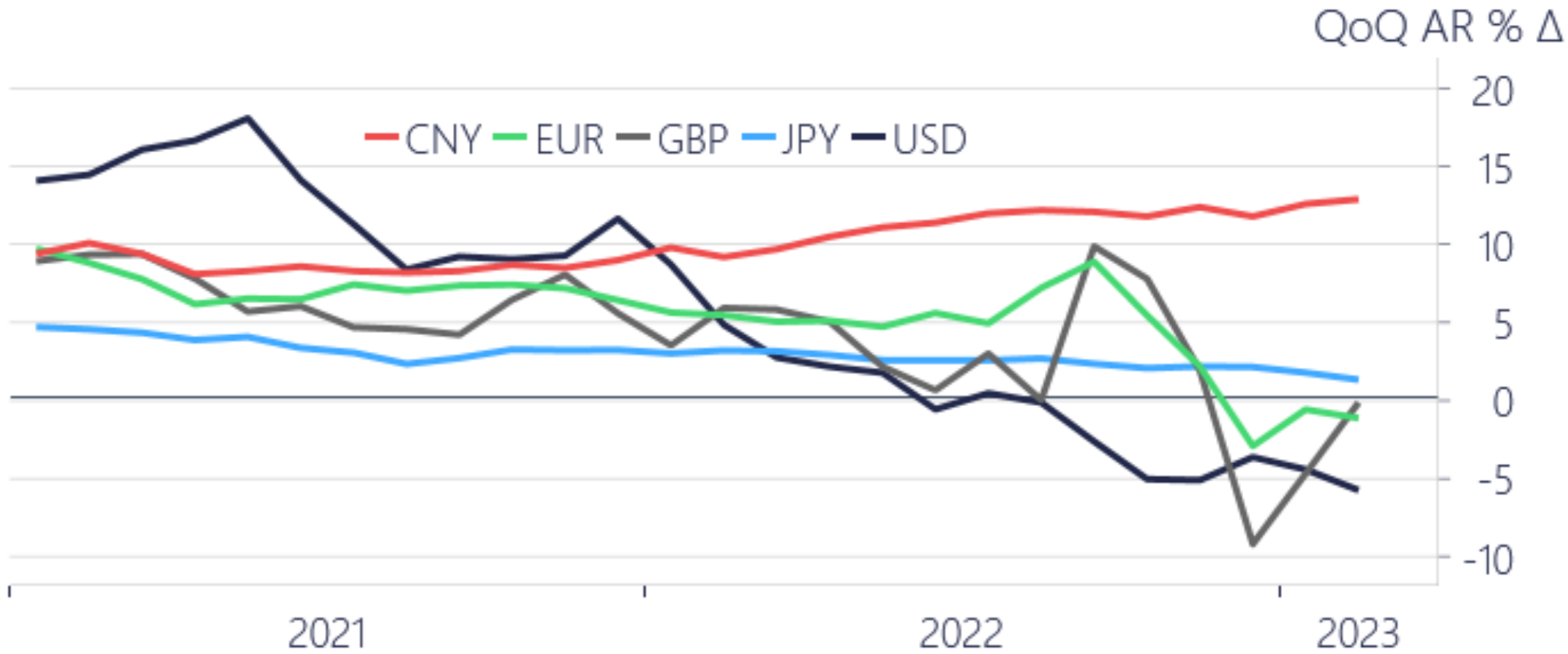
Global Money Growth

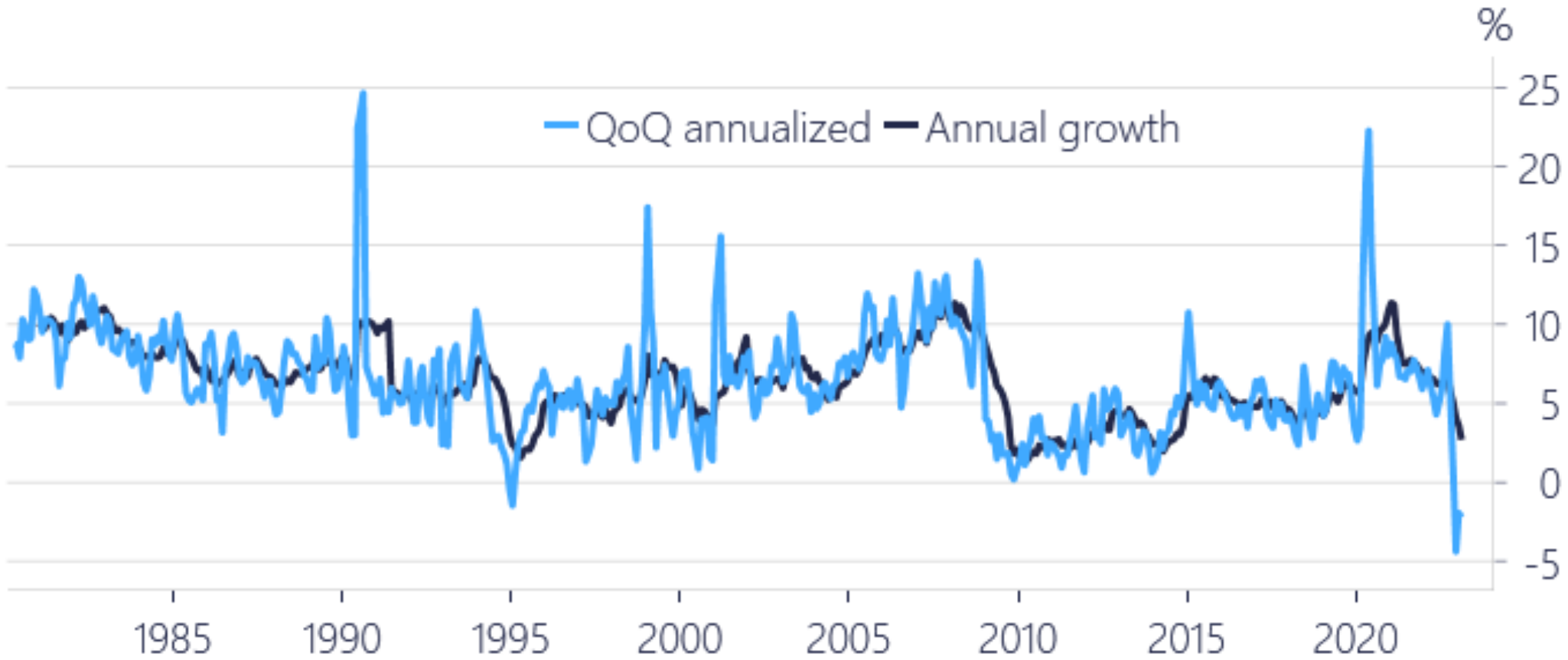
US have both done the most easing and tightening in this cycle



