

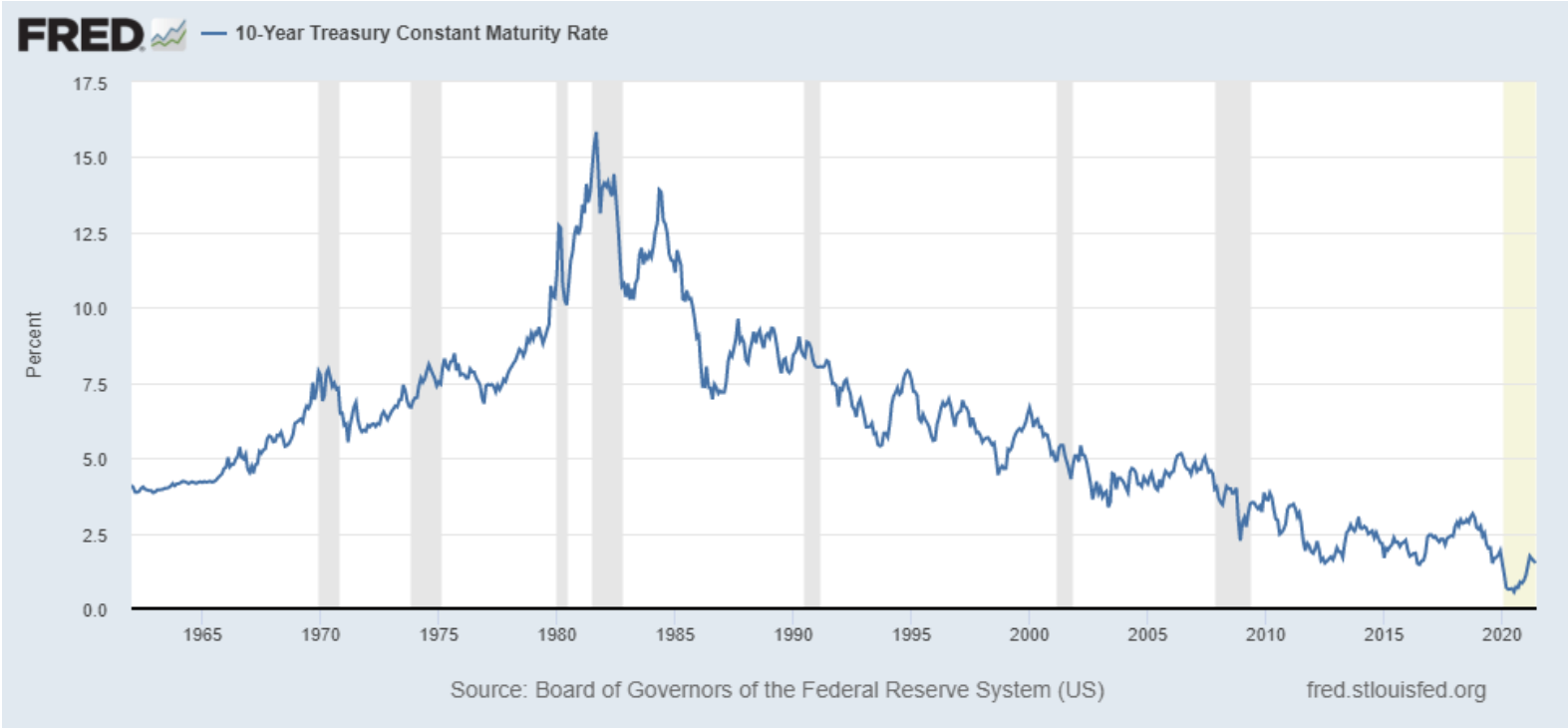
Lyn Alden
Elliott Wave Trader
June 2021

Market Update

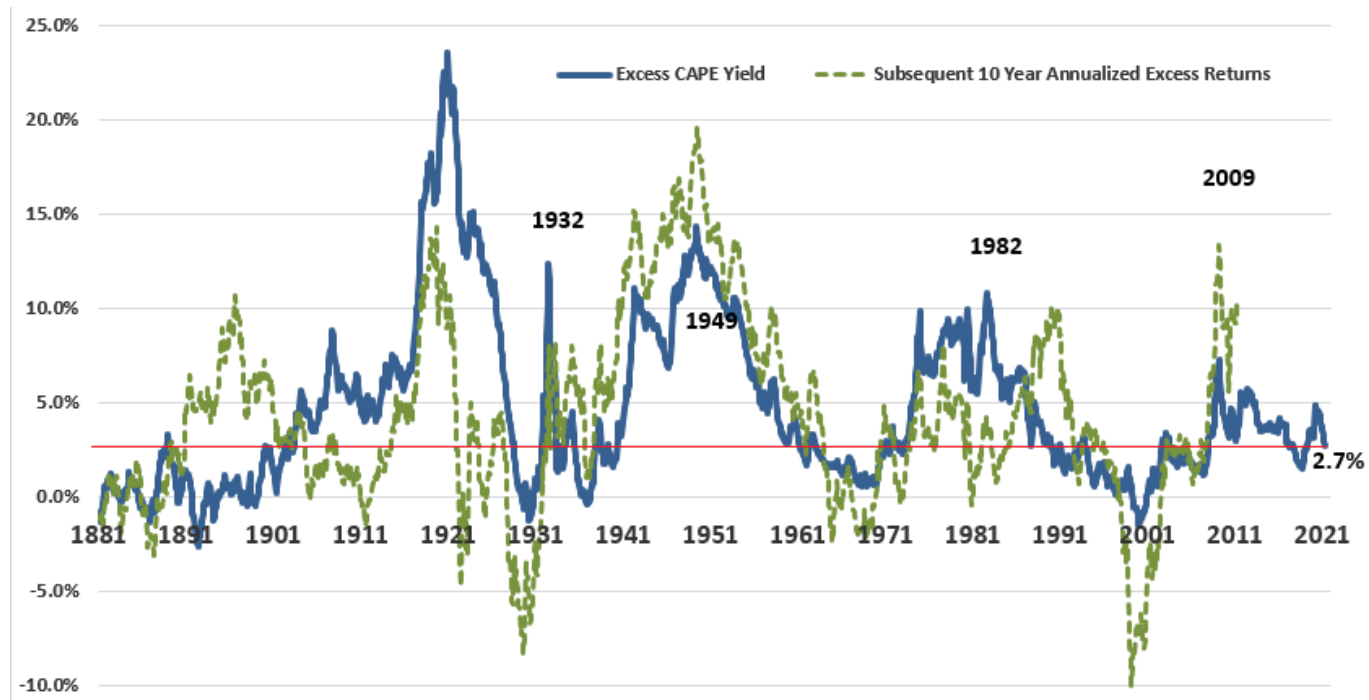
Cyclically-Adjusted CAPE Ratio



