



USER GUIDE

ABL Digital Global Cross-Asset Weekly

A complete manual for reading the weekly report — every page, chart, table and number explained.

This guide accompanies the weekly report covering 139 instruments across global equities, bonds, rates, credit, commodities, precious metals, FX, crypto and volatility. Worked examples are drawn from the report for the week ending **2026-07-10** and are clearly marked as illustrations; the explanations apply to every edition.

What is inside

- Part 1 — Orientation: what the report is, how it is built, and how to read it in 5 or 30 minutes.
- Part 2 — Page by page: how to read every section, chart and value, with thresholds and worked examples.
- Part 3 — Concepts and methods: the analytics explained in plain language.
- Part 4 — Data and the instrument universe: every source and every instrument.
- Part 5 — Workflows, judgement and honest limitations.
- Appendices — glossary, colour legend, metric reference, files and scheduling.

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How to use this guide

This is a reference manual, not a novel — you do not need to read it front to back. Use it in the way that fits the moment.

If you are brand new to the report, read Part 1 (Orientation) in full — about twenty minutes — then keep Part 2 open beside the report and read each section's guide the first time you meet that page. After two or three weeks you will read most pages fluently and only reach for the guide on the deeper ones.

If you already read markets, skim Part 1's design principles, then jump straight to Part 2 for the pages that are specific to this report — the Executive Dashboard, the DCC-GARCH and regime page, the Growth × Inflation quadrant, the Positioning complex, and the Lead-Lag forecasts — and use Part 3 when you want the method behind a number.

If you just need to decode one chart, open the Table of Contents, find the page name, and go straight to its entry in Part 2. Every Part 2 entry is written to stand on its own.

A note on the numbers in this guide

Every worked example uses the **real values** from the report for the week ending 2026-07-10 — nothing here is invented. Markets move, so treat those figures as a snapshot that shows you *how to read the number*, not as a current recommendation. The report itself is always the live source of truth.

Conventions. Bold marks the first use of a key term. Coloured call-out boxes flag things worth remembering (blue), constructive readings (green), cautions (amber) and risks (red). Every mention of a percentile means the value's rank within its own history — the single most important idea in the whole report, explained in Part 3.

Important: this report and this guide are for research and information only. They are not investment advice, not a solicitation, and not a recommendation to buy or sell any security. See Part 5 for the full limitations.

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Part 1 — Orientation

Before the page-by-page detail, this part explains what the report is, who it is for, how it is produced, the principles it is built on, and two reading routines — a five-minute scan and a thirty-minute deep read.

1.1 What the report is

The ABL Digital Global Cross-Asset Weekly is a once-a-week, whole-market situation report. Its job is to answer one question well: **what is the state of the global financial system this week, and what changed?** It looks across every major asset class at once — equities around the world, government and corporate bonds, interest rates, credit spreads, commodities, precious metals, currencies, crypto and volatility — and studies not just how each moved but how they moved *together*.

Most market commentary looks at one thing at a time: a stock index, an oil price, a currency. The distinctive idea here is **cross-asset** analysis — the conviction that the important information is in the *relationships*. When stocks and bonds start falling together, when the dollar and gold suddenly move in lockstep, when one hidden factor begins to drive everything at once — those shifts in the plumbing tell you more about risk than any single price. The report is engineered to surface them.

It combines two things that rarely appear together. First, **genuine quantitative machinery** — conditional-correlation models, regime detection, principal-component analysis, positioning percentiles, valuation models and honest lead-lag forecasts — the kind of analysis usually reserved for institutional desks. Second, a **plain-language analyst narrative** that ties the numbers into a readable story with a clear view of the risks. The machinery keeps the story honest; the story makes the machinery usable.

The one-sentence description

A weekly, evidence-based read of the entire global market — its trend, its regime, its correlations, its positioning and its valuation — written to be both quantitatively rigorous and genuinely readable.

1.2 Who it is for

The report is written for a serious reader who wants the whole board, not a tip. That includes the private investor managing real capital, the analyst or adviser who needs a weekly cross-asset briefing, the business owner watching the macro weather, and the student of markets who wants to see professional-grade analysis done transparently. It assumes you are comfortable with the idea of a stock index, a bond yield and an exchange rate, but it does *not* assume you know what a DCC-GARCH correlation or an Excess CAPE Yield is — that is what this guide is for.

It is deliberately **not** a trading signal service. It will not tell you to buy a particular stock on Monday. It tells you what kind of environment you are in, where the stresses and the crowded trades are, what is cheap or dear versus its own history, and what to watch — the context within which your own decisions are made.

1.3 The five-minute read

You can get the week's essential picture from just the first two pages. Here is the fast path:

- **Cover — the regime chip.** The coloured badge tells you the market state: green Risk-on, amber Neutral, red Risk-off. Read the Executive Summary paragraph beneath it — three or four sentences that frame the whole week.
- **Executive Dashboard (page 2) — the six badges.** Regime, Growth × Inflation quadrant, the stock–bond correlation, risk concentration, breadth and the VIX term structure. Together they are the market's vital signs on one line.
- **Dashboard — the valuation banner.** One strip: how expensive equities are versus history, and the equity risk premium.
- **Dashboard — the percentile table.** Run your eye down the right-hand column. Any value shaded **red** (historically high) or **blue** (historically low) is where this week is unusual. Those extremes are the story.

Five-minute takeaway

In the illustrated week (2026-07-10) the regime was **Neutral**, the quadrant **Reflation**, equity breadth 71% above trend, and high-yield credit spreads sat at the 6th percentile of ten years — a fast read of a calm, richly-valued, tight-credit market. Your week's numbers will differ; the method of reading them does not.

1.4 The thirty-minute deep read

For the full picture, read in this order — it moves from the big frame down to the detail, which is how the report is arranged:

- **Cover + Executive Dashboard** — the frame and the vital signs (as above).
- **The analyst narrative** — the eleven-section written analysis. This is where the numbers become a story: regime and market state, rates and the stock–bond relationship, the correlation structure, leading indicators, the commodity and crypto specials, the priority markets (India, China, Russia), the key risks, and what to watch.
- **The correlation pages** — the returns heatmap (what moved), the correlation heatmap and network (what moved together), and the DCC-GARCH and regime page (how the deep relationships are evolving).
- **The macro frame** — the Growth × Inflation quadrant, the valuation page, the recession and rate-path page, and the weekly macro pulse.
- **The positioning and special modules** — the CFTC positioning complex, oil, natural gas, gold and silver, and crypto internals.
- **The forward-looking pages** — the multi-horizon correlations and the lead-lag forecasts.

Thirty minutes, once a week, is enough to hold the entire global market in view — which is the whole point.

1.5 How the report is produced

Everything is generated automatically, locally, once a week, from free and official data. There is no black box and no paid data feed. The pipeline has four stages:

- **Ingest.** The engine fetches the latest weekly data for every instrument from nine independent sources (listed in Part 4), aligns them to a common weekly calendar, and stores a clean data panel. A failure in any one series is logged and skipped — the report is built from whatever succeeded, so it never breaks.

- **Analytics.** The panel is run through the full analytical arsenal — correlations, conditional-correlation models, regime detection, principal-components, positioning percentiles, valuation, recession models, lead-lag regressions and the special commodity and crypto modules.
- **Narrative.** A structured briefing of every computed signal is handed to an AI analyst that writes the eleven-section research note, instructed to be specific, quantitative and honest about uncertainty.
- **Report.** The charts, tables and narrative are assembled into the final PDF, with the ABL authorship footer on every page.

The whole run is scheduled to happen by itself every week. If the computer is off at the scheduled time, it runs at the next opportunity, so an edition is never missed.

Why local and free matters

Because the engine runs on your own machine using public data, the report is private by default, costs nothing per run, and is fully reproducible — you can always trace any number back to its source. That transparency is a deliberate design choice, not a limitation.

1.6 The principles it is built on

Five principles govern every number in the report. Knowing them tells you how to trust what you read.

Nothing is fabricated

Every value is either fetched from an official source or derived from fetched data by a documented formula. There are no hand-typed, plugged or guessed numbers anywhere in the report. If a figure appears, it is real and reproducible.

Everything is shown in historical context

A raw number rarely means much on its own — is a high-yield spread of 2.7% high or low? The report answers that by attaching a **percentile** to almost every headline value: where it sits within its own ten-year (or longer) history. This is the single most useful habit the report will teach you, and it is explained fully in Part 3.

Honesty over false confidence

Where the analysis is uncertain, the report says so. The lead-lag forecasts show their explanatory power and their error bands rather than pretending to precision. Weak or tautological relationships are filtered out rather than dressed up. The narrative is instructed never to oversell. You are trusted to prefer an honest 'modest signal' to a confident fiction.

Faithful reproduction over speed

The analytics use proper, robust methods — real conditional-correlation estimation, genuine regime models — rather than quick approximations, and each is validated against known behaviour. Correctness comes first.

Turnkey and durable

The report runs at one click, on a schedule, and every edition is saved. It is built to be handed to a real reader and to keep working unattended.

1.7 A map of the report

The report is arranged from the big picture to the fine detail. This is the full page order; Part 2 devotes a full section to each. Keep this map handy for the first few weeks.

#	Page	What it answers	Part 2
1	Cover + Executive Summary	What is the state of the market this week?	2.1
2	Executive Dashboard	The vital signs and every metric vs its history, on one page	2.2
3–5	Analyst narrative	The full written analysis in eleven sections	2.3
6	Weekly returns heatmap	What moved this week, across all assets	2.4
7	Correlation heatmap	What is moving together right now	2.5
8	DCC-GARCH + regime	How the deep stock–bond link and market regime are evolving	2.6
9	Growth × Inflation quadrant	Which macro regime are we in — and rotating toward?	2.7
10	Relationship watch-list	Are the classic cross-asset links behaving normally?	2.8
11	Positioning (CFTC)	Where are speculators crowded — squeeze risk?	2.9
12	Oil special	Oil fundamentals: inventories, products, positioning	2.10
13	Natural gas	Gas price and storage vs its seasonal norm	2.11
14	Gold & silver	Precious-metals ratio, real yields, positioning	2.12
15	Crypto	Crypto internals: dominance, stablecoins, sentiment	2.13
16	Valuation	How expensive are equities vs history?	2.14
17	Recession & rate path	Recession odds and the market-implied policy path	2.15
18	Macro pulse	The timeliest labour and growth signals	2.16
19	Correlation network	The market's structure as a map	2.17
20	Multi-horizon correlation	Is a relationship structural or fleeting?	2.18
21	Lead-lag forecasts	What do leading indicators imply for laggards?	2.19

Page numbers are approximate — the narrative runs to as many pages as the week's analysis needs, so later page numbers shift by one or two. The order never changes.

Part 2 — Reading every page

This part walks through the report one page at a time. Each section follows the same shape: what the page is for, what you are looking at, how to read every element, the thresholds and colours, a worked example from the illustrated week, the mistakes readers make, and what would move the signal. Read a section the first time you meet its page; after a few weeks you will not need it.

2.1 Cover and Executive Summary

The cover is the report in miniature: one regime badge and one paragraph that frame the entire week before you turn a page.



ABL Digital Global Cross-Asset Weekly

Trend & Correlation Report | week ending 2026-07-10
139 instruments | 602 weeks history

REGIME: Neutral

EXECUTIVE SUMMARY

The engine holds the market in a Neutral regime, with a 0.758 smoothed probability and roughly 23 weeks of persistence; risk-off probability sits at a negligible 0.025, so this is a calm, trending tape rather than a fragile one. Corroborating signals are constructive: VIX at 16.0 in contango (0.84 vs VIX3M), 71% of global indices and 82% of US sectors above their 40-week averages, HY spreads tightening 7bp to 2.67%, and a growth-inflation mix that has pushed firmly into the Reflation quadrant (growth z +0.62, inflation z +0.16 and falling hard). The single most important development this week is the decisive rotation of leadership into China and Asia internet names (CN_Internet +5.8%, Hang Seng +2.9%, STI +3.6%) against a sharp, idiosyncratic 10.4% collapse in Korea's KOSPI — a dispersion event, not a systemic one. The dominant risk is valuation, not momentum: CAPE at 41.6 (99th percentile of 155 years) with a negative 1.0% equity risk premium leaves equities priced for perfection just as the market prices ~1.7 Fed hikes into the next year. Own the trend, but size for the fact that the cushion beneath it is thin.

Full section-by-section analysis follows on the next pages.

KEY SIGNALS

Stocks-Bonds DCC corr	-0.01 (1y ago +0.15)
PC1 variance share	24%
DCC persistence (a+b)	0.9804
Weeks in regime	23

For research and information only; not investment advice. Verify all data before use.

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Figure. The report cover as it appears in the report for the week ending 2026-07-10. Your edition shows that week's data; the layout is identical.

What you are looking at

At the top, the report title and the week-ending date, then the number of instruments and the length of history behind the analysis. Below that sits the **regime chip** — a single coloured badge naming the market state — and beneath it the **Executive Summary**, the opening section of the analyst narrative, lifted onto the cover so the headline view is the first thing you read. At the foot of the page a short **Key Signals** table lists a handful of the most important structural numbers.

How to read the regime chip

The regime is the market's overall risk posture, detected statistically (the method is in Part 3). It takes one of three values, each colour-coded:

Regime	Colour	What it means
Risk-on	Green	Rising, calm markets; investors are being paid to take risk.
Neutral	Amber	Mixed or transitional; no strong directional conviction.
Risk-off	Red	Falling, stressed markets; capital is fleeing to safety.

The regime is deliberately slow to change — it describes the prevailing weather, not the daily forecast — so a shift in the chip from one week to the next is meaningful and worth pausing on.

Worked example

In the illustrated week

The chip read **Neutral** and the market had been in that regime for about 23 weeks. The Key Signals table showed the stock-bond correlation at -0.01 (versus +0.15 a year earlier) and risk concentration at 24%. Read together: a settled, unstressed market with no single factor dominating - a benign backdrop.

Common misreadings

- **Treating Neutral as bearish.** Neutral means 'no strong trend signal', which in a gently rising market is perfectly constructive. It is not a warning.
- **Expecting the chip to call tops and bottoms.** It is a state description, not a timing tool; it will confirm a Risk-off environment after stress has begun, not the day before.

What would change the signal

A move to Risk-off typically needs a sustained fall in equities together with widening credit spreads and rising volatility; a move to Risk-on needs the opposite to persist for several weeks. See 2.6 for the regime engine and 2.2 for the dashboard badge that mirrors this chip.

2.2 The Executive Dashboard

The single most useful page in the report: the market's vital signs and every headline metric measured against its own history, on one screen. If you read only one page, read this one.

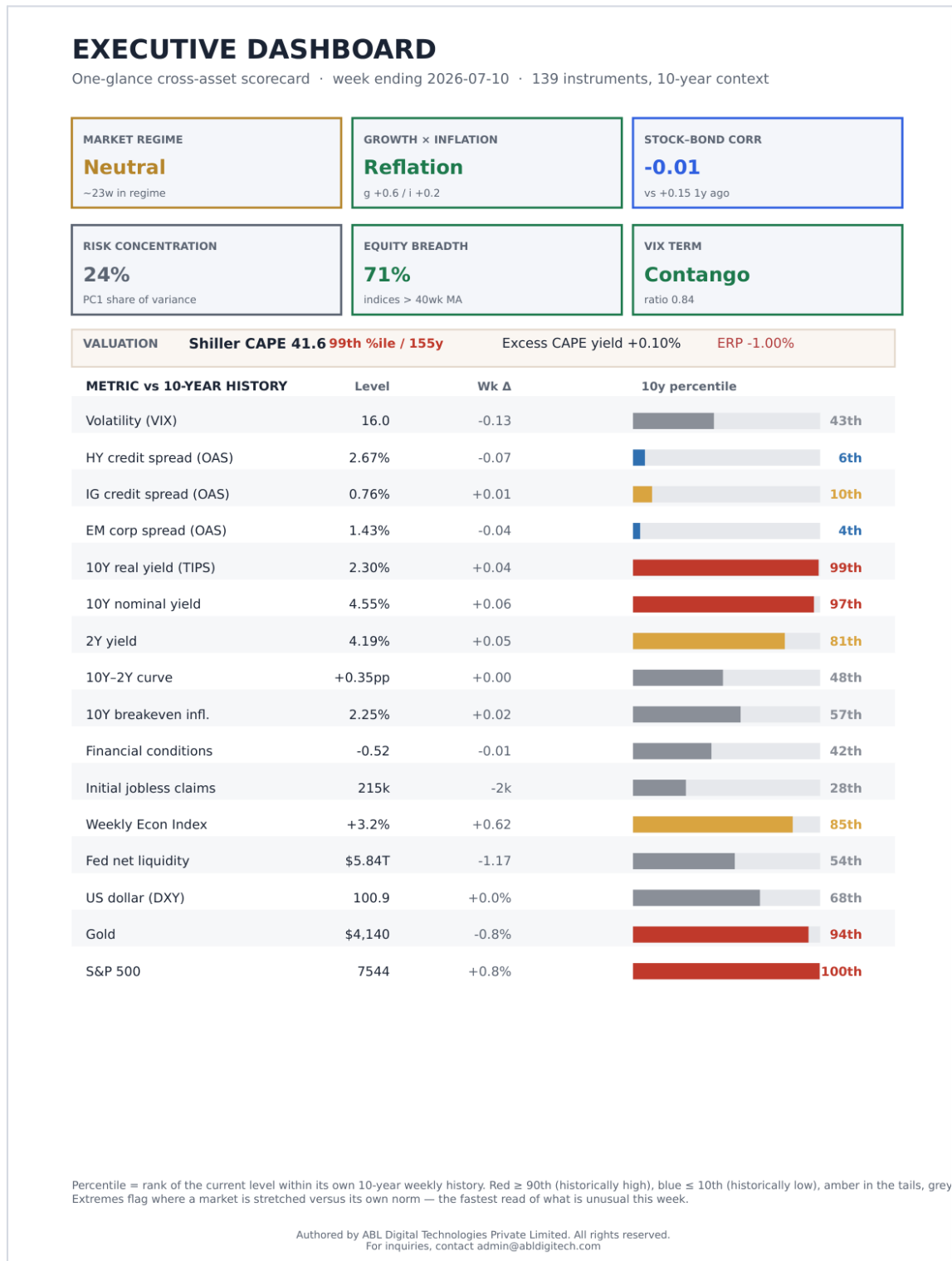


Figure. The Executive Dashboard as it appears in the report for the week ending 2026-07-10. Your edition shows that week's data; the layout is identical.

