

The Flow Show

Toto, I've a feeling we're not in Jackson Hole anymore

Jackson Hole: "hawkish" Fed is bullish, "dovish" Fed is bearish; rates too low, QT too light, inflation unlikely to fall below 4% by '24 thus Fed funds likely to exceed 4% by '24; sooner Fed plays role of "the courageous lion", better for macro, better for markets.

Scores on the Doors: commodity 41.0%, oil 26.2%, US\$ 13.6%, cash 0.4%, gold -4.4%, HY bonds -13.7%, stocks -14.6%, IG -16.0%, govt bonds -16.4%, bitcoin -53.7% YTD.

The Price is Right: most important Wall St driver = bond yields; keep autumn simple...if bond yields "double-top" next 4-8 weeks (i.e. UST 10-year yield fails to exceed 3.48%), autumn narrative becomes peak yields = peak spreads (Chart 3) = no new lows in stocks.

Tale of the Tape: we think yields have not peaked...CPI >4%, Fed funds >4%, note ECB policy rate 4.25% (not 0.5%) last time oil prices in Euros this high (Chart 5 & 6), UK gilt yields (stagflation lead indicator) just hit highs (Chart 4), panic politics = fiscal policy easing, Wall St reflation (like stimulus checks, student debt forgiveness leaks into stocks).

The Biggest Picture: crypto (Chart 2), China tech, biotech, EM debt, lead indicators of higher yields, yet to confirm "peak yields"; note some tech stocks (e.g. META) simple derivative of interest rates, others (e.g. AAPL) more correlated with labor market (Charts 7 & 8); higher unemployment most likely catalyst for end of retail "buy the dip".

Weekly Flows: outflows from gold \$0.6bn, bonds \$0.8bn, cash \$4.3bn, stocks \$5.1bn.

Flows to Know: biggest outflow from HY bonds in 9 weeks (\$4.8bn), biggest outflow from tech funds since Nov'21 (\$1.3bn), biggest inflow to financials since Jan'22 (\$2.2bn), 28th consecutive week of outflow from European equities (longest streak since 2016).

BofA Private Clients: \$3.1tn AUM: 63.3% stocks, 18.4% bonds, 11.3% cash; BofA private clients buy bonds for 26th consecutive week, investors acting on higher yields.

BofA Bull & Bear Indicator: remains max bearish at 0.0.

Chart 2: Crypto, I've a feeling we're not in Kansas anymore

Index of Digital Assets



Source: BofA Global Investment Strategy, Bloomberg

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More on page 2...

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Investment Strategy
Global

BofA

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Chart 1: BofA Bull & Bear Indicator

Remains at 0.0



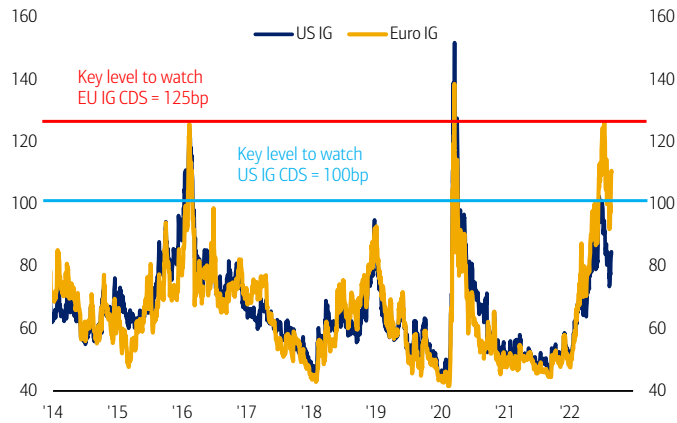
Source: BofA Global Investment Strategy
The indicator identified above as the BofA Bull & Bear Indicator is intended to be an indicative metric only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. This indicator was not created to act as a benchmark.

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The Visible Fist: we remain in an era of abnormal government intervention in financial markets & economy; there is no invisible hand. Central banks are very reluctant to reverse QE, politicians are attempting to shield voters from economic pain, redress wealth inequality, soften impact of new geopolitical isolationism via government spending and higher budget deficits...secular inflation seems here to stay.

Chart 3: Autumn narrative becomes peak yields = peak spreads

US IG CDS and Euro IG CDS

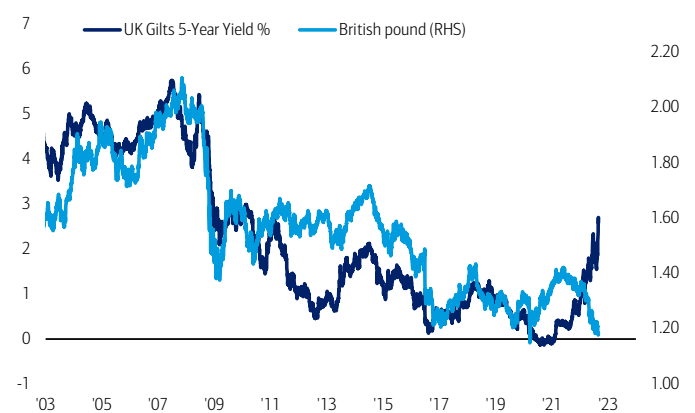


Source: BofA Global Investment Strategy, Bloomberg

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Chart 4: UK gilt yields just hit highs (stagflation lead indicator)

UK Gilts 5-year yield and British pound

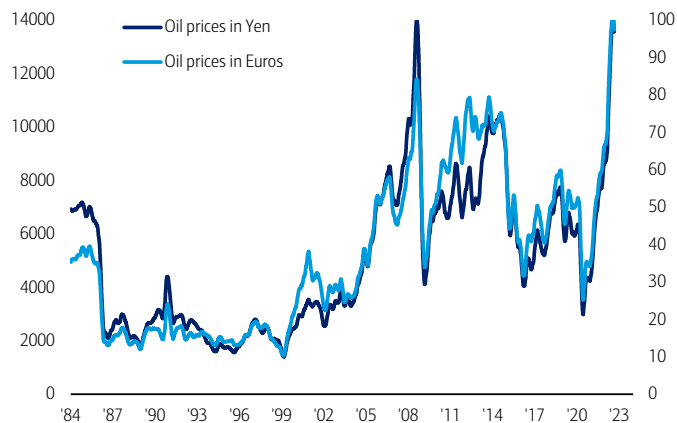


Source: BofA Global Investment Strategy, Bloomberg

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Chart 5: Oil prices in euros remain near highs...

