MACRO Voices
with hedge fund manager Erik Townsend

Dr. Ben Hunt: The Federal Reserve is no longer your friend!

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Erik: Joining me next on the program is Dr. Ben Hunt, Chief Investment Strategist at Salient Partners. Ben, thanks so much for coming back on the program, I think it's been almost a year since we had you on. Ben, I think that you are probably as well known for the Epsilon Theory blog as you are for your work at Salient Partners, and you recently penned a very interesting piece, where you see a sea change coming in terms of markets. So, please give us the rundown. We've got a link in our research roundup email for people who may be interested in reading that full piece, which is titled, "Tell My Horse". Why the title, and what is that piece about?

Ben: Well, thanks for having me back on here Erik, it's really a pleasure to be back on the podcast here. You're right, I have been writing for about four years now on the blog Epsilon Theory, and in the most recent article, it's been the most well received article I've put out there on the blog to date, and it is about a sea change that I think is happening, you know, I wrote this about three weeks ago, before I think that a lot of other people picked up on the same thing, but the sea change is simply this- that central banks, particularly our Federal Reserve, are changing course, they're changing, to use the $10 phrase that economists use, their "reaction function", and all that means is that they're now interpreting the world and looking for reasons to tighten rather than seeing the world and looking for reasons to ease on monetary policy. So, they're taking away the punch bowl, and this is not just the case in the US, where the process has been building and acting for some time now, but it is also starting in Europe, and even in Japan, which has been the most active accommodationist central bank out there for the last couple of years. Even in Japan, they're talking about talking about how to start tapering or changing the policy, because here's the thing, what the Fed means by taking away the punch bowl is not just the traditional approach of raising interest rates. That's the traditional tool that the Fed has- you cut interest rates when times are tough, and you raise interest rates when you're concerned about inflation or you think you're at full employment or the like. Well, the Fed is doing all that, I mean, we've now raised rates in three quarters, three successive quarters, and they're signaling they're going to do it again at some point this year, but more than that, more than simply raising rates, what the

Fed is also doing, is they're starting to shrink the balance sheet that they've grown over the last eight years. They're starting to roll off, they're starting to reduce the balance sheet that was at the core of the extraordinary measures that our central banks and other central banks have employed over the last eight years to try to juice the global economy, but more importantly than that, they've juiced financial assets.

So, when we're talking about a sea change, when we're talking about the Fed tightening rather than easing, it is different this time. It's different this time because their tightening includes reducing the balance sheet that they've never grown before. So, it's easy to say, well, it'll be about as exciting as watching paint dry, that was some of the comments that people have made, that it's not a big deal. Well, you know, it is a big deal because at least the risk here for markets that we will see in reverse, the impact, a negative impact on markets as they shrink the balance sheet, in the same way that we saw a very positive impact on markets as they expanded the balance sheet. You can't have it both ways is what I'm saying, is that if you thought it was great for markets when they were buying everything in sight, and we can talk about why they did it and how they did it and how that impacted markets, then you also have to admit that if they're now going to shrink that balance sheet, that's a big change. I'll finish up this kind of introduction with a comment that Jamie Dimon at JP Morgan made the other day, which I thought was really apt. He was saying, look, for the last eight years, the tide has been coming in, meaning that the Fed, central banks around the world, have been easing on the interest rate, they've been buying stuff to expand the balance sheet, and he said, and now the tide is going out, and that's just a different environment that we all have to cope with when we're thinking about our investments and achieving our investment goals.

Erik: Now, I think that one of the most interesting lines that you used in that article, you made a comment about financial markets, you got to get it through your head, Janet Yellen just broke up with you, and it's going to be a different game going forward. I really relate to that, and I think it's very insightful, but at the same time, we taped this particular interview on Wednesday morning, July 12th, and as we're speaking, Janet Yellen is also giving her Humphrey Hawkins testimony before Congress, and there was about a twenty point run up in the S&P ahead of that, very much to my surprise. There was also, I think the DOW actually hit a new all-time high minutes before Janet started speaking. So, it seems like the market thinks that Janet has suddenly changed her stance and turned dramatically more dovish. Does that cause any concern for your outlook, you know, do you think that Janet was having remorse about…

