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Created & Maintained by Michael Medici
Twitter: @MikeRMedici
Website: www.redpillecon.com
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United States, Federal Reserve & US Dollar

Date	Speaker	Knowledge	Trade Strategy
10/27/2016	Erik Townsend	-Friday DXY had big move higher trading with a 99 handle at some times, closed 98.87 around close on Thursday -True breakout would be above previous cycle high around 104 -Got a pullback earlier this week down to 98.31 recovered the rest of the week	
10/27/2016	Hugh Hendry	-Too early to say it's a breakout, but the conjecture of a breakout is appealing because it would be a breakout of a 30-40 yr trend, which means it could be very powerful -Believes US economy has re-engineered itself making it through a nearly 20% rise since Jackson Hole meeting in Aug 2014 (80 > 104). Caused subpar growth, but that has now been recycled and the US Economy can operate robustly with where the dollar trades presently -Steepening yield curve indicates we are go for a rate increase in December, what happens next? -Situation 1: Fed hikes but indicates it will continue to be slow (maybe 25 bps a year) wants to be behind the curve waiting to see inflation, permit inflation running higher in order to offset undershooting the last few years -Already seeing TIPS beginning to trend against nominal equivalent (environment which would be helpful for Gold) -Situation 2: Fed indicates it feels like it can raise rates more rapidly in which case view on Dollar rally is valid, move quickly to 105-110 range, which may act as a break on the US Economy -Fed gets hard time for not having raised rates more, but currency did the policy tightening	-Currently long USD

United States, Federal Reserve & US Dollar

Date	Speaker	Knowledge	Trade Strategy
10/20/2016	Aaron Chan	-Daily close above 97.50 for DXY and has stayed above	
10/20/2016	Erik Townsend	-Not sure it's a true upside breakout, got the retest of resistance turning to support, but not everybody piled in all at once -Post ECB meeting bumped up to 98.50 -Next major test around $102-103	-Has bought the DXY, waiting on a drop in gold to leg into the other half of the long Gold long Dollar trade
10/20/2016	Robin Griffiths	-DXY has been in sideways trading range (92-100) for nearly 2 years now -Previously, most fluctuations took place above the moving averages most technical analyst used, now taking place below those moving averages -In new normal, people have been herded into Dollar, so a fall in DXY that would typically be bullish for US exports would actually cause panic, devaluing the cash in their hands -If DXY breaks out, US exports would be less competitive but people who panic into the dollar would get a boost in buying power -No demographic reason for DXY to go up, it would only go up because everything else in the world was going down -Could argue any move in DXY outside of range would be bearish because it would add another destabilizing force to an already unstable world	
10/20/2016	Robin Griffiths	-Whoever wins the election will reside over grueling economy, possibly even a recession -World seems to be voting against typical politicians	
10/20/2016	Erik Townsend	-Equity selloff will result in reaction function back into USD and Treasuries -At the end of the day CB reserve assets will be denominated in USD because it is the only market deep enough and liquid enough	
10/20/2016	Erik Townsend	-Hillary wants to pick a fight with Russia, could fuel a global conflict, high of a risk now as any time since the Cold War -Trump could cause issues with Mexico and trade war, eventually actual war with China	

Date	Speaker	Knowledge	Trade Strategy
10/13/2016	Erik Townsend	-"Hillary win = big upside for markets" has faded -Foolish to assume Trump can't win. "Brexit" event - polls clear Hillary winning and Donald wins	
10/13/2016	Erik Townsend	-DXY breakout above $97.50, got a daily close above that, traded all the way up to $98.12. Hasn't stayed above the level long enough to be confirmed breakout. Hasn't retested for support	
10/13/2016	Mark Yusko	-Think Dollar has peaked, historically Dollar peaks when Fed raises rates -Technical - gigantic bear flag -Dollar due for a long slow deterioration away from its position of only reserve currency, came to light with Renminbi insertion into the SDR -Misplaced belief that the Fed will raise, don't think they will raise this year or even next year as they will be faced with recession in the US -Decline of petrodollar - China/Russia doing oil trade directly in Renminbi -Global trade is declining, rise of populism, protectionism, isolationism	
10/13/2016	Mark Yusko	-Candidate dropping out wouldn't be good, maybe if Trump drops out it could be positive -In most cases, after 8 year presidency there is a recession within the next year -If incumbent party wins after 8 year presidency that's better for the market - more certainty -When President and Congress are different parties usually better for market - keeps spending down	

United States, Federal Reserve & US Dollar

Date	Speaker	Knowledge	Trade Strategy
10/6/2016	Erik Townsend	-Breakout above 200 day moving average was significant, spot $96.71 on Thurs afternoon, resistance somewhere in the $97 range	
10/6/2016	Simon Hunt	-Over next month or two expects a stronger dollar driven by Washington antics -By middle of next year will begin to see secular fall in the dollar - large part of the world has grown tired of America's arrogance, financial antics -More and more of world trade will be conducted outside of the Dollar denominated system	
10/6/2016	Erik Townsend	-Next president of the US will need to be very comfortable with deficit spending and expect to see fiscal stimulus in size -Will probably work in the short term (or at least be perceived as successful) and can get away with it in this low rate environment, when rates are forced upwards you're in trouble	

Date	Speaker	Knowledge	Trade Strategy
9/29/2016	Aaron Chan	-DXY has calmed down now that there are no more FOMC meetings before the election, trading at $95 handle	
9/29/2016	Erik Townsend	-Presidential election driving everything for next few months, no reason for Fed to admit their hiking cycle is over until after the election -Trump could continue rhetoric of needing to normalize rates while surging in polls resulting in a takeoff in the DXY, pressure on Gold	
9/29/2016	Michael Lebowitz	-Central Bankers will continue to keep doing what they are doing, probably see negative rates -This entire economy is built on trust, confidence and faith - need politicians, consumers & investors to keep believing in them - criticism has begun to increase -People starting to figure out that the Fed doesn't have the answers - may even start to realize they are causing these problems	
9/29/2016	Erik Townsend	-Negative interest rates incentivize people to deplete savings by spending	
9/29/2016	Michael Lebowitz	-Getting rid of cash is downright scary - it's really not about criminal activity	
9/29/2016	Erik Townsend	-Funny thing is criminals will probably start transacting in precious metals if cash is banned to allow negative interest rates, when negative IR eventually cripples economy criminals will have all the precious metals	
9/29/2016	Michael Lebowitz	-Clinton is status quo, Yellen keeps her job and possible infrastructure spending -Trump has ability to break the trade, Yellen job in jeopardy, could damage Fed credibility, things could get volatile -Trump has possibility to damage companies by changing trade deals	-No reason not to own (trade) volatility here
9/29/2016	Erik Townsend	-Think were in the deflation before the inflation - dollar continue to head higher, but eventual collapse of the dollar will happen...someday	

