

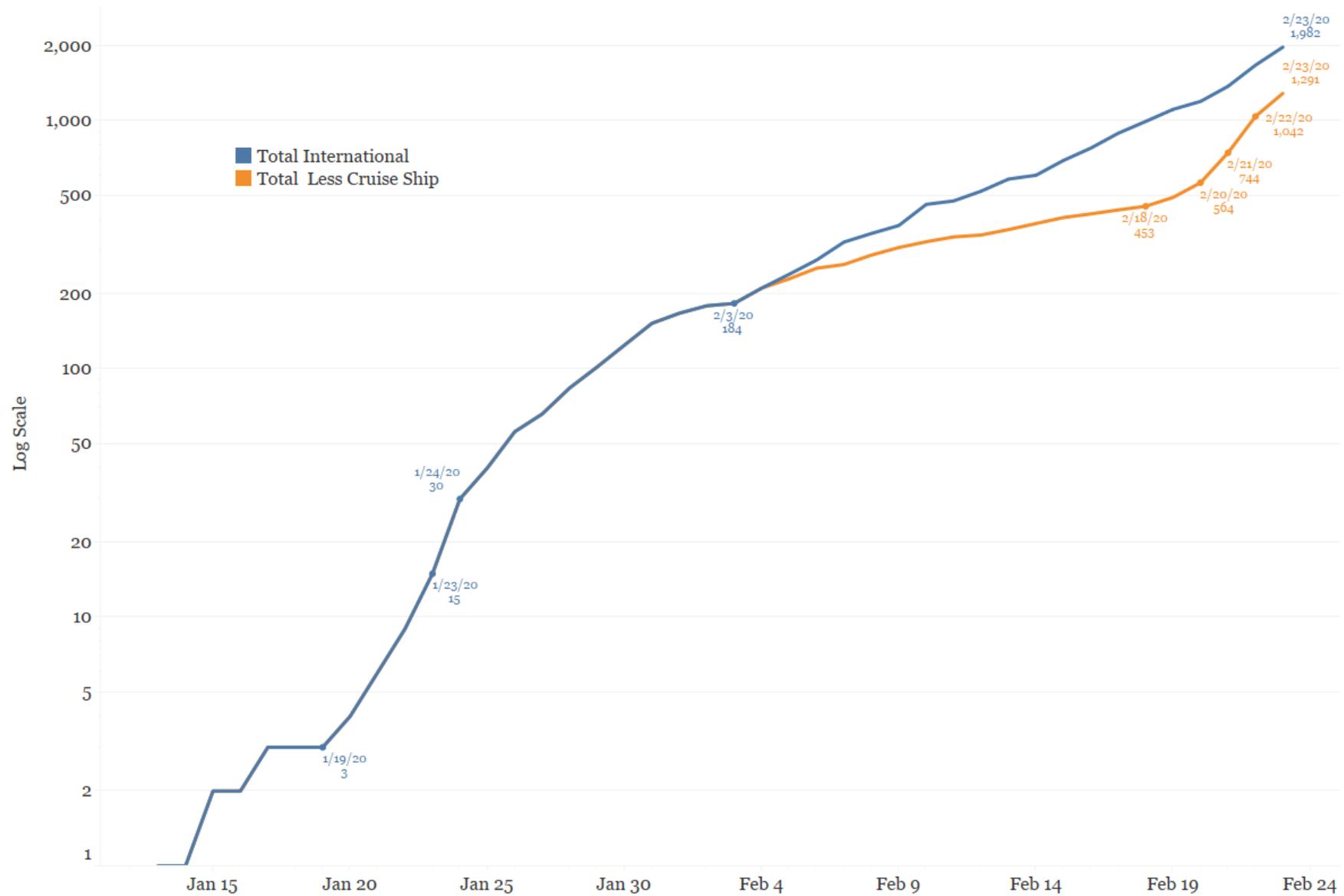
James Bianco

**MacroVoices Slide Deck**

February 24, 2020



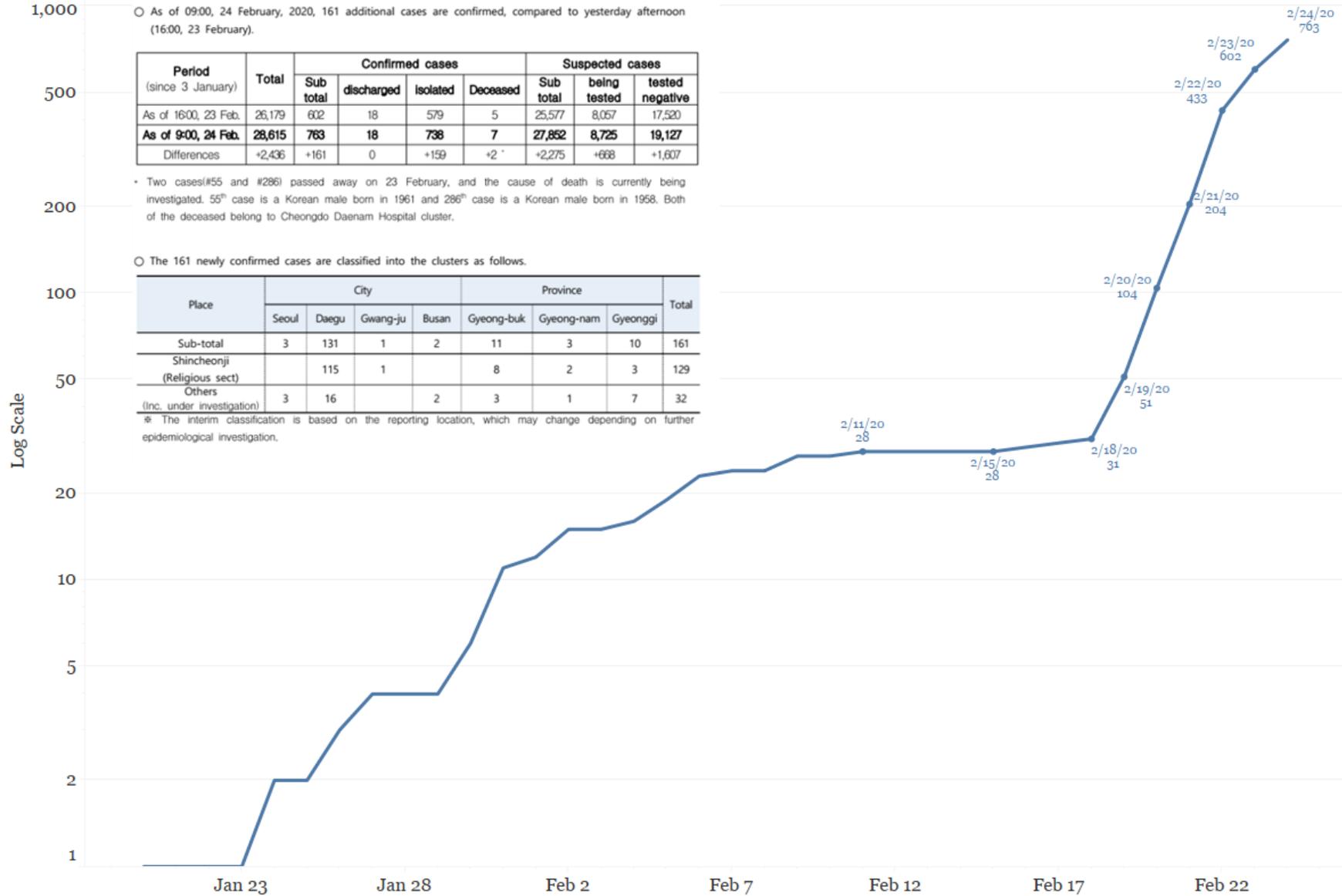
# Total Confirmed Infections Outside of China



Sources: [https://en.wikipedia.org/wiki/Timeline\\_of\\_the\\_2019%E2%80%9320\\_Wuhan\\_coronavirus\\_outbreak](https://en.wikipedia.org/wiki/Timeline_of_the_2019%E2%80%9320_Wuhan_coronavirus_outbreak)  
[https://docs.google.com/spreadsheets/d/1Z7VQ5xf3BaTx\\_LBBbIsW4hLoGYWnZyog3jqsS9Dbgc/htmlview?sl=TRUE#](https://docs.google.com/spreadsheets/d/1Z7VQ5xf3BaTx_LBBbIsW4hLoGYWnZyog3jqsS9Dbgc/htmlview?sl=TRUE#)