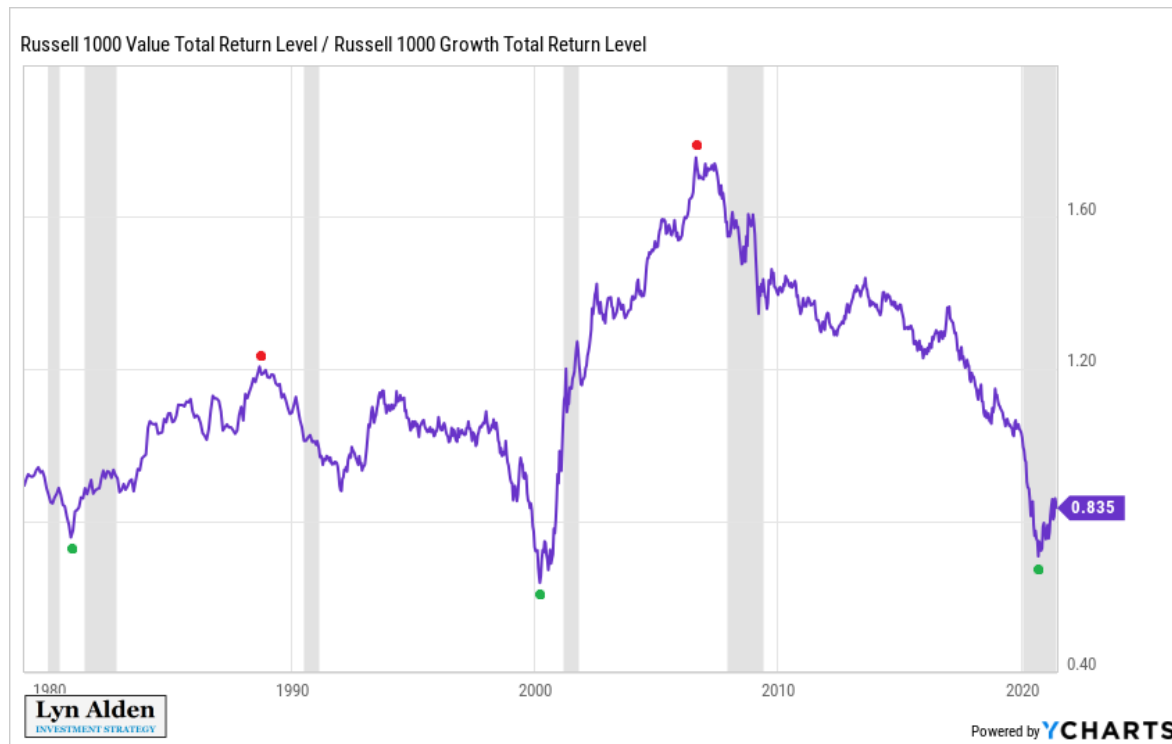
10-Year Treasury Rate



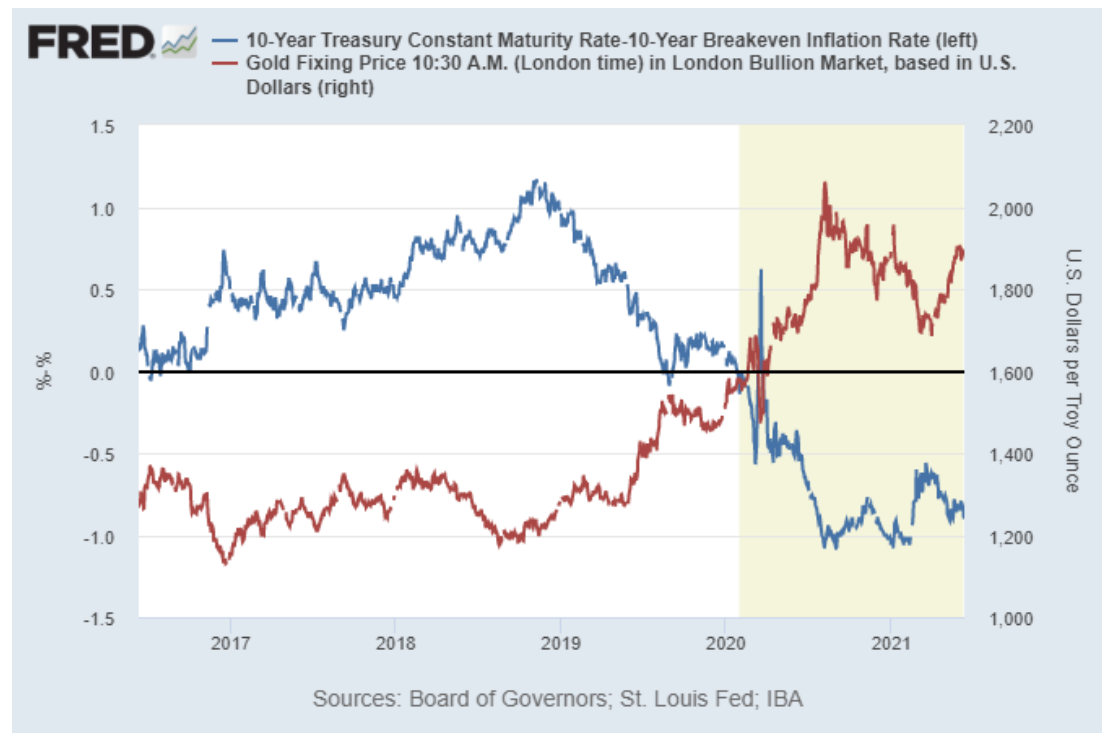
Compared to Bonds



Growth to Value Rotation?



