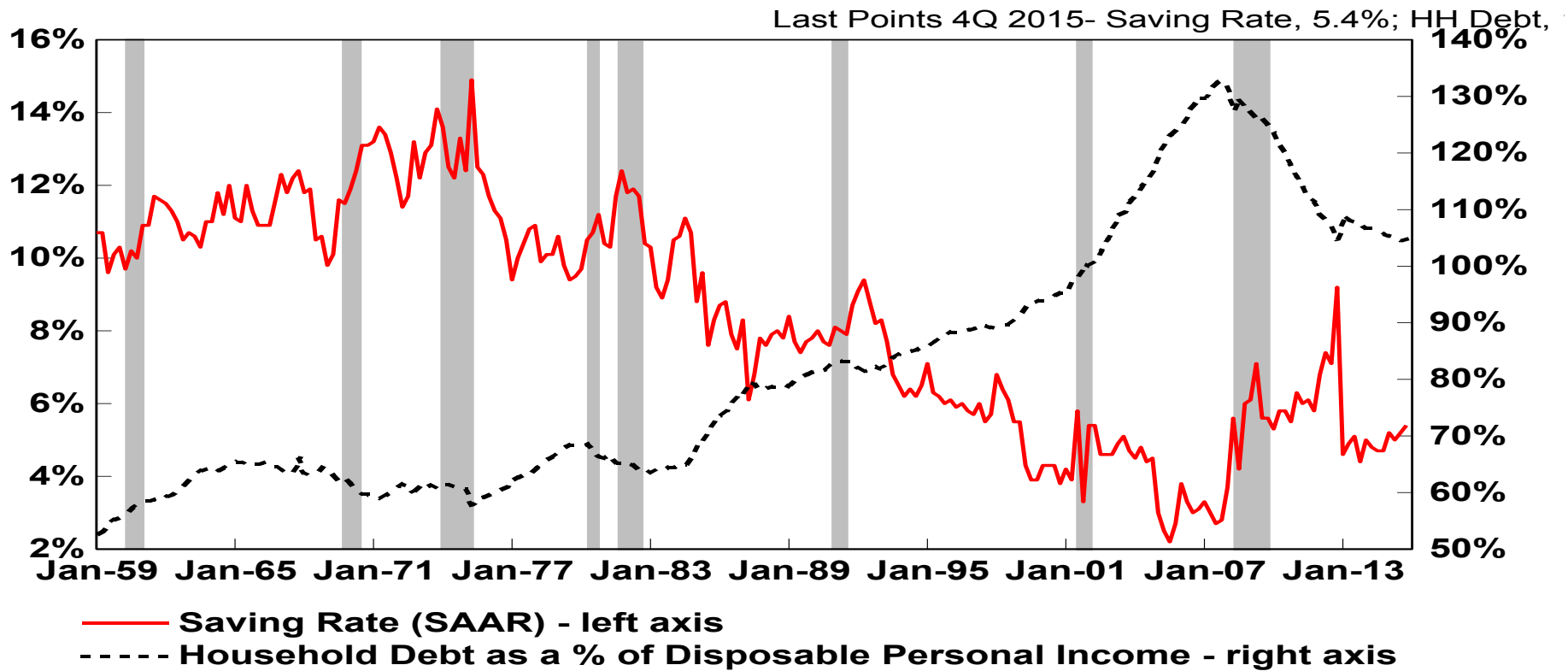


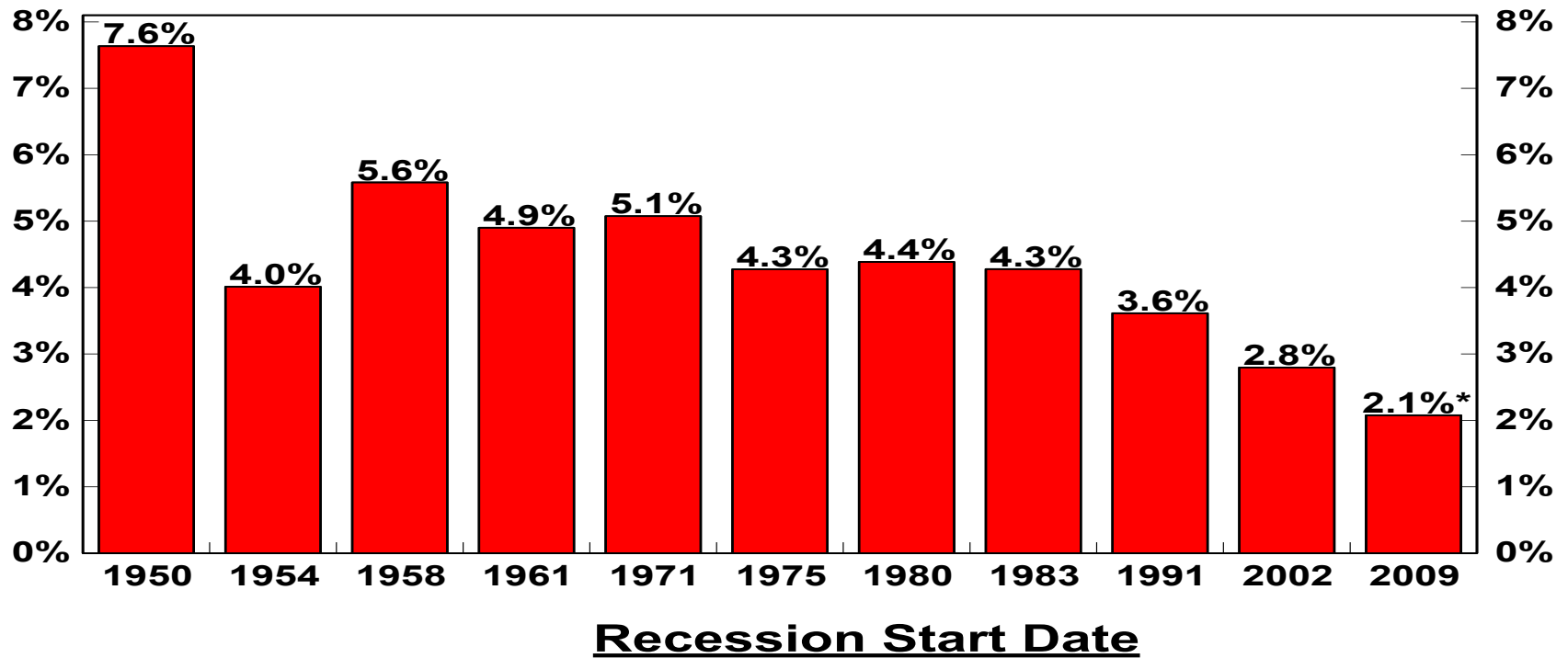
Chart 1

U.S. Personal Saving Rate and Household Debt (consolidated plus mortgage) as a % of Disposable Personal Income



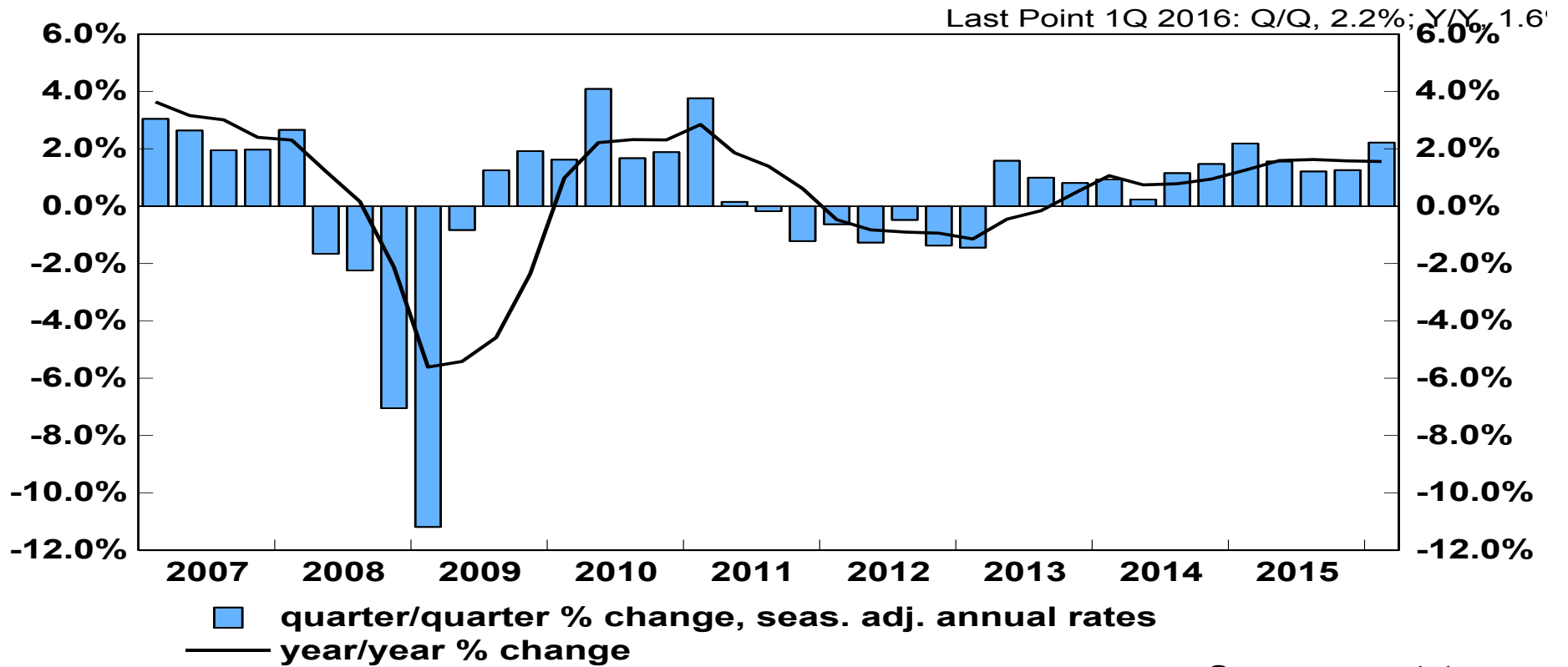
Source: Bureau of Economic Analysis; Federal F

Chart 2
Real GDP Growth During Expansions
annualized rates of expansion from NBER trough-to-peak



