

Day Hagan Market Update

A time-tested, disciplined approach to investing.

Presented By:

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Partner, Co-Founder, Chief Investment Strategist



@DayHagan_Invest



Day Hagan Asset Management



DayHagan.com



Weight of the Evidence.

Utilizing asset-specific composites of fundamental, economic, technical, and behavioral indicators to determine each asset's probability of outperformance.



October 2022
through
Q1 2024:

PTP = “Past the Peak”

- PTP Fed (global Central Bank) hawkishness
- PTP levels of Fed Balance Sheet reduction
- PTP inflation
- PTP supply chain distortions
- PTP interest rates (mortgage rates)
- PTP recession concerns
- PTP oil prices
- Technical improvement

Economic Growth versus Inflation: Asset Class Returns

Regime	% Gain/Annum (Analysis Period: Jul 1972 to Mar 2024)										% of Time	
	S&P 500	Bonds	Gold	Commodities	T-Bills	REITs	CRE	RRE	Hedge Funds	Private Credit	Since Jul 1972	Custom Portfolio
Growth Rising, Inflation Rising	9.2	7.8	24.3	20.0	1.8	21.2	2.5*	-0.0	8.3	15.1*	2.7	1.8
Growth Rising, Inflation Neutral	16.8	3.6	-1.5	8.6	2.1	15.4	7.6	6.9	11.3	10.8	21.3	21.5
Growth Rising, Inflation Falling	28.8	10.3	-8.8	6.4	7.5	27.1	4.7	3.6	17.7	12.7*	11.8	11.9
Growth Stable, Inflation Rising	6.8	3.8	17.8	33.9	4.9	6.8	14.2	9.2	13.1	10.1	14.8	15.0
Growth Stable, Inflation Neutral	13.8	5.5	5.3	2.6	3.5	10.5	10.9	5.9	11.3	10.3	20.0	20.2
Growth Stable, Inflation Falling	16.4	13.7	-3.5	1.1	7.2	16.3	11.2	7.3	19.1	10.2*	8.4	8.5
Growth Falling, Inflation Rising	-3.2	4.7	30.2	19.8	7.1	-14.2	9.7	-0.2	12.9	6.0	11.0	11.1
Growth Falling, Inflation Neutral	-1.4	10.5	12.8	-24.6	2.5	15.4	8.0	5.4	0.6	7.4	6.1	6.2
Growth Falling, Inflation Falling	-15.7	10.1	21.4	-41.3	5.9	-24.8	-9.0	-4.5	-4.2	0.1*	3.9	3.9
All Time	10.8	6.5	7.0	6.3	4.5	9.1	8.6	5.3	11.3	9.5		

Source: NDR

Economic Growth versus Inflation: Capitalization and Styles

Regime	% Gain/Annum (Analysis Period: Dec 1978 to Mar 2024)												% of Time	
	All Cap Growth	All Cap	All Cap Value	Large Cap Growth	Large Cap	Large Cap Value	Midcap Growth	Midcap	Midcap Value	Small Cap Growth	Small Cap	Small Cap Value	Since Dec 1978	Custom Portfolio
Growth Rising, Inflation Rising	3.0	4.5	6.1	0.7	1.4	2.5	8.1	11.5	13.5	5.8	8.7	11.4	2.0	2.0
Growth Rising, Inflation Neutral	17.1	17.2	17.1	17.8	16.9	15.6	16.3	18.2	19.3	14.7	18.3	21.4	24.3	24.3
Growth Rising, Inflation Falling	31.6	29.9	27.9	44.7	26.7	25.2	43.9	34.6	39.8	40.0	39.5	38.5	10.7	10.7
Growth Stable, Inflation Rising	9.1	10.2	11.2	9.4	10.1	9.6	5.1	10.7	10.3	4.6	7.4	10.2	11.2	11.2
Growth Stable, Inflation Neutral	13.8	13.8	13.3	13.4	14.0	14.1	17.0	14.6	12.8	11.0	10.7	10.0	22.8	22.8
Growth Stable, Inflation Falling	14.7	17.3	19.5	22.8	19.6	26.6	25.1	16.0	22.6	4.5	8.9	13.5	7.9	7.9
Growth Falling, Inflation Rising	6.4	1.9	-2.4	5.6	3.6	-3.1	1.8	-0.5	-8.2	0.7	-3.7	-8.1	9.6	9.6
Growth Falling, Inflation Neutral	-5.9	-2.0	0.4	-4.9	-2.1	-0.6	-9.3	-1.3	2.6	-8.7	-3.3	1.2	7.0	7.0
Growth Falling, Inflation Falling	-15.0	-15.1	-15.4	-22.2	-16.8	-24.7	-21.3	-13.0	-23.7	-13.0	-11.9	-10.8	4.4	4.4
All Time	11.9	12.0	11.7	11.7	11.9	10.0	11.1	12.9	11.4	9.5	11.0	12.1		

Source: NDR

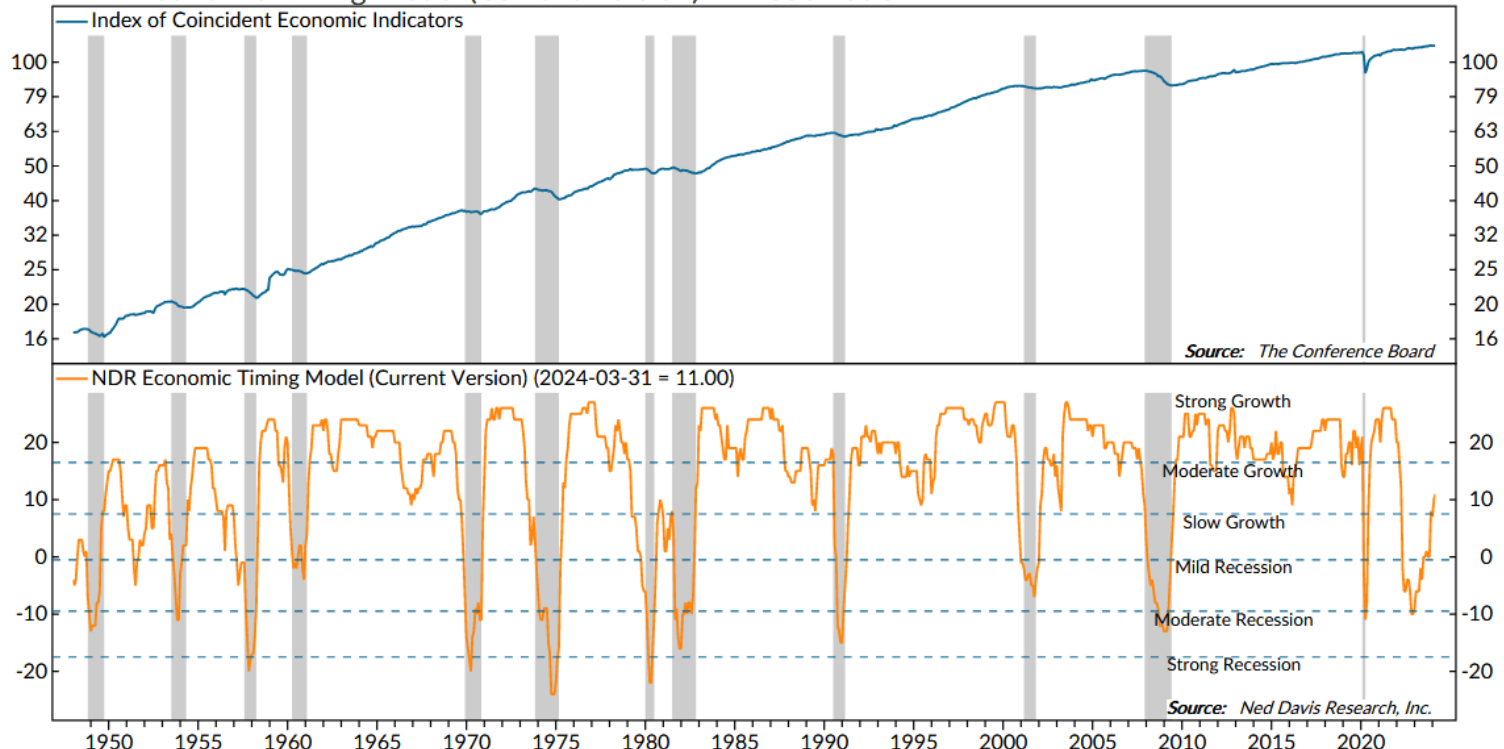
Economic Growth versus Inflation: Equity Sectors

Regime	% Gain/Annum (Analysis Period: Sep 1989 to Mar 2024)												% of Time	
	S&P 500	Energy	Materials	Industrials	Consumer Discretionary	Consumer Staples	Health Care	Financials	Information Technology	Communication Services	Utilities	Real Estate	Since Sep 1989	Custom Portfolio
Growth Rising, Inflation Rising	3.8	2.9	3.6	16.6	9.6	8.5	2.7	-0.5	2.7	1.4	-1.5	15.2*	2.7	2.7
Growth Rising, Inflation Neutral	16.8	11.2	14.1	17.3	18.1	11.2	12.7	24.2	21.2	7.9	6.9	10.5	31.9	31.9
Growth Rising, Inflation Falling	36.1	4.1	39.8	38.3	51.8	25.4	26.6	50.5	51.5	23.5	11.1	-8.6*	5.8	5.8
Growth Stable, Inflation Rising	9.7	48.1	11.7	5.6	8.4	15.0	13.0	-2.3	12.6	1.7	20.1	5.1	6.8	6.8
Growth Stable, Inflation Neutral	13.8	13.9	7.9	15.3	11.7	9.7	14.0	15.1	20.2	13.6	13.8	27.4	29.9	29.9
Growth Stable, Inflation Falling	2.5*	-1.5*	-5.2*	-8.8*	3.2*	-7.6*	17.0*	5.7*	5.0*	0.8*	-3.2*	N/A	0.7	0.7
Growth Falling, Inflation Rising	-3.0	8.9	-3.5	-3.3	-10.7	10.4	7.4	-24.8	-2.0	-5.5	5.1	6.4*	8.9	8.9
Growth Falling, Inflation Neutral	-1.4	-10.1	5.4	-6.3	3.9	10.7	9.2	-5.5	-10.5	4.5	8.0	-6.1	9.2	9.2
Growth Falling, Inflation Falling	-23.5	-17.8	-27.1	-27.3	-24.7	-7.3	-9.1	-35.7	-25.6	-18.5	-23.9	-12.4*	4.1	4.1
All Time	10.4	9.7	8.4	10.2	10.5	10.6	11.8	8.9	13.4	6.9	8.1	6.3		

Source: NDR

NDR Economic Timing Model (Current Version) -- Mode Basis

Monthly Data 1948-01-31 to 2024-03-31



Source: The Conference Board

Source: Ned Davis Research, Inc.

Shaded areas represent National Bureau of Economic Research recessions

Coincident Index Performance		
Full History: 1948-01-31 to 2024-03-31		
Economic Timing Model Indicates	% Gain/Annum	% of Time
Strong Recession	-8.12*	1.20
Moderate Recession	-3.29	5.34
Mild Recession	-2.63	9.31
Slow Growth	2.16	8.31
Moderate Growth	2.99	18.72
Strong Growth	4.14	57.12
Buy/Hold = 2.54% Gain/Annum		
* Cases less than one year are not annualized		

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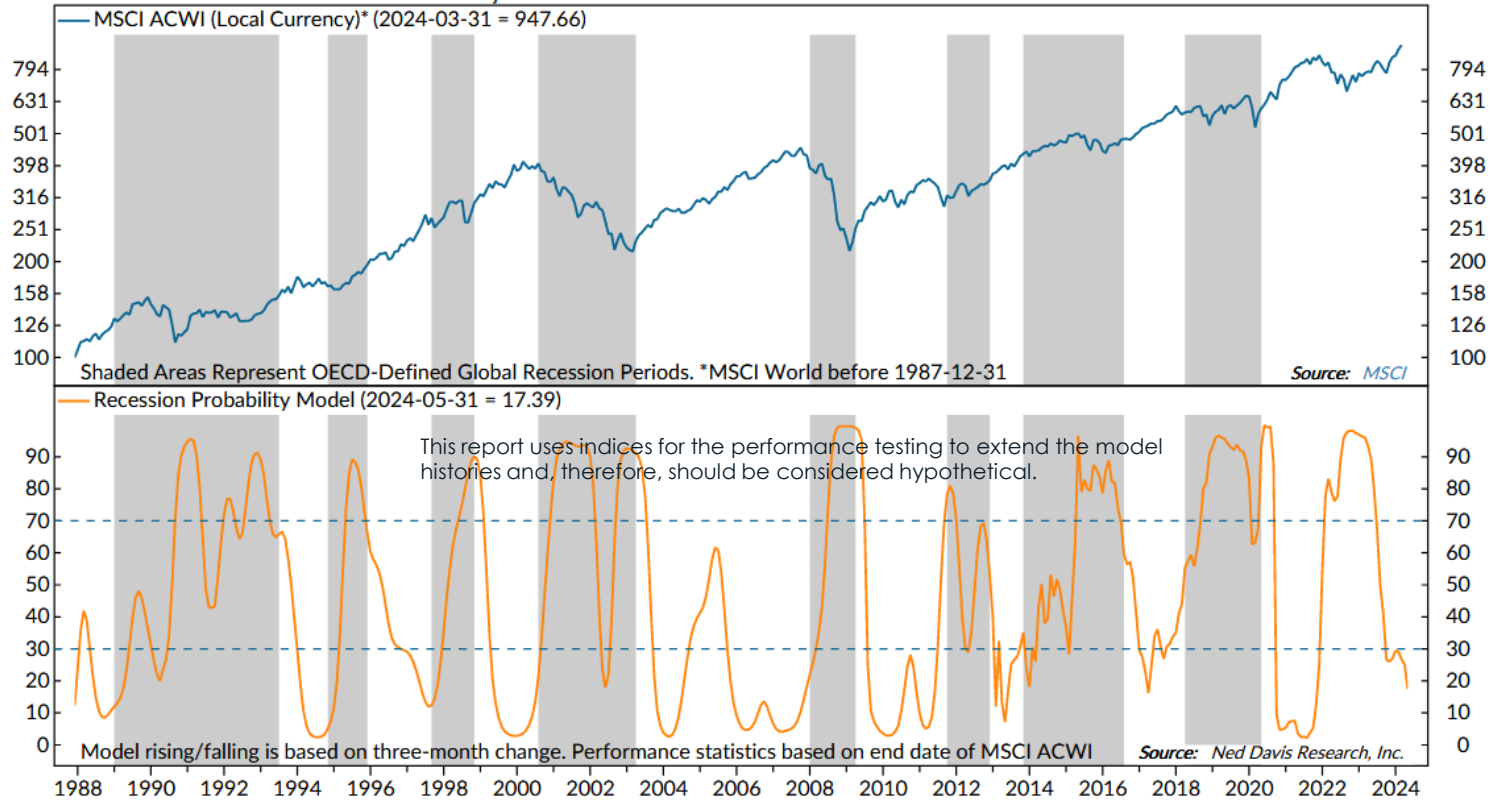


Day Hagan Market Update. This chart uses indices for the performance testing to extend the model histories and should, therefore, be considered hypothetical.



NDR Global Recession Probability Model vs. MSCI ACWI

Monthly Data 1987-12-31 to 2024-05-31



Returns Regardless of Direction		
ACWI Performance		
Chart View: 1987-12-31 to 2024-03-31		
Recession Probability Model	% Gain/Annum	% of Time
Above 70.0	4.34	30.09
30.0 - 70.0	3.31	31.31
Below 30.0	10.64	38.60
Buy/Hold = 6.40% Gain/Annum		

Recession Probability Model Rising		
ACWI Performance		
Chart View: 1987-12-31 to 2024-03-31		
Recession Probability Model	% Gain/Annum	% of Time
Above 70.0	-3.84	18.63
30.0 - 70.0	0.82	16.34
Below 30.0	9.97	15.43
Buy/Hold = 6.40% Gain/Annum		

Recession Probability Model Falling		
ACWI Performance		
Chart View: 1987-12-31 to 2024-03-31		
Recession Probability Model	% Gain/Annum	% of Time
Above 70.0	19.13	11.47
30.0 - 70.0	6.09	14.98
Below 30.0	11.09	23.16
Buy/Hold = 6.40% Gain/Annum		

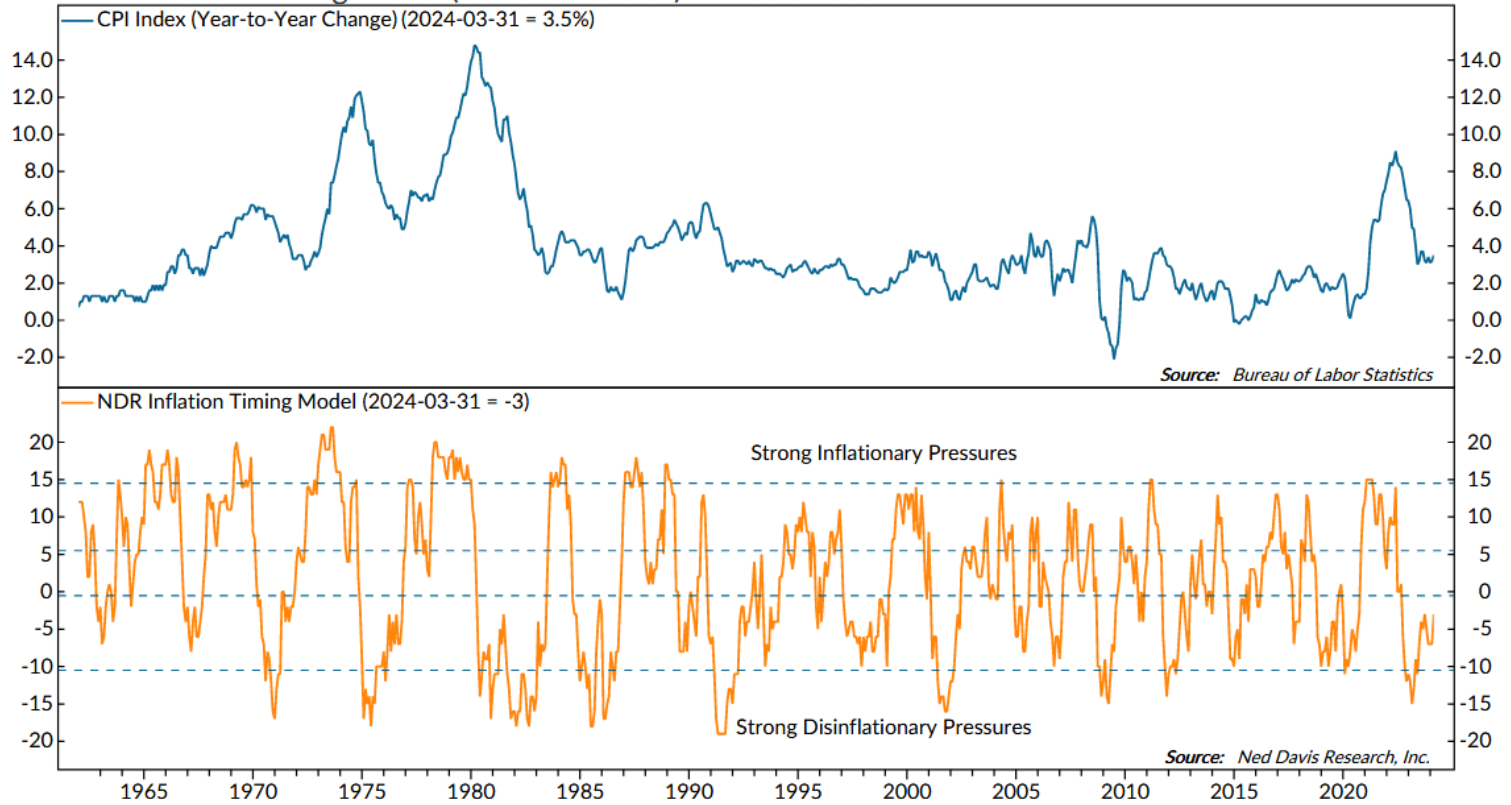
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NDR Inflation Timing Model (Current Version) -- Mode Basis

Monthly Data 1962-01-31 to 2024-03-31



Consumer Price Index Performance		
Full History: 1962-01-31 to 2024-03-31		
NDR Inflation Timing Model -- Mode Basis	Points/Annum	% of Time
Strong Disinflation	-3.48	11.77
Moderate Disinflation	-0.99	31.52
Neutral Inflation	0.25	20.26
Moderate Inflation	1.20	25.18
Strong Inflation	3.69	11.27
Buy/Hold = 0.05 Points/Annum		

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Keep an eye on tax policy “trial balloons”

Current S&P 500 Forward P/E = 20.7x

Remain mindful of the impact of inflation on market multiples.