Oil prices in yen (LHS) and euros (RHS)

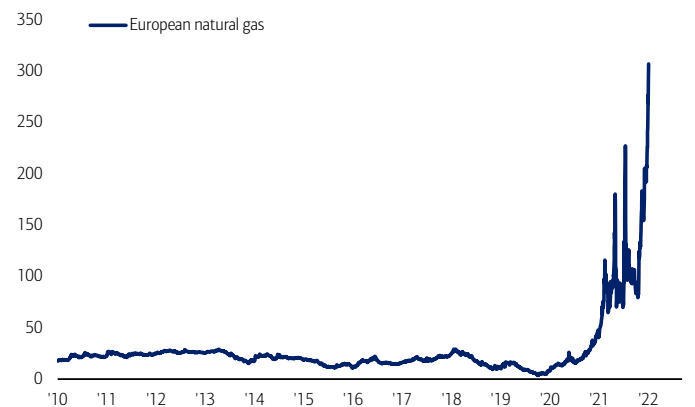


Source: BofA Global Investment Strategy, Bloomberg. WTI crude oil prices in EUR, YEN. 3-month moving average

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Chart 6: ...as does European natural gas

European natural gas price

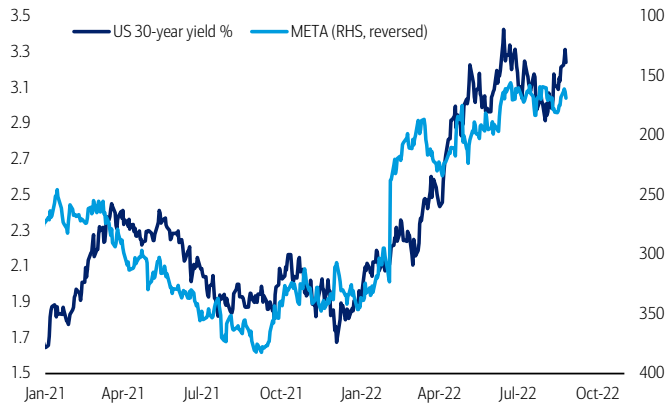


Source: BofA Global Investment Strategy, Bloomberg

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The Visible Risk: rates need to overshoot to reduce inflation; key markets that determine inflation remain inflationary: commodities (the war in Europe continues, we would buy oil on Iran deal), labor (unemployment rates remain v low everywhere), housing (cracking, see US new home sales – Chart 9), but thus far prices simply decelerating from bubble levels – Sweden/Australia/NZ house price inflation down from 20% to low single-digits, while UK/Canada/US still v strong (e.g. Miami up 34% past year – Charts 10 & 11).

Chart 7: Some tech stocks simple derivative of interest rates...
US 30-year yield and META



Source: BofA Global Investment Strategy, Bloomberg

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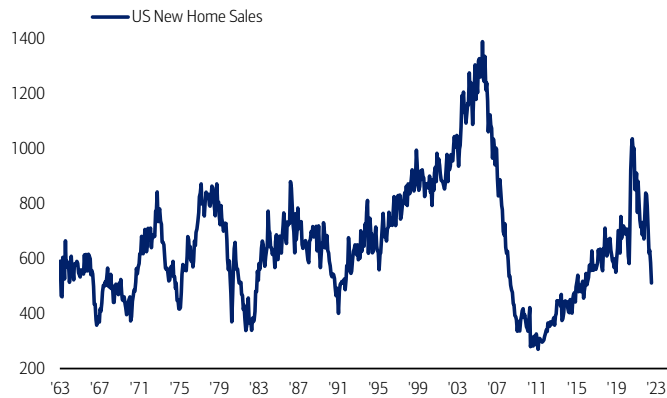
Chart 8: ...others more correlated with labor market
Apple and US job openings



Source: BofA Global Investment Strategy, Bloomberg

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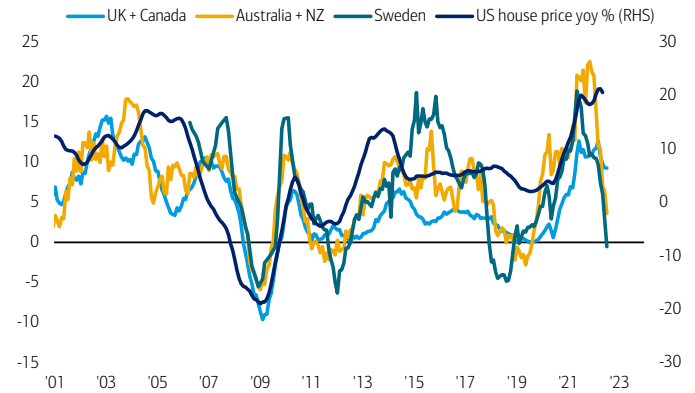
Chart 9: Housing cracking...
US New Home Sales



Source: BofA Global Investment Strategy, Bloomberg

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Chart 10: ...but thus far prices simply decelerating from bubble levels
Global house prices yoy%