Gold vs Real Rates



Gold vs Broad Money Supply

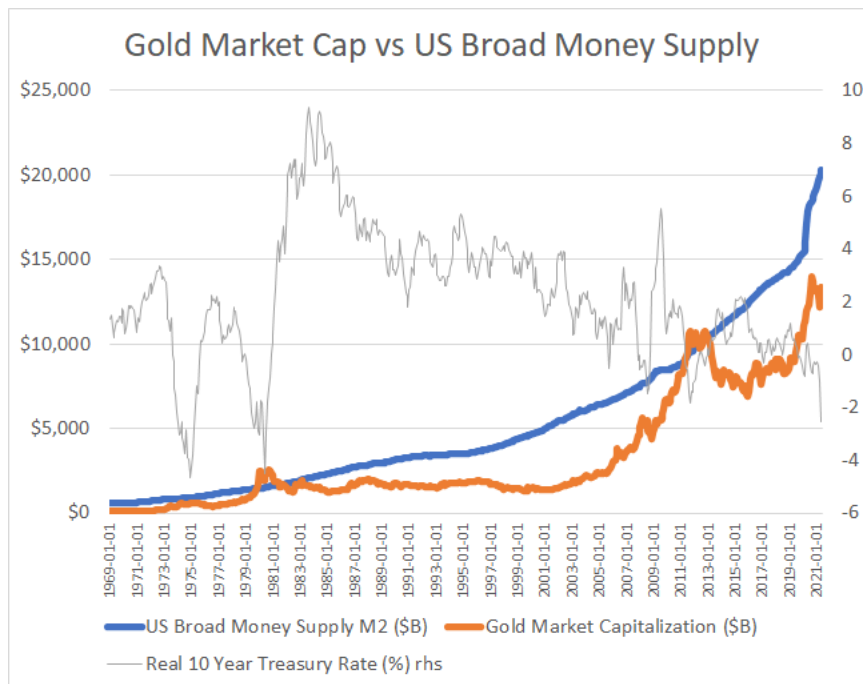


Chart Source: Lyn Alden
Data Sources: St. Louis Fed, macrohistory.net, World Gold Council, NYDIG

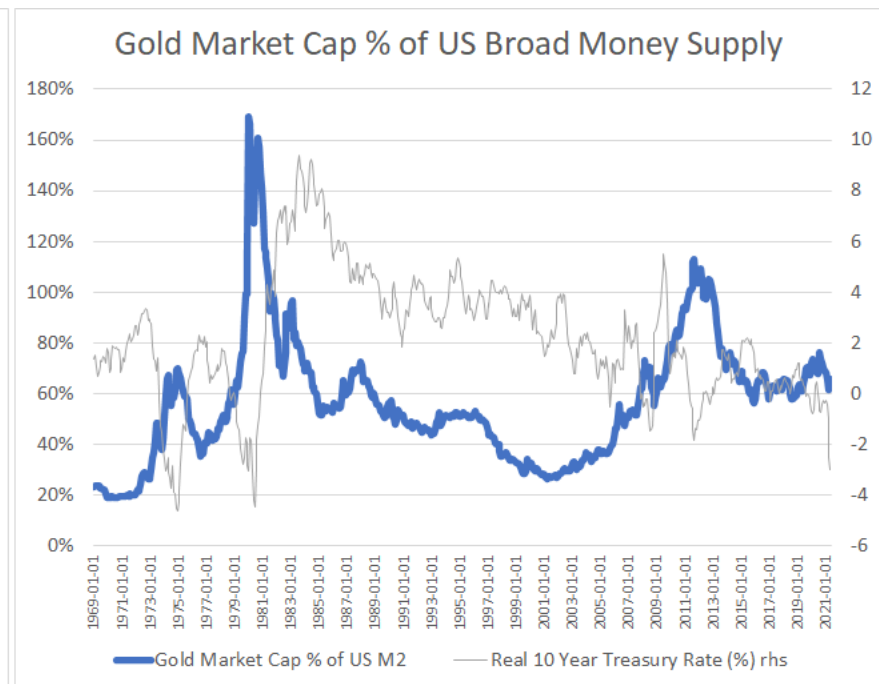
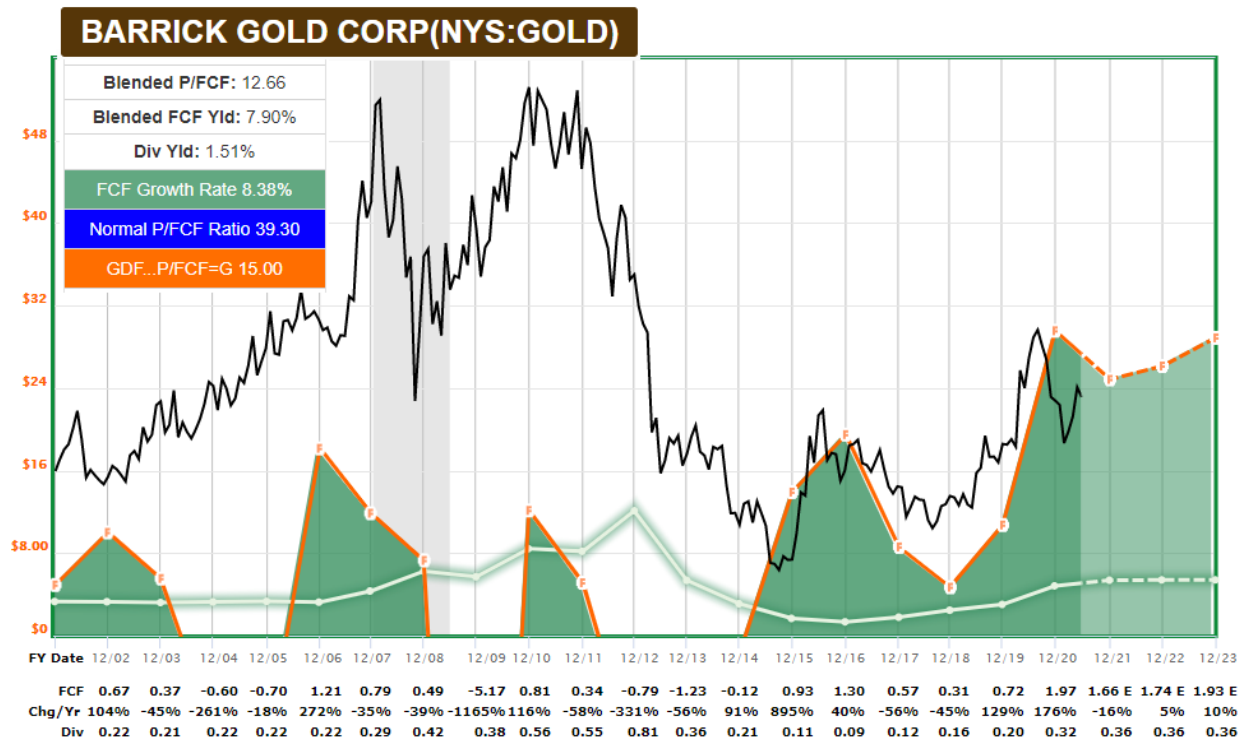
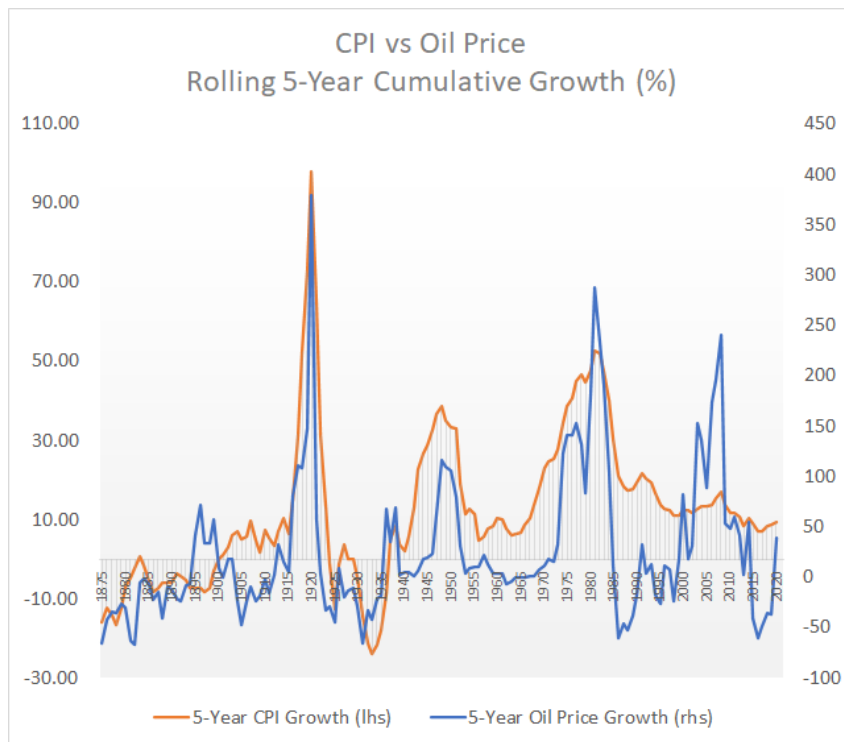


