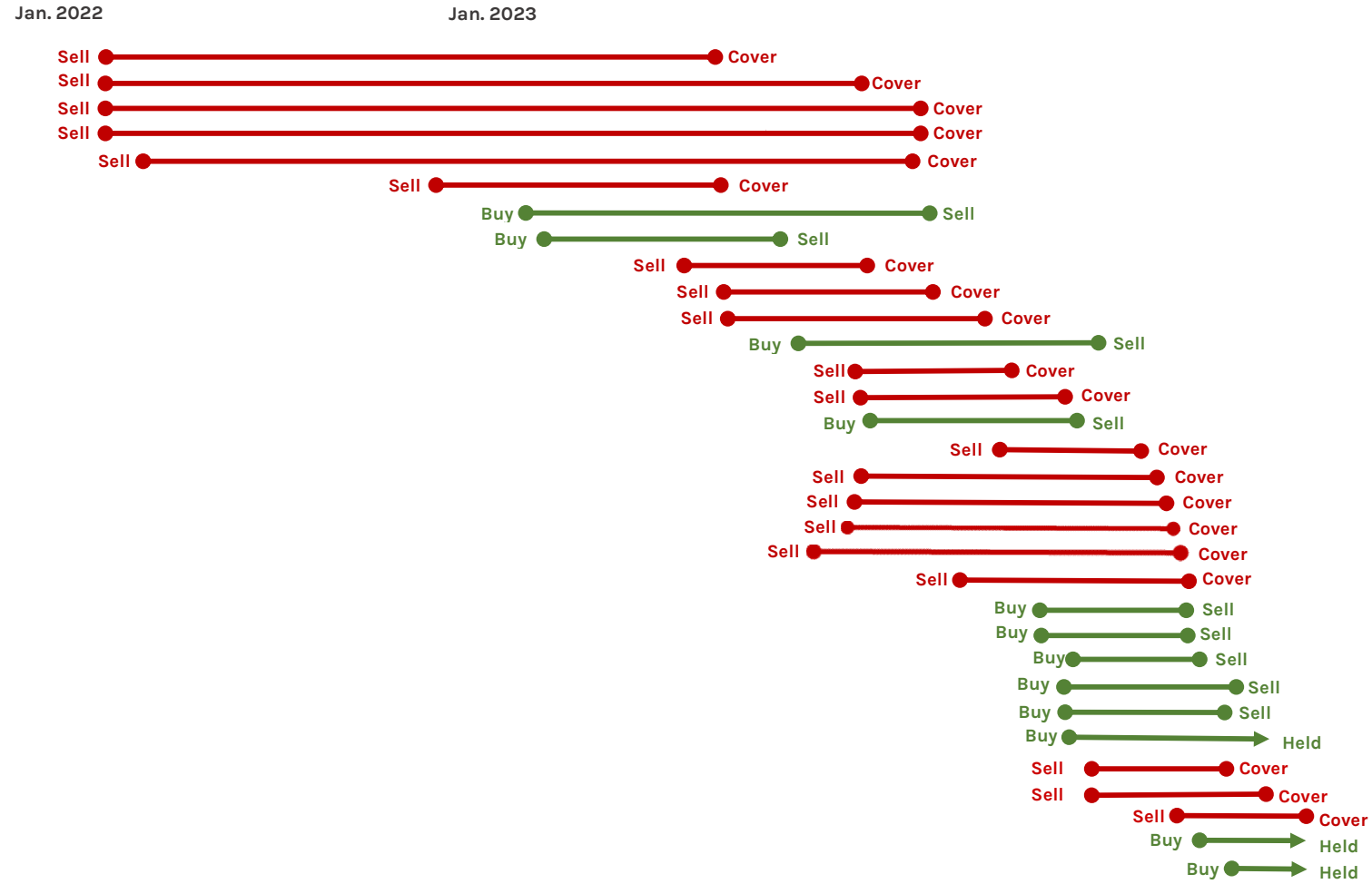


ETF Pro Positions With Trend+ (>63 Day) Holds

Last updated: 10/17/24

Short _____ Long _____

US Stocks	
SPDR S&P Retail (2/1/22-2/13/23)	XRT
Sel Sector:Tech SPDR (2/1/22-5/30/23)	XLK
Sel Sector:C Dsc SPDR (2/1/22-6/26/23)	XLY
AdvsrShs Gerber Kawasaki (2/1/22-6/26/23)	GK
Invesco QQQ Trust 1 (3/21/22-6/20/23)	QQQ
Goldman:Hdg Indus VIP (9/1/22-2/13/23)	GVIP
AGF:AGF US Mk Neu A-Bt (11/1/22-6/26/23)	BTAL
iShares:US Aer&Def ETF (11/18/22-3/20/23)	ITA
Meet Kevin Pricing Pwr (1/27/23-5/30/23)	PP
Invesco Gl Lst Pr Eq (2/3/23-6/26/23)	PSP
SPDR S&P Oil&Gas Exp (2/8/23-7/10/23)	XOP
Goldman Sachs Phys Gold (3/21/23-10/5/23)	AAAU
OXFORD LANE CAPITAL CORP. (4/20/23-8/14/23)	OXLC
Sel Sector:Finl S SPDR (4/20/23-9/5/23)	XLF
Simplify:Health Care (4/26/23-9/18/23)	PINK
SPDR S&P 500 ETF (8/1/23-12/18/23)	SPY
Sel Sector:RI Est SPDR (4/20/23-1/10/24)	XLRE
Sel Sector:Indust SPDR (4/17/23-1/16/24)	XLI
SPDR S&P Retail (4/4/23-2/5/24)	XRT
iShares:Russ 2000 ETF (3/21/23-2/16/24)	IWM
