



Pic of the week

Time magazine person of the year is 16-year-old Greta Thunberg.

There is no denying Greta has an unavoidable influence; its only last year she became an environmentalist activist influencing her peers to do peaceful protest on Fridays after school.

And once you realise that children are learning to use their natural influence over their parents you can begin to see how Greta may have single-handedly caused a behavioural shift in the way we think about our carbon footprint

Aim of the newsletter

Every Sunday I review a particular theme within my portfolio to help determine what political, economic and technical factors are having an impact on the markets.

this issue

1. Last week review and portfolio PnL
2. US/China trade war
3. Trump's unsung hero, the Fed
4. Book of the week

Last week review

Last week the following trades I mentioned did the following:

- GBPAUD (-1%)
 - o Stopped out of my first long trade
 - o Entered long again after the election results came out which is currently hovering around my entry
- AUDUSD (-1%)
 - o Went short and got stopped out on US-China trade war tension easing
 - o This has caused me to change my bias and I will be looking for long opportunities in this pair
- Corn (-1%)
 - o I had a long bias in Corn whilst holding a short position I was naturally exiting out of
 - o But due to personal mixed sentiment regarding the trade war, I am removing this commodity from my watchlist
- Coffee (+7.89%)
 - o Saving the best till last is my coffee trade where we can witness the rarity of pure fundamentals and technicals moving in complete harmony with each other
 - o However, the party may be coming to a close with Brazil to be receiving more rain this week, which seems to be reflected in Fridays down move; regardless my bias continues to belong

PORTFOLIO PnL

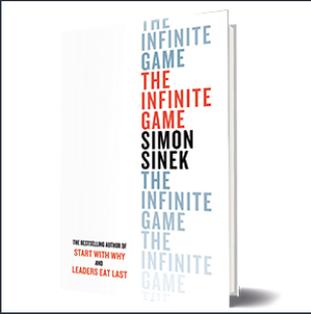
Currently, my portfolio stands at in unrealised cumulative terms:

- High risk: +7.24% (previous: +13.27%)
- Low risk: +0.1% (previous: +0.53%)

I will be adding in the realised section so one can get a true account of the volatility within my PnL which can fluctuate drastically when there are risk events taking place e.g. elections.



Book of the week



Written by Simon Sinek a motivational speaker who was given a contract worth \$98,000 to provide a month-long leadership programme to the US government; his book outlines ways we can focus on staying in business and avoid being bankrupt which is important considering most start-ups fail.

As traders, we envision amassing large amounts of generational wealth yet go about it with a finite mindset despite the rules of the game requiring you to have one that is infinite.

Steps, specifically to trading that you can do to ensure you stay infinite:

- Trading with a purpose
- Be courageous in your decision making
- Work with a team where the idea meritocracy is generated with a team who are efficiently working at their natural best
- Work/hire people that are better than you
- Fixed cause, flexible strategy – a good anecdote is that of pit traders who lost their place within the markets because they failed to adapt to the new changes in technology.

When you are starting, it's not about being number 1, but staying in the game.

US-China trade war

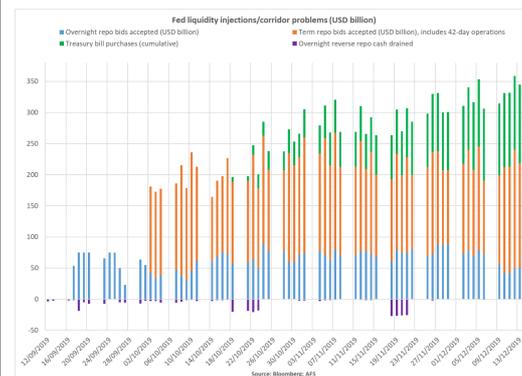
With neither side confirming the technicalities of the phase 1 deal, there is no official signing insight.

The issues surrounding China from the US point of view comes down to trading practices and intellectual property theft along with the human rights in Hong Kong and Uyghurs leaving no room for capitulation.

So get ready for further false positives as Trump prepares for an election and will want to appear as if he is in control, providing the impeachment hearing does not through.

One barometer I will be using for the trade war is the AUDEUR, Euro wise, Europe is also going through a turbulent time with the US as trade tensions threaten an already sluggish economy where according to the newly appointed ECB president, Lagarde "an ample degree of stimulus is needed", if this is the case it will be made evident in this weeks PMI and IFO surveys as they hit the wires.

Providing the surveys continue to suggest the Euro economy is sluggish should a miraculous non-capitulating event take place between US-China I will be looking at long opportunities in AUDEur.



Trumps unsung hero, the Fed

Sticking with all things Trump, he (or the white house) can not deny that the Fed president, Powell and his team have laid the foundations for Trump to come out looking good as elections loom around the corner, which we all know is very important for Trump who on countless occasions has credited himself for being the highest approved US president of our time, and who can blame an egocentric person for doing so when he has the numbers to back it up as the SP500 and other economic indicators begin to indicate that recession may not be on the cards as soon as we think; past Presidents have used this tactic in the past so it is nothing new, but none (well as far as I can recollect) have used this as aggressively as Trump, nor has any President openly threatened the job security of a newly appointed board of the fed after being in the job for only a few months, Despite all this unusual pressure Powells predecessors did not have to face he has managed to maintain professionalism and act objectively and save the economy from a potential recession that was deemed to be on the cards.

One of his special moves which were not welcomed by Trump was the increasing of the interest rates which in hindsight proved to be a clever tactic providing the fed with an additional tool which has helped guide the market to all-time highs after starting with a temporary bear scar after Powell was appointed.

Right now the Fed is now providing liquidity into the markets in the form of T-bill purchases which have been gradually increasing over the last quarter; this will be enough to prop up the markets at a time where it tends to get sluggish.