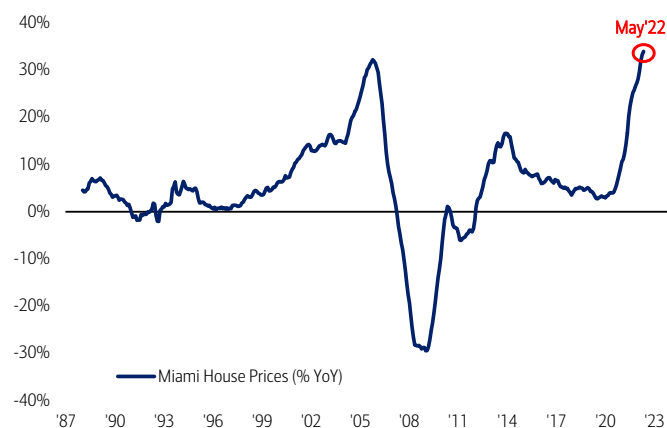
Source: BofA Global Investment Strategy, Bloomberg

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The Trade of 2023: it's "short US dollar, long Emerging Markets"; but it awaits US recession (= peak US\$) & China trough (likely after China currency devaluation); Chinese economy in 2022 v weak relative to 2010s...GDP 0% vs 8%, retail sales 3% vs 13%, industrial output 4% vs 9%, property investment -6% vs 16%...China deeply reliant on export growth (Chart 12) yet China currency uncompetitive vs key trading rivals (Chart 13)...CNY today vs 2010s up 72% vs India Rupee, 50% vs Japan Yen, 20% vs Vietnam Dong, 15% vs Korea Won....risk of China devaluation remains v high...sell-the-rips in US\$, buy-the-dips in EM.

Chart 11: Miami up 34% past year

Miami house prices YoY %



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Chart 12: Chinese economy deeply reliant on export growth...

State of the Chinese economy: 2022 vs 2010s

State of the Chinese economy: 2022 vs 2010s		
	2022	2010s
GDP growth	0%	8%
Retail sales growth	3%	13%
Industrial output growth	4%	9%
Home sales growth	-31%	18%
Property investment	-6%	16%
Youth unemployment	19.9%	11.4%
Exports	18%	9%

Source: BofA Global Investment Strategy, Haver. Last available data print for 2022

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Chart 13: ...yet China currency uncompetitive vs key trading rivals

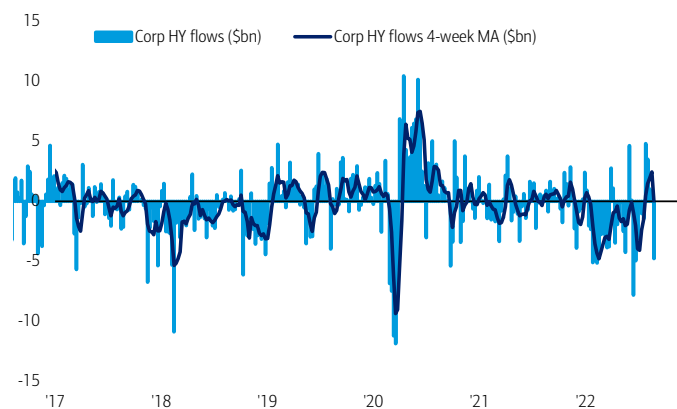
Chinese renminbi vs Japanese yen



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Chart 14: Biggest outflow from HY bonds in 9 weeks

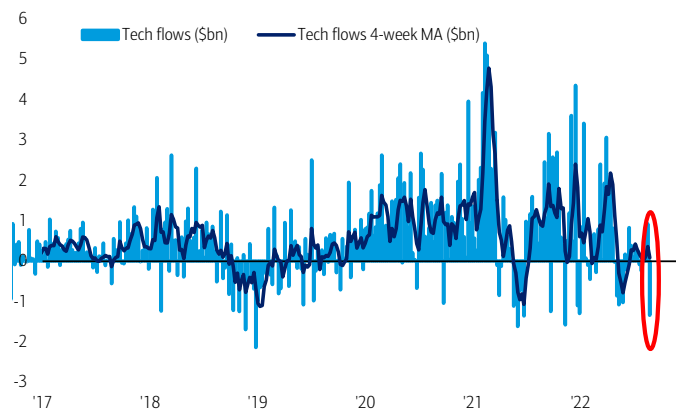
HY bond flows



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Chart 15: Biggest outflow from tech funds since Nov'21

Tech flows

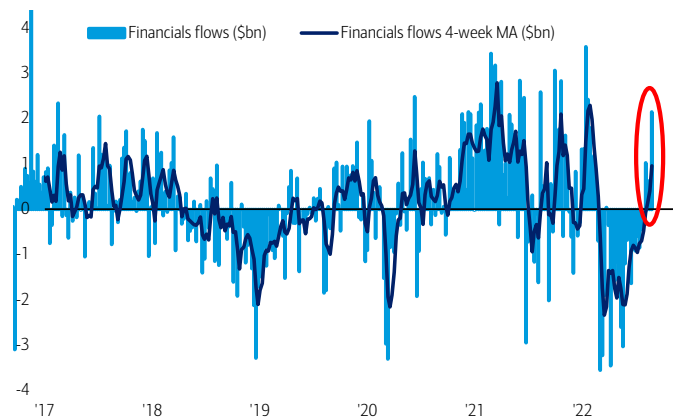


Source: BofA Global Investment Strategy, EPFR

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Chart 16: Biggest inflow to financials since Jan'22