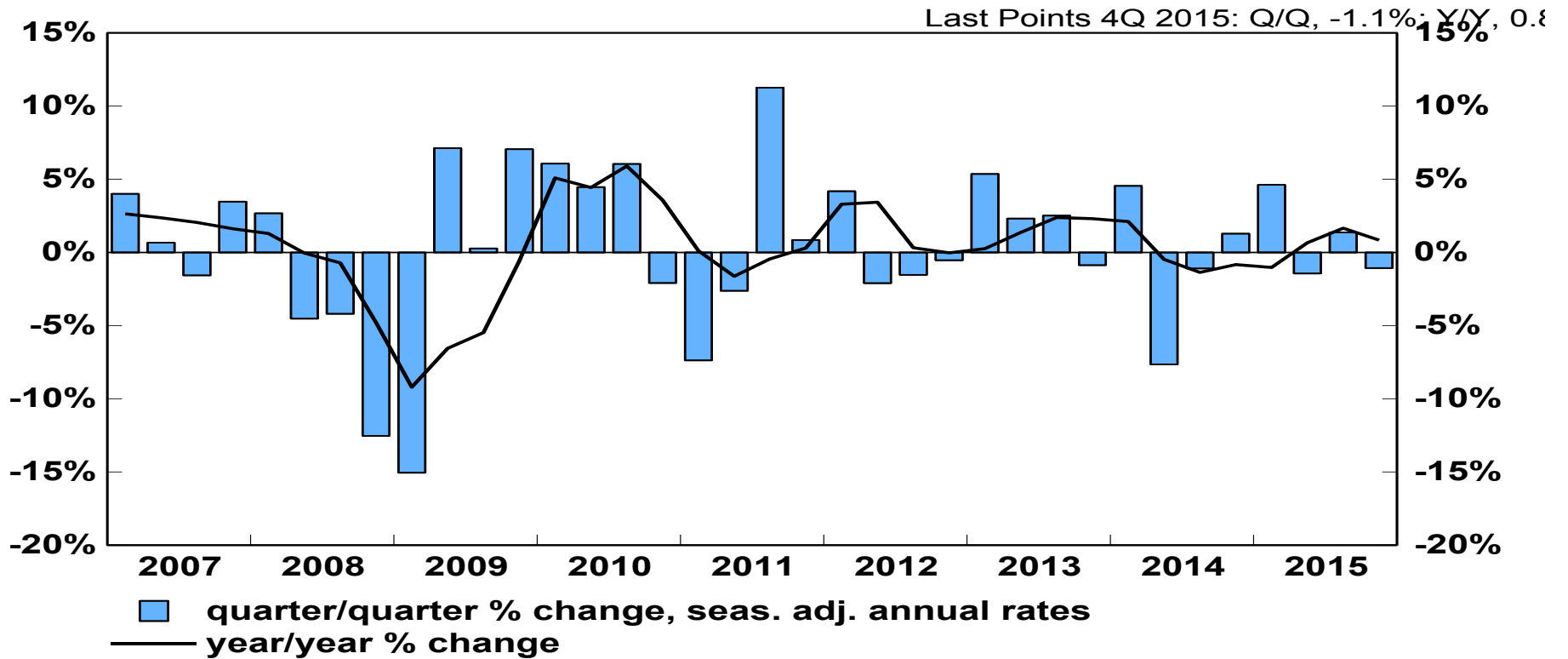
*Through 1Q 2016
Source: BEA, NBER

Chart 3 Eurozone Real GDP Growth



Source: eurostat

Chart 4 Japanese Real GDP Growth

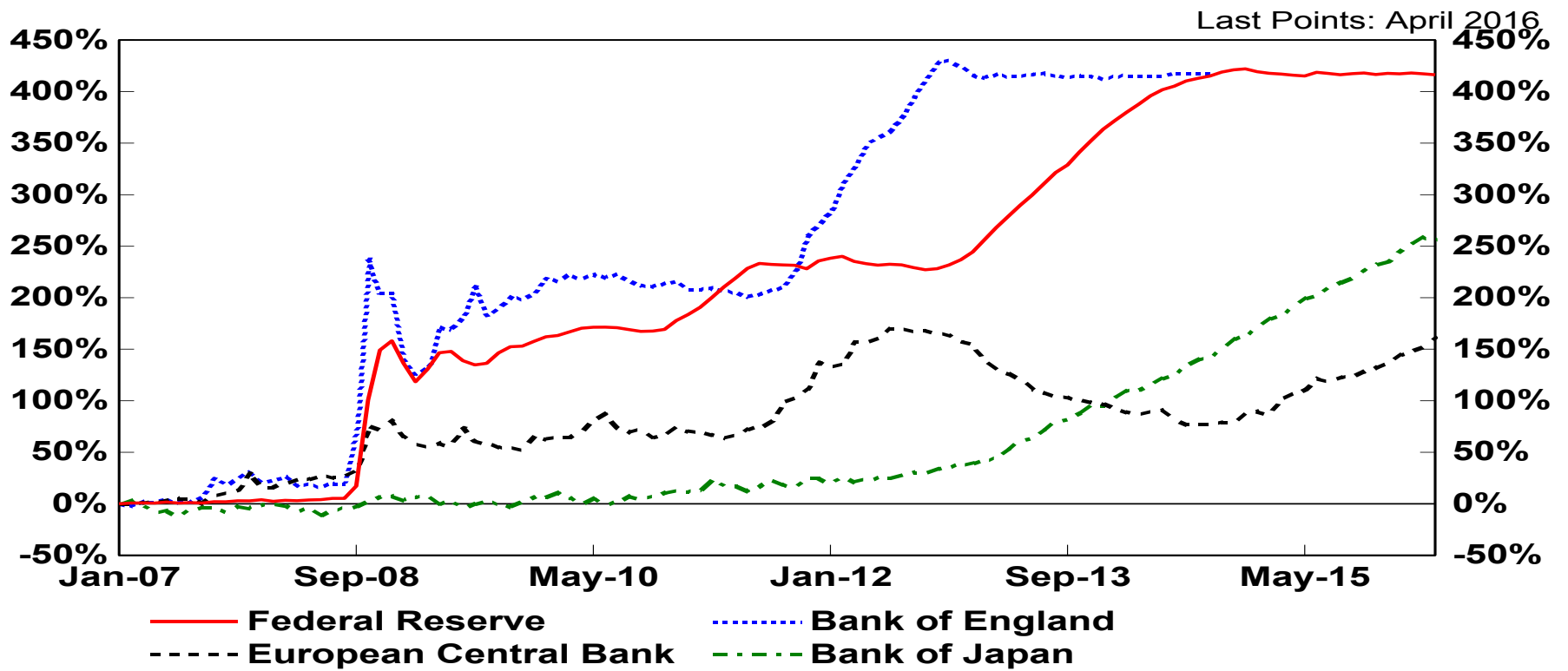


Source: Japanese Cabinet Office

Chart 5

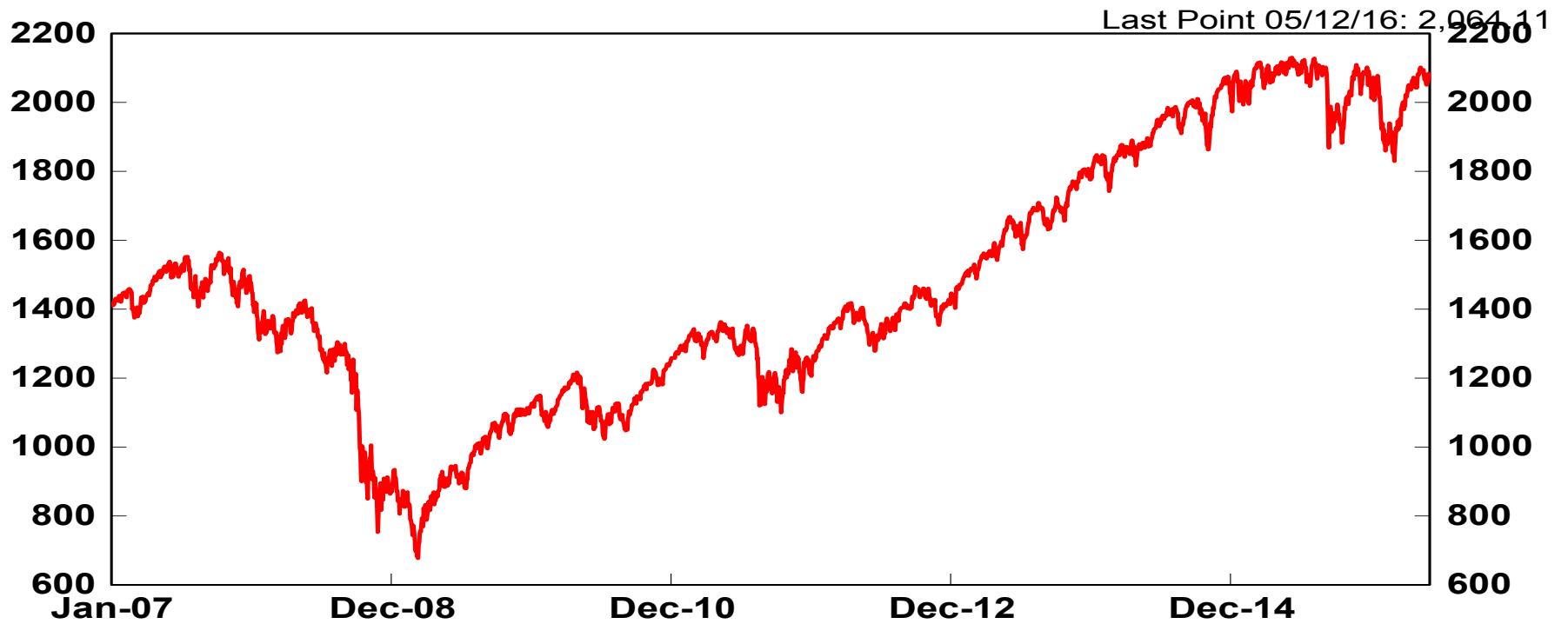
Central Bank Assets

change since January 2007



Source: Bloomberg; The Central Bank

Chart 6 S&P 500 Index

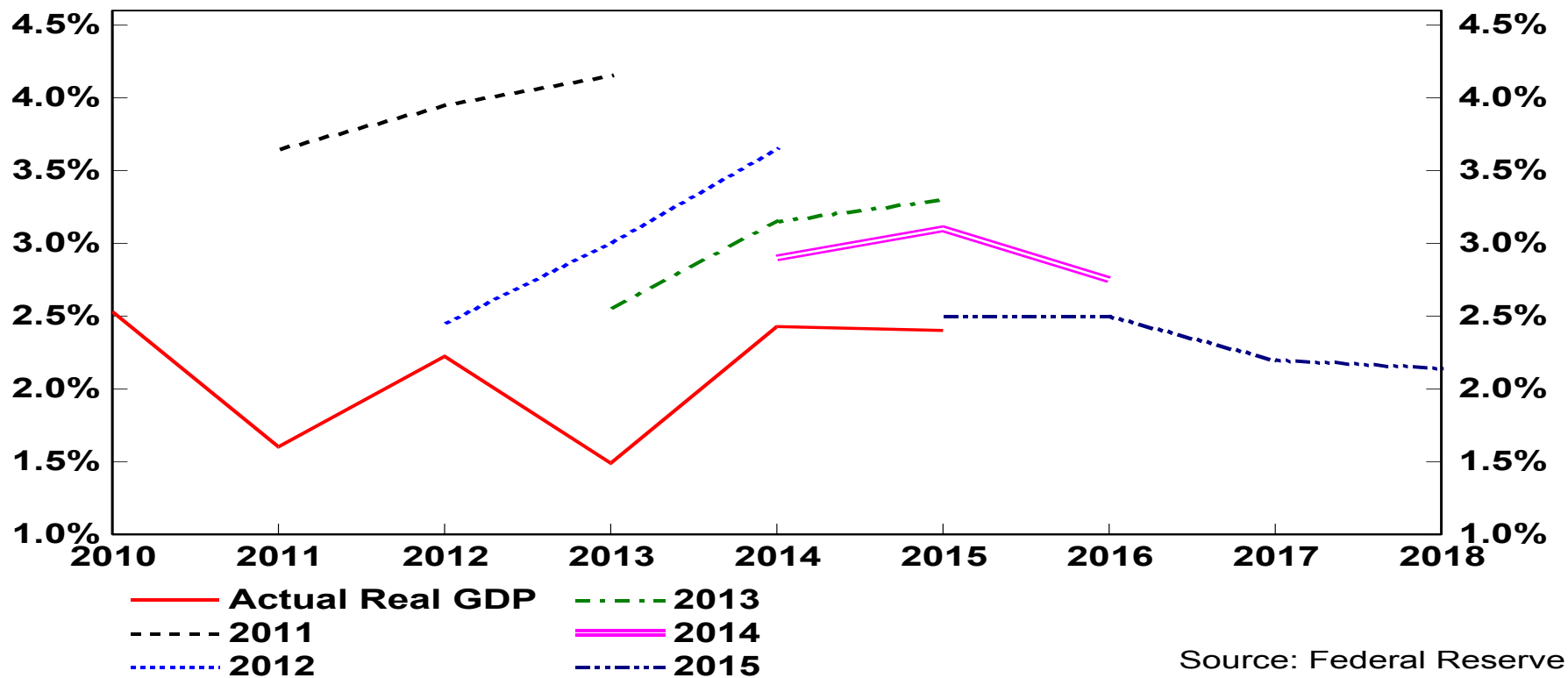


Source: Thomson Reuters

Chart 7

Historical Fed Committee Forecasts for Real GDP Growth

based on central tendency midpoint forecast at first FED meeting of the year

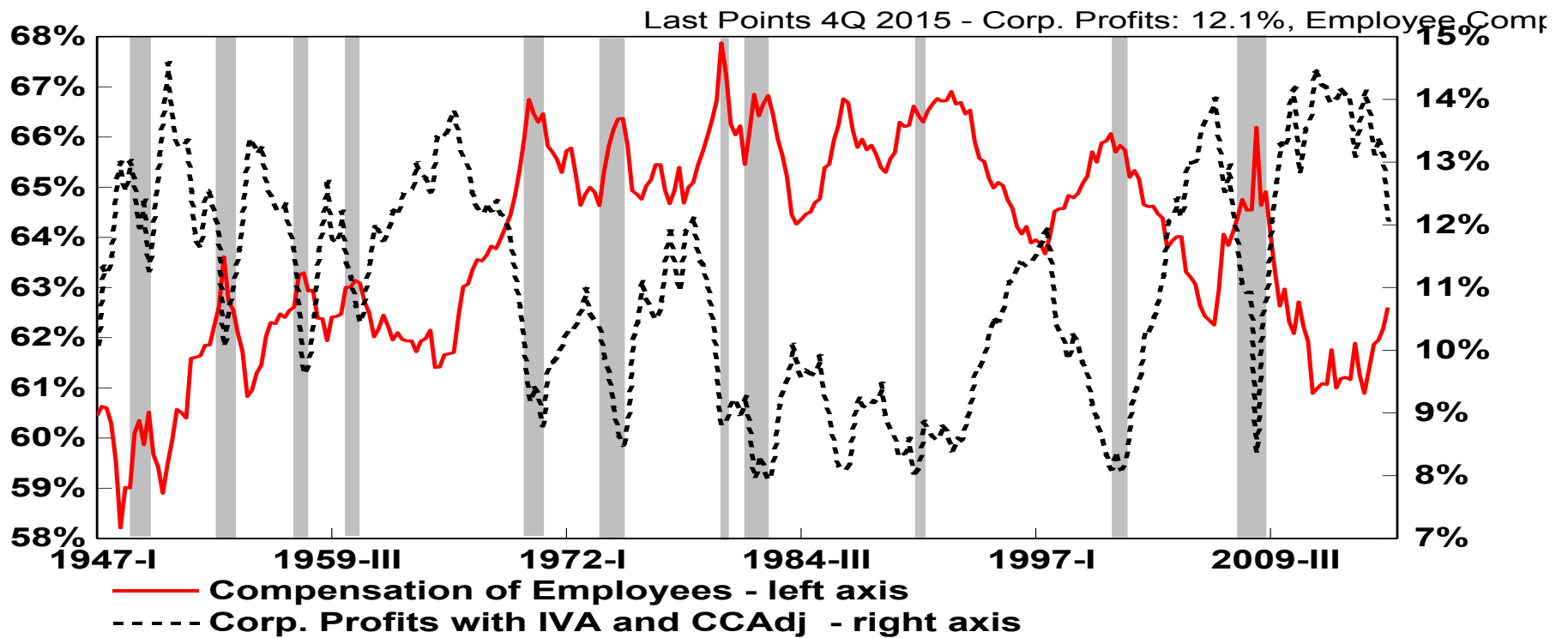


Note: Longer run forecast used for 2018 forecast made in 2015.