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Data Sources: St. Louis Fed, macrohistory.net, World Gold Council, NYDIG

Gold Miners



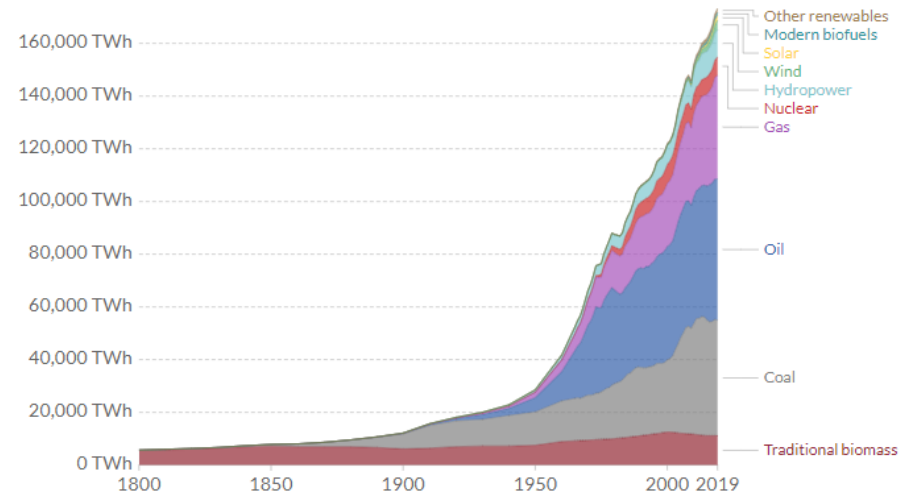
The Oil Cycle



Global primary energy consumption by source

Primary energy is calculated based on the 'substitution method' which takes account of the inefficiencies in fossil fuel production by converting non-fossil energy into the energy inputs required if they had the same conversion losses as fossil fuels.