What you are looking at - three bands

The dashboard has three stacked bands. At the top, six **state badges** - the vital signs. Beneath them, a **valuation banner**. Below that, a **percentile-shaded metric table** that is the heart of the page.

The six state badges

Badge	Reads	How to interpret
Market regime	Risk-on / Neutral / Risk-off	The overall posture (as on the cover).
Growth x Inflation	One of four quadrants	The macro regime - see 2.7.
Stock-bond corr	A number near -1 to +1	Negative = bonds hedge stocks (healthy); positive = they fall together (fragile).
Risk concentration	A percentage	Share of all movement driven by one factor; high = fragile, contagion-prone.
Equity breadth	A percentage	Share of world indices in an uptrend; high = broad health, low = narrow/weak.
VIX term	Contango / Backwardation	Contango = calm; backwardation = acute stress.

The valuation banner

A single strip showing the Shiller CAPE (a smoothed price/earnings ratio), its percentile versus a century and a half of history, the Excess CAPE Yield, and the equity risk premium. It answers 'how dear are stocks, and are you being paid to own them?' in one line. The full treatment is in 2.14.

The percentile table - how to read it

Each row is a headline metric: volatility, credit spreads, real and nominal yields, the yield curve, inflation expectations, financial conditions, jobless claims, the growth nowcast, liquidity, the dollar, gold and the S&P 500. For each you get four things: the current **level**, the **weekly change**, a horizontal **percentile bar**, and the **percentile number** (its rank within its own ten-year history). The colour of the bar and number is the fast read:

Colour	Percentile	Meaning
Red	at or above 90th	Historically high - at the top of its ten-year range.
Amber (high)	75th to 90th	Elevated versus its own norm.
Grey	25th to 75th	Middle of the range - unremarkable.
Amber (low)	10th to 25th	Subdued versus its own norm.
Blue	at or below 10th	Historically low - at the bottom of its ten-year range.

The discipline the table teaches: **scan for colour, not for numbers**. Grey rows are the market behaving normally and can be passed over. Red and blue rows are where this week is unusual - and the unusual is where risk and opportunity live. A whole column of grey with two red spikes tells you exactly where to look.

A crucial subtlety about percentiles

For mean-reverting things - volatility, credit spreads, yields - a percentile is deeply meaningful: a spread at the 6th percentile really is historically tight. For trending things - the S&P 500, gold - a price near its all-time high sits at the 100th percentile almost by definition, which simply says 'near record', not 'overvalued'. Read price percentiles as trend context; read spread, yield and volatility percentiles as genuine cheap/dear signals.

Worked example

In the illustrated week

High-yield credit spreads sat at the 6th percentile (spread 2.67%) - shaded blue, historically very tight, meaning credit markets saw almost no default risk. The 10-year real yield near 2.30% was red (historically high). Equity breadth read 71% and the VIX term structure was 'contango (calm)'. The one-glance story: calm, broad, expensive, and priced for a benign world - with tight credit the thing to keep an eye on.

Common misreadings

- **Reading a blue credit-spread bar as bad.** Low spreads mean calm; they are only a *concern* in the sense that there is little room for further improvement and complacency can build. The bar tells you where you are, not what happens next.
- **Ignoring the weekly-change column.** A metric can sit mid-range yet have moved sharply this week; the change column catches momentum the percentile alone misses.

What would change the signal

Because the table is percentile-based, a row changes colour only when the metric moves to a genuinely different part of its ten-year range - a high bar for a colour change, which is the point. Cross-references: 2.7 (quadrant), 2.14 (valuation), 2.16 (claims and growth nowcast), and Part 3 on percentiles.

2.3 The analyst narrative

The written analysis - the report's connective tissue. It turns the quantitative pages into a single, readable argument about the week, in eleven fixed sections so you always know where to find each topic.

The narrative is generated fresh each week from a structured briefing of every computed signal, and is instructed to be specific and quantitative, to explain what a number means for a reader rather than merely restating it, and - importantly - to be honest about uncertainty rather than projecting false confidence. It always contains these eleven sections, in this order:

Section	What it covers
Executive Summary	The three-or-four-sentence headline view (also on the cover).
Regime & Market State	The regime, volatility, risk concentration and breadth in prose.
Rates, Credit & Stock-Bond	Yields, spreads, the curve, and the all-important stock-bond link.
Cross-Asset Correlation Structure	Which relationships are tightening or breaking, and why it matters.
Leading Indicators & Forecasts	The lead-lag signals and their honest caveats.
Oil	Crude fundamentals - inventories, products, positioning.
Gold & Silver	The ratio, real yields and positioning.
Crypto	Dominance, stablecoins, sentiment and the equity-beta read.
India, China & Russia	The priority markets, given dedicated treatment.
Key Risks & Divergences	What could go wrong; where the picture is internally inconsistent.
Positioning & What to Watch	The stance the evidence supports, and the specific triggers to monitor.

Read the narrative *after* the dashboard: the dashboard tells you the facts, the narrative tells you what they add up to. The two most valuable sections for most readers are **Key Risks & Divergences** - where the report names the things that do not fit, which is often where the next move comes from - and

Positioning & What to Watch, which converts the analysis into concrete triggers you can carry through the week.

How to trust the narrative

Every claim in the narrative is grounded in a number computed elsewhere in the report; it does not introduce outside facts. If a sentence says credit is tight or the dollar is driving gold, you can find and verify that on the dashboard or the relevant page. The narrative interprets; it does not invent.

The narrative names no AI provider and is presented as ABL analysis; its length varies with how much the week warrants, which is why the later page numbers in the report shift by a page or two.

2.4 The weekly returns heatmap

The simplest page and a good place to start each week: a colour grid of how every instrument moved, so 'what happened' is visible at a glance.

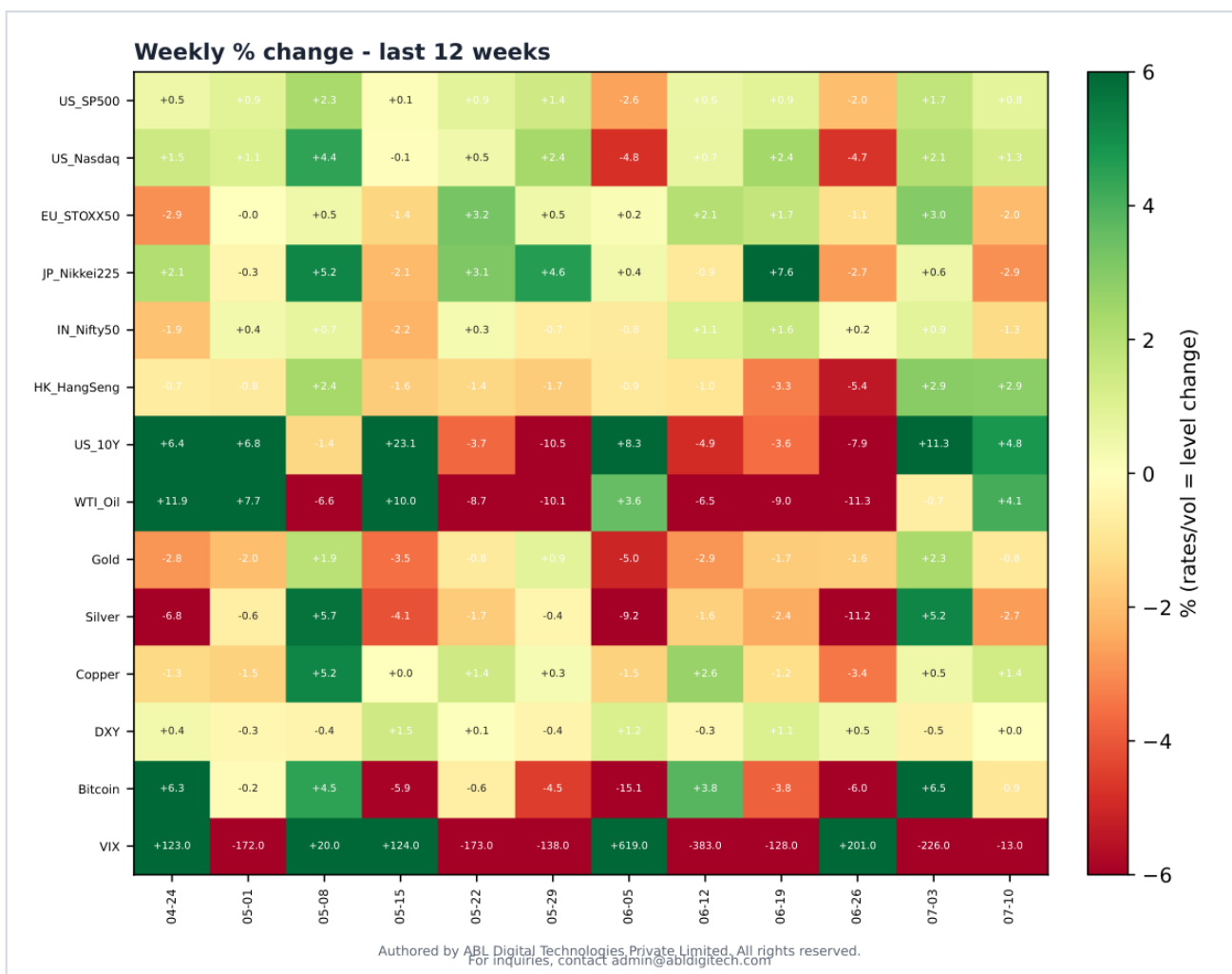


Figure. The weekly returns heatmap as it appears in the report for the week ending 2026-07-10. Your edition shows that week's data; the layout is identical.

How to read it

Each cell is one instrument; the colour encodes its move over the week. **Green** is up, **red** is down, and the **deeper the colour, the larger the move**. Instruments are grouped by asset class, so you can see whether a whole class moved together (a broad equity rally, a bond sell-off) or whether the action was

isolated to a few names. A page that is mostly pale is a quiet week; blocks of deep colour mark where the energy was.

The value of the heatmap is **dispersion**. When everything is the same colour, one macro force is moving all markets - risk-on or risk-off together. When greens and reds sit side by side, markets are discriminating, trading on individual stories rather than one big driver - which, as the correlation and concentration pages confirm, is a healthier, more selective environment.

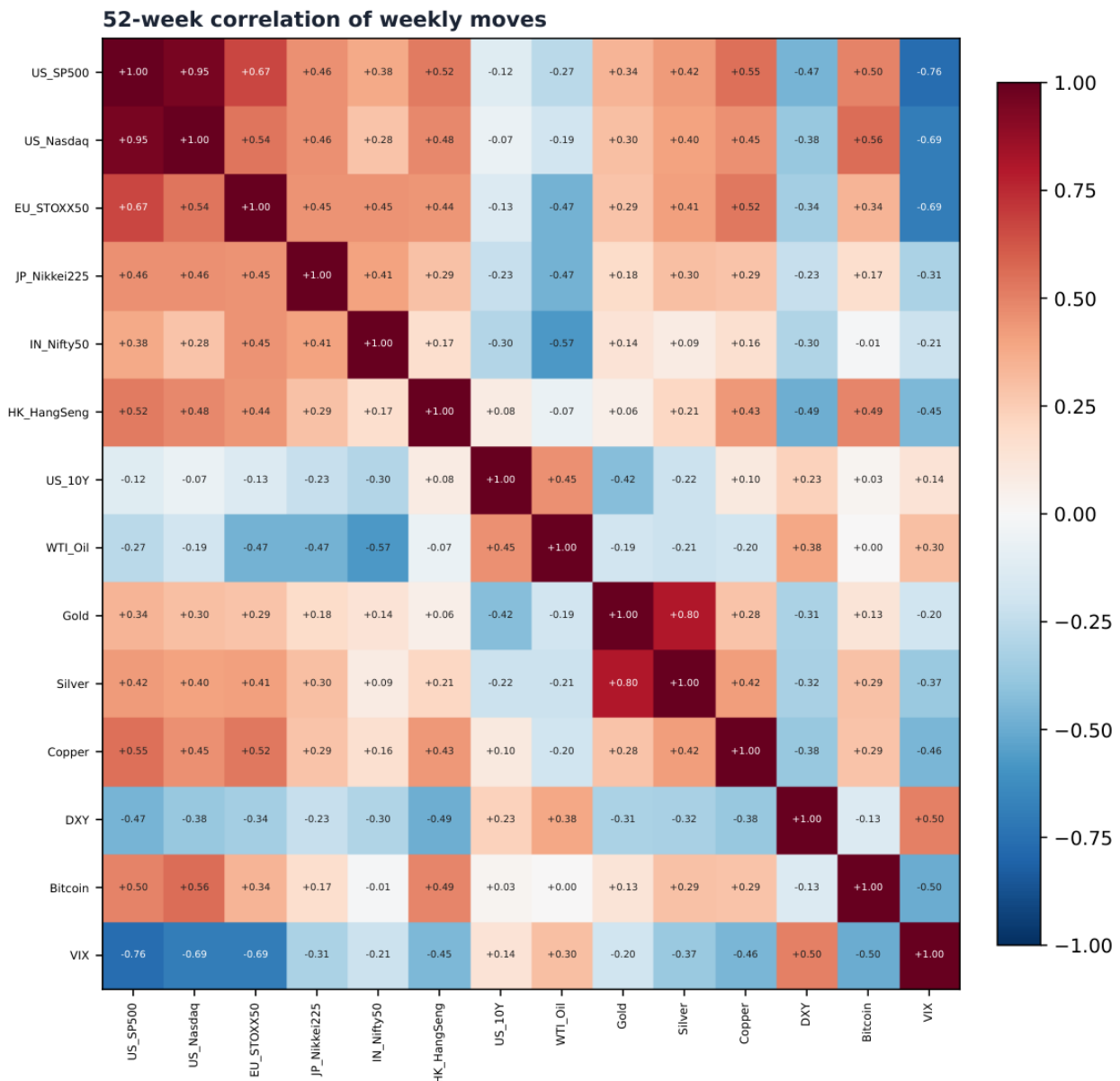
Common misreadings

- **Over-reading a single deep cell.** One instrument's big weekly move is often noise; the signal is in the *pattern* across a class.
- **Forgetting the scale differs by nature.** A 3% move in an equity index and a 3% move in a currency are very different events; read each within its class.

Cross-references: the correlation heatmap (2.5) and network (2.17) formalise the 'moving together' question the eye picks up here.

2.5 The correlation heatmap

Where the returns heatmap shows what moved, this shows what moved together - the recent correlation between every pair of instruments, the raw material of cross-asset analysis.



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Figure. The correlation heatmap as it appears in the report for the week ending 2026-07-10. Your edition shows that week's data; the layout is identical.