Financials flows

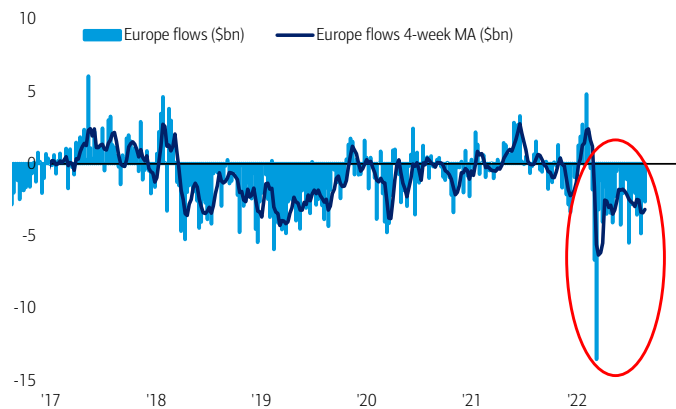


Source: BofA Global Investment Strategy, EPFR

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Chart 17: 28th consecutive week of outflow from European equities

Europe equities flows



Source: BofA Global Investment Strategy, EPFR

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Asset Class Flows (Table 1)

Equities: \$5.1bn outflow (\$3.8bn to ETFs, \$9.0bn from mutual funds)

Bonds: 1st outflow in 5 weeks (\$0.8bn)

Precious metals: outflows past 9 weeks (\$0.6bn)

Fixed Income Flows (Chart 18)

IG bond inflows past 4 weeks (\$3.9bn)

HY bond 1st outflow in 5 weeks (\$4.8bn)

EM debt 1st outflow in 4 weeks (\$0.8bn)

Munis outflows past 3 weeks (\$0.8bn)

MBS 1st outflow in 3 weeks (\$0.3bn)

Govt/Tsy inflows resume (\$2.9bn)

TIPS 1st outflow in 7 weeks (\$57mn)

Bank loan outflows past 11 weeks (\$1.0bn)

Equity Flows (Table 2)

US: 1st outflow in 3 weeks (\$1.0bn)

Japan: outflows past 5 weeks (\$1.9bn)

Europe: outflows past 28 weeks (\$2.6bn)

EM: outflows resume (\$1.2bn)

By style: inflow **US value** (\$0.4bn); outflows **US large cap** (\$0.5bn), **US small cap** (\$0.5bn), **US growth** (\$2.9bn).

By sector: inflows **financials** (\$2.2bn), **utilities** (\$0.7bn), **hcare** (\$0.2bn), **com svcs** (\$59mn); outflows **energy** (\$0.2bn), **materials** (\$0.3bn), **real estate** (\$0.3bn), **consumer** (\$0.4bn), **tech** (\$1.3bn).

Table 1: YTD flows into equities remain positive

Global flows by asset class, \$mn

	Wk % AUM	YTD	YTD %AUM
Equities	0.0%	189,672	1.2%
ETFs	0.1%	369,098	5.1%
LO	-0.1%	-179,647	-2.0%
Bonds	0.0%	-187,258	-2.7%
Commodities	-0.2%	2,347	0.6%
Money-market	-0.1%	-186,428	-2.8%

*week of 8/24/2022: Source: EPFR Global

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Table 2: Net fund flows to DM outpacing EM

Global equity flows by region

	Wk % AUM	YTD
Total Equities	0.0%	189,672
long-only funds	-0.1%	-179,647
ETFs	0.1%	369,098
Total EM	-0.1%	51,459
Brazil	1.4%	266
Russia	0.0%	193
India	0.1%	-2,810
China	0.0%	45,853
Total DM	0.0%	138,213
US	0.0%	144,163
Europe	-0.2%	-72,878
Japan	-0.3%	-6,818
International	0.0%	66,541

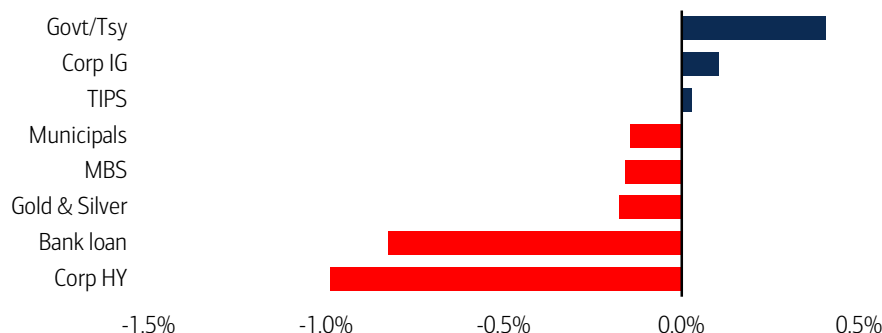
Total Equities = Total EM + Total DM

Source: EPFR Global

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Chart 18: FICC flows to Treasury, IG, TIPS

Weekly FICC flows as a % AUM



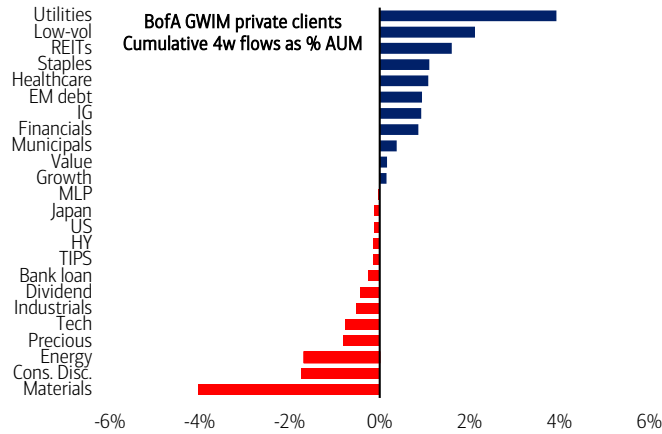
Source: EPFR Global

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BofA private client flows & allocations