Our World in Data



Source: Vaclav Smil (2017) & BP Statistical Review of World Energy

OurWorldInData.org/energy • CC BY

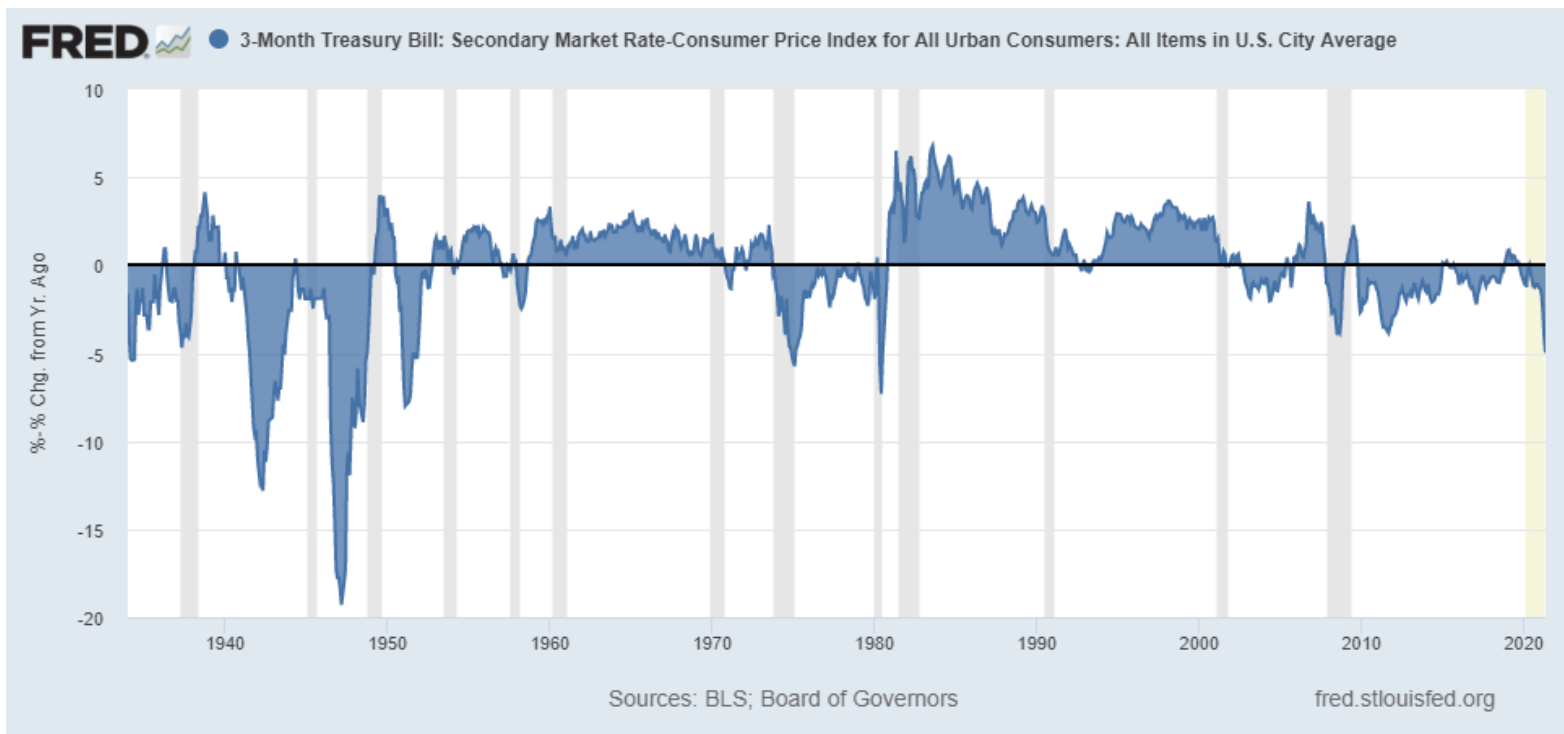
Bitcoin Adoption Cycles

Market Price

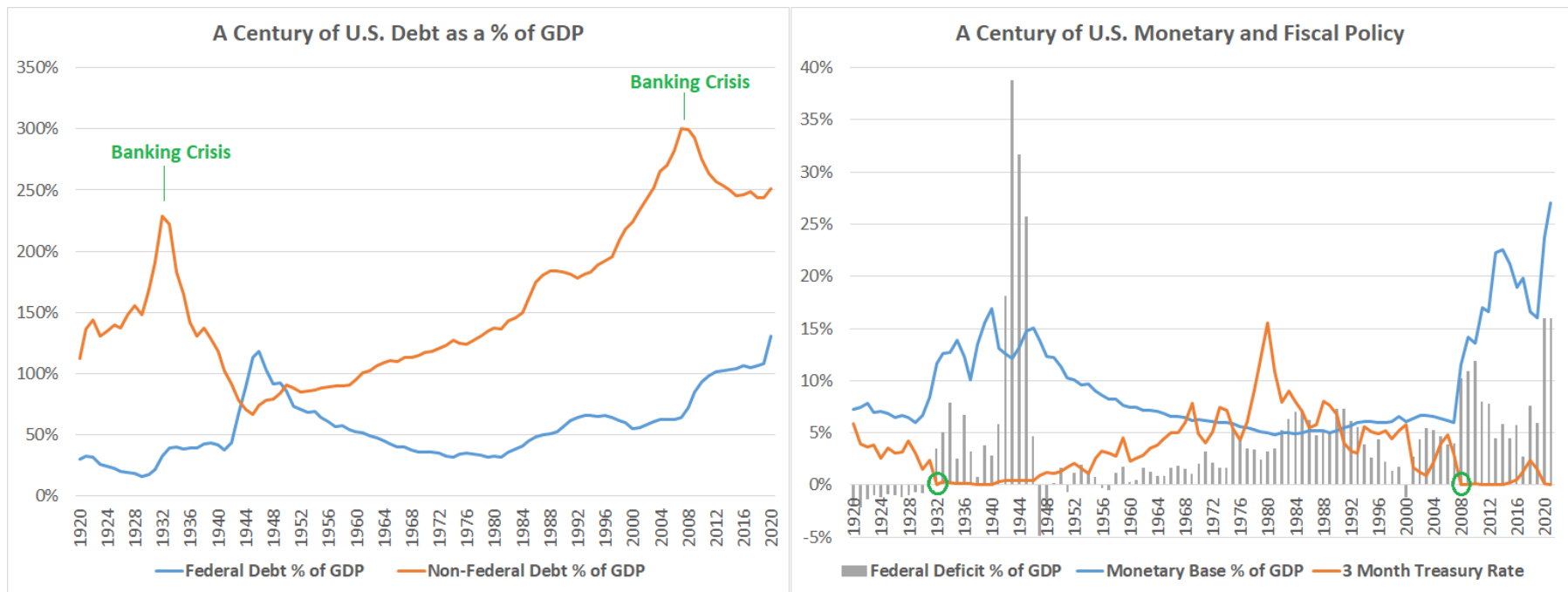
The average USD market price across major bitcoin exchanges.



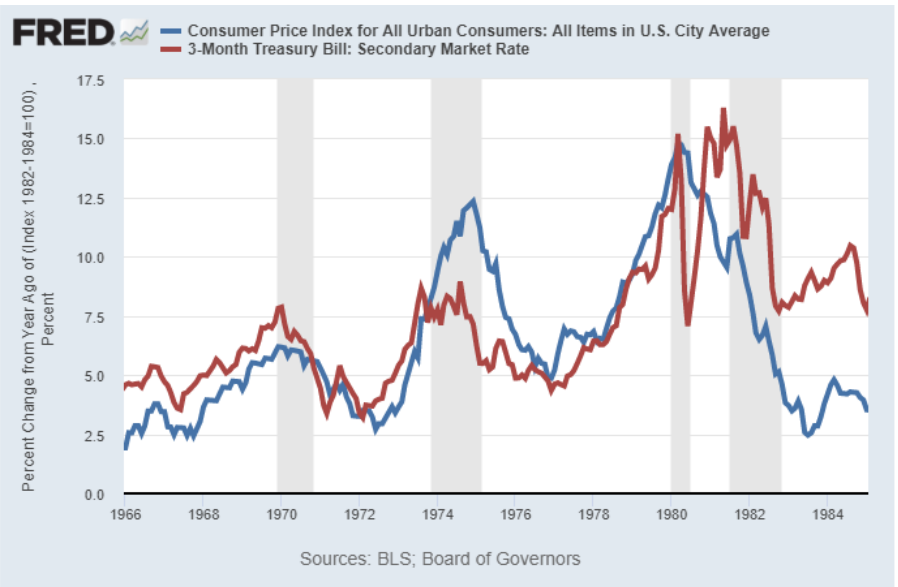
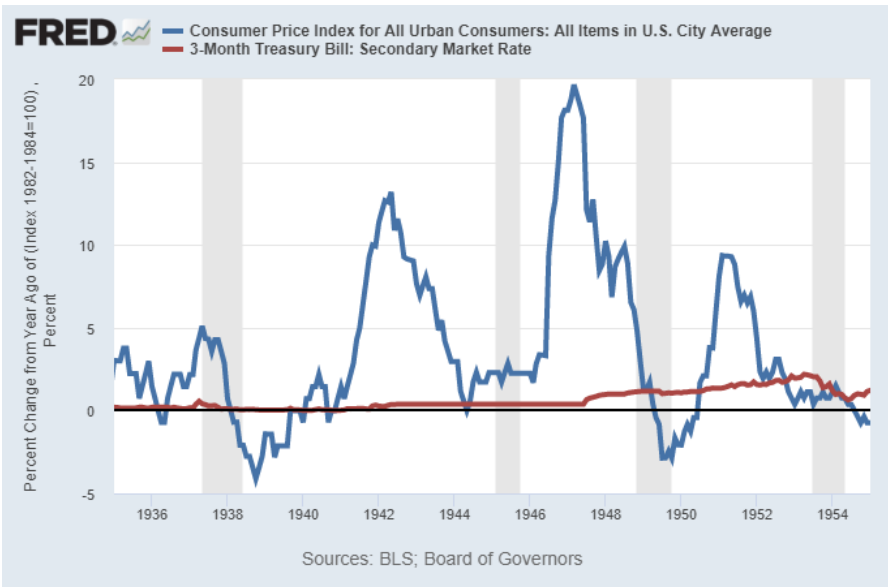
Real Cash Equivalent Yields