Ben: No, no, look, see what we're thinking about now, think about why the market reacted so positively this morning to Yellen saying, yea we're going to raise interest rates, the barge is still moving in the direction of tightening, but she didn't give an specifics, about well, when we're going to start reducing the balance sheets, and she didn't give any specifics about well, when we're going to raise interest rates again. And, of course she doesn't give specifics, right? You never give specifics in a testimony or written statement to before you're going to answer questions from Congress, that's just something you never do. But, what I'm saying is, think about the analysis here. What we're thinking about is, alright we know she's tightening, but is she going to be really aggressive in the tightening? Or less aggressive in the tightening? That's the debate we're having in the narrative of markets today. Now, compare that to two years ago, three years ago, four years ago, there the debate was, alright, Janet Yellen is going to be easing, is she going to be more aggressive or less aggressive in her easing? This is what I mean about a sea change, right, that the whole notion of the argument is now focused on, alright is she going to be really really tightening? Or just tightening a little bit? Right, it's about the pace of tightening, not whether tightening is occurring or not. The argument is no longer about if the Fed is going to start reducing the balance sheet. Now, the argument is when the Fed is going to reduce their balance sheet. So, yea, we're going to see these ups and downs, this is a very slow burn. This isn't some big bubble that gets popped, you know, tomorrow. What I'm saying is that in the same way that we had a tail wind for markets, where the Fed was our best friend for the last eight years, they're no longer our friend, right, they're no longer our friend because their job is not to prop up markets, their job is price stability, alright, inflation, and to manage full employment. And what the Fed thinks right now, whether we think it or not, the Fed thinks they've hit full employment, and the Fed thinks that inflation is around the corner, and I'll tell you when you look at the world, and when you look at the US, look, inflation is picking up, it just is, and so that's why the Fed is going to start and continue to be on this tightening path. Because the Fed is a barge, right, it's not a speed boat. It's an absolute barge, but when the barge turns around, when it starts going, I don't know what to call it, upstream or downstream, but when it starts going in the opposite direction from where it's been going over the last eight years, there's nothing more important, I think, for an investor, than to understand that shift. Because think of this too, right, what's been moving the markets over not just the past, not today, not just the past week, not just the past month, not just the past year, but what's been moving the market over the eight years? Is it fundamentals? Is it this sector or that sector, or this company, or that company? No, it's been all Fed, all central bank, all the time, and that's no different today, so we're going to get ups, and we're going to get downs. What I'm saying is that the barge is now moving in a different direction, and so their overall planning for what we can expect from the market going forward, is different from our planning from what we've been able to expect from the market over the last eight years.

Erik: So, we're right at high tide, or just a few minutes after high tide, except that in a real tidal cycle in the ocean, it's a twelve hour cycle, it's been eight years that the tide has been coming in. Let's talk about what the flowing tide looks like, or what the picture is going to look like for investors as the tide starts to flow back out, because, as you said, it's not just about tightening in the sense of raising interest rates, which is where everybody seems to focus. It's also about the reversal of this balance sheet expansion. Something that I've found fascinating is, so many people seem to be hypnotized by what I think is a very false argument, which is, well, you see the Fed is not going to be selling off all of those treasuries, it's just going to hold them until maturity, and of course, that ignores the fact that if you're holding them until maturity, and not rolling them forward, you're eliminating all the buying that's been in the system when the Fed was rolling those securities forward. So, if they're going to stop rolling them forward, it really is equivalent to selling. Am I missing something there? And what…

