



IceCap
Asset Management Ltd.



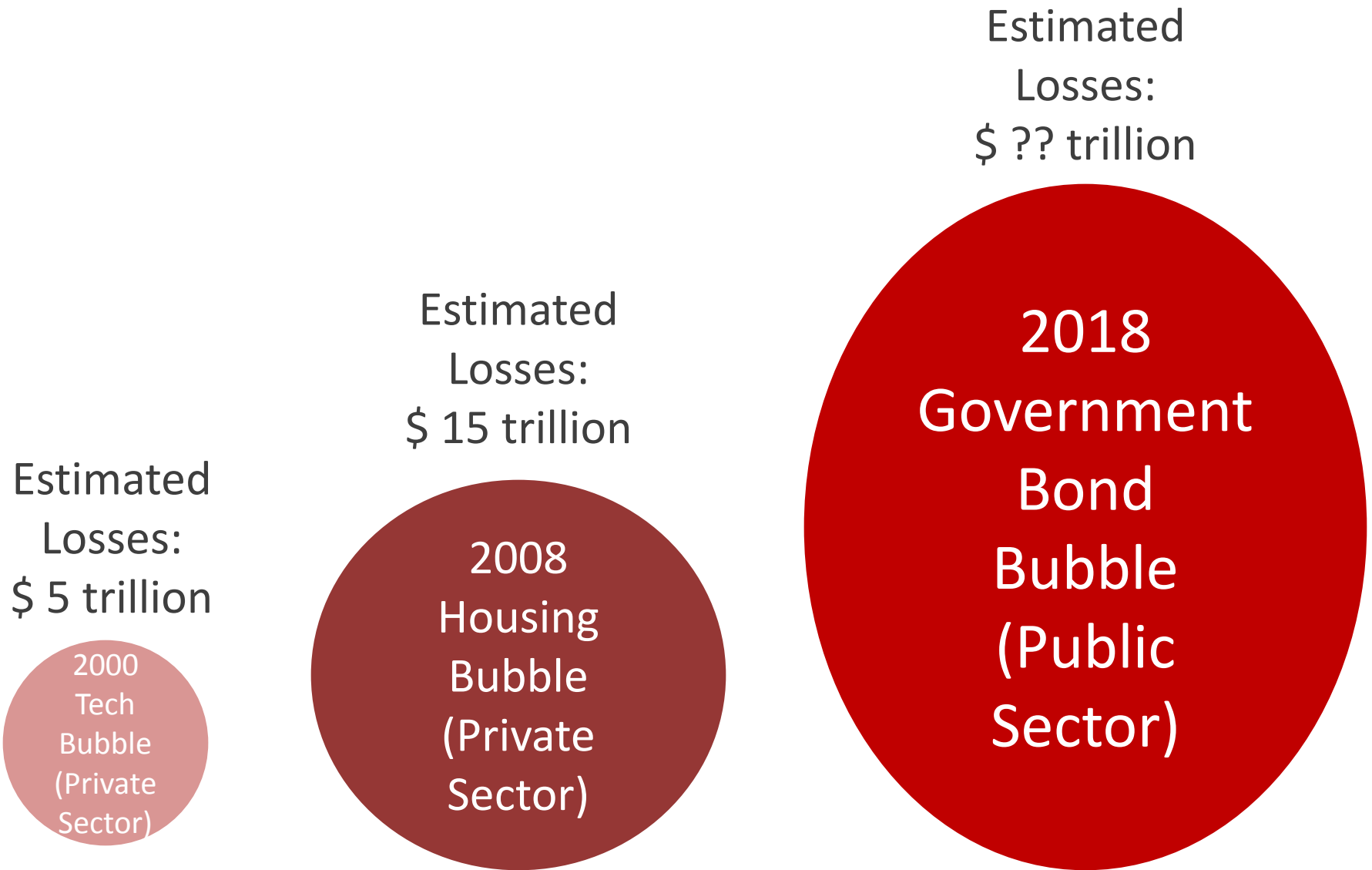
Local heritage,
Global experience.

Special Presentation:

Macro Voices September 2018

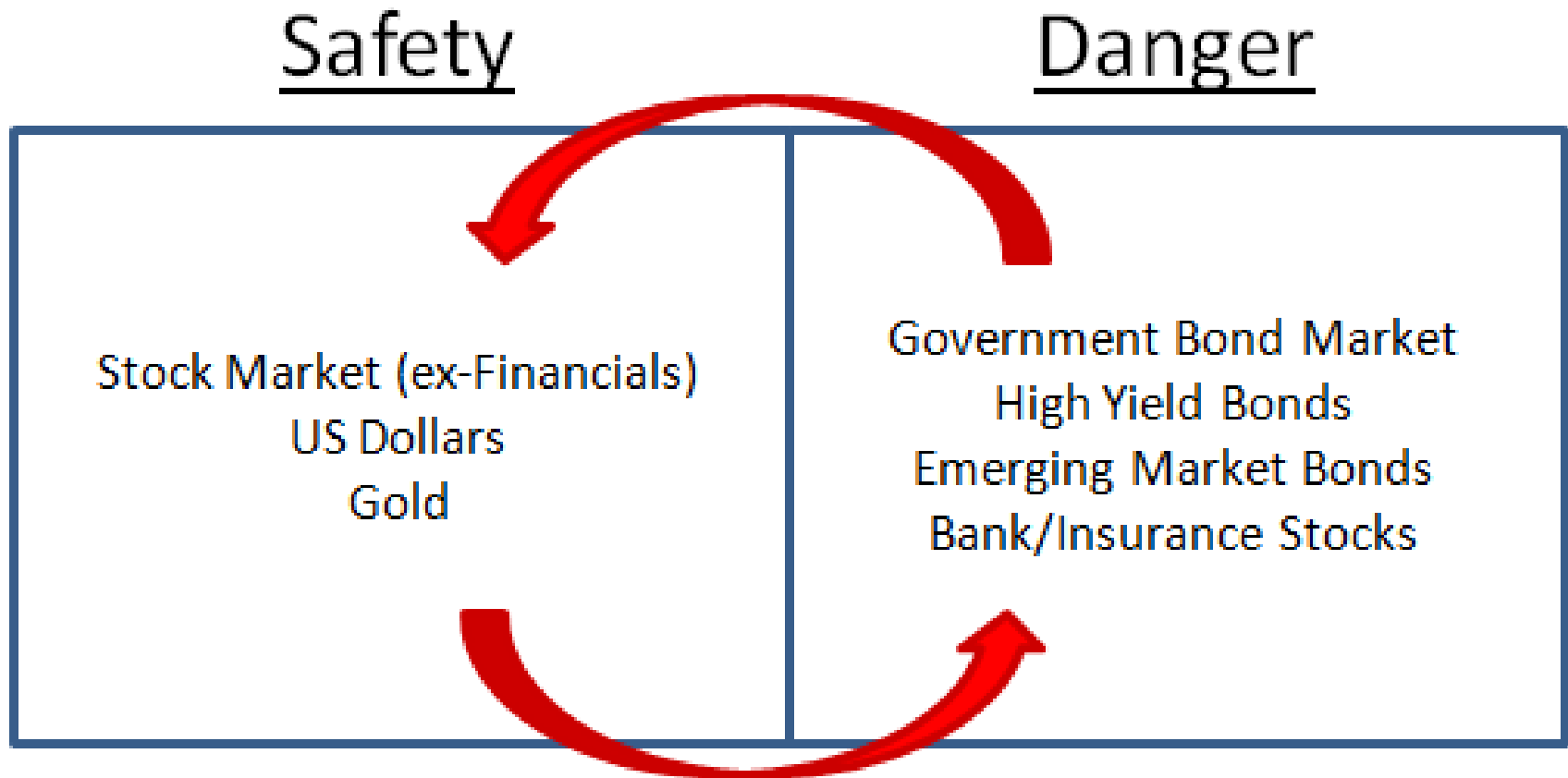
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Tel: 902-492-8495