Source: Steno Research, Bloomberg and Macrobond

European M2 Growth (Money growth) in %

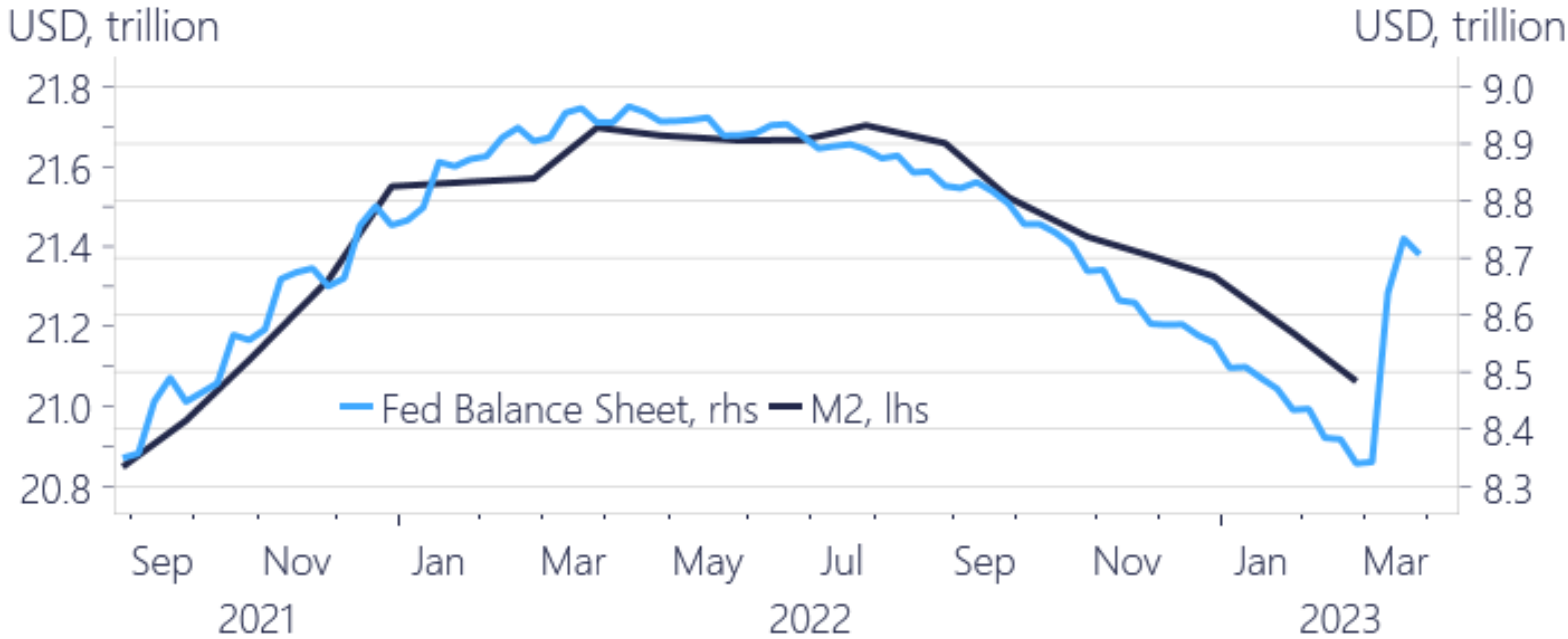
The recent money destruction is uncprecedented in modern financial history in Europe