Ben: No, you're so right, because the absence of buying is an enormous impact. So, think of it this way, so our Federal Reserve today has got, call it a $4 trillion balance sheet, right, they've got $4 trillion worth of stuff, and these are US treasuries and Fannie and Freddie backed mortgage back securities. Now, $4 trillion worth of bonds that they owned, or mortgage back securities, they owned, the average tenner, the average life span, right, until they run out of these notes, is, I don't know, let's call it six or seven years, right, whatever the exact number is. But, what that means is that, and it's pretty evenly distributed over that, over that span, and what that means is then, we've got hundreds of billions of dollars, I think that the number is something like $800 billion worth of bonds, right, that are going to roll off, probably over the next two years, right. So, what we haven't been expanding the balance sheet since the, really, since the summer of 2014 when our tapering stopped. So, in the summer of 2014, the US said stop expanding the balance sheet, but they didn't stop buying, to your point, Erik, to you point, they didn't stop buying, because as those bonds rolled off, meaning that they reaching maturity, the Fed would take the proceeds from those bonds, and they'd buy new bonds, they'd buy more bonds. So, absolutely, when you're talking about allowing the balance sheet to roll off, it means the Fed is no longer going to be in the market to the tune of, call it $400 or $500 billion a year of buying stuff as they have been over the last couple years. So, just because the balance sheet isn't expanding, doesn't mean they're not out in the market buying, and so the removal of this buyer, this massive buyer, we're not even talking about all the other central banks, who are buying even more than that, right, and not just buying bonds, but in the case of, for example, the bank of Japan directly buying ETFs, equity ETFs on the Tokyo exchange in the case of the Swiss National Bank directly buying equities, right, Apple, it's crazy right? That this is what's going on. The absence of these massive buyers is going to have a major impact on markets, right. You can't take away, if basic supply and demand is basically, is the basic image of how prices work, when you take away a big buyer, it's harder for prices to go up, and it's a lot easier for prices to go down.

Erik: Well, it seems to me too that there's plenty of opportunity for people to misinterpret signals here, because let's suppose for example that what they stop buying is longer dated treasuries, and that causes the yield to go up on those longer dated treasuries. Now, everybody starts jumping for joy, steepening yield curve? The economy the must be super strong right now! Well, no, it's not steepening for that reason, it's steepening because this buyer just disappeared. So, where do you think in terms of maturity the buying is going to go away, and what will it mean for the bond market in the shape of the yield curve, and you know, where is the play there if you were a fixed income investor? Where do you get scared when this buying goes away?

Ben: Here's the thing, there's really no place to hide, right, so, but let me put it this way, so the goal here, the goal here is to be unwinding this balance sheet and to provide it enough of a bridge so that the actual real economy starts to grow as well, because your point is exactly right, look, if the interest rate on a longer term bond goes up, meaning the price has gone down, right, why is it going up, right, and this is your point, it could be going up for a good reason, right, maybe it's the price of money over a longer period of time, maybe the rate of return I'm requiring on this to lend you money over a longer period of time is going up, and its interest rate is going up, because hey, we've got some actual real economic growth here in this country, to buy money to work or to lock it up for a longer period of time given these growth opportunities, I need a higher rated interest in return. That's a good reason for rates to be going up, exactly to your point, that's steepening yield curve for a good reason, but if you're just getting the steepening yield curve because the Fed is no longer buying, by artificially pumping up the price and depressing the yield of these longer dated bonds, well, that's a bad reason for these rates to be going up, right, and in essence that's the point your making, Erik, and that's exactly the balancing act here.

Now, look, the market, and here I'm anthropomorphizing a bit, but look, the market wants to buy, they want to believe a happy story, so yes, things are going to rally, pretty much regardless of why the yield curve is steepening, and we've seen this, right. There will be enough going on that you will have no shortage of arguments being made that, ok, they're going to do it, meaning shrink the balance sheet, yea, it'll take out a lot of the froth in markets, but we'll be able to bridge this gap that the rates will start going up for good reasons, not just because the Fed is selling, or no longer buying, but for the good economic reasons of real economic growth kicking back in. And listen, I hope they're right! I mean, I don't like saying that the tides going out and that we've got to be very concerned about the valuations and the risk that's in markets, particularly equity markets, I don't like that, but I think we have to be realistic about it, and what I'm saying is that if you thought that our current valuation and prices, particularly in equities was at least in a large part driven by central banks buying $14 trillion worth of stuff over the last eight years, you have to be concerned about those valuations and those price levels, if now these central banks are looking to get out. That's all I'm saying here. I hope you're right, that it's a bridge to real economic growth that makes interest rates go up for the right reasons, but gosh, when you look around the world, it's really hard to see that, right.

Erik: Now, historically, when we think about what happens in equity markets in normal economic cycles, there's the old saying that stock prices tend to ride up an escalator and down the express elevator, as things fall apart all suddenly at once, but obviously the Fed is not going to liquidate its entire balance sheet suddenly all at once, so when we talk about this changing tide, or changing sea, is it a setup for a crash in markets, or is it more of just a very, you know, shallow, boring, gradual bear market that lasts for several years that you see potentially on the horizon?