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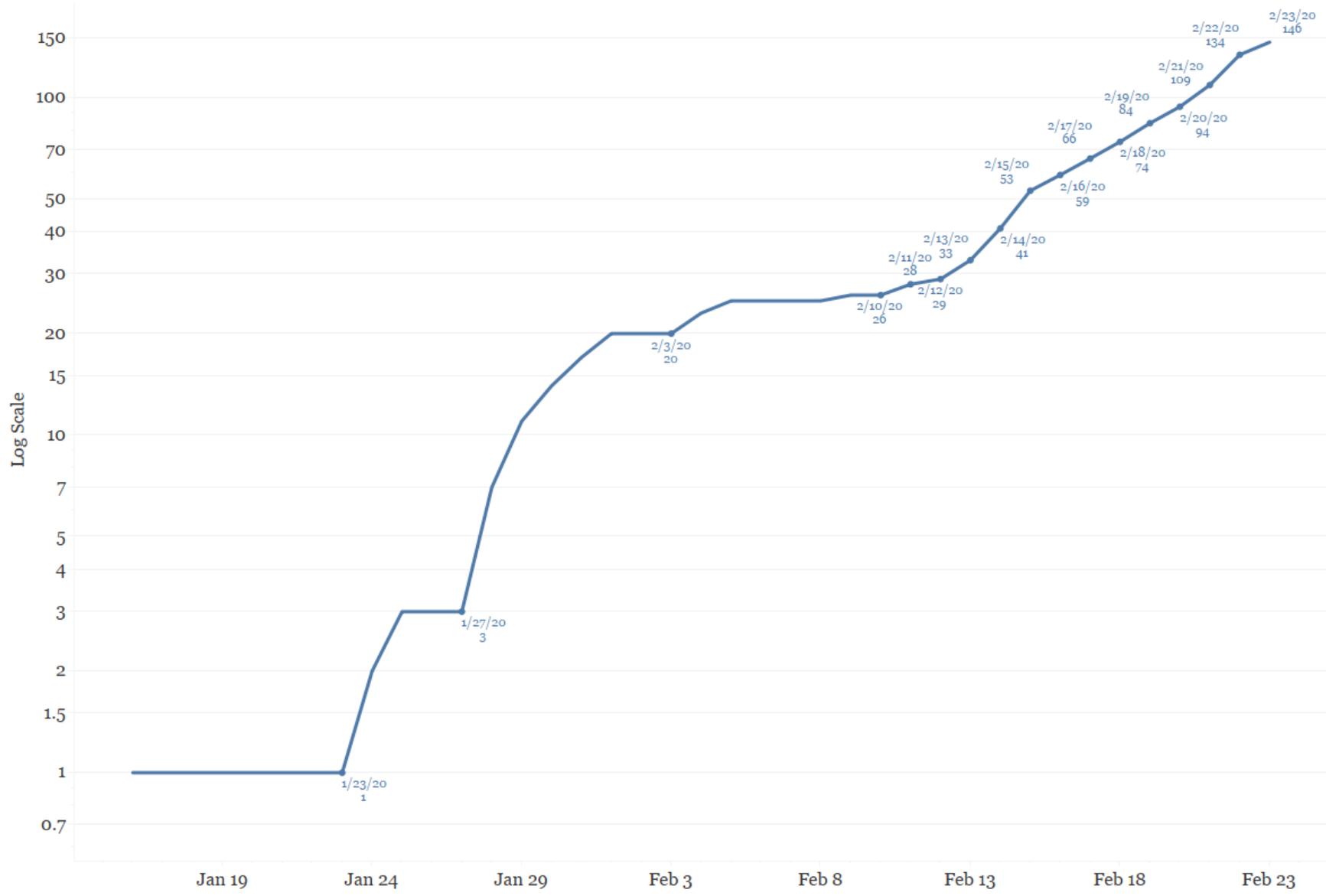
# South Korea Coronavirus Infections



Sources: [https://en.wikipedia.org/wiki/Timeline\\_of\\_the\\_2019%E2%80%932020\\_Wuhan\\_coronavirus\\_outbreak](https://en.wikipedia.org/wiki/Timeline_of_the_2019%E2%80%932020_Wuhan_coronavirus_outbreak)  
[https://docs.google.com/spreadsheets/d/1Z7VQ5xf3BaTx\\_LBBblsW4hLoGYWnZyog3jqsS9Dbgc/htmlview?sl=TRUE#](https://docs.google.com/spreadsheets/d/1Z7VQ5xf3BaTx_LBBblsW4hLoGYWnZyog3jqsS9Dbgc/htmlview?sl=TRUE#)

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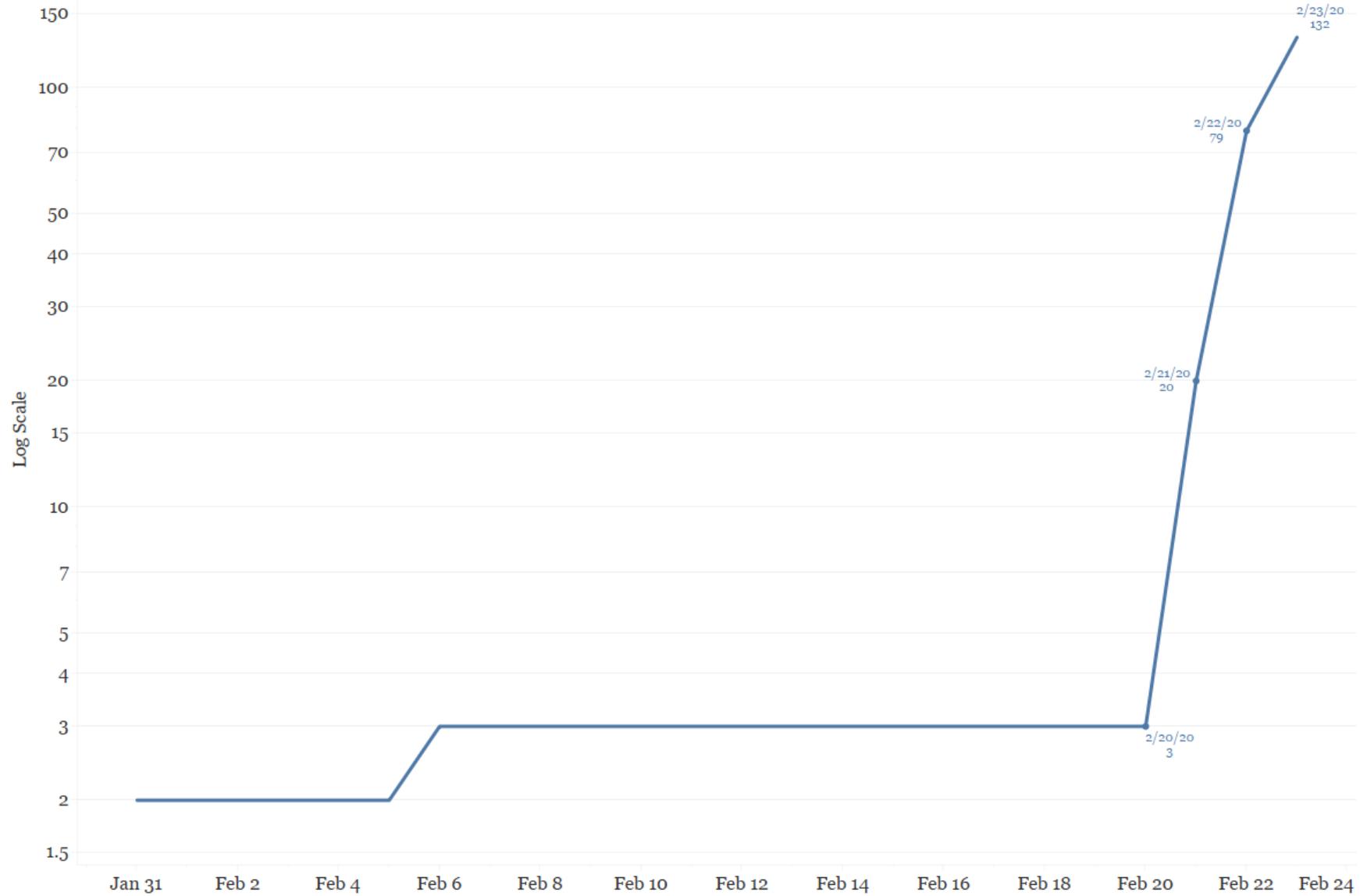
# Japan Coronavirus Infections



Sources: [https://en.wikipedia.org/wiki/Timeline\\_of\\_the\\_2019%E2%80%9320\\_Wuhan\\_coronavirus\\_outbreak](https://en.wikipedia.org/wiki/Timeline_of_the_2019%E2%80%9320_Wuhan_coronavirus_outbreak)  
[https://docs.google.com/spreadsheets/d/1Z7VQ5xf3BaTx\\_LBBbW4hLoGYWnZyog3jqsS9Dbgc/htmlview?sle=true#](https://docs.google.com/spreadsheets/d/1Z7VQ5xf3BaTx_LBBbW4hLoGYWnZyog3jqsS9Dbgc/htmlview?sle=true#)

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# Italy Coronavirus Infections



Sources: [https://en.wikipedia.org/wiki/Timeline\\_of\\_the\\_2019%E2%80%9320\\_Wuhan\\_coronavirus\\_outbreak](https://en.wikipedia.org/wiki/Timeline_of_the_2019%E2%80%9320_Wuhan_coronavirus_outbreak)  
[https://docs.google.com/spreadsheets/d/1Z7VQ5xf3BaTx\\_LBBb1SW4hLoGYWnZyog3jqsS0Dbgc/htmlview?sl=1](https://docs.google.com/spreadsheets/d/1Z7VQ5xf3BaTx_LBBb1SW4hLoGYWnZyog3jqsS0Dbgc/htmlview?sl=1)