Source: Federal Reserve

Chart 8

Corporate Profits and Employee Compensation as a percentage of National Income

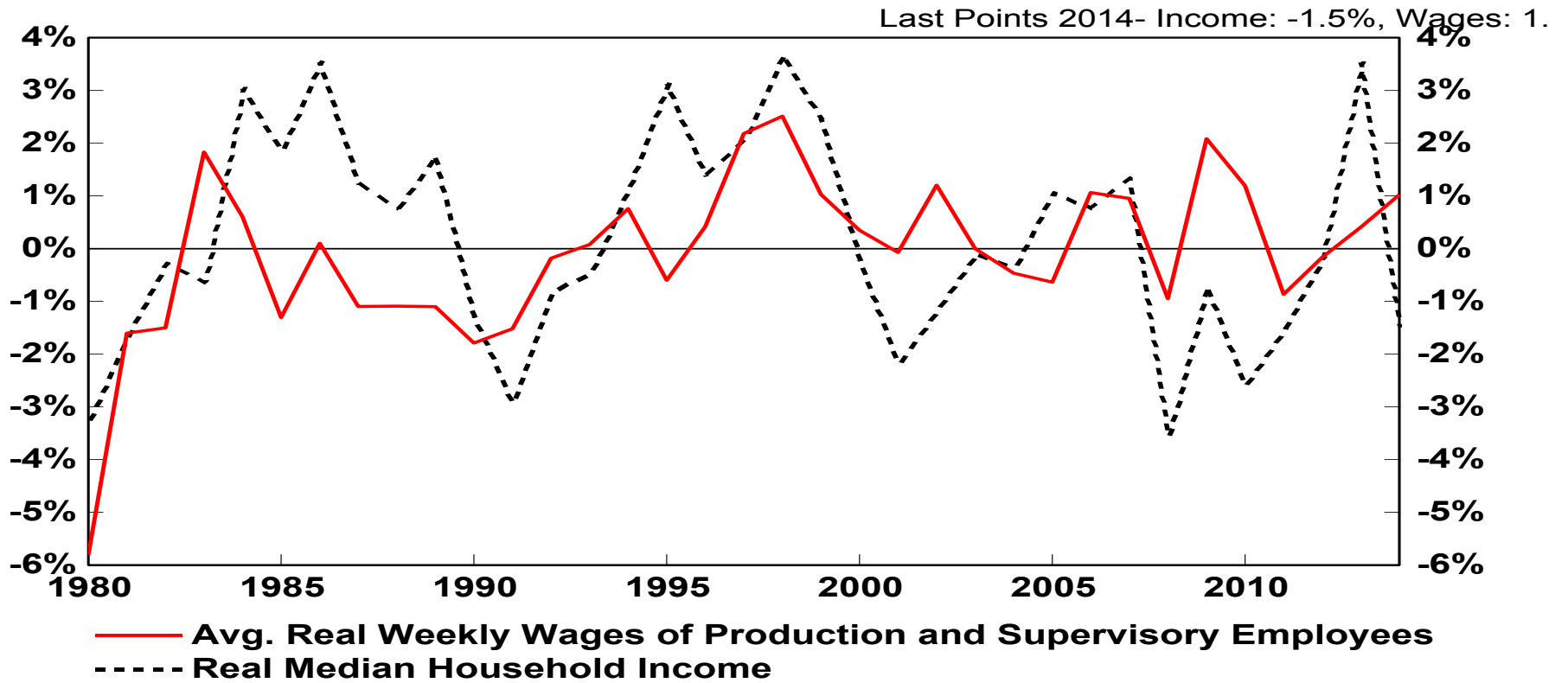


Source: Bureau of Economic Analysis

Chart 9

Real Weekly Wages and Household Incomes

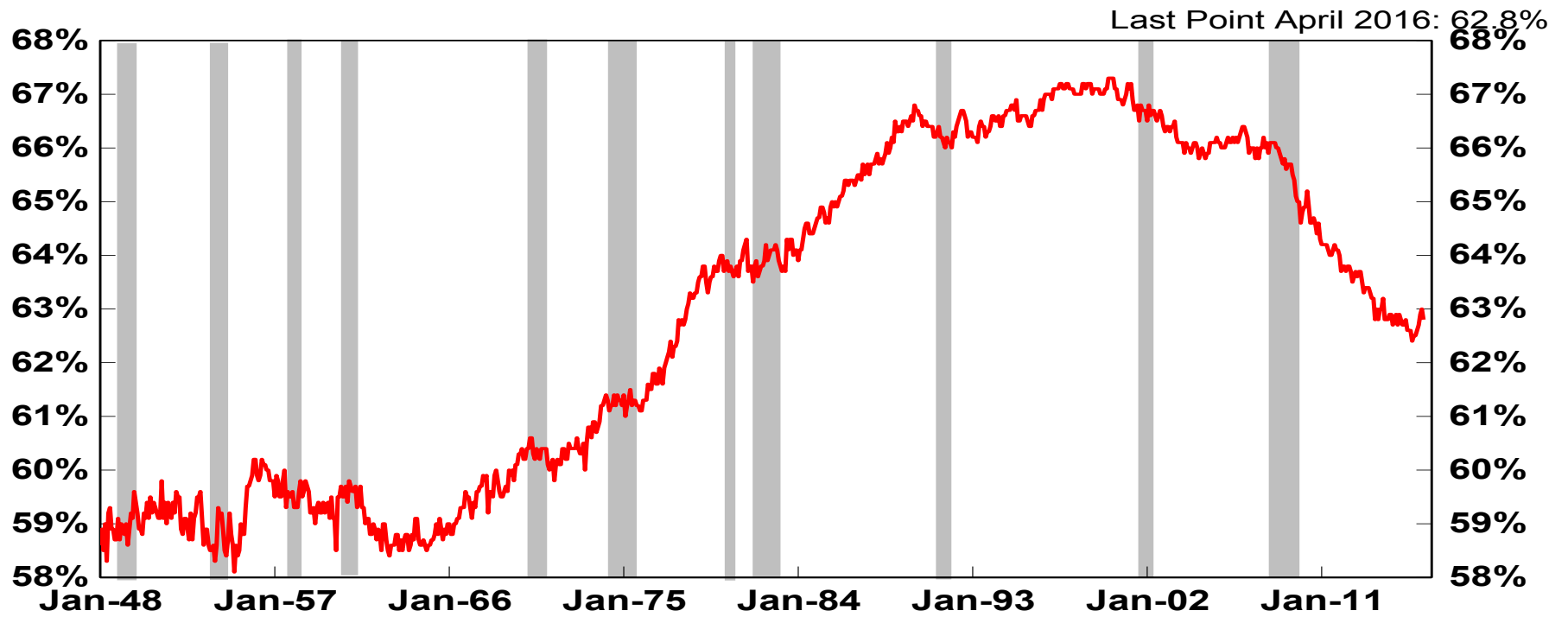
year/year percent changes



Source: Bureau of Labor Statistics; Census Bureau

Chart 10

Labor Force Participation Rate

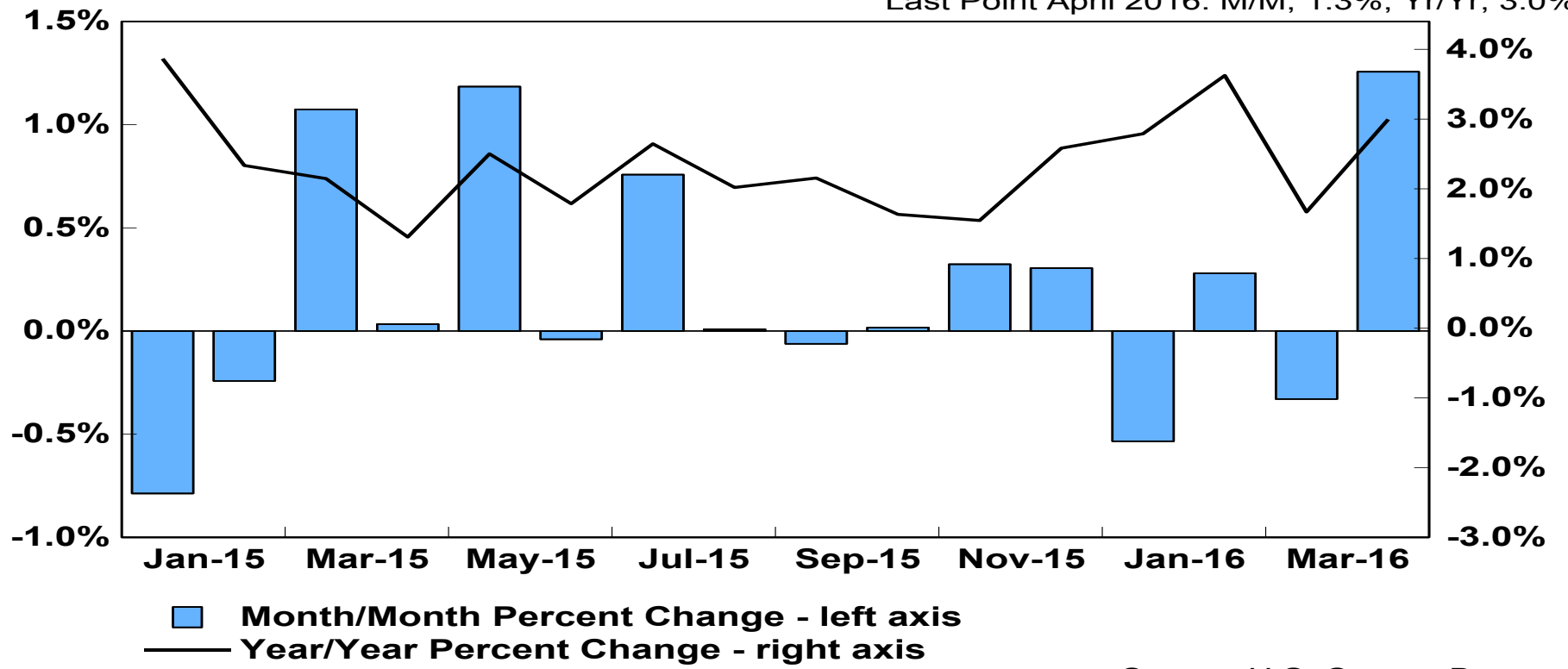


Source: Bureau of Labor Statistics

Chart 11 Retail Sales

retail trade and food services

Last Point April 2016: M/M, 1.3%; Yr/Yr, 3.0%

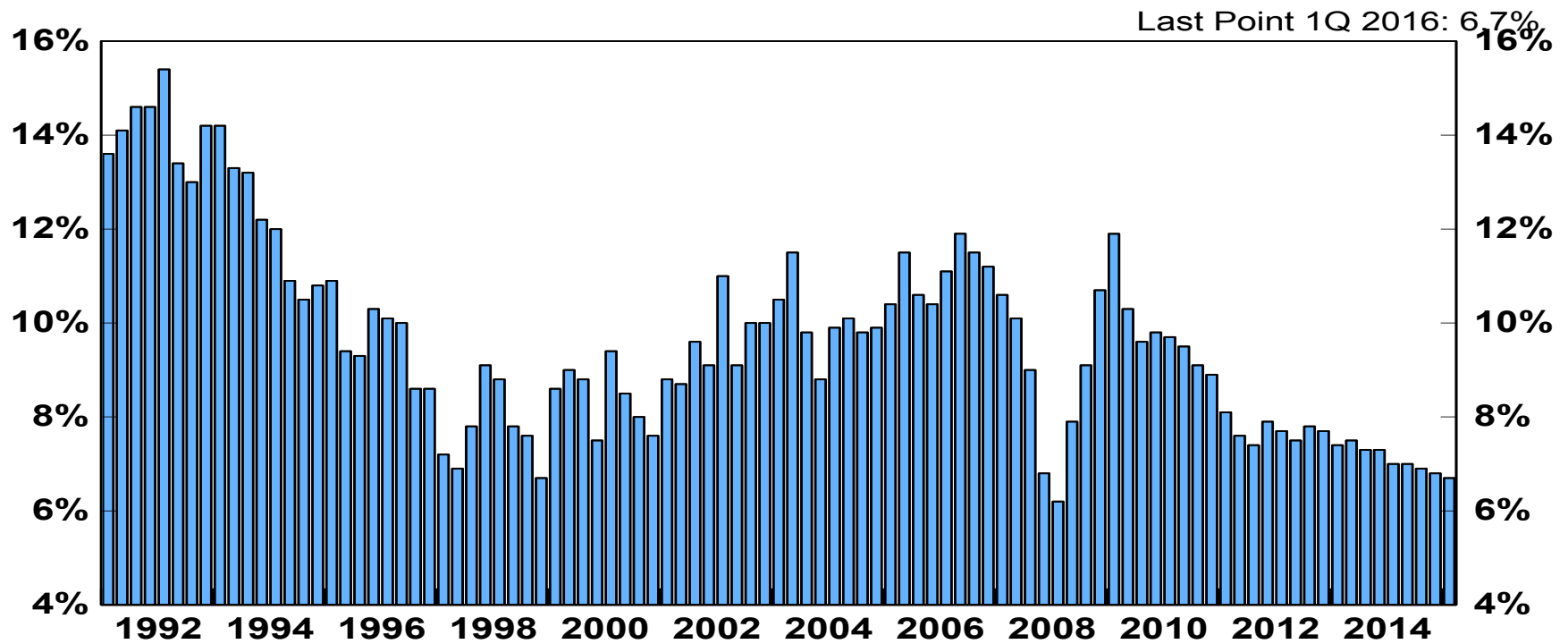


Source: U.S. Census Bureau

Chart 12

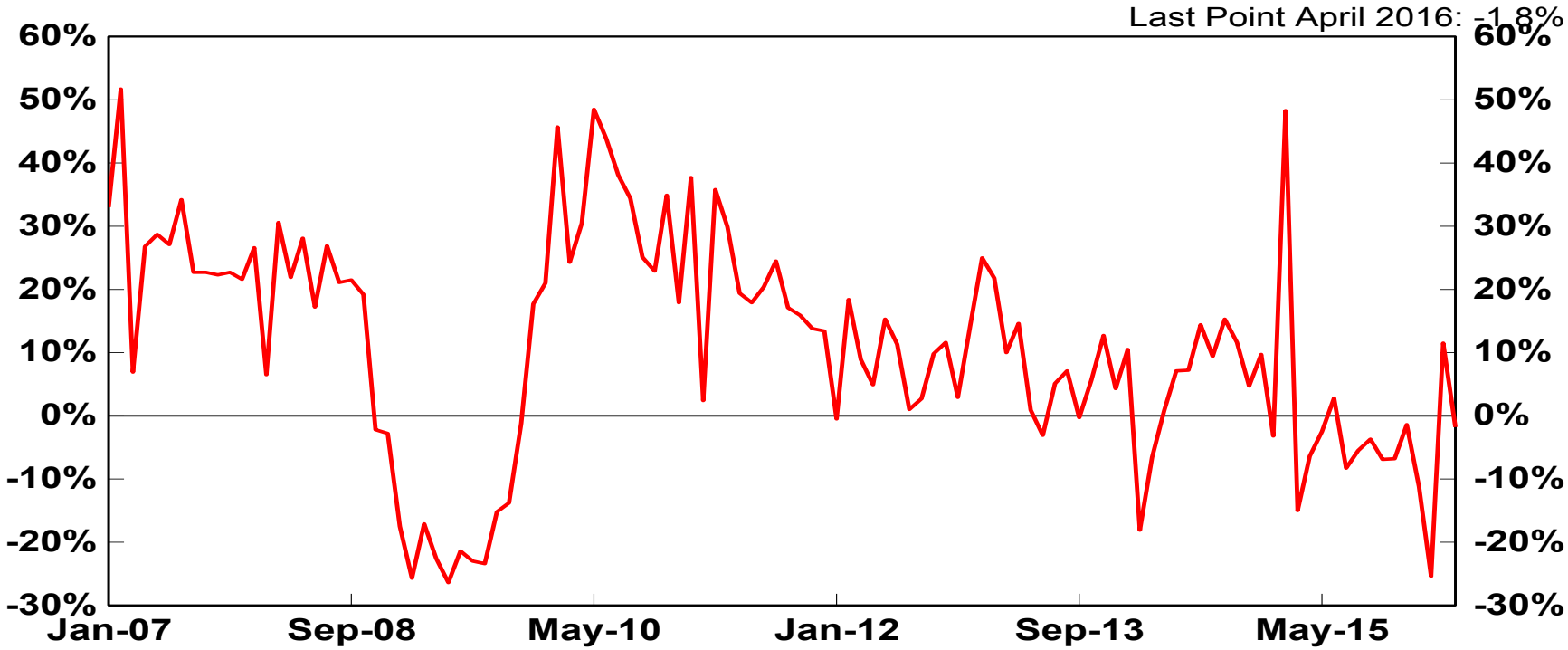
Chinese Real Gross Domestic Product

year/year percent change



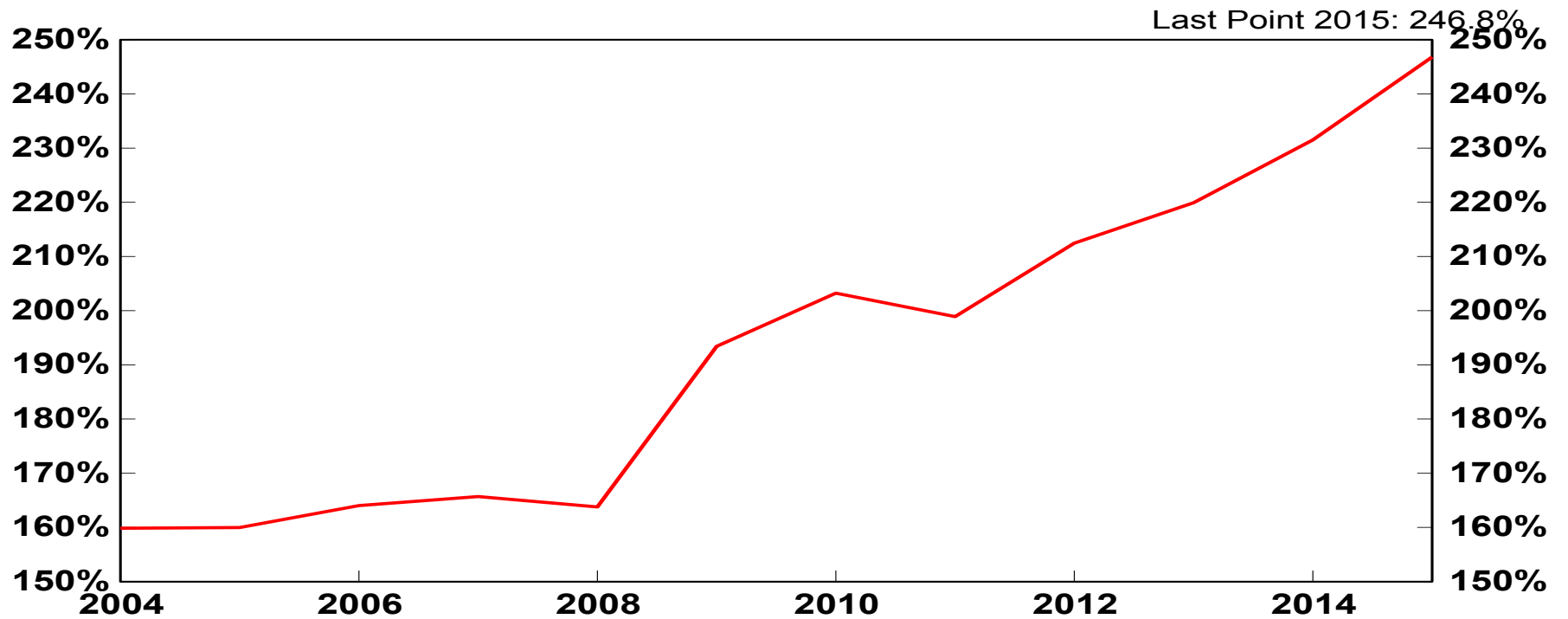
Source: Bloomberg; Chinese National Bureau of Statistics

Chart 13
Chinese Exports
year/year percent change



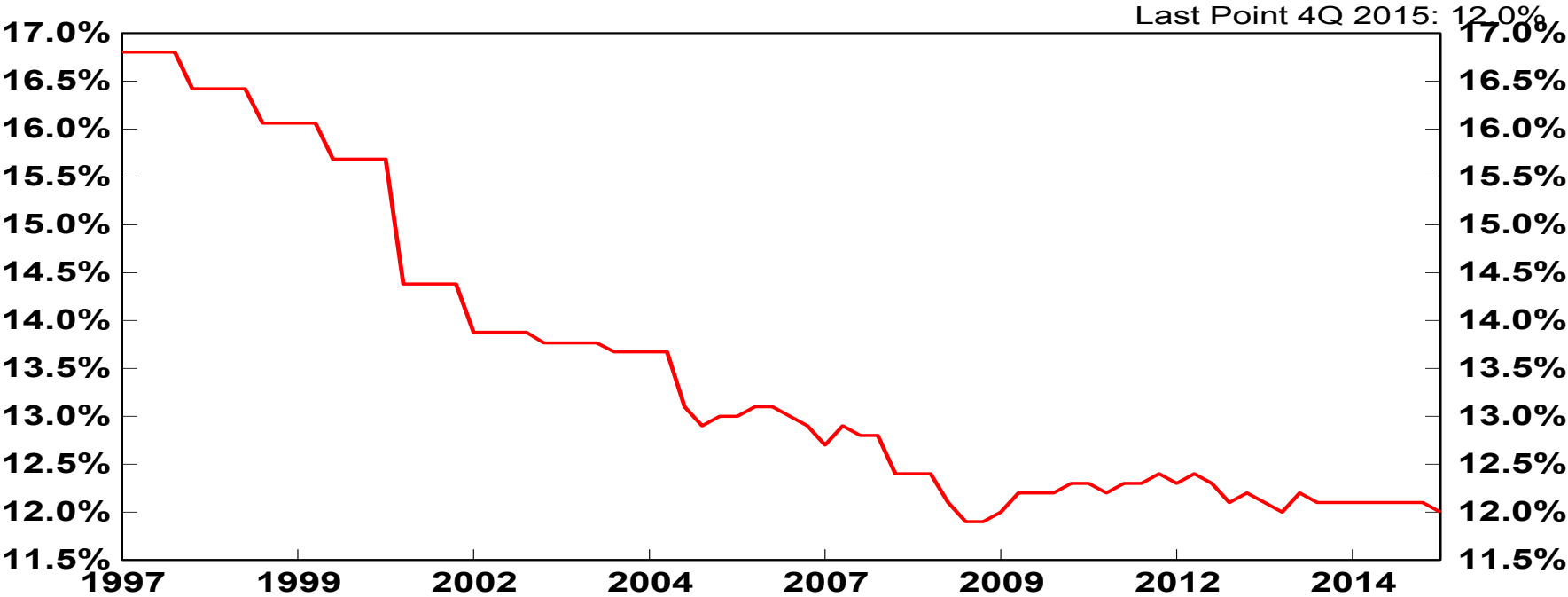
Source: China General Administration of Custor

Chart 14
Chinese Total Debt as a Share of GDP
includes corporate, household, government and bank debt



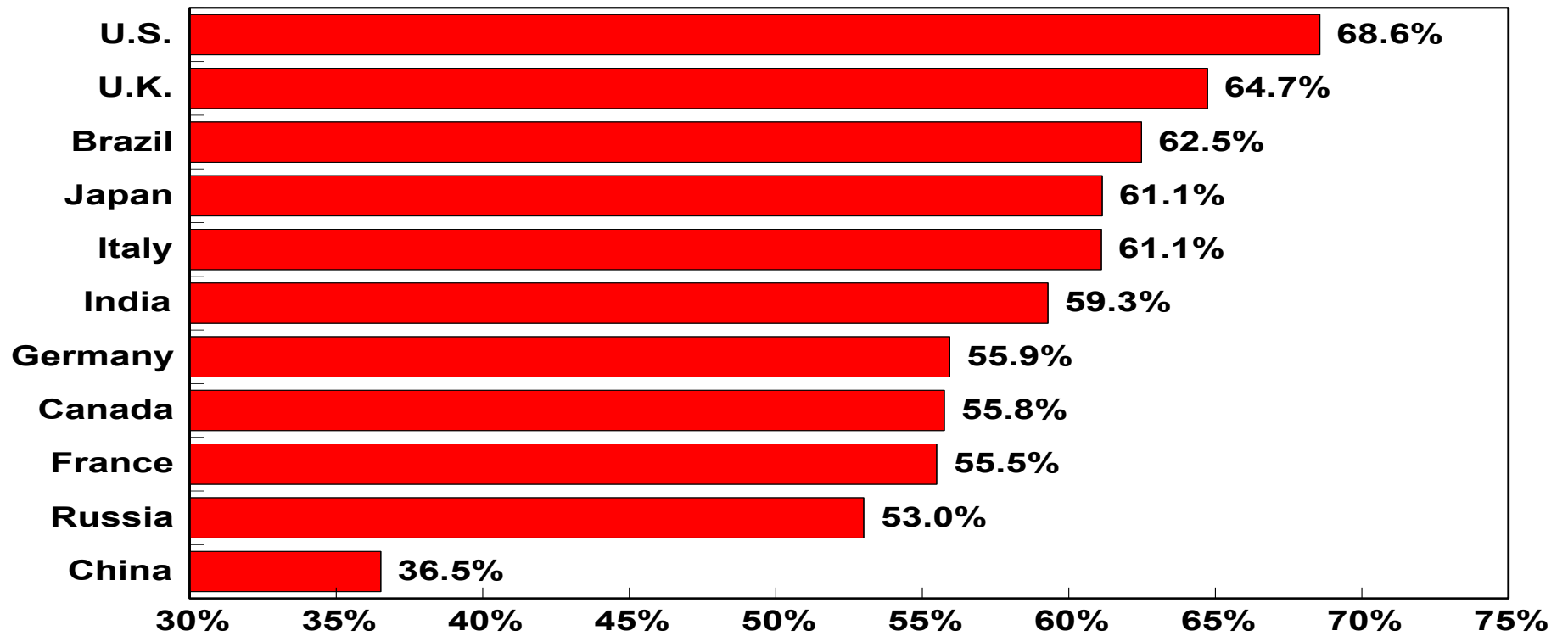
Source: Bloomberg

Chart 15
United States Manufacturing Value Added
as % share of GDP



Source: Bureau of Economic Analysis; The World E

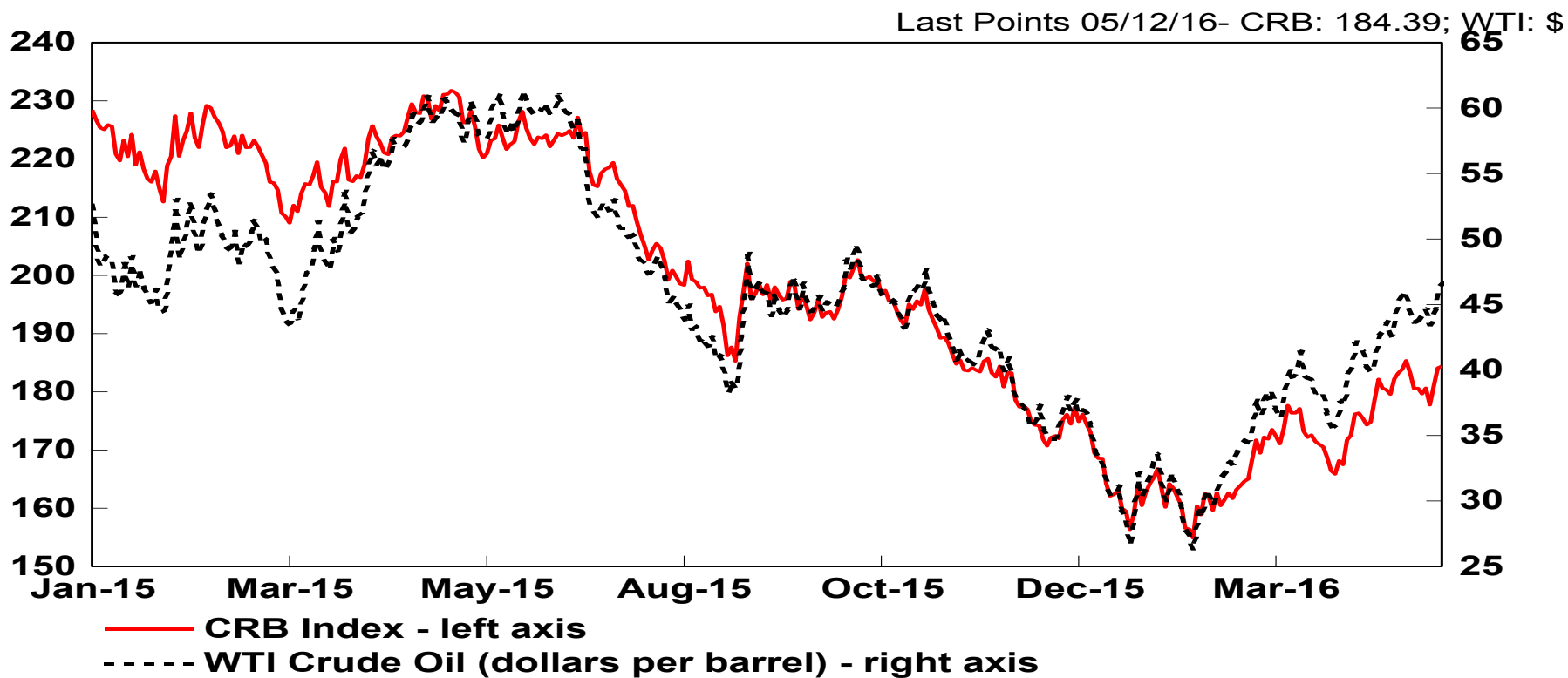
Chart 16
G7 and BRIC Personal Consumption to GDP Ratio: 2014