Ben: Well, great question, here's what I think you have to look at, right, so it's never going to be the Fed that's going to immediately go out there and say, oh, we're, you know, we're selling everything, that's just not the way they work. They do work very gradually. They are a barge, right, but what we as investors have to look for, and I think we have to be very diligent about looking for this, is where is there too much leverage in the system, right, which companies, which sectors, which areas have a business model where they have gorged on zero interest rates, where they have gorged on this wall of money and buying and liquidity, this is that the central banks have provided? Who's got a business model that depends, for example, on negative yielding bonds, who's got a business model that depends on the ability to lever up whatever equity they have through enormously cheap borrowing to use that for their business operations, right? I can give you some ideas of companies and sectors that have gorged on the excesses of this policy, and that's what we have to look for, it's the, let's call it, it's the malinvestment, this is what bubbles are born of, right, and when the Federal Reserve is now popping this bubble, and they're hoping to do it as they always do, they're hoping to pop the bubble very gently, but it's sure suggesting, that's a great thing to think you can do, but it's really hard to do it in practice, because there's so many institutions and investors and ordinary humans that always take these things to excess, and I think that's what we as investors have to look for, the bubbles aren't going to come from the Fed directly, the bubble bursting is going to come from companies and sectors and these always tend to be institutions that have, in one way or another, gorged on the excesses of the policies of the last eight years.

Erik: Well, let's go ahead, and talk then about some of the areas where excesses have built up and what potentially could be coming. I know there's one area in particular that you've written about recently, which I very much think very frequently about, I call it the great ETF unwind, and as you've described in some of your recent writings, ETFs were designed in part to enable passive investors to construct portfolios that are just bought and held, and nobody actively trades them, and somehow because they were designed for that purpose, people make the assumption that that's how they've been used. I don't think they've been used that way at all, I think they're used by a lot of retail traders as a way to express a lot of speculative bets, and this massive massive influx of capital into ETFs in the last several years, I think that if there is a panic type of situation, you could see those ETFs unwinding very dramatically. Is that one of the bigger risk areas that we should look at? And if that's not it, feel free to suggest what other areas you're concerned with and you're looking at.

Ben: Here's the problem, I think, with ETFs, so I'm less concerned about, I'll call it sort of the massive unwind and unorderly unwind in the ETFs, unless you're talking about ETFs that exist where they shouldn't exist like on, you know, ill-equipped stuff like a high yield bond ETF. You know, they exist, and they're not a huge part of the market, I don't worry so much about, you know, waking up some morning and there's been this crash, right, which we've seen before, we've seen before on these ETFs, usually some sort of pricing mechanism, and people use it, they set stop losses they shouldn't, anyway, all of that rigmarole. But what I think is, here's the larger danger that I see for the ETFs, and I think you're absolutely right to focus on ETFs as an area of engorgement, right, and what I mean by that is that ETFs are the epitome of active investing, right, they're not managed, the funds themselves are not managed actively, there's not someone there, there actually is in some of these ETFs now, but in the vast vast majority the EFTs, there's not some manager who's picking and choosing that stock or another, right, but that doesn't mean that they're passive instruments, not at all, right, because you are making, you Mr. investor with you financial advisor following the ETF model of, you know, your firm that puts one out, right, or whether you are a retail investor and you're using this to construct your own portfolio. Or frankly, if you're an enormous institution, which is also using ETFs, right, as part and parcel of how they put together a portfolio, like a pension fund or like a foundation or endowment, you know, this isn't just a retail phenomenon, not at all. But what I'm saying is that the use of ETFs is an act of active management, right. It is part of a conscious decision, oh, I want this sector rather than that sector. Oh, I want this geography rather than that geography. Oh, I want this asset class rather than that asset class, right. It is the epitome of active management, and it's under this rubric of oh, I'm a passive investor, nonsense, nonsense. So, your point about it feeding on itself, and this is, I think, the larger point about it feeding itself is not that it is, I think, structurally unsound, where it owns these illiquid things, and so people want to sell it, and the underlying securities can't be sold, that's not what I'm concerned about. What I'm concerned about is this, that when you do get a shock, and there will be a shock, because there's always someone out swimming in this ocean of liquidity who's not really wearing swimming trunks, right, and when that flood is revealed, when that excessive leverage is revealed, when that shock occurs, and it will, then the real issue with ETFs is that because they're not passive instruments, because they are the epitome of active decision making, the decision to sell can be rampant and can absolutely feed on itself, not because it's part of some quant strategy like risk parity, or the like, that's a boogie man to people out there. The real boogie men here are the financial advisors, the foundations and endowments, the pension funds, the retail investors, all of whom have chosen this ETF or that ETF because they are "taking charge of their own portfolios", and when they get this sort of shock, they're going to sell, and when you see the selling, that drives other active investors to sell as well. That's the feedback loop that I think we are likely to have here, because there is no circuit breaker for a financial advisor who has his client's money and ETFs, right, there's no circuit breaker for that. The markets stand, there's been a shock, you're going to sell, and it's that sort of feeding on itself that I think is the real risk.