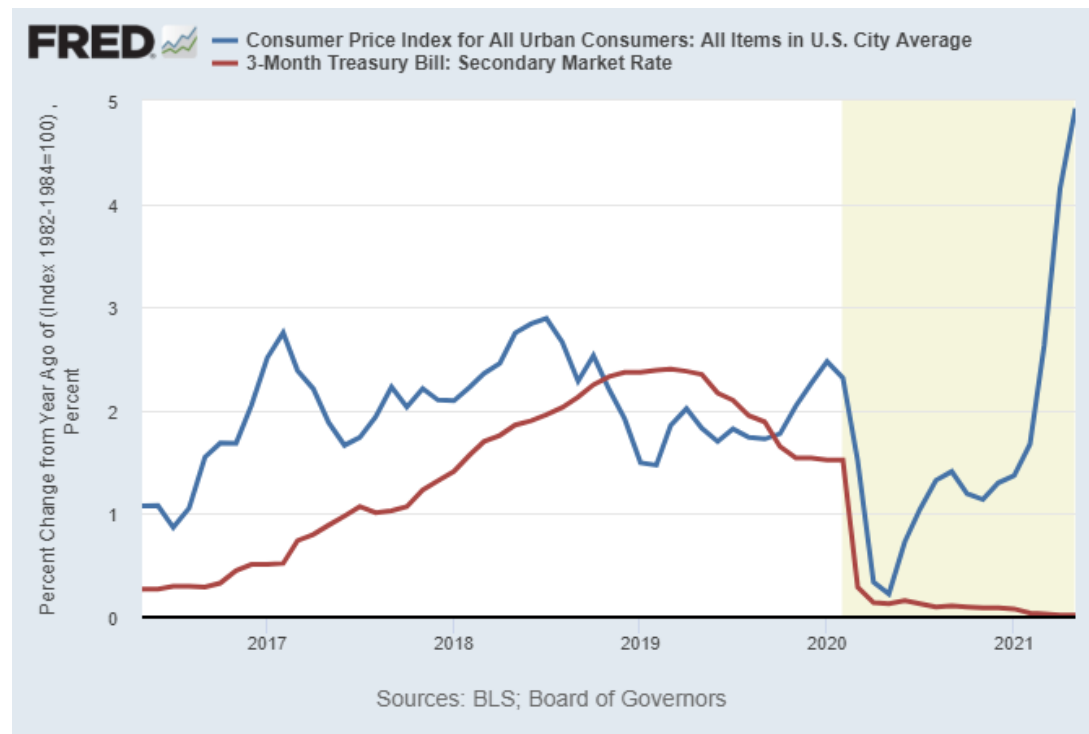
The Long-Term Debt Cycle



1940s vs 1970s Inflation Response



2020s Inflation Response



Broad Money and CPI

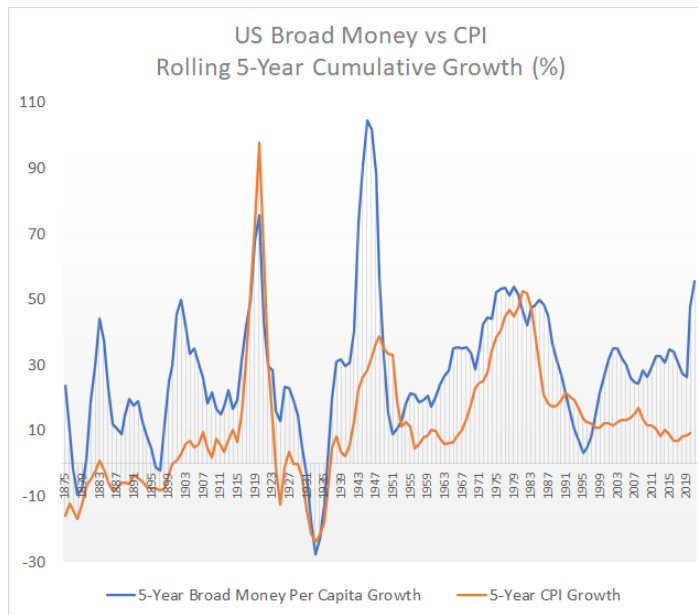


Chart Source: [LynAlden.com](https://lynalden.com)

Data Sources: macrohistory.net, [St. Louis Fed](https://www.fedreserve.org)

Oscar Jordà, Moritz Schularick, and Alan M. Taylor. 2017. "Macrofinancial History and the New Business Cycle Facts." in NBER Macroeconomics Annual 2016, volume 31, edited by Martin Eichenbaum and Jonathan A. Parker. Chicago: University of Chicago Press.

