















Outperforming the market requires accurately estimating opportunities and risks: it's about identifying favourable odds through probability analysis. The tables below track the performance of our high conviction calls for global assets and US equity sectors, based on Numera's cutting-edge probability forecast models. Further details on individual trades are available in Numera's various strategy publications.

1. Global recommendations



















Investment Calls Asset class	Action	Open date	Closing date	Horizon	Trailing stop loss ¹	Expected gain ²	P&L ³	Key macro factors	Instrument / strategy	Report
BR LC bonds (unhedged)	Long	24-Jan-23	27-Sep-23	6-12M	16%	21%	16%	Hit stop loss on rising global interest rates	ICE BofAML BR government index	
Mexico / EM stocks	UW	25-Apr-23	-	6-12M	5%	13%	8.3%	Overvalued MXN, exposure to US mfg downturn	MSCI Mexico / MSCI EM	
MX staples / MX stocks	OW	2-May-23	-	6-12M	5%	11%	6.2%	Lower exposure to US manufacturing cycle	FTSE MX consumer staples / MSCI MX	
Brent crude oil options	Call option	14-May-23	4-Oct-23	12M	67%	34%	67%	Tight OPEC + shale supply creating deficit	NYMEX May 2024 (\$71 / bbl strike)	
JGBs / US Treasuries (h)	UW	18-May-23	-	6-12M	-2%	5%	-0.9%	Wider YCC band to narrow US-JP yield spread	ICE BofAML JGBs (h) / US Treasuries	
EM / DM ex. US stocks	OW	13-Jun-23	-	6-12M	-4%	11%	0.8%	Commodity upswing, DM policy tightening	MSCI EMs / MSCI World ex. USA	
Japan vs. EZ stocks	Long JP	26-Jun-23	-	6-12M	-1%	12%	5.4%	Projected JPY apprec., high EZ recession risks	MSCI Japan / MSCI EMU	
India / EM stocks	UW	14-Jul-23	-	6-12M	-7%	13%	-6.2%	High valuation gap, IN growth premium to narrow	MSCI India / MSCI EM	
EUR / AUD	Long AUD	26-Jul-23	-	6-12M	-6%	10%	-1.9%	Hawkish RBA policy, wider AU growth spread	Pair trade, with carry	
Global semiconductors	Short	15-Aug-23	-	6-12M	2%	24%	9.4%	Stocks well above 'fair' value on AI optimism	ACWI semiconductors (ETF: SEMI)	
Germany stocks	Short	22-Aug-23	-	6-12M	1%	16%	7.2%	Stalling global manufacturing, ECB tightening	MSCI Germany (ETF: EWG)	
MXN / USD	Short MXN	29-Aug-23	-	6-12M	6%	8%	7.7%	Slowing export growth, Banxico rate cuts	Pair trade, no carry	
UK / Eurozone stocks	Long UK	6-Sep-23	-	6-12M	2%	10%	5.5%	Cheaper valuations, higher defensives exposure	MSCI UK / MSCI EMU	
Brazil / EM stocks	OW	27-Sep-23	-	6-12M	-6%	13%	-0.8%	BCB rate cuts, improving foreign revenues	MSCI Brazil / MSCI EM	
US / DM ex. US bonds	OW	10-Oct-23	-	6-12M	-5%	9%	1.1%	Faster Fed pivot, strengthening US dollar	ICE BofAML US Treasuries / World ex. US	

1. A trailing stop-loss sets the sell order to a certain percentage below the peak price since the open date. The stop-loss threshold matches expected losses over the remaining holding period, based on Numera's probability forecast models.

2. Expected gain at open date over the recommended holding period, based on Numera's probability forecast models. If P&L exceeds expected gain, then this becomes the take profit threshold.

3. Total returns versus open date from the perspective of a US investor. Profits on short positions expressed as gains. P&L for options is the difference between the current at-the-money options price for the underlying strike, and the contract premium.

















2. US recommendations

Investment Calls Asset class	Action	Open date	Closing date	Horizon	Trailing stop loss ¹	Expected gain ²	P&L	Key macro factors	Instrument / strategy	Report
Building products / industrials	UW	1-Mar-23	-	6-12M	-6%	15%	-1.0%	Expensive valuations, weak residential investment	S&P building products / S&P industrials	
Commercial MBS (CMBS)	Short	3-Apr-23	-	6-12M	-1%	9%	1.8%	Falling real estate prices, tighter credit standards	ICE BofAML fixed rate CMBS index	
REITs	Short	12-Apr-23	-	6-12M	10%	29%	14%	Falling real estate prices, high refinancing costs	S&P 500 REITs	
E-commerce / in-store retail	OW	27-Apr-23	26-Sep-23	6-12M	21%	14%	21%	Hit stop loss as rising yields lowered valuations	S&P broadline / specialty retail	
Software / hardware	Long	25-May-23	-	6-12M	1%	12%	3.1%	Software: AI exposure, higher yield sensitivity	S&P IT software / hardware	
Mid-cap internet stocks	Long	25-May-23	-	<6M	4%	28%	5.6%	Cheap valuations, AI tailwinds, high yield sensitivity	Dow Jones Internet Index Fund (FDN)	
Health care services	OW	7-Jun-23	-	6-12M	1%	12%	5.8%	Low multiples, pent-up demand, stronger mark-up	S&P health care providers / S&P 500	
Regional / large banks	Long	28-Jun-23	-	<6M	-10%	18%	-0.4%	Regional banks trading ~30% below 'fair' value	S&P regional / diversified banks	
Chemicals / value stocks	OW	12-Jul-23	21-Sep-23	6-12M	-1%	9%	-1.5%	Improving profit margins on falling energy costs	S&P chemicals / S&P 500 value index	
Spec. chemicals / fertilizers	OW	12-Jul-23	-	<6M	-11%	26%	-4.0%	Falling energy feedstock, narrowing fertilizer margins	S&P specialty chemicals / fertilizers	
Small-cap stocks	Long	18-Aug-23	-	1-3M	-5%	9%	-1.2%	Hit stop loss on 17/08; reopened on strong growth	S&P 600 small-cap index (ETF: IJR)	
High yield / Treasury bonds	OW	23-Aug-23	-	1-3M	-1%	6%	1.0%	Very high coupon payments, soft landing optimism	ICE BofAML high yield / Treasuries	
Pharma & biotech	Long	31-Aug-23	-	6-12M	-1%	8%	1.2%	Attractive valuations, low sensitivity to slowing activity	S&P pharmaceuticals & biotech	
Media & entertainment	OW	31-Aug-23	-	6-12M	-2%	8%	4.3%	AI enthusiasm, projected decline in long-term yields	S&P media & entertainment / S&P 500	
Homebuilding	Short	21-Sep-23	-	6-12M	0%	30%	7.2%	Bullish sentiment pushed stocks 20% above 'fair' value	S&P homebuilding stocks (ETF: ITB)	
E-commerce	OW	26-Sep-23	-	6-12M	-3%	11%	1.5%	Reopening on mobility upside, lower logistics costs	S&P broadline retail / S&P 500	
Refineries	UW	4-Oct-23	-	6-12M	-1%	14%	6.7%	Lower gasoline demand, higher refinery utilization	S&P refining (ETF: CRAK)	
10Y Treasury options	Call option	16-Oct-23	-	6M	-21%	40%	-	High term premium, projected Fed pivot in Q1/24	CBOT March 2024 (\$107.3 strike)	