Understand what's coming

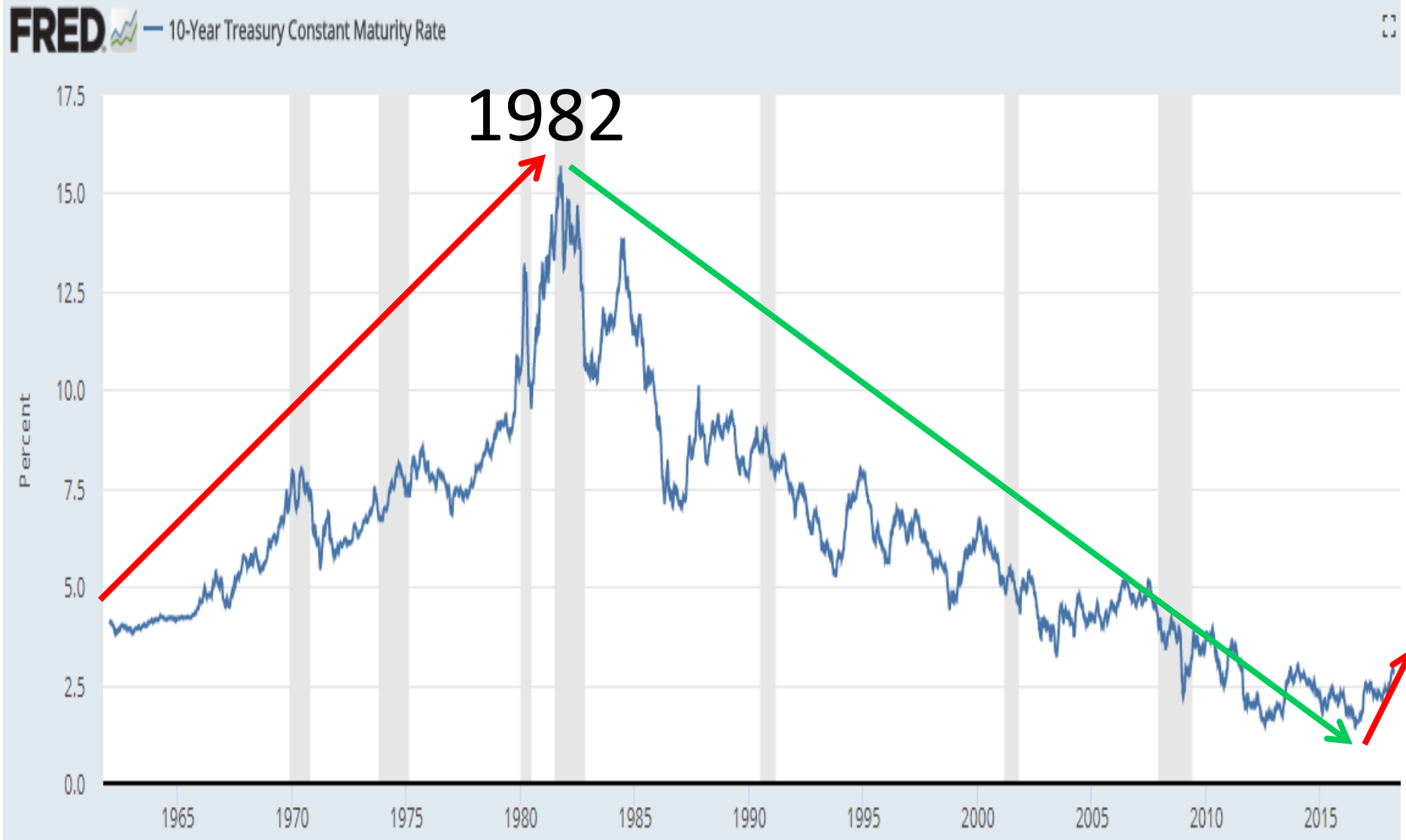


Source: IceCap Asset Management Limited

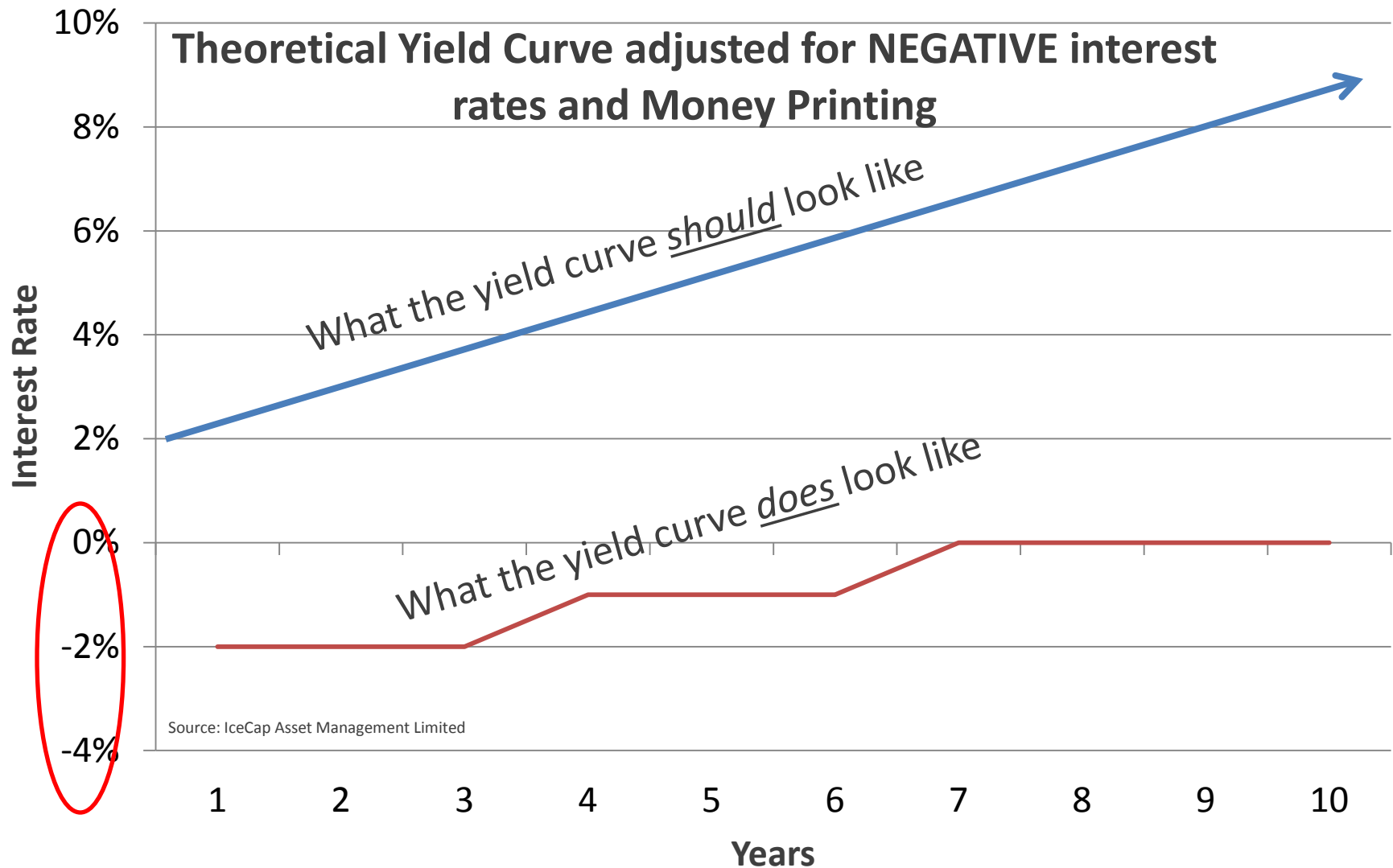
Money runs away from danger