Source: The World Bank

Chart 17

Reuters/Jeffries CRB Index and WTI Crude Oil

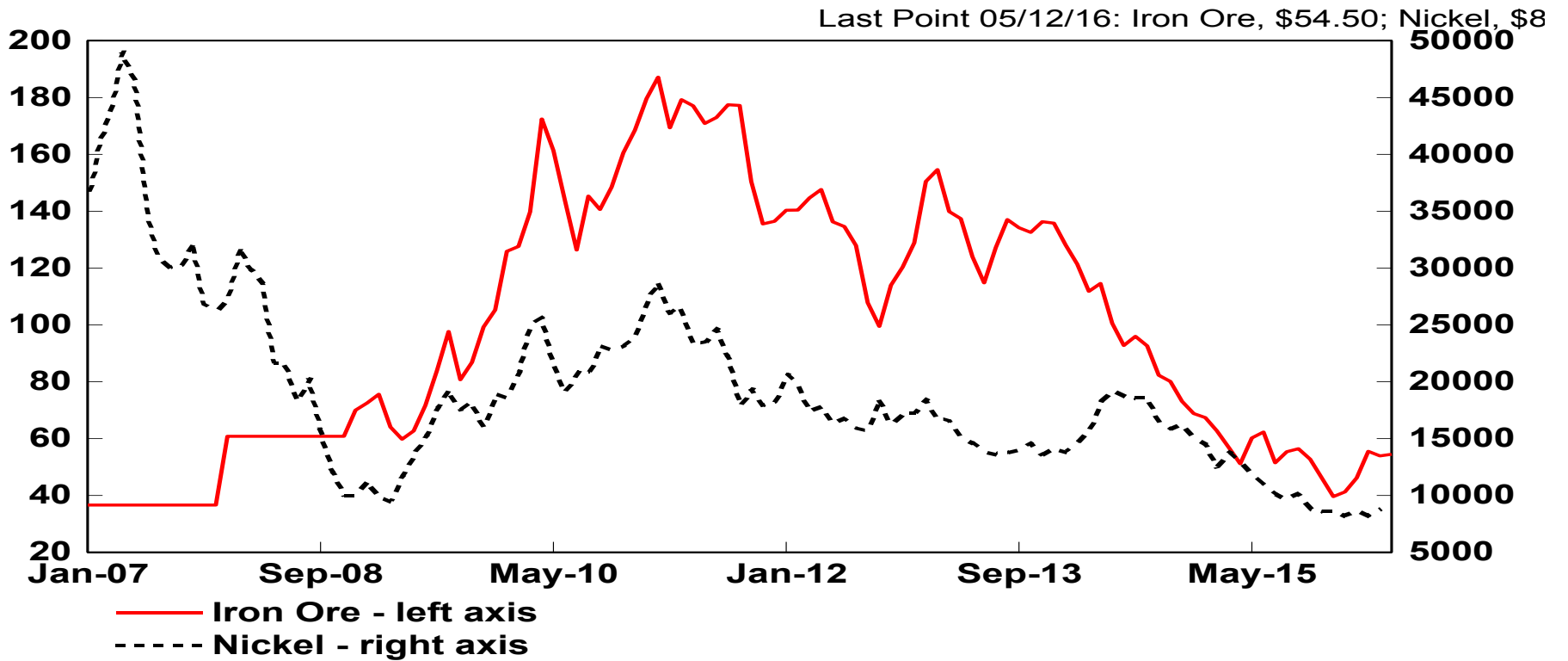


Source: Thomson Reuters

Chart 18

Iron Ore and Nickel

\$ per tonne

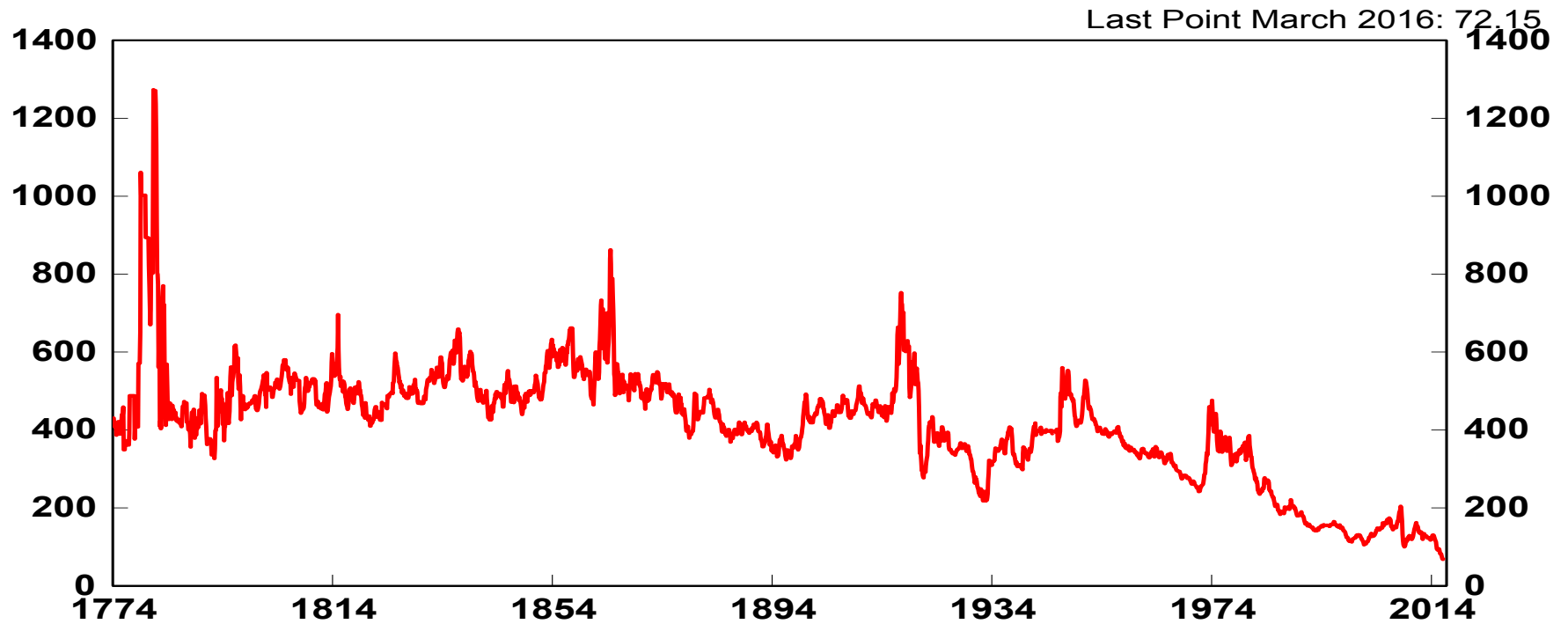


Source: Thomson Reuters; Bloomberg

Chart 19

Real U.S. Commodity Prices

CRB Index Deflated by CPI



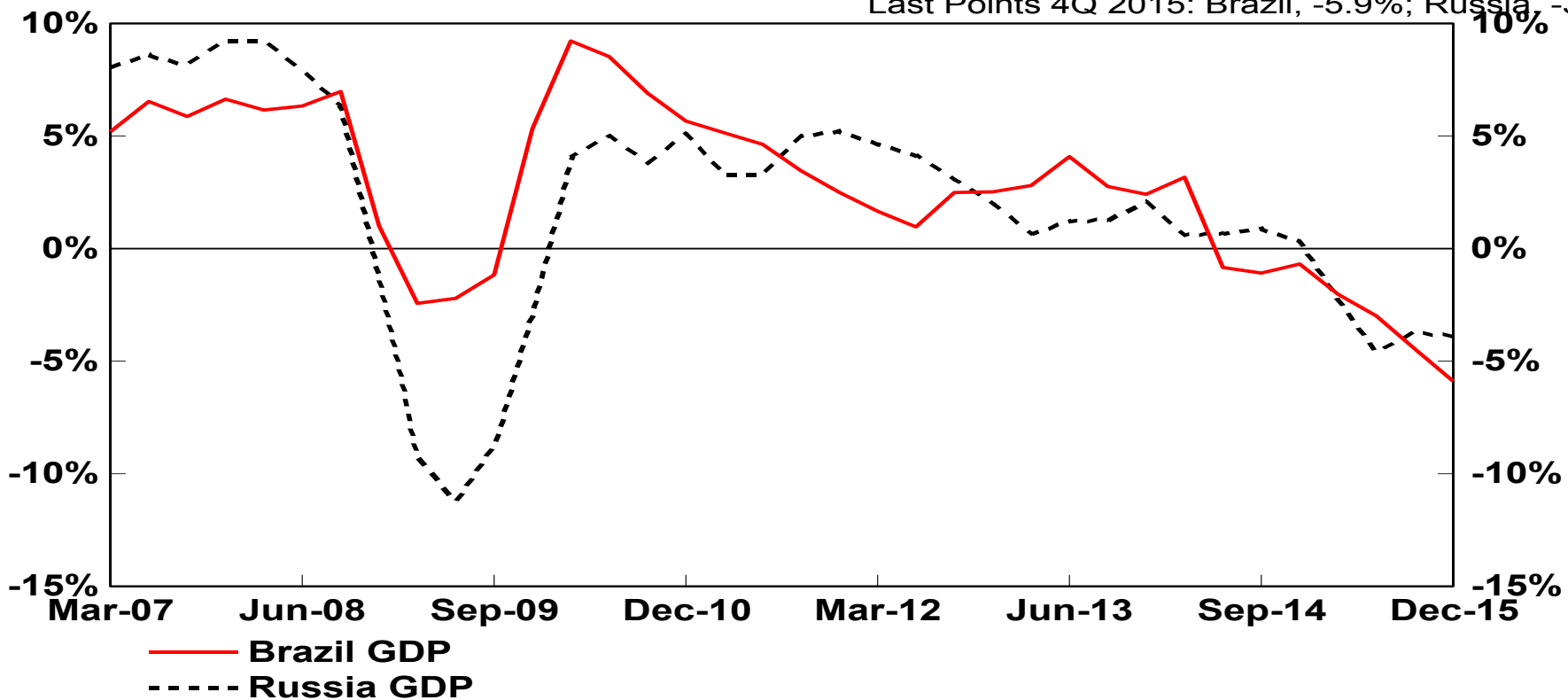
Source: Bianco Research, Bureau of Labor Statistics, Historical Statistics of the United States

Chart 20

Brazil and Russia Real GDP Growth

year/year percent change

Last Points 4Q 2015: Brazil, -5.9%; Russia, -3.1%



Source: Brazil Institute of Geography and Statistics; Bloom

Chart 21
Total Oil Output for Non-OPEC and OPEC Countries
million barrels per day

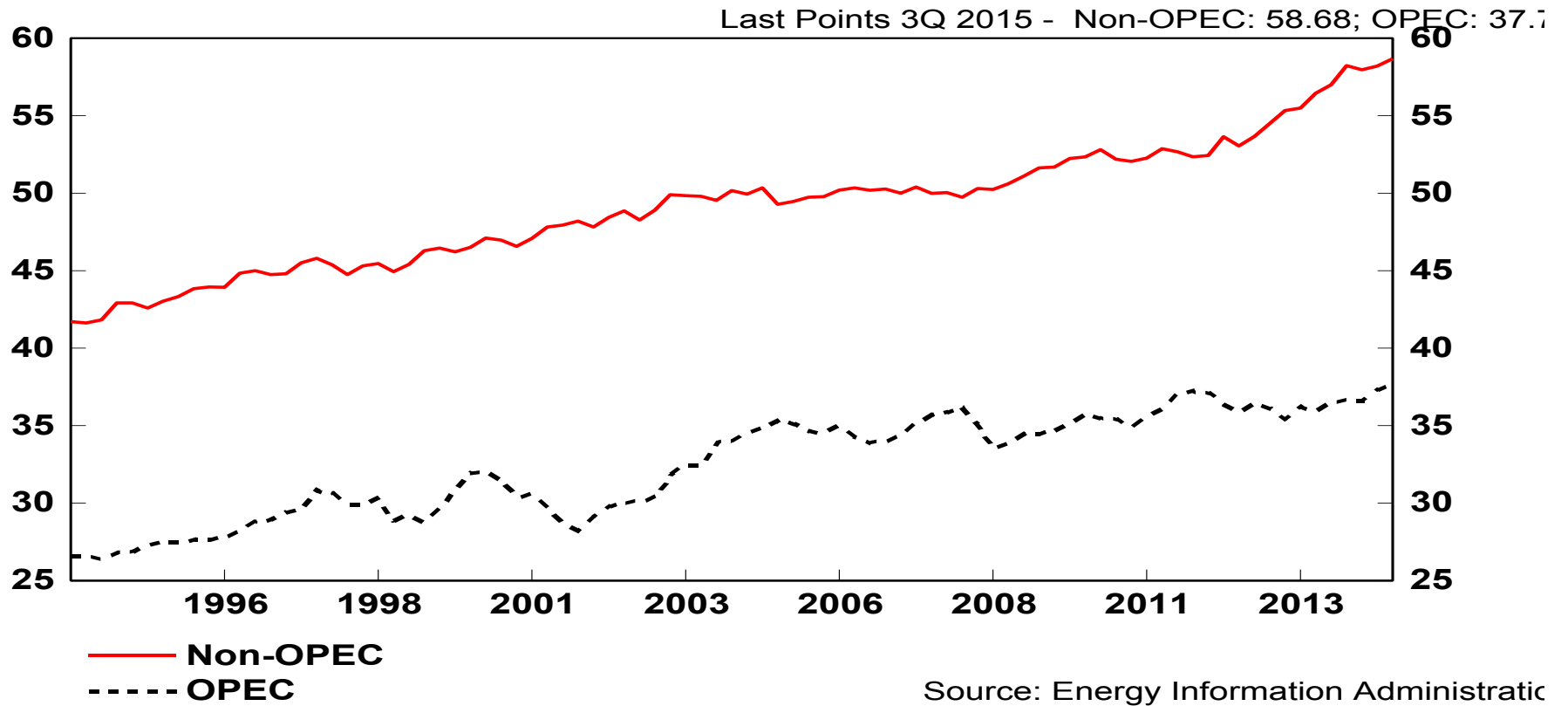
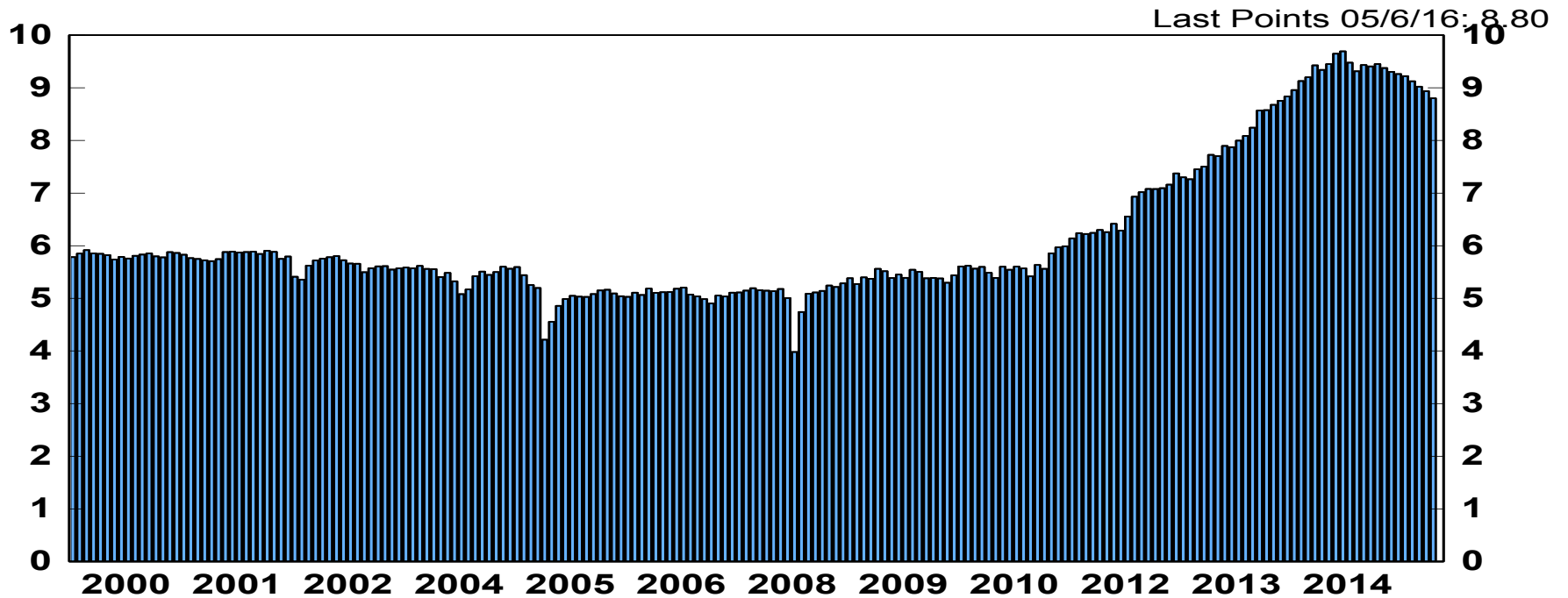