How to read it

It is a square grid with the same instruments down the side and along the top; each cell is the correlation of that pair's weekly moves over the recent window. The colour scale runs from deep **blue** at +1 (they move together) through white at 0 (no linear relationship) to deep **red** at -1 (they move oppositely). The diagonal is always +1 (every instrument with itself). The grid is symmetric, so the two triangles mirror each other.

Look for **blocks**. A blue block where an asset class meets itself confirms the class is trading as one. Blue between classes that 'should' be unrelated is a warning - diversification is quietly failing, everything is becoming one trade. Red blocks are the natural hedges: equities against volatility, the dollar against gold. When a reliably red block starts fading toward white, a hedge you were relying on is weakening.

The single most important pair

Watch equities against government bonds. For a generation they were negatively correlated - bonds rose when stocks fell, cushioning portfolios. In 2022 that broke and they fell together. The report tracks this continuously here and, with a more powerful model, on the next page. It is the linchpin of whether a balanced portfolio is protected.

Cross-references: 2.6 models the flagship correlation properly over time; 2.18 asks whether a correlation is structural or fleeting; 2.17 draws the whole grid as a map.

2.6 DCC-GARCH conditional correlation and the regime timeline

A two-panel page carrying two of the report's most sophisticated signals: how the stock-bond correlation is evolving in real time, and the history of the market-regime detector.

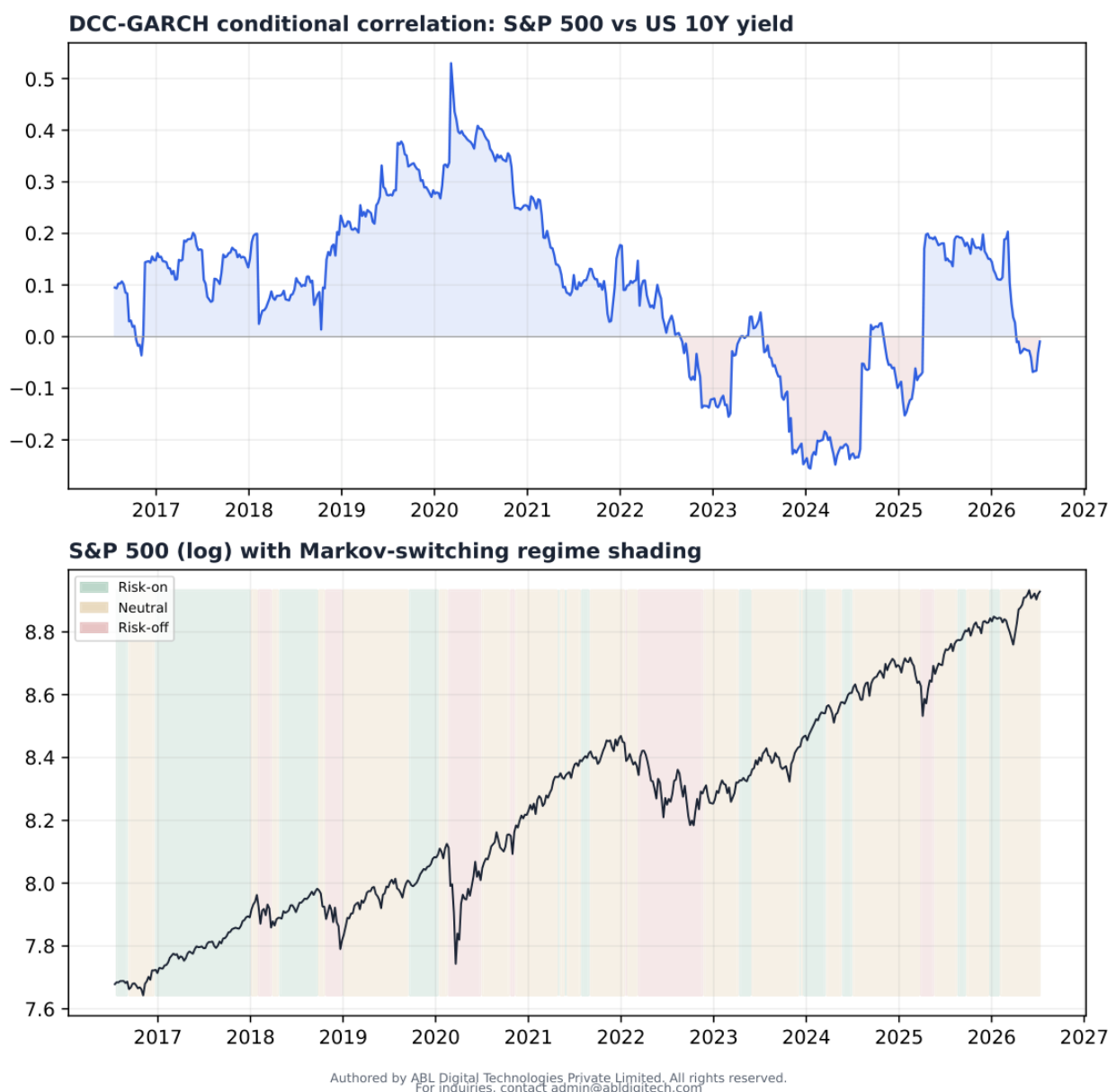


Figure. The DCC-GARCH and regime page as it appears in the report for the week ending 2026-07-10. Your edition shows that week's data; the layout is identical.

Top panel - the conditional correlation

A static correlation (as on the heatmap) is an average over a window and hides how the relationship changes. A **DCC-GARCH** model - explained in Part 3 - estimates a correlation that updates every week, so you can watch it move. The panel plots the estimated correlation between the S&P 500 and the 10-year Treasury yield through time. Because the model separates a fast-moving estimate from the long-run average, it reacts to genuine shifts far sooner than a rolling window would.

Read the **level** and the **direction**. A correlation moving toward or through zero from positive says the old 'stocks and bonds fall together' stress is fading and bonds are becoming a hedge again - good news for balanced portfolios. Moving the other way is a warning that the hedge is failing.

Bottom panel - the regime timeline

The S&P 500 is drawn on a log scale with the background shaded by the detected regime - green for Risk-on, amber for Neutral, red for Risk-off - across the whole history. This lets you see how the regime engine behaved through past episodes (it shades 2020 and other stress windows red) and how long the current regime has run. It is the visual audit trail behind the cover chip.

Worked example

In the illustrated week

The stock-bond correlation read -0.01, up from +0.15 a year earlier - i.e. it had fallen back toward zero, so Treasuries were once again behaving as an equity hedge after the difficult period when both fell together. The regime shading showed the market had been in its current state for roughly 23 weeks.

Common misreadings

- **Reading the correlation as causation.** A falling stock-bond correlation does not cause anything; it tells you how the two are co-moving so you can judge hedging, not why.
- **Expecting the regime to flip weekly.** It is built to be stable; frequent flips would make it useless. Persistence is a feature.

2.7 The Growth x Inflation quadrant

A single chart placing the economy in one of four macro regimes and showing the path it has travelled to get there - the framework independent macro shops are known for, built here on the report's own data.

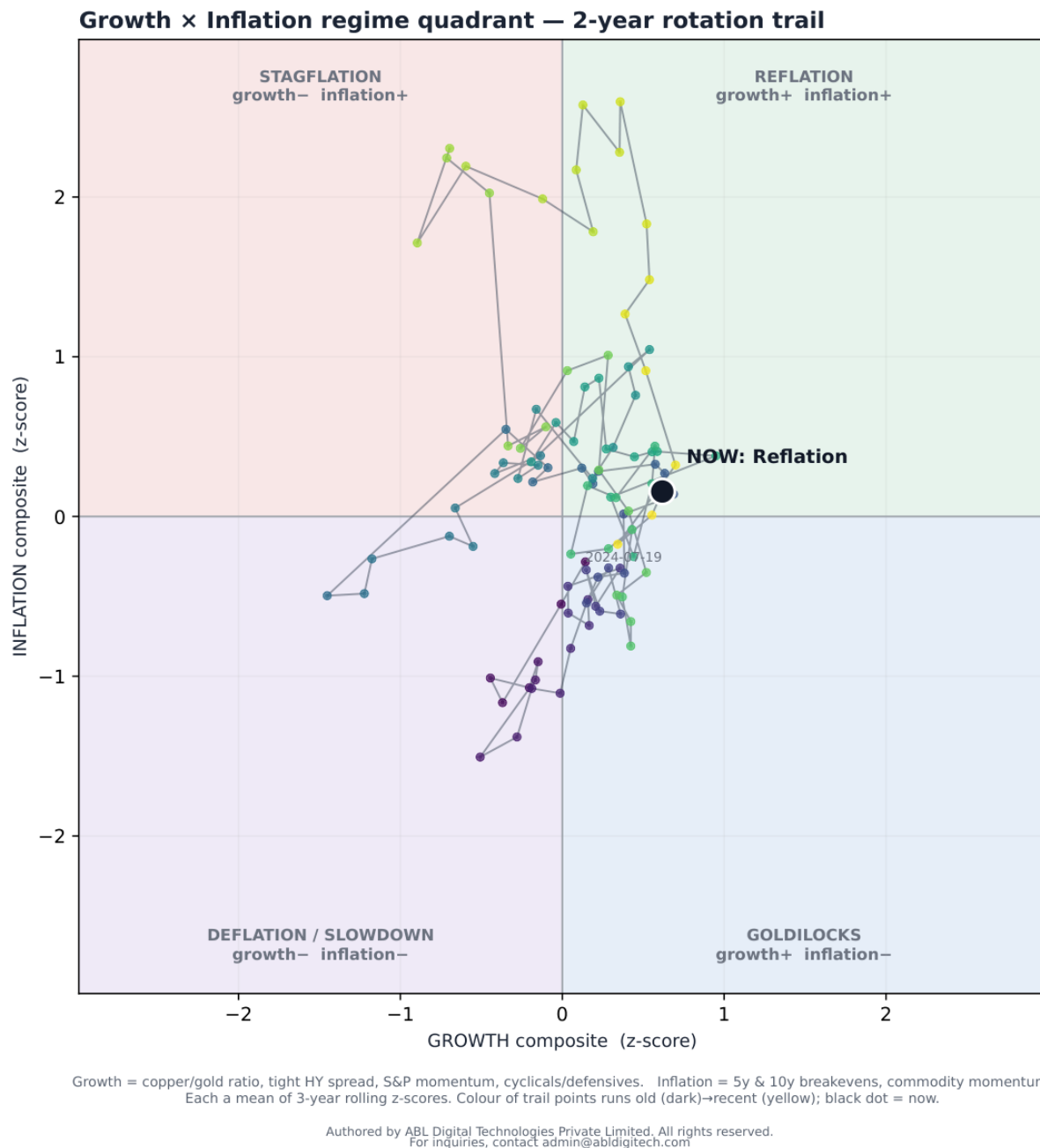


Figure. The Growth x Inflation quadrant as it appears in the report for the week ending 2026-07-10. Your edition shows that week's data; the layout is identical.

How to read it

Two axes. The horizontal is a **growth** score, the vertical an **inflation** score, each built from several market-based proxies and expressed as a z-score - how many standard deviations above or below its own norm the reading is (zero is average). The plane divides into four quadrants:

Quadrant	Growth	Inflation	Character
Reflation	Up	Up	Cyclical upswing with rising prices - risk-on, favours cyclicals and commodities.
Goldilocks	Up	Down	Growth without inflation - the ideal backdrop for both stocks and bonds.

Quadrant	Growth	Inflation	Character
Stagflation	Down	Up	Weak growth with sticky inflation - the hardest regime for most assets.
Deflation / Slowdown	Down	Down	Cooling growth and prices - favours duration and safety.

A large dot marks **now**. A fading trail of smaller dots shows the path over the last two years, coloured from dark (older) to bright (recent), so you see not just where the economy is but which way it is **rotating** - often more informative than the current point alone. A trail sweeping from Stagflation down into Reflation, for instance, tells a clear story of cooling inflation meeting reviving growth.

Worked example

In the illustrated week

The economy sat in the **Reflation** quadrant, with a growth score of +0.62 and an inflation score of +0.16. The trail showed the rotation into that quadrant over the preceding quarters. This regime typically rewards cyclical equities and commodities and is consistent with the risk-tolerant tone elsewhere in that week's report.

Common misreadings

- **Reading the scores as forecasts of GDP or CPI.** They are market-implied regime proxies, not economic predictions; they tell you what the market is behaving as if, not what the next data print will be.
- **Ignoring the trail.** A point near the centre is ambiguous on its own; its recent direction usually carries the signal.

Part 3 details exactly which proxies build each score.

2.8 The cross-asset relationship watch-list

A focused check on whether the market's classic, textbook relationships are behaving normally this week - and where they are quietly shifting.

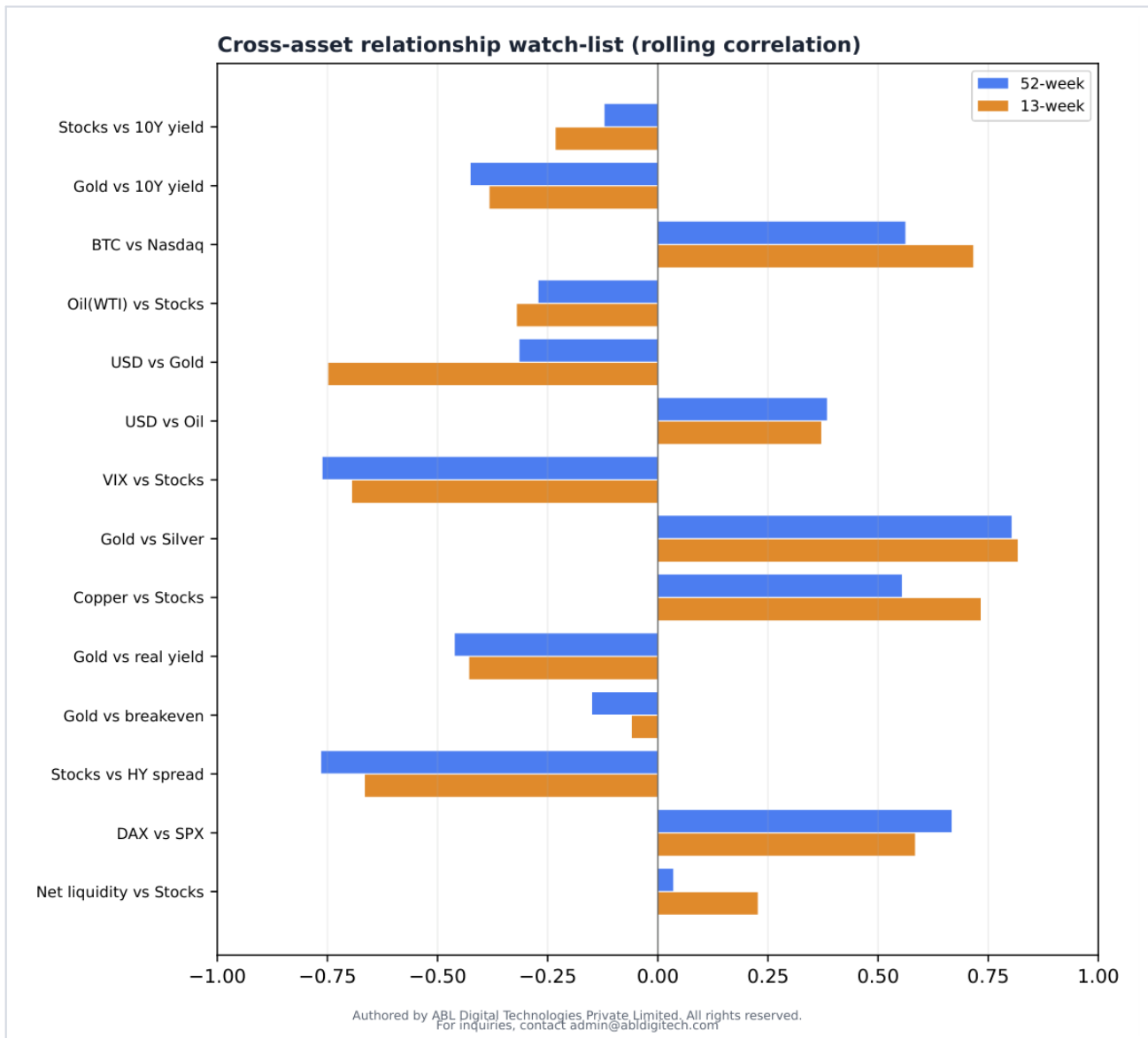


Figure. The relationship watch-list as it appears in the report for the week ending 2026-07-10. Your edition shows that week's data; the layout is identical.