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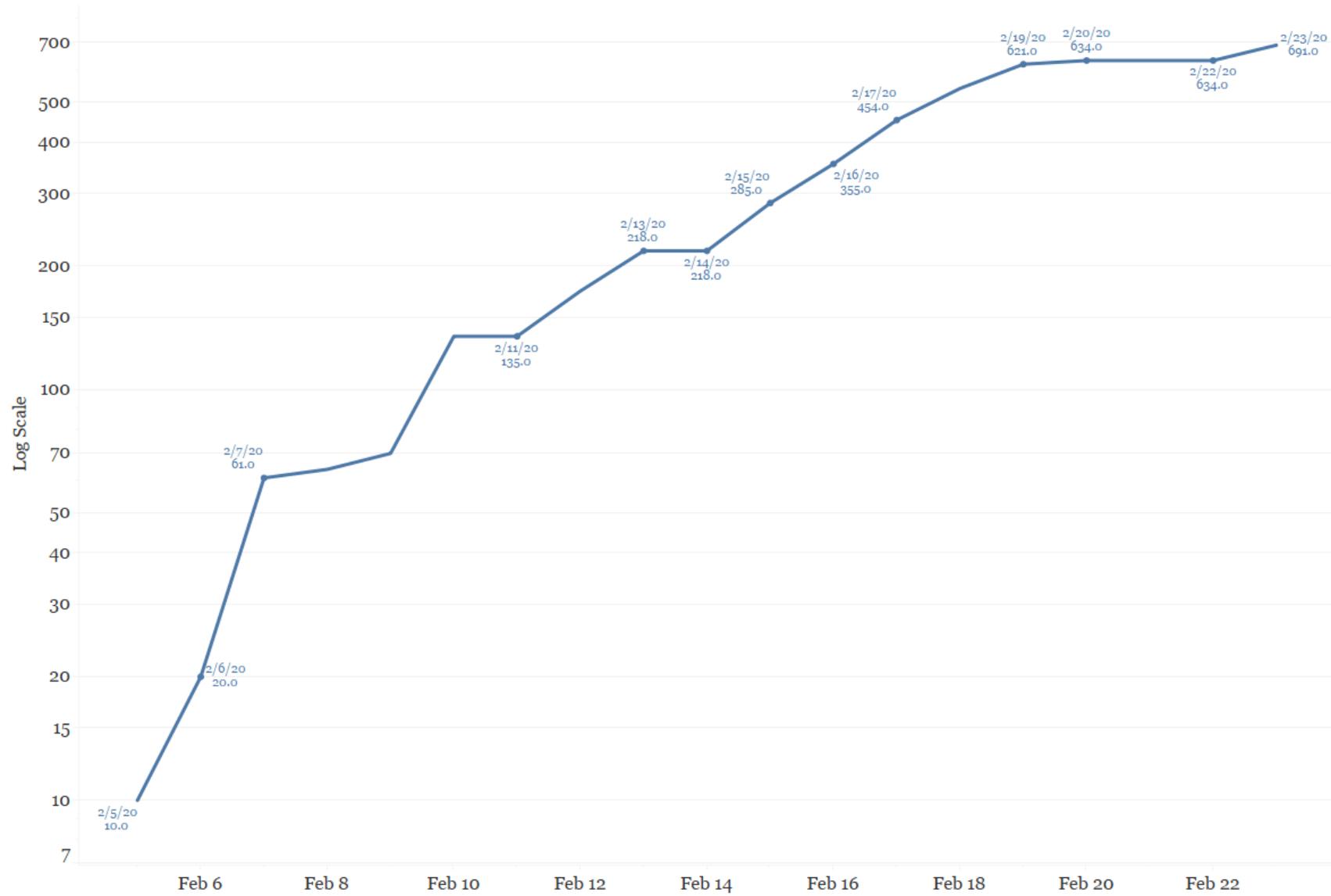
## Iran Coronavirus Infections



Sources: [https://en.wikipedia.org/wiki/Timeline\\_of\\_the\\_2019%E2%80%9320\\_Wuhan\\_coronavirus\\_outbreak](https://en.wikipedia.org/wiki/Timeline_of_the_2019%E2%80%9320_Wuhan_coronavirus_outbreak)  
[https://docs.google.com/spreadsheets/d/1Z7VQ5xf3BaTx\\_LBBblsW4hLoGYWnZyog3jqsSoDbgc/htmlview?sle=true#](https://docs.google.com/spreadsheets/d/1Z7VQ5xf3BaTx_LBBblsW4hLoGYWnZyog3jqsSoDbgc/htmlview?sle=true#)

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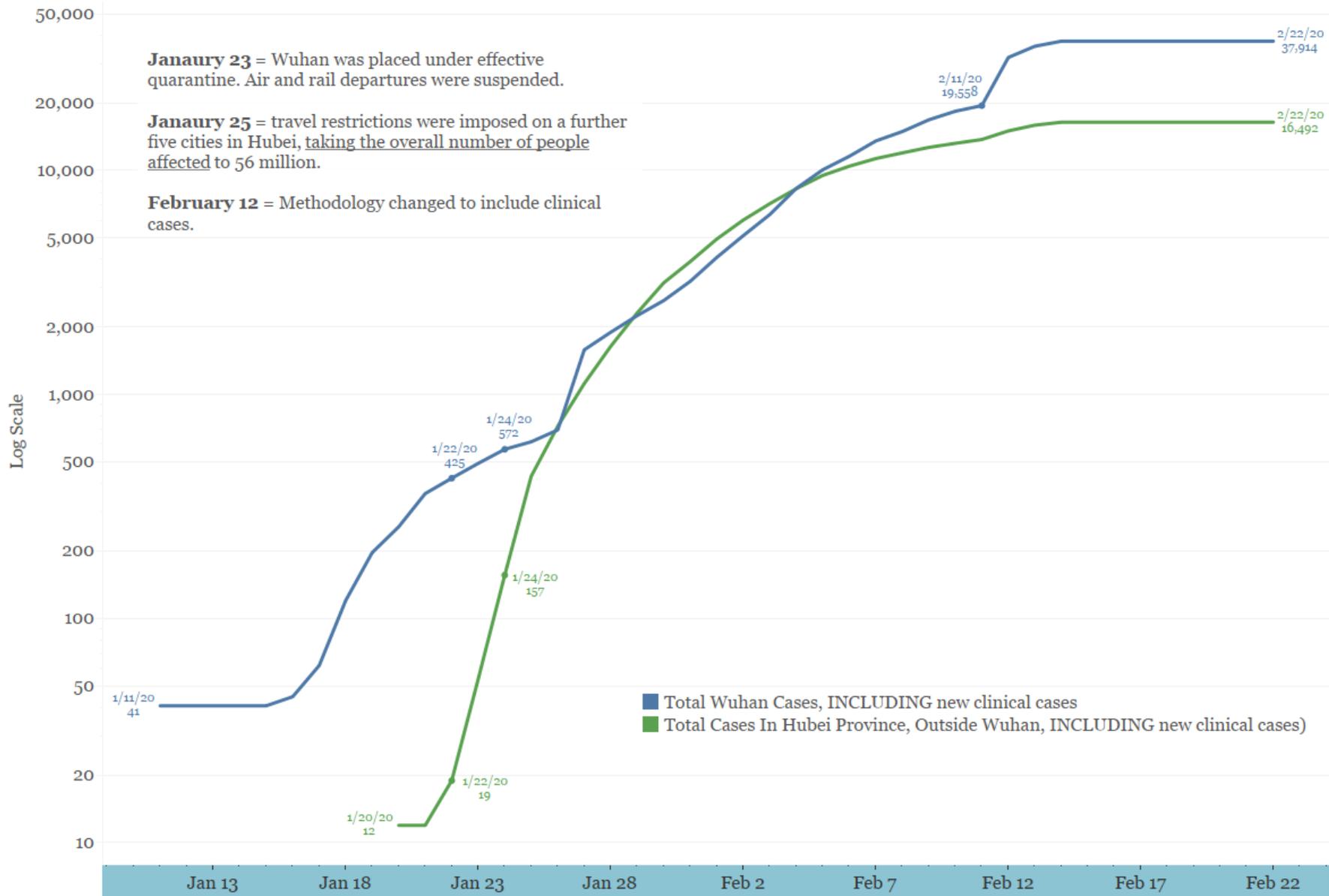
# Cruise Ship Infections



Sources: [https://en.wikipedia.org/wiki/Timeline\\_of\\_the\\_2019%E2%80%9320\\_Wuhan\\_coronavirus\\_outbreak](https://en.wikipedia.org/wiki/Timeline_of_the_2019%E2%80%9320_Wuhan_coronavirus_outbreak)  
[https://docs.google.com/spreadsheets/d/1Z7VO5xlf3BaTx\\_LBBbbsW4hLoGYWnZyog3iqsS9Dbgc/htmlview?sl=true#](https://docs.google.com/spreadsheets/d/1Z7VO5xlf3BaTx_LBBbbsW4hLoGYWnZyog3iqsS9Dbgc/htmlview?sl=true#)