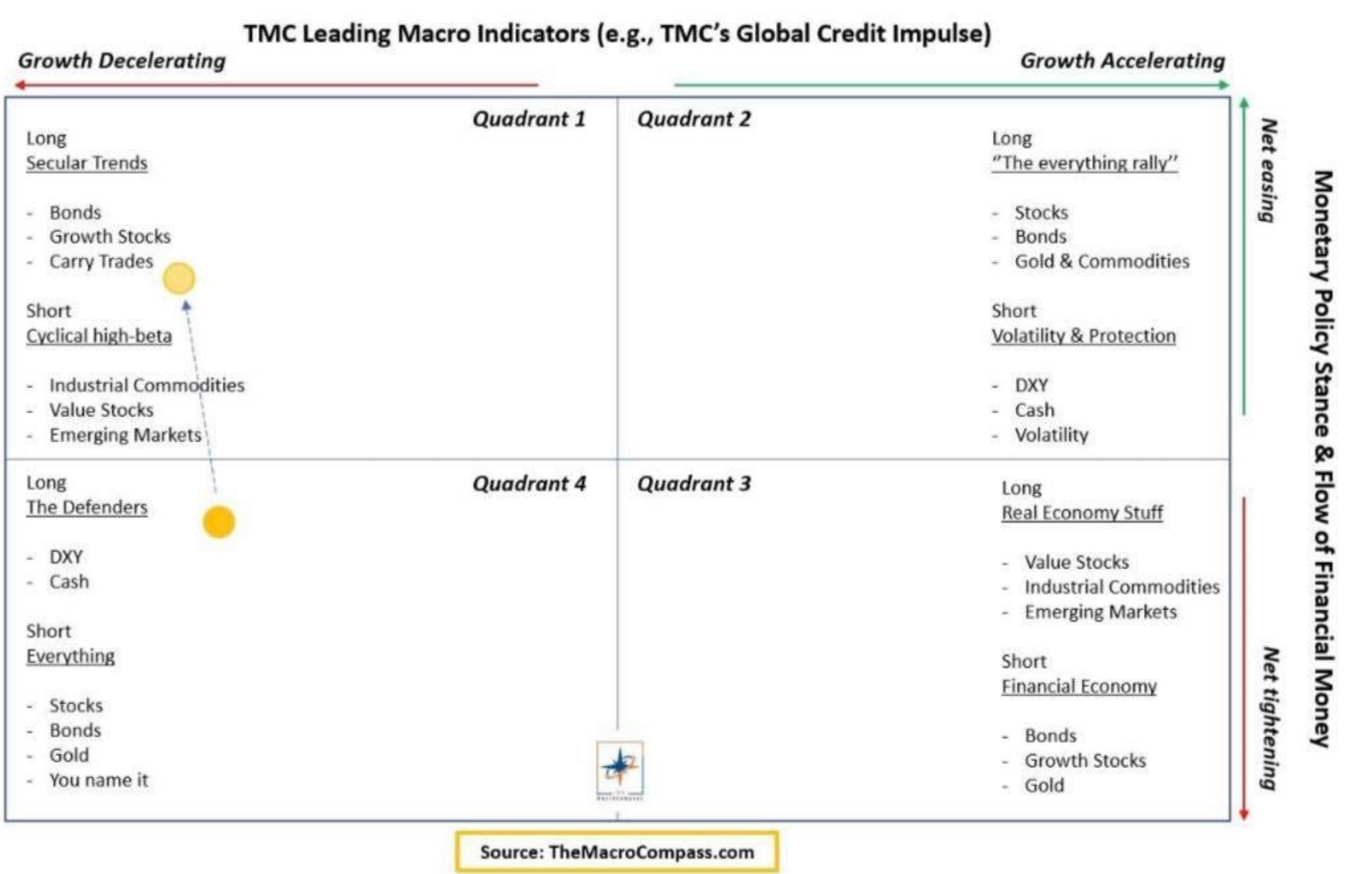
Source: Steno Research, Bloomberg and Macrobond