Need to Shift our Thinking



Artificially suppressed interest rates



Bear Market in Bonds has Started

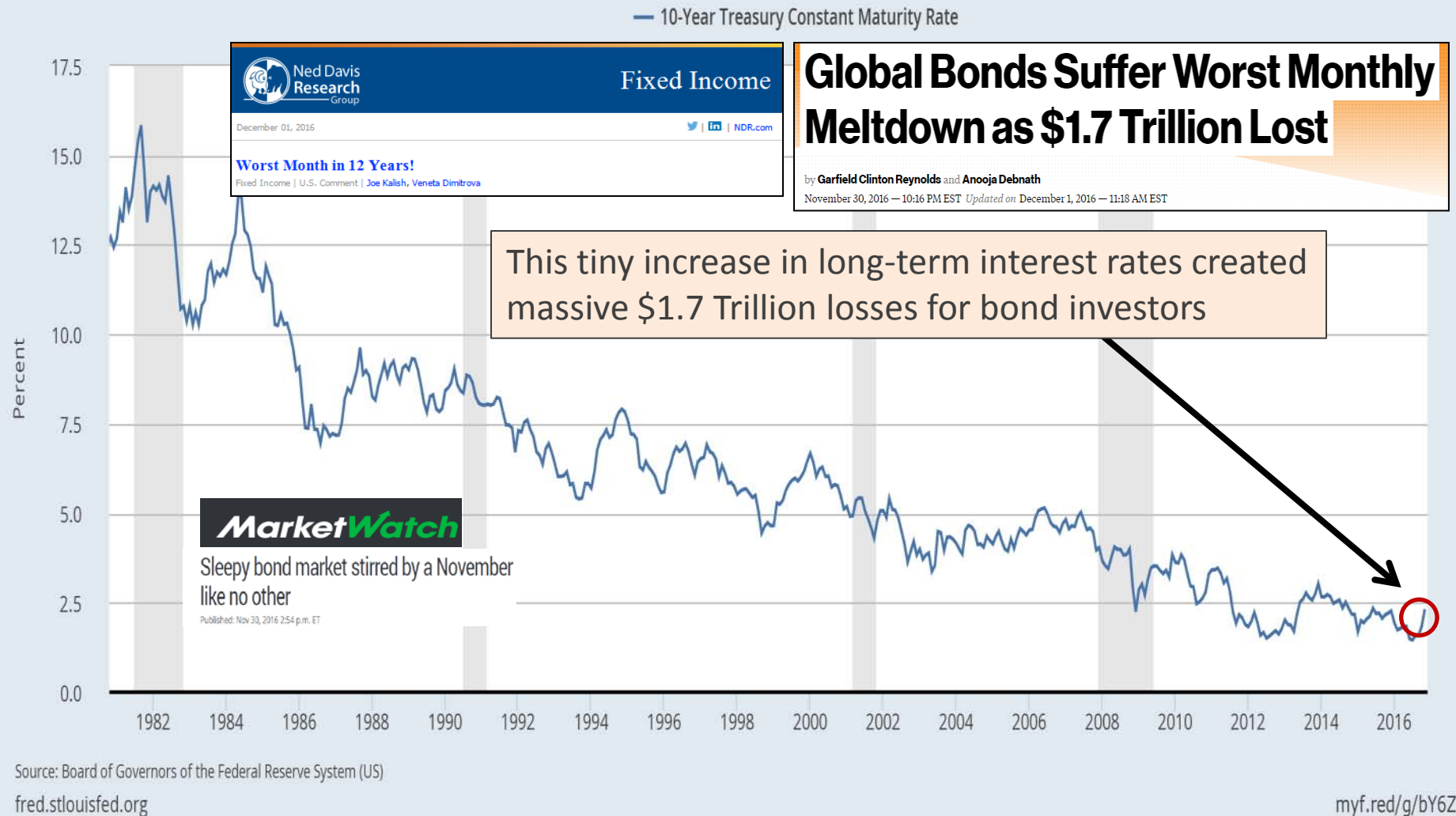
Global 10-Year Yields (%)