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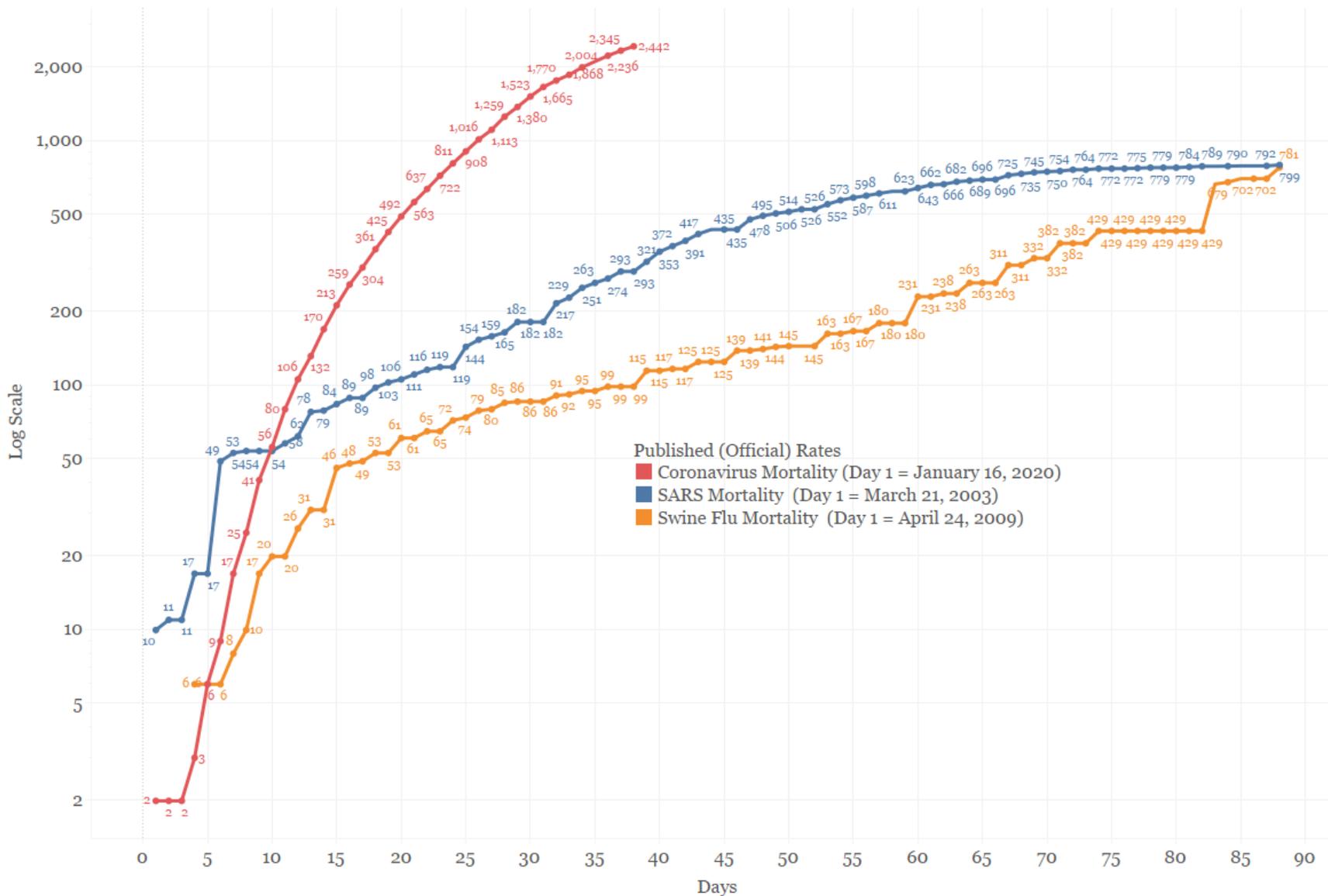
## China Confirmed Cases



Source: [https://en.wikipedia.org/wiki/Timeline\\_of\\_the\\_2019%E2%80%9320\\_Wuhan\\_coronavirus\\_outbreak](https://en.wikipedia.org/wiki/Timeline_of_the_2019%E2%80%9320_Wuhan_coronavirus_outbreak)

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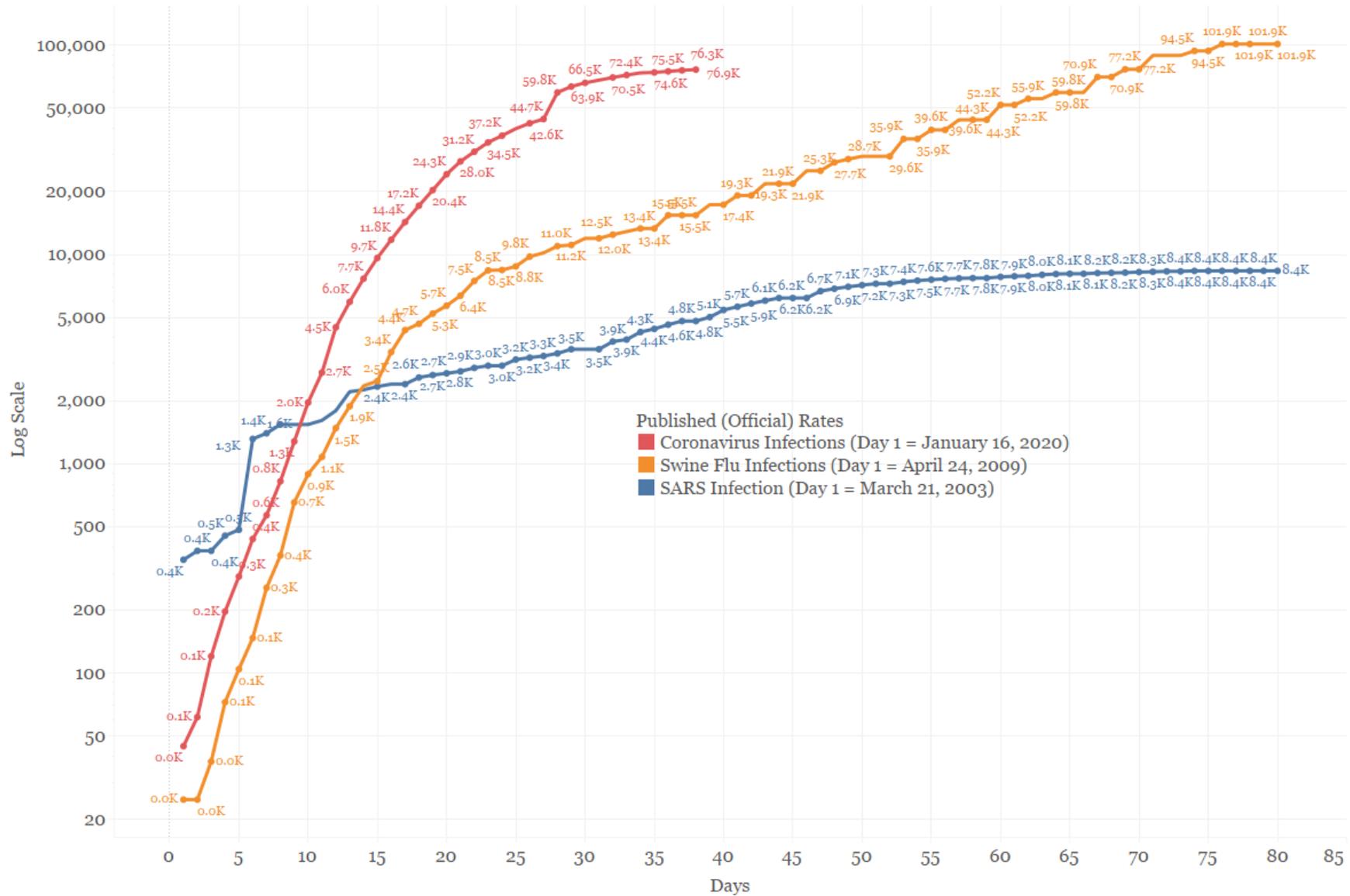
# Tracking Mortality



Source: China National Health Commission Daily Reports  
<http://www.diaspor.net/health/sars/Total.html>  
[https://en.wikipedia.org/wiki/2009\\_flu\\_pandemic\\_tables](https://en.wikipedia.org/wiki/2009_flu_pandemic_tables)

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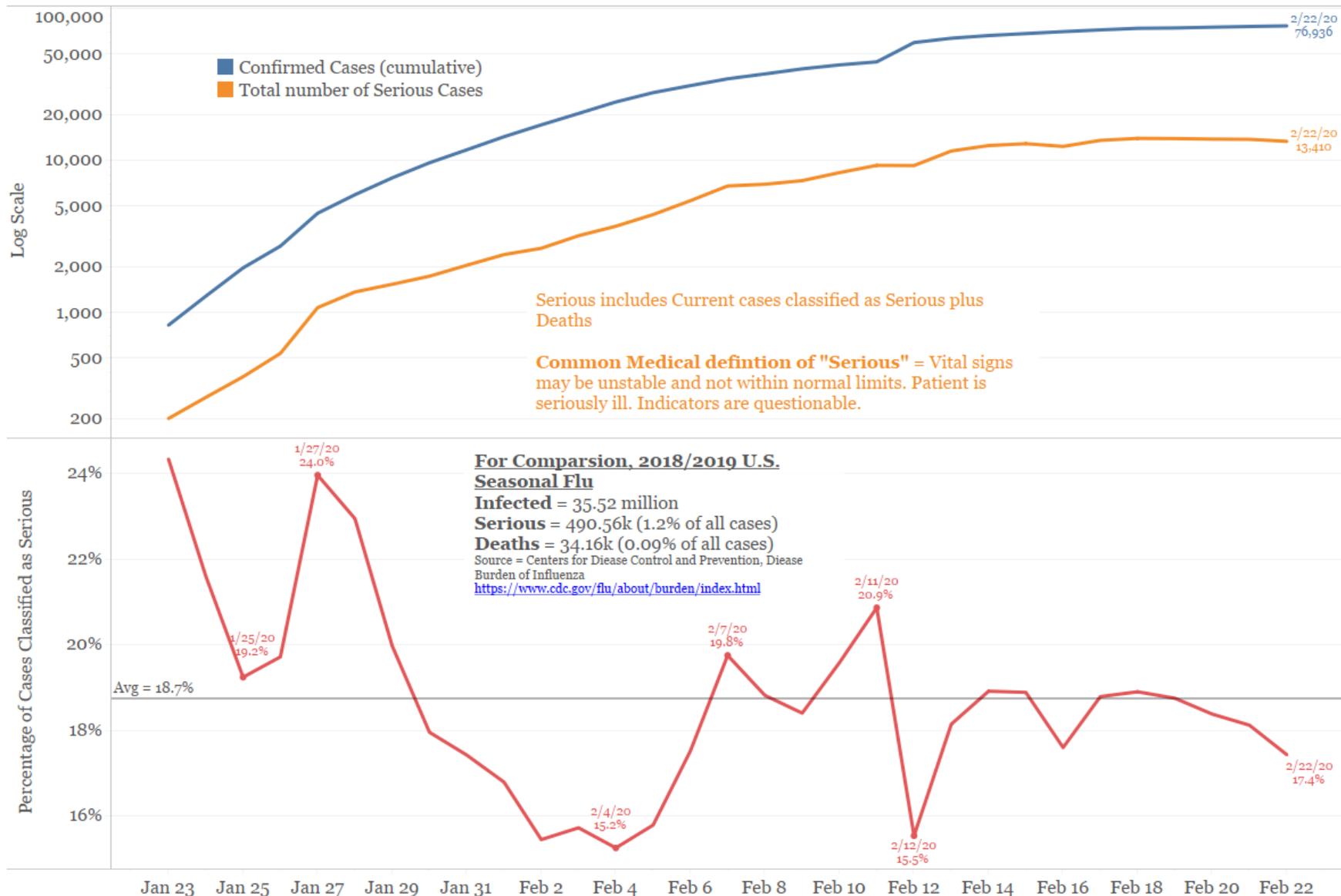
# Tracking Infection Growth