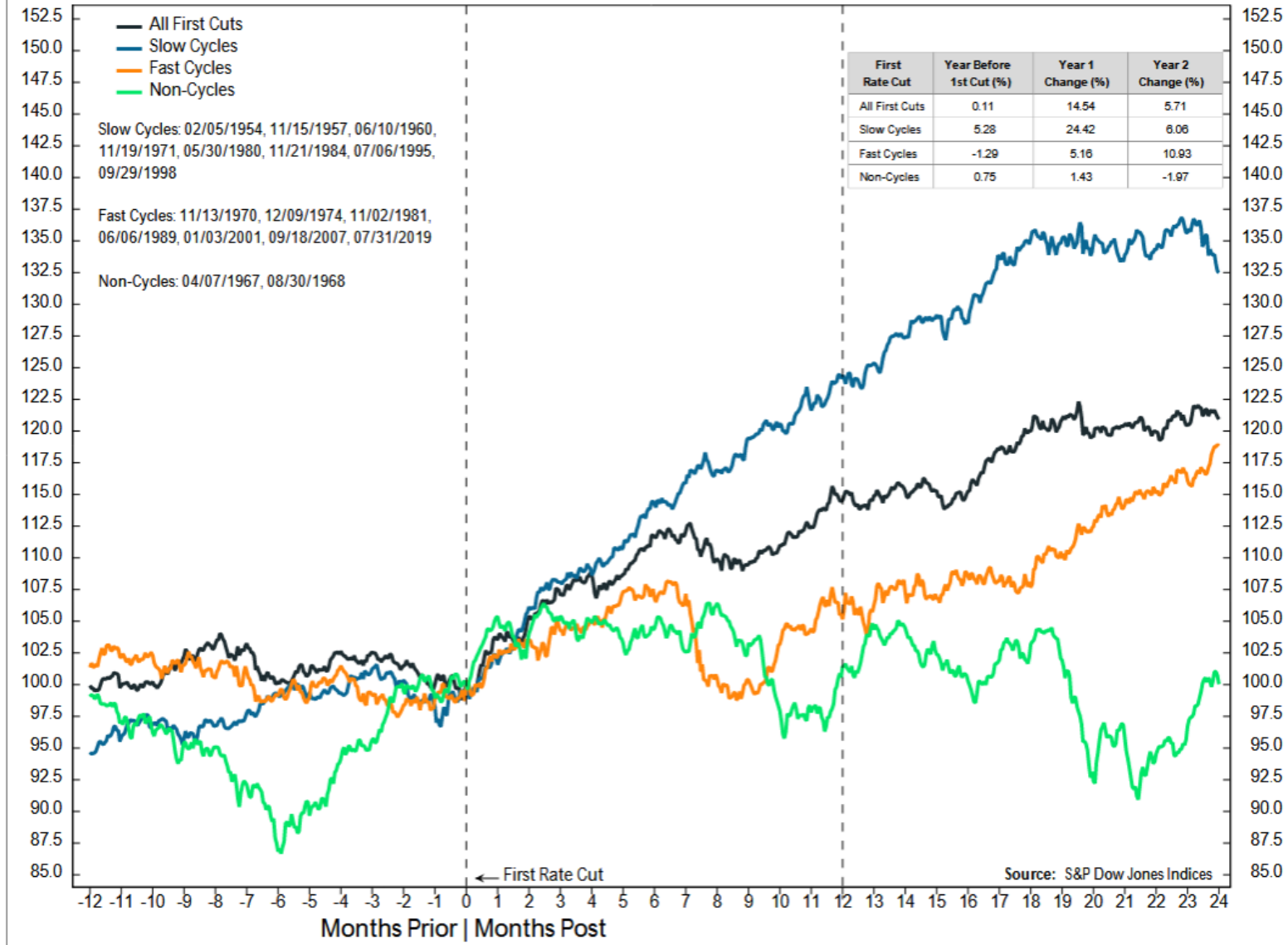
Inflation	Dividend and Capital Gains Tax	Years	Average P/E	% Change to Average P/E
>4%	Low Tax	5	14.4x	-30.4%
	High Tax	26	11.2x	-45.9%
0%-4%	Low Tax	24	20.1x	-2.9%
	High Tax	33	16.3x	-21.2%
<0%	Low Tax	9	22.3x	+7.7%
	High Tax	5	12.4x	-40.1%

Data Coverage: Yearly from 1914 to 2020

Source: Valens Research



S&P 500 Index Around First Fed Rate Cuts vs. Speed of Cuts



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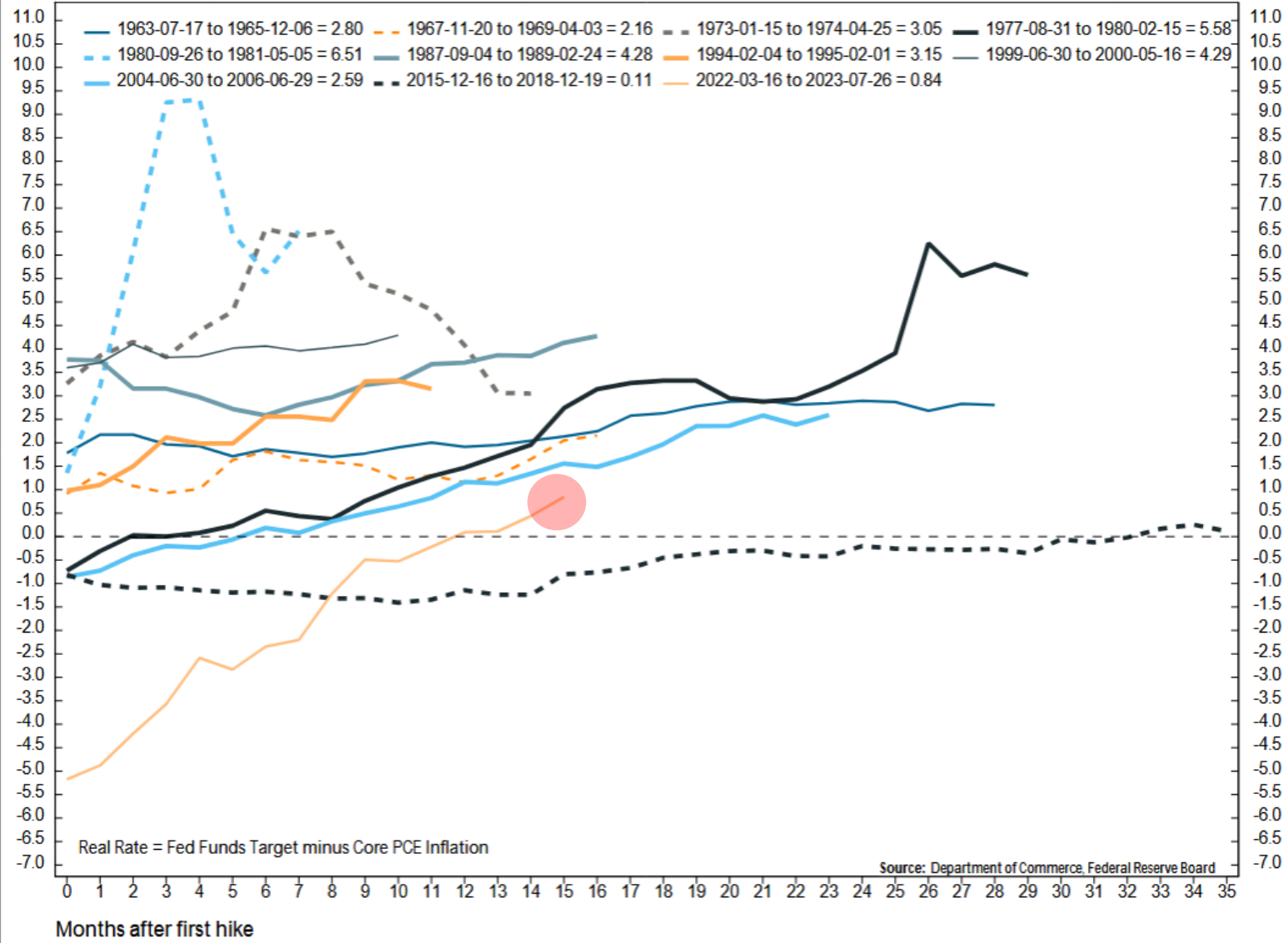
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Why we go with the flow of our models and indicators:

Year	Market Expectations Fed Funds For Year-End	Actual Fed Funds Year-End	Difference (bps)
2004	1.460	2.290	83
2005	3.180	4.340	116
2006	4.735	5.280	54.5
2007	4.780	4.110	-67
2008	3.035	0.080	-295.5
2009	0.740	0.050	-69
2010	1.685	0.180	-150.5
2011	0.455	0.070	-38.5
2012	0.155	0.170	1.5
2013	0.140	0.080	-6
2014	0.400	0.120	-28
2015	1.745	0.200	-154.5
2016	1.435	0.660	-77.5
2017	1.705	1.420	-28.5
2018	2.075	2.400	32.5
2019	2.230	1.550	-68
2020	1.360	0.090	-127
2021	0.075	0.080	0.5
2022	1.200	4.330	313
2023	4.205	5.330	112.5
2024	3.825	???	???
		Average absolute difference	91.175

Source: JP Morgan

Real Fed Funds Rate during Fed Tightening Cycles



B501E

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Headwinds
from 2023
that are still
a factor in
2024

- TIAA (there is an alternative)
- U.S. Large Cap Valuations
- Earnings expectations too high
- Tax/Regulatory backdrop
- Tight labor market
- Housing market over-corrects
- Continued profligate fiscal spending
- Geopolitical upheavals

Short-term Outlook:

Positioning (supply vs. demand)

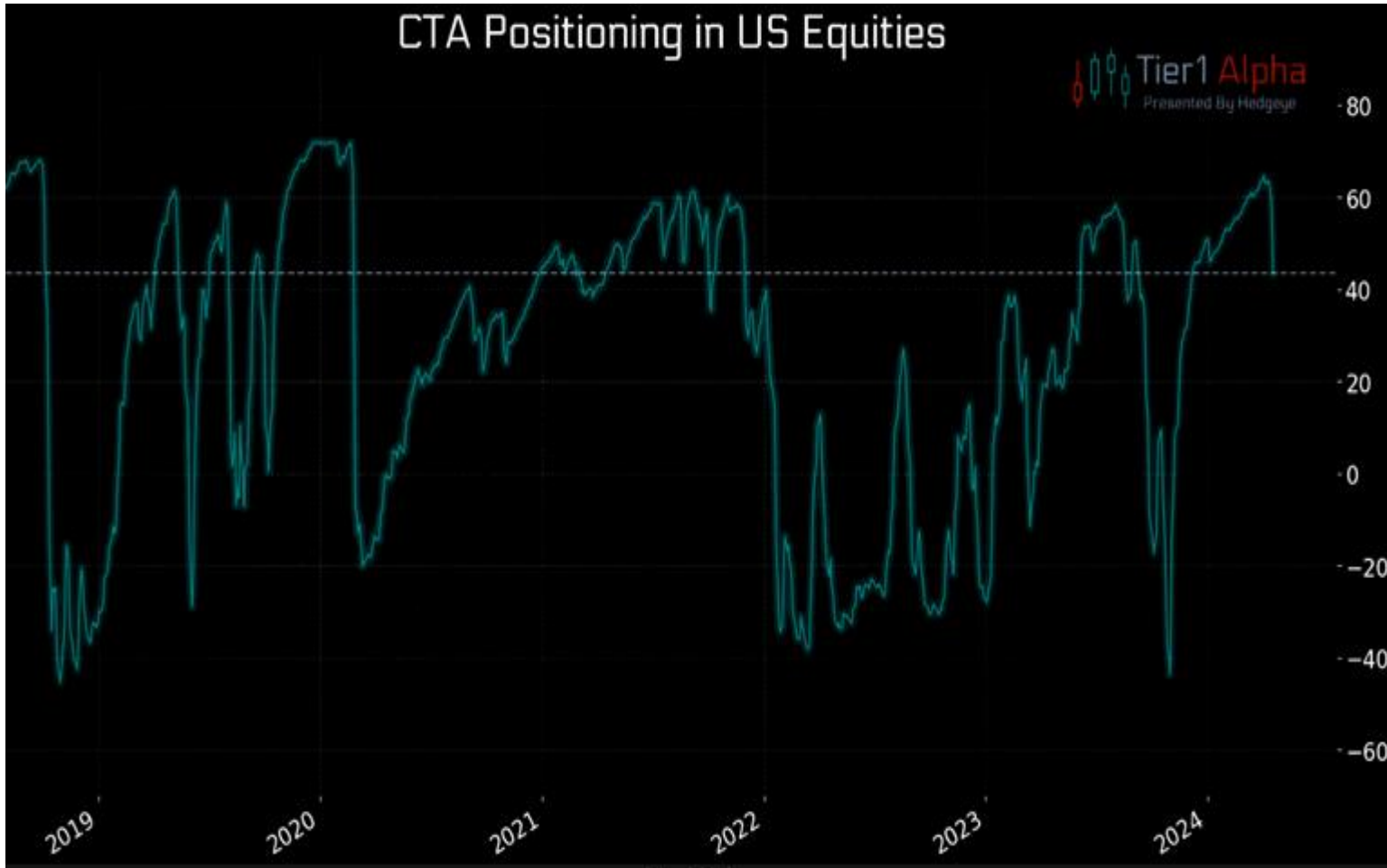
Sentiment (expectations)

Technical (message of the markets)