United States, Federal Reserve & US Dollar

Date	Speaker	Knowledge	Trade Strategy
9/22/2016	Erik Townsend	-Still in trading range, maintains bullish view of USD moving out of range to upside in long term -Think we're getting closer and closer to Fed admitting economy is slow and aborting rate hike cycle, this could send dollar lower -Hasn't shorted market, thinks election will have major effect and hard to tell who will win -Hillary election = more accommodation, business as usual -Trump - has railed against the Fed, but wouldn't want to crash markets, it's a Wild Card	-Considering lottery ticket trade - out of the money puts
9/22/2016	Erik Townsend	-Surprised by how quickly Equities responded to upside, DXY to downside. DXY still in consolidation range -Thinks DXY held in range because expectations of Fed hike in December, Fed admitting otherwise could send DXY to $91	
9/22/2016	Alex Gurevich	-Not surprised by rally, market was trapped in 'bearish bond', hike would have caused risk off shock, rallying in long end of yield curve, temporary rally in DXY, temporary sell of in Stocks -Technical pressure on yield curve and bond market coming from ECB and BOJ -Have established strong pattern of ECB and BOJ disappointing over the last year -Yield rise in Japan pulled US yield up, relief of nothing happening with the Fed pulled yields back -Market was pricing in 20% on Fed Fund Futures, thought likelihood more like 3%, couldn't imagine hiking with probability that low, no "surprise hikes' since 1994 -Some primary dealers/researchers putting out hike opinions was able to scare market upward, got relieved by meeting results	
9/22/2016	Alex Gurevich	-Think of DXY in terms of "Concurrent Necessity", Long DXY is dominant trade, concurrent necessity with rate hikes -People saying DXY rally was over we're saying so due to belief that hiking cycle was over, however yield curve is still pricing in hiking cycle -Can't price one asset (DXY) based on non-market projection of another asset, so to price DXY you have to look at Yield Curve -USD v Developed Markets is a policy game, USD v Emerging Markets is a growth and risk game -Carry on USD v CHF 2% which is huge considering contained volatility -10 Yr Forwards on Euro (pricing in US yield curve) around 1.35, pretty high versus Alex's equilibrium value of 1.20	-if you think yield curve will rally, correct trade is to be long bonds -if you think that is not the case correct trade is to be long dollar -Long dollar can succeed without hiking cycle by Fed because of other central banks -DXY will rally if we have hiking cycle, DXY may or may not rally if we don't, so Long Dollar is dominant trade -Long *Long-Dated* Bonds will preform well with no hikes, you'll just keep earning carry, with hikes yield curve will flatten, DXY rally supporting long end of the curve
9/22/2016	Alex Gurevich	-Once you have a hiking cycle interrupted, history says next move is an ease. Very rare to pause a hiking cycle then continue hiking, and usually the ease comes quicker than people expect -Historical patterns good way to gauge what is likely to happen, doesn't have to happen, but if it's happened every time for the last 30 years it's it'll probably happen again -Must consider other factors, like the Fed clearly saying they want to hike, but don't be blind to possibility of easing	
9/22/2016	Alex Gurevich	-Clinton presidency is "business as usual". Hard to determine how market will respond. Could cause relief rally in stock markets, or sell-off as nothing has changed. Could have relief rally in bond markets -Have to pay attention when candidates say things that are outliers, Trump wants to increase infrastructure (increase debt), has mentioned not paying 100% on UST -Cannot disregard 'fear factor' associated with this election -As Trump surged saw push down in Treasuries -Also noticed Inverted swap spreads, Long dated trading at Libor +50, medium term treasuries trading at Libor +10 Libor +15, could have to due with Dodd Frank, but could also be pricing credit risk on UST -Clinton winning could rectify swap spreads	

United States, Federal Reserve & US Dollar

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9/15/2016	Erik Townsend	-Still in trading range, maintains bullish view of USD moving out of range to upside in long term -Think we're getting closer and closer to Fed admitting economy is slow and aborting rate hike cycle, this could send dollar lower	
9/15/2016	Raoul Pal	-Still think dollar is going to rise, taking longer than expected -Libor and Eurodollar funding markets suggest Euro should go to parity based on interest rate differential as US IR have shot higher -Probability suggests that this is a pause in the dollar rally, even if US struggles it will remain relatively strong compared to the rest of the world	
9/15/2016	Erik Townsend	-May actually see a short term dip in dollar market if Fed has to admit the economy is not strong and has to temper rate hike expectations	
9/15/2016	Raoul Pal	-Think that is possible, but USD isn't only about Fed monetary policy, it's a much more structural issue with $10 TN short position in USD and funding issues of the position -DXY may to go $92 temporarily, but thinks next major move ($10+) is higher	
9/15/2016	Raoul Pal	-Fed possibly trying to create a positively sloping yield curve to help banking sector -Based on Biz cycle, probability of Fed to do something is very low	-Long Bond!
9/15/2016	Erik Townsend	-Jeffrey Christian pointed out last week that banks are disincentivized to loan money when they can earn 25 bps on excess reserves with the Fed	
9/15/2016	Raoul Pal	-Basel III makes it hard for banks to lend as they used to -Don't think people would borrow even if they could -Don't think banks are in position to lend or want to lend	
9/15/2016	Erik Townsend	-What could cause rate cycle to end? Something tying Fed's hands. Inflation. -Market prices fall off a cliff in face of accommodative policy move -Issue is still what would stop the Fed from continuing accommodative policy in event of market move to downside?	
9/15/2016	Erik Townsend	-QE is not literally printing money, but it is creating additional money supply out of thin air and using it to buy T-bonds -Is QE Monetization of debt? *Technically* no, because they are not buying the bonds straight from Govn't but going through a middle man, just like Clinton didn't *technically* break US drug laws	

Europe, ECB & Euro

Date	Speaker	Knowledge	Trade Strategy
10/27/2016	Erik Townsend	-Hugh said recently Brexit helped reassign probabilities of questioning the Euro similar to when UK left Gold standard in 1931 (Went from 45 members to 12 members), is Brexit going to create exit contagion or blow over?	
10/27/2016	Hugh Hendry	-Yield spread between 10 Yr Italian bond future and German 10 Yr Bund - 130 bps, before Financial Crisis that spread was 30 - Europe had converged there was no sovereign risk -Height of Greece crisis Italian German spread blew out to 600 bps -Every 100 bps of movement in tends to suggest 10% rise in probability of regime change -Went from no probability, to greater than 50% probability to now about 10% probability that the system breaks - thinks it's higher than that -Failure to resolve problem with banking system which is more important in Europe given size and importance of credit mechanism vs. US, that probability is too low, believe it will creep higher -This is especially true given the relatively busy timetable for European politics - Italian referendum (Dec) French election (Apr) German & Dutch elections - think Brexit fears will resurface again especially in France - right wing Lapen an almost certainty to go into the run-off -More likely to be a stable strong European nation that rejects the status quo than a weak economy not being able to bear the pain of remaining - will say upside rewards of remaining in the system just don't seem apparent -Referendum in Italy which seemed like a good thing (allowing uninterrupted pursuit of policy for 5 years for winning party) has turned into commentary on current Prime Minister popularity, who is struggling from malaise due to the fact that Europe just isn't working -Brexit moving Europe from rewards based system (better together) to punishment based, systems like that do not last long -Spread hasn't gone below 100 bps since March 2014 - despite ECB QE, can't see it happening unless ECB gets permission to buy sovereign bonds other than Bundesbank -Other half of trade plays to the fact that QE undermines profitability of banking sector -Bundesbank believes economic recovery is determined by strong, risk seeking banks. You don't get that with QE -Seen a rally in European/Global banks by 30% in last few months on expectation of higher interest rates, inconsistent with fact that Europe needs easier policy	-Long spread between Italian and German Bonds, has notion of being asymmetric, can't see ECB getting permission to buy Italian bonds, line has held for 2.5 yrs, but if another country challenges to leave EU could see spread trading 300-400 bps higher -Was a negative carry trade, but able to conjoin with other Europe based trades to make it a positive carry trade

Europe, ECB & Euro

Date	Speaker	Knowledge	Trade Strategy
10/13/2016	Aaron Chan	-GBP crashed by 6% against USD in Asian trading Friday morning	
10/13/2016	Erik Townsend	-HFT has driven human liquidity traders out of the system	
10/13/2016	Mark Yusko	-DB "is" Germany, it is systematic to the German economy. It is too big to fail. Period. -Won't even have to be supported by the Government, DB is a valuable asset -Can't compare leverage ratios in Europe to US banks because they can't push off liabilities onto GSEs- Fannie & Freddie -Qatari Royal Family said they'd think about increasing their holdings in DB -Thought Chinese were artificially pushing down DB to try to buy the whole thing and own the European banking market	

Date	Speaker	Knowledge	Trade Strategy
9/29/2016	Michael Lebowitz	-Brexit - people are looking for anything different -Legislators yet to pass Article 50 setting Brexit in motion, but we are seeing fractures in the European system -Also geopolitical issues with migrant crisis, but underneath all of this is the economic issues - wealth distribution is getting worse because of central bank policy	
9/29/2016	Michael Lebowitz	-Scary that ECB is buying corporate bonds	

Date	Speaker	Knowledge	Trade Strategy
9/22/2016	Alex Gurevich	-Brexit is a serious risk, was in the unpopular "leave" camp, right thing for UK, wasn't a pessimist on European economy, but migrant crisis and political problems increased pessimism -Developed world politics becoming much more of a risk than they used to be -Declining population in core of Europe with inflow of very different culture -Major migrations are highly destabilizing for countries receiving inflows of people	
9/22/2016	Alex Gurevich	-How would disbanding EU affect Euro? Could be paradoxical, if everyone else leaves and Euro is just Deutsche Mark would need to strengthen v dollar	-Short Euro still a good trade, if Europe proceeds with current yield curve will see negative real interest rates (against 1% - 2% inflation) while in US curve projections real IR moving towards 0 or positive real IR.
9/22/2016	Erik Townsend	-Germany being the last country in EU is just one scenario among many. What if Germany is the first to leave?	