Source: China National Health Commission Daily Reports  
<http://www.diaspor.net/health/sars/Total.html>  
[https://en.wikipedia.org/wiki/2009\\_flu\\_pandemic\\_tables](https://en.wikipedia.org/wiki/2009_flu_pandemic_tables)

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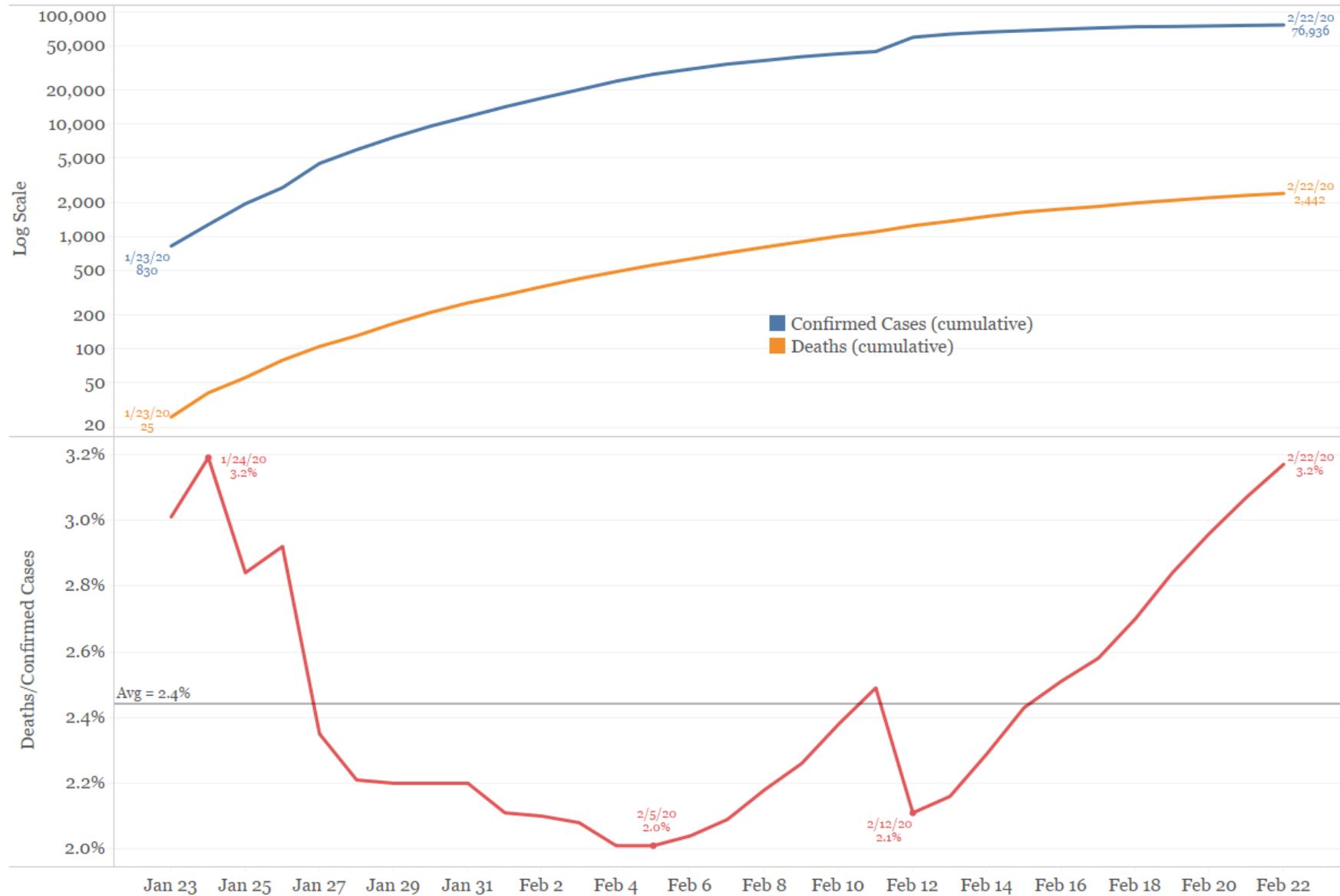
## Serious Cases Holding Around 20% of All Cases



Source: [https://en.wikipedia.org/wiki/Timeline\\_of\\_the\\_2019%E2%80%932020\\_Wuhan\\_coronavirus\\_outbreak](https://en.wikipedia.org/wiki/Timeline_of_the_2019%E2%80%932020_Wuhan_coronavirus_outbreak)

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## Mortality Rate is Rising

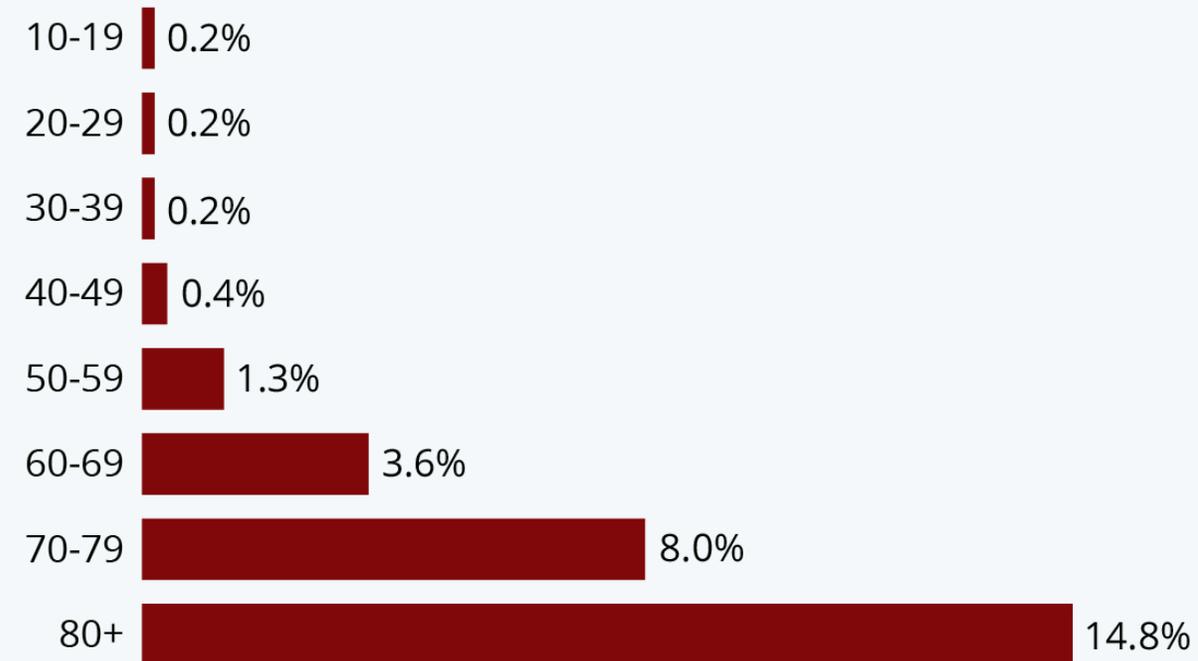


Source: [https://en.wikipedia.org/wiki/Timeline\\_of\\_the\\_2019%E2%80%9320\\_Wuhan\\_coronavirus\\_outbreak](https://en.wikipedia.org/wiki/Timeline_of_the_2019%E2%80%9320_Wuhan_coronavirus_outbreak)

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# Study: Elderly Most At Risk From The Coronavirus

COVID-19 fatality rate by age (as of February 11, 2020)



n=44,672 confirmed COVID-19 cases in Mainland China  
Source: Chinese Centre for Disease Control and Prevention



Everyone knows that China was essentially closed in February. Even President Xi has said this is a fact to get rid of the virus.

So why are the China PMI forecasts (released Friday, February 28) only showing a slight downtick from 50 to 47?

The question is "how was you level of activity this month relative to the past three months?" The possible answers are "higher, same or lower."