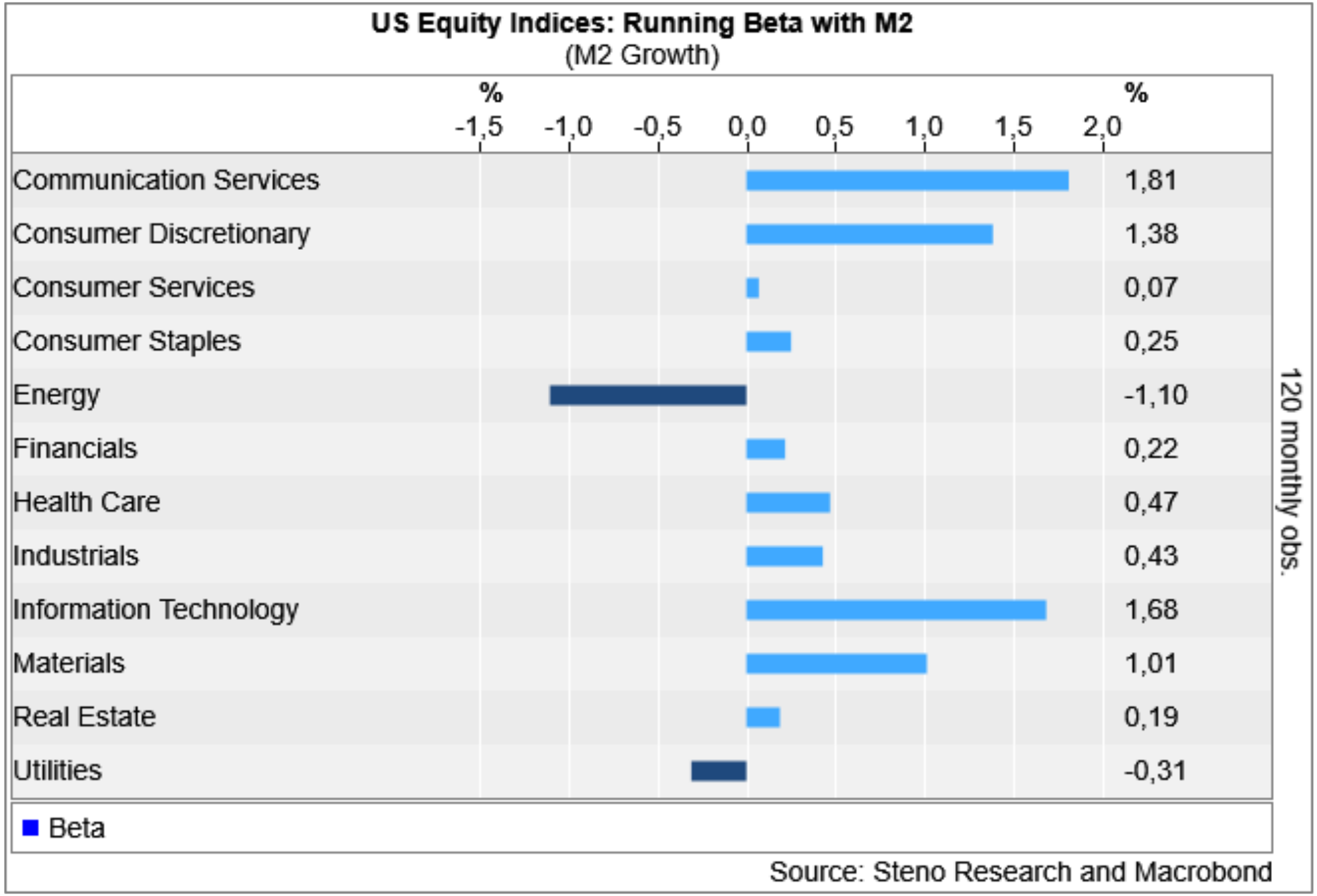
M2 vs Fed Balance Sheet

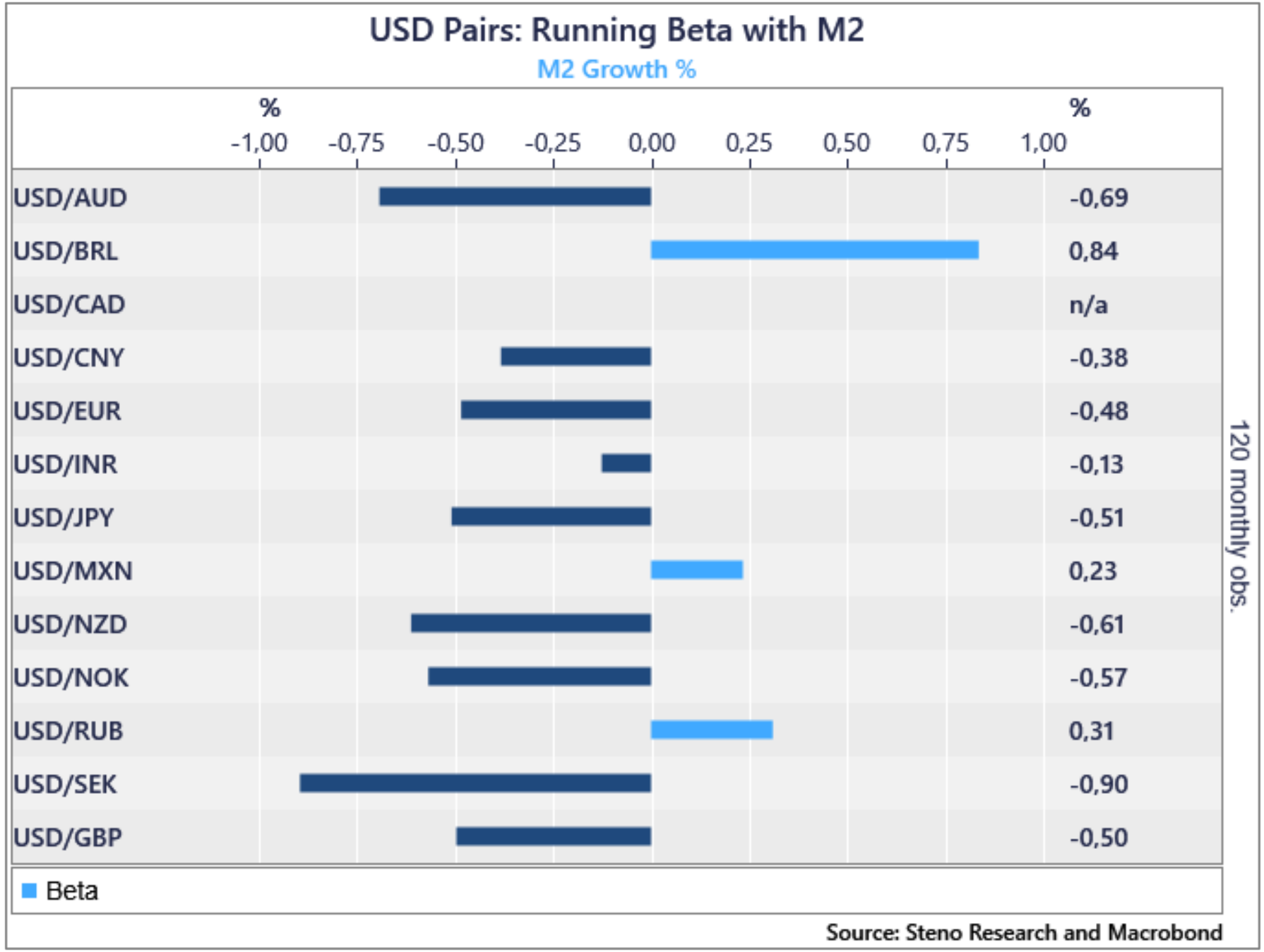
Money Growth to return?



Source: Steno Research, Bloomberg and Macrobond


TMC Leading Macro Indicators (e.g., TMC's Global Credit Impulse)
Growth Decelerating
Growth Accelerating
Quadrant 1
Long
Secular Trends
- Bonds
- Growth Stocks
- Carry Trades
Short
Cyclical high-beta
- Industrial Commodities
- Value Stocks
- Emerging Markets
Quadrant 2
Long
"The everything rally"
- Stocks
- Bonds
- Gold & Commodities
Short
Volatility & Protection
- DXY
- Cash
- Volatility
Quadrant 4
Long
The Defenders
- DXY
- Cash
Short
Everything
- Stocks
- Bonds
- Gold
- You name it
Quadrant 3
Long
Real Economy Stuff
- Value Stocks
- Industrial Commodities
- Emerging Markets
Short
Financial Economy
- Bonds
- Growth Stocks
- Gold
Net easing
Net tightening
Monetary Policy Stance & Flow of Financial Money
Source: TheMacroCompass.com


US Equity Indices: Running Beta with M2
(M2 Growth)
%
-1,5
-1,0
-0,5
0,0
0,5
1,0
1,5
2,0
%
Communication Services
1,81
Consumer Discretionary
1,38
Consumer Services
0,07
Consumer Staples
0,25
Energy
-1,10
Financials
0,22
Health Care
0,47
Industrials
0,43
Information Technology
1,68
Materials
1,01
Real Estate
0,19
Utilities
-0,31
120 monthly obs.
Beta
Source: Steno Research and Macrobond