How to read it

The report hand-picks a set of relationships that carry economic meaning - stocks versus the 10-year yield, gold versus real yields, oil versus stocks, the dollar versus gold, copper versus stocks, stocks versus credit spreads, and more. For each it shows two correlations as bars: the **52-week** (the established, structural relationship) and the **13-week** (the recent, tactical one). Comparing the two is the whole point.

When the short bar matches the long bar, the relationship is behaving as usual. When the short bar has swung away from the long bar, something has changed recently - a hedge strengthening, a link breaking down, a regime shifting under the surface. The narrative's correlation section calls out the biggest of these shifts and explains them; this page is where you see them.

Why the sign and the change both matter

A relationship being strongly negative is not news if it is always negative. What matters is (a) whether the sign is what economics predicts, and (b) whether the recent reading has moved away from the long-run one. A dollar-gold correlation swinging from mildly negative to strongly negative, for example, says the dollar has suddenly become the dominant driver of gold - a tradable insight the bars surface at a glance.

Cross-references: the multi-horizon page (2.18) extends this idea across five time horizons at once.

2.9 Positioning - the CFTC complex

Where speculators are crowded. One of the most valuable and least-available pages: how large speculative traders are positioned across nineteen markets, measured against their own three-year range to flag crowding and squeeze risk.

reflationary risk-on tape where cyclical metals and equities rise together and volatility/credit stress fall. The standout shift is USD versus gold, which has deepened from -0.31 to -0.75 over 13 weeks, a sign that the dollar has become the dominant driver of the metals complex this quarter. BTC-Nasdaq at +0.56 rising to +0.72 confirms crypto is trading as a high-beta tech expression, not a diversifier. The pair-level extremes are mechanical (Treasury price vs yield near -0.99, DXY vs EURUSD -0.95, Nifty-Sensex +1.00) and carry no signal. Net liquidity vs stocks has crept up to +0.23 (13w) from a flat 52-week +0.04, worth monitoring given Fed net liquidity is flat at \$5.84T and M2 flat at \$23.06T — the liquidity impulse is neutral, neither tailwind nor headwind.

Leading Indicators & Forecasts

The lead-lag table this week is dominated by financial-stress and volatility indicators forecasting the labor market, and the honest read is that predictive skill is modest and the bands are enormous — treat these as probability tilts, not point estimates. The strongest genuine relationship is St. Louis Financial Stress → Initial Claims (H=3w, corr +0.74, R²0.54), pointing claims from 215k toward ~245k, but with a band spanning roughly -32k to +523k that renders the point forecast almost meaningless. India VIX → Initial Claims (H=2w, corr +0.74, R²0.54) similarly nudges toward ~237k. Pulling the other way, VIX → Initial Claims (H=4w, corr +0.59) and VIX3M → Initial Claims (corr +0.65) point lower (133k-176k), so the volatility complex disagrees with itself across horizons — a wash. Chicago Fed NFCI → Continued Claims (corr +0.71, R²0.50) implies continued claims ease from 1.81mn toward ~1.55mn. The one clean non-labor signal is US 13-week bills → Fed funds (corr +0.58, R²0.34), essentially flat at 3.66%, consistent with no imminent policy move. Net: the R²s around 0.4-0.5 mean roughly half the variance is unexplained; the modal message is a still-benign labor market (initial claims 215k at the 28th percentile, Sahm 0.07, recession probability 0.5%), but no forecast here should be carried as certainty.

Oil

WTI rallied 4.1% to \$71.67 but remains down 25.8% over 13 weeks, and the fundamental backdrop is genuinely tight: US crude inventories sit 6.2% below the 5-year seasonal average (z -2.3), gasoline -7.0% and distillate a striking -13.9% below seasonal, with a firm 3:2:1 crack of \$58.2. That inventory deficit is bullish and argues the 13-week slide overshot fundamentals. Yet CFTC speculative positioning is muted — net +6,805 lots at the 40th percentile, just 0.8% of open interest, and actually fell 10,619 on the week — so specs are not crowded and there is room to build longs if the draw persists. Oil vs stocks correlation is negative (-0.27, -0.32 over 13w), meaning a supply-driven oil rally is a modest headwind to equities, not a confirmation. Natural gas diverges: Henry Hub fell 7.7% to \$3.01 on a storage glut (+5.5% vs seasonal) with specs at the 13th percentile — a bearish setup with squeeze-higher potential only if weather turns.

Gold & Silver

Gold slipped 0.83% to \$4,140 and silver fell harder, -2.68% to \$60.75, dragging the gold/silver ratio to 68.2 — the 11th percentile of five years, meaning silver remains historically expensive relative to gold. The metals are being driven by the dollar and real rates: USD-gold correlation has deepened to -0.75 (13w) and gold-real-yield sits at -0.46, so with the 10Y real yield ticking up to 2.30% the pullback is unsurprising. Silver's extra weakness reflects its industrial beta (silver-copper +0.42); a soft silver against firm copper is a mild inconsistency worth watching. Positioning is unremarkable — gold specs at the 39th percentile, silver at the 31st — so neither metal is crowded, and the low gold/silver ratio plus non-extreme positioning argues silver has more room to fall than gold if real yields keep rising. Own gold as a

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Figure. The Positioning (CFTC) page as it appears in the report for the week ending 2026-07-10. Your edition shows that week's data; the layout is identical.

Where the data comes from

Every week the US futures regulator publishes the Commitments of Traders report - a breakdown of who holds futures positions in each market. The report extracts the **net position of large speculative traders** (their longs minus their shorts) for nineteen markets spanning equity indices, Treasuries, currencies, energy, metals and agriculture, and expresses each as a percentile of its own three-year range.

How to read it

Markets are grouped by category. For each, a horizontal bar runs from a central neutral line (the 50th percentile) out toward the current reading, with the columns to the right showing the net position in thousands of contracts, the net as a share of open interest, and the three-year percentile. The colour and the shaded end-zones are the fast read:

Reading	Colour / zone	Interpretation
at or above 80th pct	Red zone (right)	Crowded long - speculators heavily one-sided long; vulnerable to a wash-out if they rush the exit.
at or below 20th pct	Blue zone (left)	Crowded short - heavily one-sided short; vulnerable to a squeeze higher.
Near the centre	Grey	Balanced positioning - no crowding signal.

The logic is **contrarian at the extremes**. When everyone who wanted to buy has already bought (crowded long), there is little fuel left for a rally and plenty of sellers if sentiment turns - so extremes often precede reversals rather than continuations. Positioning is not a timing tool on its own, but a crowded extreme is a flashing amber light that raises the odds of a sharp counter-move.

Worked example

In the illustrated week

The crowded longs were Copper 93th, SP500 79th and the crowded shorts were GBP 1th, Nasdaq 6th. Read that as: the long side of those markets was stretched and vulnerable to a shake-out, while the heavily-shorter markets carried squeeze-higher risk if the crowd was forced to cover.

Common misreadings

- **Trading a crowded extreme immediately.** Crowding can persist and grow more extreme; it raises reversal odds, it does not set a date.
- **Confusing net position with conviction.** A market can be net-short yet the shorts be hedgers; the percentile-versus-history framing is what turns the raw number into a signal.

2.10 Oil special

A dedicated fundamentals page for crude oil - the commodity whose price ripples through inflation, currencies and equities more than any other.

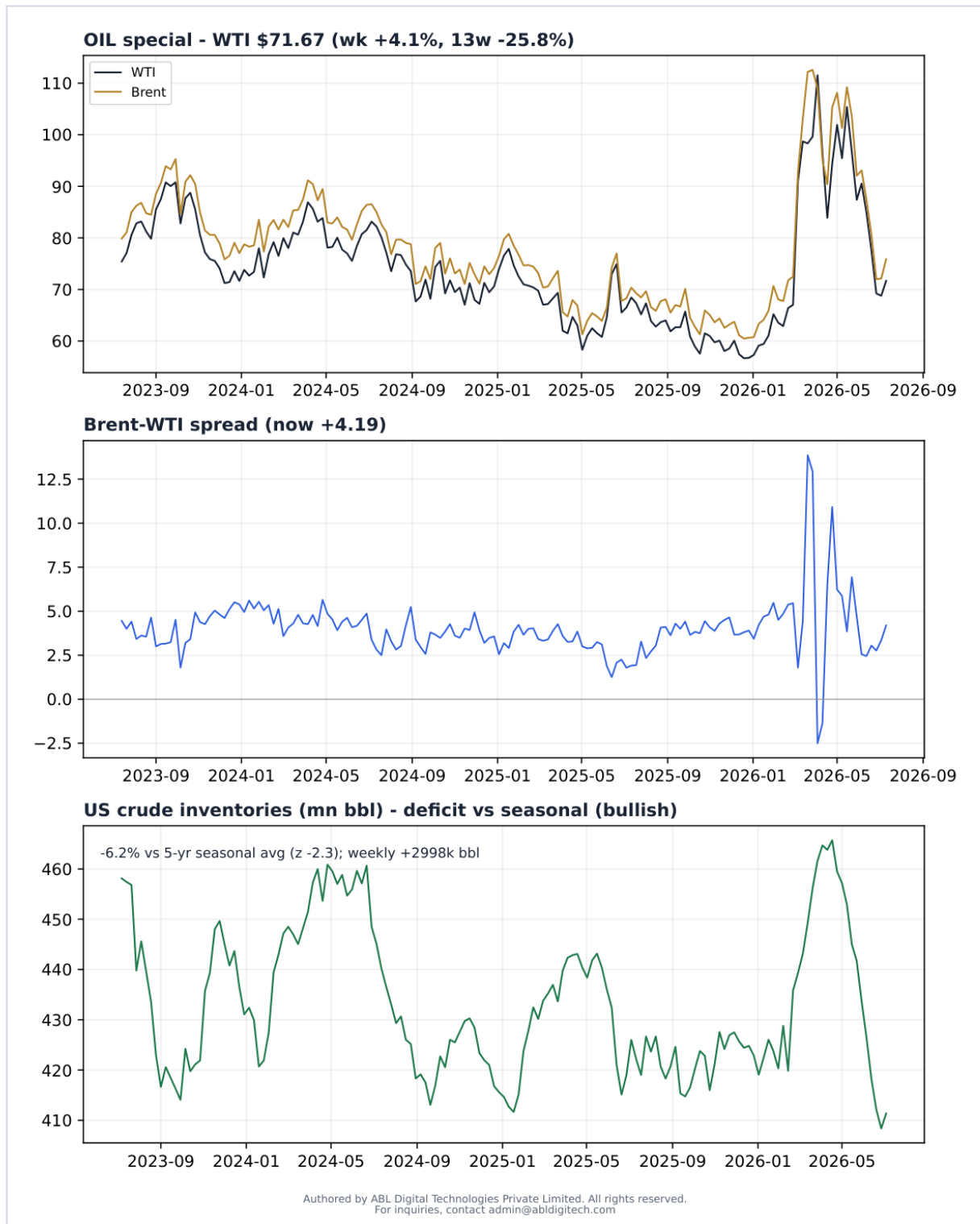


Figure. The Oil special page as it appears in the report for the week ending 2026-07-10. Your edition shows that week's data; the layout is identical.

How to read it

The page combines price with the physical fundamentals that drive it. You will see WTI and Brent crude prices and the spread between them; US crude inventories plotted against their **five-year seasonal average**; and readings on refined products (gasoline, distillate), the Cushing storage hub, US production, the 3:2:1 crack spread (a proxy for refining profitability) and speculative positioning.

The central idea is **inventories versus the seasonal norm**. Oil demand and supply are highly seasonal, so the meaningful question is not 'are stocks high or low?' but 'are they high or low *for this time of year?*'. Inventories well below the five-year seasonal band are bullish (tight supply); well above are bearish (glut). The report expresses the gap as a percentage and a z-score and labels it.

Worked example

In the illustrated week

WTI was around \$71.67 and US crude inventories sat -6.2% versus the five-year seasonal average. A negative figure here means stocks were below the seasonal norm - a tight, supportive supply picture - while a positive figure would flag a glut.

Cross-references: natural gas gets the same seasonal treatment on the next page; positioning ties back to 2.9.

2.11 Natural gas

Gas is the most seasonal and most storage-driven of the major commodities, so it earns its own page built around the storage-versus-seasonal picture.

reflationary risk-on tape where cyclical metals and equities rise together and volatility/credit stress fall. The standout shift is USD versus gold, which has deepened from -0.31 to -0.75 over 13 weeks, a sign that the dollar has become the dominant driver of the metals complex this quarter. BTC-Nasdaq at +0.56 rising to +0.72 confirms crypto is trading as a high-beta tech expression, not a diversifier. The pair-level extremes are mechanical (Treasury price vs yield near -0.99, DXY vs EURUSD -0.95, Nifty-Sensex +1.00) and carry no signal. Net liquidity vs stocks has crept up to +0.23 (13w) from a flat 52-week +0.04, worth monitoring given Fed net liquidity is flat at \$5.84T and M2 flat at \$23.06T — the liquidity impulse is neutral, neither tailwind nor headwind.

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Figure. The Natural gas page as it appears in the report for the week ending 2026-07-10. Your edition shows that week's data; the layout is identical.

How to read it

The top panel is the Henry Hub gas price with its weekly and 13-week moves. The lower panel is the one that matters: **working gas in underground storage** plotted against its five-year seasonal average and a shaded band of one standard deviation around it. Storage builds through the summer injection season and draws down through winter, so the seasonal band is the reference, not a flat line.

Gas reads opposite to oil on storage

For gas, storage **above** the seasonal band is **bearish** (oversupply weighs on price) and **below** is **bullish** (tight supply supports it). The report labels the current reading so you do not have to remember the direction.

Worked example**In the illustrated week**

Gas traded near \$3.01 and storage stood at about 2983 billion cubic feet, +5.5% versus the five-year seasonal average. A positive figure here flags a comfortable-to-heavy supply cushion - a bearish tilt for price, all else equal.

2.12 Gold and silver

The precious-metals page, built around the two relationships that actually drive the metals: real interest rates and the gold-to-silver ratio.

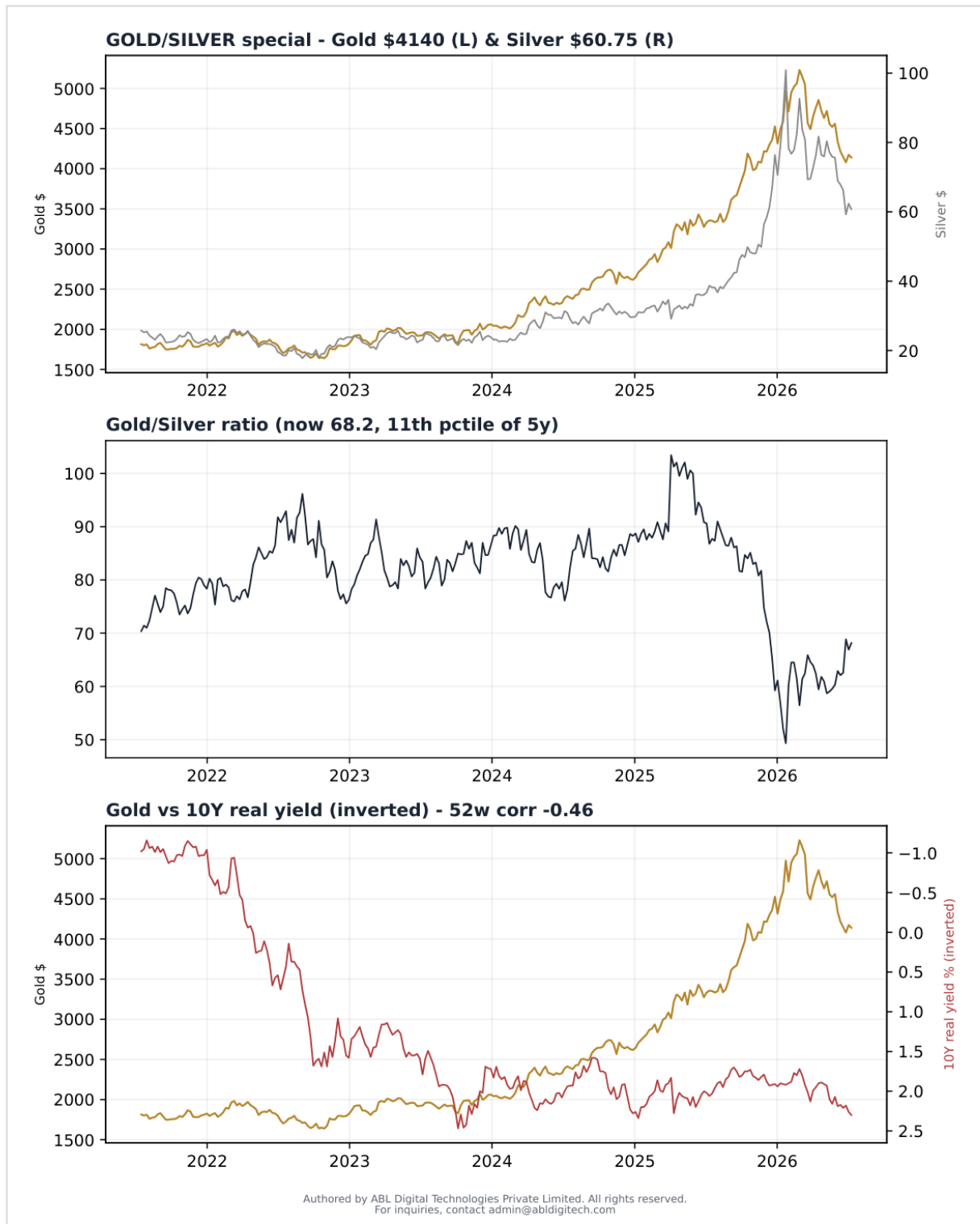


Figure. The Gold and silver page as it appears in the report for the week ending 2026-07-10. Your edition shows that week's data; the layout is identical.