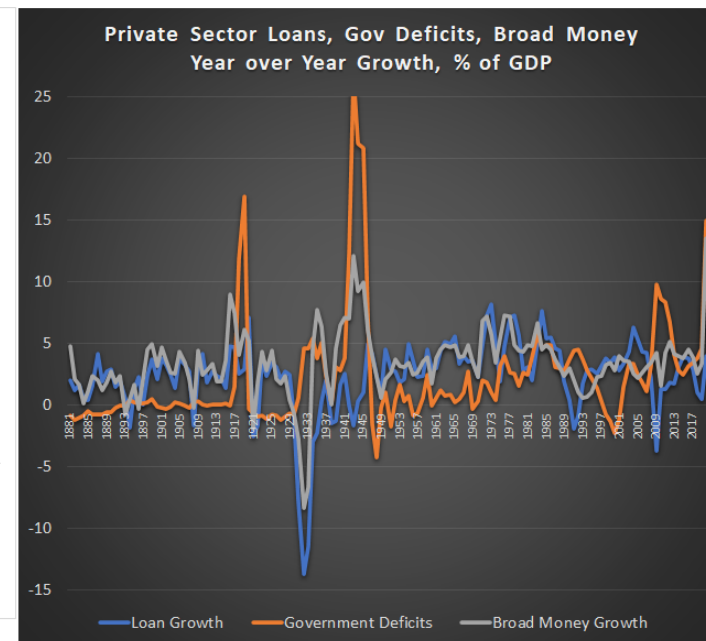
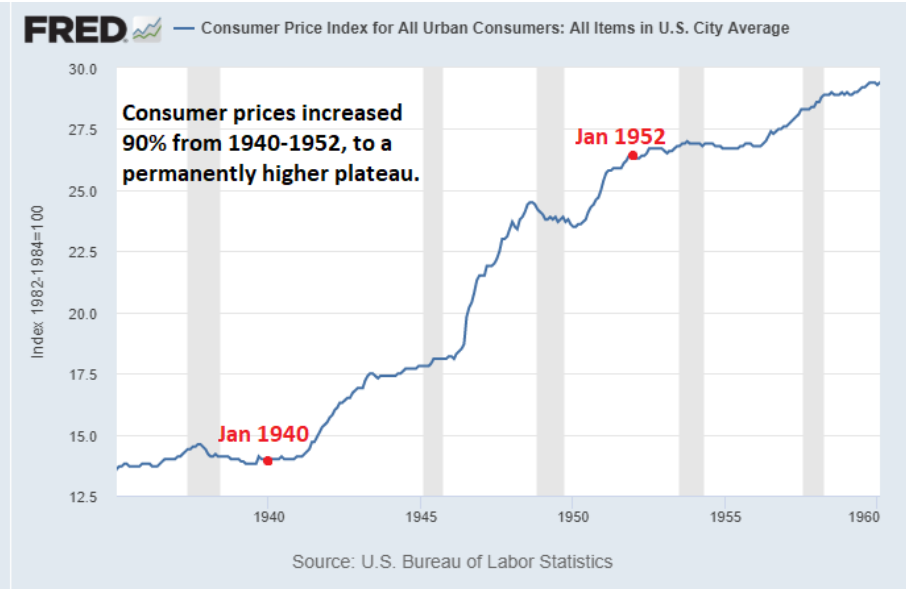
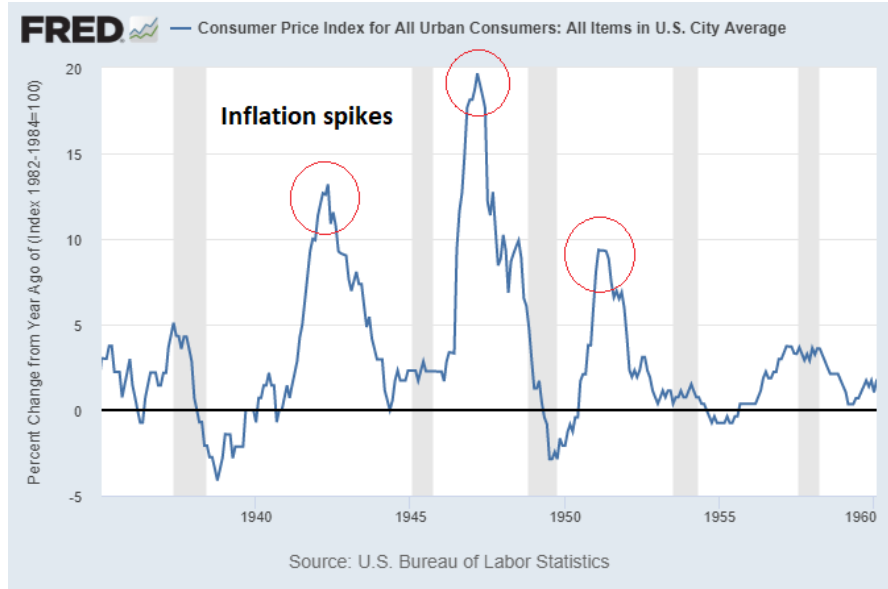


Chart Source: [LynAlden.com](https://lynalden.com)

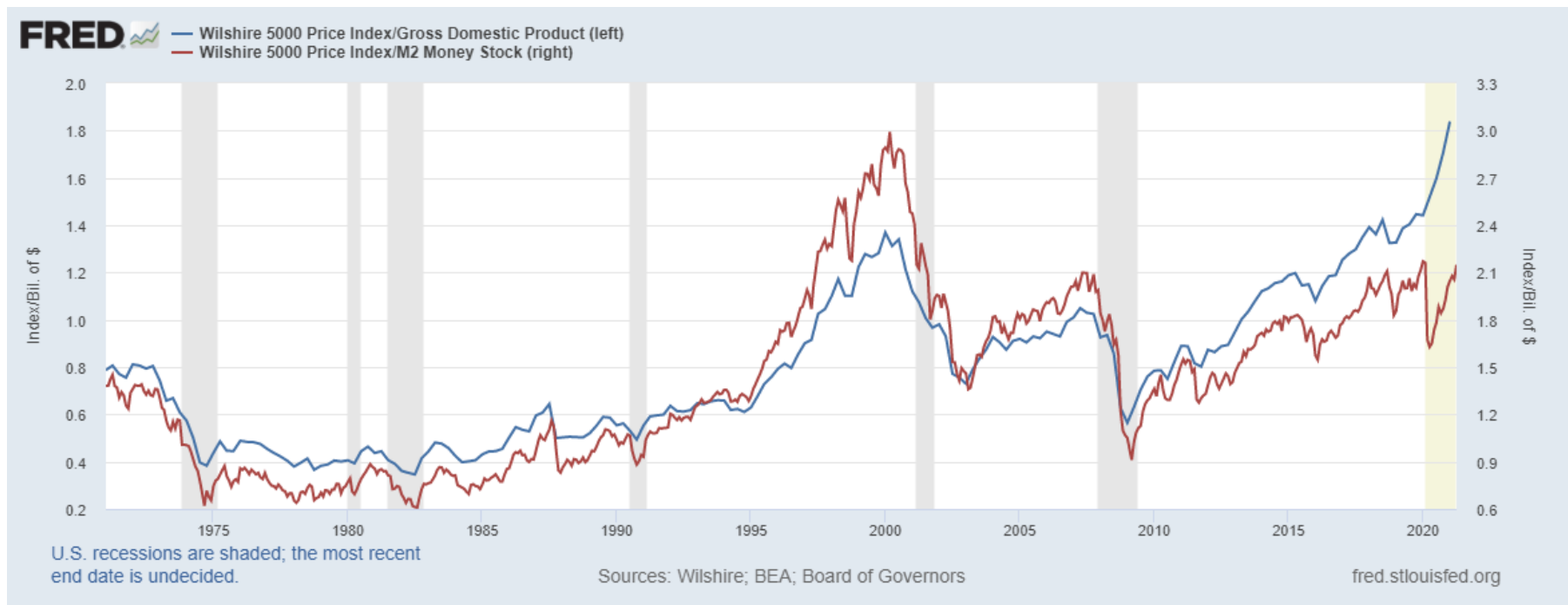
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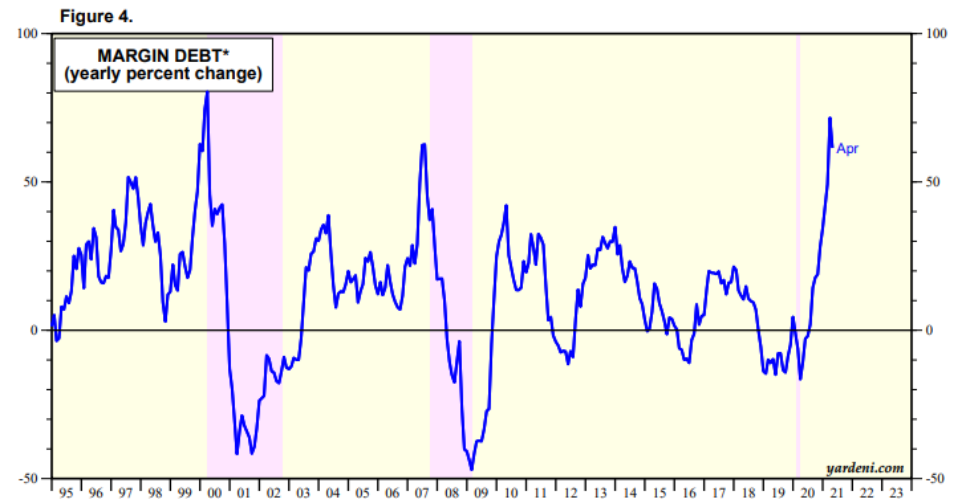
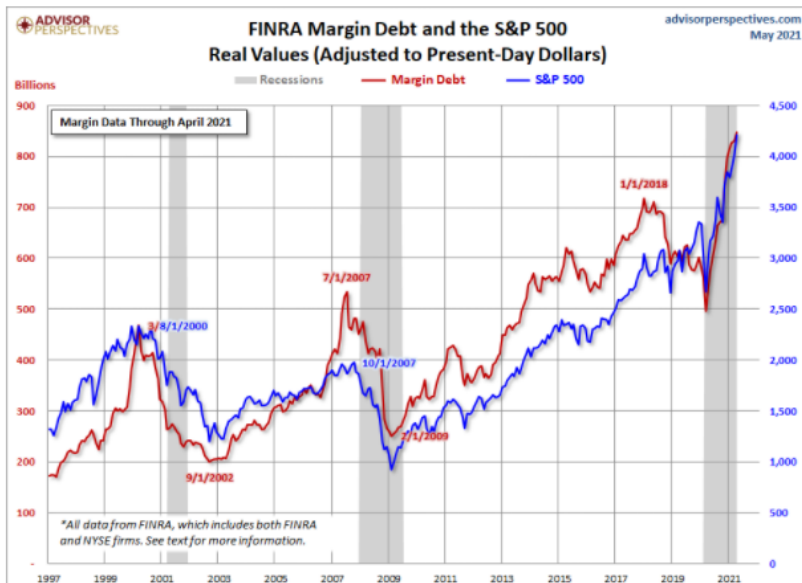
Is Inflation Transitory?



