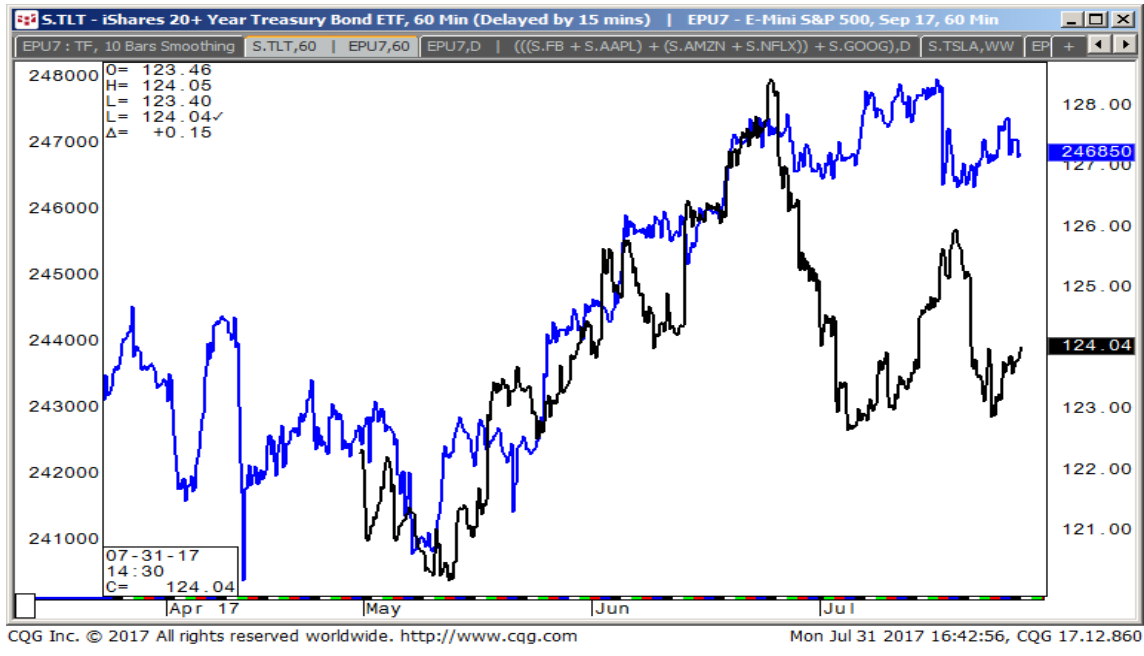


The Trends Roll On

As we count down the remaining weeks of summer, we hope you enjoyed a bit of a reprieve from these markets. We hope you found some time to break away and enjoy the weather, enjoy an outdoor activity and found that there is life outside of our digital screens and everyday ups and downs of our markets. We have the luxury of beautiful Lake Michigan here in Chicago and for those looking for some nice day trips, SW Michigan offers many an amenity as does Wisconsin to our north. We like to take a break during summer and head up to Lake Geneva and enjoy one of the hidden, well not so hidden anymore gems of the Midwest. This weekend was the annual Driehaus customer appreciation party which always offers some of the best fireworks of the season, sorry Richard, I let the cat out of the bag, but you do put on a nice display. Richard is founder and manager of Driehaus Capital Mgmt here in Chicago for those wondering. Hats off to his annual fireworks display as we enjoyed some never before seen pyrotechnics, great work. It's always tough driving back to the concrete jungle but as our favorite fictional character Gordon Gekko (Wall Street 1987) always said, "Money never sleeps, pal!" So despite the FOMC week, which presented nothing out of the ordinary, the markets seem to be stuck in an ever decreasing VIX and ever increasing deterioration of the global economic indicators. As we have said time and time again, this market is centrally bank driven and thus, truly nothing else matters. The only things that seem to matter are charts like this:

Our next analog chart shows the SP500 vs the TLT (20+yr ETF) the correlation broke down after the rate hike and now it seems we are waiting to see if we get a positive or negative correlation for the next move:



This last chart shows the Euro Currency which we have been watching since breaking the 113-00 level with further trend confirmation above 117-00 and now nearing 38.2% Fib retracement which should see whether or not this trend has any real sustainability, but we would think some would take some profits there and stall it a bit, but this chart is constructive to say the least:



Ok so that's it, we aren't really too keen on trying to force anything that's not there. Below is our weekly settles everything is up but the US Dollar and Crude, even Bitcoin has almost fully recovered to new highs, can we thank the central banks for that too? Of course! We know central banks are still highly accommodative, we know everyone is dumbfounded by the equity advance. We know everyone is looking for a top and calling bubbles and thus, everyone tries to shape the facts to their perceptions. Our perception is don't try to create news just because you have 24 hours in a day in order to cover, there's really nothing there of interest. Like all excellent traders know, when you try to force something, it usually goes the wrong way, so let's not force anything, rather let's enjoy the last few weeks of summer and find time to invest in ones interests outside of work, sometimes not looking at things gives clarity to the things we constantly look at it, Cheers!

28-Jul		Weekly	Weekly	YTD
Instrument	Price/Yield	Net Change	% Change	Change
US 30yr Govt	2.89%	9 bp	-3.2%	5.4%
US 10yr Govt	2.29%	6 bp	-2.7%	6.0%
US 5yr Govt	1.83%	3 bp	-1.7%	5.0%
SEP Bond	153-06	-1'19	-1.0%	3.6%
SEP Ten Yr	125-30+	-0'11+	-0.3%	2.1%
SEP Five Yr	118-05	-0'032	-0.1%	1.7%
SEP SP500	2470.25	0.75	0.0%	10.8%
SEP DOW	21775	257.00	1.2%	10.8%
SEP Nasdaq	5910.25	(8.50)	-0.1%	21.5%
SEP Nikkei	19970	(35.00)	-0.2%	4.9%
SEP Dax	12139	(85.50)	-0.7%	5.7%
Shanghai Comp	3253.24	15.26	0.5%	4.8%
SEP WTI Crude	\$49.71	3.94	8.6%	-13.2%
DEC Gold	\$1,275.30	14.30	1.1%	9.6%
SEP Silver	\$16.70	0.24	1.5%	3.1%
SEP Dollar Index	\$93.11	(0.57)	-0.6%	-8.8%
SEP EURO	117.91	0.78	0.7%	11.0%
SEP YEN	90.600	0.32	0.4%	4.9%
Bitcoin (BTC)	\$2,663.18	\$0.00	0.0%	189.5%

Finally, we will decidedly end our notes with our reaffirmation of the growing need for alternative strategies. We would like to think that our alternative view on markets is consistent with our preference for alternative risk and alpha driven strategies. Alternatives offer the investor a unique opportunity at non correlated returns and overall risk diversification. We believe combining traditional strategies with an alternative solution gives an investor a well-rounded approach to managing their long term portfolio. With the growing concentration of risk involved in passive index

funds, with newly created artificial intelligence led investing and overall market illiquidity in times of market stress, alternatives can offset some of these risks.

It is our goal to keep you abreast of all the growing market risks as well as keep you aligned with potential alternative strategies to combat such risks. We hope you stay the course with us, ask more questions and become accustomed to looking at the markets from the same scope we do. Feel free to point out any inconsistencies, any questions that relate to the topics we talk about or even suggest certain markets that you may want more color upon.

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We are a firm with an important distinction: It is our belief that building strong relationships require more than offering a well-rounded set of investment vehicles; a first-hand understanding of the instruments and the organization behind those instruments is needed as well.

Futures trading is speculative and involves the potential loss of investment. Past results are not necessarily indicative of future results. Futures trading is not suitable for all investors.

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