Chart 19: GWIM flows have favored utilities, low-vol, REITs

BofA private client 4-week ETF flows as % of AUM

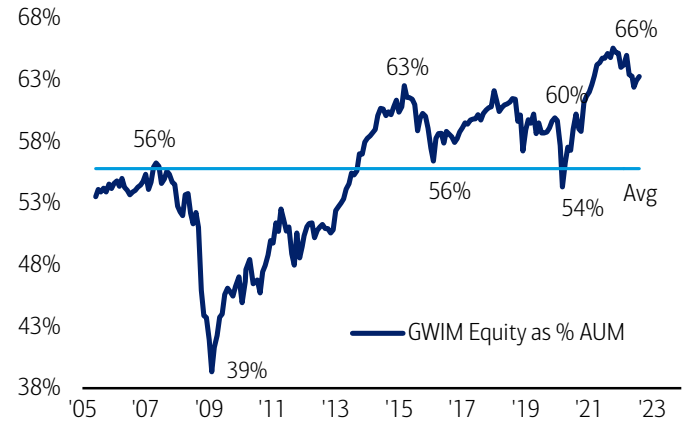


Source: BofA Global investment Strategy

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Chart 20: GWIM equity allocation at 63%

BofA private client equity holdings as % of AUM

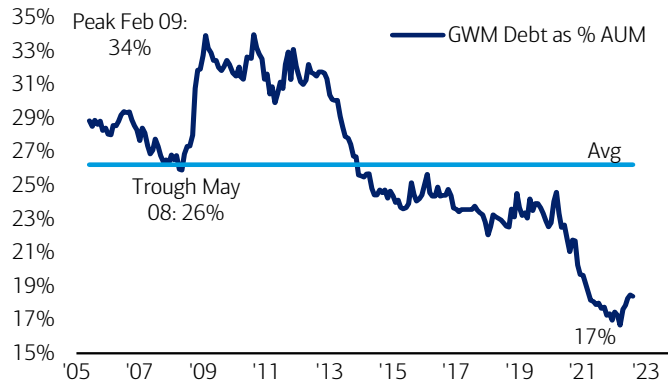


Source: BofA Global investment Strategy

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Chart 21: GWIM debt allocation at 18%

BofA private client debt holdings as % of AUM



Source: BofA Global investment Strategy

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Chart 22: GWIM cash allocation vs LT average

BofA private client cash holdings as % of AUM

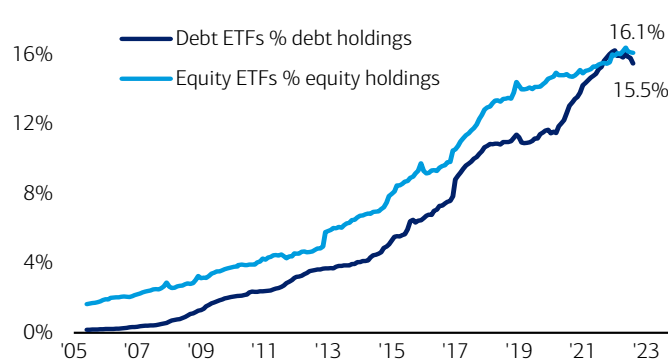


Source: BofA Global investment Strategy

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Chart 23: GWIM ETF holdings as % of AUM

BofA private client ETF holdings as % of AUM

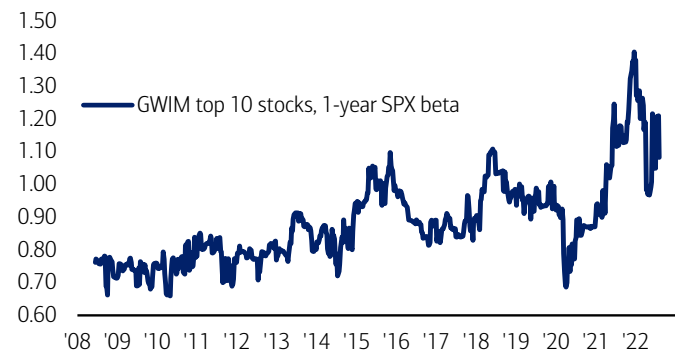


Source: BofA Global investment Strategy

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Chart 24: GWIM top 10 stocks for 1-year SPX beta

1-year S&P 500 beta for top 10 stocks held by BofA private clients



Source: BofA Global investment Strategy

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The Asset Class Quilt of Total Returns