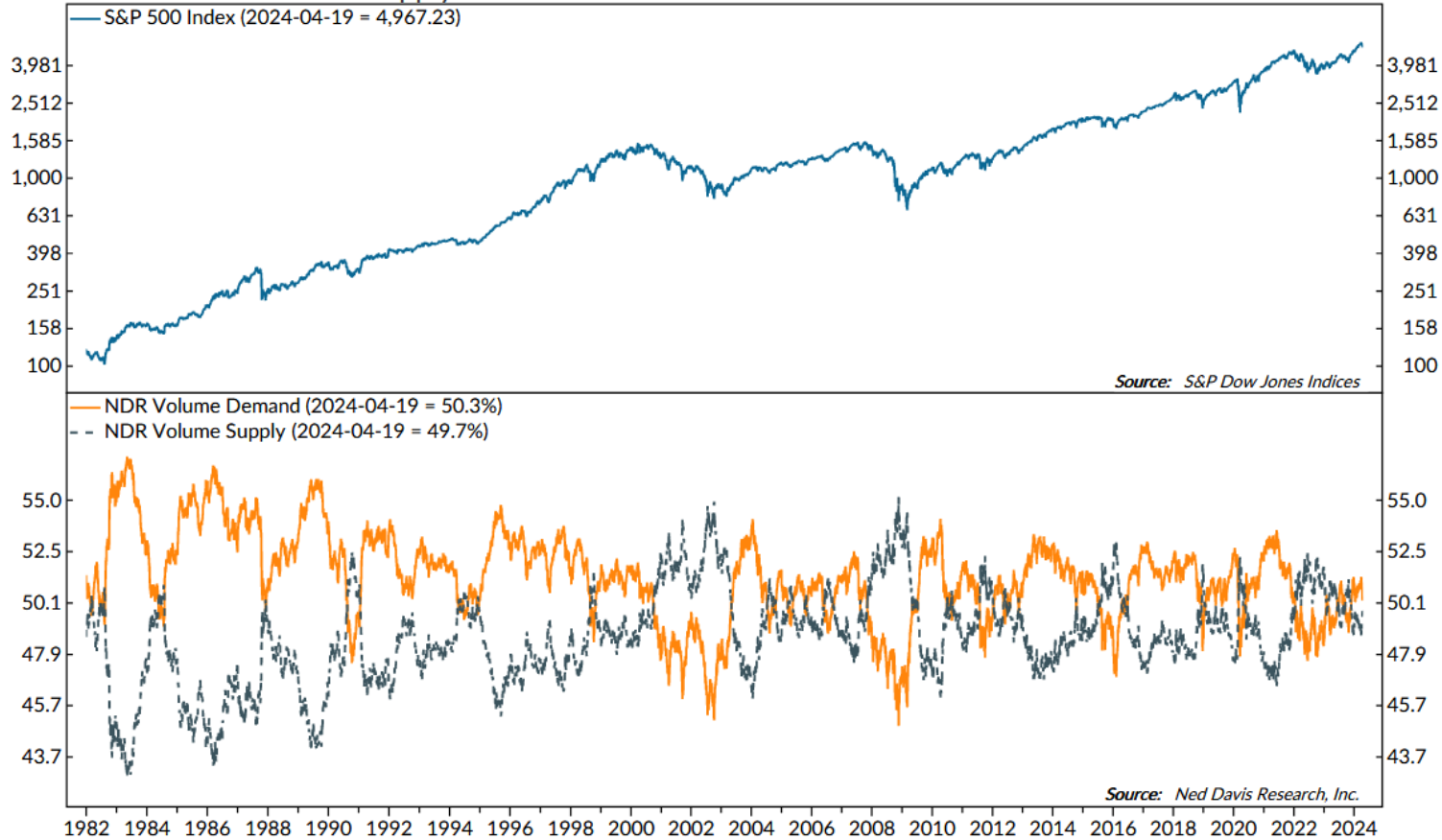
CTA Positioning in US Equities

Tier1 Alpha
Presented By Hedgeye



S&P 500 Index vs NDR Supply and Demand

Daily Data 1981-12-31 to 2024-04-19

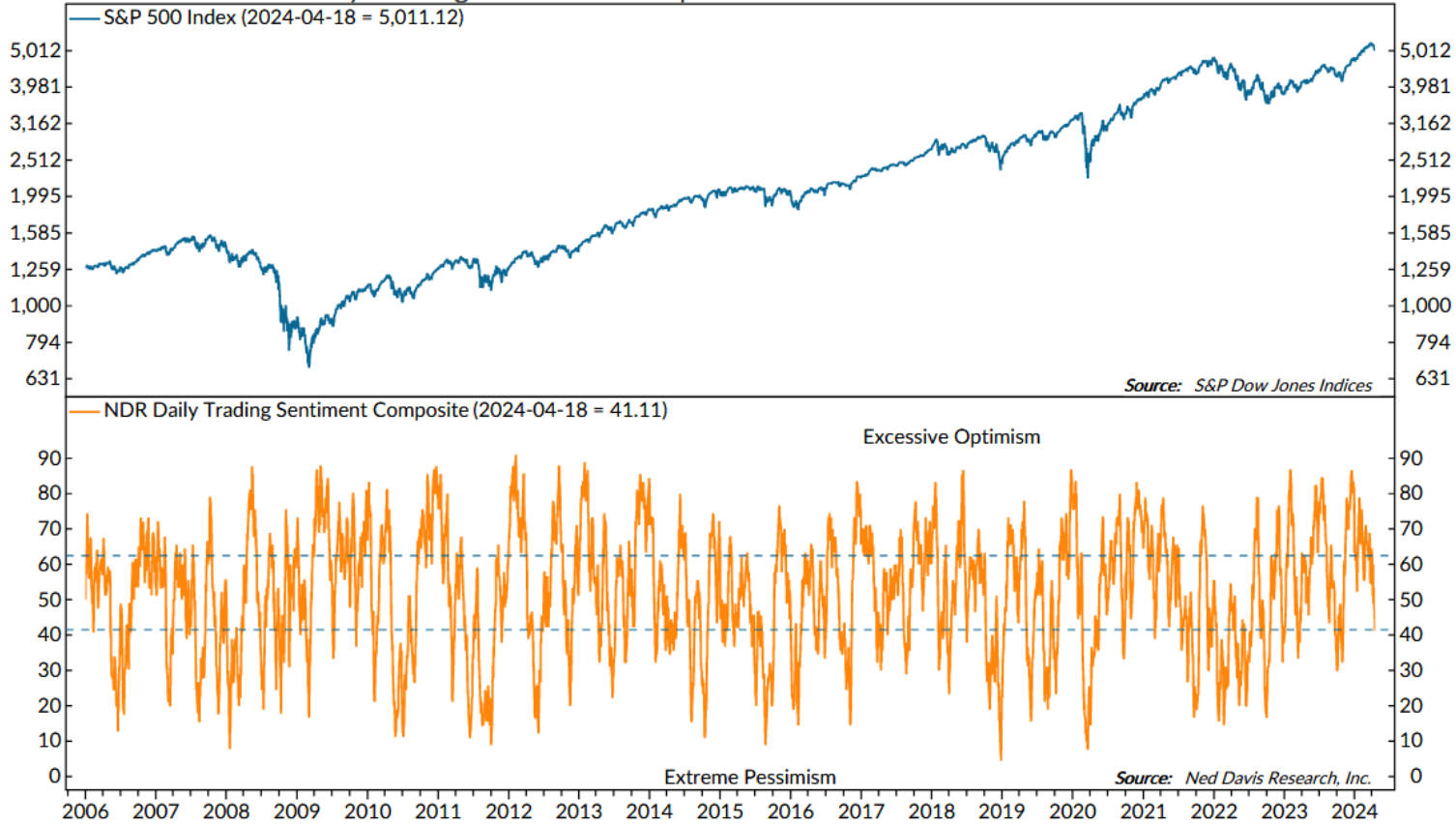


S&P 500 Index Performance		
Full History: 1981-12-31 to 2024-04-19		
NDR Volume Demand is	% Gain/ Annum	% of Time
Above NDR Volume Supply	11.70	77.39
Below NDR Volume Supply	0.82	22.61
Buy/Hold = 9.14% Gain/Annum		

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S&P 500 vs. NDR Daily Trading Sentiment Composite

Daily Data 2006-01-03 to 2024-04-18



Source: S&P Dow Jones Indices

Source: Ned Davis Research, Inc.

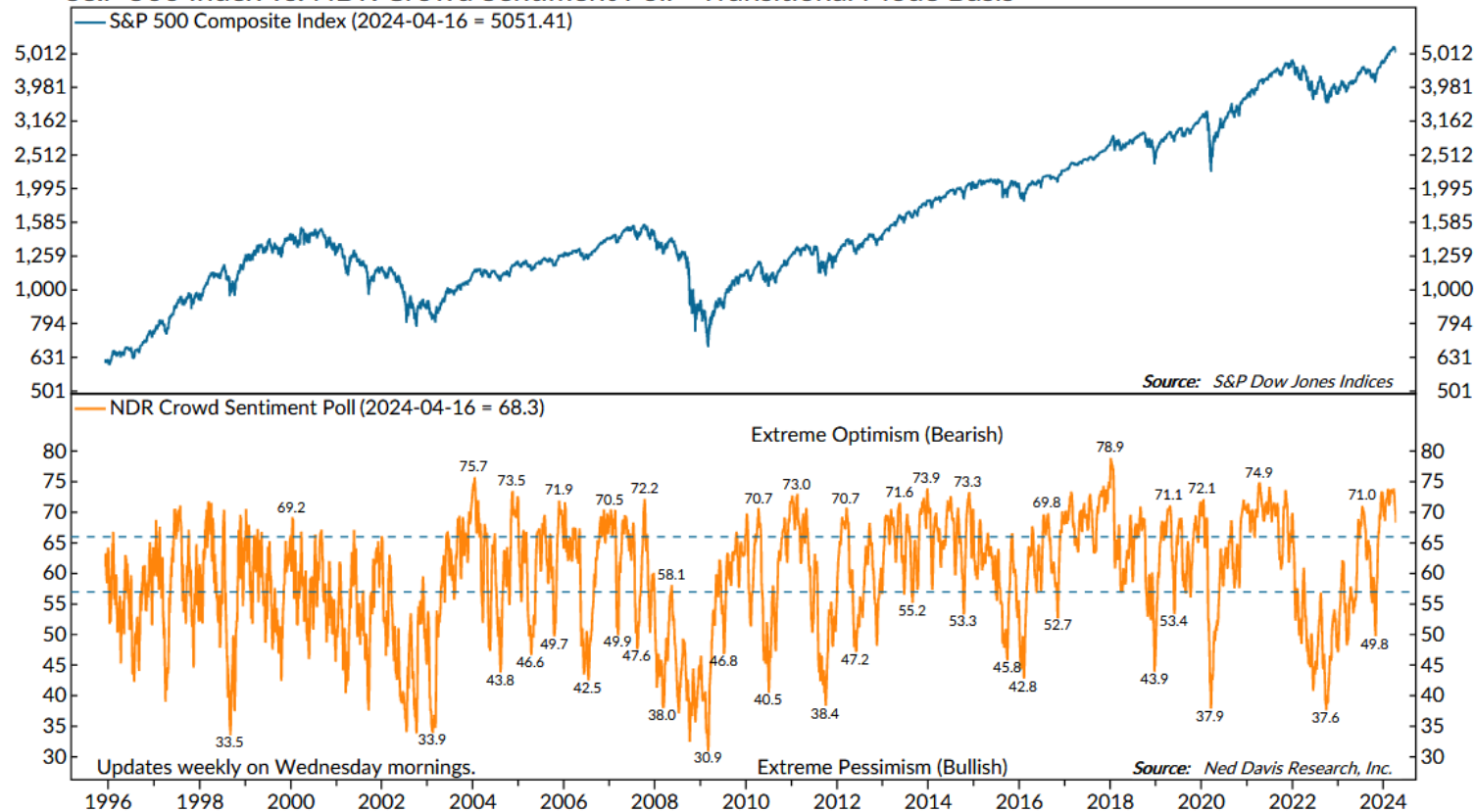
S&P 500 Index Performance		
Full History: 1994-12-30 to 2024-04-18		
NDR Daily Sentiment Composite is	% Gain/Annum	% of Time
Above 62.5	-5.07	29.06
41.5 - 62.5	7.53	44.07
Below 41.5	27.20	26.87
Buy/Hold = 8.49% Gain/Annum		

S&P 500 Index Performance		
Chart View: 2006-01-03 to 2024-04-18		
NDR Daily Sentiment Composite is	% Gain/Annum	% of Time
Above 62.5	-1.84	30.45
41.5 - 62.5	4.66	41.93
Below 41.5	24.99	27.62
Buy/Hold = 7.79% Gain/Annum		

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S&P 500 Index vs. NDR Crowd Sentiment Poll - Transitional Mode Basis

Daily Data 1995-12-01 to 2024-04-16



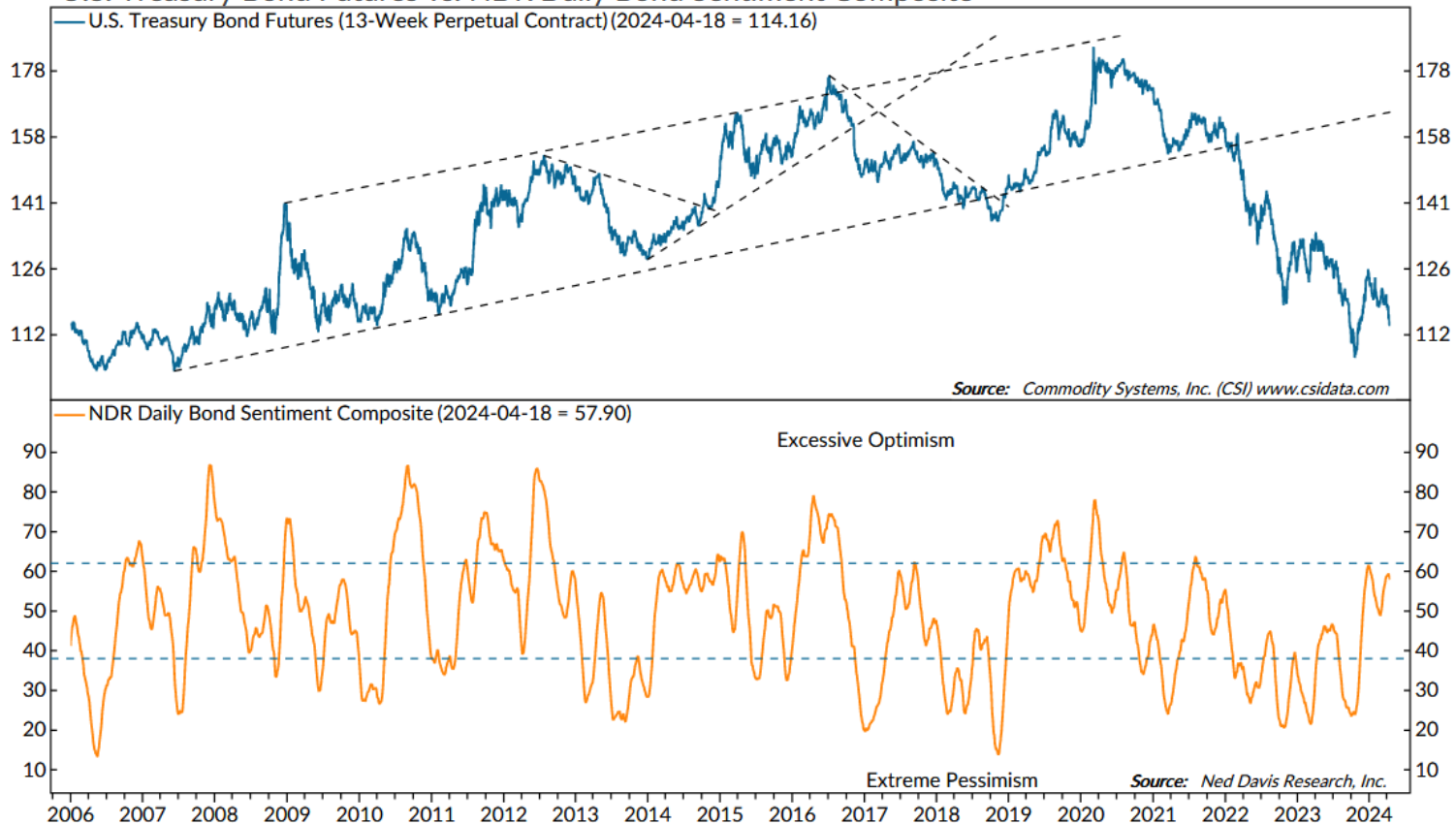
S&P 500 Index Performance		
Full History: 1995-12-01 to 2024-04-16		
NDR Crowd Sentiment Poll is	% Gain/Annum	% of Time
Above 66.0	0.65	28.00
57.0 to 66.0 From Above	1.91	17.25
57.0 to 66.0 From Below	19.80	18.21
Below 57.0	10.82	36.15
<i>Buy/Hold = 7.75% Gain/Annum</i>		

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U.S. Treasury Bond Futures vs. NDR Daily Bond Sentiment Composite

Daily Data 2006-01-03 to 2024-04-18



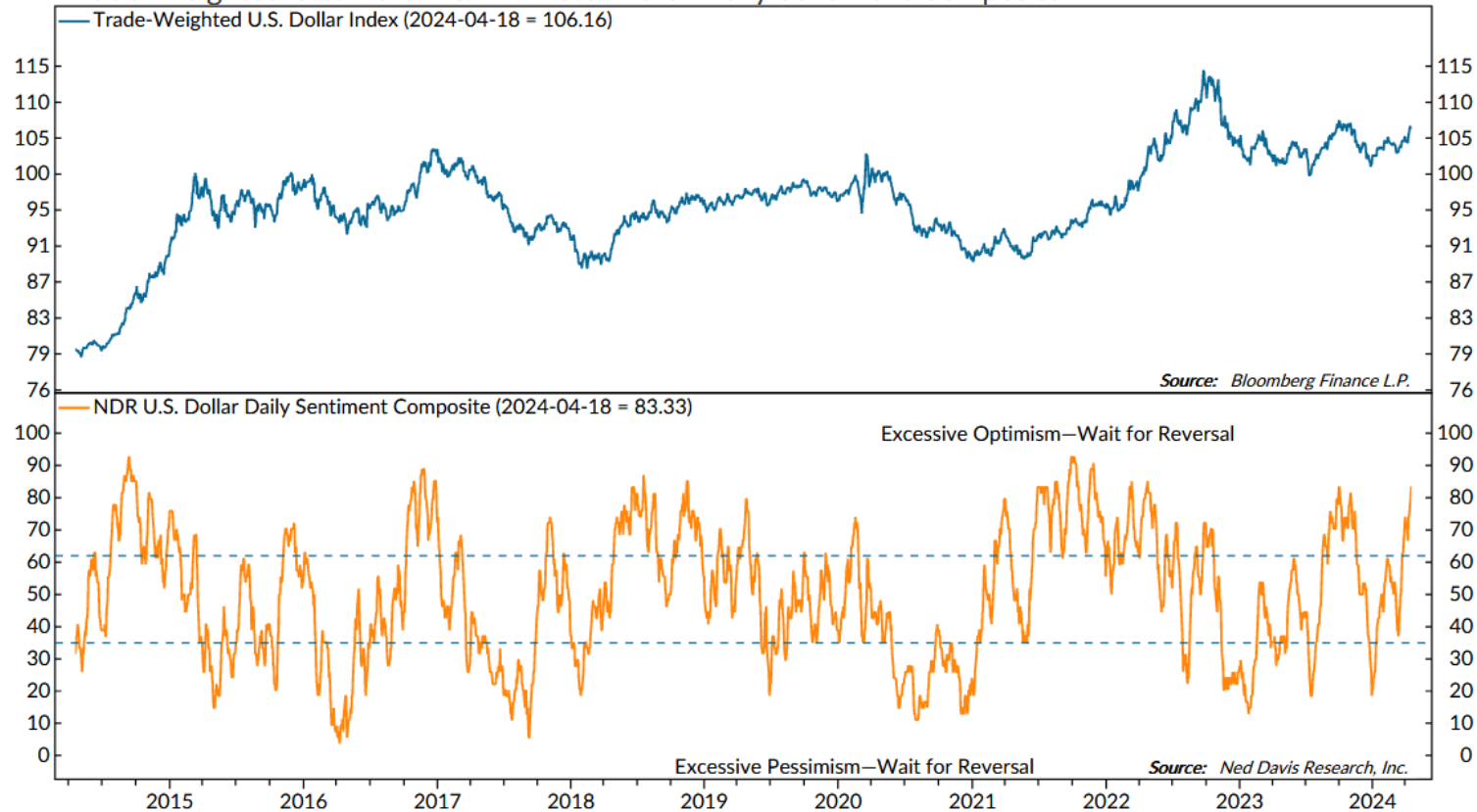
T-Bond Futures Performance		
Full History: 1984-06-06 to 2024-04-18		
NDR Daily Bond Sentiment Composite is	% Gain/Annum	% of Time
Above 62.0	-3.15	19.62
38.0 - 62.0	2.59	54.74
Below 38.0	5.02	25.64
Buy/Hold = 2.05% Gain/Annum		

T-Bond Futures Performance		
Chart View: 2006-01-03 to 2024-04-18		
NDR Daily Bond Sentiment Composite is	% Gain/Annum	% of Time
Above 62.0	2.05	19.13
38.0 - 62.0	-2.29	52.89
Below 38.0	3.00	27.98
Buy/Hold = -0.01% Gain/Annum		

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Trade-Weighted U.S. Dollar vs. NDR U.S. Dollar Daily Sentiment Composite