Here's the bottom line, there's all this talk about how we've moved from active management to passive management. That's true in a very narrow sense, meaning that we now are no longer hiring these portfolio managers to make the active decision of what to buy and what to sell, but the truth is, the larger truth is that active management of portfolios has never been greater. They're just being exercised by different people, not the stock picker fund manager, but by the allocator, or financial advisor, or retail investor, or pension fund that's buying these ETFs directly, and that's the source of active management that I think can result in a really squirrely market that absolutely feeds on itself. Once you get some sort of shock that comes out of this now, the tide going out, rather than the tide coming in.

Erik: Now, you emphasized that the problems would exist in, particularly in, those ETFs that never should've existed in the first place. I'd like to talk about one of those in particular, because this just blows my mind that this can be happening. But more than a year ago, I had Raoul Pal on this program, and he raised a red flag about an institutional trade, something that really only institutions have the sophistication to put on, which is a lot of pensions we're trying to create income by shorting VIX futures and basically exploiting the contango yield that existed there, and Raoul talked about why that was an incredibly stupid idea, and I think he actually remarked in that interview, thankfully it's something that requires enough sophistication that only the people who ought to know better are able to put it on. Well, what's happened since then is the creation of the XIV, which is the inverse VIX, and that has actually gotten to the point where its trading size is larger than the VXX, which is the not inverse VIX ETF. I saw a, it was actually an interaction on Twitter, where one of the traders there described his experience of eating out in a restaurant, and the waitress at the restaurant is short the VIX through the XIV ETF in order to exploit that contango yield. There's this old expression, "what could go wrong here", what could go wrong there, Ben, and, you know, in situation like that, where we have an ETF like XIV, the people who are invested in it, I'm convinced, have absolutely no clue how it works or why that contango yield has been there. What could happen when this all starts to unwind?

Ben: Well, look, what you're describing is the prototypical notion of picking up pennies in front of the steam roller, right. Now, let me say this, right, Wall Street is built on the idea of picking up pennies in front of the steam roller, right, so for the last eight years, the biggest source of profit for the Street has been selling volatility. It's been the, I'll call it, the whack-a-mole model of understanding volatility. Whenever volatility spikes up, you whack it on the head, you sell it, you sell that insurance policy. You sell it sell it sell it sell it, because when the tide is coming in, when you've got that central bank put behind you, when you've got the central banks buying $2 trillion worth of stuff every year, you want to be selling volatility. You absolutely want to be selling that insurance policy. You absolutely want to be playing the whack-a-mole game with the VIX, where again, every time it pops up because people get nervous about this political event, or that political event, you whack it on the head by selling it. That has been the absolute dominant winning strategy for hedge funds and the Street alike over the last eight years. And what you always get in these kind of fantasy, these, you know, last gasps of a golden age, you get it expanding into the popular consciousness. With something like the XIV, with something like, you know, in my case, it was an Uber driver who was asking me about, you know, should he put more money into the FANGs or, you know, artificial intelligence, it's all the course, right, so those of us, you know, like you and me, Erik, who've been around the block a little of while, you know, we see these things come, and then we see them go, and when they go, when they break, is when the tide goes out. So, you know, this is, there really is nothing new under the sun, this process of what we're seeing in terms of "financial innovation" is as old as trading in markets itself, and these cycles that happen, and the cycles are always based on liquidity, the amount of money that's coming in or going forward, coming out of the system, those are the inflection points for when these things break, and that's the point I think we're at. And again, this isn't an immediate thing, it's not like tomorrow, oh my god, I think volatility is going to spike, and all this stuff is going to get wiped out, but this is an, it's an absolute deflection point, it's a word to the wise for investors that if you've been investing on the basis of, the Fed has always got your back, and the Fed is your friend, that's changing now, and we need to prepare ourselves, and certainly not get sucked into the strategies that work really well when the tide is coming in, not pursue those now that the tide is coming out.