Europe, ECB & Euro

Date	Speaker	Knowledge	Trade Strategy
9/15/2016	Raoul Pal	-Had previously said Brexit likely to be remembered in long run as beginning of end of EU -Populist movement growing out of discontent (German right, Italy, French right, America) -Catalysts of various European elections (Spanish have failed to hold a Govn't together for 9 months, going into 3rd election) -Brexit shifted odds of something happening in Europe higher as it showed people can reject the status quo (adds pressure to countries like Spain, Greece)	
9/15/2016	Raoul Pal	-3 years ago noticed DB looked concerning, CS also looked bad -Rolled into Italian banks then into Spanish banks (recently hit all time lows again) -Systemic issues - Negative IR, Regulation, Bad Loans -DB has enormous Derivatives risk -European banks driving Eurodollar funding market tightness -Swap lines are in place for Fed to supply dollars to Eurodollar market -Libor keeps moving higher, highly correlated to DB -Biz cycle - France basically in recession, Germany weakening, Spain OK. If we weaken significantly will see issues in Banking system and political system	
9/15/2016	Erik Townsend	-Banks net derivative risk, this doesn't work because if one counterparty fails you're now exposed to the other position	
9/15/2016	Raoul Pal	-Much bigger risk - Clearing and Custody System DTCC (America) Euroclear (Europe) government bonds that are the heart of the derivative system are lent out ~30 times, so nobody actually has full claim on the bonds, so if one country in Europe (ex Santander and Spain go bust) the systemic problems in derivative industry is beyond imagination -System cannot allow sovereign risk then there is no risk free collateral -Spanish Pension system 90% in Govn't bonds -May not be huge leverage on Spanish Govn't bonds, but huge bank leverage with Spanish Govn't bonds underneath it. Santander active in swaps/derivatives market so if sovereign debt defaults Santander either has much less collateral or can no longer fund itself	
9/15/2016	Aaron Chan	-Citi may purchase $380 BN portfolio of CDS from CS (bought $250 from DB last year) to net out own derivatives book -DB is rumored to have $75 TN in derivatives	

China, PBOC & Yuan

Date	Speaker	Knowledge	Trade Strategy
10/27/2016	Erik Townsend	-Bass said PBOC will be forced to devalue, Hendry responded saying no way they would let that happen, Bass responded saying it won't be a choice due to need to recap banks	
10/27/2016	Hugh Hendry	-Believe one night overnight devaluation is unnecessary and would provoke a strong reprimand from the rest of the world -For last 10-15 years US Treasury has had to give report to Congress on China foreign currency reserves, concluded China has been a currency manipulator and currency has gained competitive advantage -With overnight 20% devaluation would see immense sanctions and import restrictions from US Japan, Korea even European nations -China would retaliate and close off to US investment -Is it necessary? China is largest creditor nation that runs huge trade surplus, not suffering from level of currency, other levers available (capital controls) -Underlying problems of Chinese economy are overplayed - issue of bad debts in banking system? Yes, but debts could easily be socialized resulting in 10% increase in Debt/GDP -Overinvestment in tier 3 cities in China was huge (maybe 20% of economic activity - 40 Weeks oversupply) have loosened internal passport system making it easier to move into those places, got rid of 1 child policy -Prices of those properties rising, inventory down from 40 to 16 weeks -China is a grown up nation - tier 1 versus tier 2 -People look at China like Thailand or Asian Tigers in 90's with huge problems due to borrowed money from overseas getting yanked. China's problems are internal. They have more autonomy of what they can do with monetary and fiscal policy -Have exercised that autonomy, stabilized the economy, favored the household sector -Saw they had susceptibility to overseas demand - tried to focused on domestic growth - allowed wages to rise, captured more of Chinese productivity gains. Had previously squashed household sector to promote Chinese exports, pivoted about 5 years ago -China consumption was only 34% of GDP - Philippines was 50% - never seen an Economy with such a low share of GDP from consumption - huge growth opportunity	

China, PBOC & Yuan

Date	Speaker	Knowledge	Trade Strategy
10/20/2016	Robin Griffiths	-When you suddenly find you need money you sell whatever you can, which would include Chinese equities -China also has a monstrous debt bubble	
10/20/2016	Robin Griffiths	-Historically speaking moved from Europe dominating to America dominating and will move to China and then India dominating - highest population and economic growth -Their culture treats Gold as Money, China already the largest single miner of Gold, building up reserves, only buy when price suits them	

Date	Speaker	Knowledge	Trade Strategy
10/13/2016	Erik Townsend	-China population between 1.3 and 1.6 BN - rounding error equal to size of US Population -At the same time, not as rich as US Population	
10/13/2016	Mark Yusko	-Most exciting patterns are in Chinese shift to a consumer economy - Ecommerce and Healthcare most likely to benefit -75 Million people in China have bought something using E-Commerce - more than the entire combined population of US and Europe -Will be largest consumer market for next 10-15 years until it is surpassed by India -McKinsey - Chinese Ecommerce market will have 26% CAGR over next 10 years, Mobile at 52% meaning market for Ecommerce will be 66x larger than today -Alibaba - largest Ecommerce company - mobile payments platform undervalued, ANT financial, Money market account (became 3rd largest money market account in the world in months) - Huge network effects - Paul Roemer - Network grows larger it becomes exponentially more valuable -China doesn't allow large US companies to compete in China -Not sure of a lot, but are certain they will eat out more in China over the next few decades -Last 50 years 5 sectors have dominated US - Consumer Retail, Staples, Tech, Healthcare and Energy - will dominate in China next	

China, PBOC & Yuan

Date	Speaker	Knowledge	Trade Strategy
10/6/2016	Simon Hunt	-Govn't in place in during financial crisis came from power base in local government and provinces - assets in that area suffered from initial '08-'09 recession, pumped in massive amounts of credit - much of which fed back into government rather than real economy -When President Xi came into office there was risk of party losing power as masses began to rebel against corruption, in order to maintain control & get masses back on board decided there had to be significant restructuring of the economy based on the center taking control & powerful anti-corruption drive (been going on for 3+ years) -Part of what happened is global growth slowed, commodity prices collapsed leaving Chinese economy with enormous undisclosed debts -President Xi decided debt issue had to be confronted - Letter in People's Daily May 18th - debt cannot go on forever, need restructuring, there will be pain -Took a long time for Xi to appreciate depth of problem - size of debt between companies with interwoven supply chains was enormous - potential for chain reaction. -Govn't has realized that can't take a sledgehammer to debt problem it has to be a very thoughtful, slow process. That's what's happening now -State owned company was made bankrupt - creditors pushed it (main creditor was government) - State owned companies being made bankrupt with full support of its creditors -Banks have got very tough in private sector - where they see little sign of recovery (bad management, debt) they are pulling the plug -Companies that banks were previously supporting are finding that the credit they had in the west is no longer there	
10/6/2016	Simon Hunt	-What happens now? In private sector and SOE sector profits are starting to improve - bad credit expunged, cash management improved by necessity - last two month profit numbers have surged -China is on the right path - government knows it must continue to restructure and reform, has been slowed down between political battle between Premier Li and President Xi -Monetary policy is accommodative, true M1 rising rapidly, profitability of industry improving, infrastructure spending improving (recently released 25 infrastructure projects) -Recovery coming through, already started, will gather speed into end of this year and certainly into next year	
10/6/2016	Erik Townsend	-Summary: massive credit expansion since financial crisis, got out of control at one point to where it was fueling corruption, government crackdown this spring now under control	
10/6/2016	Simon Hunt	-One can surmise there was an internal battle at IMF to allow Renminbi to be included in SDR which happened Oct 1 -Protagonists - led by America - probably voted against, China also probably used various levers to make sure it was included -Every time Fed has said they were going to increase interest rates, PBOC made sure Yuan had a dive -One could argue that real monetary policy no longer being managed out of Washington but rather out of Beijing -Expect to see a stronger Dollar over the next few months which will prick commodities and commodity producing countries and asset values, various support measures will be introduced and real, underlying financial structure will shift from deflation to inflation environment supported by infrastructure paid for by fiscal deficit spending	