Chart 25: Commodities top returning asset class YTD

Ranked cross asset returns by year since 2000

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022*
Commodities 58.2%	US Treasuries 6.7%	Commodities 39.5%	MSCI EM 56.3%	REITS 32.0%	MSCI EM 34.5%	REITS 37.5%	MSCI EM 39.8%	US Treasuries 14.0%	MSCI EM 79.0%	Gold 29.2%	US Treasuries 9.8%	REITS 23.8%	S&P 500 32.4%	S&P 500 13.7%	S&P 500 1.4%	Commodities 17.5%	MSCI EM 37.8%	Cash 1.8%	S&P 500 31.5%	Gold 24.8%	Commodities 46.3%	Commodities 41.0%
US Treasuries 13.4%	Global IG 4.6%	Gold 25.6%	MSCI EAFE 39.2%	Commodities 28.7%	Commodities 33.7%	MSCI EM 32.6%	Commodities 33.0%	Gold 4.3%	Global HY 62.0%	MSCI EM 19.2%	Gold 8.9%	Global HY 19.3%	MSCI EAFE 23.3%	REITS 11.7%	US Treasuries 0.8%	Global HY 14.8%	MSCI EAFE 25.9%	US Treasuries 0.8%	REITS 27.4%	S&P 500 16.3%	REITS 33.2%	Cash 0.4%
REITS 8.5%	Cash 4.4%	Global IG 14.9%	REITS 33.5%	MSCI EM 26.0%	Gold 17.8%	MSCI EAFE 26.9%	Gold 31.9%	Cash 2.1%	MSCI EAFE 32.5%	REITS 15.9%	Global IG 4.5%	MSCI EM 18.6%	Global HY 8.0%	US Treasuries 6.0%	Cash 0.1%	S&P 500 12.0%	S&P 500 22.0%	Gold -1.9%	MSCI EAFE 22.8%	MSCI EM 15.8%	S&P 500 26.9%	Gold -4.5%
Cash 6.2%	Global HY 3.1%	US Treasuries 11.6%	Commodities 30.1%	MSCI EAFE 20.7%	MSCI EAFE 14.0%	Gold 23.2%	MSCI EAFE 11.6%	Global IG -8.3%	REITS 31.7%	S&P 500 15.1%	Global HY 2.6%	MSCI EAFE 17.9%	REITS 0.7%	Global IG 3.2%	MSCI EAFE -0.8%	MSCI EM 11.2%	Gold 12.9%	Global HY -3.3%	Commodities 20.1%	Global IG 10.3%	MSCI EAFE 8.8%	US Treasuries -10.1%
Global IG 3.1%	Gold -0.7%	Cash 1.8%	Global HY 30.7%	Global HY 12.4%	REITS 10.7%	S&P 500 15.8%	US Treasuries 9.1%	Global HY -27.9%	S&P 500 26.5%	Global HY 13.9%	S&P 500 2.1%	S&P 500 16.0%	Global IG 0.1%	Gold 0.1%	REITS -3.4%	Gold 8.6%	REITS 11.5%	Global IG -3.4%	MSCI EM 18.6%	US Treasuries 8.2%	Global HY 1.4%	S&P 500 -13.1%
Gold -5.4%	MSCI EM -2.4%	Global HY -1.1%	S&P 500 28.7%	S&P 500 10.9%	S&P 500 4.9%	Global HY 13.5%	Global IG 7.3%	S&P 500 -37.0%	Commodities 26.1%	Commodities 13.3%	Cash 0.1%	Global IG 11.1%	Cash 0.1%	Cash 0.0%	Global IG -3.8%	Global IG 4.3%	Global HY 10.2%	REITS -3.9%	Gold 17.9%	Global HY 8.0%	Cash 0.0%	Global HY -13.7%
Global HY -5.8%	REITS -7.8%	REITS -2.4%	Gold 19.9%	Global IG 9.4%	Cash 3.1%	Global IG 7.2%	S&P 500 5.5%	Commodities -42.6%	Gold 25.0%	MSCI EAFE 8.2%	Commodities -2.6%	Gold 8.3%	Commodities -2.1%	Global HY -0.1%	Global HY -4.2%	REITS 1.3%	Global IG 9.3%	S&P 500 -4.3%	Global HY 13.7%	MSCI EAFE 5.4%	US Treasuries -2.4%	Global IG -15.9%
S&P 500 -9.1%	S&P 500 -11.9%	MSCI EM -6.0%	Global IG 14.5%	Gold 4.6%	US Treasuries 2.8%	Cash 4.9%	Cash 5.0%	MSCI EAFE -43.1%	Global IG 19.2%	Global IG 6.0%	REITS -9.4%	US Treasuries 2.2%	MSCI EM -2.3%	MSCI EM -1.8%	Gold -10.4%	US Treasuries 1.1%	Commodities 7.6%	Commodities -13.1%	Global IG 11.4%	Cash 0.5%	Global IG -3.0%	REITS -17.0%
MSCI EAFE -14.0%	MSCI EAFE -21.2%	MSCI EAFE -15.7%	US Treasuries 2.3%	US Treasuries 3.5%	Global HY 1.5%	US Treasuries 3.1%	Global HY 3.0%	REITS -50.2%	Cash 0.2%	US Treasuries 5.9%	MSCI EAFE -11.7%	Cash 0.1%	US Treasuries -3.3%	MSCI EAFE -4.5%	MSCI EM -14.9%	MSCI EAFE 1.0%	US Treasuries 2.4%	MSCI EAFE -13.2%	US Treasuries 7.0%	REITS -7.6%	Gold -4.1%	MSCI EAFE -19.1%
MSCI EM -30.6%	Commodities -21.4%	S&P 500 -22.1%	Cash 1.1%	Cash 1.3%	Global IG -3.0%	Commodities -0.2%	REITS -10.0%	MSCI EM -53.2%	US Treasuries -3.7%	Cash 0.1%	MSCI EM -18.2%	Commodities -0.3%	Gold -27.3%	Commodities -29.3%	Commodities -29.4%	Cash 0.3%	Cash 0.8%	MSCI EM -14.3%	Cash 2.2%	Commodities -15.0%	MSCI EM -4.6%	MSCI EM -20.0%

Source: BofA Global Investment Strategy, Bloomberg. *2022 YTD

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BofA Rules & Tools

Table 3: BofA Global Investment Strategy Proprietary Indicators

Current reading of all BofA Global Investment Strategy Proprietary Indicators

Proprietary Indicators	Category	Current reading	Current signal	Duration of signal
Contrarian				
BofA Bull & Bear Indicator (B&B)	Contrarian	0.0	Buy	1-3 months
Sell when investor sentiment > 8.0; Buy when investor sentiment < 2.0				
BofA Global FMS Cash Indicator	Contrarian	5.7%	Buy	4 weeks
Buy when cash at or above 5.0%; Sell when cash at or below 4.0%				
BofA Global Breadth Rule	Contrarian	-31.1%	Neutral	3 months
Buy when net 88% of markets in MSCI ACWI trading below 200-day moving & 50-day moving averages				
BofA Global Flow Trading Rule	Contrarian	0.1%	Neutral	8 weeks
Buy when outflows from global equities & HY > 1.0% AUM over 4wks; Sell when inflows > 1.0% AUM over 4wks				
BofA EM Flow Trading Rule	Contrarian	-0.1%	Neutral	8 weeks
Buy when outflows from EM equities > 3.0% of AUM; Sell when inflows > 1.5% of AUM over 4 wks				
Macro				
BofA Global EPS Growth Model	Macro	7.1%	EPS growth accelerating	6-12 months

Model indicates trend in year-on-year change in 12-month forward global EPS growth.