1) Market Cap to GDP and M2



4) Margin Debt



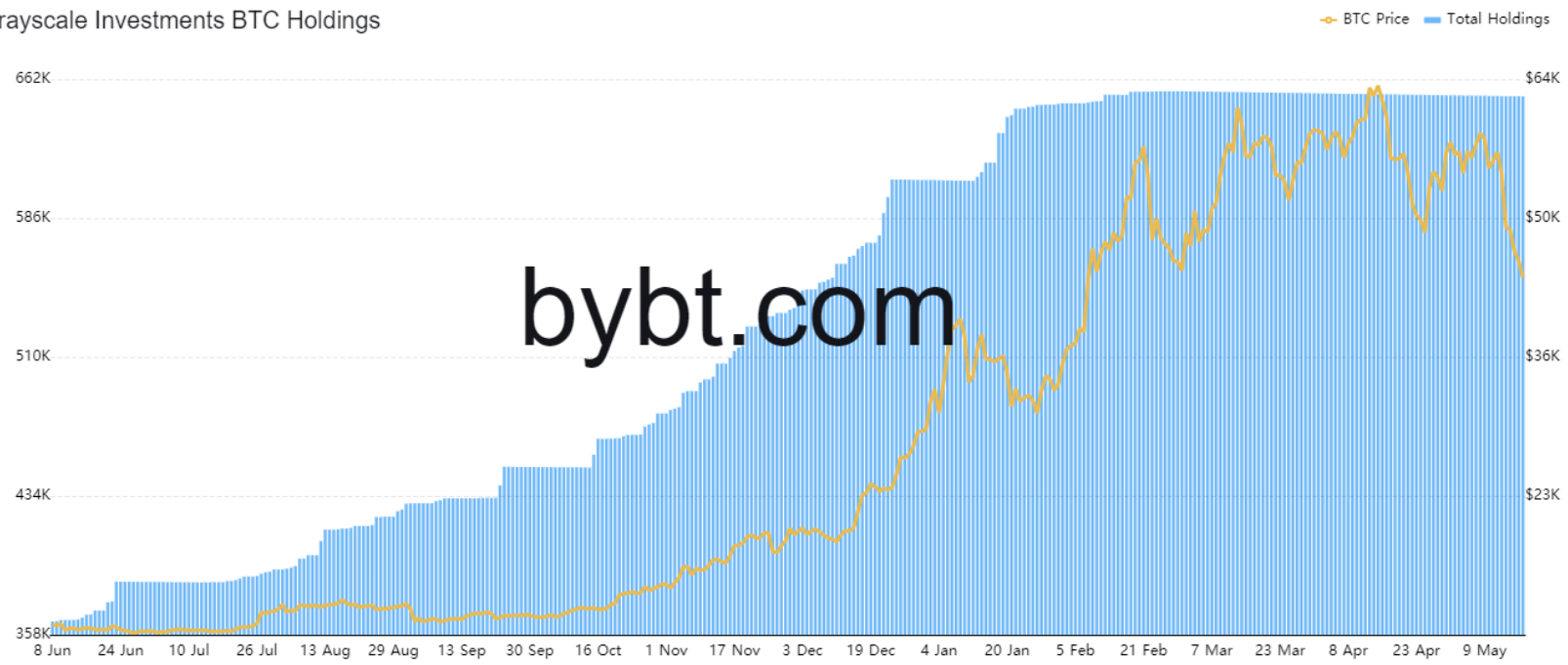
* Debit balances in margin accounts at broker/dealers.
 Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Yellow areas show bull markets.
 Source: New York Stock Exchange through December 1996, FINRA thereafter, and Haver Analytics.

Conclusions

- Stocks are quite expensive in absolute terms.
 - Yet, stocks are not necessarily expensive vs bonds.
 - Many value stocks are arguably not expensive at all.
-

The Arbitrage Trade Dried Up

Grayscale Investments BTC Holdings



bybt.com

Fiscal Spending vs QE Alone