China, PBOC & Yuan

Date	Speaker	Knowledge	Trade Strategy
10/6/2016	Erik Townsend	-Bass opined PBOC will be forced to devalue Yuan to deal with unwind of massive credit expansion -Hendrie says that's ridiculous, consequences of major devaluation would be so extreme that they cannot possibly afford to do that, no way it happens. -Bass - not saying they're going to want to, they'll HAVE to even against their greatest resistance. Forced to recap banks as all bad credit unwinds and in recap they'll be forced to devalue dramatically	
10/6/2016	Simon Hunt	-People are forgetting China's long term growth will be double that of advanced economies of western world (4% v 2%) so that's one way debt can be washed out -If China wanted to tomorrow they could wash out the debt, but consequences on the rest of the world would be dire. Most of China's debt is internal -Emotional argument with Renminbi - President Xi views strong Renminbi as showing strong leadership and strong economy - won't allow it to collapse -Now that Renminbi is within SDR they can use the SDR to defend the Renminbi if they want -PBOC has firm commitment to continue reducing its holdings of UST and other American debt, they see it as a nil long term investment, some proceeds of selling that debt is held in cash that can be put to use at appropriate time (Infrastructure projects or Asian currencies where they see better returns)	
10/6/2016	Erik Townsend	-Has heard China is stockpiling raw commodities (specifically coal and iron ore in this case)	
10/6/2016	Simon Hunt	-China is stockpiling other raw commodities as well, even in undisclosed locations -Importer of key commodities to drive their economy - if relations with US deteriorate, its quite possible US turns off one or more of trade checkpoints, and you are a planning nation like China is, you want to have a Plan B -Guess they will be significantly larger buyers over next 2 years as well -China does not want dollars - stockpiling natural resources is part of the dollar diversification program -Chinese financial system would like to see higher commodity prices - severity of non performing loans in that sector (to producers, fabricators, importers, traders etc.) is enormous	
10/6/2016	Simon Hunt	-Deep strategic alliance between China and Russia - It's military, economic, financial, cultural -Been brought about by force of circumstances - both realized America wanted to contain the center (whole of central Asia) from becoming global power. Found alliance to be mutually profitable -China sending "peacekeepers" to Syria to aid Russia -Major shift in global chessboard centered around Russia, China, Iran, Iraq, BRICS countries even Turkey (essentially creating an Anti-NATO), could potentially be in for a horrible shock, even before the presidential election	
10/6/2016	Simon Hunt	-Trump - initial emotional reaction, when sanity sets in will be positive -Hillary - initial emotional uptick, then people will look closely and get very worried	
10/6/2016	Erik Townsend	-No precedent for unwind of this size, high risk of cataclysmic unwind, risk so high and result so dire that policies taken so far have been reckless	

China, PBOC & Yuan

Date	Speaker	Knowledge	Trade Strategy
9/22/2016	Alex Gurevich	-When there is uncertainty in government data, try to stick to things we know for sure, like the $30TN in private debt in China -Largest amount of private debt ever, one of the largest relative to GDP debts, one of the fastest growing debts, both nominal and relative terms -No historical precedence for this amount of debt not ending in some catastrophic unwind -Historically, when China starts to gain imperial power they find a way to blow up -These are two historical patterns going in the same direction (Debt Unwind, China Self-destruction) -Typical way to deal with this is devaluation, capital flow pressure is still outward	-Straight Long USD v CNY is a good trade, not betting on specific timing -Compare DXY v USD v CNY the second is doing much better -Have to beat some carry -If you're wrong, CNY holds this level, you lose carry, right you might make a little above carry, with call option of catastrophic unwind
9/22/2016	Erik Townsend	-Big mistake is thinking that inevitable = imminent	

Date	Speaker	Knowledge	Trade Strategy
9/15/2016	Raoul Pal	-Flight capital subdued because dollar is subdued -Bullish thesis from investors in HK - in the event nothing happens EM does OK, but if USD rises all bets are off	

Japan, BOJ & Yen

Date	Speaker	Knowledge	Trade Strategy
10/27/2016	Hugh Hendry	-Benign towards Japan - BOJ yield curve control was very dovish, said they want to see inflation overshooting target - don't want incipient inflationary pressures having private sector move interest rates higher -Policy error out of Europe, repatriation of money into Japan pushing up Yen, would they prevent 10 yr yields going above 0%? -Think Japan would allow private sector to push rates negative, others disagree think they'd sell Yen which may confound problems -Given open pass to Japanese government to spend more money, could abolish corporate tax and become a island of enterprise and enter others which would get things moving quickly -At cultural and political level more homogenous versus Europe which is trying to fit many different experiences into a once-size-fits-all	

Date	Speaker	Knowledge	Trade Strategy
9/29/2016	Erik Townsend	-Japan has the worst demographics and productivity	
9/29/2016	Michael Lebowitz	-Demographics are worst, productivity in decline, loaded up the boat on credit, not allowing immigration which could help demographics -Also poster child for Central Banks - somehow staved off bankruptcy despite stunning Debt/GDP numbers -Japans new targeting of yield curve is worrisome - investors and companies use it as a barometer - basically solving global warming by manipulating thermometer readings - getting rid of tool we could use to more efficiently allocate capital -Scary that BOJ is buying equities, could pave the way for ECB, Fed	

Date	Speaker	Knowledge	Trade Strategy
9/22/2016	Alex Gurevich	-15% strengthening of Yen, accompanied with strong correlative performance of Nikkei, imagine if BOJ gets traction and Yen weakens	-Long Nikkei, favorite stock market
9/22/2016	Alex Gurevich	-Being long USD v JPY was one of the best trades (2010-2015) -Covered profits along the way, trade started to go against him, rebuilding now -Found a line in the sand ~100, basing is beginning, could it go a few points lower, probably, probably won't go to ~70 though. -On a long term horizon, Gundlach sees it go to 200 -BOJ still expanding monetary base, if you keep making more of something it will get cheaper	-Building again long USD v JPY trade

Equity Markets

Date	Speaker	Knowledge	Trade Strategy
10/27/2016	Aaron Chan	-S&P traded as high as 2,150 closed Thurs 2,127	
10/27/2016	Erik Townsend	-If you draw line from closing print instead of intraday low we are still just barely above the long term bullish trend line since 2/11/16 -Close below 2,210/2,125 would be bearish	
10/27/2016	Hugh Hendry	-Managing money is basically predicting the future, which is impossible, so puts a time stop loss on views (2 years) was stopped out of his bearish view on the markets -Missed out on 2013 global rally of 30% -Took exception to morality he chose to pursue of in judgement of central banks, not the role of a hedge fund manager -Policy did a good job based on fact we did not get a depression, US economy in longest expansions in last 50-60 years, despite modest expansion has occurred without private household sector taking on more debt -Compared to Europe disaster (raised IR in 2013), didn't have unified view until 2015 to be accommodative, ordinary households suffered more in Europe compared to US -Believes Bernanke was right, engineered a sustainable US recovery	
10/27/2016	Hugh Hendry	-Genius of market based economy is that it brings together debtors (people with ideas but no money) with creditors (people with no idea but money) -Creditors we over rewarded before resulting in two issues - high Debt/GDP making economy vulnerable to shocks, and wealth inequality with creditors getting richer and richer - all a function of Interest Rate being too high -QE changed this lever that moved wealth from borrowers to lenders, now if your bank is lending you money it's doing so at a great level for borrowers -Over the last 40 years, S&P has lost 80% of vol adjusted value against 10 Yr treasuries despite Google, Facebook, Microsoft, Apple, China Boom - says value was transferred to creditors -Since QE American stocks have stopped underperforming Govn't bonds on vol adjusted basis as now you are not overpaying for credit	

