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“Performance is ultimately the single most important thing, when it comes to determine strategy.”

CONY STRATEGY SUMMARY	
Number of actions	3
Regional classification	All regions & asset classes
Return since initiation	-2.47%



Dear Readers,

Throughout November, our strategy and global equities in general tried to recover from the severe losses in October. In November, our strategy recovered by more than 2% but because of the losses in October the return of the strategy is -2.5% since its initiation in late June 2018. Although we do not foresee a sharp recession in US economy for 1H19, market pricings suggest that US economy will fall from the cliff in 2019 as soon as the positive impact of tax cuts wears off in 2019. Additionally, investors are afraid that the trade war mainly between US and China will eventually hit US and global economy at some point despite some improvement on that front recently. Our picks of the month are still long SPX, long STI and long KOSPI. It is worth noting that pressure on Argentina and Turkey diminished in the last three months but concerns on EMs are still alive.

Our scope: We look at macro trends in developed and selected emerging markets, analyze their outlook, create heatmaps and try to make long-term decisions in some asset classes. From a tactical point of view, when determining the levels, we also take technical analysis into consideration.

Our strategy view for 2H18:

Advanced Markets

US Equities → BUY

Singapore Equities → BUY

European Equities → NEUTRAL (Except Germany, Spain and Sweden)

US Fixed Income → SELL

US Corporate Bonds → SELECTIVE BUY

Advanced Currencies → SHORT EUR AGAINST USD, NEUTRAL ON JPY & GBP

Emerging Markets

EM Equities → SELECTIVE BUY

EM Fixed Income → NEUTRAL

EM Currency → NEUTRAL

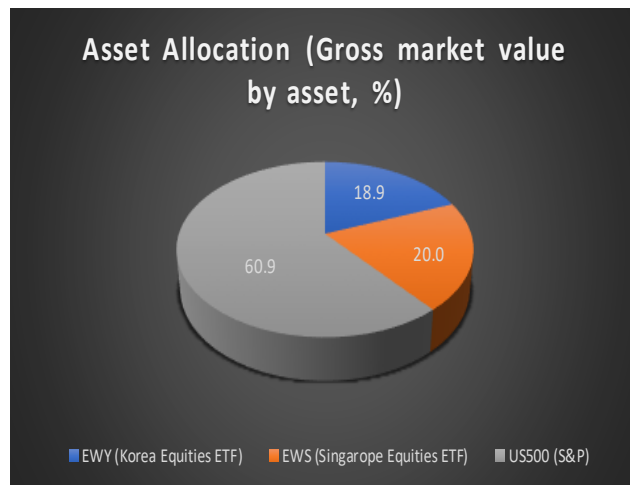
Gold → TRADING BUY

Petroleum → NEUTRAL

*Strategy is flexible depending on the risk profile of investors.
Risk averse/risk tolerant/short-term/long-term strategies are available.*

Our current strategy: We believe that amid trade wars, rate hikes & FED's balance sheet contraction global growth will remain strong in the short term. Regionally speaking, America and Asia will continue to lead global growth. European economy will grow as well, but slower than its peers (except Germany, Spain and Sweden). Currently, we like American equities, Singapore equities and Korean equities and still dislike EUR & US government bonds.

Our strategy performance: CONY Global Macro Strategy generated a gross return of -2.47% in USD terms since its initiation due to the collapse in all asset classes in October. Our strategy benefited significantly from rallies in the US and Singapore at first. We lost on Korea, but we still see Korea as a good and stable macro story for long-term.



Our investment radar: In every newsletter, we also share our possible next trading ideas as well. For the upcoming month, we monitor plummeted petroleum prices and might look for an entry point. We had the same strategy for November as well, but we did not take an action yet.

Sincerely,

Ozgur ALTUG
Strategist / Economist
CONY Global Macro Strategy