 Source: BofA Global Investment Strategy/ For a [guide to our trading models](#)

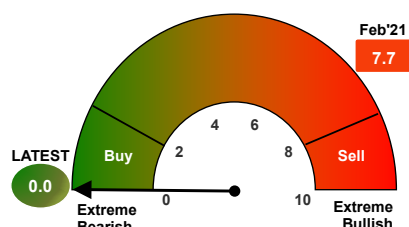
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BofA Bull & Bear Indicator (B&B)

Our BofA Bull & Bear Indicator is at 0.0, signal is Buy.

Chart 26: BofA Bull & Bear Indicator

Remains at 0.0



Source: BofA Global Investment Strategy

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Table 4: BofA B&B Indicator

BofA Bull & Bear current component readings

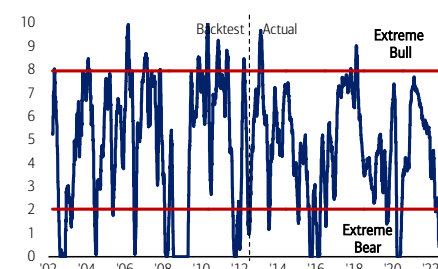
Components	Percentile	Sentiment
HF positioning	10%	Bearish
Credit mkt technicals	31%	Neutral
Equity market breadth	12%	Bearish
Equity flows	35%	Neutral
Bond flows	34%	Neutral
LO positioning	2%	V Bearish

Source: BofA Global Investment Strategy, Bloomberg, EPFR Global, Lipper FMI, Global FMS, CFTC, MSCI

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Chart 27: BofA Bull & Bear remains at 0

BofA Bull & Bear Indicator since 2002



Source: BofA Global Investment Strategy, EPFR Global, FMS, CFTC, MSCI

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Disclaimer: The indicators identified above as the BofA Bull & Bear Indicator, MVP Model, BofA Global Breadth Rule, BofA EM Flow Trading Rule, BofA Global Flow Trading Rule, BofA Global FMS Macro Indicator, BofA Global FMS Cash Rule, Global Wave, Sell-Side Indicator, and Global Financial Stress Indicator are intended to be indicative metrics only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. These indicators were not created to act as a benchmark.

The analysis of the BofA Bull & Bear Indicator in this report is back-tested and does not represent the actual performance of any account or fund. Back-tested performance depicts the hypothetical back-tested performance of a particular strategy over the time period indicated. In future periods, market and economic conditions will differ and the same strategy will not necessarily produce the same results. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein. In fact, there are frequently sharp differences between back-tested returns and the actual results realized in the actual management of a portfolio. Back-tested performance results are created by applying an investment strategy or methodology to historical data and attempts to give an indication as to how a strategy might have performed during a certain period in the past if the product had been in existence during such time. Back-tested results have inherent limitations including the fact that they are calculated with the full benefit of hindsight, which allows the security selection methodology to be adjusted to maximize the returns. Further, the results shown do not reflect actual trading or the impact that material economic and market factors might have had on a portfolio manager's decision-making under actual circumstances. Back-tested returns do not reflect advisory fees, trading costs, or other fees or expenses.

2022 Cross-Asset Winners & Losers

Table 5: 2022 YTD ranked returns

Year-to-date ranked cross asset returns

Ranked Returns, USD-terms (2022)

Assets		Equities		Sectors		Fixed Income		FX vs. USD		Commodities	
1 Oil	26.2%	1 Brazil Equities	21.2%	1 ACWI Energy	25.1%	1 3-Month Treasury Bills	0.3%	1 Brazilian real	9.1%	1 Natural Gas	150.1%
2 US Dollar	13.6%	2 Turkey Equities	19.8%	2 ACWI Utilities	-1.1%	2 2-year Treasury	-3.4%	2 Mexican peso	3.2%	2 Brent Crude Oil	30.1%
3 Gold	-4.4%	3 Portugal Equities	3.4%	3 ACWI BioTechnology	-6.2%	3 TIPS	-7.1%	3 Canadian dollar	-2.5%	3 WTI Crude Oil	26.2%
4 UK Equities	-7.0%	4 India Equities	-4.7%	4 ACWI Consumer Staples	-7.4%	4 US Mortgage Master	-8.6%	4 Singapore dollar	-3.2%	4 Iron Ore	13.5%
5 Pacific Rim xJapan	-8.5%	5 S. Africa Equities	-6.3%	5 ACWI Healthcare	-11.3%	5 US Corp HY	-9.6%	5 Indonesian rupiah	-4.0%	5 Gold	-4.4%
6 Industrial Metals	-11.5%	6 Australia Equities	-6.4%	6 ACWI Financials	-13.9%	6 Treasury Master	-10.1%	6 Australian dollar	-4.9%	6 Platinum	-10.1%
7 US Equities	-13.3%	7 Canada Equities	-6.8%	7 ACWI Banks	-14.4%	7 CCC HY	-11.3%	7 Swiss franc	-5.6%	7 Copper	-17.3%
8 High Yield Bonds	-13.7%	8 Mexico Equities	-7.0%	8 ACWI Industrials	-15.3%	8 US Corp IG	-13.5%	8 South African rand	-5.9%	8 Silver	-19.0%
9 Investment Grade Bonds	-16.0%	9 UK Equities	-7.0%	9 ACWI Materials	-16.1%	9 EM Corporate	-14.0%	9 Indian rupee	-6.9%		
10 Government Bonds	-16.4%	10 Greece Equities	-10.1%	10 ACWI Real Estate	-17.8%	10 BBB IG	-14.3%	10 Chinese renminbi	-7.3%		
11 Japan Equities	-16.4%	11 Hong Kong Equities	-10.6%	11 ACWI Cons. Discretionary	-21.7%	11 Japan Govt	-17.8%	11 Taiwanese dollar	-8.6%		
12 EM Equities	-18.0%	12 US Equities	-13.3%	12 ACWI Info Tech	-22.2%	12 EM Sovereign	-19.3%	12 Norwegian krone	-9.0%		
13 Europe Equities	-19.0%	13 Singapore Equities	-13.7%	13 ACWI Telecoms	-27.0%	13 Non-US IG Government	-21.0%	13 NZ dollar	-9.5%		
14 EM Sovereign Bonds	-19.3%	14 Spain Equities	-14.2%			14 German Govt	-21.5%	14 Korean won	-11.4%		
		15 Japan Equities	-16.4%			15 European HY	-21.9%	15 Euro	-12.4%		
		16 Switzerland Equities	-18.0%			16 30-year Treasury	-25.7%	16 British pound	-12.8%		
		17 France Equities	-19.2%			17 UK Govt	-28.7%	17 Swedish krona	-14.7%		
		18 China Equities	-22.6%					18 Japanese yen	-16.1%		
		19 Taiwan Equities	-22.9%					19 Turkish lira	-26.7%		
		20 Italy Equities	-24.5%								
		21 Korea Equities	-27.7%								
		22 Germany Equities	-29.7%								