Equity Markets

Date	Speaker	Knowledge	Trade Strategy
10/20/2016	Aaron Chan	-S&P traded as high as 2,134 closed Thurs 2,135	
10/20/2016	Erik Townsend	-Market waiting for election to be over, wouldn't be surprised if we got a rally after election because uncertainty is over, possibly making a final high -Trend line since 2/11/16 was broken, most technicians saying close below 2,125 would be extremely bearish	
10/20/2016	Robin Griffiths	-Almost all markets in the world are in a bear market and have been for over a year -S&P is where it is due partly because intervention and 5-8 stocks like (Google, Amazon, Apple, Facebook) have been holding the index up -Walmart, GE, IBM says were in a bear market, seeing a bear market rally -CB intervention doesn't allow a steady bear market, it increases chances of flash crash -CAPE P/E on US market would indicate fall of 50%, to be cheap 75% -If we go below 200 day moving average think algos will start shorting like crazy -The public isn't buying the market, most are taking money out to support living expenses -Top 1-5% doing very well, average guy not doing well at all, feel like someone is screwing them and it is causing social unrest. Comparing this to historical precedent always followed by a recession, sometimes followed by a depression and occasionally followed by war	
10/20/2016	Robin Griffiths	-Equity low late 2017, after that we'll have a base building period -Type of equities picking up will be those related to real assets (commodity related stock) and the currencies associated with them (CAD, AUD) -Real industrial sector will take time to build a base before starting a bull market	

Date	Speaker	Knowledge	Trade Strategy
10/13/2016	Aaron Chan	-S&P hit 2,107 - support level broken intraday before rebounding on Thursday, closed 2,126	
10/13/2016	Erik Townsend	-Election volatility has decreased, during debate Hillary winning lead to small increases in S&P futures, Trump winning the opposite. Smart money buying S&P puts	
10/13/2016	Mark Yusko	-We've been overvalued for a number of years, haven't had the decline that's been expected -Had projected it happening last year, had to push it out when he realized CB's were committed to this "liquidity parade" -Thinks this is 2000.2 - 2000 was highest valuations in history, now we're at second highest, median P/E even higher than 2000 -In 2000 there was still things that were cheap - Bonds, REITs, Today there is nothing that's cheap. Bonds are overvalued, Stocks of all industries are overvalued -Exxon Mobil historical P/E: 12x. "Smart Beta" (oxymoron) ETFs have bid it up to 35x -Every smart person I know who managers their own money - Soros, Robertson, Grantham, Klarman, Buffett all flush with cash -Risk Reward is totally off - you might miss the top 10% of the market but you'd also miss the typical 30%-40% decline. You'd have $1 instead of $0.68 -2000 - market down 9%, 2001 - 12% 2002 - 22%, same thing will play out here, real down year will come with all debt blow ups in energy space	
10/13/2016	Erik Townsend	-Makes perfect sense, but what is different is CB's will have no hesitation to prop up asset markets, what's going to stop them from printing up a few Trillion more?	
10/13/2016	Mark Yusko	-CBs are good at jawboning now not acting. Draghi says "whatever it takes" but has run out of bonds to buy, can't buy ETF, equities like BOJ -Fed hasn't expanded balance sheet in 18 months, stock market flat for 18 months -BOJ has bought up to 50% of ETF market, Japan stock market down 20%, ECB started buying corporate bonds, European markets down 20%. Losing confidence in Central Banks	

Equity Markets

Date	Speaker	Knowledge	Trade Strategy
10/6/2016	Aaron Chan	-S&P futures rarely trading outside tight band of 2,140 - 2,160, Thurs close 2,155	
10/6/2016	Erik Townsend	-Still in consolidation range waiting for definitive election winner -Think we'll see volatility in thin liquidity trading during Sunday debate -Hillary = business as usual - Fed policy for sale to highest Wall St. bidder. If she wins expect a move much higher to what could be blow-off top.	

Date	Speaker	Knowledge	Trade Strategy
9/29/2016	Erik Townsend	-Hit 2,167 overnight (Wed) getting closer to the high print 2,191.5 (Aug) -DB taking a major plunge, coming back Thurs afternoon -Election outcome will the major influence on markets coming up	
9/29/2016	Michael Lebowitz	-Surprised by how quickly Equities responded to upside, DXY to downside. DXY still in consolidation range -Thinks DXY held in range because expectations of Fed hike in December, Fed admitting otherwise could send DXY to $91	

Date	Speaker	Knowledge	Trade Strategy
9/22/2016	Erik Townsend	-Even though Alex doesn't pay attention to "Billionaire Bears" Erik disagrees, people with this much money can move markets and if they are levered short and are proven wrong there could be a huge short covering	

Date	Speaker	Knowledge	Trade Strategy
9/15/2016	Aaron Chan	-Market off nearly 80 points from Friday - Sunday testing 2100 -Monday retraces half the move testing 2150, rolled over Tuesday trading below 2110	
9/15/2016	Erik Townsend	-Market volatility due to "will she won't she" with Janet Yellen -Fed reached point they realized they can't raise rates, but hard to admit -Historical Market Crashes - Top in August, get crazy volatility in Sept, final crash happens in October	
9/15/2016	Raoul Pal		-Went short during Brexit period but saw things bounce back, holding on to some shorts
9/15/2016	Erik Townsend	-Equities and bonds selling off at same time, breaking usual theory that one is selling off and money going into the other one	
9/15/2016	Raoul Pal	-Overcrowded strategies create risk (Risk parity is one of them) -Banks creating synthetic risk parity trades, upping amount of $ in this strategy -Also concerned about highest recorded short positions in VIX, coming from yield enhancement strategies from Pension funds, this can create margin call and required equity liquidation in event of volatility explosion (This could easily become reflexive)	

Fixed Income Markets

Date	Speaker	Knowledge	Trade Strategy
10/27/2016	Aaron Chan	-10 Yr yields up about 10 bps trading around 1.85%	
10/27/2016	Erik Townsend	-Think most likely Raoul's view of bounce to 2% then fall down to ~1% will play out	-When we get below 1% will be looking for opportunity to go short treasuries -Thinks there are better places to put money to work, not that confident either direction
10/27/2016	Erik Townsend	-We now have over $10TN of negative yielding debt, we couldn't normalize if we wanted to because debt would be unserviceable, creating mother of all liquidity traps, How do we get out of this? Unintended consequences?	
10/27/2016	Hugh Hendry	-Government can get paid to borrow in current environment yet politically don't want to run deficits -In a mature economy its very hard to create inflation, sovereign markets are too big and prices are interaction between CB and Private sector which is large enough -Historical episodes of hyperinflation didn't have private sector policeman - sovereign markets were miniscule compared to today -This is why Japan had to step in and set a upper bound at 0%, otherwise private sector would tighten policy	
10/27/2016	Erik Townsend	-Gundlach says 35 yr bull market in bonds is over, Raoul says 10 Yr is going to 1%	
10/27/2016	Hugh Hendry	-Gundlach saying yields could remain in this 1.30 to 2% range for next X years, Raoul saying it could go lower -Summer of Brexit saw convergence of US Yields to the rest of the world - meaning when you factor in foreign exchange hedging costs (OIS spread) now priced at same level -US Survives with this debt because real rates are 0% and will probably remain at 0% and my go negative. Real negative rates for the next 20-30 years will allow for unwinding of debt (Debt/GDP)	

Fixed Income Markets

Date	Speaker	Knowledge	Trade Strategy
10/20/2016	Aaron Chan	-10 Yr yields trading in high 1.70%'s closed around 1.75%	
10/20/2016	Erik Townsend	-Raoul has the right picture, we're seeing a bounce in yields before probably seeing a fall back down with a recession on the horizon -Tempting to look for a bounce above 1.80% and go long Treasuries	-Thinks there are better trades than trying to snipe the last move down from 1.8% to 1%
10/20/2016	Robin Griffiths	-Treasury yields map out Kondratiev wave, ever since end of war (1946) Treasuries (Gilts) have been going down in real purchasing power, equities going up, 30 years ago switched -Don't believe Fed wants nominally negative rates, but negative rates already existing in many western countries -People lining up for negative bonds, idea that a guarantee you'll get most of your money back is better then the chance of losing a great deal of it -Cycle work says late 2017 will be lowest low then it will be back into real assets & equities -Cheap equities backed by demographics are in places like China and India - India expensive by traditional yardsticks but cheap compared to US and has everything going for it	