Daily Data 2014-04-21 to 2024-04-18



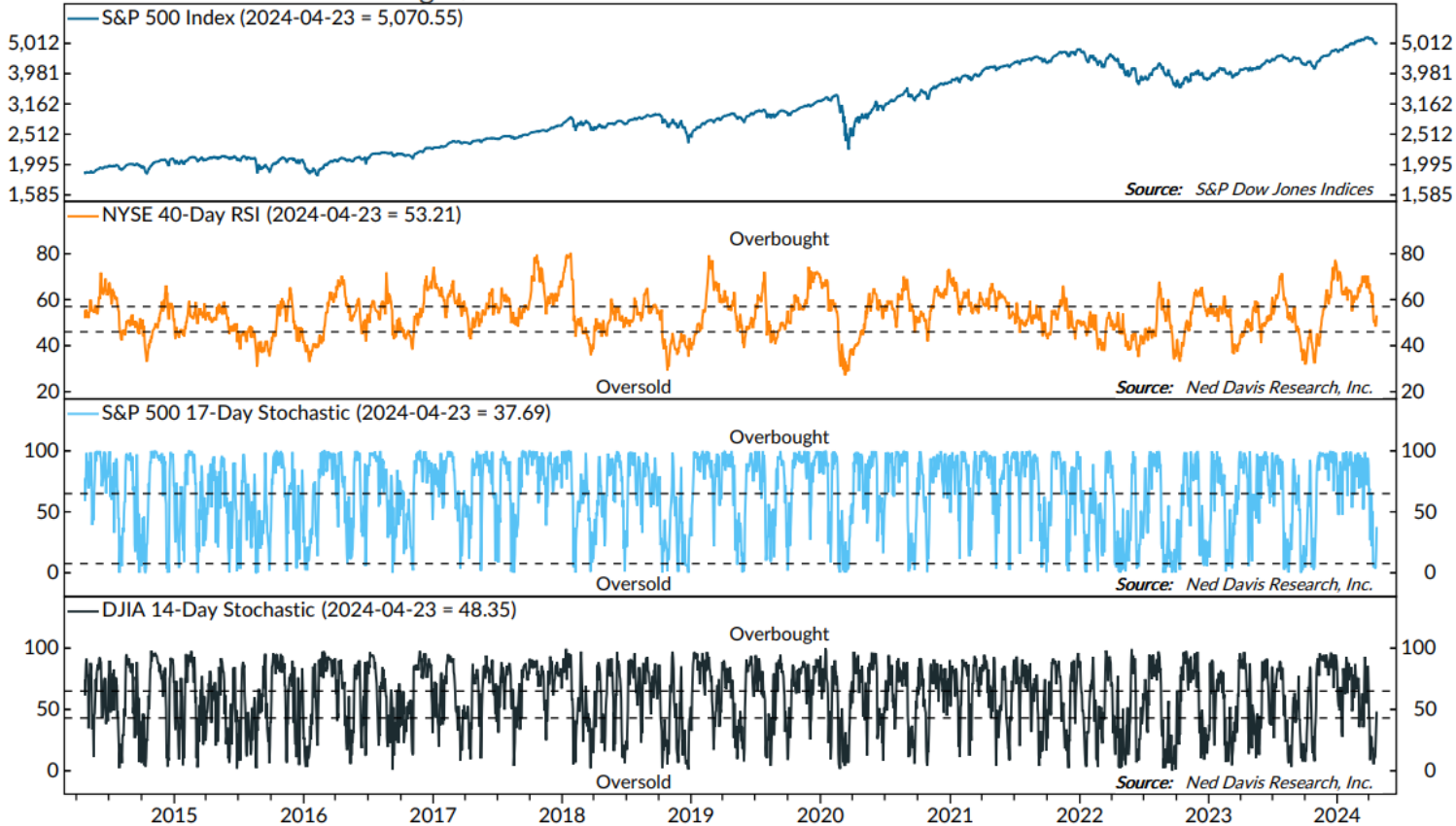
U.S. Dollar Performance		
Full History: 1988-11-23 to 2024-04-18		
NDR U.S. Dollar Sentiment Composite is	% Gain/Annum	% of Time
Above 62.0	8.81	25.24
35.0 to 62.0 From Above	-0.31	25.97
35.0 to 62.0 From Below	0.12	25.68
Below 35.0	-6.80	23.10
Buy/Hold = 0.46% Gain/Annum		

U.S. Dollar Performance		
Chart View: 2014-04-21 to 2024-04-18		
NDR U.S. Dollar Sentiment Composite is	% Gain/Annum	% of Time
Above 62.0	5.40	31.21
35.0 to 62.0 From Above	7.21	23.64
35.0 to 62.0 From Below	-4.46	21.04
Below 35.0	2.14	24.11
Buy/Hold = 2.88% Gain/Annum		

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S&P 500 Index vs. Overbought/Oversold Indicators

Daily Data 2014-04-23 to 2024-04-23



Indicator Signals:

Sell (-1) = Indicator falls below upper bracket.
Buy (+1) = Indicator rises above lower bracket.

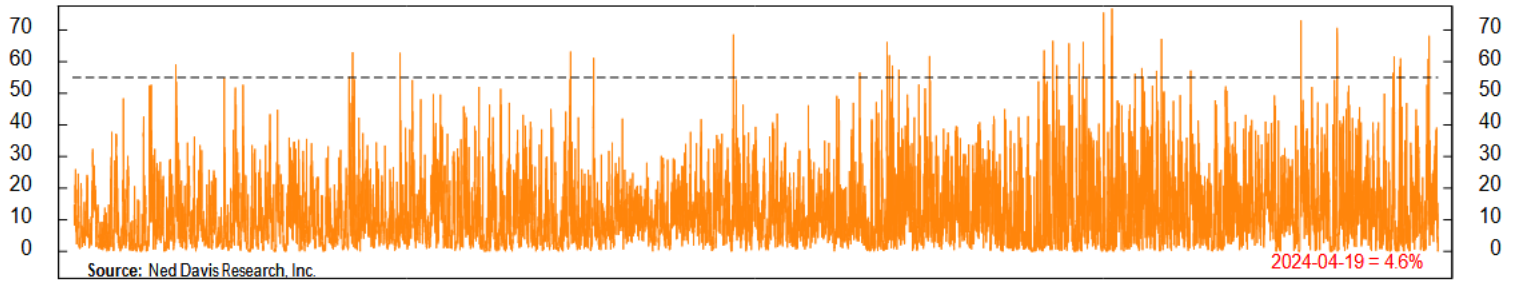
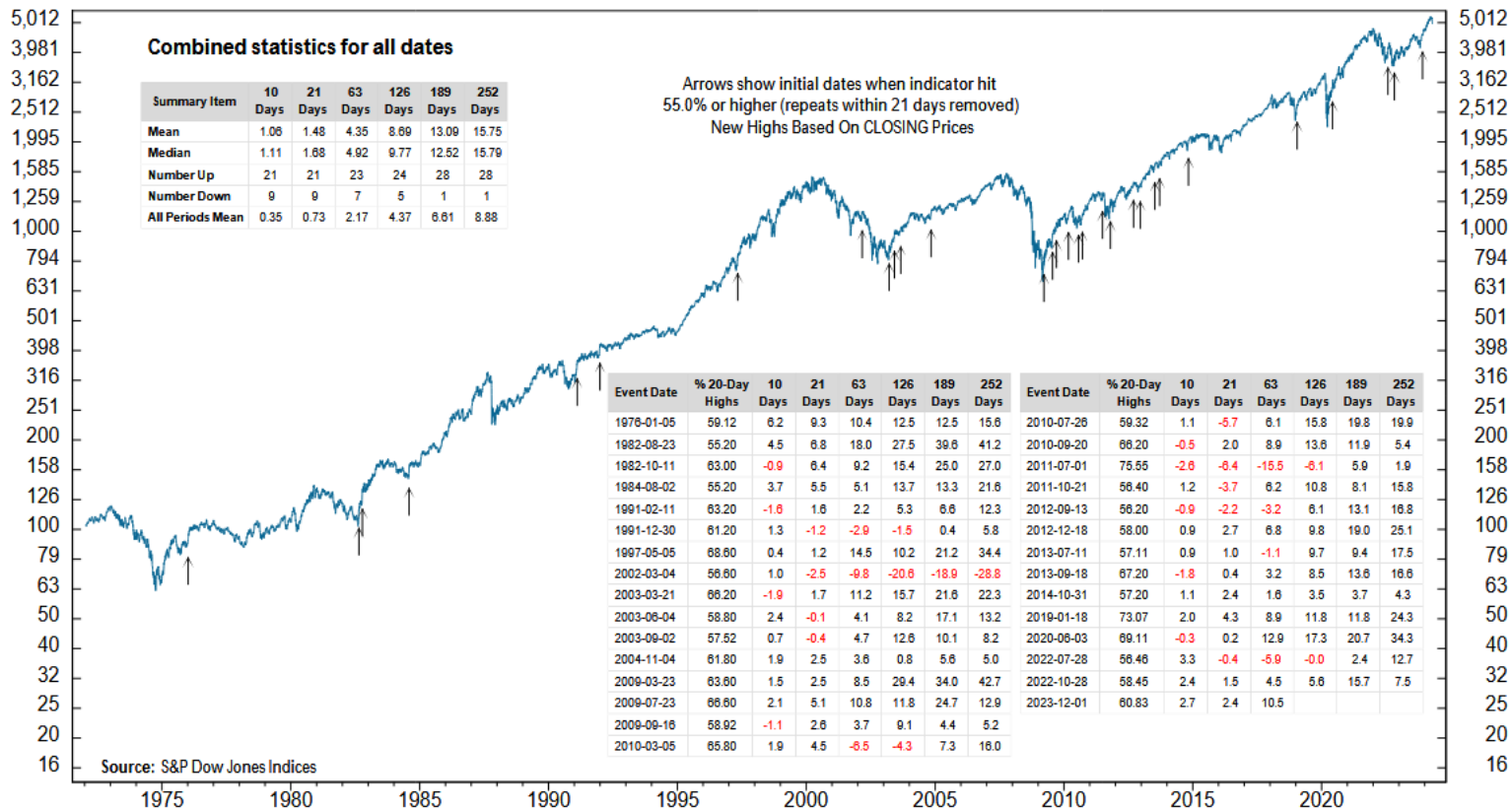
S&P 500 Index Performance		
Full History: 1984-01-19 to 2024-04-23		
When Composite of Three Indicators is	% Gain/Annum	% of Time
Bullish (+2 to +3)	12.35	24.83
Neutral (-1 to +1)	10.63	59.18
Bearish (-2 to -3)	-2.45	15.99
Buy/Hold = 8.84% Gain/Annum		

S&P 500 Index Performance		
Chart View: 2014-04-23 to 2024-04-23		
When Composite of Three Indicators is	% Gain/Annum	% of Time
Bullish (+2 to +3)	9.32	24.99
Neutral (-1 to +1)	11.16	60.72
Bearish (-2 to -3)	9.43	14.29
Buy/Hold = 10.45% Gain/Annum		

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Standard & Poor's 500 Stock Index

Daily Data 1972-01-20 to 2024-04-19 (Log Scale)

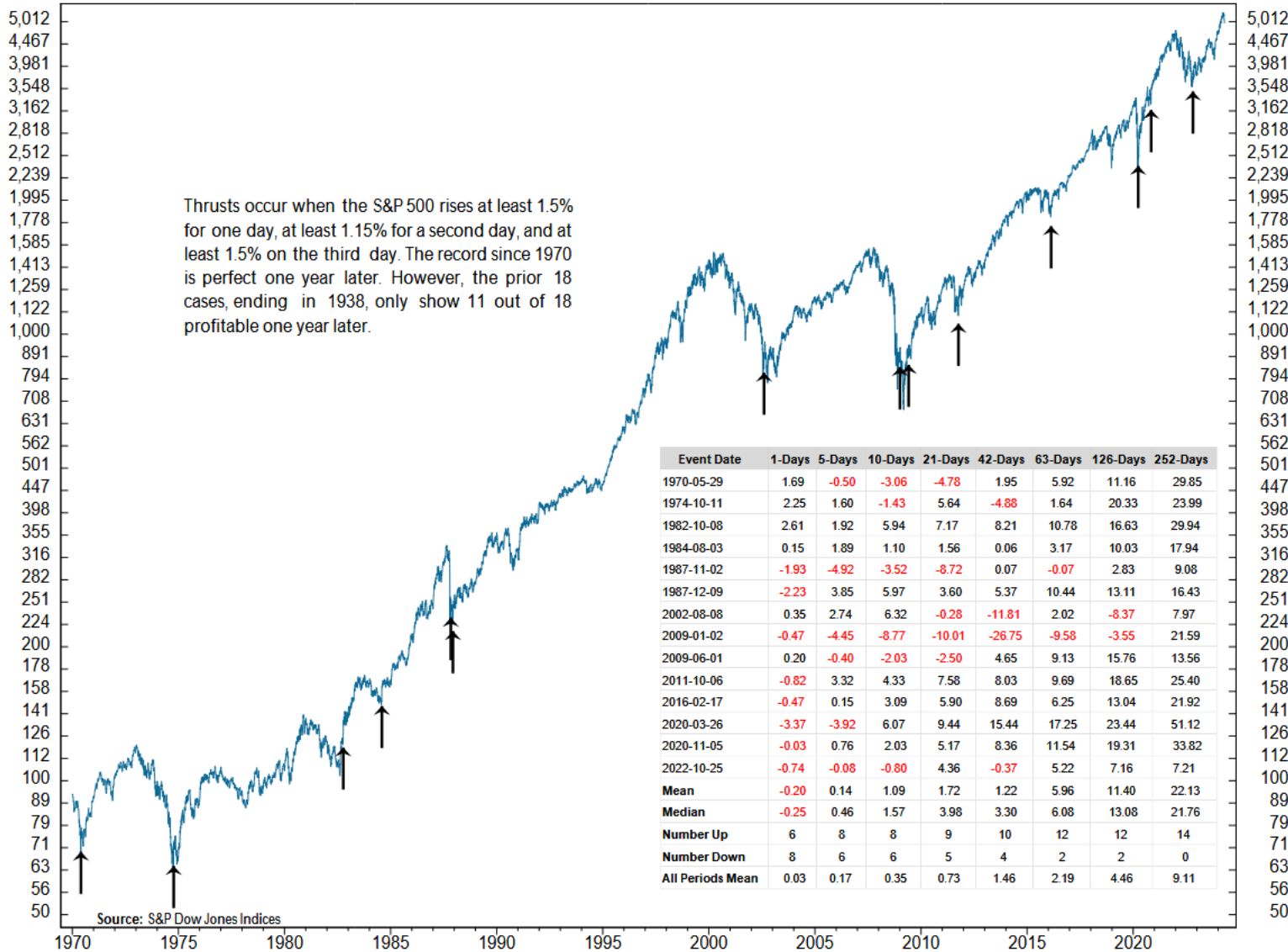


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S&P 500 With Three-Day Price Thrust Indicator

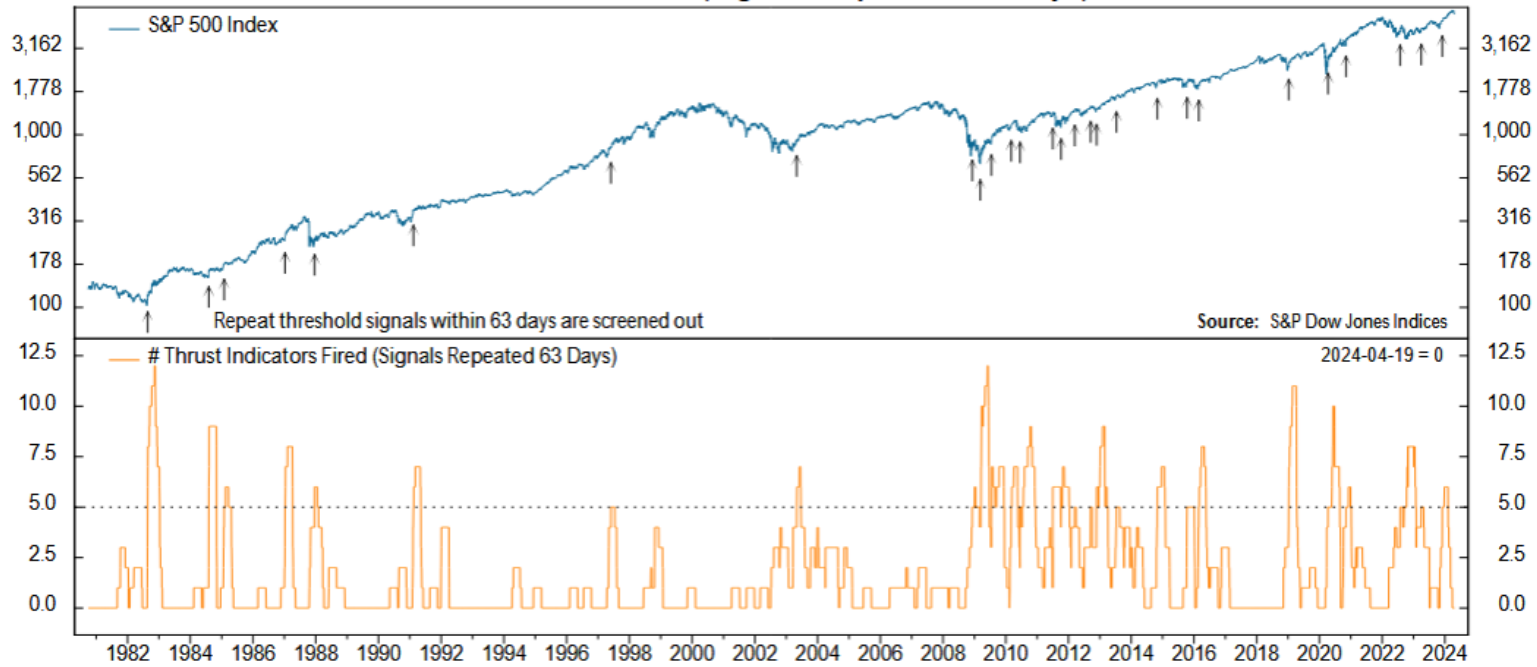
Daily Data 1970-01-02 to 2024-04-19 (Log Scale)



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S&P 500 Index vs. # Thrust Indicators Fired (Signals Repeated 63 Days)