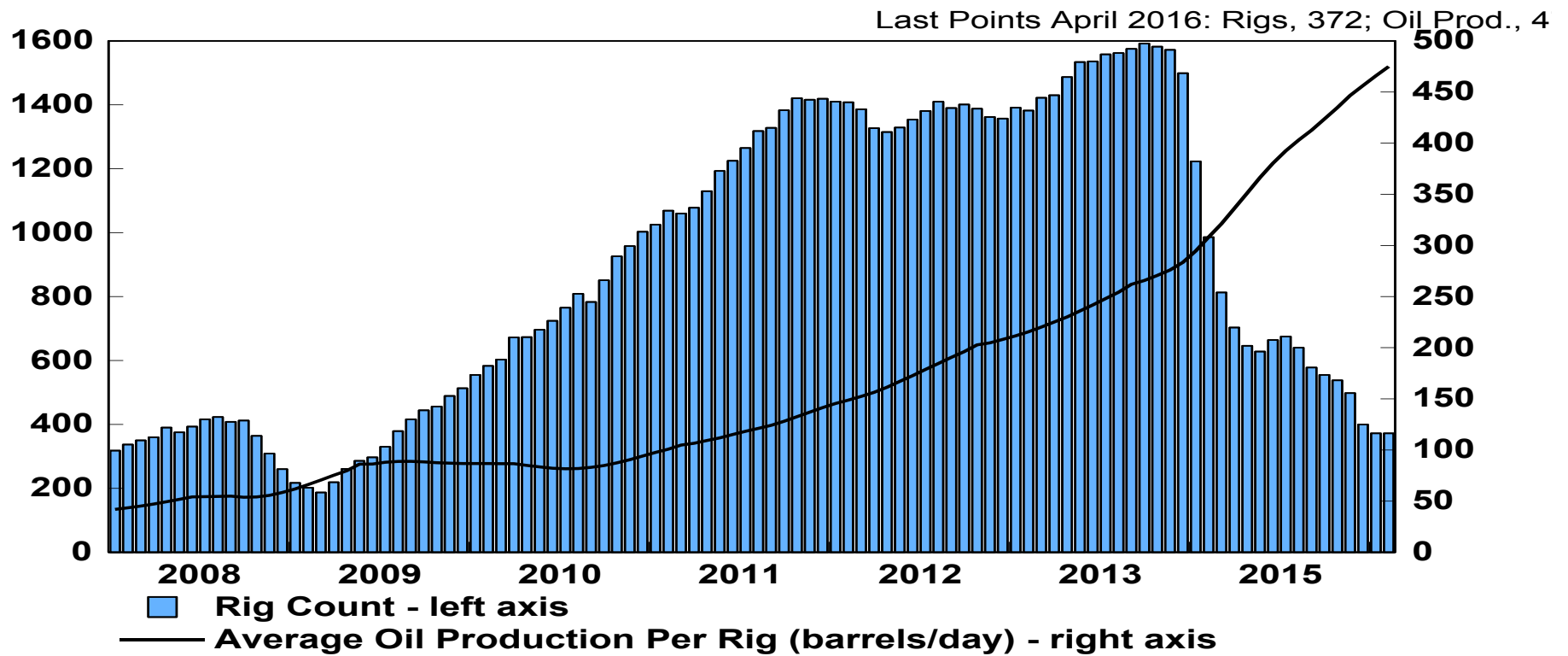
Chart 22
United States Crude Oil Production
million barrels per day



Source: Energy Information Administration

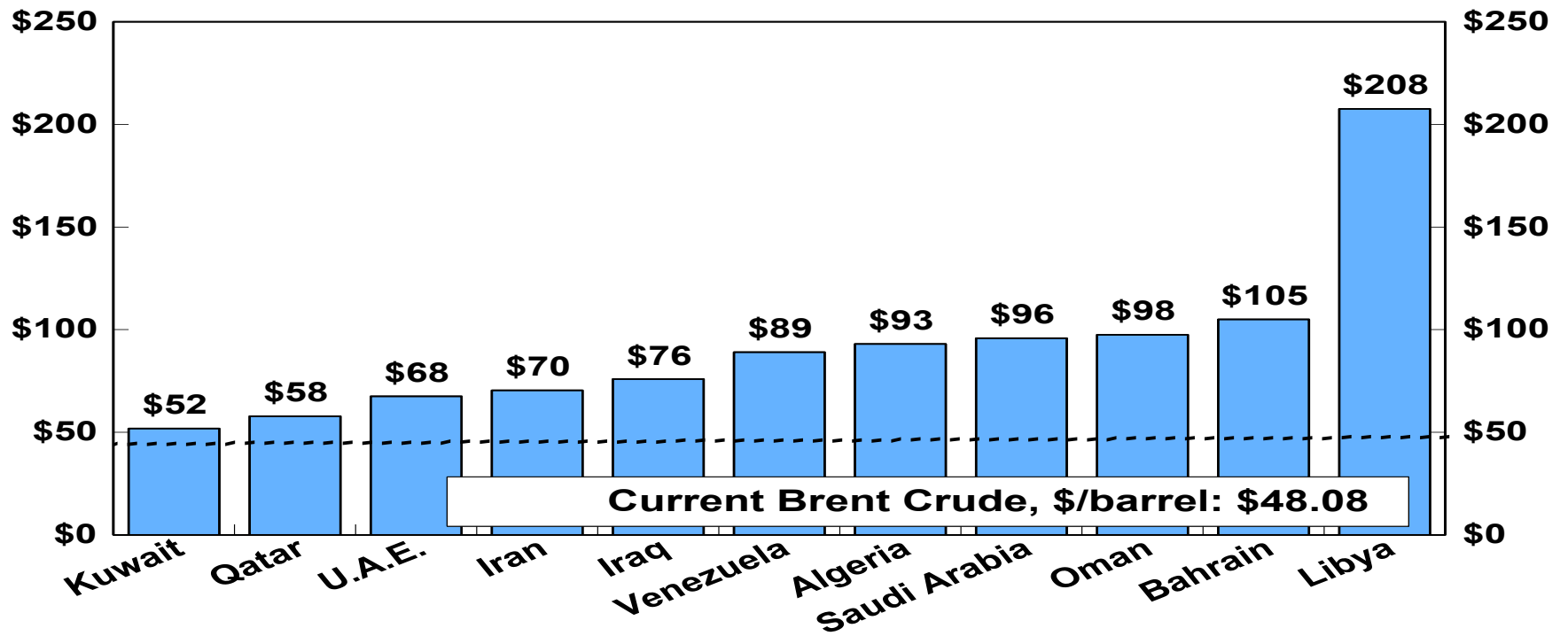
Chart 23

Crude Oil Rotary Rig Count and Average Oil Production Per Rig



Source: Bloomberg; Baker Hughes

Chart 24
Oil Breakeven Price for Major Petrostates
\$ per barrel



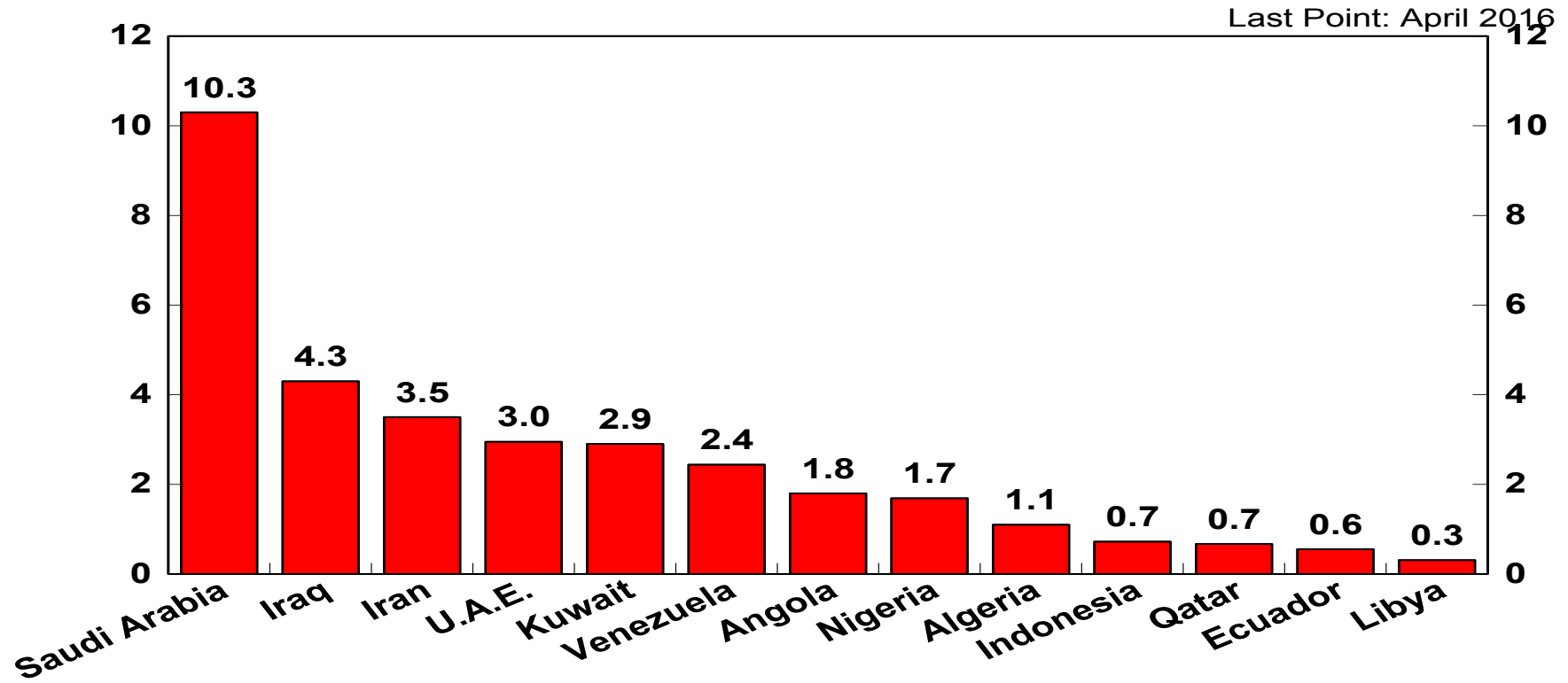
*Breakeven price needed in order to balance the national budget.

Source: Bloomberg; The Wall Street Jour

Chart 25

OPEC Oil Output By Country

million barrels per day

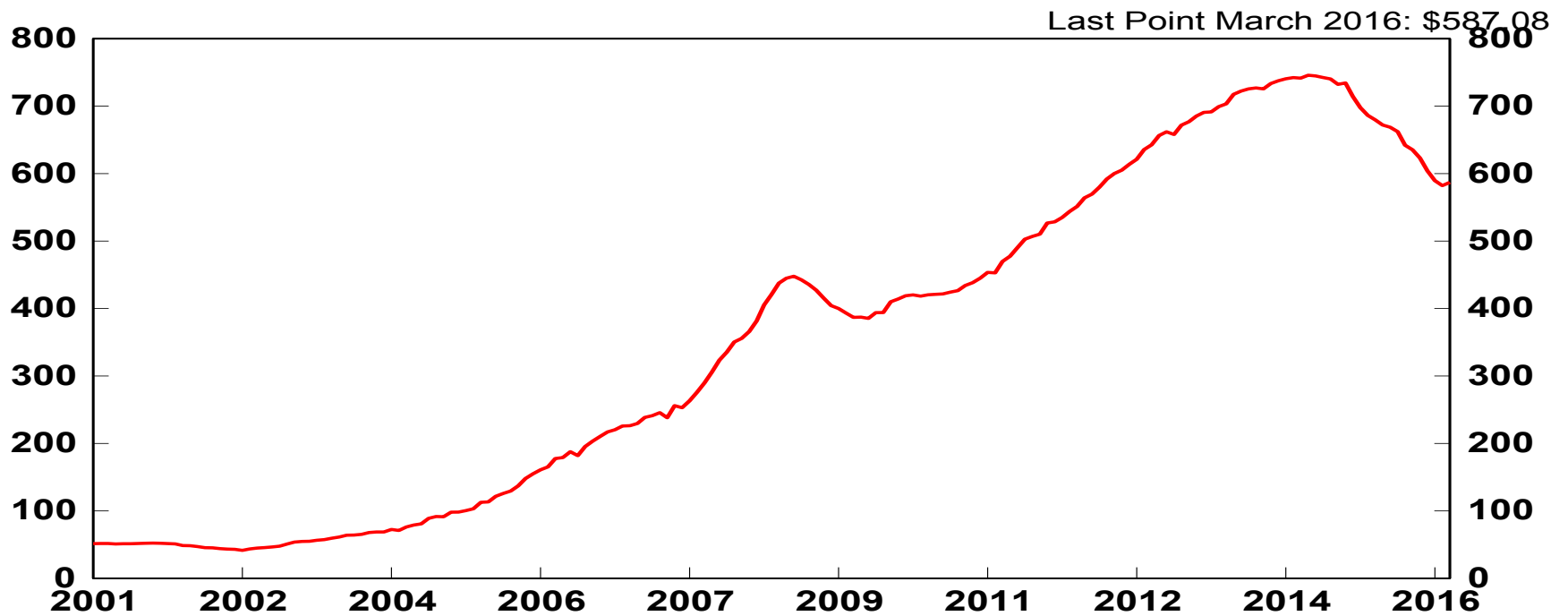


Source: Bloomberg

Chart 26

Saudi Arabia Foreign Exchange Reserves

billion USD



Source: Bloomberg; International Monetary F

Chart 27

A Successful Cartel

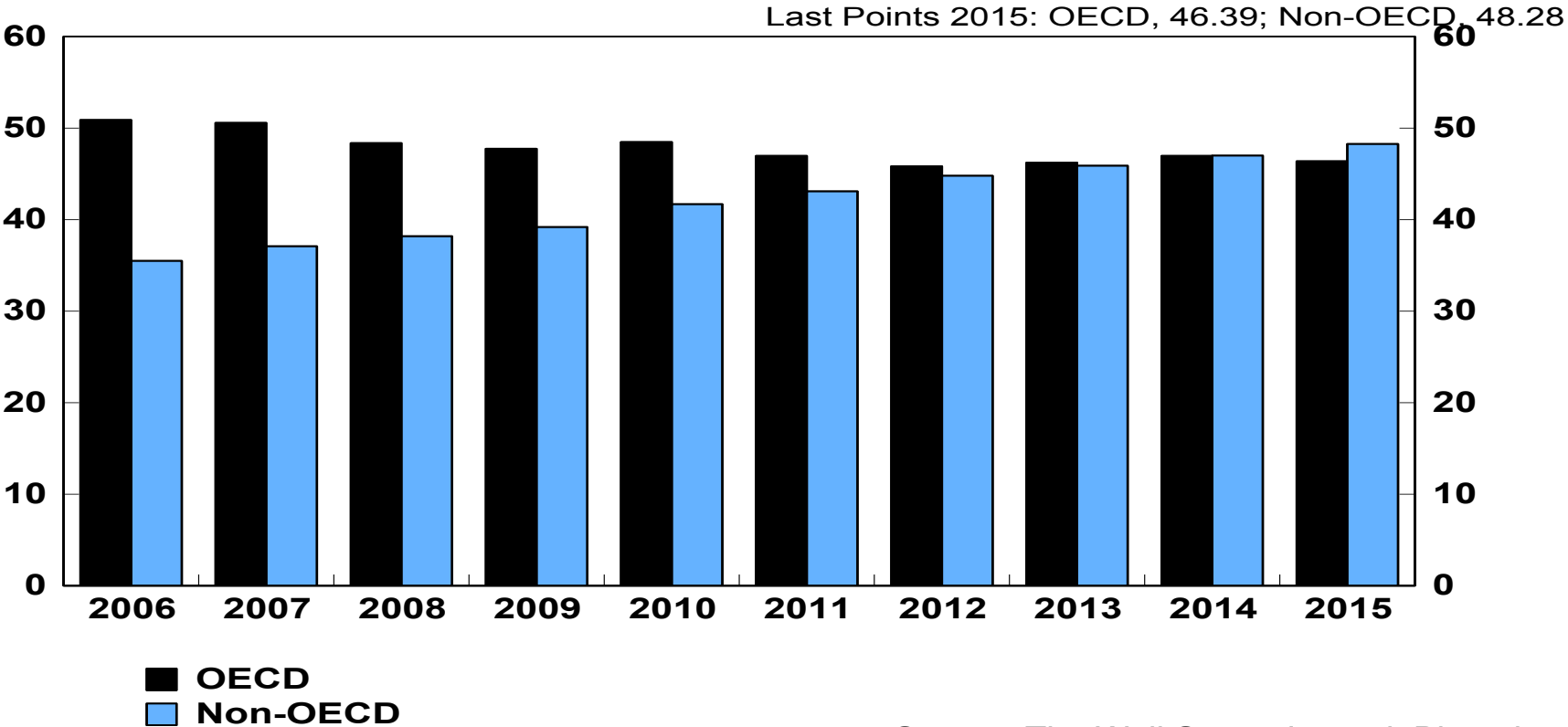
1. Involves a commodity that can otherwise be left in the ground, avoiding production and inventory costs until it's needed.
2. Its product is so much in demand that buyers are relatively insensitive to price.
3. The commodity has few if any close substitutes.
4. It includes most of the low-cost suppliers and has few meaningful non-cartel competitors.
5. It involves relatively few cartel members, thereby promoting discipline.
6. It's sponsored by governments and even religious authorities that benefit from the cartel and protect it.
7. It operates in a period of strong economic growth and robust demand for the product.
8. It faces few technological improvements in the industry.

Chart 28

Unfavorable Climate for OPEC

1. Alternatives to oil, especially natural gas but also government-subsidized renewables, are growing.
2. Non-OPEC supplies are leaping, notably from Russia and especially American frackers.
3. Infighting among OPEC members has destroyed discipline.
4. Global economic growth is weak, and the ongoing shift from goods production to services in China and elsewhere is curbing oil demand.
5. Conservation is limiting oil demand.
6. Rapid technological advances in fracking, horizontal drilling, deep-water and Arctic drilling, etc. are mushrooming non-OPEC supplies at low and declining costs.