Date	Speaker	Knowledge	Trade Strategy
10/13/2016	Erik Townsend	-Yields went up to 1.82% back to 1.74%, could still go to 2%, would take a recession to get yields below 1% as Raoul Pal has predicted	-Not chasing long side, waiting for long term strategic short in Treasuries
10/13/2016	Erik Townsend	-Seems people are buying bonds for capital appreciation and equities for income (Dividend) what could go wrong?	
10/13/2016	Mark Yusko	-This might be the most dangerous thing I've ever heard -People are going to lose 10 years of yield in the next correction	
10/13/2016	Erik Townsend	-People are selling VIX futures because contango is so cheap it enhances yield	
10/13/2016	Mark Yusko	-All of these trends tend towards a Minsky moment - longer you go without something the more likely you'll have a bigger version of the thing you avoid -Combining short volatility with long low volatility ETFs will make the cliff even steeper	
10/13/2016	Erik Townsend	-People are using these yield enhancement strategies in pension funds, realizing they are underfunded, now it's becoming the culture	
10/13/2016	Mark Yusko	-It's the fallacy of the advisor - if a big broker/dealer or IB is selling you this product they must have had people that did the research on it so it must be safe - totally incorrect. They're selling it because you are willing to buy it	

Date	Speaker	Knowledge	Trade Strategy
10/6/2016	Erik Townsend	-Not going to get in Long Bond trade with yields again above 1.7% at 1.72% -Gundlach makes opposite argument of Raoul Pal - saying time to go short Bonds - difference in time frame. We're at the end of 35 yr bull market in bonds, eventually yields must go higher do you really want to try to jump in at the tail end of this?	

Fixed Income Markets

Date	Speaker	Knowledge	Trade Strategy
9/29/2016	Erik Townsend	-Missed the trade going long bond when yields were at 1.7%, but lots of moving parts with presidential election coming up so not worried about being on sidelines	
9/29/2016	Michael Lebowitz	-Believe yields can go lower, any crisis could send USD flying pushing yields lower -Fundamentally we have low inflation low growth so you can make a case for lower yields -Conundrum in Bond Market - despite seeing reasons for rates to go lower, is the risk return worth it given current yields -One of the biggest concerns - marginal transactors are traders, not investors	-Is in the fixed income side

Date	Speaker	Knowledge	Trade Strategy
9/22/2016	Erik Townsend	-Yield at 1.62% but not really regretting not getting in a 1.7%, usually puts on longer term positions and there is still room to go to 2% and expect a decent amount of volatility to come -Still expecting eventual resolution down to 1%	
9/22/2016	Alex Gurevich		-Long *Long-Dated* Bonds will preform well with no hikes, you'll just keep earning carry, with hikes yield curve will flatten, DXY rally supporting long end of the curve
9/22/2016	Alex Gurevich	-Even if Fed hikes 1 time a year for 10 years you still make money or break even on 10 Yr notes -T Bonds are cheap relative to any other counterparts on a historical basis and cheap relative to swaps -Need to distinguish US interest rates defined by swap markets and interest rates as defined by US T Bonds, T Bonds starting to price credit risk	-Committed to long bond trade, increased position after BOJ going into FOMC, moving it back up to size of core position
9/22/2016	Erik Townsend	-Still think we're going to 1% yields, but man it's been 35 years of Bull Bonds can't go THAT much further, is there a pairs trade (maybe short German Bunds that's already negative yielding) that will make the trade safer	
9/22/2016	Alex Gurevich	-Don't hedge for the sake of hedging, only do a pairs trade if he likes each leg, if they happen to be correlated even better -Don't think Bunds are going anywhere, any buy would be tactical and doesn't really engage in tactical trading -Don't see any indications that occur at the end of a secular trend - no euphoria, no bullishness, no parabolic rally	-Pair Long Bond with Long Dollar is a good hedge against Hawkish policy, but doesn’t hedge against fiat weakness and steepening, gold is a better hedge for this

Fixed Income Markets

Date	Speaker	Knowledge	Trade Strategy
9/15/2016	Aaron Chan	-10 Yr Yield jumped 10 bps, up to about 1.71%	
9/15/2016	Erik Townsend	-Was looking for 1.70% yield as resistance level to put on Long 10 Yr treasury trade that has been successful so far this year -Did not put on trade guys like Gundlach, Dalio, GS saying high in bond prices, low in yield is in	-Long 10 Yr Treasury (Long Bond has been the #2 Macro call from Keith McCullough of Hedgeye since the December Rate hike (#1 being long Gold))
9/15/2016	Raoul Pal	-In April suggested 10YR Yield may hit 50 bps -Looking for stab higher (perhaps 2%?) but thinks that sows the seeds of recession case and would expect bond yields to come much lower after that -No reason to believe 10 Yr would get down to 50 bps in recession case -Risk-Reward is long bond (May go 30 bps higher to 200 bps or 130 bps lower to 50 bps)	-Closed out all bond positions (Had for the past 2 years) at the end of August thinking there would be a back-up in rates
9/15/2016	Raoul Pal	-Given the "Great & Good" of the world say rate cycle has turned, we need to look at what turns the rate cycle? It's either **inflation** or **credit risk.** -Neither of these look to be an issue at this point in time -They've all got JGB market wrong for the last 20 years -Demographic tailwinds and other reasons rates are where they are haven't gone away	
9/15/2016	Raoul Pal	-Bond yields tend to go up when we see a bottom in biz cycle, right now we are looking for the opposite	

Oil & Natural Gas

Date	Speaker	Knowledge	Trade Strategy
10/27/2016	Aaron Chan	-WTI back below $50	
10/27/2016	Erik Townsend	-Saw oil selling off and more people realizing OPEC cut not all that likely to happen, Iraq saying they don't like the numbers that people are using for their production, Russia said "no way" to a 5% cut -Inventory expectations of 2 MMBoe build - API reported 5MMBoe build, caused market selloff, EIA reported 553 MBoe drawdown, WTI futures up over $1 in seconds, 1.3 MMBoe draw in Cushing, 2 MMBoe draw Gasoline, 3.4 MMBoe draw in Distillates -Strong resistance around $50, retraced and continued to sell off -Headlines returning to supply glut talk, we need to see a few big builds to really have that issue -US Production increased this week, might have helped with retrace after hitting $50	

Oil & Natural Gas

Date	Speaker	Knowledge	Trade Strategy
10/20/2016	Aaron Chan	-WTI hit new cycle highs above $52	
10/20/2016	Erik Townsend	-$52.22 high since July 2015, 5.2 MMBoe draw against expectations of a build, Cushing 1.6 MMBoe draw Gasoline 2.5 MMBoe build, Distillates 1.2 MMBoe draw -6 of last 7 weeks have been drawdown (26 MMBoe cumulatively) we're not going to have a storage crisis -Saw an increase in production matching increase in rigs -If we continue to see draws prices will go much higher	
10/20/2016	Robin Griffiths	-Commodity cycle has not yet hit the bottom, probably in a years time -OPEC cheats on each other like crazy, only if Saudi agrees to be the sole producer to cut will you get the price going steadily up	

Date	Speaker	Knowledge	Trade Strategy
10/13/2016	Erik Townsend	-OPEC deal remains irrelevant from real world supply/demand dynamics -Inventory: 4.9 MMBoe build, need to throw old view out the window. Not going to get that storage crisis. Cushing 1.3 MMBoe draw. Gas 2 MMBoe draw, Distillates 3.7 MMBoe drawdown -Potential upside if Russia and OPEC agree to an actual cut	
10/13/2016	Mark Yusko	-Think the bottom is in at $26 but don't think we need to rush out and buy, don't think oil is going back to $100 soon -Downfall was caused by supply shock, everyone is trying to apply Demand shock models -Saudi tried to kill shale, technological advancement prevented it - can drill a 2 month well in 11 days with increased sand, swing production will come online anytime we get above $50 -Think we're going to stay in trading range of $40-$60 -OPEC will always cheat - Don't think Iran will agree to freeze. No effect long term on Supply/Demand -Saudi figured out their enemy is solar - solar only 6 doublings away from powering everything. Swanson's law - Solar doubles every 2 years	-Longs in the best basins in the US - Permian, SCOOP/STACK
10/13/2016	Erik Townsend	-If OPEC & Russia jointly agreed to a 5% cut oil would be back at $90	
10/13/2016	Mark Yusko	-They don't even have to do it, just have to say they're doing it	