Source: BofA Global Investment Strategy, Bloomberg, as of 24 August 2022

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Table 6: The Overbought & Oversold

Ranked deviation from 200-day moving averages in US dollar terms

Ranked Deviation from 200-Day Moving Average, USD-terms (as at 24 Aug '22)

Assets		Equities		Sectors		Fixed Income		FX vs. USD		Commodities	
1 US Dollar	8.1%	1 Turkey Equities	10.9%	1 ACWI Energy	9.0%	1 3-Month Treasury Bills	0.3%	1 Mexican peso	2.5%	1 Natural Gas	53.0%
2 Oil	-1.1%	2 Brazil Equities	7.4%	2 ACWI Utilities	2.4%	2 Japan Govt	-0.9%	2 Brazilian real	1.8%	2 Brent Crude Oil	1.6%
3 US Equities	-3.5%	3 Portugal Equities	6.0%	3 ACWI Consumer Staples	-1.7%	3 2-year Treasury	-1.5%	3 Canadian dollar	-1.6%	3 WTI Crude Oil	-1.1%
4 UK Equities	-4.6%	4 India Equities	0.8%	4 ACWI BioTechnology	-1.8%	4 TIPS	-2.6%	4 Singapore dollar	-1.7%	4 Iron Ore	-4.4%
5 Gold	-4.8%	5 Australia Equities	-3.4%	5 ACWI Healthcare	-3.9%	5 US Corp HY	-3.6%	5 Indonesian rupiah	-2.2%	5 Gold	-4.9%
6 Pacific Rim xJapan	-5.1%	6 US Equities	-3.5%	6 ACWI Industrials	-5.1%	6 US Mortgage Master	-3.7%	6 Swiss franc	-2.3%	6 Platinum	-10.2%
7 High Yield Bonds	-6.4%	7 Mexico Equities	-3.6%	7 ACWI Cons. Discretionary	-7.6%	7 CCC HY	-4.7%	7 Australian dollar	-3.1%	7 Copper	-13.7%
8 Japan Equities	-7.4%	8 Canada Equities	-3.9%	8 ACWI Info Tech	-7.8%	8 Treasury Master	-4.8%	8 Indian rupee	-3.9%	8 Silver	-16.0%
9 EM Sov Bonds	-7.6%	9 UK Equities	-4.6%	9 ACWI Real Estate	-8.2%	9 European HY	-5.2%	9 Norwegian krone	-4.5%		
10 Investment Grade Bonds	-8.1%	10 Greece Equities	-7.3%	10 ACWI Financials	-8.2%	10 German Govt	-5.7%	10 Taiwanese dollar	-4.8%		
11 Government Bonds	-9.3%	11 Japan Equities	-7.4%	11 ACWI Banks	-9.6%	11 US Corp IG	-5.8%	11 Chinese renminbi	-5.0%		
12 Europe Equities	-9.5%	12 Singapore Equities	-7.5%	12 ACWI Materials	-10.1%	12 EM Corporate	-5.9%	12 NZ dollar	-5.9%		
13 EM Equities	-9.8%	13 Switzerland Equities	-8.0%	13 ACWI Telecoms	-14.6%	13 BBB IG	-6.2%	13 South African rand	-7.1%		
14 Industrial Metals	-13.0%	14 Hong Kong Equities	-8.1%			14 EM Sovereign	-7.6%	14 Korean won	-7.6%		
		15 Spain Equities	-8.5%			15 UK Govt	-11.4%	15 Euro	-7.9%		
		16 S. Africa Equities	-9.1%			16 Non-US IG Government	-12.7%	16 British pound	-8.0%		
		17 France Equities	-9.1%			17 30-year Treasury	-13.8%	17 Swedish krona	-8.9%		
		18 Taiwan Equities	-13.1%					18 Japanese yen	-9.5%		
		19 China Equities	-13.1%					19 Argentine peso	-16.6%		
		20 Italy Equities	-13.5%					20 Turkish lira	-16.7%		
		21 Korea Equities	-16.4%								
		22 Germany Equities	-17.7%								

Source: BofA Global Investment Strategy, Bloomberg

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Acronyms

FMS – Fund Manager Survey

GWIM – Global Wealth and Investment Management

QE – Quantitative Easing

QT – Quantitative Tightening

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