Erik: Another area where there's been a lot of excess built up is real estate, not so much in the US at this point, but a lot of people think that both Canadian and Australian real estate, residential real estate, has hit a bubble stage that some people think is even more extreme than what the United States got to around 2005/2006. Do you agree that there's a lot of risk there? And if so, what does it mean, because of course US real estate loans were securitized, Canadian and Australian are not securitized, so if there's a trade there, is it shorting the banks? What potentially could happen in terms of these inflated real estate markets that still exist around the world?

Ben: Well, so first of all, yes, absolutely I think that's exactly, there is a significant bubble on the housing side in both Australia and Canada, but here's what I also think. I don't know how to short that. I don't know how to short it, and I'll tell you why, and look, in my hedge fund, I was absolutely shorting mortgage back securities here in the US, you know, 2008 was a career year for me, because of the property bubble bursting here in the States, but the problem, here's the problem with trying to set up that trade, right, in either Canada or Australia, it's almost impossible to short mortgage back securities, the credit default swaps and if you're trying then to short the lenders themselves, well, unfortunately, you've got a Buffett, a Warren Buffett Put underneath those subprime lenders, right, since he bailed out home capital group right, so it's, I don't know, maybe it's Canadian home builders, or you know, maybe it's Australian lenders or the like. The problem is, can you find that pure play, can you find the market depth there to set that up as trade, and my answer, at least, I haven't been able to find it, right, so here's the scary thing about that, because there's, and this is why short sellers are so important in any market, because there's no, or I haven't been able to find a way to express a short view on this bubble, that explains why that bubble persists. It allows the bubble to keep inflating, and it makes that bubble bursting, whenever it happens, and however it happens, you know, maybe again, with global rates rising, that can certainly put a dent in that bubble, if you get even a hiccup in terms of the real economy, in terms even a whiff of recession, that can obviously pop that bubble as well. When that bubble bursts, it's going to hurt ordinary people, the home owners, the borrowers, that much more. So, you know, the long winded response is something I feel passionately about, yes, absolutely I think there's a bubble, and no, I don't know how to short that bubble. And what that means is that because I can't short it, that bubble is going to get bigger, and it's going to make it more difficult on real people when it does ultimately burst.

Erik: So, to summarize, it sounds like really the main point here is, recognize we're just after high tide, this…

Ben: You got it.

Erik: ...flow that we're so used to and we've gotten so accustomed to, younger people in the business have only every experienced a flood tide. Now, we're about to experience an ebb tide, which none of us have recent experience with, some people have no experience with, and it's going to be a changing game.

Before we close though, I'd like to shift gears and just switch to a lot of people are very very familiar with Epsilon Theory, because it's one of the most popular blogs on the internet, but as far as what you guys do at Salient Partners, I think it's pretty diverse product offering. Fill us in quickly, what is it that you actually do in your day job, and what is offered at Salient?

Ben: No, thanks for that opportunity. So, Salient manages about $14 billion, it started in Houston, Texas. Now, we're in Houston and San Francisco. Our money management business is really focused on, I'll call it, and I don't mean this pejoratively, niche strategies, right, so, they're mostly expressed in mutual funds, and 40x mutual funds. We also have, though, some separately managed accounts for institutional investors. But, so, for example, we have what I think is a very strong real assets business. And that expresses itself with energy infrastructure, and now PE, mutual funds, it expresses itself in certain places or areas of the REIT market, for example a mutual fund that really focuses REIT preferreds. So, again, I celebrate that word, niche strategy, rather than, you know, I don't mean that as a bad word at all, I love the niche strategies that Salient has, because these are the sort of strategies where I think our active management, and these are actively management, it's where I think can make a difference. So, thanks for giving me the opportunity to mention Salient there. It's a company I just couldn't be more proud of.

Erik: Well, and it sound like you're very well positioned to be prepared with cognizance of the fact that the tide is changing. So, I can't thank you enough for a fantastic interview. Stay tuned, everybody, as Kevin Muir will be joining Patrick Ceresna and I as MacroVoices continues right here at Macrovoices.com