Chart 29
Annual Average Oil Demand for OECD and Non-OECD Countries
million barrels per day

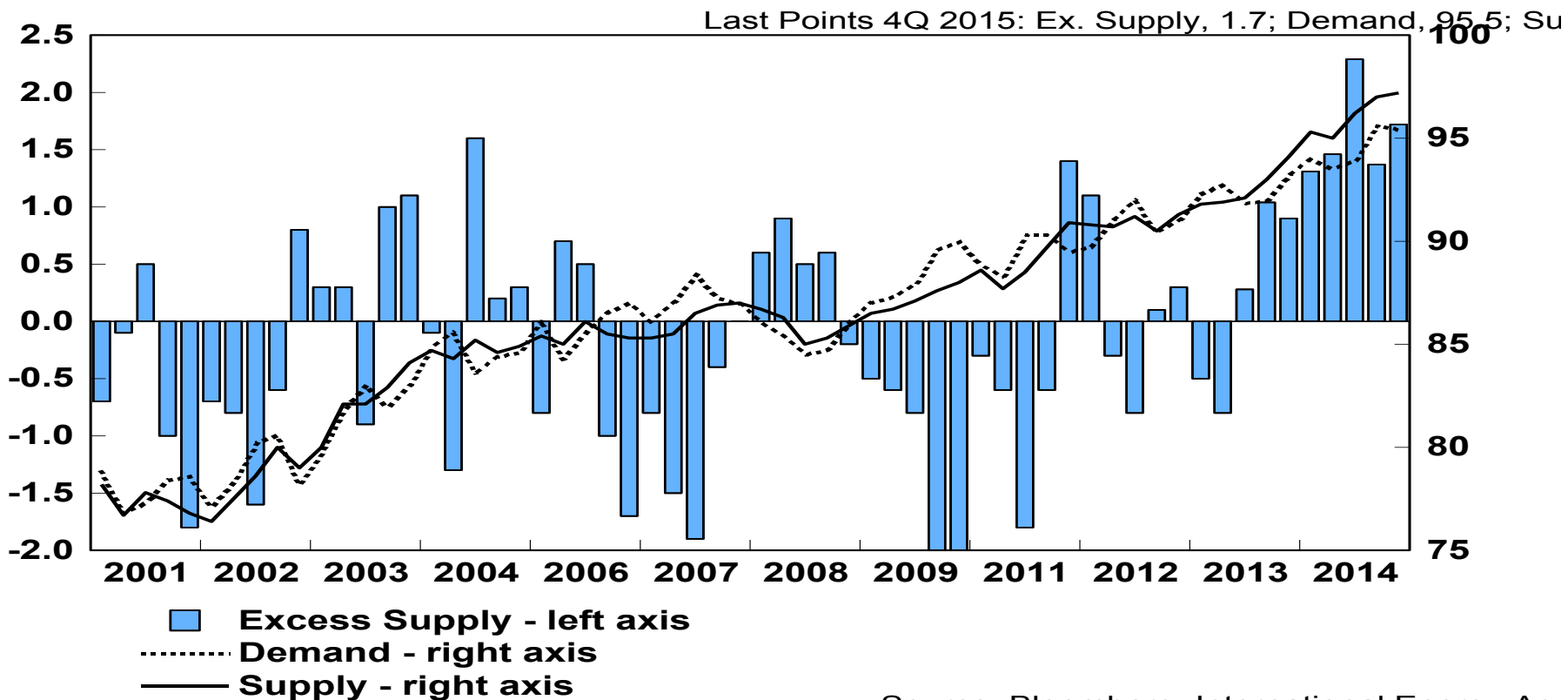


Source: The Wall Street Journal; Bloomberg

Chart 30

World Crude Oil Supply and Demand

million barrels per day

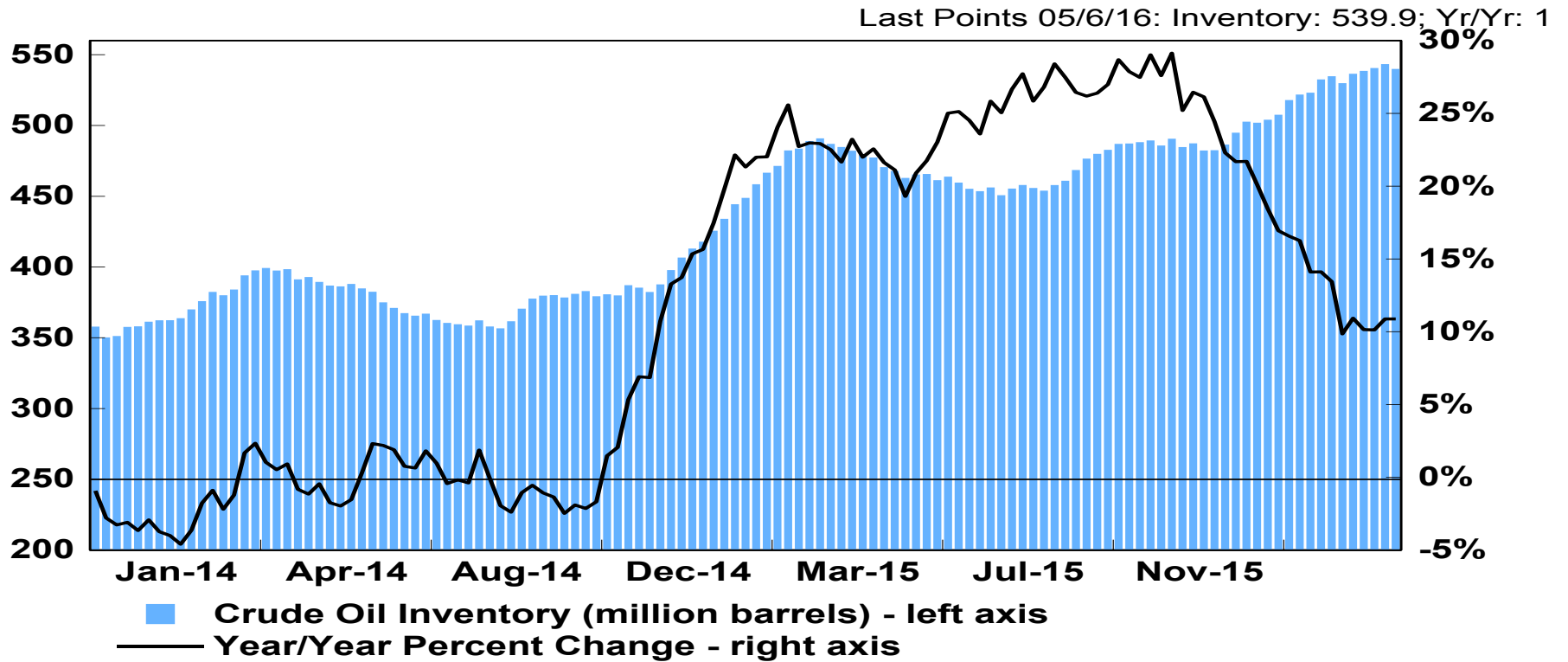


Source: Bloomberg; International Energy Agency

Chart 31

Commercial Crude Oil Inventory

weekly U.S. ending stocks

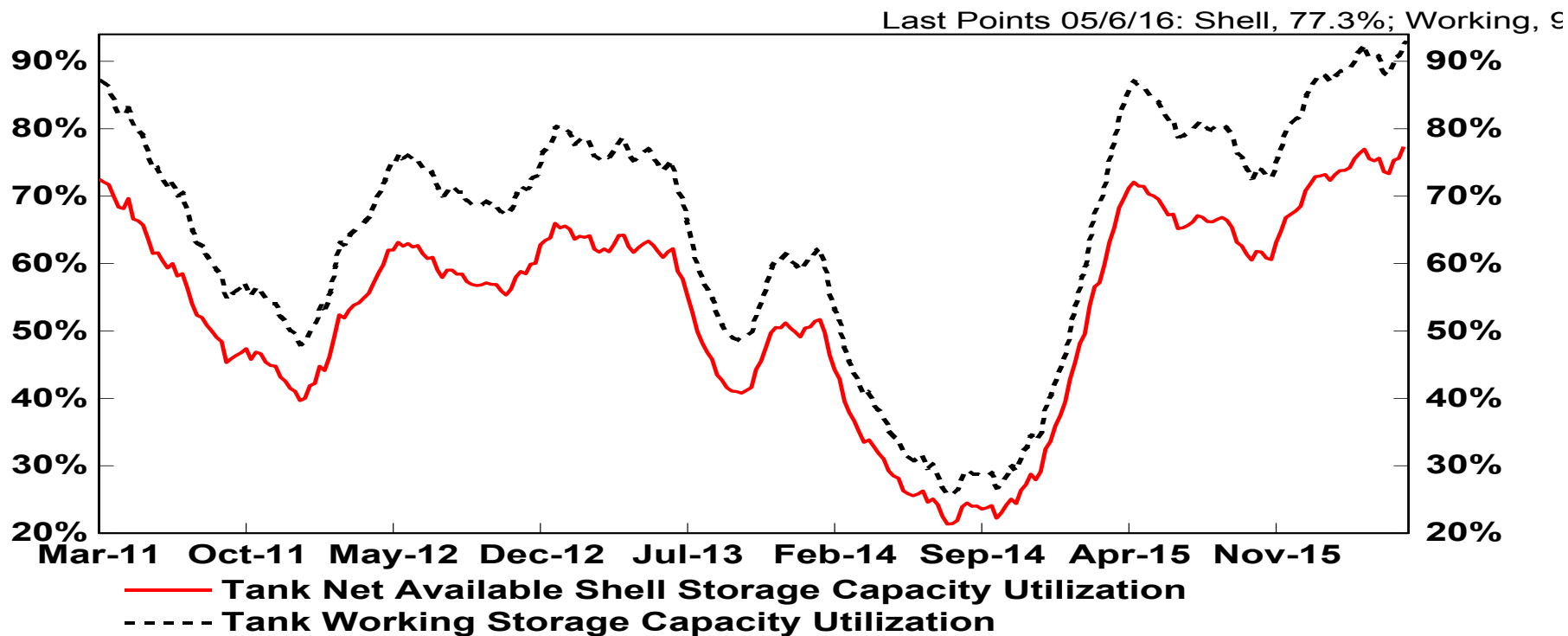


Source: Energy Information Administra

Chart 32

Crude Oil Storage Capacity Utilization

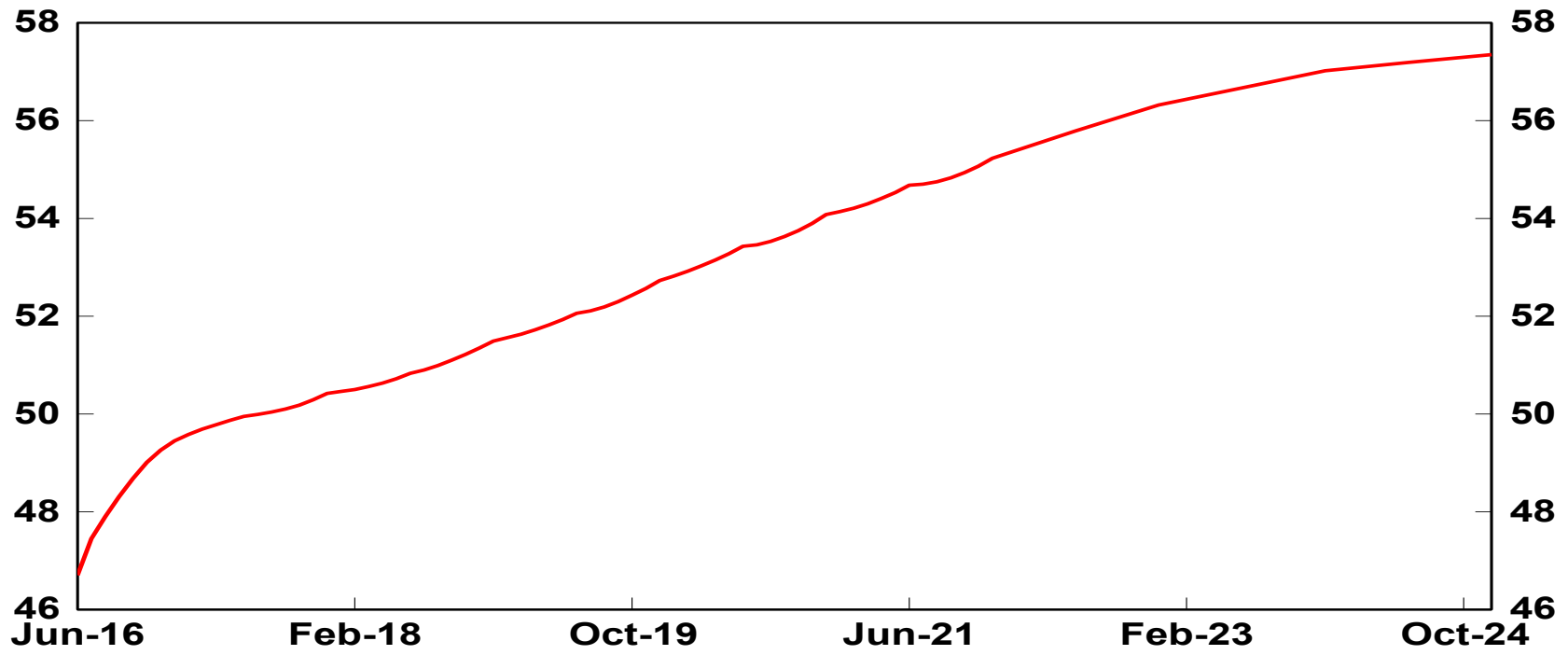
Cushing, OK



Note: Net available shell includes idle (not working) capacity.