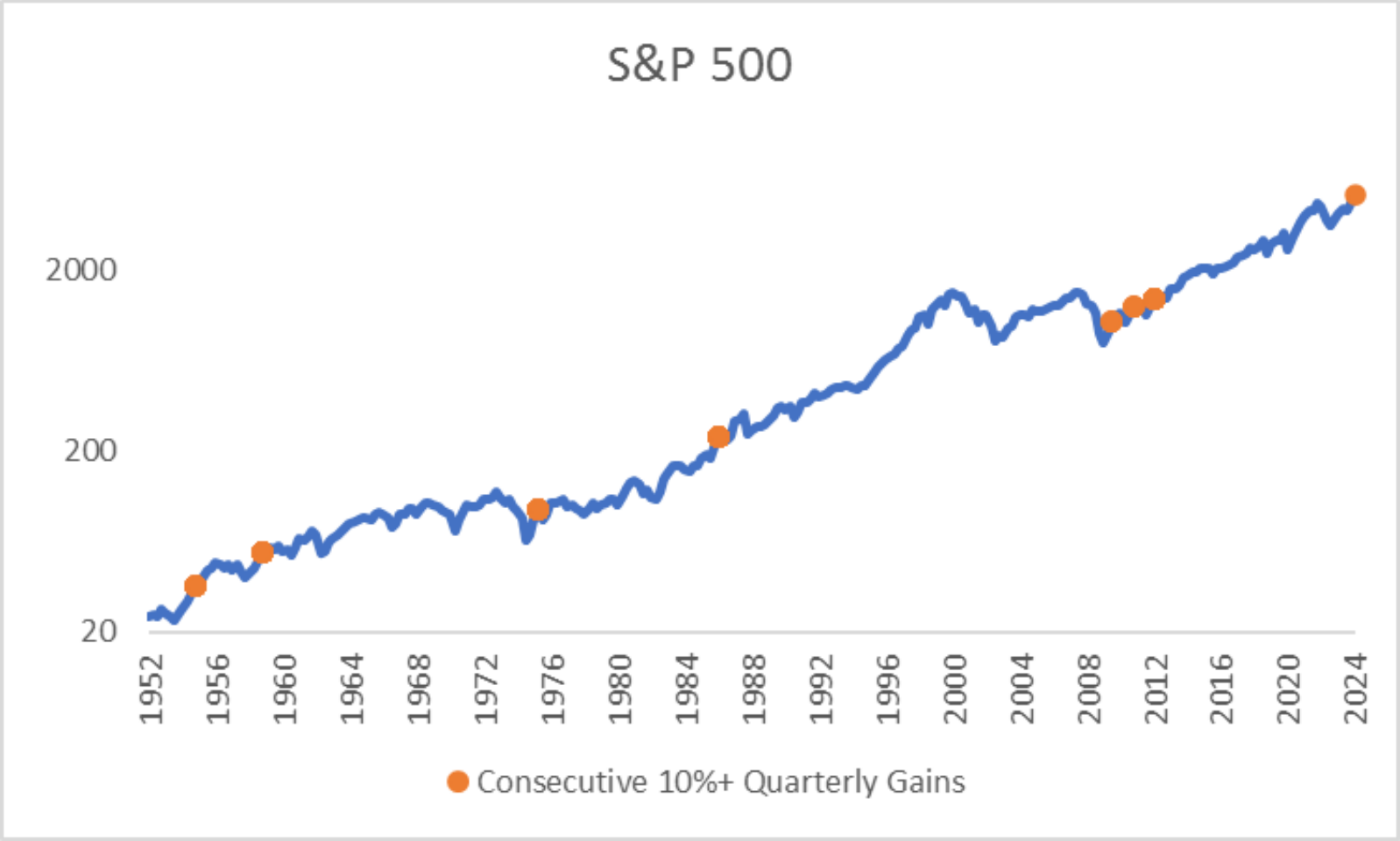
Event Date	# Thrusts Fired	10 Days	21 Days	63 Days	126 Days	252 Days
1982-08-23	6.00	4.5	6.8	18.0	27.5	41.2
1984-08-03	6.00	1.1	1.8	3.2	10.0	17.9
1985-01-29	5.00	0.8	1.1	0.4	6.0	17.4
1987-01-07	5.00	4.9	10.1	16.2	20.7	1.4
1987-12-18	6.00	3.8	-2.6	7.9	7.9	10.9
1991-02-11	5.00	-1.6	1.8	2.2	5.3	12.3
1997-05-30	5.00	5.3	4.3	6.5	12.2	28.6
2003-05-02	5.00	1.5	4.5	5.4	12.6	20.1
2008-12-05	5.00	1.3	3.5	-17.9	7.6	25.9
2009-03-09	5.00	21.6	20.5	38.8	50.2	68.6
2009-07-16	5.00	4.9	6.7	16.1	22.1	13.2
2010-03-05	5.00	1.9	4.5	-6.5	-4.3	16.0
2010-06-15	5.00	-6.6	-1.7	0.5	11.2	15.5
2011-07-01	6.00	-2.6	-8.4	-15.5	-6.1	1.9

Event Date	# Thrusts Fired	10 Days	21 Days	63 Days	126 Days	252 Days
2011-10-06	5.00	4.3	7.6	9.7	18.6	25.4
2012-03-13	5.00	1.2	-0.6	-5.1	2.7	11.8
2012-08-14	5.00	-1.7	-1.7	-2.4	6.3	17.7
2012-11-23	6.00	0.6	1.2	6.2	17.8	28.1
2013-07-11	5.00	0.9	1.0	-1.1	9.7	17.5
2014-10-30	5.00	2.2	2.9	1.3	6.0	4.2
2015-10-12	5.00	2.7	3.2	-3.9	3.2	5.9
2016-02-26	5.00	3.8	5.5	7.3	11.5	21.6
2019-01-08	5.00	2.5	5.1	11.8	16.3	26.4
2020-04-09	5.00	1.7	5.0	14.2	23.6	48.0
2020-11-05	5.00	2.0	5.2	11.5	19.3	33.8
2022-07-28	5.00	3.3	-0.4	-5.9	-0.0	12.7
2023-03-31	5.00	1.0	0.2	8.4	4.4	26.8
2023-12-01	5.00	2.7	2.4	10.5		

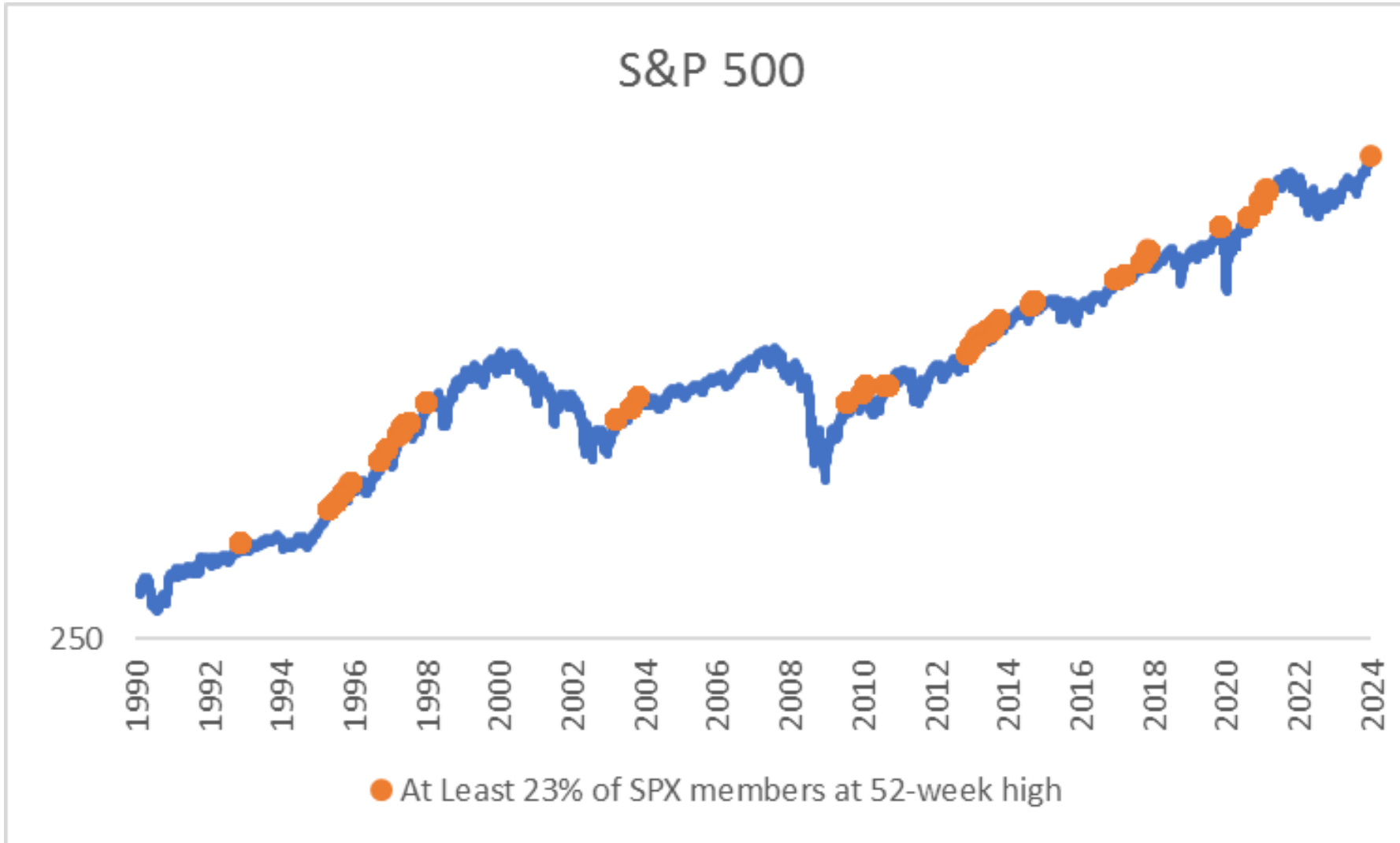
Summary Item	10 Days	21 Days	63 Days	126 Days	252 Days
Mean	2.44	3.26	4.92	11.94	21.14
Median	1.95	3.07	5.81	10.03	17.72
Number Up	24	22	20	24	27
Number Down	4	6	8	3	0
All Periods Mean	0.39	0.81	2.42	4.87	10.03

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Source: JPM



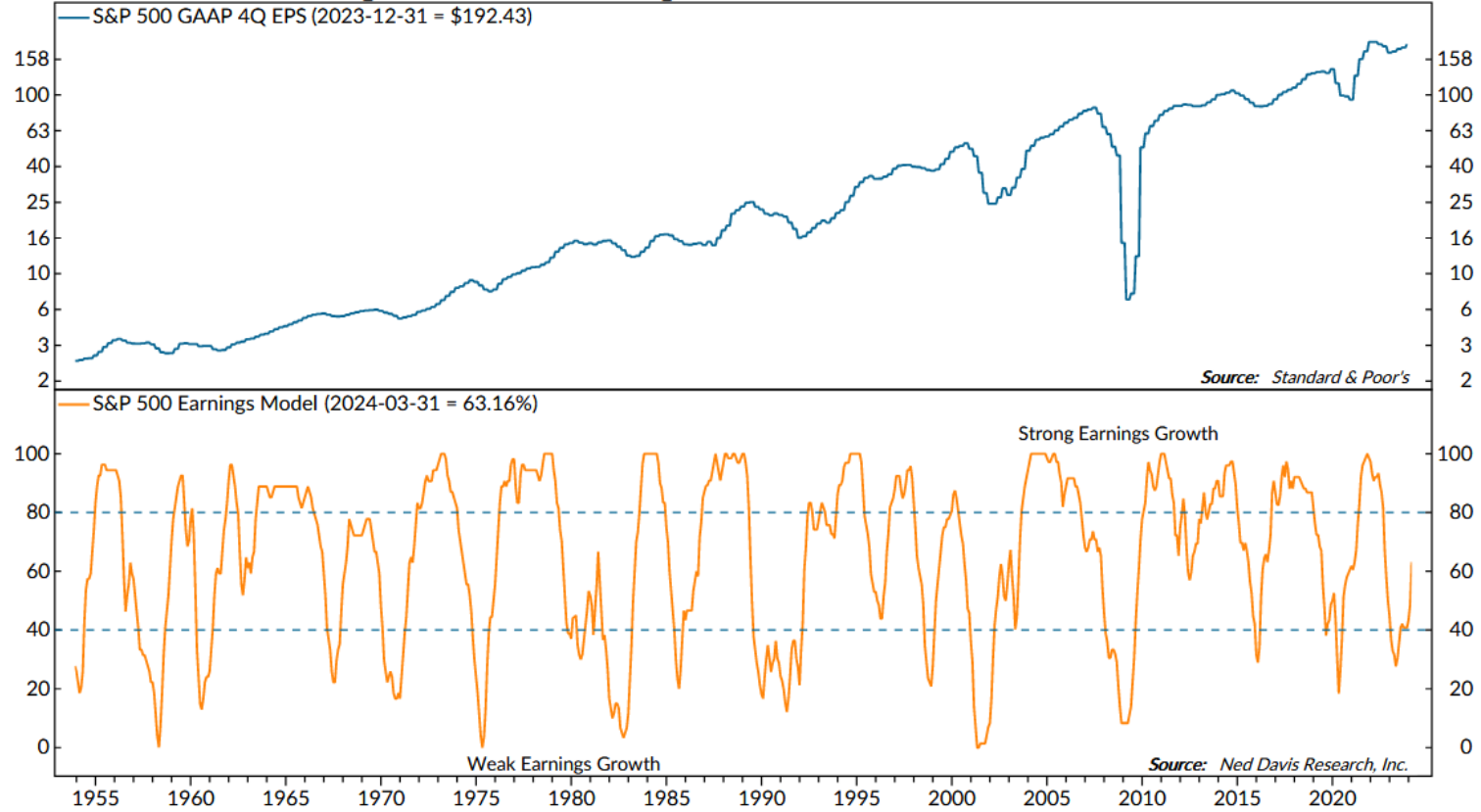
Source: JPM

Earnings concerns:



S&P 500 GAAP Earnings Per Share vs. Earnings Model

Monthly Data 1953-12-31 to 2024-03-31

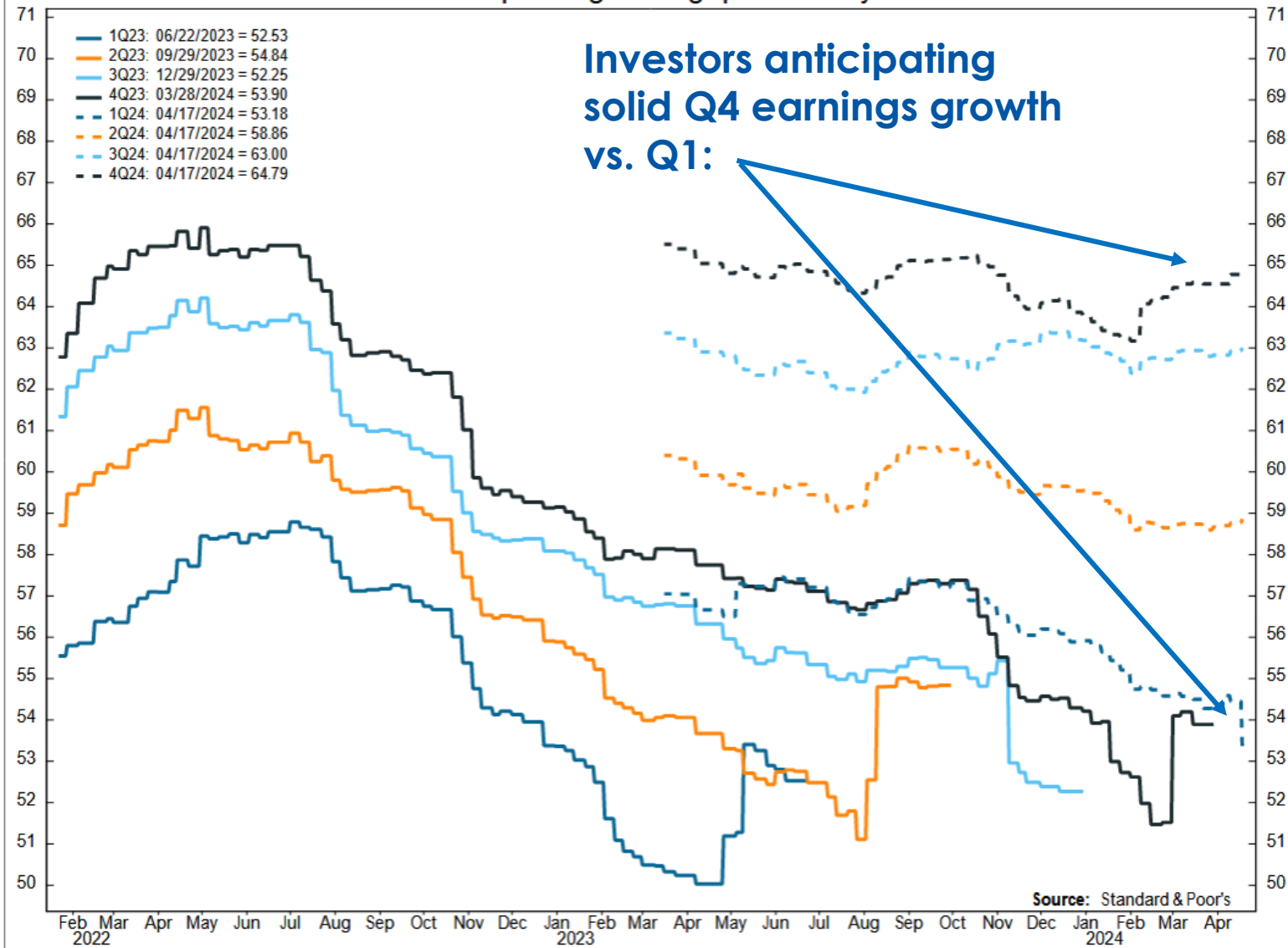


S&P 500 (GAAP) Earnings Per Share Performance		
Full History: 1953-12-31 to 2023-12-31		
S&P 500 Earnings Model:	% Gain/ Annum	% of Time
Above 80.0	19.16	41.28
40.0 - 80.0	12.27	36.82
Below 40.0	-21.51	21.90
Buy/Hold = 6.39% Gain/Annum		
Highlighted Mode Date: 2024-03-31 = 63.16		

S686

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Consensus Estimates for S&P 500 Operating Earnings per Share by Quarter Weekly Data 2022-01-21 to 2024-04-17