1. Stop-loss threshold matches expected losses over the remaining holding period, based on Numera's probability forecast models. 2. Expected gain at open date over the recommended holding period, based on Numera's probability forecast models.

Best performing trades (2020-23)

The table below displays our best performing trades since Jan. 2020, alongside the key macro factors underpinning our recommendations. Trades in this table meet the following criteria: a) cumulative profits exceed average historical re- turns on the asset over the same holding period, and b) the investment generated excess returns ('alpha') relative to the MSCI World.

Investment Calls Asset class	Action	Open date	Closing date	P&L ¹	Comparables ²		Key macro factors	Instrument / strategy	Report
					Average returns	MSCI World			
Canada stocks	Long	27-Mar-20	18-Nov-21	97%	18%	82%	Rising oil prices, steepening yield curve	MSCI Canada (unhedged)	
Brent crude oil	Long	14-May-20	21-Oct-21	169%	19%	62%	Tight OPEC/US supply, recovering mobility	ICE Brent FOB North Sea	
China MSCI	Short	27-Jul-21	21-Apr-22	36%	10%	-2%	Tech regulation, property market correction	MSCI China	
US Treasury bonds	Short	15-Dec-21	26-Jul-22	9%	2%	-16%	Projected Fed hikes, high inflation risks	BofAML US Treasury index	
WTI crude oil options	Call option	9-Feb-22	15-Jun-22	24%	-	-17%	Expected supply shortfall from RU invasion	NYMEX Jun. 22 (\$86 / bbl strike)	
Nickel / copper	OW	22-Feb-22	10-Mar-22	98%	0%	-3%	RU/UA war, recovering steel production	S&P GSCI nickel / copper	
BRL / EUR	Long BRL	9-Mar-22	11-Oct-22	16%	-8%	-12%	Widening policy rate, terms of trade differential	Pair trade, with carry	
S&P auto & components	Short	25-Aug-22	30-Nov-22	42%	2%	2%	Rising yields, lower growth in auto prices	S&P automobiles & components	
Copper options	Call option	27-Jul-22	23-Jan-23	137%	-	4%	CN recovery, market 'priced in' recession risks	COMEX Jul. 23 (\$3.38 / lb strike)	
Iron ore options	Call option	21-Nov-22	23-Jan-23	209%	-	5%	China fiscal spending, Fe trading at a discount	SGX TSI May 23 (\$92 / MT strike)	
US defensives / cyclical	OW	16-Feb-22	27-Jan-23	25%	-4%	-3%	Growing recession risks, flight-to-quality	USA MSCI defensives / cyclical	
BR materials / energy	OW	6-Oct-22	6-Feb-23	29%	4%	12%	China recovery, lower O&G profit margins	FTSE BR materials / oil & gas	
China / India stocks	Long CN	31-Oct-22	24-Apr-23	43%	-1%	12%	Valuation, growth, policy rate differential	MSCI China / MSCI India	
Iron ore 62% options	Call option	14-May-23	1-Aug-23	42%	-	9%	Fe futures well below 'fair' value (~\$120 / MT)	SGX TSI May 2024 (\$85 / MT strike)	
E-commerce / in-store retail	OW	27-Apr-23	26-Sep-23	21%	0%	2%	Rising e-commerce retail share, lower logistics costs	S&P broadline / specialty retail	
Brent crude oil options	Call option	14-May-23	4-Oct-23	67%	-	1%	Tight OPEC + shale supply creating deficit	NYMEX May 2024 (\$71 / bbl strike)	

1. Total returns versus open date from the perspective of a US investor. Profits on short positions expressed as gains. P&L for options is the difference between the current options price for the underlying strike, and the contract premium.

2. We present two comparable metrics. The first column shows average historical returns for the suggested trade for an equivalent holding period. For example, if we recommended going long on European equities during 37 weeks, the column will display average USD-denominated returns on European stocks over a 37-week period. The second column, in turn, shows total USD returns on the MSCI World over the holding period. Note that excess returns are already implicit in OW / UW calls versus DM (or US) stocks.