SPDR S&P Reg Banking ETF (6/12/23-3/7/24)	KRE
Invesco S&P 500 Top50 (11/30/23-4/22/24)	XLG
Invesco S&P 500 Momnt (11/30/23-4/25/24)	SPMO
Alerian MLP (2/8/24-5/30/24)	AMLP
iShares:US Ins ETF (9/27/23-7/8/2024)	IAK
Invesco KBW P&C Insr (10/20/23-6/17/24)	KBWP
Strive En Inc Shrt Matr (10/25/23)	BUXX
Invesco Gl Cln En (2/29/24-6/10/24)	PBD
iShares:Self-Dri EV&Tech (2/29/24-7/16/24)	IDRV
Invesco Solar (4/1/2024-9/19/24)	TAN
Sel Sector:Util SPDR (5/30/2024)	XLU
Simplify:Health Care (6/28/2024)	PINK



Market Structure Report

October 17, 2024

SPX Gamma Exposure:	Positive	Neutral	Negative
Systematic Flow Risk:	Bullish	Neutral	Bearish
PV Band Risk/Reward:	Long	Neutral	Short
Strategic Allocation:	Risk On	Neutral	Risk Off

SPX Key Levels And Strikes	
Last Price:	5842.47
Upper PV Band:	5936.0
Lower PV Band:	5737.0
Upside Risk:	1.6%
Downside Risk:	-1.81%
Spread:	3.41%
GEX Throttle	5.82
GEX Flip:	5787.79
Implied Move:	1.26%
Resistance Strike:	5900
Focal Strike:	5850
Support Strike:	5750

SPX Gamma Exposure:

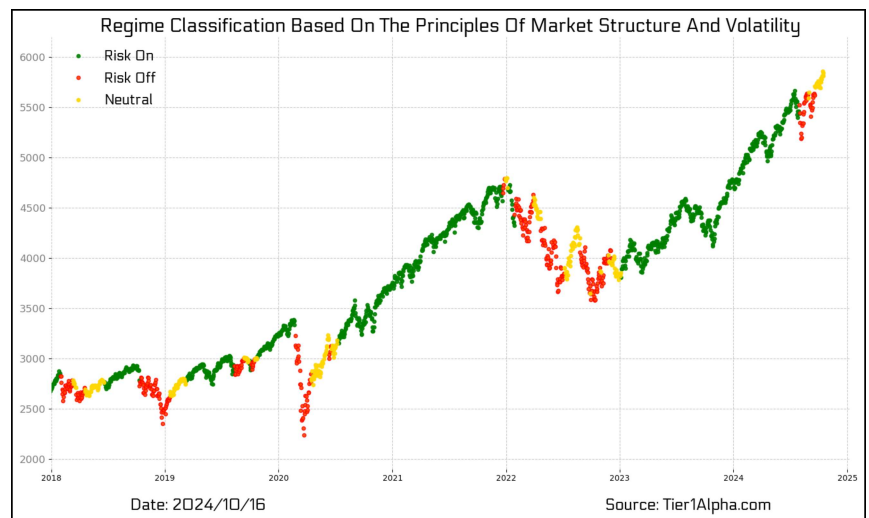
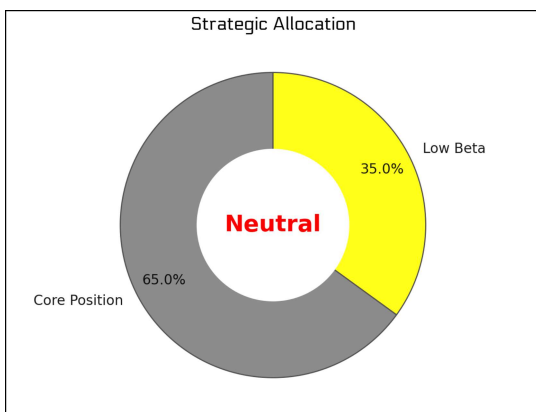
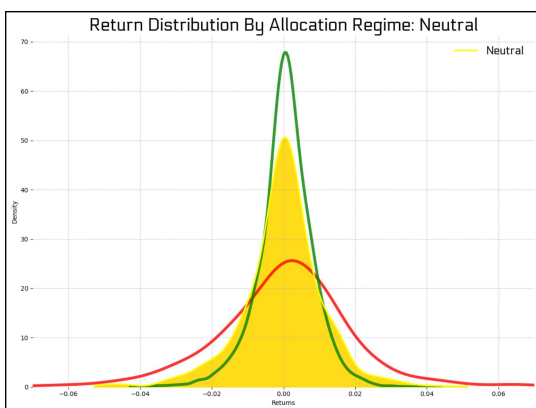
Market makers are currently LONG GAMMA, indicating that lower volatility is expected. In this positive gamma regime, option dealers must delta-hedge their positions by selling futures as the market rises and buying futures as it falls. These hedging flows create conditions that can stabilize the market and suppress volatility.

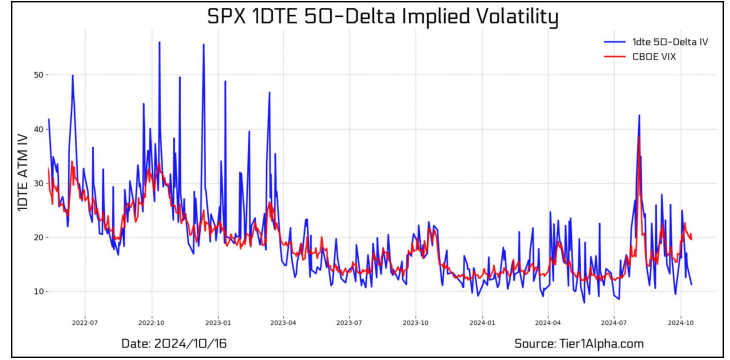
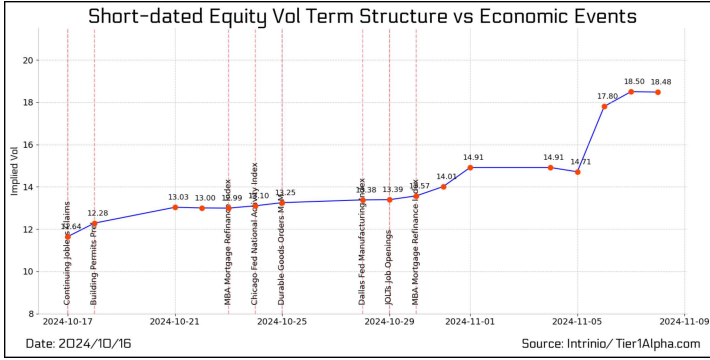
Systematic Rebalancing:

Systematic Funds, including Vol Control, CTA, and Risk Parity strategies, are expected to remain relatively inactive. These strategies have a reflexive response to changes in volatility, increasing exposure to equities when volatility falls and reducing it when volatility rises. This reflexive behavior can generate directional moves in the market.

Strategic Allocation:

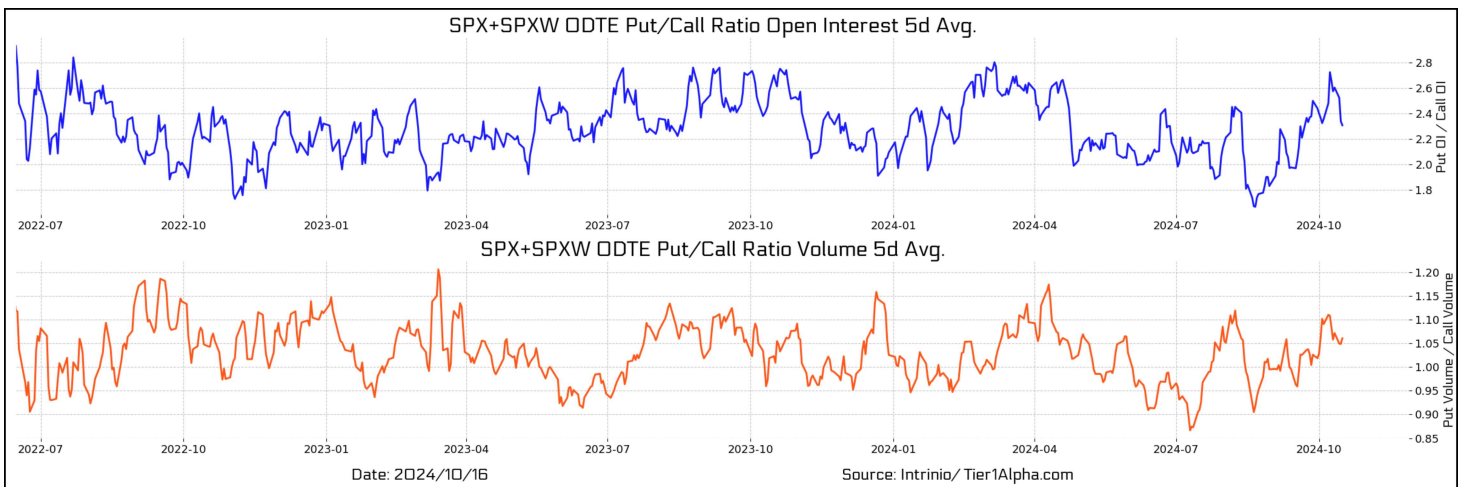
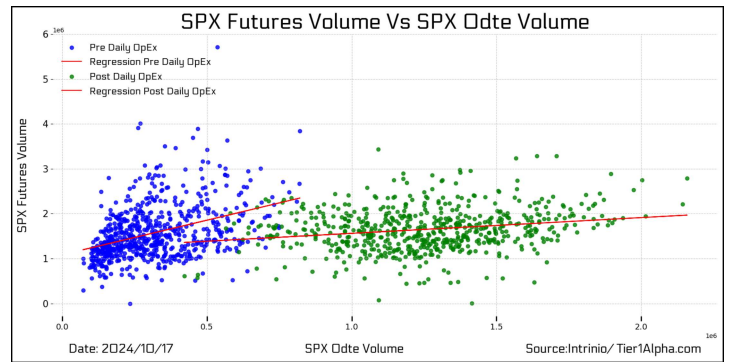
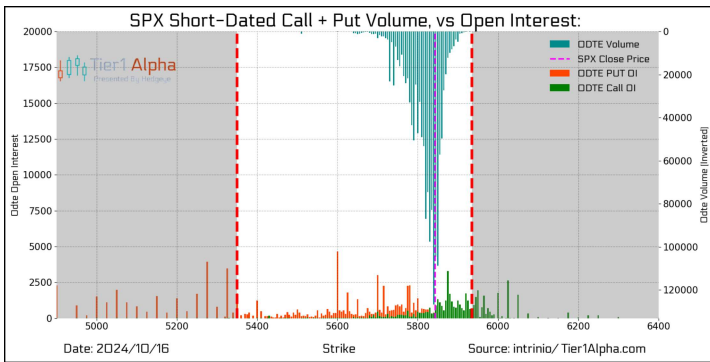
Neutral Risk regimes are typically transitory periods with mixed returns in a lower volatility environment. In this regime, it's advisable to moderately increase exposure to risk assets while avoiding excessive leverage and higher-beta allocations.