Country	10-year Yield (Today)	CPI (YoY)	Real Yield
SWITZERLAND	0.07%	1.20%	-1.13%
JAPAN	0.13%	1.30%	-1.17%
DENMARK	0.48%	1.00%	-0.52%
GERMANY	0.55%	2.00%	-1.46%
NETHERLANDS	0.65%	2.30%	-1.65%
SWEDEN	0.68%	2.00%	-1.32%
AUSTRIA	0.74%	2.10%	-1.36%
FINLAND	0.76%	1.30%	-0.54%
FRANCE	0.86%	2.30%	-1.44%
BELGIUM	0.88%	2.24%	-1.36%
IRELAND	1.04%	0.70%	0.34%
SPAIN	1.54%	2.20%	-0.66%
UK	1.64%	2.70%	-1.06%
PORTUGAL	1.89%	1.20%	0.69%
SOUTH KOREA	2.41%	1.40%	1.01%
CANADA	2.47%	2.80%	-0.33%
HONG KONG	2.48%	2.40%	0.08%
SINGAPORE	2.56%	0.60%	1.96%
NEW ZEALAND	2.71%	1.50%	1.21%
AUSTRALIA	2.78%	2.10%	0.68%
ITALY	2.90%	1.60%	1.30%
US	3.11%	2.70%	0.41%

Source: Charlie Bilello

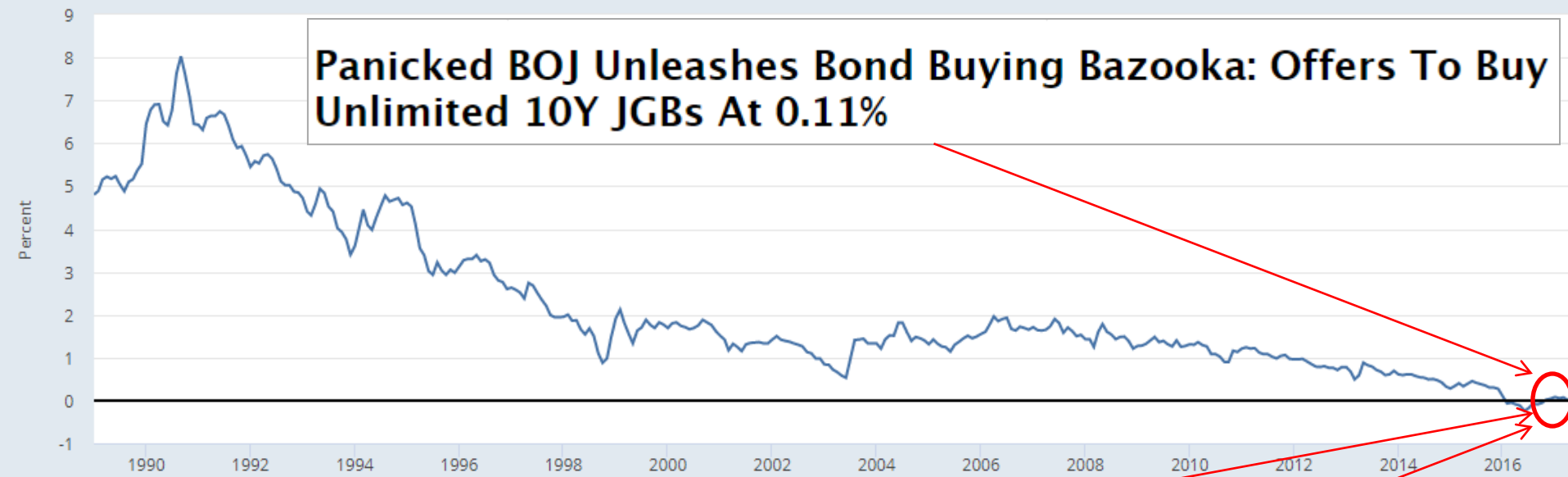


Warning # 1



Warning # 2

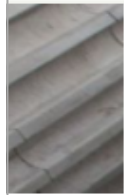
FRED — Long-Term Government Bond Yields: 10-year: Main (Including Benchmark) for Japan©