How to read it

Three ideas. First, the **gold price** and its main macro driver, the **10-year real yield** (the inflation-adjusted interest rate), plotted together - usually inversely, because gold pays no interest, so when real yields fall gold becomes relatively more attractive. Second, the **gold-to-silver ratio** - how many ounces of silver buy one ounce of gold - with its percentile: a high ratio means silver is historically cheap relative to gold, a low ratio the reverse. Third, speculative positioning in both metals.

Silver behaves like gold's higher-octane cousin: it has an industrial demand component, so it tends to outperform gold when growth and inflation are rising and underperform when they fall. The ratio is therefore also a subtle growth signal.

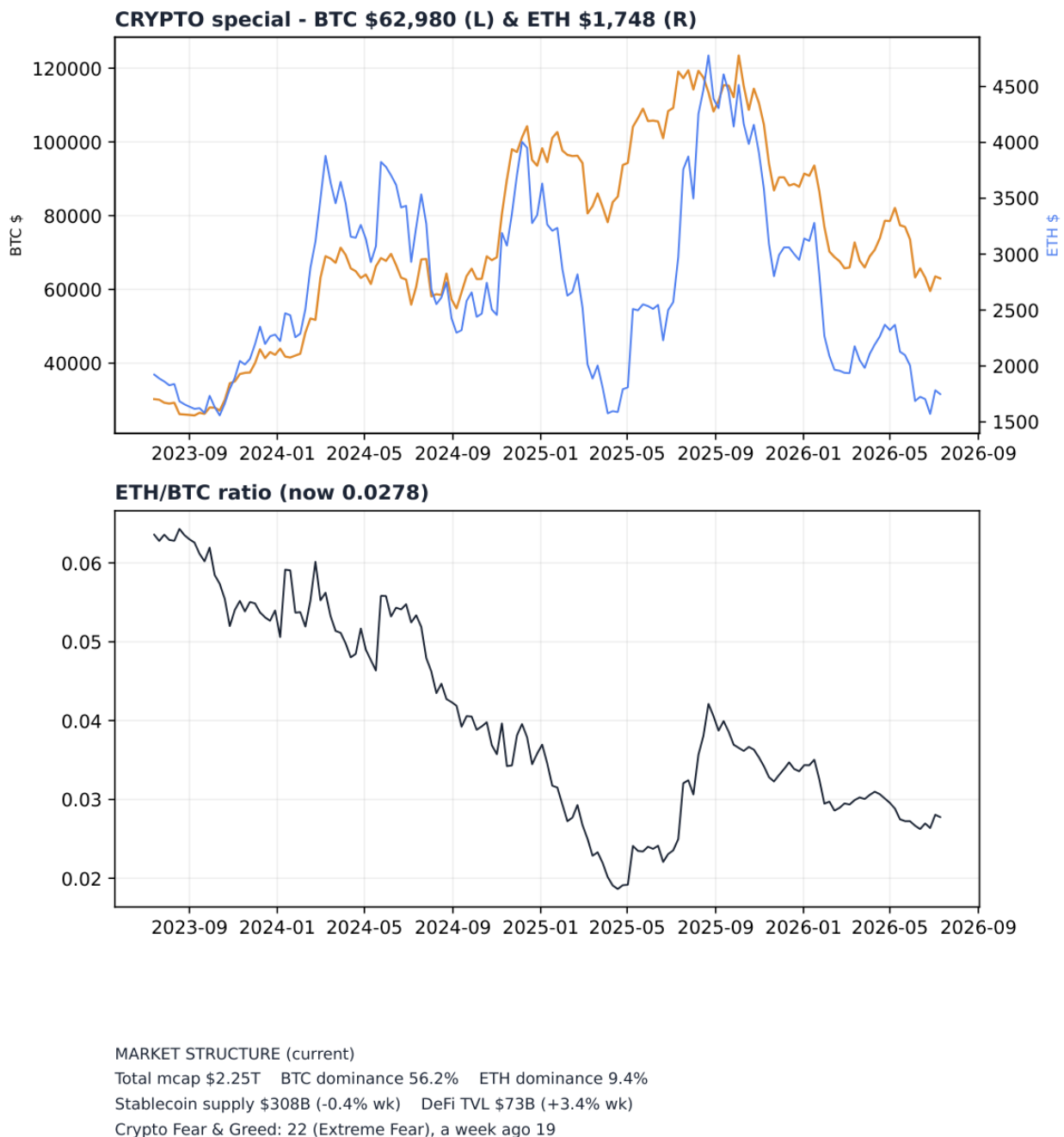
Worked example

In the illustrated week

Gold was near \$4140 and silver near \$60.75, putting the gold-to-silver ratio at about 68.2. Read alongside the real-yield line, this tells you whether gold's move was driven by rates (a macro story) or by something else, and whether silver was leading or lagging.

2.13 Crypto

A look under the hood of digital assets - not just the Bitcoin price, but the internal measures that reveal risk appetite within the crypto complex.



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Figure. The Crypto page as it appears in the report for the week ending 2026-07-10. Your edition shows that week's data; the layout is identical.

How to read it

The page reports total crypto market capitalisation; **Bitcoin dominance** (Bitcoin's share of the total) and **Ethereum dominance**; the **Ether-to-Bitcoin ratio**; **stablecoin supply** and its weekly change; **total value locked in decentralised finance**; and a crypto **Fear & Greed** sentiment index. Together these describe the internal state of the asset class.

The internals tell you **where money is hiding or venturing**. Rising Bitcoin dominance means capital is retreating to the perceived safest crypto asset and shunning smaller coins - a risk-off signal *within* crypto.

A growing stablecoin supply is dry powder waiting on the sidelines; a shrinking one suggests money leaving. The report also tracks the correlation between Bitcoin and the Nasdaq, which usually reveals crypto trading as leveraged technology-stock beta rather than as a diversifier.

Worked example

In the illustrated week

Bitcoin dominance was around 56.2% and the crypto Fear & Greed index read 22. High dominance with fearful sentiment is a defensive, risk-averse internal posture - capital huddling in Bitcoin and avoiding the speculative tail.

2.14 Valuation

How expensive are equities - not against last month, but against a century and a half of history? This page answers the question every long-term investor should ask.

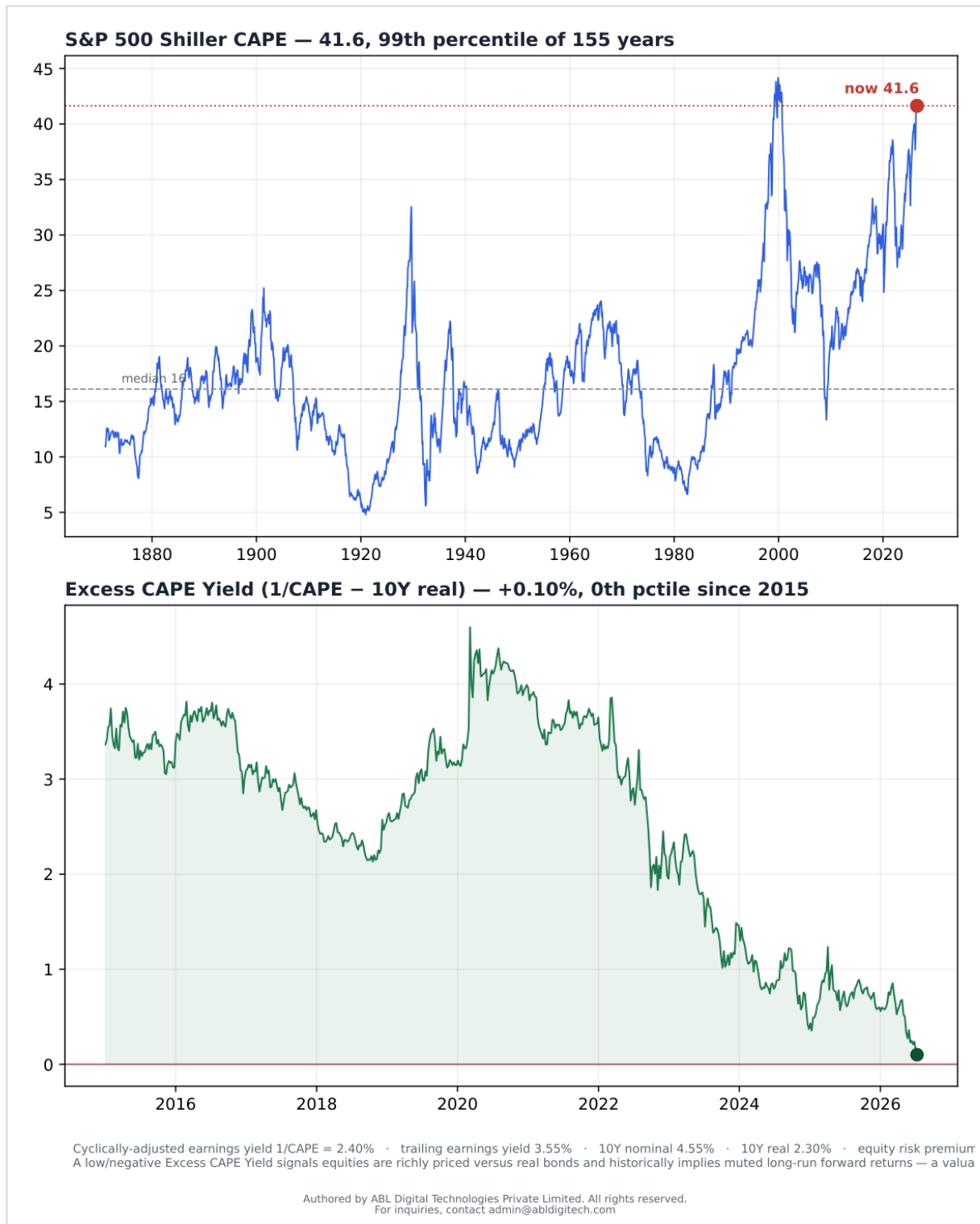


Figure. The Valuation page as it appears in the report for the week ending 2026-07-10. Your edition shows that week's data; the layout is identical.

How to read it

The top panel plots the **Shiller CAPE** - the S&P 500 price divided by its inflation-adjusted ten-year average earnings - across its entire history since the 1870s, with the current value and the long-run median marked. Smoothing earnings over ten years strips out the business cycle, so a high CAPE is a genuine statement about how much investors are paying for a dollar of normalised earnings. Its percentile tells you where today sits in that long sweep.

The lower panel plots the **Excess CAPE Yield** - the earnings yield implied by the CAPE minus the 10-year real interest rate. This is the sharper tool: it asks not just 'are stocks dear?' but 'are you being paid enough to own them instead of safe, inflation-protected bonds?'. A high Excess CAPE Yield has historically preceded strong long-run equity returns; a low or negative one has preceded weak ones. The page also shows the equity risk premium (the trailing earnings yield minus the nominal 10-year yield).

Valuation is a weather forecast, not a stopwatch

Rich valuations tell you the long-run return outlook is muted and that any shock starts from a stretched base - they do **not** tell you the market will fall this month. Expensive markets can stay expensive for years. Read this page for the multi-year backdrop, never as a timing signal.

Worked example**In the illustrated week**

The Shiller CAPE stood at about 41.6 - around the 99th percentile of 155 years of history - with an Excess CAPE Yield of +0.10% and an equity risk premium of -1.00%. In plain terms: equities were historically very expensive and the cushion they offered over safe bonds was unusually thin - a valuation headwind for long-run returns, consistent with, but not a contradiction of, the calm near-term tape.

2.15 Recession and the rate path

Two forward-looking macro questions on one page: how likely is a recession, and what path for interest rates is the market pricing?

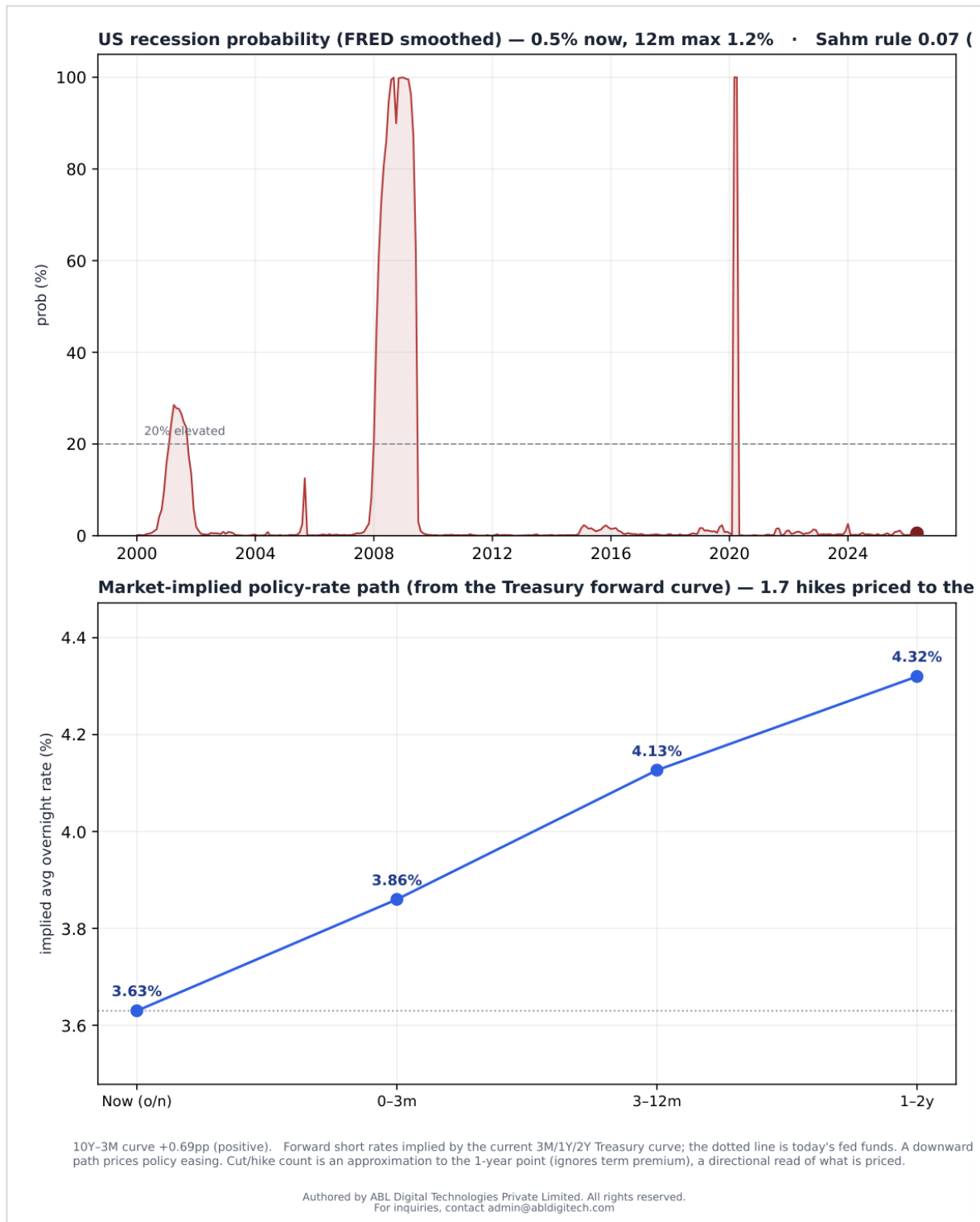


Figure. The recession and rate-path page as it appears in the report for the week ending 2026-07-10. Your edition shows that week's data; the layout is identical.