Date	Speaker	Knowledge	Trade Strategy
10/6/2016	Erik Townsend	-OPEC deal irrelevant to supply and demand. Have only agreed to maybe agree to a production cap at an all time record high of production in November -Only symbolic in terms of people being willing to work together to stabilize prices -Haven't been getting builds in inventory. This week got 3 MMBoe drawdown, Cushing 569 MBoe build, Gasoline 222 MBoe build, Distillates 2.4 MMBoe drawdown. -Madani says exports are big part of it, East Coast gasoline pipeline disruptions may play a role	

Oil & Natural Gas

Date	Speaker	Knowledge	Trade Strategy
9/29/2016	Erik Townsend	-OPEC announced freeze at 32.5 MMBoe/d, which was all-time record high level of production just a couple months ago -Symbolically important, shows significant shift as this time last year it appeared Saudi was trying to beat the price down to damage competitors -S-D fundamentals, this doesn't matter at all. There's also a lot of cheating -Believe they will continue to produce as much as possible and say their production numbers are 32.5 MMBoe/d -Iraq has already said they would not agree in Nov if their number is not raised	
9/29/2016	Erik Townsend	-1.9 MMBoe draw in national inventory, 631 MBoe draw in Cushing, 2 MMBoe build in Gasoline, 1.9 MMBoe draw on Distillates -Crude up above $48 settling around $47.74, mostly on OPEC news -US Exports are actually off the charts (according to Samir Madani of #OOTT) which many analysts are mistaking for increased domestic demand	
9/29/2016	Erik Townsend	-In regards to comments that Electric Vehicle penetration will spook Oil CEO's into avoiding investing in expensive projects - ignores term structure, they don't care about future of EV they care if they can justify their projects based on what they can hedge today - as long as there is contango you're going to do the project because you can hedge your market risk	

Date	Speaker	Knowledge	Trade Strategy
9/22/2016	Erik Townsend	-6.2 MMBoe drawdown (3.2 MMBoe build expected), 526 Mboe build on Cushing Inventory, Gasoline 3.2 MMBoe drawdown, 2.2 MMBoe build on distillates (+1MMboe net drawdown on finished products) -OOTT projecting next week as the "big build" -Time spreads are narrowing, suggesting fears on inventory crisis during fall maintenance season are waning	

Date	Speaker	Knowledge	Trade Strategy
9/15/2016	Aaron Chan	-Last week, massive 14.5 MMBoe drawdown, Tropical Storm Hermine delayed arrival of tanker ships	
9/15/2016	Erik Townsend	-560 Mboe draw in national inventory, 1.25 MMBoe draw in Cushing, 570 Mboe Gasoline build, 4.6 MMBoe build in Distillates (Massive) -US Production ticks up breaking 3 week down trend -Takes time for shut in production from Hurricane to come online, #OOTT predicting 2 weeks out will be the really big build	
9/15/2016		Art Berman's Article on Oil-Glut Bomb	
9/15/2016	Erik Townsend	-Nigeria and Lybia suggest increased production, spiked down to $43.26 which was fairly quickly retracted to about $44.35, now back down to $43.82 at time of podcast -Bearish factors outweigh bullish factors, bullish factors are short term, market looking for confirmation from inventory build	

Precious Metals

Date	Speaker	Knowledge	Trade Strategy
10/27/2016	Erik Townsend	-Only gained a few dollars in nominal terms, but the fact that Gold is going up at all in the face of USD strength is a testament to Gold market (trading around 1,270) -Starting to wonder if we missed the bottom	

Date	Speaker	Knowledge	Trade Strategy
10/20/2016	Erik Townsend	-Gold got to 1,275 after Draghi back down to 1,266 -Think well see a test of the 1,200-1,250 range	-Has bought the DXY, waiting on a drop in gold to leg into the other half of the long Gold long Dollar trade
10/20/2016	Robin Griffiths	-In currencies other than USD has been in a roaring bull market for a long time now, and in a decent bull market in USD terms -Fell back to roughly 1,100 mining stocks got crushed, now in a bull market up to roughly 1,380, between 1,380 and 1,400 some resistance -Prediction was it would come back to 1,200-1,250, once it resumes and passes 1,400 it'll resume path to 1,950 -Historically speaking moved from Europe dominating to America dominating and will move to China and then India dominating - highest population and economic growth -Their culture treats Gold as Money, China already the largest single miner of Gold, building up reserves, only buy when price suits them	-Long a bit of Gold

Date	Speaker	Knowledge	Trade Strategy
10/13/2016	Erik Townsend	-Gold mostly treading water at about 1,259. -If DXY index bullish breakout is confirmed would expect further weakness in Gold -Fed needs credibility hike in 2016 which would result in down spike in Gold	

Date	Speaker	Knowledge	Trade Strategy
10/6/2016	Erik Townsend	-Fed policy driving increasing rate hike expectations catalyst to send Gold below technical support -Headed towards a buying opportunity in Gold	-Long Dollar Long Gold pairs trade

Date	Speaker	Knowledge	Trade Strategy
9/29/2016	Aaron Chan	-Still locked in consolidation range in Gold (1,308-1,377), flirting with bottom of range this week	
9/29/2016	Erik Townsend	-Actually think the range is a descending triangle, supporting a much more bearish outlook -Gold descending triangle pointing to the election	
9/29/2016	Michael Lebowitz	-If you're looking for a way to protect your money it makes sense to have some allocation to the metal that's protected it for 5,000 years	
9/29/2016	Michael Lebowitz	-Worry with Gold is what happened in 2013-14, massive hoarders to sell gold during illiquid markets -CB do not like the signal that Gold sends and they are trying to break signals, keeping a lid on the price of Gold keeps a lid on the idea that there are issues	

Precious Metals

Date	Speaker	Knowledge	Trade Strategy
9/22/2016	Aaron Chan	-Still seeing consolidation in Gold (1,308-1,377), flirting with bottom of range last week	
9/22/2016	Erik Townsend	-1,341 at time of recording1,347.80 was high of the day, fueled by reaction to FOMC no hike and dollar weakness -Expected bigger pop, 1,347 $10 less than last week even on confirmed no rate hike	
9/22/2016	Alex Gurevich	-Gold is a good hedge against weakness/loss of confidence in fiat currency and yield curve steepening	
9/22/2016	Erik Townsend		-Long Gold Long Dollar
9/22/2016	Alex Gurevich	-Correlations can break down due to technical reasons and market positioning -Think upside in Gold is bigger than downside, yes it could go to $600 - 700 but could also go to $3,000 - 4,000	-Alex is Long Stocks, Long Bonds, Long Dollar and Long Gold

Date	Speaker	Knowledge	Trade Strategy
9/15/2016	Aaron Chan	-Still seeing consolidation in Gold (1,308-1,377), tested 1,308 key support level 2 weeks ago -Market surprised last week, hitting 1,357 -Looking for breakout above 1,377, but tested 1,312 on Thursday morning	
9/15/2016	Erik Townsend	-More bearish (opposite of Jeffrey Christian), but now would be the time to enter a trade if you were bullish	-Would enter with a hedge, Long Gold Future, Long Dollar Index
9/15/2016	Raoul Pal	-Negative rates meant gold becoming more attractive over time	-Took profits on short term gold positions at beginning of September -Long Gold vs dollar and Long Gold vs. basket of currencies -Long Gold and Long Dollar - can't see both going down, if one goes down then it's hedged, possible for both to go higher
9/15/2016	Aaron Chan	-Gold hedges against NIRP and Inflation, Dollar hedges against deflation and global deleveraging	

Soft Commodities

Date	Speaker	Knowledge	Trade Strategy
9/15/2016	Raoul Pal	-Really supply & demand driven, but also recently hurt by stronger dollar -Macro backdrop - higher protein diet = more grain consumption, higher calorie diet = more grain consumption -Had fantastic harvest in US (El Nino helped) soft commodities generally trade on US harvest -Brazil & Argentina didn't do so well, Brazil became net importer of some Soft Commodities -This has shifted stocks/use ratio and brought it down	
9/15/2016	Raoul Pal	-El Nino may turn into La Nina (opposite, a lot of dryness) could cause decrease supply in US -Soft Commodities in inflation adjusted terms are cheapest they've ever been in history -With secular move to proteins volatility is to the upside	-Possible to go long Corn, Soybeans, Wheat
9/15/2016	Erik Townsend	-Given Raoul Pal's position on Biz Cycle which suggests short commodities how do we reconcile this with view on soft commodities?	
9/15/2016	Raoul Pal	-Soft Commodities don't necessarily fall in recession, did in '08 because farmer funding dried up	-Long Soft Commodities, Short Industrial Commodities (Oil & Copper)