USD Pairs: Running Beta with M2
M2 Growth %
%
-1,00
-0,75
-0,50
-0,25
0,00
0,25
0,50
0,75
1,00
%
USD/AUD
-0,69
USD/BRL
0,84
USD/CAD
n/a
USD/CNY
-0,38
USD/EUR
-0,48
USD/INR
-0,13
USD/JPY
-0,51
USD/MXN
0,23
USD/NZD
-0,61
USD/NOK
-0,57
USD/RUB
0,31
USD/SEK
-0,90
USD/GBP
-0,50
120 monthly obs.
Beta
Source: Steno Research and Macrobond

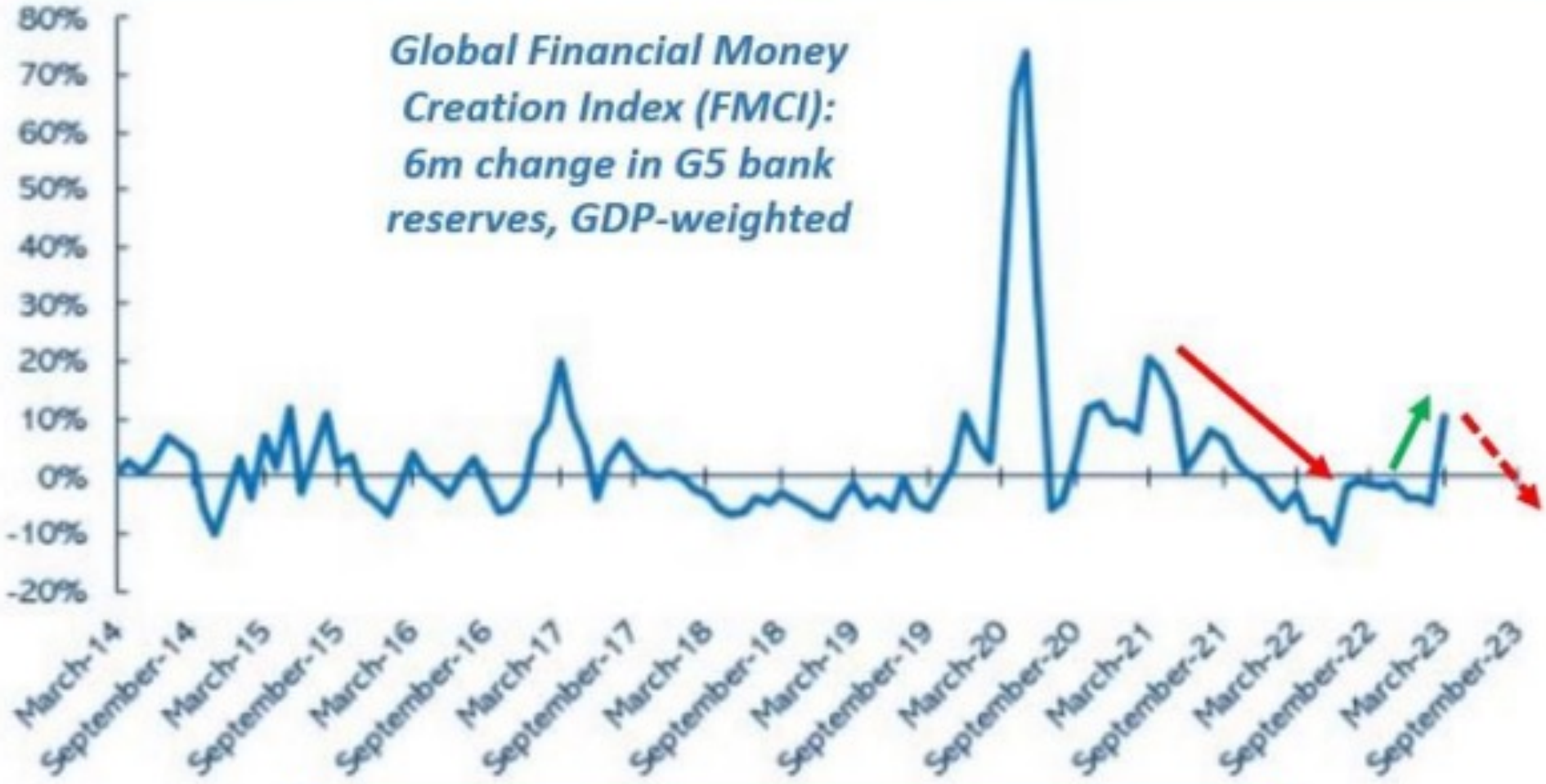
SOFR curve steepens when recession hits

The front-end of the yield curve steepens when ISM drops below 47 and when it rebounds