Top panel - recession probability

A model-based estimate of the probability the US economy is in recession, plotted through history so you can see it spike during past downturns and sit near zero in expansions. Alongside it the page reports the **Sahm rule** - a simple, reliable recession trigger based on how far unemployment has risen from its recent low, which fires at a reading of 0.50 - and the shape of the **10-year-minus-3-month yield curve**, whose inversion (going negative) has preceded most recessions.

Bottom panel - the market-implied rate path

Rather than guess what the central bank will do, the report reads it out of the Treasury market. Using the 3-month, 1-year and 2-year yields it derives the **forward path** of short-term interest rates the market is pricing, and plots it as a line from today outward. A downward-sloping path means the market expects rate cuts; an upward-sloping one means it expects hikes. The page also states the approximate number of quarter-point moves priced over the next year.

Worked example

In the illustrated week

The recession probability was about 0.5% with a Sahm reading of 0.07 - both benign - and the 10-year-minus-3-month curve at +0.69 percentage points. The implied rate path pointed to roughly -1.7 quarter-point moves to the one-year horizon (a positive number here means cuts, negative means hikes), against a policy rate near 3.63%.

The cut/hike count is a deliberately simple read of the curve and ignores the small term-premium adjustment a desk would make; treat it as a directional gauge of what is priced, not a precise forecast.

2.16 The macro pulse

The timeliest hard data in the report: weekly jobless claims and a real-time growth nowcast, the two series that move fastest when the economy turns.

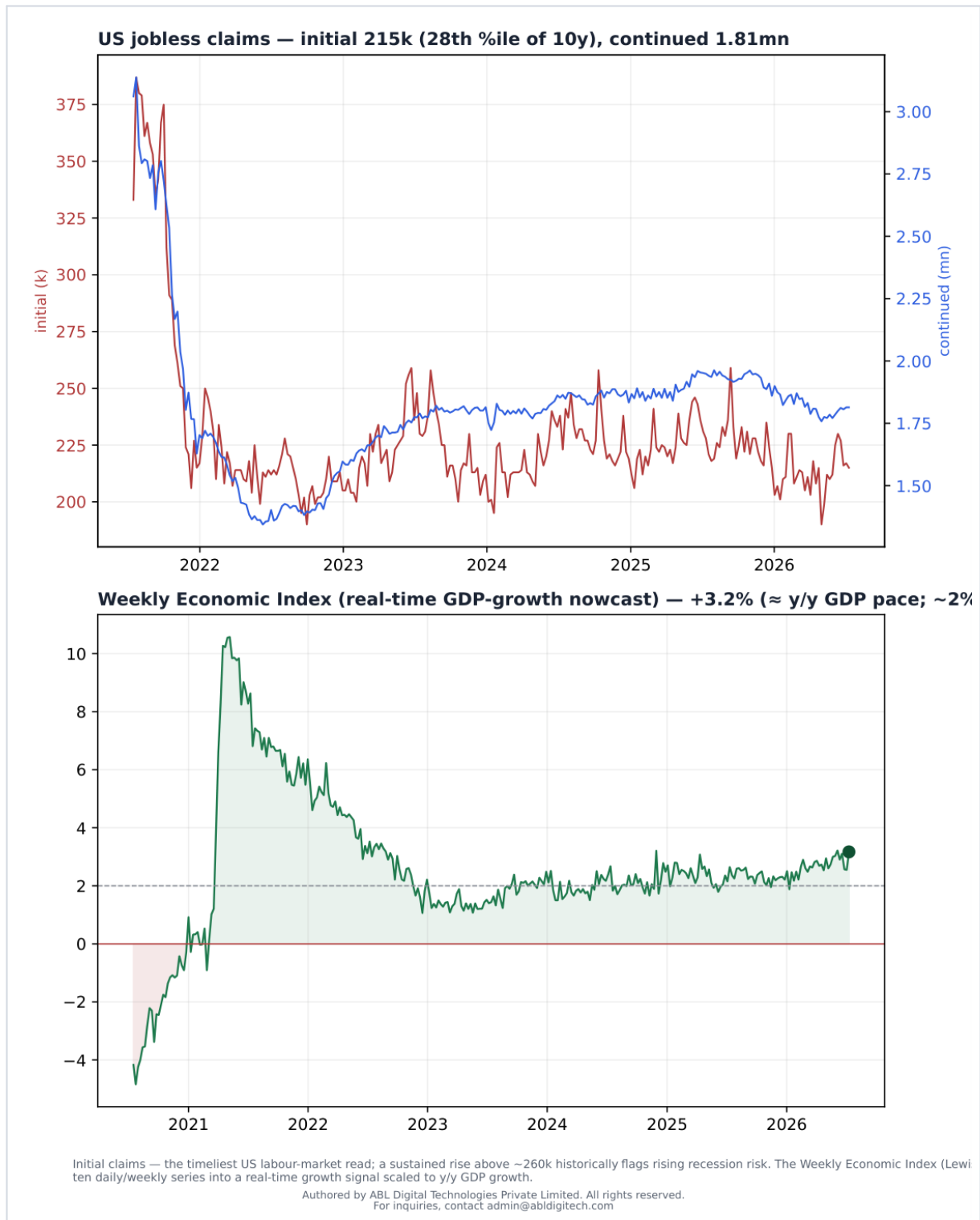


Figure. The macro pulse page as it appears in the report for the week ending 2026-07-10. Your edition shows that week's data; the layout is identical.

How to read it

The top panel plots **initial jobless claims** (new filings for unemployment benefits each week) against **continued claims** (people still receiving them). Initial claims are the single most timely read on the labour market - they arrive weekly, with almost no lag. A low, stable line is a healthy jobs market; a sustained climb, particularly above roughly 260,000, has historically been an early warning of rising recession risk. The report also shows where current claims sit in their ten-year percentile.

The bottom panel is the **Weekly Economic Index**, which blends ten daily and weekly series (from rail traffic to retail sales to steel production) into a single real-time estimate of economic growth, scaled to compare with year-over-year GDP growth. A reading around 2% is roughly trend growth; well above is a boom, below zero signals contraction. Because it updates weekly, it turns months before official GDP.

Worked example

In the illustrated week

Initial claims were about 215 thousand - around the 28th percentile of ten years, i.e. historically low and consistent with a healthy labour market - and the Weekly Economic Index read +3.2%, above its ~2% trend, signalling above-average growth momentum.

2.17 The correlation network

The market drawn as a map: a picture of which assets cluster together, so the structure of the whole system is visible at a glance.

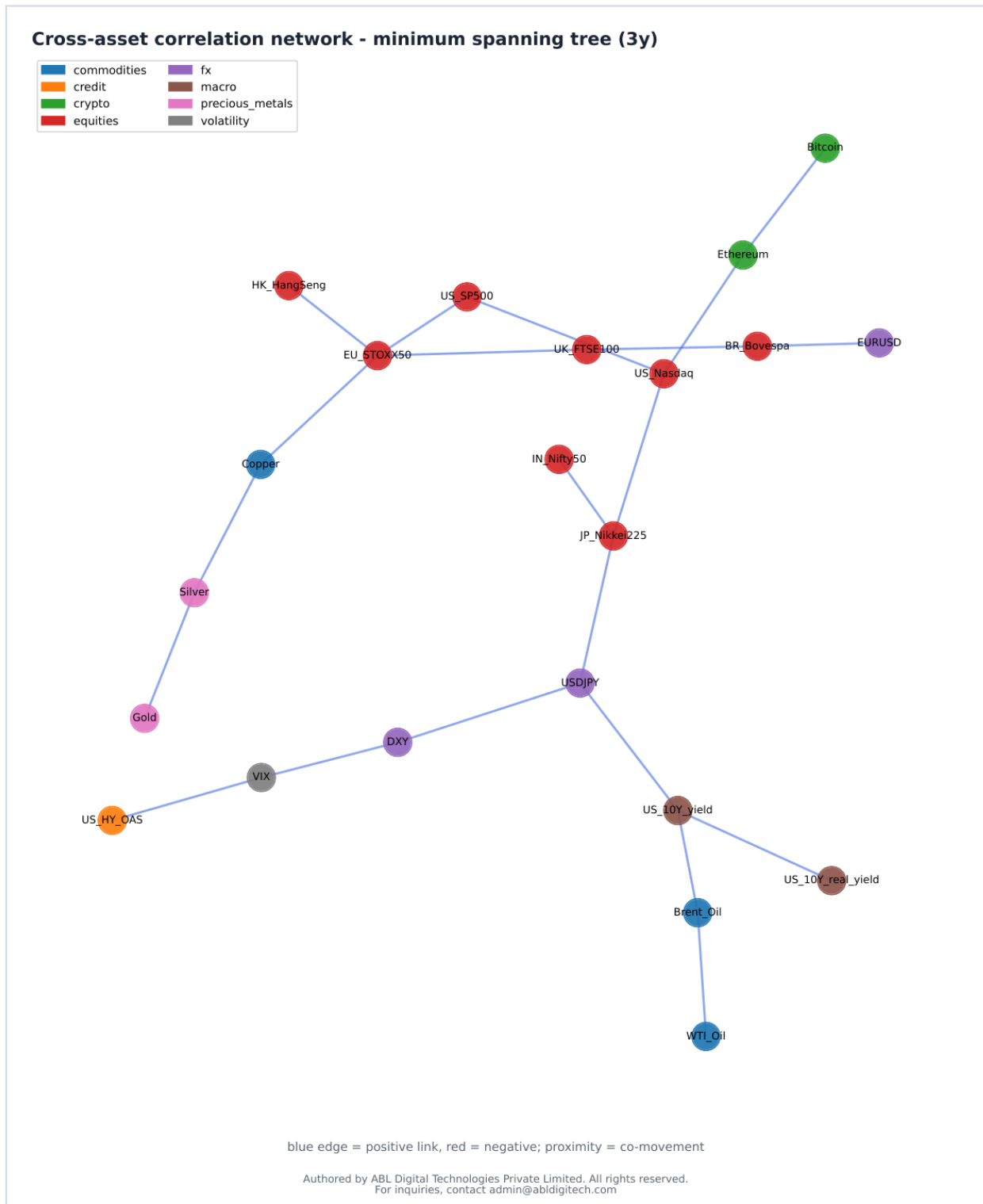


Figure. The correlation network page as it appears in the report for the week ending 2026-07-10. Your edition shows that week's data; the layout is identical.

How to read it

Each dot is an instrument, coloured by asset class. The report computes the correlations between a representative set of instruments and draws the **minimum spanning tree** - the simplest web of links that connects everything using the strongest relationships. Instruments that move together are pulled close and linked; unrelated ones sit far apart. A **blue** line is a positive link, a **red** line a negative one, and proximity encodes co-movement.

The map reveals structure the grid cannot. You will typically see equities cluster on one side, safe havens (bonds, gold) on another, with the dollar and volatility bridging or opposing them. When the map is spread out with distinct clusters, diversification is working - different assets are doing different things. When it collapses toward a single tight knot, everything is becoming one trade, which - like high risk concentration on the dashboard - is a fragility warning.

Cross-references: this is the visual counterpart of the correlation heatmap (2.5) and the risk-concentration badge (2.2).

2.18 Multi-horizon correlation

Is a relationship structural or just this month's noise? This page answers by showing each watch-list relationship across five time horizons at once.

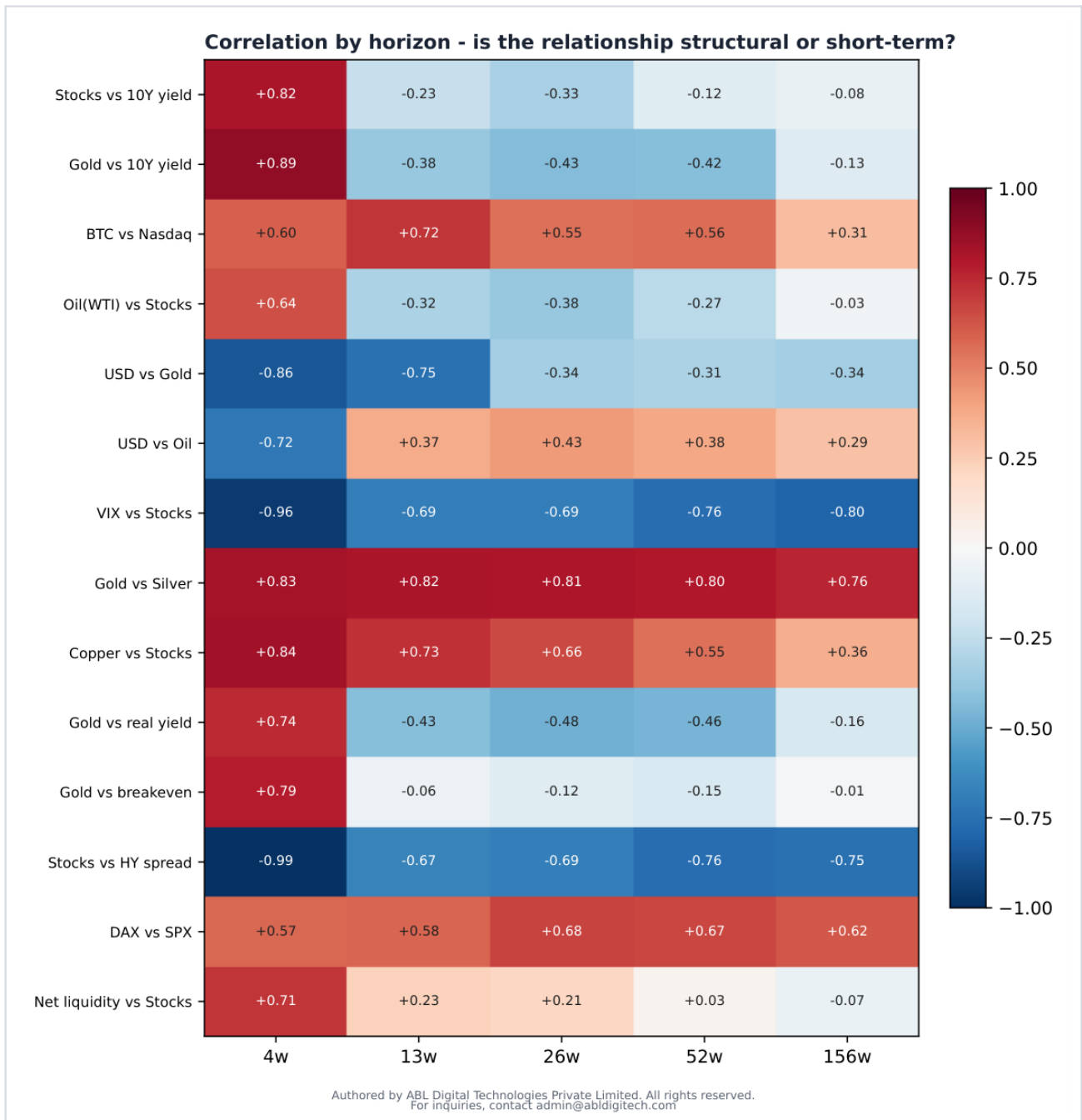


Figure. The multi-horizon correlation page as it appears in the report for the week ending 2026-07-10. Your edition shows that week's data; the layout is identical.

How to read it

It is a grid: each row is one of the watch-list relationships, each column a time horizon - from a few weeks out to three years. Each cell is the correlation measured over that horizon, on the same blue-to-red scale as the heatmap. Reading a row **left to right** tells you whether a relationship holds across time or only briefly.

The key pattern

A row that stays the same colour across every horizon is a **structural** relationship you can rely on - it holds over weeks and over years. A row that changes colour from short to long horizons is **regime-dependent or fleeting** - the recent link is not the durable one, so lean on it less. This guards you against mistaking a short-term coincidence for a lasting truth.

It is also an honest stand-in for more elaborate time-frequency methods: it captures most of the 'does this hold at different timescales?' insight without fragile machinery.

2.19 Lead-lag forecasts

The report's most forward-looking - and most carefully hedged - page: genuine predictive relationships where one series' recent move implies something about another's next few weeks.

Leading Indicators & Forecasts

Genuine lead-lag pairs (near-identical instruments excluded) + a level forecast H weeks out from the leader's current move. Weekly predictive skill is modest - read R2 and the band; treat as a probabilistic tilt, not a point call.