Warning # 4

BloombergMarkets ▼

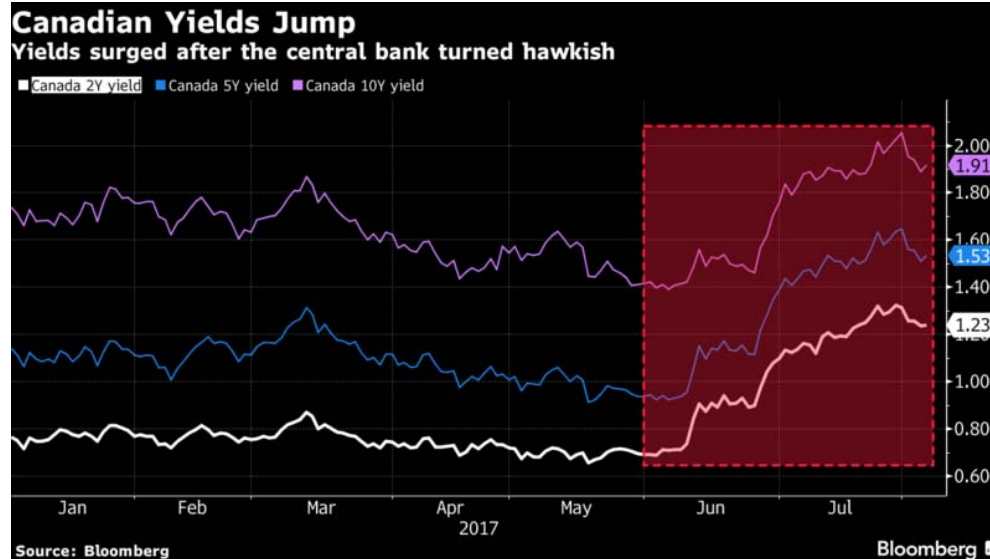
How Funds Are Regrouping After Worst Canada Bond Rout Since 1994



How Funds Are Regrouping After Worst Canada Bond Rout Since 1994

By Maciej Onoszko

August 8, 2017, 1:00 AM GMT-3 Updated on August 8, 2017, 10:55 AM GMT-3



BloombergMarkets

The How, What and Why of Spiraling Borrowing Costs for Aussie Banks

By Stephen Spratt

March 27, 2018, 4:00 PM EDT

Updated on March 28, 2018, 3:00 AM EDT

- Repo rates are main driver behind jump in bank borrowing costs
- Spillover from higher U.S. rates, cross-currency plays a part

Blame it on a piece of financial plumbing.



Warning # 3

BloombergMarkets ▼

Not a Single Japanese 10-Year Bond Traded Tuesday



Not a Single Japanese 10-Year Bond Traded Tuesday

By **Chris Anstey** and **Hidenori Yamanaka**

March 13, 2018, 10:47 PM ADT *Updated on* March 14, 2018, 3:15 AM ADT

Warning # 5



Warning # 6

OPINION

Jul 24 2018 at 4:45 PM

Updated Jul 24 2018 at 4:45 PM

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What triggered the sell-off in global bond markets?

The 10-year JGB yield climbed 5 basis points to 0.07 per cent, the biggest move since August 2016 and to the highest level in six months.

BoJ policy tweak speculation rattles global bond markets

Yields on 10-year JGB spikes to near 6-month high and 10-year Treasury to near 3%