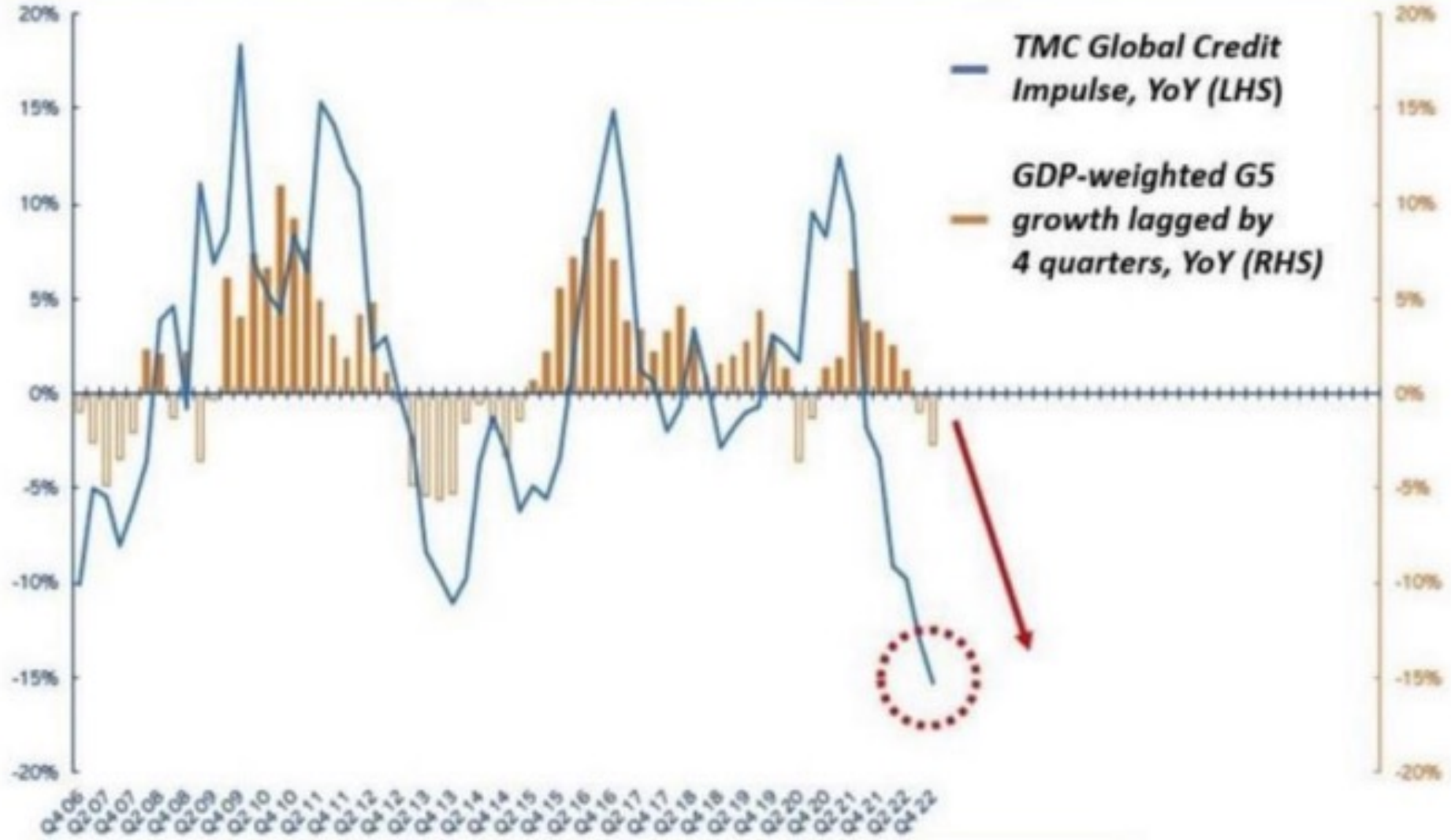
Source: Steno Research, Bloomberg and Macrobond