LEADER	-> LAGGER	H	corr	R2	forecast: cur -> pred [band]
StLouis_Fin_Stress	Initial_Claims	3w	+0.74	0.54	215000.00 -> 245124.00 [-32496.62,522744.62]
IN_IndiaVIX	Initial_Claims	2w	+0.74	0.54	215000.00 -> 237457.57 [3667.08,471248.06]
Chicago_Fed_NFCI	Continued_Claims	4w	+0.71	0.50	1814000.00 -> 1549866.42 [612378.18,2487354.66]
Initial_Claims	Continued_Claims	3w	+0.67	0.44	1814000.00 -> 1791553.94 [1001522.94,2581584.95]
VIX3M	Initial_Claims	3w	+0.65	0.42	215000.00 -> 176080.18 [-160686.02,512846.39]
OilVol_OVX	Initial_Claims	2w	+0.62	0.38	215000.00 -> 213457.98 [-57301.09,484217.04]
CA_TSX	Initial_Claims	3w	-0.61	0.37	215000.00 -> 197064.80 [-152704.20,546833.80]
IN_IndiaVIX	Continued_Claims	4w	+0.60	0.36	1814000.00 -> 1590465.45 [440524.78,2740406.13]
VIX	Initial_Claims	4w	+0.59	0.35	215000.00 -> 133122.58 [-277034.54,543279.69]
US_13W	Fed_funds_rate	3w	+0.58	0.34	3.63 -> 3.66 [3.51,3.80]
US_3M_yield	Fed_funds_rate	3w	+0.58	0.34	3.63 -> 3.65 [3.52,3.79]
US_HighYield	Initial_Claims	2w	-0.58	0.33	215000.00 -> 206976.60 [-74380.99,488334.20]
Chicago_Fed_NFCI	Initial_Claims	3w	+0.58	0.33	215000.00 -> 130083.54 [-206241.39,466408.47]
US_InvGrade	Initial_Claims	2w	-0.57	0.32	215000.00 -> 358238.06 [73753.69,642722.42]

Method: OLS of the lagger's forward H-week return on the leader's trailing H-week return over ~10y of weekly data; forecast applies the leader's latest value; band = +/-1 residual sigma. Direct or inverse correlation both qualify.

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Figure. The lead-lag forecasts page as it appears in the report for the week ending 2026-07-10. Your edition shows that week's data; the layout is identical.

How the forecasts are built

Over a decade of data, the engine searches for **leader-laggard** pairs: cases where a leading series' move over the past few weeks has reliably preceded a laggard series' move over the following few weeks. Crucially, it **filters out tautologies** - near-identical instruments (two versions of the same index, an ETF and its own yield) whose relationship is definitional, not predictive. What survives is a set of genuine, if modest, lead-lag effects.

How to read the table, and its honesty

For each relationship the page shows the leader, the laggard, the horizon, the correlation, the model's explanatory power (its R-squared), the current projection, and an error band. Two numbers keep you honest:

- **R-squared (explanatory power).** This is the share of the laggard's move the relationship actually explains. Even the best of these top out around a third - so two-thirds of the move is *not* explained. A projection with an R-squared of 0.3 is a lean, not a lock.
- **The error band.** Every projection comes with a plus-or-minus range. When the band is wide relative to the projected move - which it usually is - the honest reading is 'a mild directional tilt', not 'a precise target'.

Read these as priors, not predictions

This page is deliberately the opposite of a crystal ball. It surfaces real, tautology-filtered relationships and then shows you exactly how much - and how little - they explain. Almost nobody publishes falsifiable forecasts with their error bands attached; doing so is a mark of the report's honesty, not of weakness. Use them to tilt your expectations, never to bet the farm.

Worked example

In the illustrated week

The engine surfaced 14 genuine lead-lag relationships. In practice the strongest tend to live in the rates-and-liquidity plumbing (for example short-term rates leading the policy rate, or financial-conditions gauges leading liquidity) rather than in equity direction - an honest reminder that weekly price prediction is genuinely hard, and the report does not pretend otherwise.

Part 3 — Concepts and methods

This part explains the machinery. You do not need it to read the report, but if you want to know exactly what a DCC-GARCH correlation, an Excess CAPE Yield or a market-implied rate path really is - and why the report can be trusted to compute them correctly - it is all here, in plain language. Each concept follows the same shape: what it is, why it matters, and how it feeds the report.

3.1 The weekly panel: returns versus level-changes

Everything starts from a single table - the **panel** - with one row per week and one column per instrument, holding the closing value of each instrument each week. All the analytics run on this common weekly grid, which is why a single edition can reason across stocks, bonds and currencies at once.

Before correlating anything, the report converts levels into **changes**, and it does so differently depending on the instrument. For price-like things (equities, commodities, metals, currencies, crypto) it uses **log returns** - the percentage change - because what matters for a price is how much it moved in proportional terms. For yield-like things (interest rates, credit spreads, volatility indices) it uses **first differences** - the change in level - because a move from 4.0% to 4.2% is a 20-basis-point event whether rates are high or low, and a percentage change would distort it. Getting this distinction right is essential to honest correlations, and it is a detail most casual analyses get wrong.

3.2 Correlation, three ways

Correlation measures how two series move together, on a scale from +1 (always together) through 0 (no linear relationship) to -1 (always opposite). The report is careful about it in three ways.

- **Two lenses.** It computes both the **Pearson** correlation (which measures linear co-movement) and the **Spearman** correlation (which measures whether they move together in rank order, and so is robust to outliers and curved relationships). Using both guards against being fooled by a single wild week.
- **Rolling windows.** It measures correlation over different look-back windows - typically 13 weeks (recent) and 52 weeks (established) - because a relationship's recent behaviour and its long-run behaviour are different, useful facts.
- **Exponential weighting (EWMA).** For some series it weights recent weeks more heavily than distant ones, so the estimate responds to change without over-reacting to a single point.

Correlation is not causation - and not constant

Two assets can be correlated because one drives the other, because both respond to a third force, or by coincidence. And a correlation is not a fixed property - it drifts and sometimes flips with the regime. That is precisely why the report tracks how correlations evolve rather than quoting a single number.

3.3 Percentiles and z-scores: the context engine

This is the most important idea in the whole report, so it is worth being precise. A **percentile** answers: out of all the readings this metric has had over its history, what fraction were at or below today's? A high-yield spread at the 6th percentile means it has been this tight or tighter only 6% of the time in ten years - historically very low. A CAPE at the 99th percentile means stocks have almost never been this expensive. The percentile turns a bare number you cannot judge into a statement you can act on.

A **z-score** is a close cousin: it measures how many standard deviations above or below its own average a reading is. Zero is exactly average; +2 is unusually high; -2 unusually low. The Growth × Inflation scores are z-scores. Percentiles and z-scores do the same job - place a number in its own historical context - and the report uses whichever is clearer for each metric.

The habit worth keeping

Whenever you meet a number anywhere - in this report or elsewhere - ask 'compared to its own history, is that high, low or normal?'. That single question, which the percentile answers automatically, is the difference between data and insight.

3.4 DCC-GARCH: a correlation that breathes

A plain correlation over a window gives one number for the whole window and hides how the relationship changed within it. A **DCC-GARCH** model does better. The 'GARCH' part recognises that market volatility comes in clusters - calm begets calm, turmoil begets turmoil - and models each series' volatility as time-varying. The 'DCC' part - Dynamic Conditional Correlation - then lets the correlation between the two series evolve week by week around a long-run average.

The practical payoff is that the estimate **reacts quickly and honestly** to genuine shifts - it will show the stock-bond correlation turning weeks before a slow rolling window would - while still being anchored to history so it does not jump at every blip. The report estimates it properly by maximum likelihood, not by a shortcut. A 'persistence' number near one (shown on the page) tells you the correlation is smooth and slow-moving, as it should be.

3.5 Markov-switching regimes

The market's regime - Risk-on, Neutral, Risk-off - is detected with a **Markov-switching model**. The idea: the market is always in one of a few hidden states, each with its own typical return and volatility (a calm rising state, a choppy state, a falling volatile state), and it switches between them with certain probabilities. The model watches the stream of weekly returns and infers, for each week, which state the market was most likely in.

Because switching states is 'costly' in the model, it does not flip at every wiggle - it requires persistent evidence to change its mind, which is exactly what you want from a regime label. The report also reports a smoothed probability (how confident the model is) and how many weeks the current regime has lasted. The regime is set deterministically so it does not jitter from one run to the next.

3.6 Principal components and risk concentration

Principal Component Analysis (PCA) asks: of all the movement across dozens of instruments, how much can be explained by a single common factor? The first principal component is the one combination of assets that captures the most shared movement. The report reports the **share of variance** that this first factor explains - the 'risk concentration' figure on the dashboard.

Why concentration is a fragility gauge

When one factor explains only a modest share (say a quarter) of all movement, assets are trading on their own individual stories - genuine diversification. When one factor explains a large share (say more than half), **everything is really one trade**: a single shock moves the whole market together and diversification quietly fails. Rising concentration is one of the cleaner early-warning signs of systemic fragility.

3.7 Lead-lag regression and honest forecasting

The forecasts work by **ordinary least squares regression**: for a candidate leader-laggard pair, fit a line predicting the laggard's move over the next few weeks from the leader's move over the past few weeks, using a decade of data. The slope of that line becomes the projection; the scatter around it becomes the error band; and the **R-squared** - the fraction of the laggard's variation the line explains - measures how much to trust it.

Two safeguards make this honest rather than misleading. First, a **tautology filter**: any pair whose two members are near-identical at the same moment (two flavours of one index, an ETF and its own yield) is thrown out, because 'predicting' one from the other is circular, not forecasting. Second, **full disclosure**: the R-squared and the error band are always shown, so a weak relationship looks weak. The honest finding, reported plainly, is that genuine weekly predictive power is modest and lives mostly in the rates-and-liquidity plumbing, not in equity direction.

3.8 The growth and inflation composites

The Growth × Inflation quadrant needs a growth score and an inflation score. Each is built from several market-based proxies, standardised into z-scores and averaged, so no single input dominates and the whole thing updates weekly from market prices.

Score	Built from	Logic
Growth	Copper-to-gold ratio; tightness of high-yield credit spreads; S&P 500 momentum; cyclical-vs-defensive sector ratio	Each rises when the market is pricing stronger growth and risk appetite.
Inflation	5-year and 10-year inflation breakevens; commodity-complex momentum (oil, copper, gasoline)	Each rises when the market is pricing more inflation pressure.

Using market prices rather than official statistics has a big advantage: it is real-time and forward-looking. It measures what the market is *behaving as if* - which is what you need to position around - rather than what a lagging data release will later confirm.

3.9 Net liquidity

Net liquidity is a measure of how much money is sloshing through the financial system, and it is one of the most-watched macro drivers of risk assets. The report builds it from the central bank's balance sheet: total assets held by the Federal Reserve, minus two large pools that drain liquidity from markets - the government's cash account at the Fed, and the money parked overnight in the Fed's reverse-repo facility. What is left is the liquidity actually available to the system.

The relationship with markets works over **trends and longer horizons**, not week to week - rising net liquidity has historically been a tailwind for risk assets and falling liquidity a headwind. The report tracks the level and its trend and hands them to the narrative; it deliberately does *not* overstate a weekly link that is not there.

3.10 Breadth and the VIX term structure

Breadth asks how many markets are participating in a trend, rather than whether one index is up. The report measures the share of the world's equity indices trading above their 40-week moving average (a common trend threshold). High breadth - most indices above trend - is broad, healthy strength; low

breadth means a rally is narrow and fragile, carried by a few names while most markets sag.

The **VIX term structure** compares the one-month volatility index (VIX) with the three-month version. Normally the three-month sits higher - a state called **contango** - because the far future is more uncertain; this is the calm, normal condition. When the one-month rises above the three-month - **backwardation** - it means traders are paying up for immediate protection: acute, present-tense fear. The flip from contango to backwardation is one of the cleaner stress signals in markets.

3.11 Positioning percentiles (Commitments of Traders)

The positioning data comes from the weekly Commitments of Traders report, which classifies futures holders into commercial hedgers and non-commercial speculators. The report focuses on the **net speculative position** - speculators' longs minus their shorts - because speculators are the fast money whose crowding creates squeeze risk. Rather than quote the raw contract count (which means little on its own), it converts each market's net position into a **percentile of its own three-year range**, so an 80th-percentile long is directly comparable across oil, gold, the euro and the S&P 500.

Positioning is a condition, not a trigger: it tells you the tinder is dry, not that a match has been struck. It is most powerful combined with a catalyst from elsewhere in the report.

3.12 Valuation: CAPE, earnings yield, ERP and Excess CAPE Yield

Four related ideas, each a lens on 'how dear are stocks?':

- **Shiller CAPE.** Price divided by the average of the last ten years' earnings, adjusted for inflation. Smoothing over ten years removes the boom-bust distortion of a single year's earnings, giving a cleaner read on how much is being paid for normalised profits.
- **Earnings yield.** The inverse of a price/earnings ratio - earnings as a percentage of price. The CAPE earnings yield is simply one divided by the CAPE.
- **Equity risk premium (ERP).** The earnings yield minus the government bond yield - a rough measure of the extra return equities offer over bonds. A negative ERP means stocks yield less than bonds, a demanding starting point.
- **Excess CAPE Yield.** The sharpest of the four: the CAPE earnings yield minus the 10-year *real* (inflation-adjusted) yield. It asks whether equities pay you enough over genuinely safe, inflation-protected bonds. Historically it has been one of the better predictors of long-run equity returns - high is encouraging, low or negative is a headwind.

3.13 Recession models

The report reads recession risk three independent ways, which is more robust than relying on any one. The **smoothed recession probability** is a statistical model's estimate, from economic data, of the chance the economy is currently in recession - near zero in expansions, spiking toward 100% in downturns. The **Sahm rule** is a simple, historically reliable trigger: when the unemployment rate's recent average rises half a percentage point above its low of the past year, recession is almost certainly underway. And the **yield curve** - specifically the 10-year yield minus the 3-month - has inverted (gone negative) before nearly every modern recession, typically many months ahead.

3.14 The market-implied rate path

Instead of guessing what the central bank will do, the report extracts the market's own expectation from the shape of the Treasury curve. The intuition: a longer-term yield is roughly the average of the short-term rates the market expects over that horizon. So by comparing the 3-month, 1-year and 2-year yields you can back out the **forward short-term rates** the market is implicitly pricing for each future window, and plot them as an expected path. A path sloping down prices rate cuts; sloping up prices hikes.

This is a deliberately transparent approximation - it uses the plain yield curve and ignores the small 'term premium' adjustment a trading desk would add. It is meant as a clear directional read of what is priced, not a precise policy forecast, and the report says so on the page.

3.15 Seasonal bands for commodity inventories

Commodity stockpiles swing with the seasons - gas storage fills in summer and empties in winter; crude follows refinery and driving cycles. Comparing today's inventory with a flat historical average would therefore mislead. Instead the report builds a **seasonal band**: for each week of the year it computes the average level over the previous five years and a range of one standard deviation around it, then plots current inventory against that moving band. Being outside the band - unusually high or low *for the time of year* - is the real signal, and it drives the bullish/bearish labels on the oil and gas pages.

3.16 Jobless claims and the Weekly Economic Index

Most economic data arrives monthly and weeks late. Two series are exceptions and so carry outsized value in a weekly report. **Initial jobless claims** count new filings for unemployment benefits each week - the fastest read on the labour market, and a sensitive early-warning gauge, since firms cut hours and file layoffs before the slower monthly jobs numbers register the damage.

The **Weekly Economic Index** combines ten timely daily and weekly series - things like rail traffic, electricity output, steel production, retail sales and tax withholdings - into a single number scaled to compare with year-over-year GDP growth. Around 2% is trend; well above signals a boom, below zero a contraction. Because it updates weekly it can turn months ahead of official GDP, making it a genuine real-time growth gauge.

3.17 Oil analytics: crack spread and products

Beyond crude inventories, the oil page uses a few professional gauges. The **3:2:1 crack spread** approximates refining profitability by taking three barrels of crude, notionally turning them into two of gasoline and one of distillate, and measuring the value difference - a wide crack means refiners are incentivised to run hard and buy crude, a supportive demand signal. **Product inventories** (gasoline and distillate) versus their own seasonal norms reveal end-demand strength, and often move before crude itself. Together they build a supply-and-demand picture that price alone cannot give.

3.18 The gold-silver ratio and real yields

Two relationships anchor the metals analysis. First, gold versus the **real yield**: because gold pays no income, its main competitor is inflation-protected government bonds, so gold tends to rise when real yields fall and vice versa - the report tracks this correlation directly. Second, the **gold-to-silver ratio**: silver is part precious metal, part industrial metal, so it outperforms gold when the economy is heating up and lags when it cools. A historically high ratio (silver cheap versus gold) therefore carries both a value read and a subtle cyclical signal, which is why the report shows the ratio's percentile.