Source: Energy Information Administration

Chart 33
WTI Crude Oil Futures Curve
05/12/16 close prices; dollars per barrel

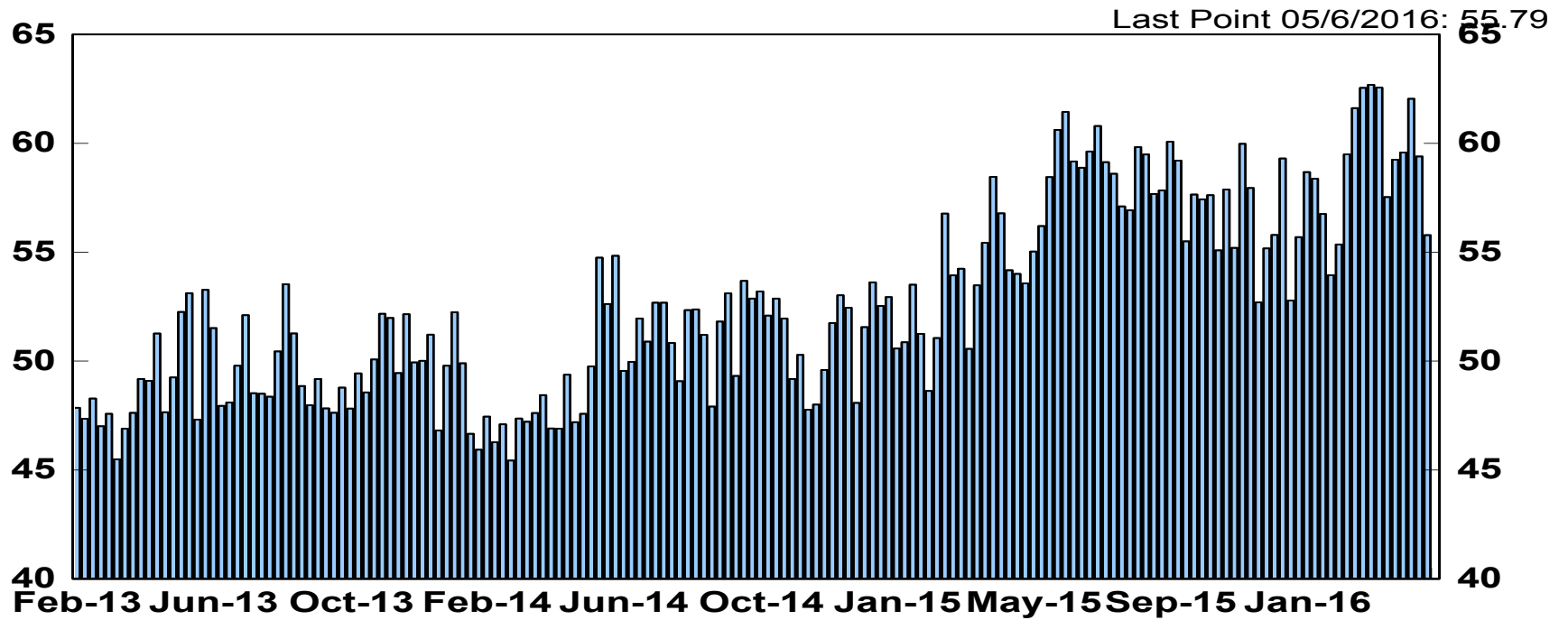


Source: Bloomberg

Chart 34

Total Crude Oil Storage in Amsterdam-Rotterdam-Antwerp Region

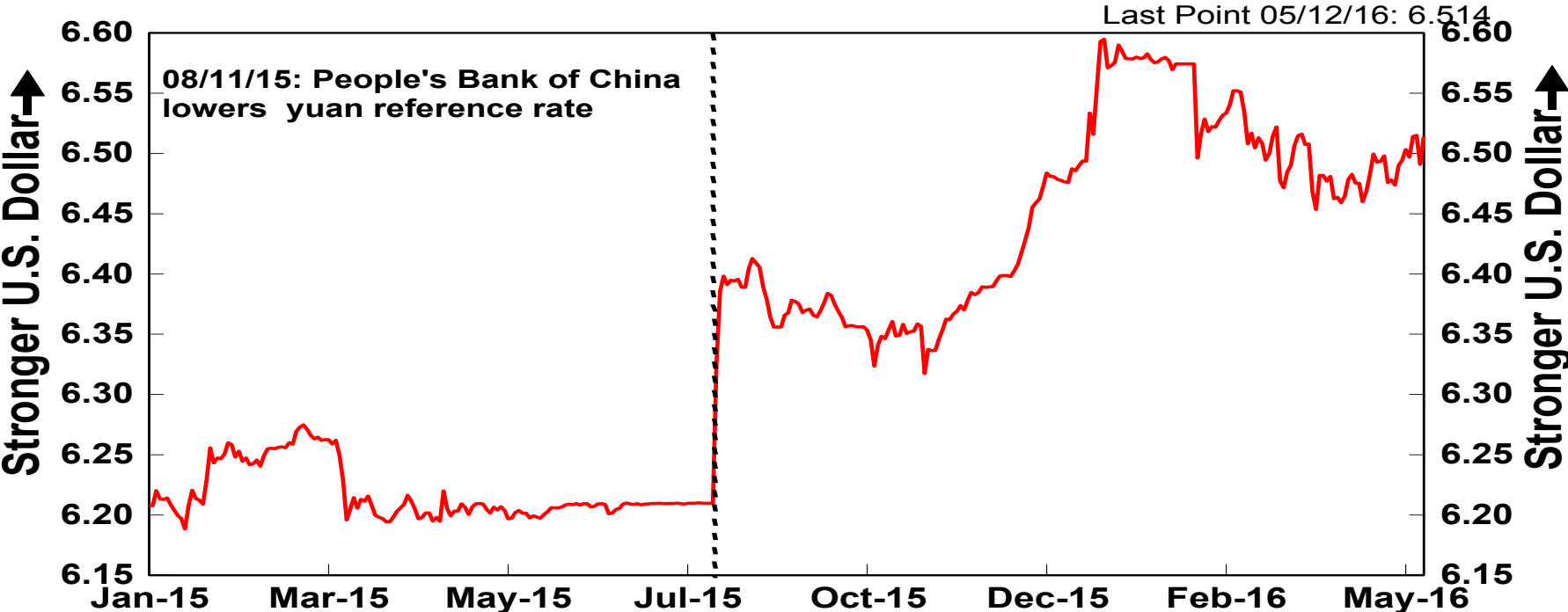
million barrels



Source: Bloomberg

Chart 35

Chinese Yuan Per U.S. Dollar

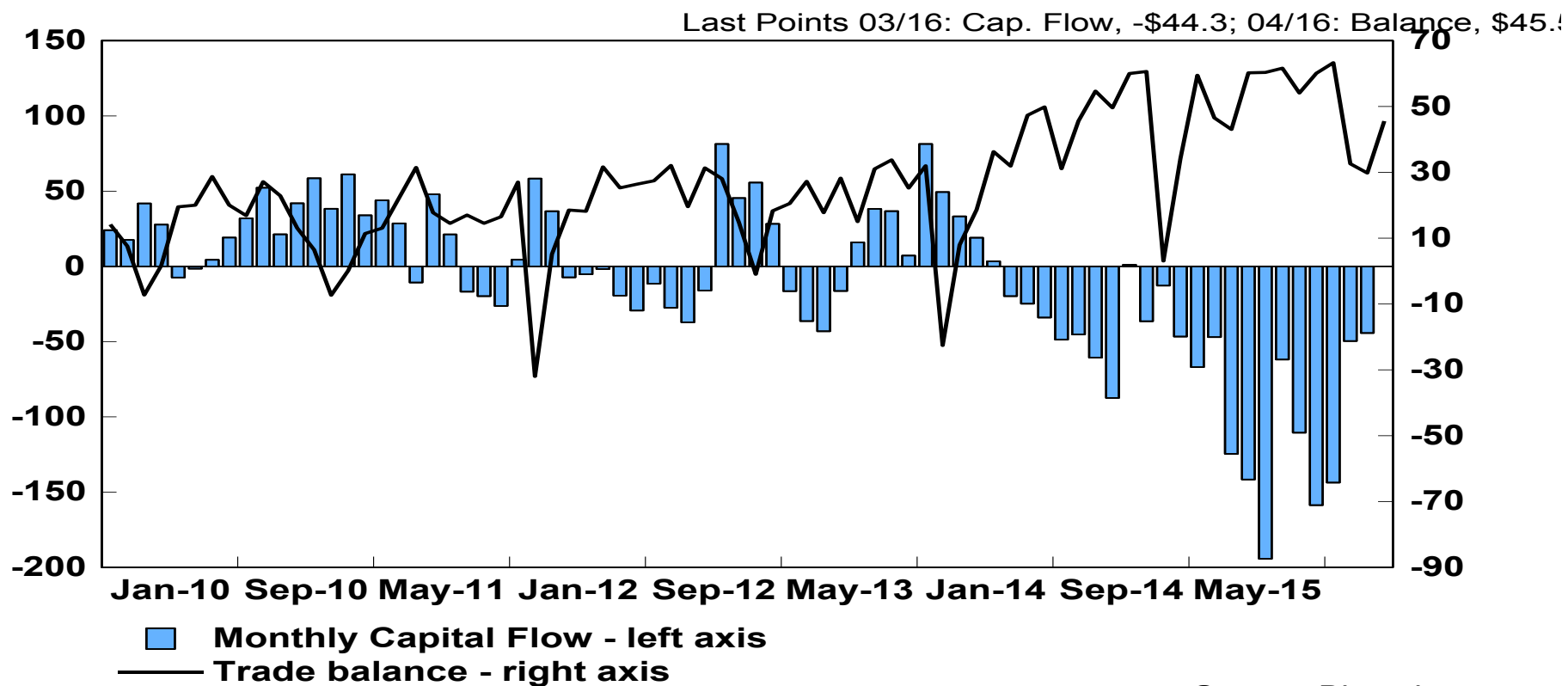


Source: Bloomberg

Chart 36

Chinese Trade Balance and Capital Flow

billion USD

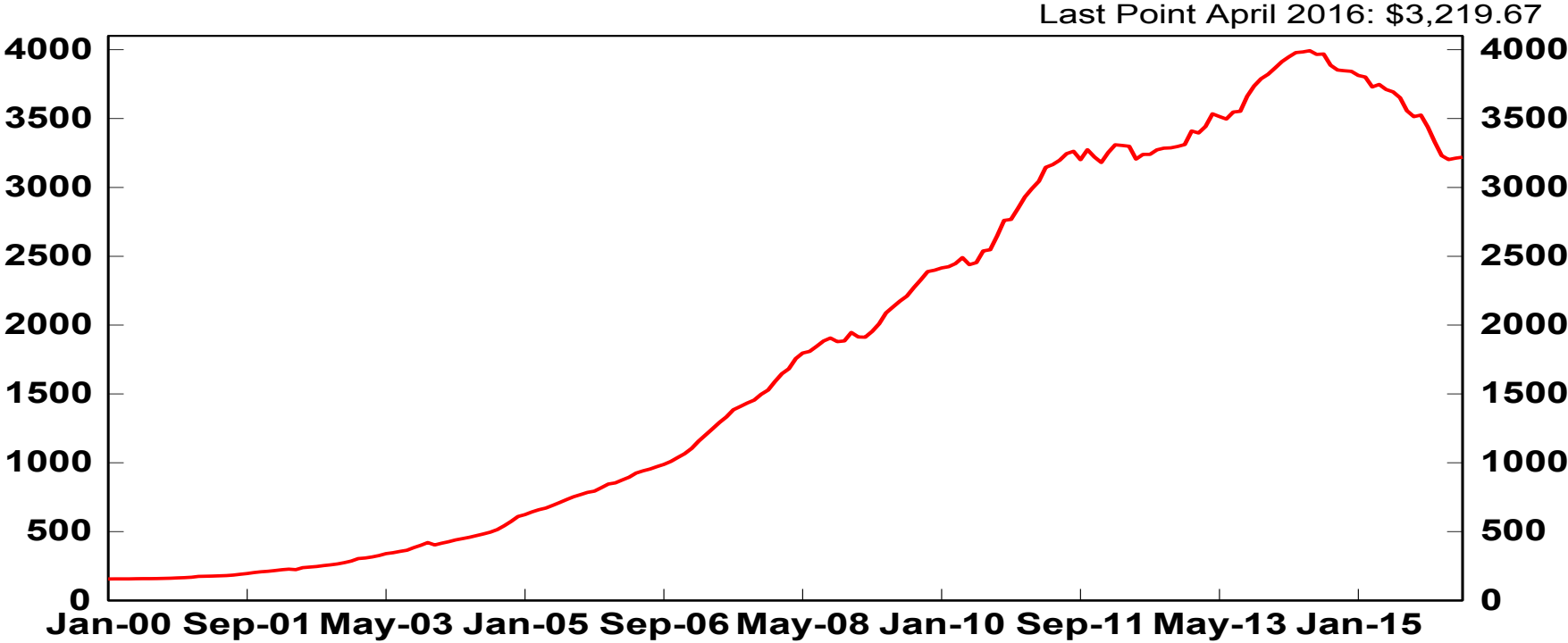


Source: Bloomberg

Chart 37

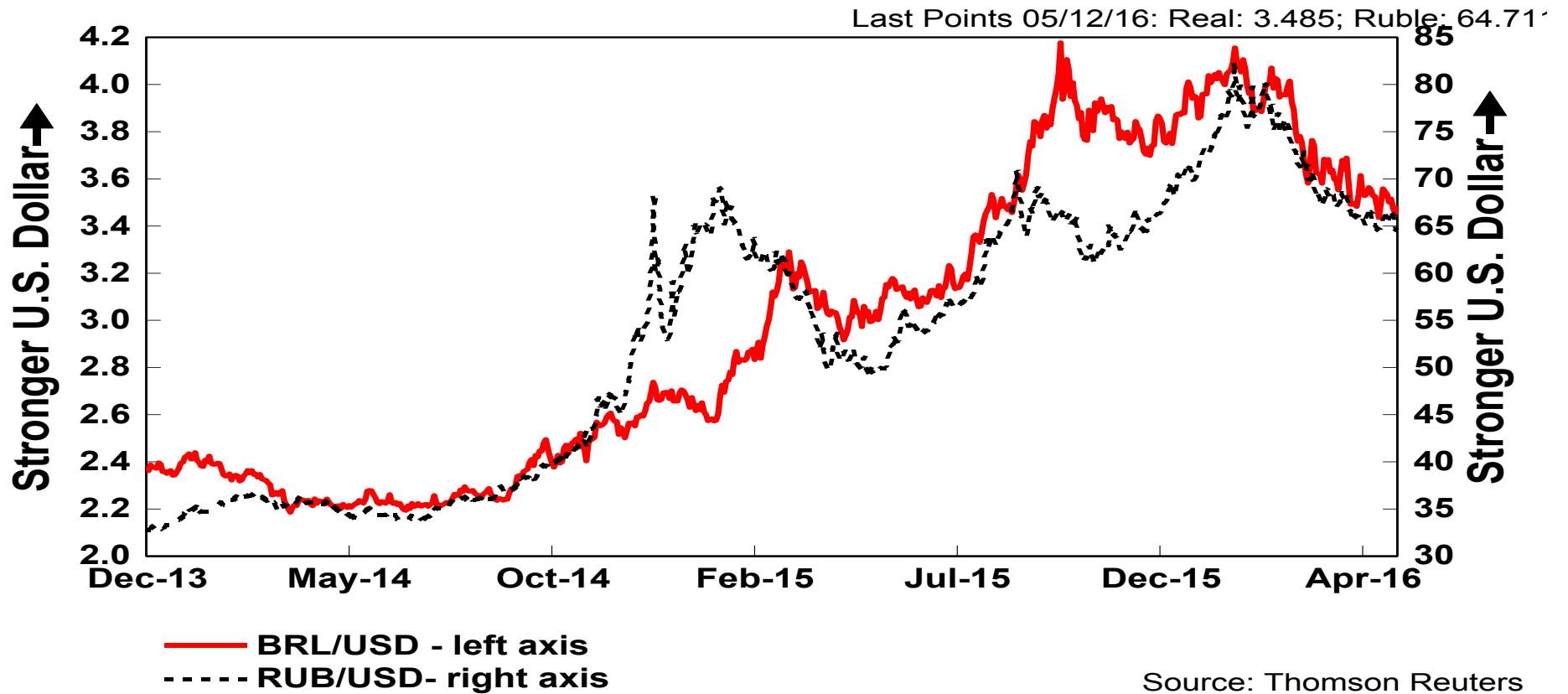
Chinese Foreign Exchange Reserves

billion USD



Source: Bloomberg

Chart 38 Brazilian Real and Russian Ruble Exchange Rates



Source: Thomson Reuters

Chart 39

Mexican Peso and WTI Crude Oil

Last Points 05/12/16 - Pesos/\$:17.964; WTI: \$46.70

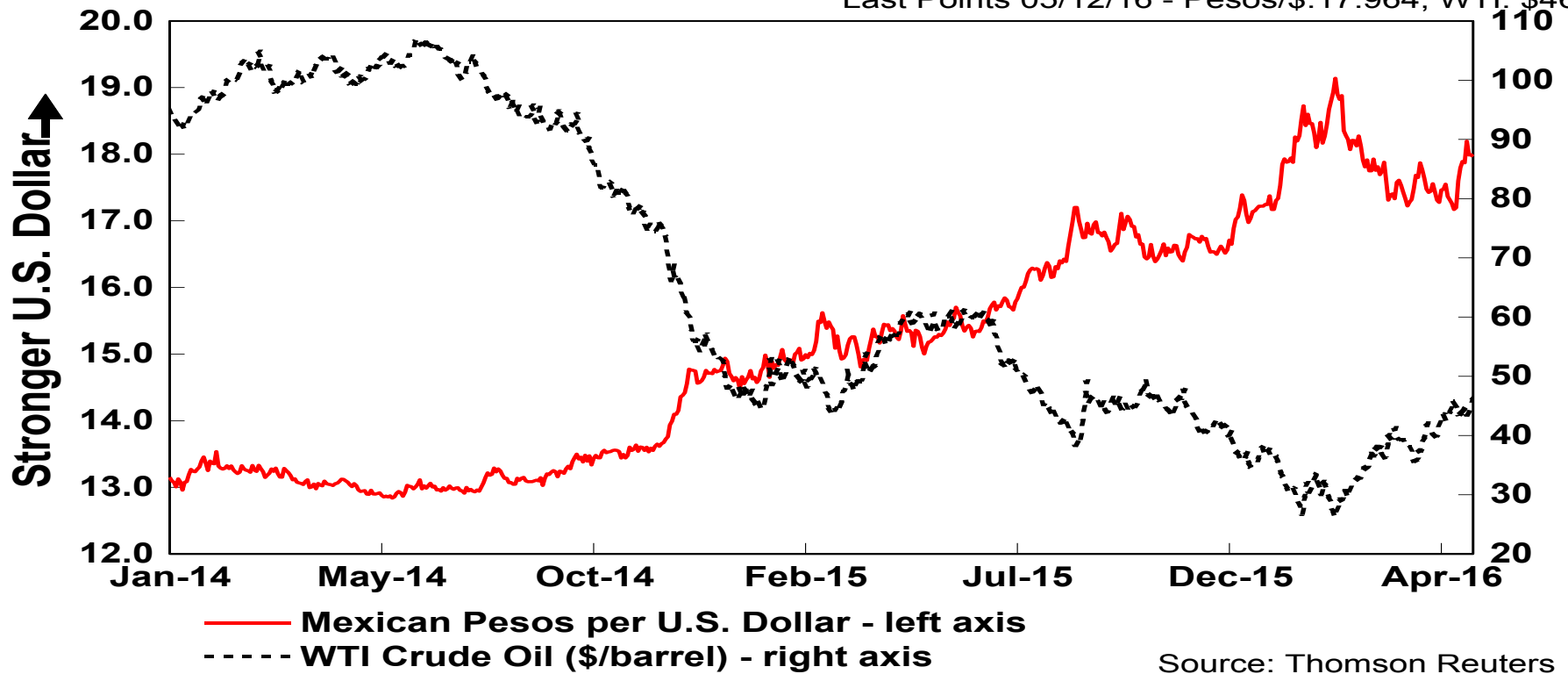


Chart 40 Euro and Yen Exchange Rates

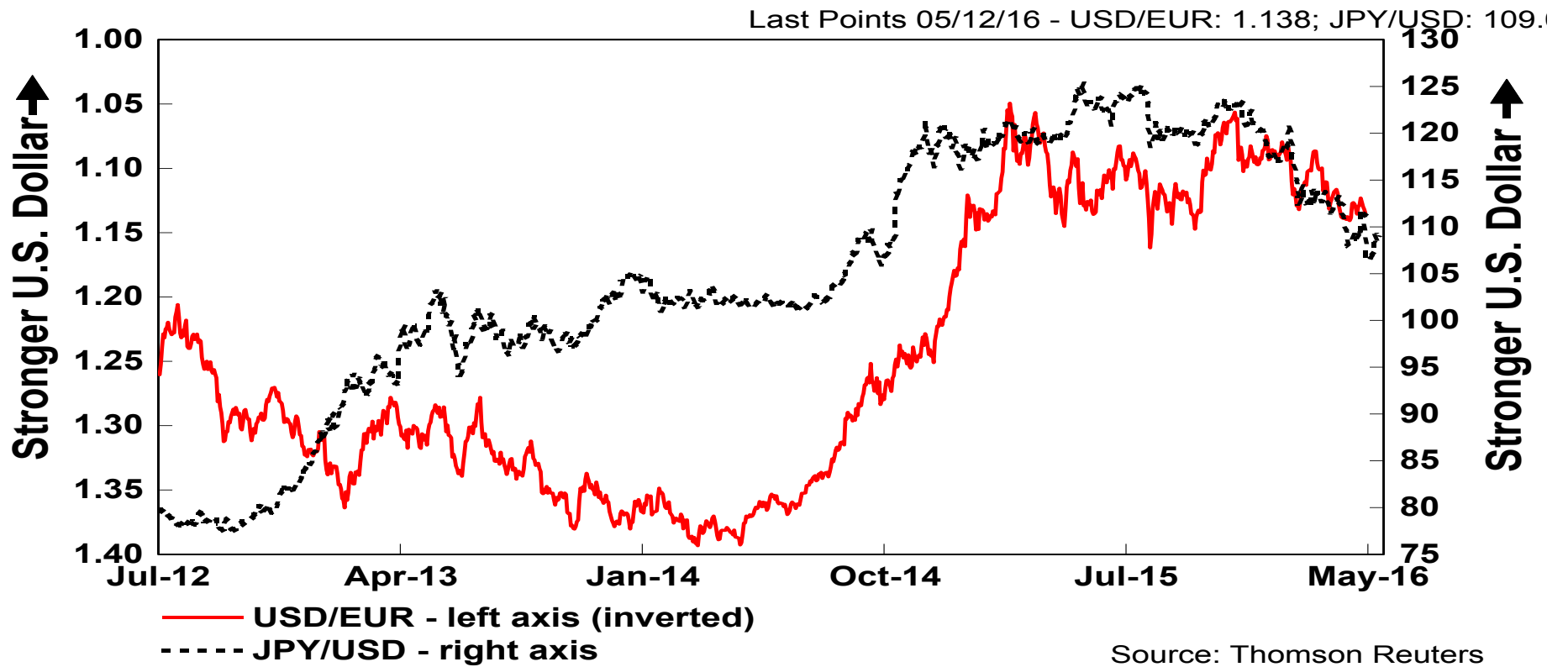


Chart 41 Producer Price Index year/year percent change

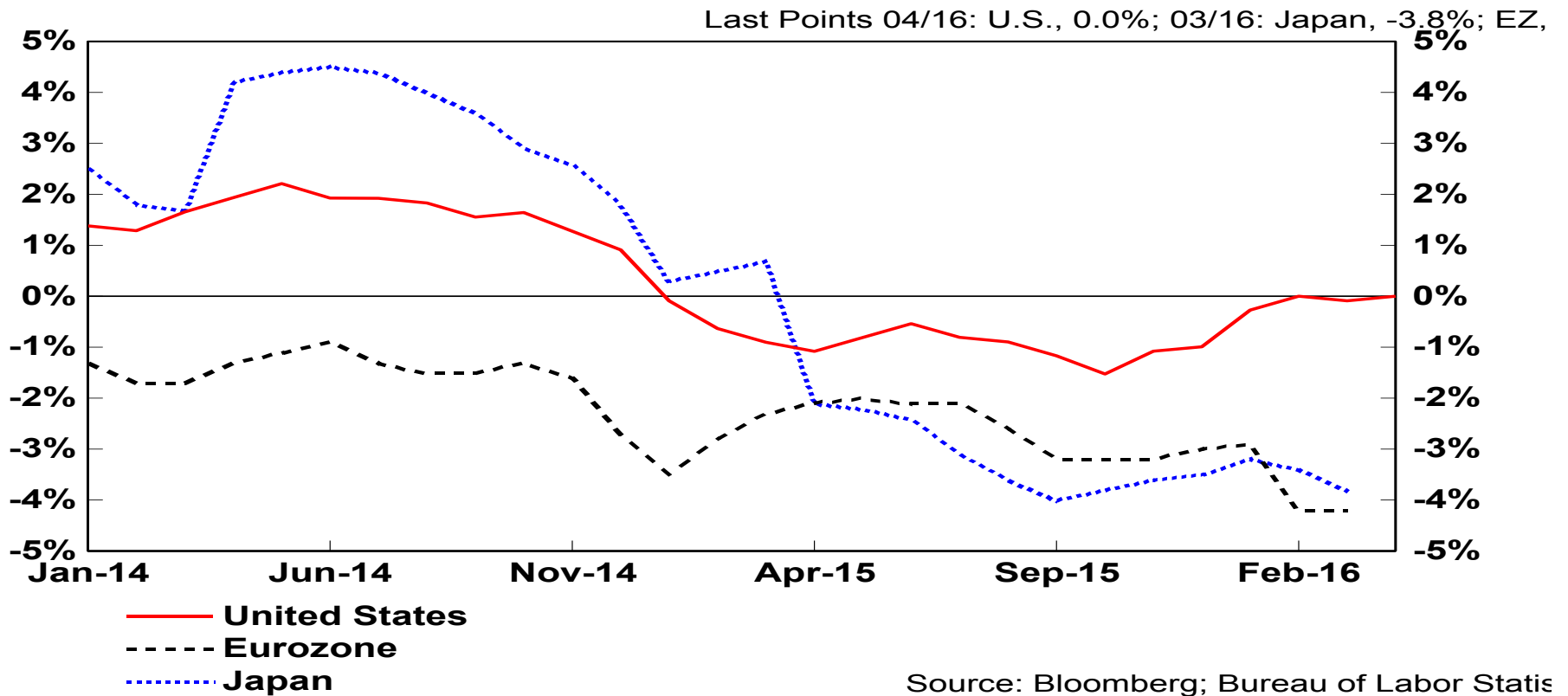


Chart 42 Chinese Producer Price Index

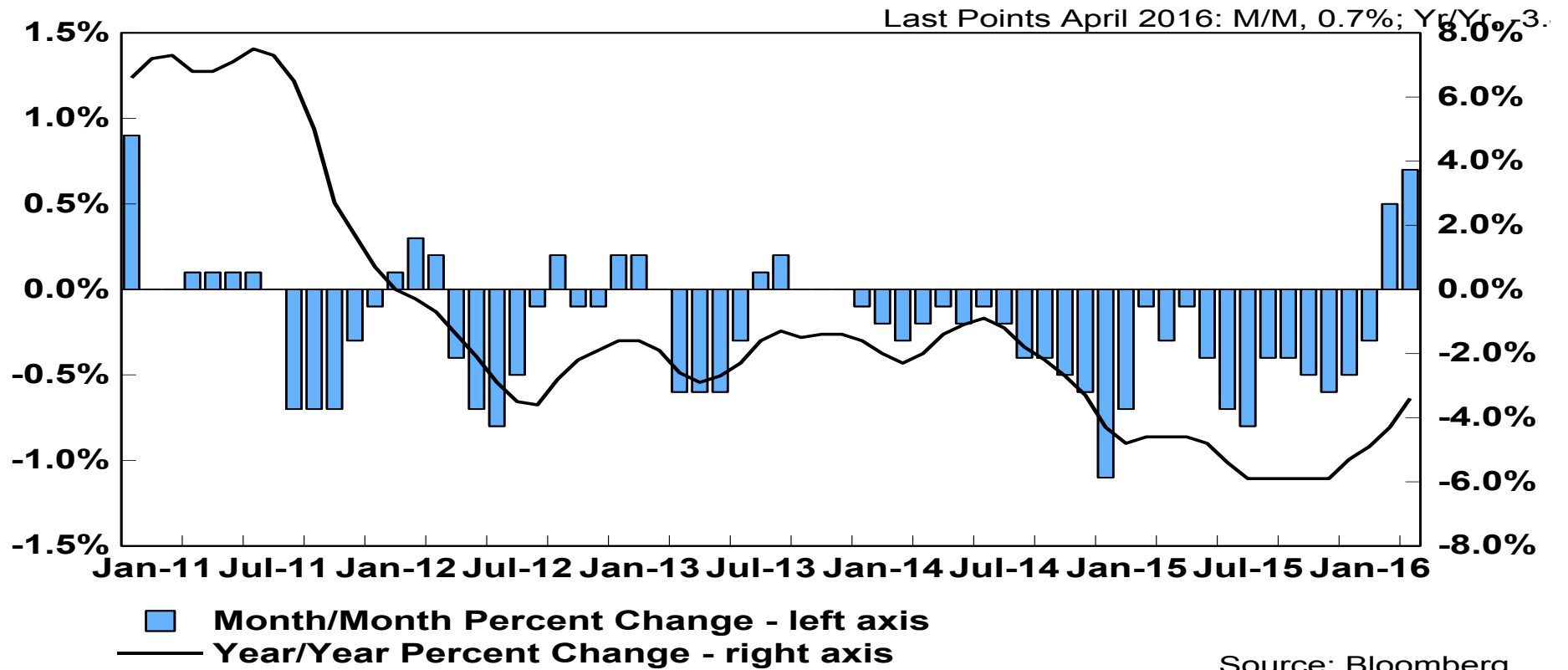
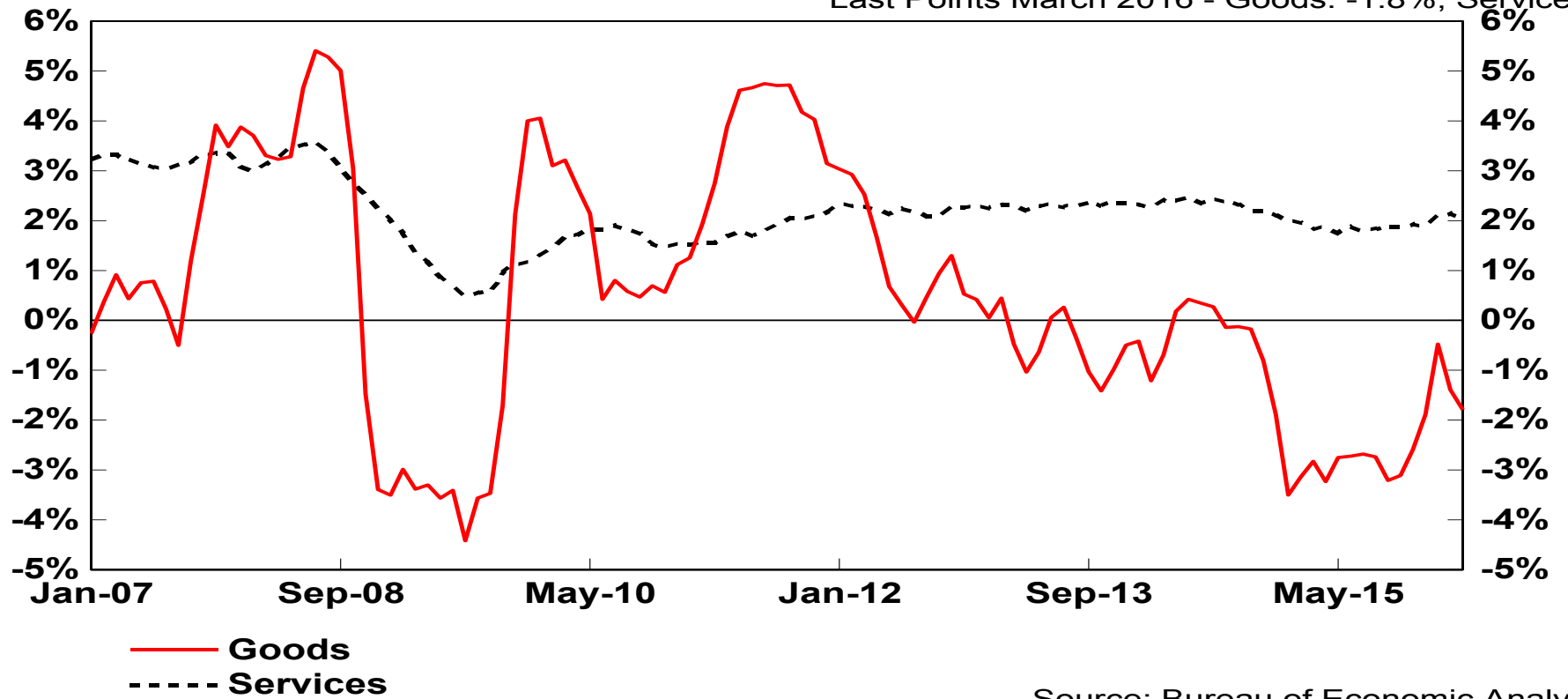


Chart 43

U.S. Personal Consumption Expenditures Implicit Price Deflator year/year percent change