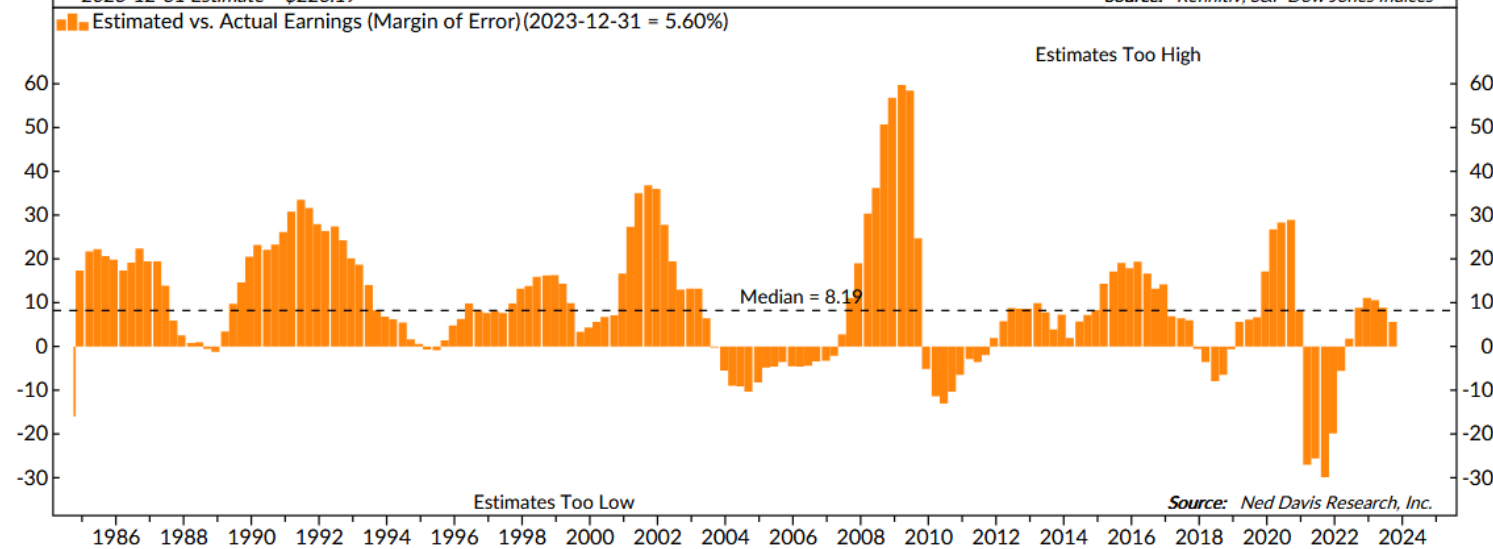
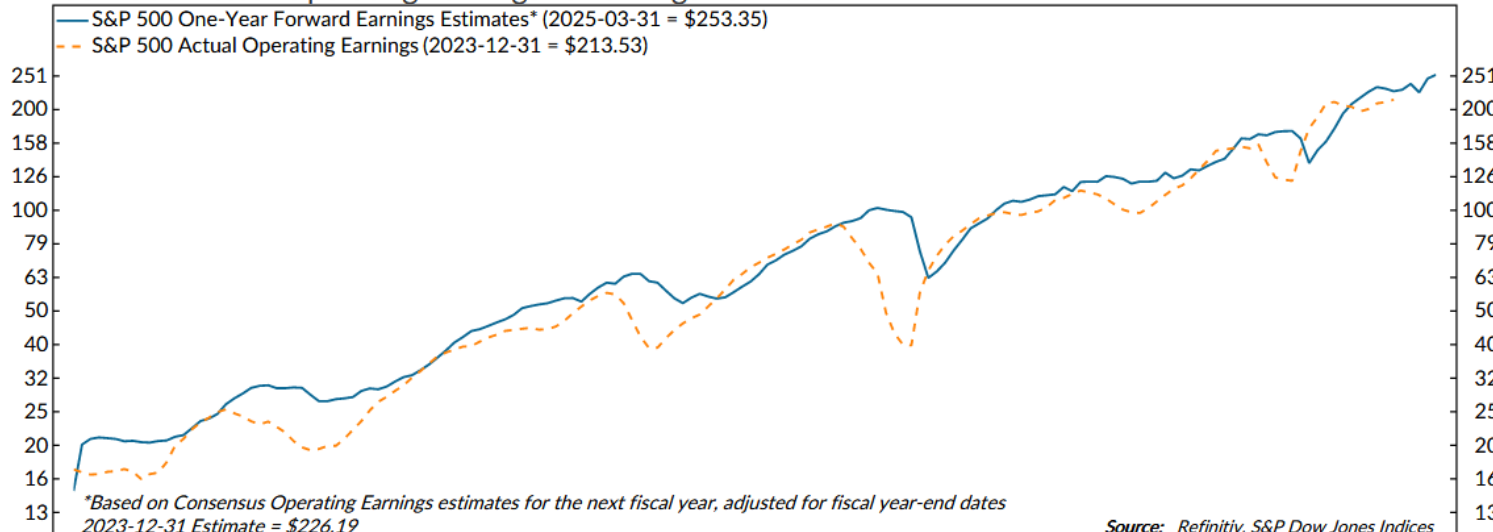


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S&P 500 Actual Operating Earnings vs Earnings Estimates

Quarterly Data 1984-12-31 to 2025-03-31



[S0662](#)

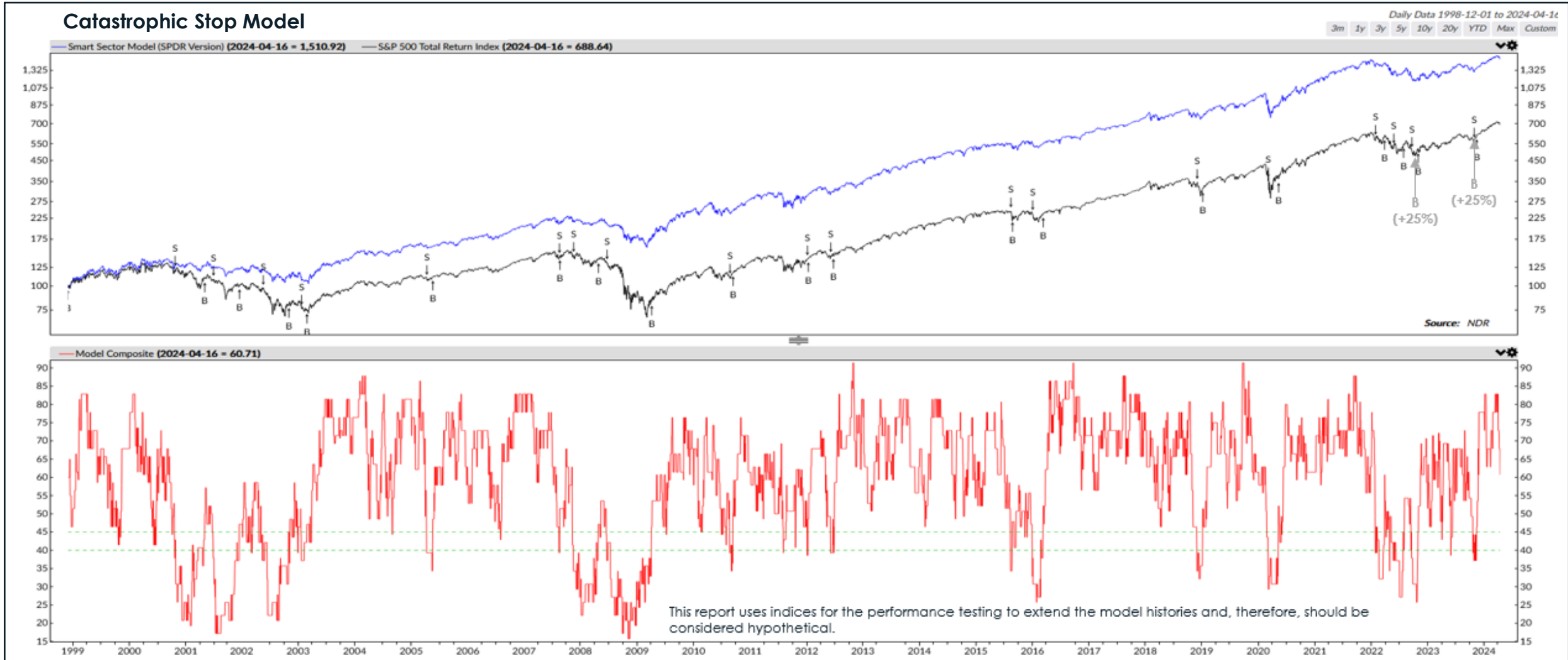
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Smart Sector with Catastrophic Stop:



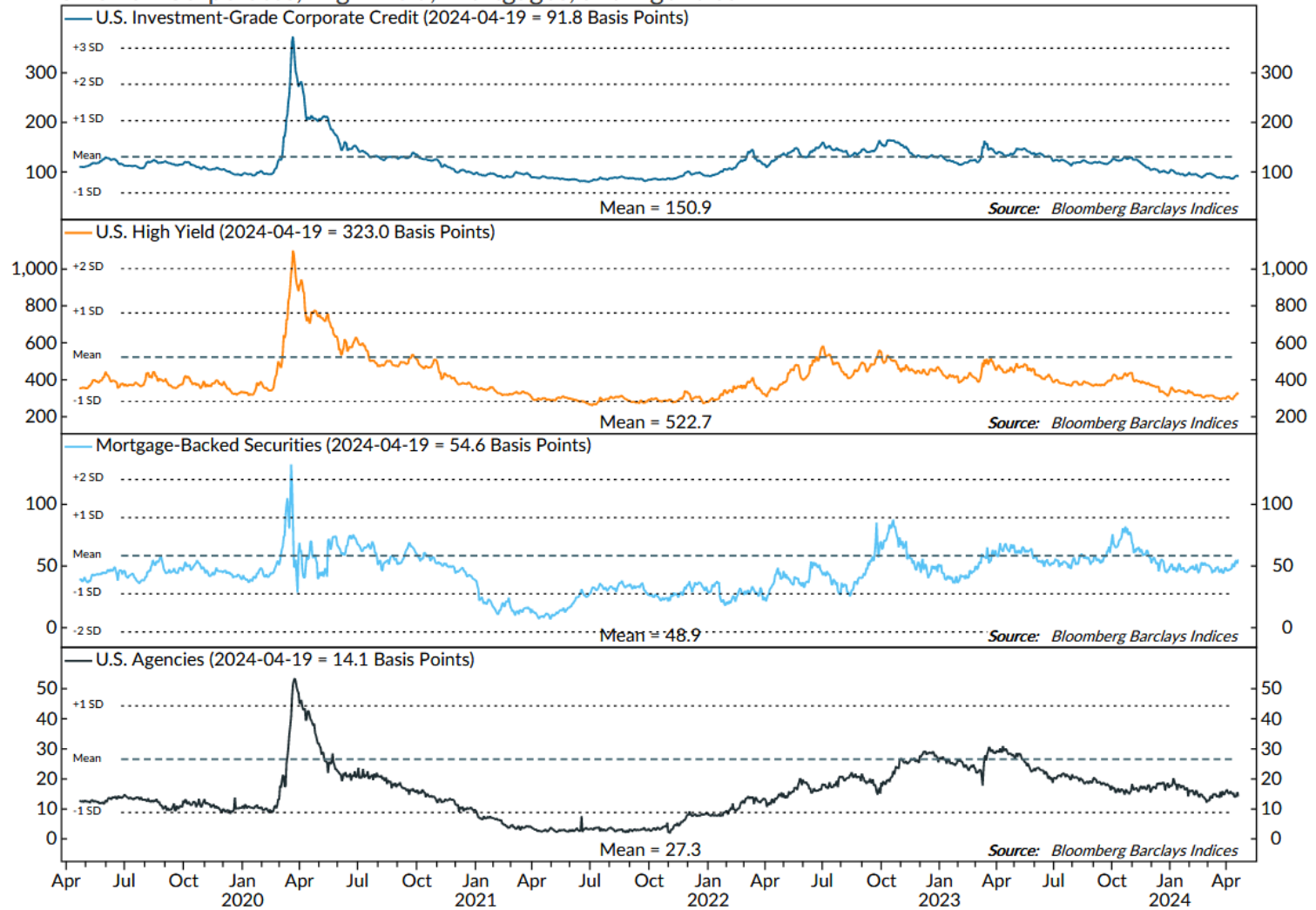
Catastrophic Stop

Quantitatively, Unemotionally Manage Risk



OAS* on Corporates, High Yield, Mortgages, and Agencies

Daily Data 2019-04-22 to 2024-04-19



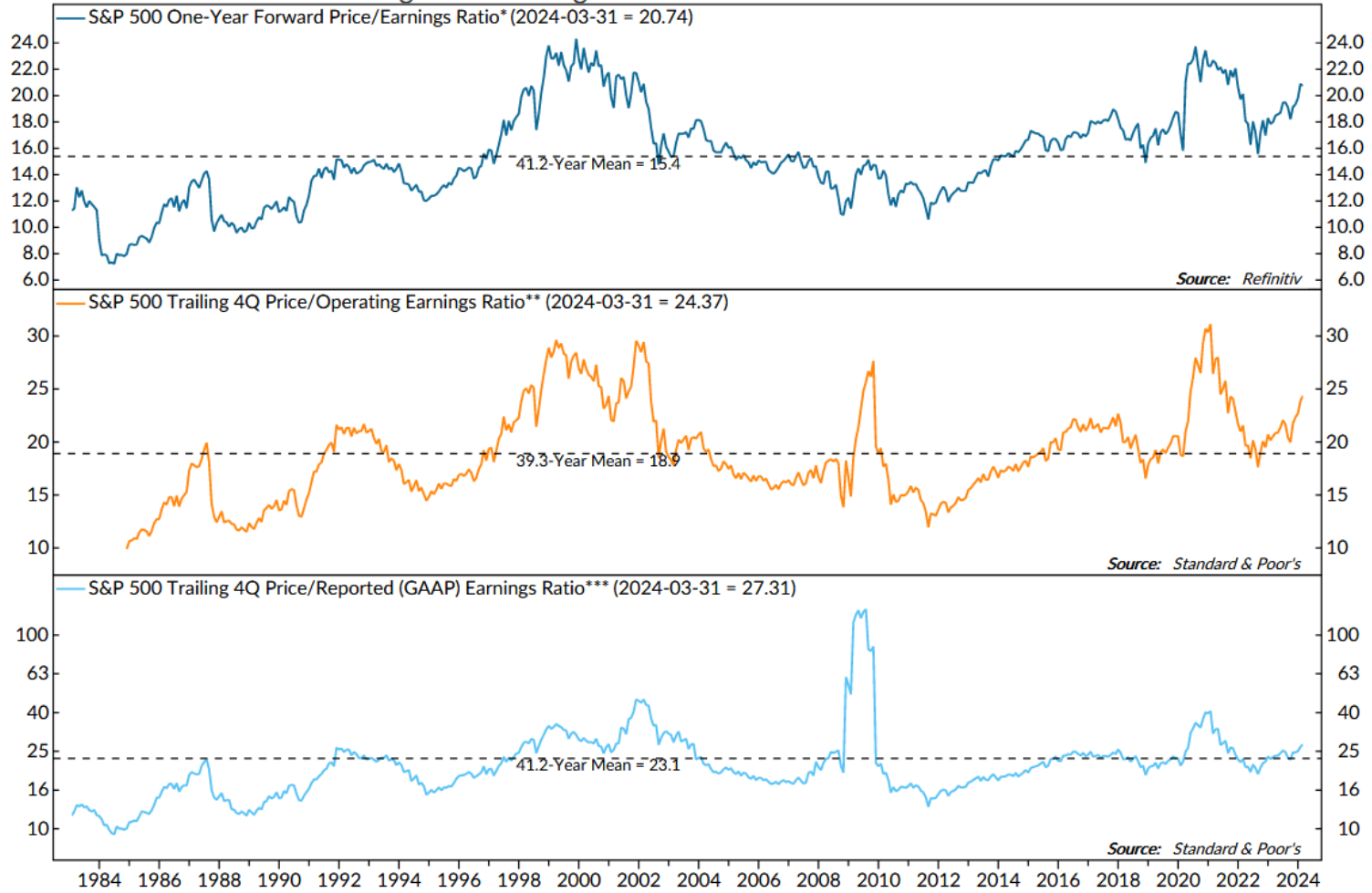
*OAS = Option-Adjusted Spread

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S&P 500 Forward vs. Trailing Price/Earnings Ratios

Monthly Data 1983-02-28 to 2024-03-31



* Based on consensus operating EPS estimates for the next fiscal year, adjusted for fiscal year-end dates.

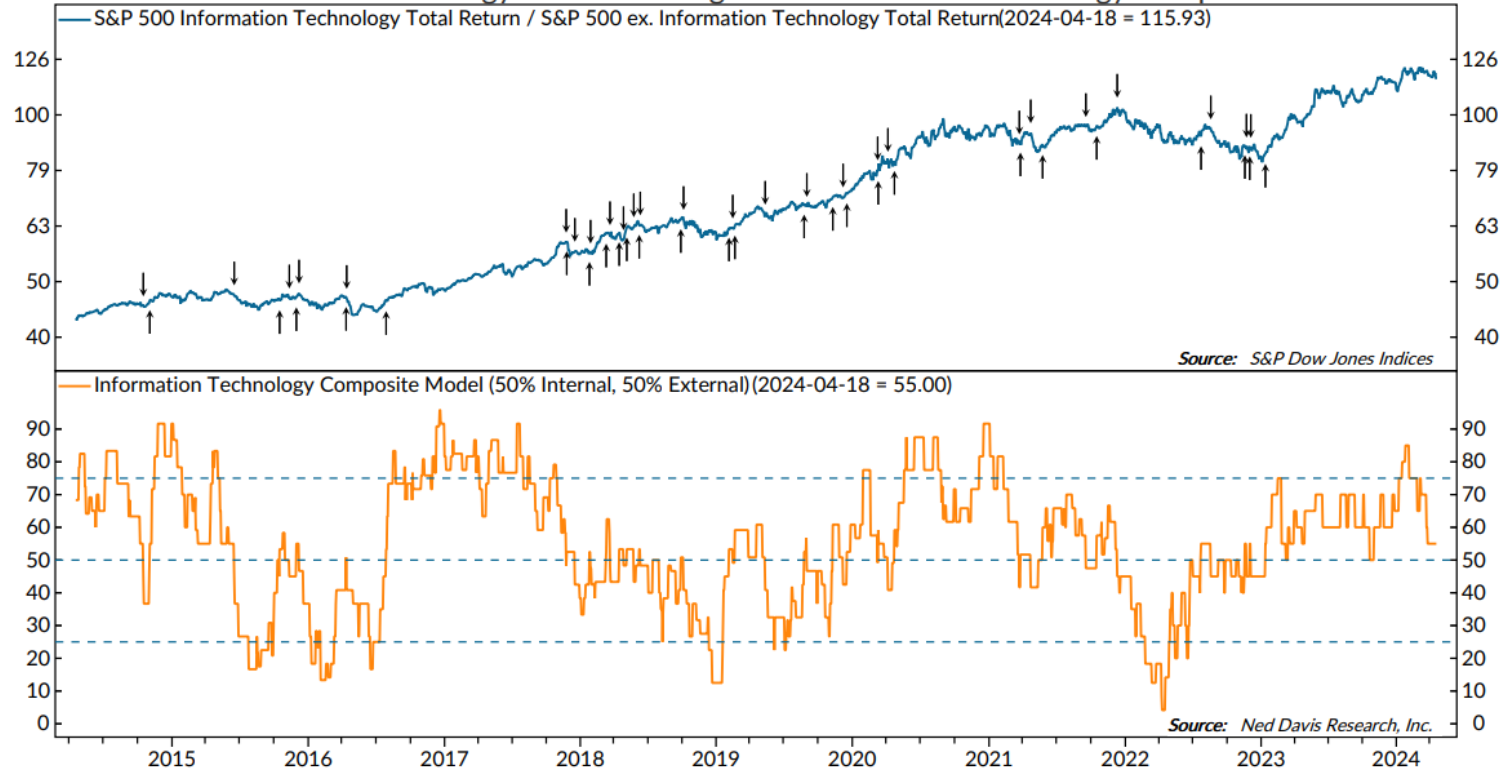
** Based on trailing 4Q operating EPS for S&P 500 Index as reported by S&P. Operating EPS data begins 1984-12-31. Current P/E based on earnings as of 2023-12-31.