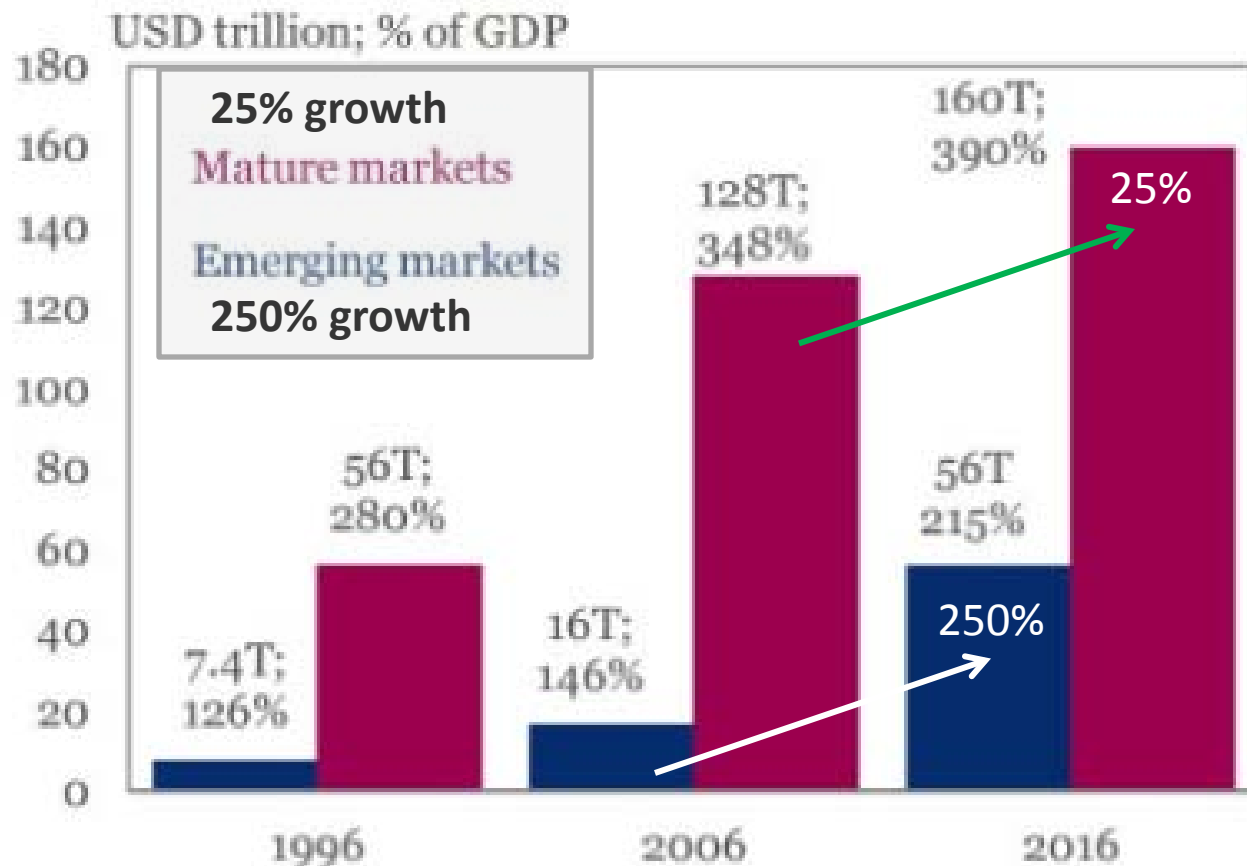
Monday 23 July 2018 4:42pm

Japan bond yield spike prompts Bank of Japan intervention



Sovereign Debt has Exploded

Chart 1: Total Global Debt (all sectors)



Source: IIF, BIS, Haver.