Last Points March 2016 - Goods: -1.8%; Services: 2.1%



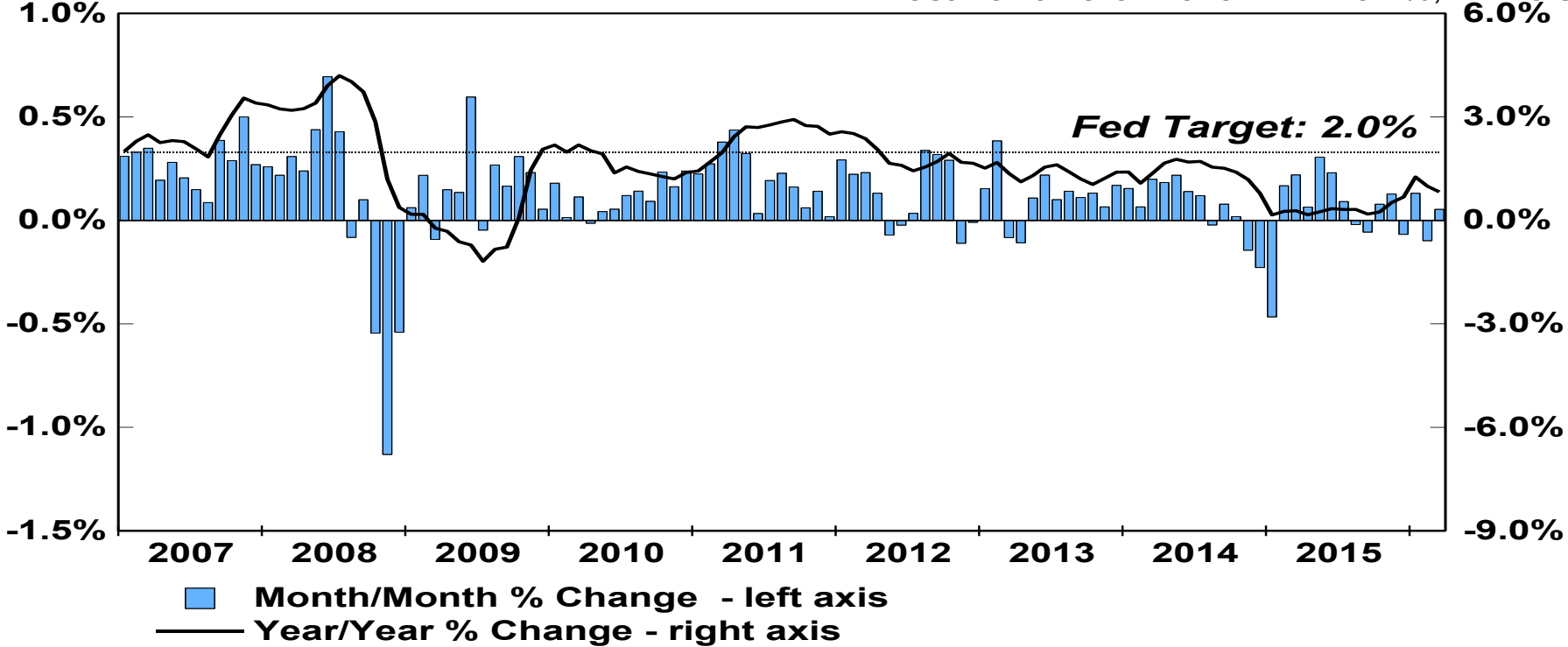
Source: Bureau of Economic Analysis

Chart 44

PCE Deflator

seasonally-adjusted

Last Point March 2016 - M/M: 0.1%; Y/Y: 0.8%



Source: Bureau of Economic Analysis

Chart 45

Japanese CPI and Real GDP

year/year percent change

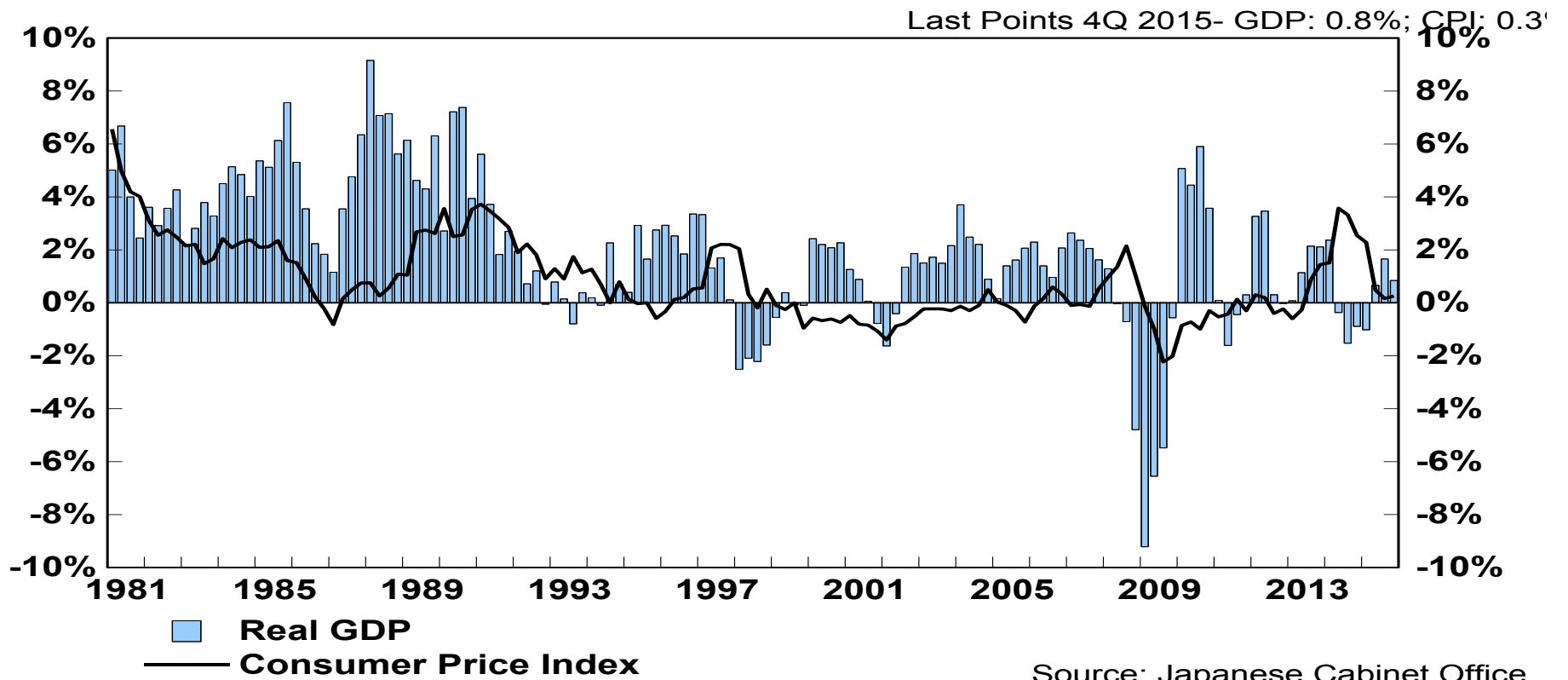


Chart 46

Investment Themes
1. Short commodities
2. Short crude oil and related securities
3. Long the dollar vs. euro and yen, commodity currencies and developing economy currencies
4. Short emerging market stocks and bonds
5. Short junk bonds
6. Long 30-year Treasuries
7. Short U.S. stocks

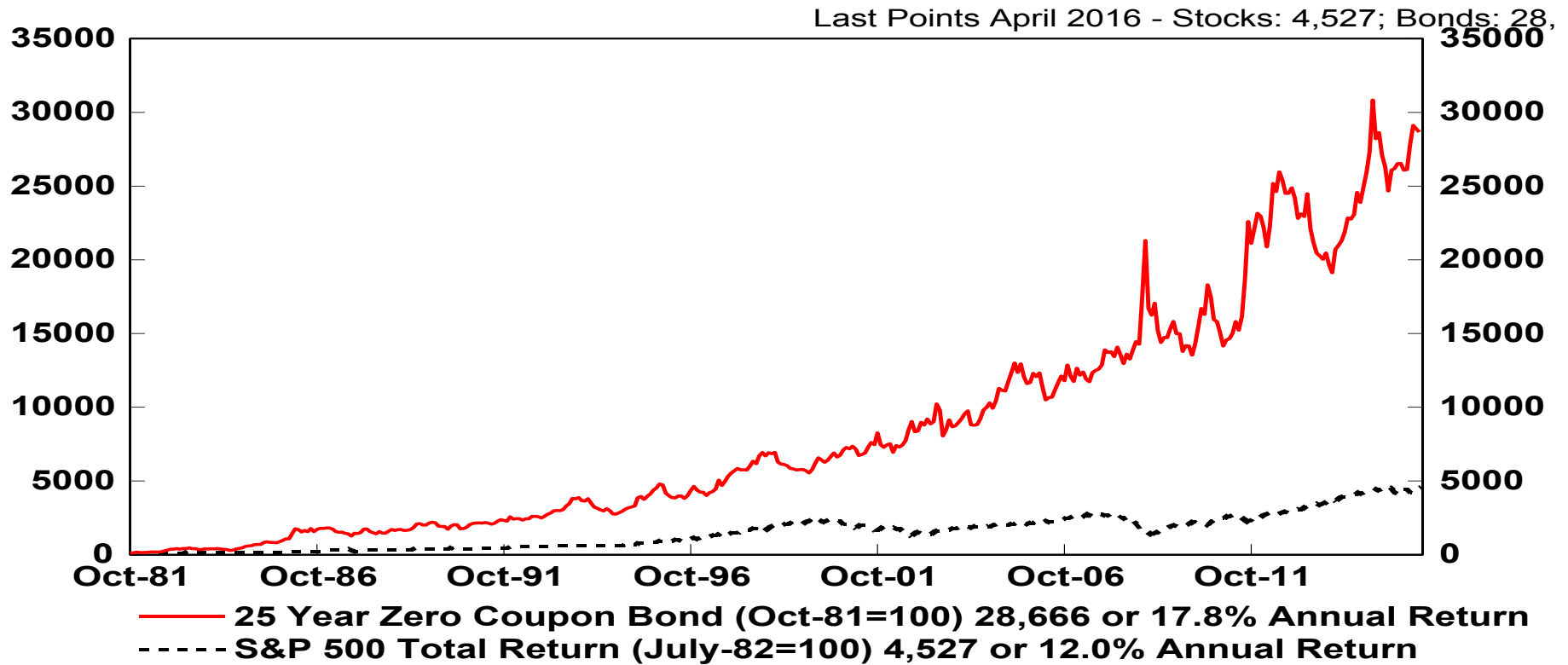
Chart 47
10-Year Sovereign Bond Yields
as of 05/12/16

Country	Yield	Spread vs. Treasurys
Switzerland	-0.31	-2.05
Japan	-0.10	-1.85
Germany	0.13	-1.62
Netherlands	0.21	-1.53
Denmark	0.37	-1.38
Finland	0.42	-1.33
France	0.48	-1.27
Austria	0.52	-1.22
Belgium	0.52	-1.22
Ireland	0.86	-0.89
Canada	1.30	-0.45
Norway	1.31	-0.44
United Kingdom	1.53	-0.22
Italy	1.54	-0.21
Spain	1.59	-0.16
United States	1.75	--
Australia	2.43	0.68
Portugal	3.27	1.52
Greece	7.39	5.64

Source: Financial Times

Chart 48

Comparative Stock and Bond Performances



Source: Bianco Research & Haver Analytic