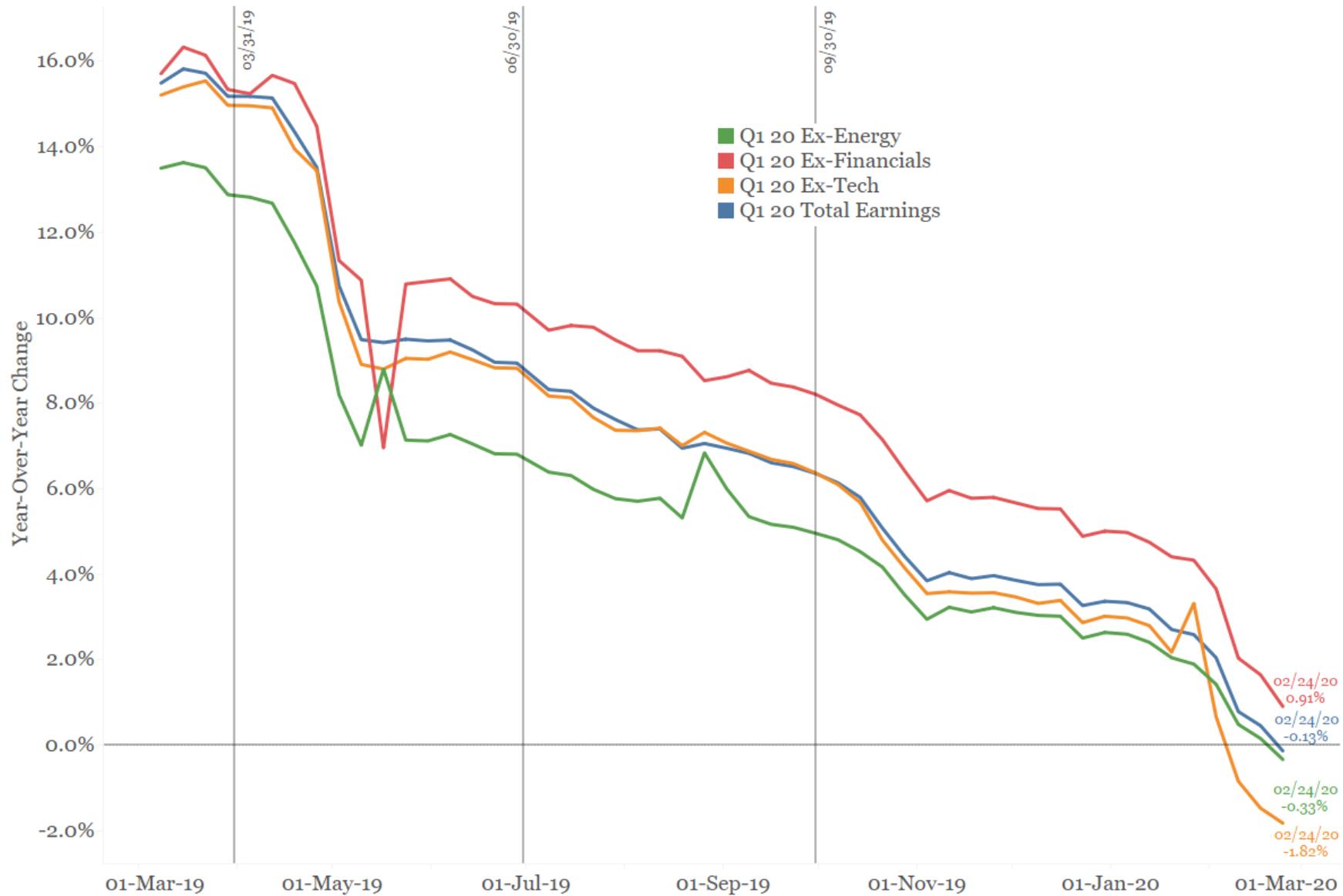
More detail on the survey here.  
<https://askwonder.com/research/please-information-possible-caixin-china-manufacturing-pmi-survey-questions-zg0vh7hzz>

It should be zero (or very close to it). And if it is not close to zero, it underscores how statistics from China are made up.

Actually, it an insult to common sense that a shutdown country should see its PMI merely downtick from 50 to 47.

Economic Calendars											
1) Calendars		2) Alerts		3) Export		4) Settings		Economic Calendars			
China				6) Browse		15:06:41		02/23/20 - 03/01/20			
Economic Releases			All Economic Releases			View Agenda Weekly					
	Date	Time	A	M	R	Event	Period	Surv(M)	Actual	Prior	Revised
21)	02/25	20:00				Bloomberg Feb. China Economic Survey					
22)	02/28	19:00				Composite PMI	Feb	--	--	53.0	--
23)	02/28	19:00				Manufacturing PMI	Feb	47.4	--	50.0	--
24)	02/28	19:00				Non-manufacturing PMI	Feb	50.0	--	54.1	--
25)	03/01	19:45				Caixin China PMI Mfg	Feb	49.4	--	51.1	--

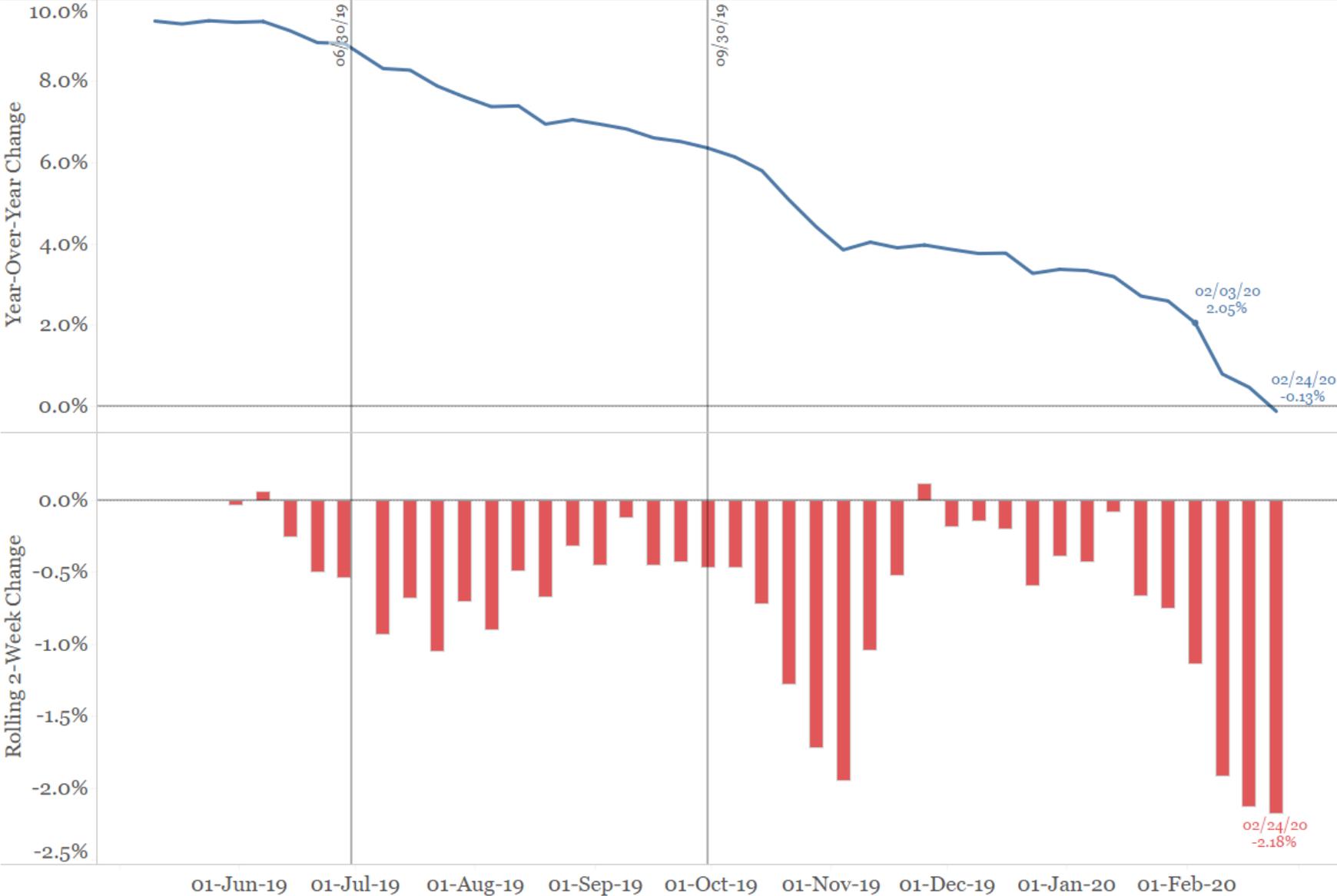
# Q1 2020 S&P 500 Operating Earnings Expectations



Source: Bloomberg

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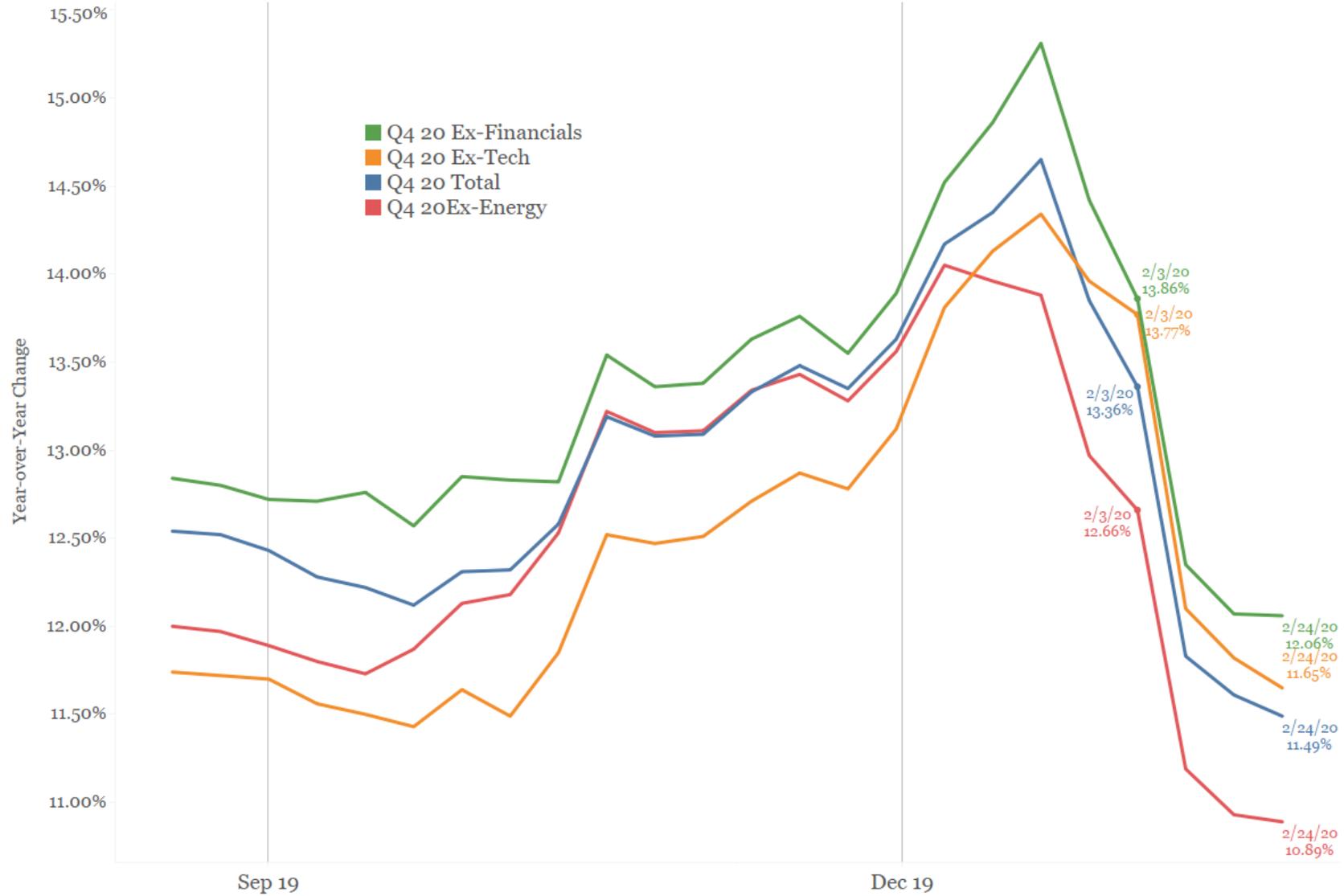
# Q1 2020 S&P 500 Operating Earnings Expectations