Q1 Financial Money printing to stop and reverse back in Q2



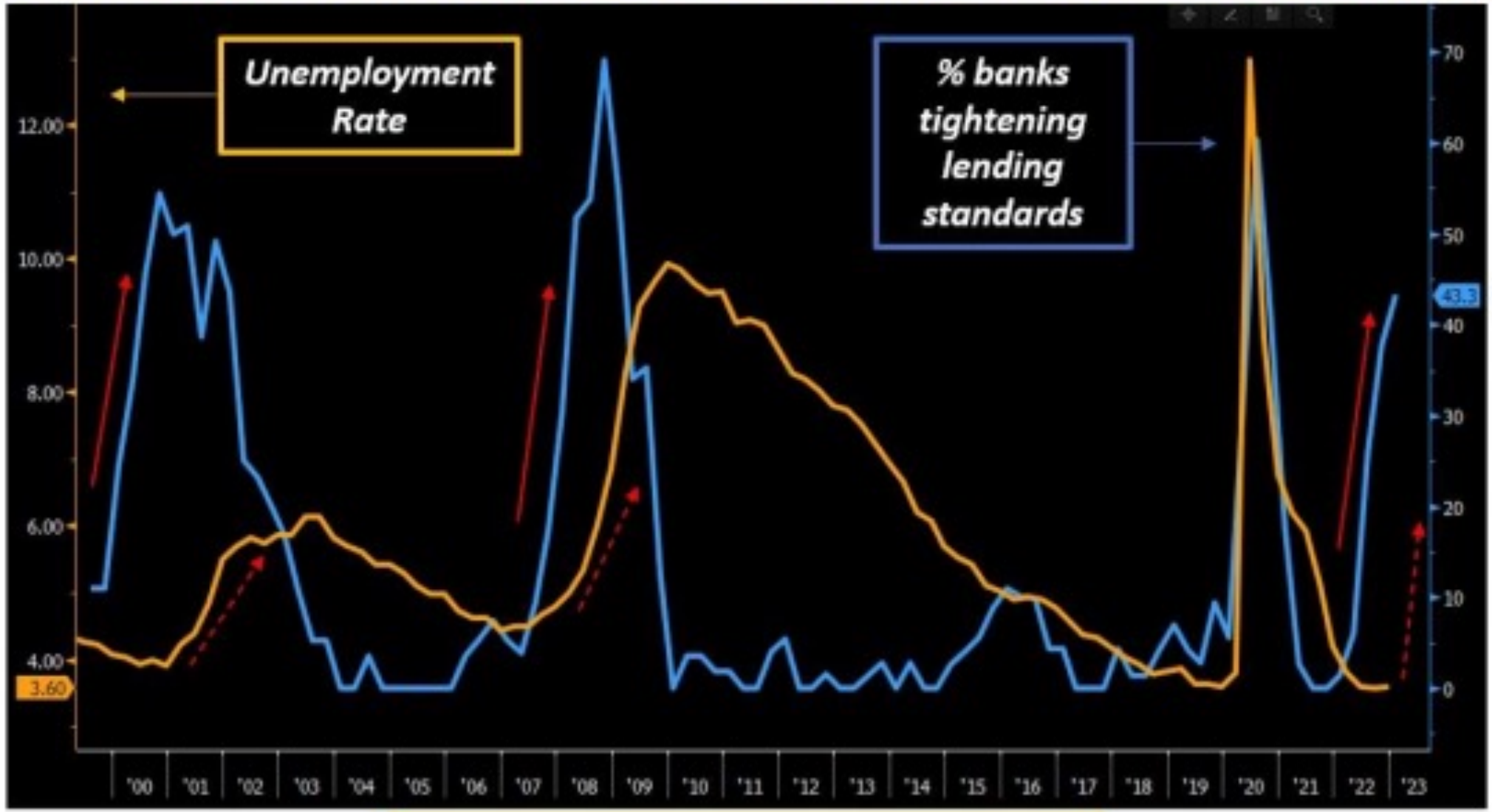
Source: TheMacroCompass.com

Money un-printing keeps worsening => earnings recession ahead



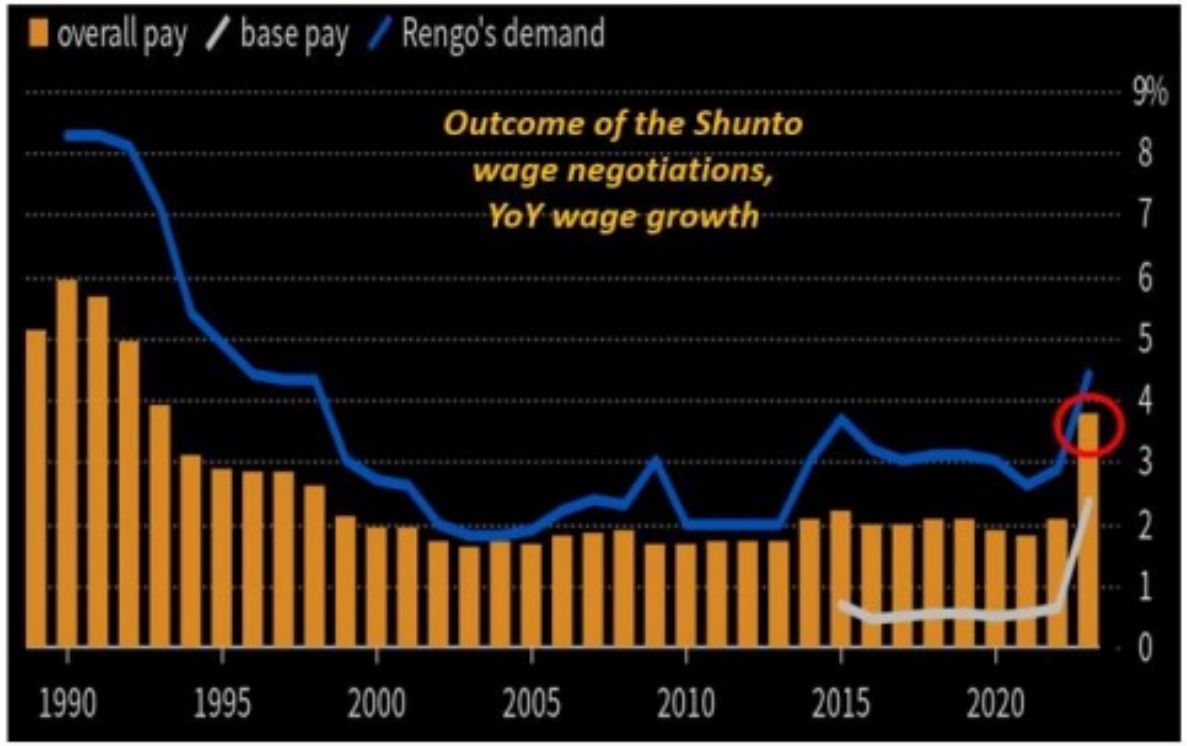
Source: TheMacroCompass.com

Tighter credit conditions lead to higher unemployment: ''is this time different?''