Source: Business Insider Australia

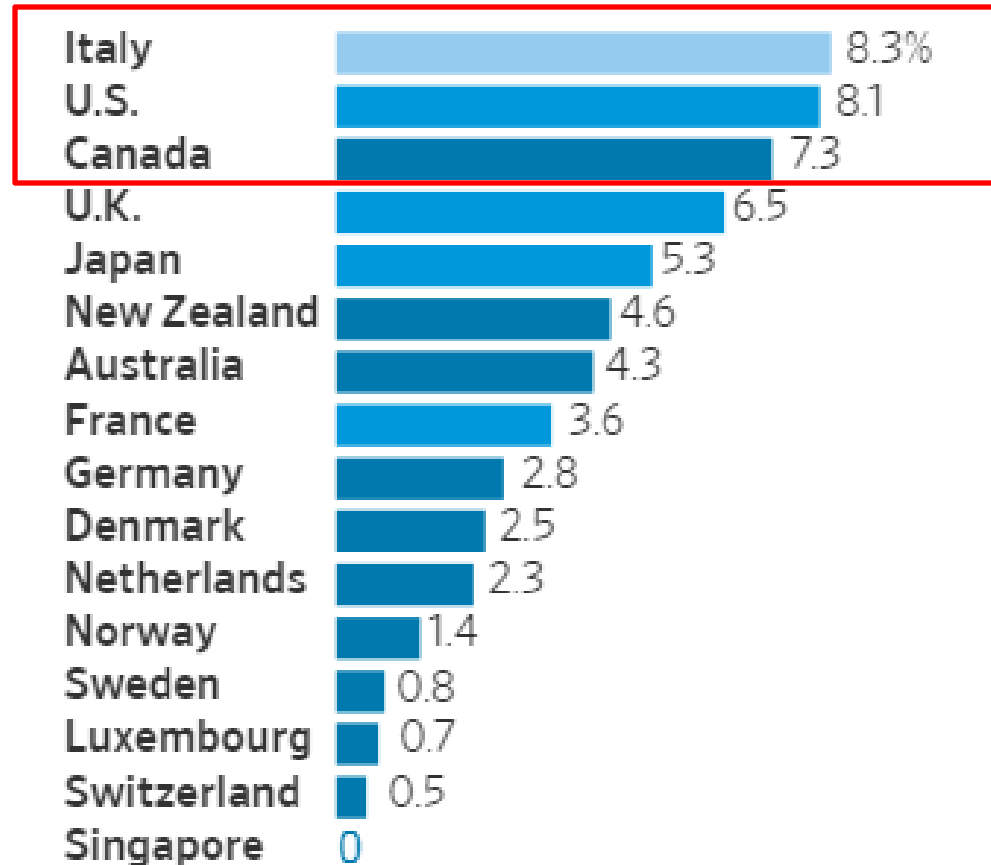


Governments cannot tolerate higher rates

Interest as a percentage of revenue in 2017

Moody's credit rating

■ Aaa ■ Aa2, A1 ■ Baa2

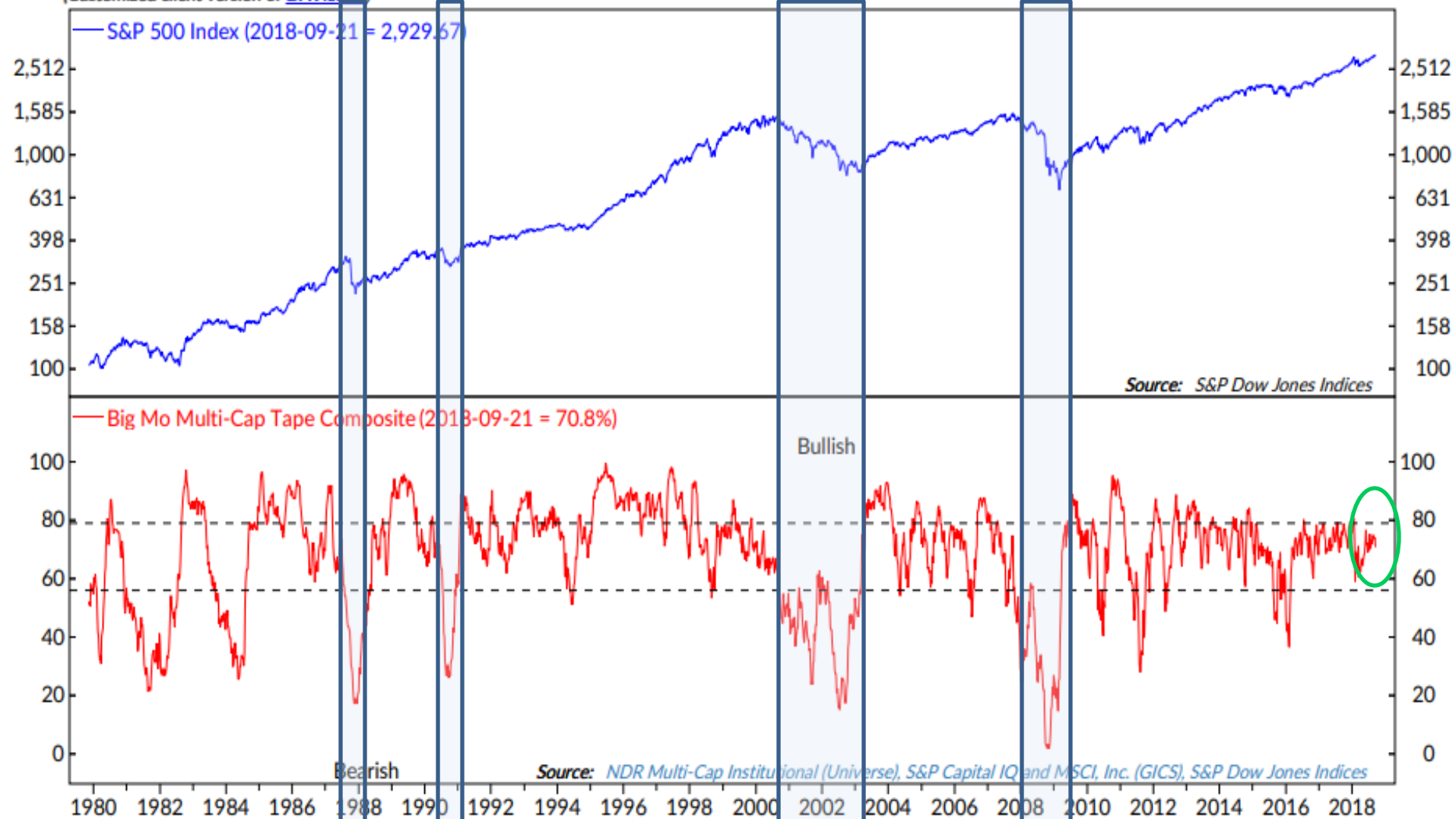


Source: Moody's Investors Service

No Signs of Equity Market Crash

S&P 500 Index vs. Big Mo Multi-Cap Tape Composite -- Directional Mode Basis

(Customized client version of [DAVIS250](#))



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Keith Dicker, CFA founded IceCap Asset Management Limited in 2010 and is the President and Chief Investment Officer. He has over 20 years of investment experience, covering multi asset class strategies including equities, fixed income, commodities & currencies.

Keith earned the Chartered Financial Analyst (CFA) designation in 1998 and is a member of the Chartered Financial Analysts Institute. He has been recognized by the CFA Institute, Reuters, Bloomberg, BNN and the Globe & Mail for his views on global macro investment strategies.

Keith is the author of the *IceCap Global Market Outlook* which regularly receives 30,000 readers from around the world. He is a frequent speaker on the challenges and opportunities facing investors today, and is available to present to groups of any size. On a selective basis, he is also available as an independent director.

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