*** Based on trailing 4Q reported (GAAP) EPS for S&P 500 Index as reported by S&P. Current P/E based on earnings as of 2023-12-31

[5662](#)

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S&P 500 Information Technology Relative Strength vs. Information Technology Composite Model



Information Technology / S&P 500 ex. Information Technology Performance		
Full History: 1979-12-31 to 2024-04-18		
Information Technology Composite Model is	% Gain/Annum	% of Time
Above 75	18.65	14.81
Between 50 and 75	6.42	43.06
Between 25 and 50	-7.82	32.74
25 and Below	-17.22	9.39
Buy/Hold = 0.77% Gain/Annum		

Information Technology / S&P 500 ex. Information Technology Performance		
Chart View: 2014-04-21 to 2024-04-18		
Information Technology Composite Model is	% Gain/Annum	% of Time
Above 75	12.65	17.18
Between 50 and 75	20.22	44.63
Between 25 and 50	-0.91	30.90
25 and Below	-0.79*	7.29
Buy/Hold = 10.41% Gain/Annum		
* Cases less than one year are not annualized		

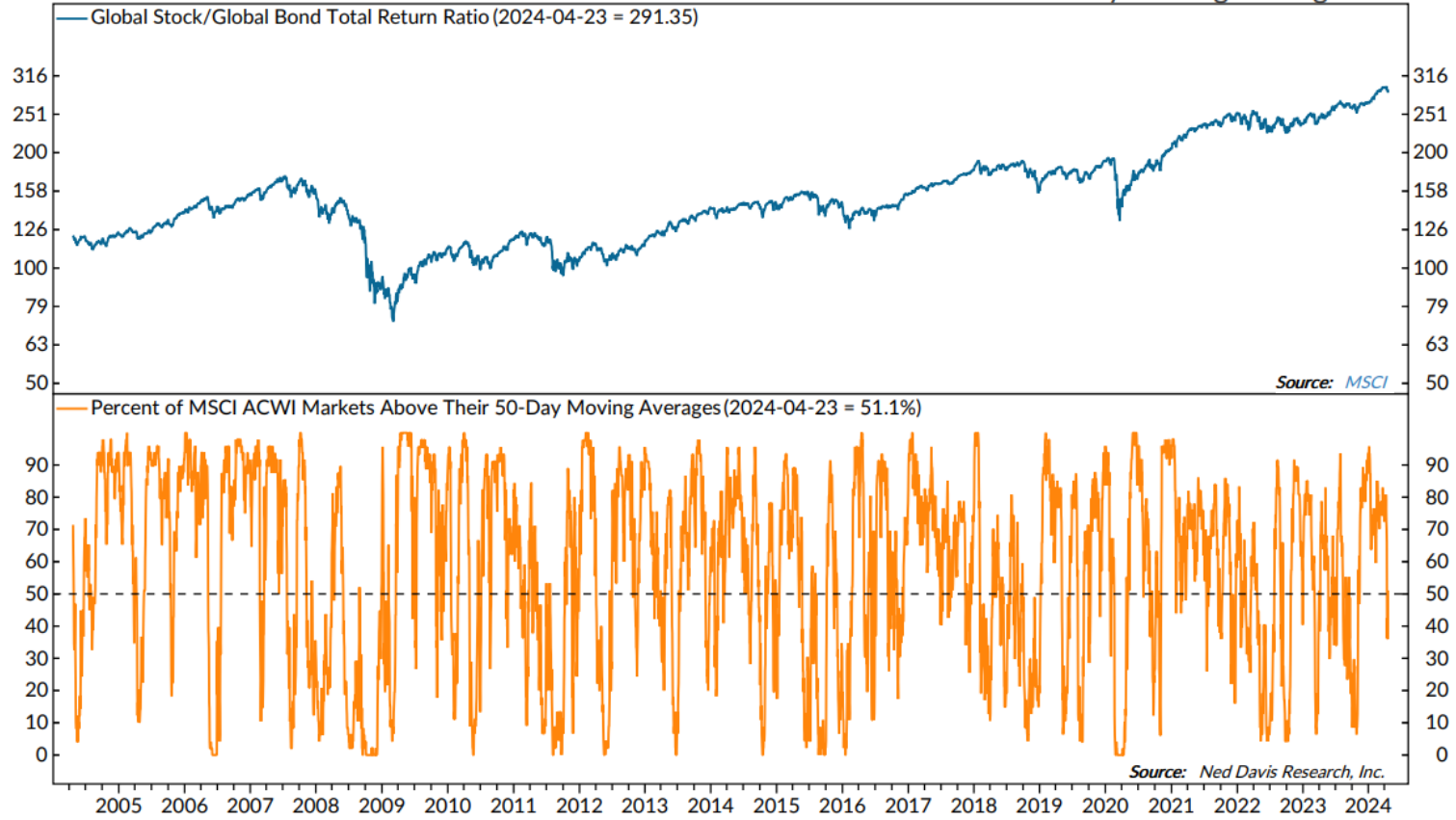
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Positions and outlook may change
at any time.

Smart Sector International ex-US:



Global Stock/Bond Ratio vs. Percent of MSCI ACWI Markets Above Their 50-Day Moving Averages



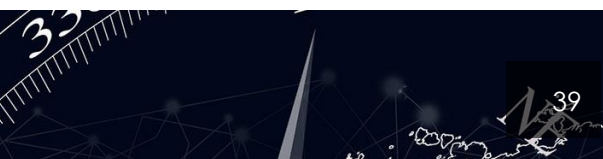
Bullish above 50%.
Bearish below 50%.

Global Stock/Bond Ratio Performance		
Full History: 1994-05-31 to 2024-04-23		
MSCI ACWI Breadth Indicator is	% Gain/Annum	% of Time
Bullish	10.14	62.13
Bearish	-7.70	37.87
Buy/Hold = 3.01% Gain/Annum		

Global Stock/Bond Ratio Performance		
Chart View: 2004-04-23 to 2024-04-23		
MSCI ACWI Breadth Indicator is	% Gain/Annum	% of Time
Bullish	8.30	63.52
Bearish	-1.88	36.48
Buy/Hold = 4.47% Gain/Annum		

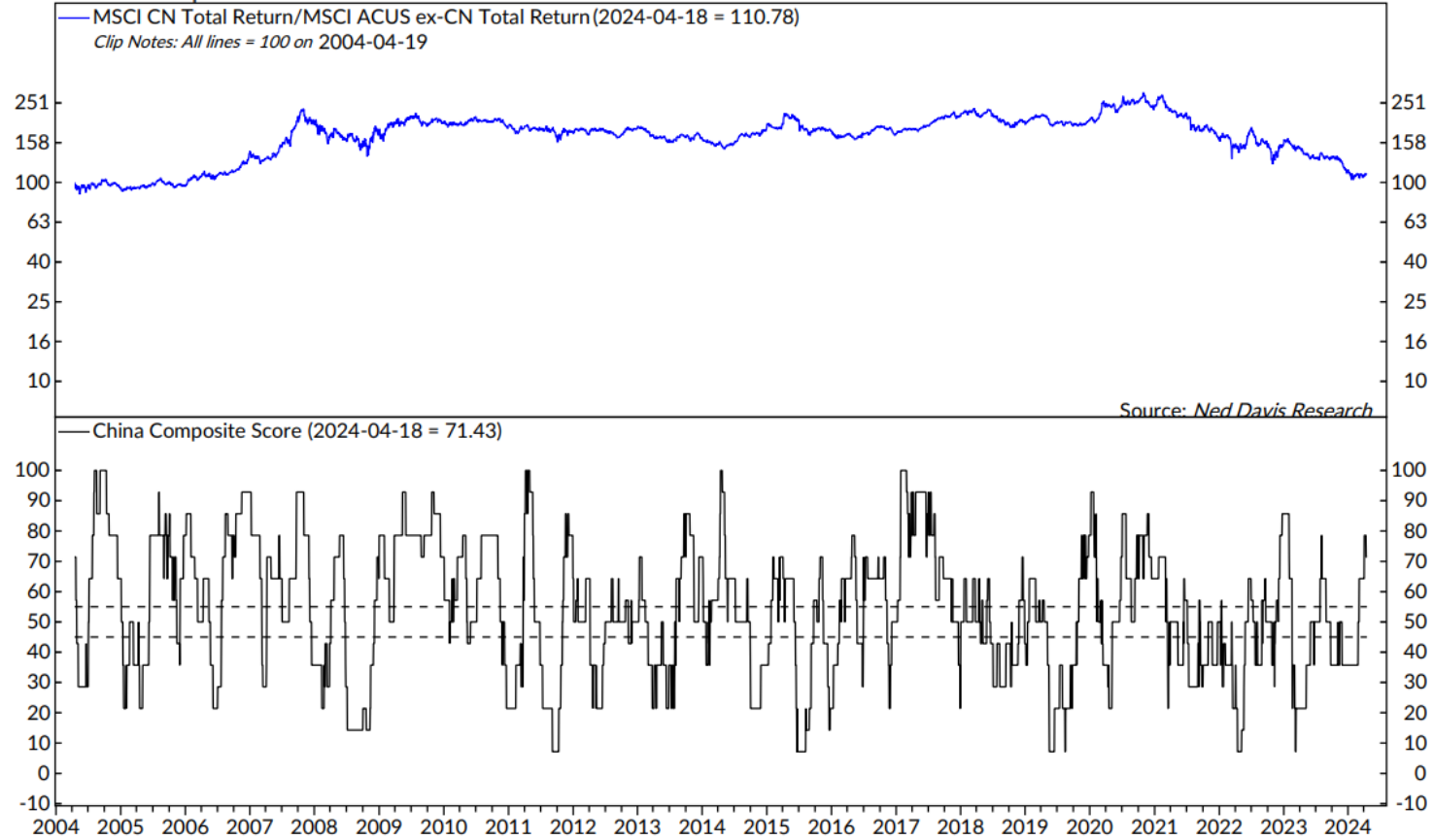
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Composite Chart for China

Daily Data 2004-04-19 to 2024-04-18



1993-01-29 to 2024-04-18		
China Composite Score	% Gain/Annum	% of Time
* Above 55	7.28	48.11
Between 45 and 55	-3.03	15.51
45 and Below	-21.68	36.37

2004-04-19 to 2024-04-18		
China Composite Score	% Gain/Annum	% of Time
* Above 55	8.72	48.14
Between 45 and 55	-1.39	17.47
45 and Below	-9.07	34.39

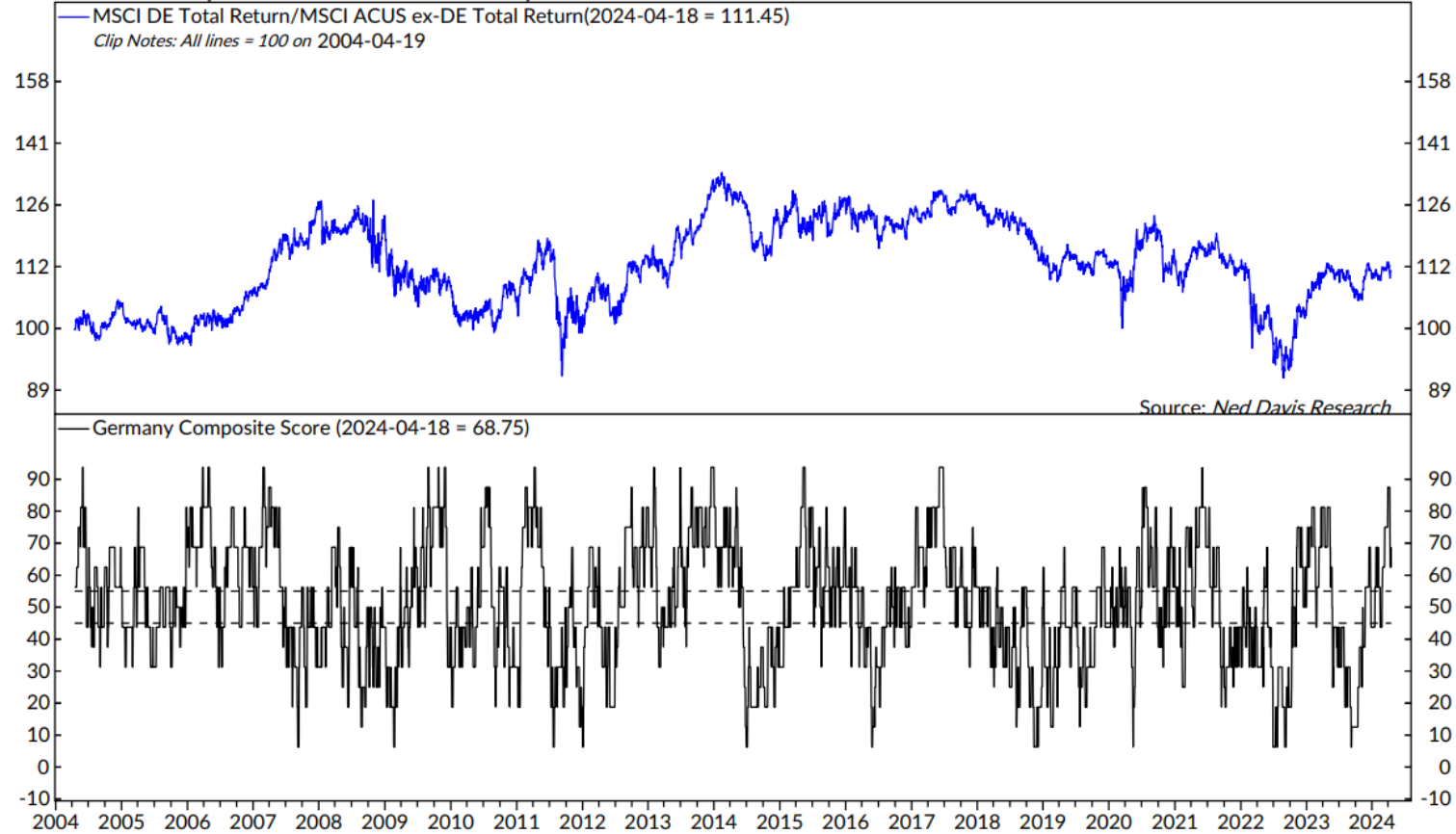
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Composite Chart for Germany

Daily Data 2004-04-19 to 2024-04-18



1993-01-29 to 2024-04-18		
Germany Composite Score	% Gain/Annum	% of Time
* Above 55	1.73	47.86
Between 45 and 55	-4.39	9.05
45 and Below	1.23	43.09

2004-04-19 to 2024-04-18		
Germany Composite Score	% Gain/Annum	% of Time
* Above 55	4.27	49.66
Between 45 and 55	-5.87	6.05
45 and Below	-2.61	44.29

Customized client version of SSSXU_CORE_REPORT.RPT

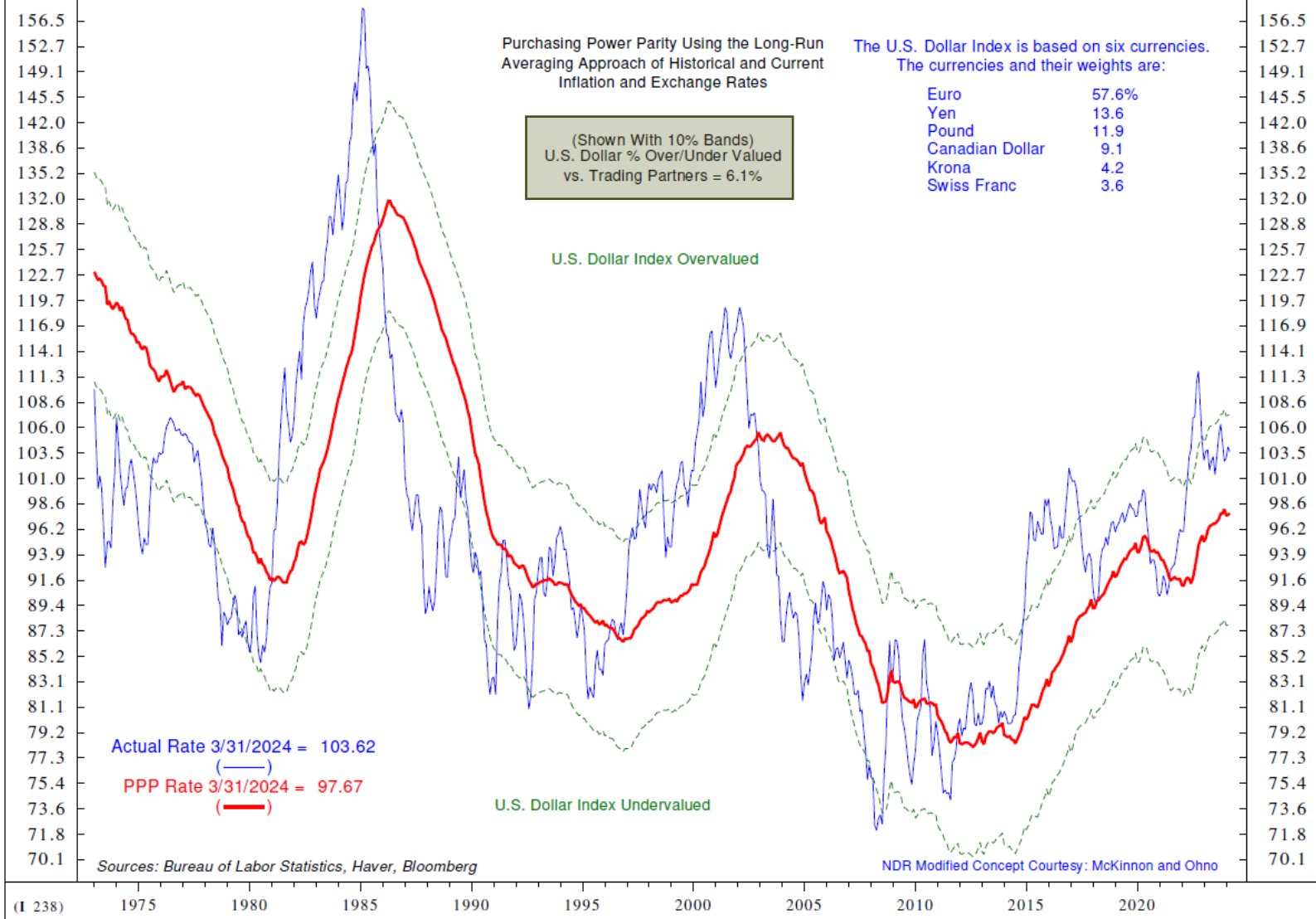
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Currency Rankings:

Rank	One Week Ago	Four Weeks Ago	Currency Market	Total Composite	Short-Term Technical Composite	Intermediate-Term Technical Composite	Long-Term Technical Composite
1	1	4	U.S. Dollar	78.52	<u>91.67</u>	<u>88.89</u>	<u>55.00</u>
2	2	2	British Pound	38.89	<u>50.00</u>	<u>16.67</u>	<u>50.00</u>
3	3	5	Swedish Krona	36.94	<u>33.33</u>	<u>40.00</u>	<u>37.50</u>
4	6	6	Australian Dollar	32.64	<u>25.00</u>	<u>16.67</u>	<u>56.25</u>
5	4	3	Japanese Yen	29.17	<u>16.67</u>	<u>33.33</u>	<u>37.50</u>
6	5	1	Euro	25.93	<u>27.78</u>	<u>25.00</u>	<u>25.00</u>
7	8	8	Canadian Dollar	21.25	<u>20.00</u>	<u>0.00</u>	<u>43.75</u>
8	7	7	Swiss Franc	18.06	<u>16.67</u>	<u>0.00</u>	<u>37.50</u>

Purchasing Power Parity of the U.S. Dollar Index

Monthly 1/31/1973 - 3/31/2024 (Log Scale)



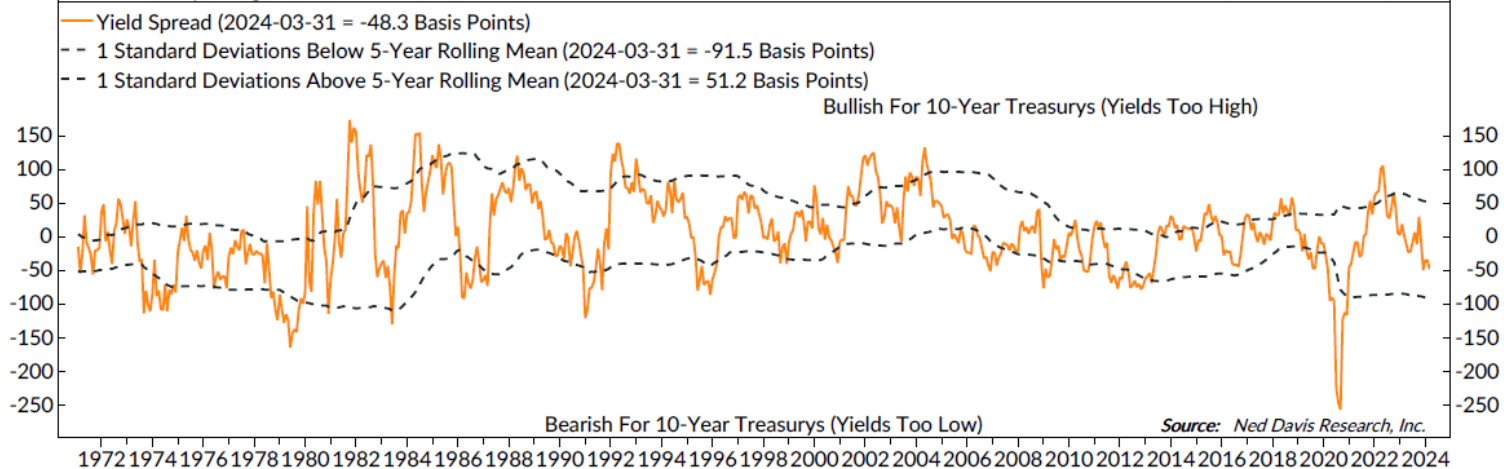
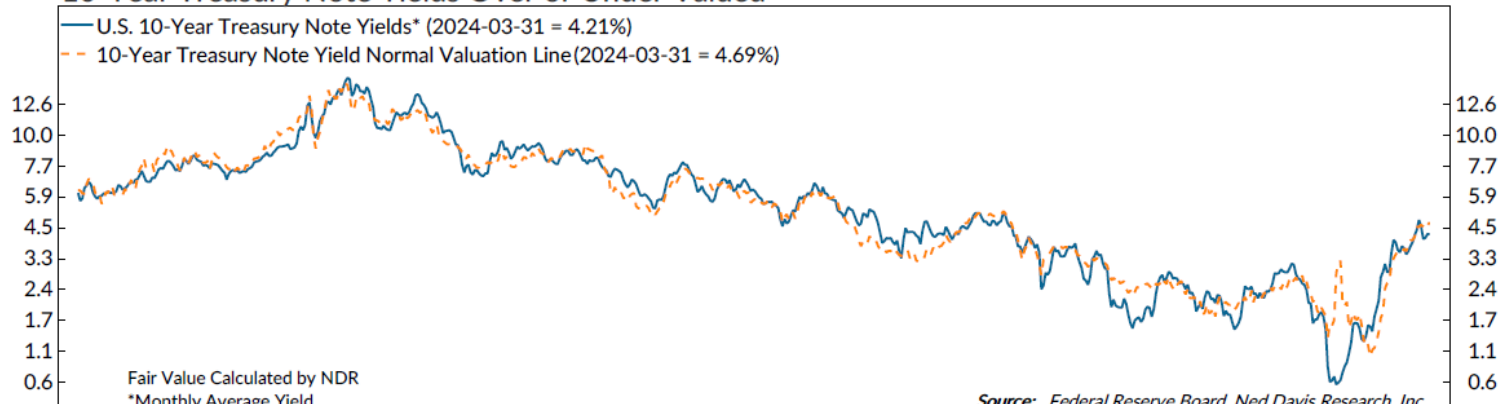
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Smart Sector Fixed Income:



10-Year Treasury Note Yields Over or Under Valued

Monthly Data 1971-02-28 to 2024-03-31

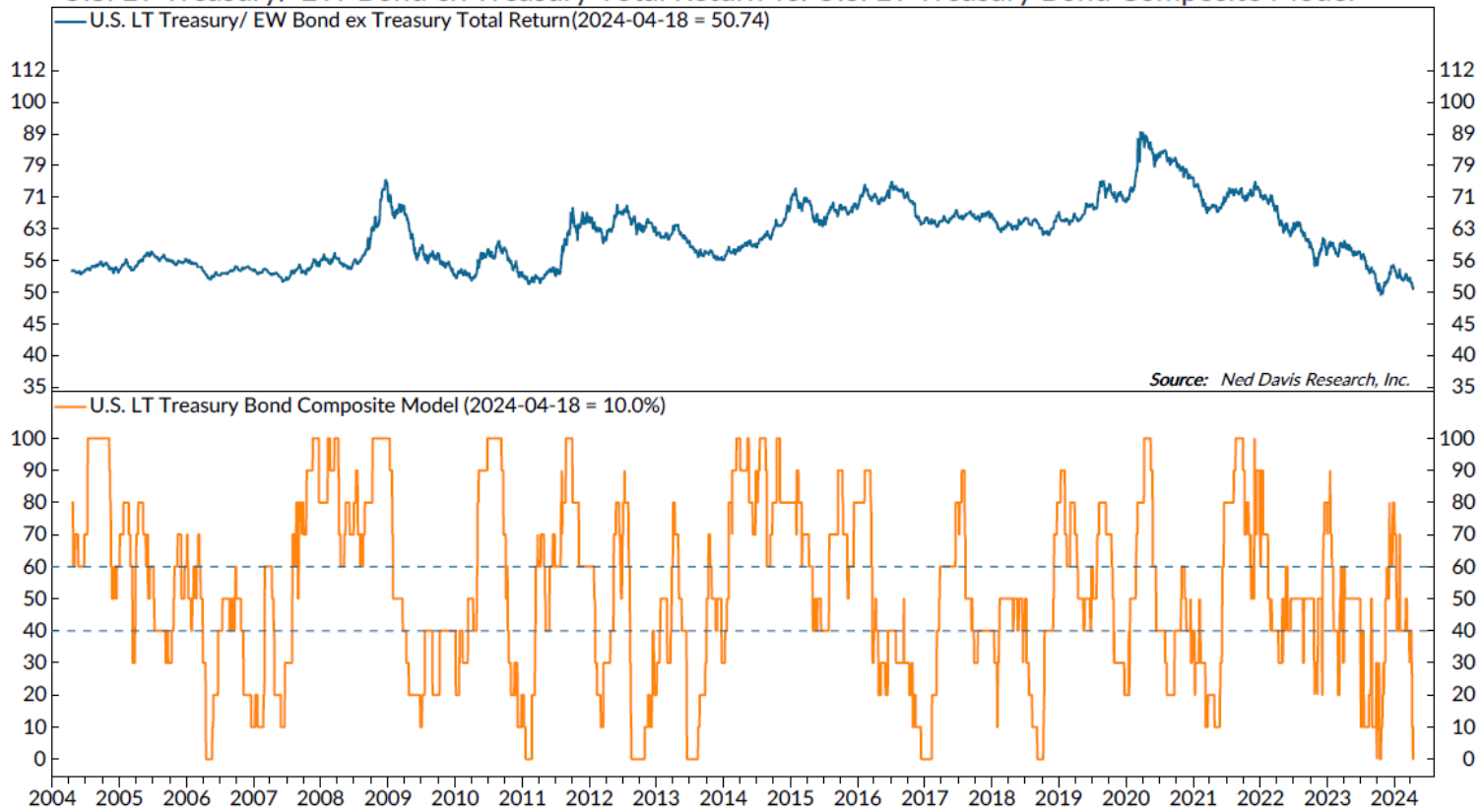


Determinants of Fair Value	Sensitivity
Core PCE Price Index	0.46
6-Month T-Bill Yield	0.46
Real German Bond Yield	0.35
Real GDP Output Gap	-0.17

Analysis Dates: 1971-02-28 - 2024-03-31			
Signal	Barclays LT Treas Mean Return After:		
	6 Months	12 Months	18 Months
After > +1SD	2.92	5.69	7.74
After < -1SD	-2.84	-5.43	-8.29

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U.S. LT Treasury/ EW Bond ex Treasury Total Return vs. U.S. LT Treasury Bond Composite Model



Treasury Relative Strength Performance		
Full History: 1974-08-12 to 2024-04-18		
U.S. LT Treasury Composite is	% Gain/Annum	% of Time
Above 60.0	4.92	38.52
40.0 - 60.0	0.40	22.74
Below 40.0	-6.18	38.73
Buy/Hold = -0.53% Gain/Annum		

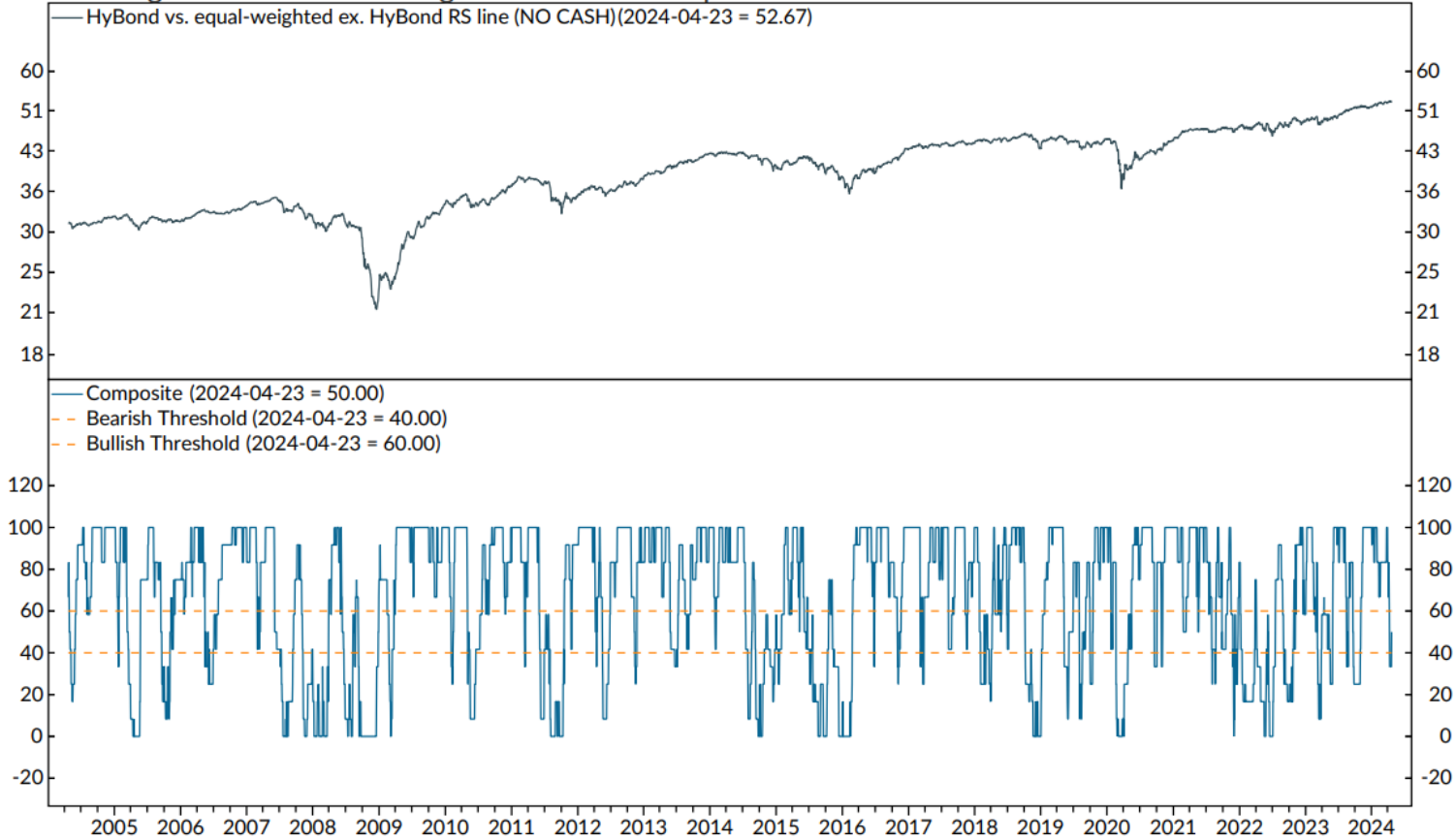
Treasury Relative Strength Performance		
Chart View: 2004-04-19 to 2024-04-18		
U.S. LT Treasury Composite is	% Gain/Annum	% of Time
Above 60.0	7.30	38.81
40.0 - 60.0	0.30	27.09
Below 40.0	-8.79	34.09
Buy/Hold = -0.32% Gain/Annum		

Customized client version of ISBM1_USLT_COMP

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U.S. High Yield Bonds U.S. High Yield Bonds Composite

Daily Data 2004-04-23 to 2024-04-23

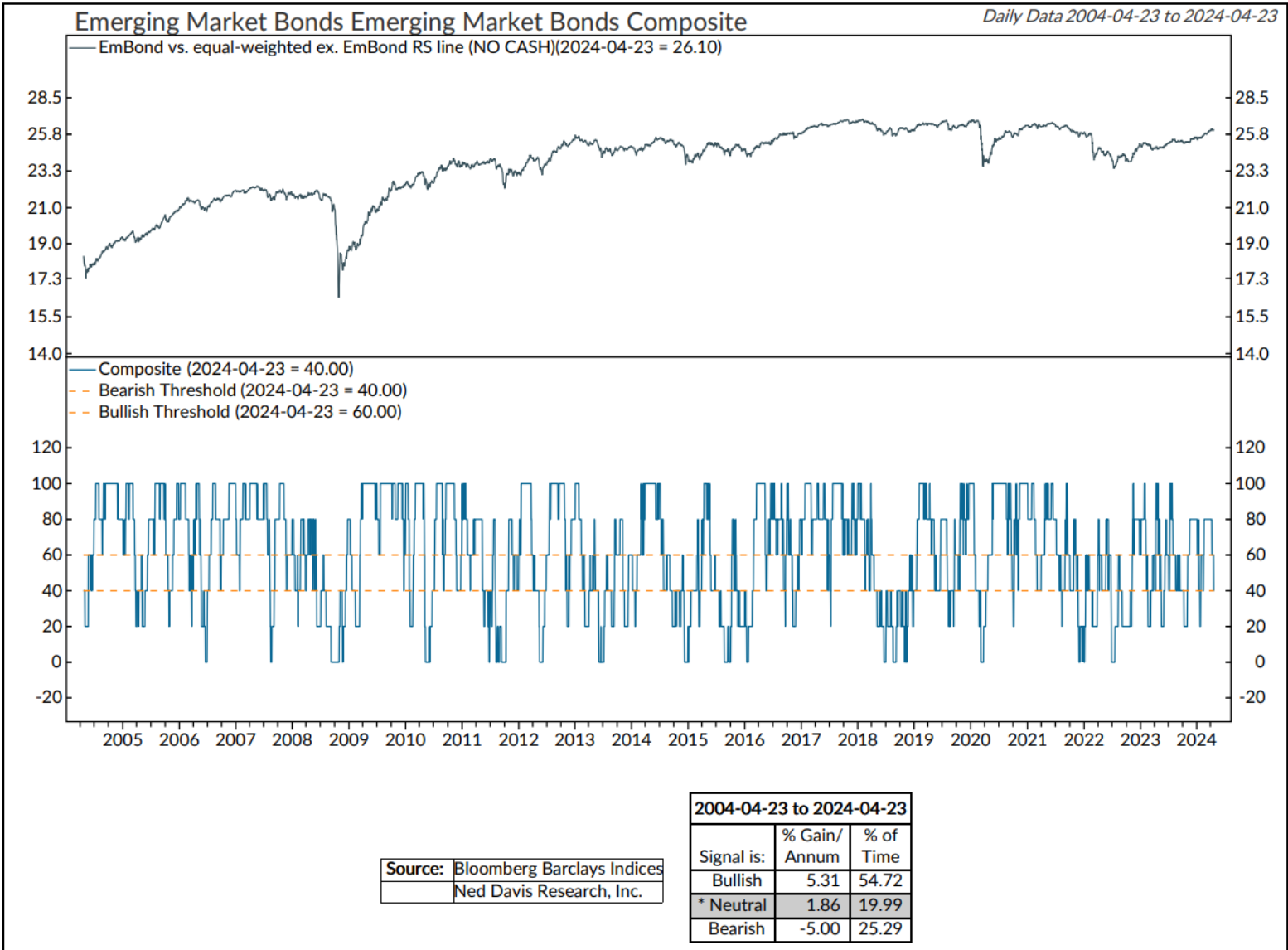


Source: Bloomberg Barclays Indices
Ned Davis Research, Inc.

2004-04-23 to 2024-04-23		
Signal is:	% Gain/ Annum	% of Time
Bullish	9.79	62.55
* Neutral	-2.00	15.03
Bearish	-12.22	22.42

Customized client version of U.S. High Yield Bonds Composite

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Customized client version of Emerging Market Bonds Composite

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Conclusion



For More Information

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Data and Sources

- Day Hagan Research
- SentimentTrader.com
- ZeroHedge.com
- JP Morgan
- Ned Davis Research Group
- Goldman Sachs
- Bank of America
- Federal Reserve
- Valens
- Wall Street Journal/Barron's
- Zack's Investment Research
- RealInvestmentAdvice.com
- ISS EVA
- Barchart.com
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Thank you!

Hope you have a
wonderful week.