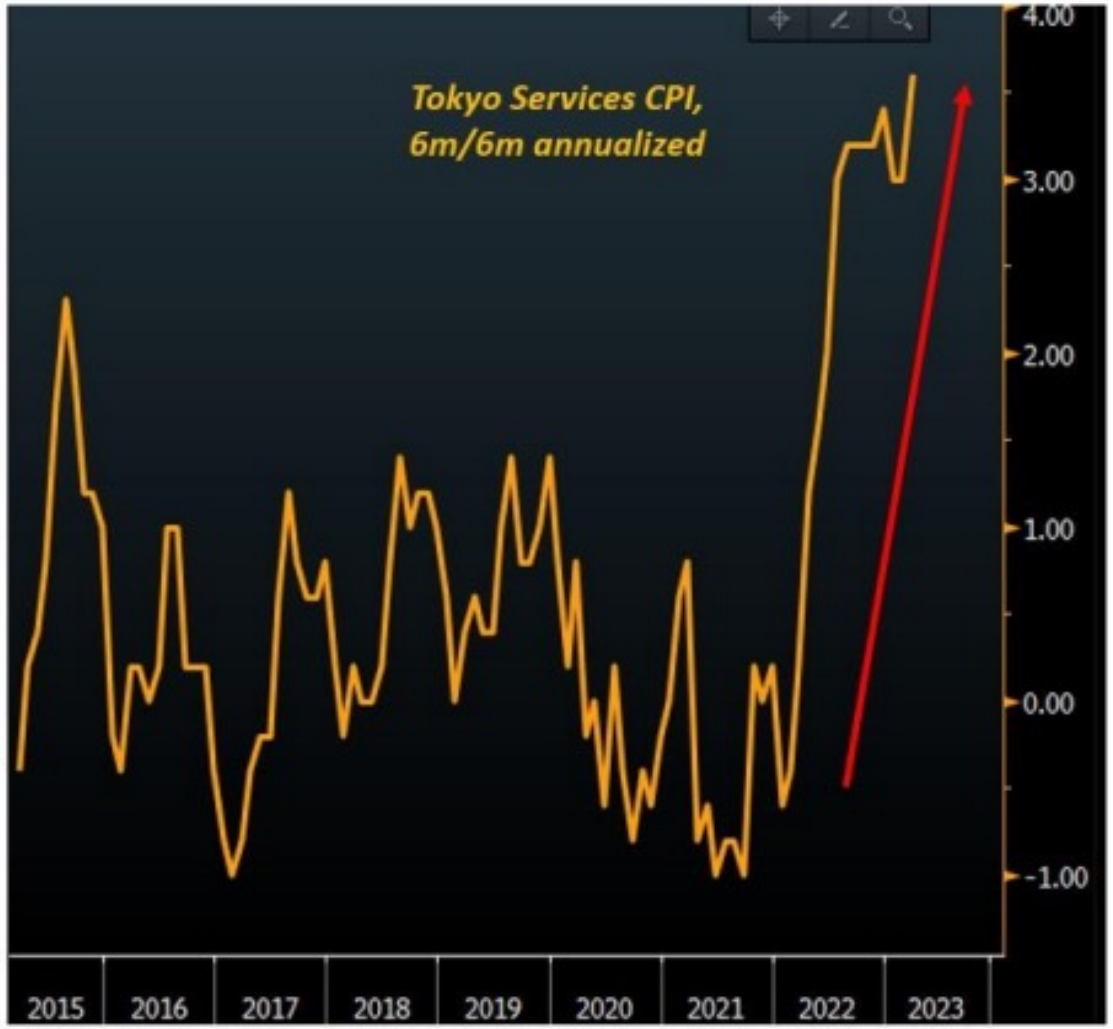


Source: TheMacroCompass.com, Bloomberg

Japanese wage growth at 4%, highest in 3 decades

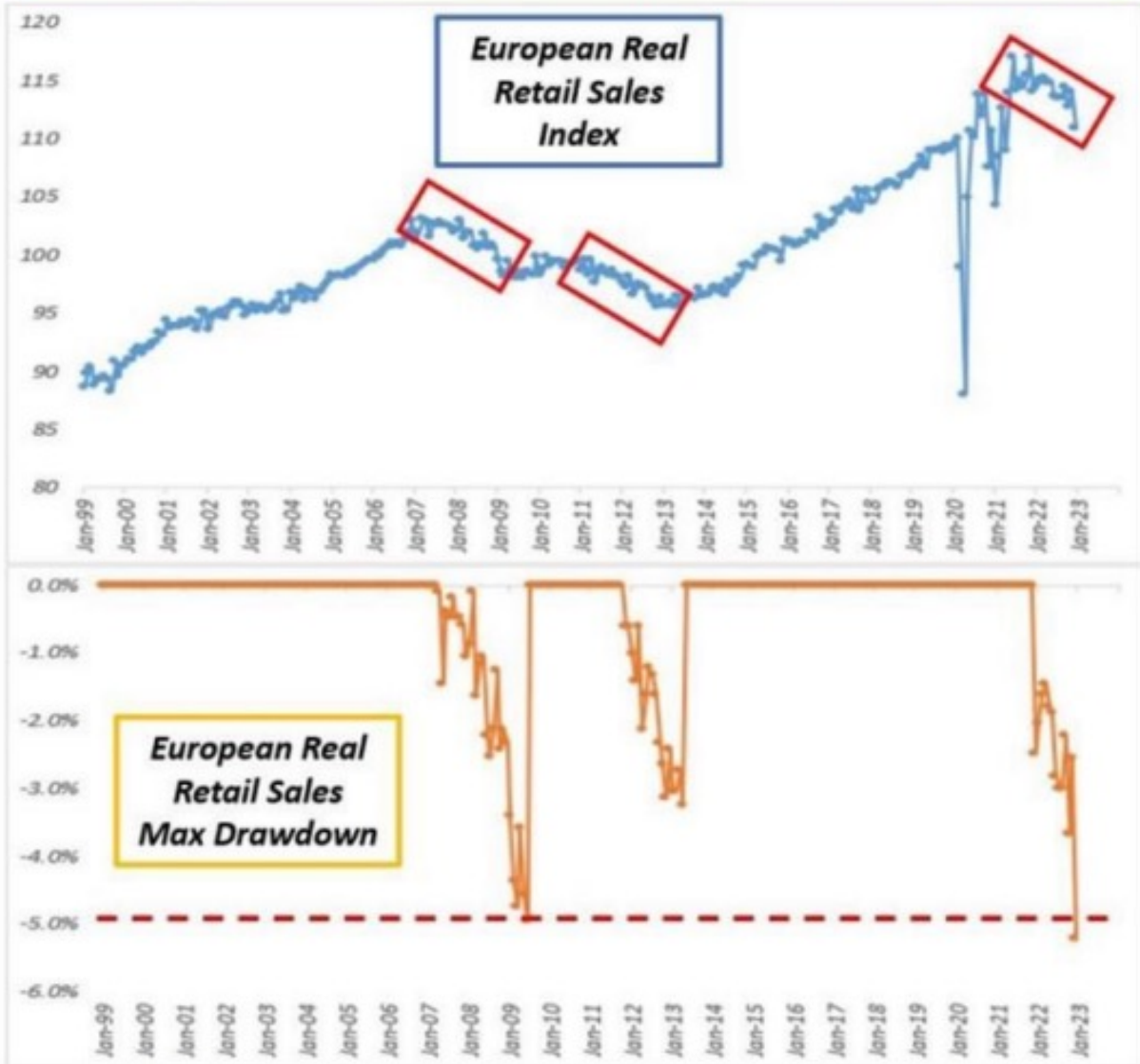


Tokyo services inflation trending close to 4%, too



Source: TheMacroCompass.com, Bloomberg

Retail sales looking worse than 2008 and 2012…



Source: TheMacroCompass.com, Bloomberg