Economic Event Calendar With Short-Dated Options Positioning

Date	Event	Estimate	Previous	Impact	Call IV	Put IV	SPX IV	Expected Move	P/C Vol	P/C OI
2024-10-17	Continuing Jobless Claims	1870.0	1861.0	low	11.32	11.96	11.64	+/- 0.6%	1.06	1.91
2024-10-17	Initial Jobless Claims	258.0	258.0	medium	11.32	11.96	11.64	+/- 0.6%	1.06	1.91
2024-10-17	Philly Fed Employment	--	10.7	low	11.32	11.96	11.64	+/- 0.6%	1.06	1.91
2024-10-17	Philly Fed New Orders	--	-1.5	low	11.32	11.96	11.64	+/- 0.6%	1.06	1.91
2024-10-17	Philly Fed Prices Paid	--	34.0	low	11.32	11.96	11.64	+/- 0.6%	1.06	1.91
2024-10-17	Retail Sales MoM	0.3	0.1	high	11.32	11.96	11.64	+/- 0.6%	1.06	1.91
2024-10-18	Building Permits Prel	1.45	1.47	high	12.52	12.04	12.28	+/- 0.9%	1.35	2.44
2024-10-23	MBA Mortgage Refinance Index	--	--	low	13.57	12.42	12.99	+/- 1.52%	1.18	3.02
2024-10-23	MBA Purchase Index	--	--	low	13.57	12.42	12.99	+/- 1.52%	1.18	3.02
2024-10-24	Chicago Fed National Activity Index	--	0.12	medium	13.78	12.42	13.1	+/- 1.68%	3.28	2.36
2024-10-24	New Home Sales MoM	--	-4.7	medium	13.78	12.42	13.1	+/- 1.68%	3.28	2.36
2024-10-25	Durable Goods Orders MoM	--	0.0	high	14.26	12.23	13.25	+/- 1.83%	2.31	1.25



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Industry veteran with nearly a decade of experience covering Gaming, Lodging, Leisure. Head of GLL Research at Hedgeye. Former Senior Analyst at Hedgeye specializing in Lodging & Leisure services.


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Co-founder of Hedgeye with 30 years of experience covering retail. He was Executive Director at Morgan Stanley, ran the consumer franchise at Copper Arch Capital, and was Director of Investor Relations at Nike.

 **RESTAURANTS, CANNABIS | HOWARD PENNEY** [@HOWARDWPENNEY](#)
20+ years experience. While at Morgan Stanley he was ranked #1 by Institutional Investor (Restaurants). Howard has covered Tobacco, Alcohol, Food, and Beverage companies for nearly two decades.