Source: Bloomberg

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# S&P 500 Q4 2020 Earnings Expectations

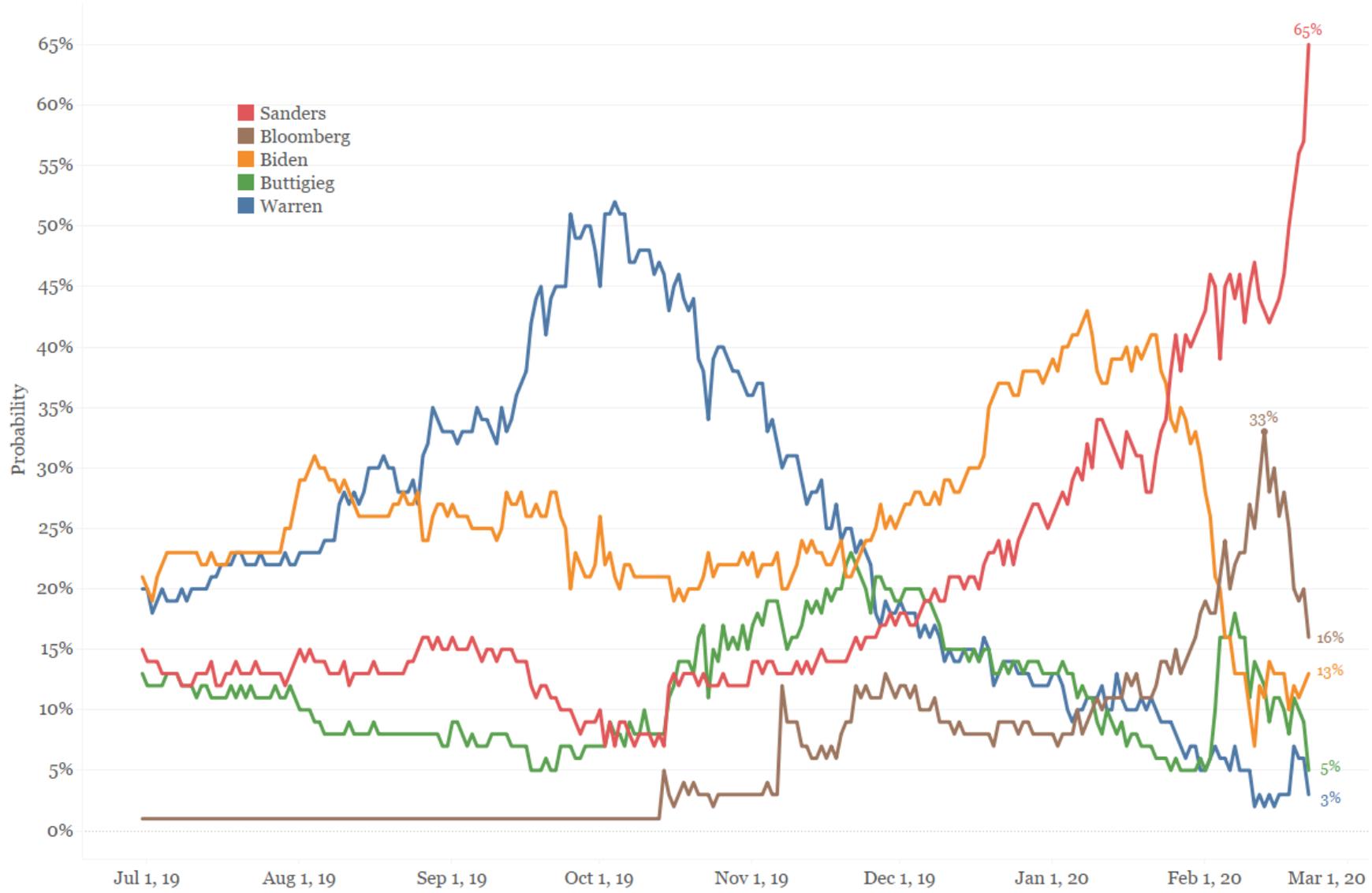


Source: Bloomberg

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# Who Will Be the 2020 Democrat Nominee?

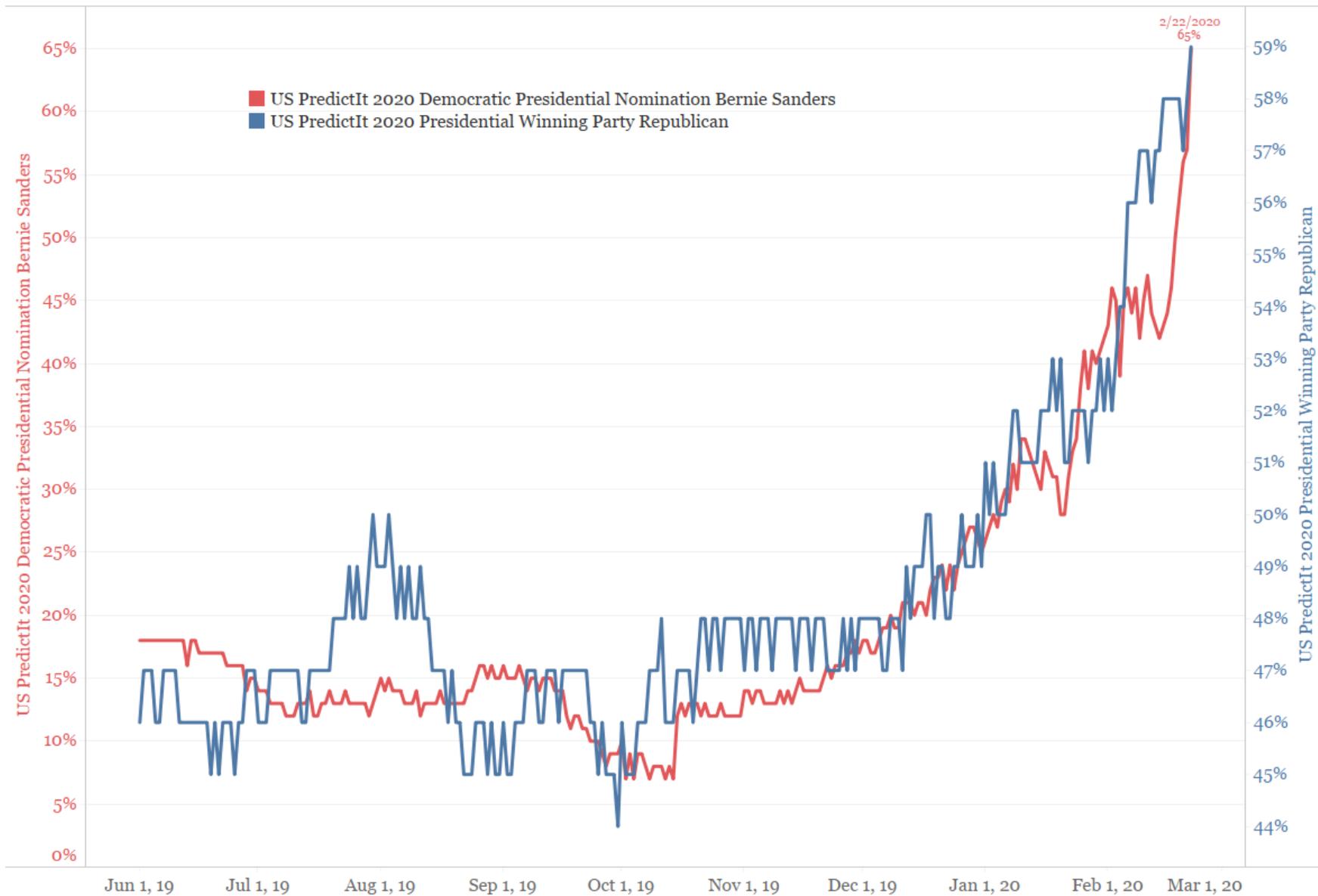
Predictit.org Betting Markets



Source: Predictit  
<https://www.predictit.org/markets/detail/3633/Who-will-win-the-2020-Democratic-presidential-nomination>

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## Does Sanders Getting The Nomination Help Trump Win Re-Election?