Other Topics

Date	Speaker	Knowledge	Trade Strategy
10/20/2016	Robin Griffiths	-Joseph Schumpeter's work of interaction of various cycles -Kondratiev wave - long term cycle -10 year cycle - long business cycle -Within that a shorter business cycle - US it's a presidential cycle 4 years -Annual seasonality - shorter cycle -People have discovered other cycles - commodity market cycle, demographic cycle -Western world is a secular down trend for the last 16 years, despite markets being higher, downtrend will continue for a few more years	
10/20/2016	Robin Griffiths	-CB action has been unprecedented, capitalism has been smashed to pieces, Japan has shown this doesn't work -Each intervention becoming less and less effective, like a drug addict needs more and more drugs to get a high -Much easier to override the shorter cycles than the longer cycles - annual and even 4 year cycle, but not the demographic, kondratiev wave cycle -Baby boomers have passed peak spending (around 50 years old) now looking for pension money (underfunded) and dealing with health expenses(Obamacare has made it unaffordable) -Millennial generation is too young to drive the economy though (somewhere around 2020-2023)	
10/20/2016	Robin Griffiths	-In event of general equity market correction some money will come out of India -India doesn't import or export much (other than some oil) so could grow from a $2TN economy to a $5TN economy without importing or exporting much, all about putting in very basic infrastructure like oil pipes and drainage pipes into villages, building more roads, extending railway system, electrical systems -If there were a 20-30% fall in Indian market thinks people would look ahead and buy that market - relatively politically stable, speak english, Modi regime is quality -India treats Gold as Money	
10/20/2016	Robin Griffiths	-Shouldn't be too gloomy, none of my economic indicators suggest depression -Need to get interest rates back to sustainable old normal of Growth + Inflation -Expect economy to have a "sub par" low but sustainable rate of growth -Think were on cusp of robot age, new industries will come and create a boom -Look for new sources of power to improve - batteries, solar panels -Because of debt it'll take millennials a little longer to drive generational boom - 2023?	-Barbell over the next 12 Months - little risk as possible - most secure Govn't bonds (Treasuries, Gilts) secure business franchises with dividends (60% of stocks yield more than Govn't bonds) and a cushion of liquidity (Cash, Gold) with dry powder -Sophisticated investor may go short some things
10/20/2016	Erik Townsend	-Millennial generation hasn't found what needs to be engineered/advanced to make society better yet, social networking is great but hasn't done much to boost overall society	

Other Topics

Date	Speaker	Knowledge	Trade Strategy
10/13/2016	Erik Townsend	-Most who are bearish Emerging Markets are bearish because they are bullish dollar	
10/13/2016	Mark Yusko	-Bullish Emerging Markets all year -Big believer in Demographics - Demographics and Destiny -You invest in equities for growth - where's the growth? Emerging Markets -Next 10 years - 1 in 3 people in Europe will disappear, US will stay flat, Africa will grow by 2 Billion people -Like stories in India, China, Brazil and other parts of South America - MercadoLibre - Argentina -If I was 26 and unmarried I might move Buenos Aires, Argentina will be an unbelievable story over the next couple decades - great leadership, great assets, great percent equitization (13% versus US 126% and average 70%) -Big fear about Emerging Markets - USD Strength -Russia - largest retail market in Europe, Retail stocks have been beat up -In anticipation of USD rally investors crushed EM currencies back in 14-15 -Risks - massive currency war, EM currencies will devalue as well, but believe growth will bail them out unlike Developed Markets -Developed Markets have Killer D's - Bad Demographics, High Debt, Deflation, EM have the opposite - Good demographics, low debt, and low manageable inflation	-Overweight Emerging Markets

Other Topics

Date	Speaker	Knowledge	Trade Strategy
10/6/2016	Simon Hunt	-Central Bankers will welcome inflation, but they are behind the curve -Having bought $12TN in assets since the global financial crisis there is a massive amount of money sitting around earning very little returns -With fiscal deficits expanding to support infrastructure spending (supported by global M1 data) we are going to see faster recovery in 2017 (consensus forecast) which will, in turn, lead to increase in commodity prices -Funds that have been "stuck" will also start to find better returns outside of banking system - infrastructure projects etc. -Unexpectedly start to see inflationary pressures, could easily be augmented by things like increase in oil prices far beyond expectations, metal prices being fueled by inventory chain being filled again -Will not be sustainable rise - will last 2-3 years - Masters of Global System know it is unsustainable - cannot have debt rising faster than GDP - system will implode or they pull the plug	
10/6/2016	Simon Hunt	-Global economic system is within 5 years of a major reset -Current system completely unsustainable - can't have global debt rising faster than global GDP -Can't restructure in a Sort-of-OK environment, nobody will play ball, need a crisis -Expect mega-crisis somewhere around 2020, and then will see new system that will include the re-emergence of gold into the monetary system	
10/6/2016	Erik Townsend	-Agrees with Simon, there's just no way we can solve problems by papering over it with printed money, but impossible to predict when it happens -Charade of propping up asset prices with paper money will continue as long as central bankers are able to get away with it -Runaway Inflation will tie Central Bankers hands, force them to tighten -Deflationary backdrop has lasted longer than expected. Simon predicts that inflation is on the horizon	

Other Topics

Date	Speaker	Knowledge	Trade Strategy
9/29/2016	Michael Lebowitz	-The Death of the Virtuous Cycle - purpose was to provide in depth explanation of why economic trends are so poor, why they are stagnating, why productivity has ground to a halt, why real median wages haven't moved since 1990 -The Virtuous Cycle is an economic cycle that feeds on itself. Saving >>> Invested in Production >>> more productivity >>> higher earnings, higher wages >>> more consumption & more saving and the cycle becomes reflexive -Why has it broken down? Federal reserve has a lot to do with it, some Govn't regulation has a lot to do with it, consumer mentality has a lot to do with it -1971 Nixon took us off the Gold Standard, giving the Federal Reserve flexibility (article: August the 15th); over time the Fed became more aggressive at trying to remove the business cycle & alter recessions -Recessions are a good thing - they eliminate bad investments, force discipline on lenders and borrowers and have real repercussions, allows inventory to come down & business cycle to normalize -Trying to remove recessions prevents business cycle from fully playing out (in this case by lowering Interest rates) -As you bring down IR people stop saving, eroding the virtuous cycle by short circuiting to get to the end game, consumption. Consumption 70% of GDP & Economic growth, so getting consumers to borrow to spend seems like a convenient way to boost growth -Underneath there's sings - flat/negative wage growth, flat/negative productivity (Total Factor Productivity could go negative at next update)	
9/29/2016	Erik Townsend	-Also a cultural shift - we have gone from a responsible nation of savers to a nation of consumers	
9/29/2016	Michael Lebowitz	-It's also a shift to "short term" thinking - forget tomorrow, what can we do today to make our companies look better	
9/29/2016	Michael Lebowitz	-Basically we've turned the economy into a Ponzi scheme where more and more debt is needed to keep growing -3 Factors of Growth - Productivity (Flat), Demographics (Boomers out of peak), Credit Growth. US now highly dependent on Credit for growth. (40-50% coming directly from credit growth) -Keep making debt more available, but at some point becomes unserviceable with wages & incomes, saw this in '08 with consumers, starting to see it with companies who are using debt for buybacks and dividends, not investment in productive futures	

Date	Speaker	Knowledge	Trade Strategy
9/15/2016	Raoul Pal	-Business cycle - ISM survey in US had been ticking up into ~54 level after being weak into end of '15 -Suddenly dropped in 1 month to below 50 again, suggesting GDP is somewhere around 1% -Business cycle usually finishes around this period of time (3rd longest business cycle in history) -Probability cycle will continue to play out with ISM going below 45 -Retail, restaurants, durable goods, freight, world trade mostly in recession now -100% track record of recession within 12 months when incumbent changes after 2 term presidential term	
9/15/2016	Raoul Pal	-Bond yields tend to go up when we see a bottom in biz cycle, right now we are looking for the opposite	