 **CONSUMER STAPLES | DANIEL BIOLSI** [@HEDGEYE_STAPLES](#)
Daniel has two decades of experience on the buy side and sell side primarily covering Consumer at Glenhill Capital, Stelliam, North Sound, Weiss, Peck & Greer, and Lehman Brothers.

 **HEALTH CARE | TOM TOBIN** [@HEDGEYEHC](#)
Head of Healthcare Investments at Dawson-Herman Capital Management, joined after working as an analyst at W.P.Stewart.

 **MACRO, FINANCIALS, HOUSING, PAYMENTS, CRYPTO | JOSH STEINER** [@HEDGEYEFIG](#)
Two decades on the sell side and buy side. #1 Ranked Institutional Investors Mortgage & Specialty Finance Team at Lehman Brothers. Financials Long/Short Equity Analyst at Millennium Partners and Amaranth Advisors.

 **INDUSTRIALS, MATERIALS | JAY VAN SCIVER** [@HEDGEYEINDSTRLS](#)
Jay has over two decades of experience covering cyclicals, and was the Industrials & Materials analyst at Brown Brothers Harriman, a cyclicals analyst/desk head at Labranche, and partner at L/S fund Bishop & Carroll Capital Partners.

 **MACRO, CRYPTO, HOUSING | CHRISTIAN DRAKE** [@HEDGEYEUSA](#)
Covers U.S. Macro, Crypto & Housing, Owned Integrated Performance, LLC, A Human Performance Consultation Company

 **COMMUNICATIONS | ANDREW FREEDMAN** [@HEDGEYECOMM](#)
10+ years experience covering TMT. Head of Communication Services at Hedgeye. Former Senior Analyst covering Healthcare IT.

 **SOFTWARE | ANDREW FREEDMAN, FELIX WANG** [@HEDGEYESOFTWARE](#)
Andrew & Felix, analysts with over a decade of experience each, have teamed up with software analyst Nick Balch to provide differentiated & data-oriented Technology sector idea generation.

 **GLOBAL TECHNOLOGY | FELIX WANG** [@HEDGEYETECH](#)
15 years of experience covering TMT/consumer. Coverage includes consumer tech/China, semis, hardware & AI. Featured on Bloomberg, Sina Finance, Sohu, Barron's and Fast Money

 **ENERGY | FERNANDO VALLE** [@HEDGEYEENERGY](#)
Over 14 years of Energy investment research experience at Citi and Bloomberg. Employing a well-to-wheel framework to capture movements in the Energy cycle.

 **DEMOGRAPHY | NEIL HOWE** [@HOWEGENERATION](#)
Renowned authority on generations and social change in America. Neil is an acclaimed bestselling author and speaker.

 **MACRO POLICY | JT TAYLOR** [@HEDGEYEDC](#)
Former Managing Partner of Kemp Partners in Washington, DC and led the policy research team at Pelorus Research in London.

 **REITS | ROB SIMONE** [@HEDGEYEREITS](#)
Ranked II REIT team at Evercore ISI, most recently Dir. of Bus. Development at Paramount Group (NYSE: PGRE) a New York-based office REIT

 **TELECOM & MEDIA POLICY | PAUL GLENCHUR** [@HEDGEYETECHLAW](#)
Leading telecommunications policy specialist with a combined legal and industry background. Former attorney for the FCC. Member of the American Bar Association Section on Antitrust Law.

 **HEALTH POLICY | EMILY EVANS** [@HEDGEYEEEVANS](#)
Worked at J.C. Bradford helping to bring securities to market for healthcare related projects.

 **CAPITAL ALLOCATION | DAVID SALEM** [@DSALEMINVESTOR](#)
Founding CEO & CIO of The Investment Fund for Foundations (TIFF) and Partner at GMO. Harvard JD/MBA