Source: Predictit

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# Will the Democrats Have a Brokered Convention in 2020?

Predictit.com Betting



Source: Predictit  
<https://www.predictit.org/markets/detail/6168/Will-the-Democrats-have-a-brokered-convention-in-2020>

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# Who Will Win The South Carolina Democrat Primary?

February 29, 2020



Source: Predictit  
<https://www.predictit.org/markets/detail/5409/Who-will-win-the-2020-South-Carolina-Democratic-primary>

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## Predictit.org Election Betting

Candidate	Presid	D... ↓	SC	CA	MA	VA	TX	NC
Bernie Sanders	36¢ ▼	65¢	52¢	91¢	77¢ ▲	69¢ ▲	80¢ ▼	66¢ ▼
Michael Bloomberg	9¢	15¢ ▼	1¢	6¢	4¢ ▼	23¢	6¢ ▼	16¢ ▲
Joe Biden	6¢	12¢ ▼	50¢ ▼	7¢	3¢ ▼	14¢ ▲	15¢ ▲	23¢ ▼
Pete Buttigieg	2¢ ▼	5¢	1¢	2¢ ▼	4¢	3¢ ▲	1¢	1¢ ▼
Elizabeth Warren	1¢ ▼	4¢ ▲	1¢	1¢	28¢ ▲	2¢	2¢ ▲	3¢ ▲
Amy Klobuchar	1¢	1¢	1¢	1¢	1¢	1¢	1¢	1¢

Source: [www.predictit.org](http://www.predictit.org)

[Bianco Research LLC](#)

\* Not optimized for mobile, please view this page from a desktop \*

# US 30-Year Treasury Yield



Source: Bloomberg



Carl Quintanilla  
@carlquintanilla

B of A's fund-manager survey asks: "What's the biggest risk to markets?"

1. 2020 Election: 26%
2. Bond bubble pops: 22%
3. Coronavirus: 21%

(via @BobPisani) @CNBC

8:48 AM · Feb 18, 2020 · TweetDeck

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# The 10-Year less 3-Month Yield Curve

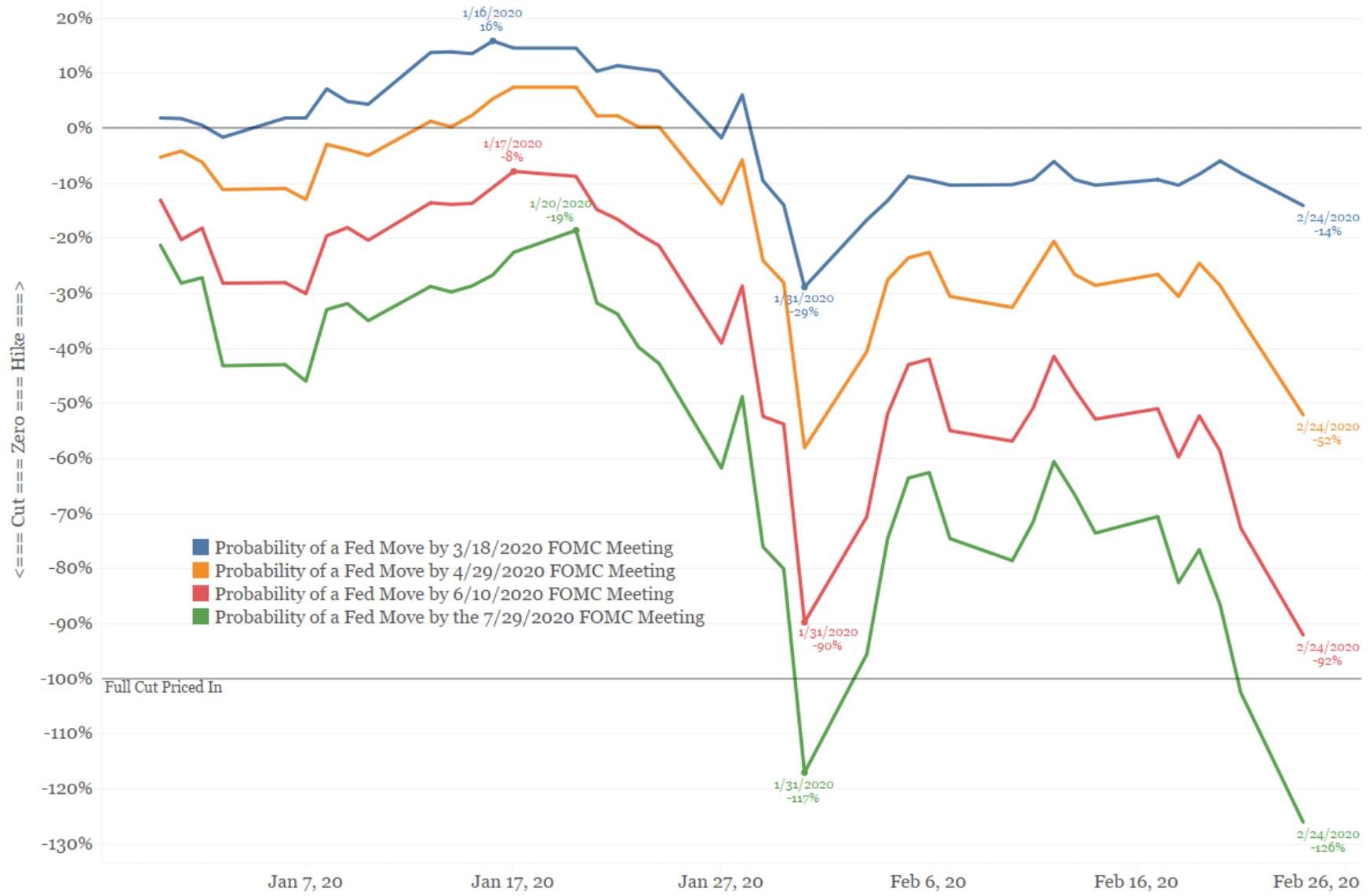


Source: Bloomberg

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# When Will the Fed Move Again?

## Fed Fund Futures Probability of a Move



Data Source: Bloomberg

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# Total Negative Yielding Bonds Outstanding



Source: Bloomberg

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## Interest Rates in the Developed World

As of 2/21/2020

Country	Policy Rate	6-Month	1-Year	2-Year	3-Year	4-Year	5-Year	6-Year	7-Year	8-Year	9-Year	10-Year	15-Year	30-Year
Switzerland	-0.75	-0.86	-0.83	-0.85	-0.87	-0.86	-0.85	-0.84	-0.82	-0.84	-0.81	-0.76	-0.61	-0.45
Denmark	-0.75	-0.78		-0.68			-0.59			-0.52		-0.42		
Germany	-0.50	-0.59	-0.63	-0.65	-0.66	-0.65	-0.62	-0.61	-0.58	-0.54	-0.49	-0.43	-0.32	0.05
Netherlands	-0.50	-0.60		-0.63	-0.64	-0.64	-0.59	-0.54	-0.50	-0.45	-0.41	-0.35	-0.22	0.03
Finland	-0.50		-0.60	-0.64	-0.62	-0.60	-0.58	-0.49	-0.45	-0.36	-0.32	-0.25	-0.03	0.21
Austria	-0.50		-0.60	-0.63	-0.63	-0.59	-0.53	-0.48	-0.41	-0.39	-0.34	-0.28	-0.02	0.28
Japan	-0.10	-0.15	-0.17	-0.17	-0.18	-0.18	-0.17	-0.18	-0.18	-0.16	-0.11	-0.06	0.09	0.35
Belgium	-0.50	-0.59	-0.57	-0.60	-0.61	-0.56	-0.50	-0.46	-0.39	-0.32	-0.28	-0.21	0.03	0.54
France	-0.50	-0.58	-0.58	-0.63	-0.61	-0.57	-0.50	-0.46	-0.40	-0.37	-0.28	-0.20	0.03	0.53
Ireland	-0.50		-0.55		-0.52	-0.46	-0.40	-0.34	0.00		0.00	-0.16	0.19	0.59
Sweden	0.00	-0.19		-0.34		-0.41	-0.38	-0.35		-0.30	-0.22	-0.12	0.06	
Sweden	0.00	-0.19		-0.34		-0.41	-0.38	-0.35		-0.30	-0.22	-0.12	0.06	
Portugal	-0.50	-0.47	-0.47	-0.46	-0.34	-0.30	-0.14	-0.08	-0.03	0.08	0.13	0.23	0.46	0.98
Spain	-0.50	-0.49	-0.48	-0.46	-0.45	-0.34	-0.26	-0.10	-0.01	0.06	0.15	0.22	0.55	1.01
Italy	-0.50	-0.36	-0.31	-0.22	-0.03	0.08	0.29	0.40	0.56	0.67	0.78	0.91	1.35	1.90
United Kingdom	0.75	0.67	0.62	0.51	0.45	0.46	0.46	0.41	0.44	0.46	0.51	0.57	0.78	1.00
Australia	0.75	0.93	0.79	0.67	0.64	0.64	0.67	0.71	0.75	0.84	0.89	0.94	1.14	1.53
New Zealand	1.00		1.73	0.94			1.02		1.16			1.25	1.65	
Canada	1.75	1.63	1.59	1.42	1.38	1.34	1.30		1.30			1.28		1.39
<b>United States</b>	<b>1.63</b>	<b>1.52</b>	<b>1.42</b>	<b>1.35</b>	<b>1.32</b>		<b>1.32</b>		<b>1.40</b>			<b>1.47</b>		<b>1.91</b>

Concept courtesy of @CharlieBilello

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