3.19 The correlation network

To turn the correlation grid into a picture, the report uses a **minimum spanning tree**. It converts each correlation into a 'distance' (strongly correlated assets are close, uncorrelated ones far), then finds the shortest possible set of links that still connects every instrument. The result is a clean map with no clutter - only the most important relationships survive - on which clusters of co-moving assets are visually obvious and the market's structure can be read at a glance.

Part 4 — Data and the instrument universe

The report is only as good as its inputs, so this part is fully transparent about them: the nine independent sources it draws on, every instrument it follows, how often each updates, and how the engine stays robust when a source hiccups.

4.1 The nine data sources

Everything comes from free, public, authoritative sources - no paid feeds. Each source was chosen for reliability and independence, so a problem with one never brings down the report.

Source	Provides	Cadence
Yahoo Finance	Prices for equity indices, sector ETFs, bond ETFs, commodities, metals, currencies, crypto and volatility indices	Daily / weekly
FRED (St. Louis Fed)	The official US rates, credit-spread, inflation, liquidity, recession and weekly-macro spine	Daily / weekly / monthly
US EIA	Weekly energy fundamentals: crude, gasoline and distillate stocks, Cushing, production, natural-gas storage	Weekly
US CFTC	Commitments of Traders positioning across the nineteen-market complex	Weekly
Moscow Exchange (MOEX)	Authoritative Russian index data (Yahoo's Russian tickers are frozen by sanctions)	Daily
CoinGecko	Crypto market cap and Bitcoin/Ethereum dominance	Daily
DeFiLlama	Stablecoin supply and decentralised-finance value locked	Daily
alternative.me	The crypto Fear & Greed sentiment index	Daily
multpl.com	The long-history Shiller CAPE and S&P 500 earnings yield	Monthly

Why nine independent sources matter

Diversifying the data supply is the same discipline as diversifying a portfolio. Because no single provider is a point of failure, and because each fetch is cached and retried, the report is resilient: if one source is briefly unavailable, the engine logs it, skips it, and builds the report from everything else.

4.2 The full instrument universe

In the illustrated week the report followed **139 instruments** across twelve asset classes, with about 602 weeks of history behind the analysis. The tables below list every one, generated directly from the live configuration so they match the report exactly. The first group is fetched from Yahoo Finance and the exchange feeds; the macro, credit and liquidity series that follow come from the Federal Reserve's FRED service.

Equity indices (global) (40)

Instrument	Symbol
US SP500	^GSPC
US Nasdaq	^IXIC

Instrument	Symbol
US Dow	^DJI
US Russell2000	^RUT
CA TSX	^GSPTSE
BR Bovespa	^BVSP
MX IPC	^MXX
AR Merval	^MERV
UK FTSE100	^FTSE
DE DAX	^GDAXI
FR CAC40	^FCHI
EU STOXX50	^STOXX50E
ES IBEX35	^IBEX
IT FTSEMIB	FTSEMIB.MI
CH SMI	^SSMI
NL AEX	^AEX
BE BEL20	^BFX
SE OMX30	^OMX
TR BIST100	XU100.IS
Euronext100	^N100
JP Nikkei225	^N225
HK HangSeng	^HSI
CN Shanghai	000001.SS
IN Nifty50	^NSEI
IN Sensex	^BSESN
KR KOSPI	^KS11
TW TAIEX	^TWII
AU ASX200	^AXJO
NZ NZX50	^NZ50
SG STI	^STI
ID JKSE	^JKSE
MY KLCI	^KLSE
TH SET	^SET.BK
IL TA125	^TA125.TA
ZA JSE	^J203.JO
CN Shenzhen	399001.SZ

Instrument	Symbol
CN CSI300	000300.SS
CN Internet	KWEB
IN BankNifty	^NSEBANK
IN NiftyMidcap	^NSEMDCP50

US equity sectors (GICS ETFs) (11)

Instrument	Symbol
US Tech	XLK
US Financials	XLF
US Energy	XLE
US HealthCare	XLV
US Industrials	XLI
US Discretionary	XLY
US Staples	XLP
US Utilities	XLU
US Materials	XLB
US RealEstate	XLRE
US Communications	XLC

US Treasury yields (Yahoo) (4)

Instrument	Symbol
US 13W	^IRX
US 5Y	^FVX
US 10Y	^TNX
US 30Y	^TYX

Bond and credit ETFs (11)

Instrument	Symbol
US Tsy 20Y+	TLT
US Tsy 7 10Y	IEF
US Tsy 1 3Y	SHY
US Aggregate	AGG
US TIPS	TIP
US HighYield	HYG
US InvGrade	LQD
Intl ex US	BNDX

Instrument	Symbol
Intl Treasury	BWX
EM USD Bonds	EMB
EM Local Bonds	EMLC

Commodities (14)

Instrument	Symbol
WTI Oil	CL=F
Brent Oil	BZ=F
NatGas	NG=F
Gasoline	RB=F
HeatingOil	HO=F
Copper	HG=F
Aluminum	ALI=F
Wheat	ZW=F
Corn	ZC=F
Soybean	ZS=F
Sugar	SB=F
Coffee	KC=F
Cotton	CT=F
Cocoa	CC=F

Precious metals (4)

Instrument	Symbol
Gold	GC=F
Silver	SI=F
Platinum	PL=F
Palladium	PA=F

Currencies (FX) (14)

Instrument	Symbol
DX	DX-Y.NYB
EURUSD	EURUSD=X
USDJPY	USDJPY=X
GBPUSD	GBPUSD=X
AUDUSD	AUDUSD=X
USDCAD	CAD=X

Instrument	Symbol
USDCNY	USDCNY=X
USDINR	USDINR=X
USDBRL	BRL=X
USDZAR	ZAR=X
USDMXN	MXN=X
USDTRY	TRY=X
USD RUB	RUB=X
USDCNH	CNH=X

Cryptocurrencies (7)

Instrument	Symbol
Bitcoin	BTC-USD
Ethereum	ETH-USD
Solana	SOL-USD
XRP	XRP-USD
BNB	BNB-USD
Cardano	ADA-USD
Dogecoin	DOGE-USD

Volatility indices (8)

Instrument	Symbol
VIX	^VIX
VIX3M	^VIX3M
VVIX	^VVIX
VXN	^VXN
MOVE	^MOVE
OilVol OVX	^OVX
GoldVol GVZ	^GVZ
IN IndiaVIX	^INDIAVIX

Interest-rate, credit and macro series (FRED)

Alongside the market instruments, the report pulls an official macro spine from FRED. These populate the rates, credit, inflation, liquidity, recession and weekly-macro readings throughout the report.

Series	What it is
Treasury yields (3M-30Y)	The full US government yield curve.
Yield-curve spreads (10Y-2Y, 10Y-3M)	Curve shape and inversion - recession lead.

Series	What it is
Real yields (5Y, 10Y TIPS)	Inflation-adjusted interest rates - gold's key driver.
Inflation breakevens (5Y, 10Y)	The market's expected inflation.
Credit spreads (High-Yield, Investment-Grade, EM)	Compensation for default risk - a core stress gauge.
Fed funds rate	The overnight policy interest rate.
Financial conditions & stress indices	Broad measures of how easy or tight money is.
Net liquidity components & M2	Central-bank liquidity and money supply.
Recession probability & Sahm rule	Statistical recession gauges.
Initial & continued jobless claims	The timeliest labour-market data.
Weekly Economic Index	A real-time weekly growth nowcast.
Russia's two indices come from the Moscow Exchange directly rather than Yahoo, whose Russian tickers have been frozen since 2022; this keeps the India-China-Russia coverage current.	

4.3 Data cadence and freshness

The report is weekly, but its inputs update at different speeds, and it is built to handle that gracefully. Market prices are effectively real-time. Energy fundamentals, positioning, jobless claims and the growth index update weekly, each on its own release schedule. A few series - the recession probability, the Shiller CAPE - are monthly, and the report carries the latest available reading forward rather than leaving a gap.

How the report handles slow-moving data

When a monthly series (like money supply or the CAPE) has not yet updated for the current week, the engine uses its last published value rather than showing a blank. This is why an occasional figure may hold steady for a few weeks - it is the most recent official reading, not a stale error.

4.4 How missing data and failures are handled

Robustness is a design principle, not an afterthought. Three mechanisms keep the report dependable:

- **Fetch, retry, cache.** Each request uses a proper browser-like client with automatic retries and a local cache, so transient network problems are absorbed rather than fatal.
- **Fail soft, never break.** If an individual instrument or series cannot be fetched, the failure is logged and that one item is skipped - the report is always built from whatever succeeded. A single missing ticker never stops the edition.
- **Provenance log.** Every run writes a log recording exactly what was fetched, the coverage achieved, and any failures - so any number can be traced and any gap explained.

The practical result is a report that produces a complete, honest edition every week, flags anything it could not obtain, and never silently substitutes a guess for missing data.

Part 6 — Worked weekly scenarios

Knowing what each page means is one thing; reading them together is the real skill. This part imagines four archetypal weeks and walks each one through the whole report, so you can see how the pages corroborate or contradict one another, and how a coherent view is assembled from many signals. These are illustrative composites, not any specific past week.

How to use these walkthroughs

Read each scenario as a rehearsal. Notice how the conclusion never rests on one page - it emerges when several independent signals line up (confluence), and how a single page pulling the other way lowers conviction rather than being ignored. That habit, more than any single indicator, is what the report is built to reward.

6.1 Scenario A — a calm 'Goldilocks' week

The setup. Equities are grinding higher, volatility is low, inflation data has been cooling and growth is steady. This is the benign backdrop the market likes best. Here is how it would read across the report.

Report page	What you would see	How to read it
Cover	A green Risk-on regime chip; an upbeat Executive Summary.	The frame is constructive; expect the detail to confirm strength.
Dashboard badges	Risk-on, Goldilocks quadrant, a negative stock-bond correlation, low risk concentration, high breadth, contango volatility.	Every vital sign is healthy and pointing the same way - textbook confluence.
Percentile table	VIX blue (low), credit spreads blue (tight), breadth high.	Calm and broad. Note tight spreads leave little room to improve - the one caution.
Valuation banner	A high CAPE percentile, a thin Excess CAPE Yield.	The only fly in the ointment: stocks are dear, so long-run returns are muted even as the near term is calm.
Narrative	A constructive tone; Key Risks likely flags complacency and stretched valuation.	The story matches the numbers; heed the risk section's note on how far things could fall from a rich base.
Correlations & network	Distinct clusters, natural hedges intact, low concentration.	Diversification is working - a resilient market.
Macro pulse & recession	Low jobless claims, a healthy growth nowcast, negligible recession odds.	The real economy supports the market's optimism.
Positioning	Perhaps some crowded longs building in the leaders.	The one place to watch - crowding is how calm markets sow the seeds of a shake-out.

The Goldilocks read

Constructive but not complacent. The confluence says stay invested and risk-tolerant; the valuation and any crowded positioning say do not add leverage and keep a mental note of how stretched the base is. The danger in such weeks is never the present - it is the small, ignored caution that later becomes the story.

6.2 Scenario B — a deflation week

The setup. Growth is accelerating and inflation is firming with it. Commodities and cyclical stocks lead, bond yields rise, and the mood is risk-on but with an inflationary edge.

Report page	What you would see	How to read it
Dashboard quadrant	The Reflation quadrant, with the growth score rising.	The macro regime favours cyclicals, commodities and value over long-duration bonds and growth stocks.
Returns heatmap	Green across energy, materials, industrials and emerging markets; red or pale in long bonds.	Money is rotating toward the cyclical, inflation-sensitive corners.
Relationship watch-list	Copper-stocks correlation strengthening; the classic reflation tell.	Confirms cyclical demand and equities moving together - the rotation is real, not noise.
Rates & curve	Rising nominal yields, firming breakevens, a steepening curve.	The bond market agrees growth and inflation are picking up.
Oil & gas, metals	Firm energy, a falling gold-silver ratio (silver leading).	Industrial demand is strong; silver's outperformance is a subtle growth confirmation.
Valuation	Still rich, and now facing rising real yields.	A double headwind for expensive long-duration equities - favour cheaper cyclicals.
Positioning	Speculators crowding into commodities.	The reflation trade can become consensus - watch commodity positioning for a crowded-long wash-out.

The reflation read

Lean cyclical and value, be cautious on long-duration bonds and expensive growth, and treat commodities as both an opportunity and a crowding risk. The key thing to watch is whether inflation stays orderly (reflation) or accelerates and growth stalls (a rotation toward stagflation) - the quadrant trail will show it turning first.

6.3 Scenario C — a risk-off, stress week

The setup. Something has broken - a shock, a credit event, a growth scare. Equities are falling hard, volatility is spiking, and investors are fleeing to safety. This is the environment the report's stress signals are built for.

Report page	What you would see	How to read it
Cover	A red Risk-off regime chip; a sober Executive Summary.	The frame has turned; read every page for the depth and breadth of the stress.
Dashboard badges	Risk-off, rising risk concentration, the VIX term structure flipping to backwardation.	Backwardation and rising concentration are the tells of genuine, present-tense stress - not a dip.
Percentile table	VIX red (high), credit spreads jumping off blue toward amber/red.	Widening spreads from tight levels is the single most important confirmation that stress is real.
Correlations & network	Correlations racing toward one; the network collapsing into a single knot.	Diversification is failing - everything is becoming one trade, the hallmark of a genuine risk-off event.

Report page	What you would see	How to read it
Stock-bond correlation	Ideally turning negative - bonds rallying as stocks fall.	If bonds are hedging, portfolios have a cushion; if the correlation is positive and both fall, there is nowhere to hide - a far more dangerous configuration.
Positioning	Crowded longs being forced out; possibly crowded shorts building.	Forced liquidation feeds the fall; extreme readings hint at where an eventual snap-back could ignite.
Recession & macro pulse	Watch jobless claims and the growth nowcast for whether the market stress is spreading to the economy.	A market scare that leaves the real economy intact often reverses; one confirmed by rising claims is more serious.

The risk-off read

Protect capital first. The confluence of a red regime, backwardation, widening spreads and a collapsing network says this is genuine stress, not a buy-the-dip wobble - reduce risk and prize whatever is hedging. The turn back comes when spreads stop widening, volatility falls back into contango, and the network re-separates; the report will show those repairs before the all-clear is obvious.

6.4 Scenario D — a stagflation scare

The setup. The hardest regime of all: growth is weakening while inflation stays stubbornly high. Bonds cannot rally (inflation blocks it) and equities cannot rally (weak growth blocks it) - the diversification that usually saves portfolios fails from both sides.

Report page	What you would see	How to read it
Dashboard quadrant	The Stagflation quadrant - growth score falling, inflation score high.	The warning of the whole scenario: the regime least kind to a balanced portfolio.
Stock-bond correlation	Positive - stocks and bonds falling together.	The defining danger: the classic 60/40 hedge is not working, so both legs of a balanced portfolio hurt at once.
Rates & breakevens	Elevated inflation breakevens with a flattening or inverting curve.	The market prices sticky inflation and slowing growth simultaneously - the stagflation signature.
Commodities vs cyclical	Energy and defensives holding up; cyclical and growth lagging.	Real assets and defensives are the traditional stagflation shelters; the heatmap will show the split.
Valuation	Rich equities meeting rising real yields and weak growth.	The worst combination for expensive stocks - little margin of safety.
Recession page	Rising recession probability, perhaps a steepening-from-inverted curve.	Confirms the growth side of the scare; the report's recession gauges are where it shows first.

The stagflation read

The regime that punishes the standard playbook. With bonds unable to hedge, the report's value is in showing you early - through the quadrant trail and a positive stock-bond correlation - that the usual diversification has stopped working, so you can lean on the assets that historically endure it (real assets, energy, quality defensives) rather than relying on a bond hedge that is failing.

6.5 What the four scenarios teach

Across all four, the same lessons recur. No page is decisive alone. The regime and quadrant set the frame; credit spreads, breadth and the stock-bond correlation reveal whether the frame is solid or fragile; positioning and valuation tell you how stretched the starting point is; and the macro pulse and recession page tell you whether the real economy supports the market's mood. When these agree, act with confidence; when they diverge, the divergence itself is the message - reduce conviction and watch the triggers from Part 5. Markets rarely announce turns, but the report is designed so that when the evidence shifts, you see it shift.

Part 7 — A market-literacy primer

This part steps back from the report to build the mental model behind it. If the earlier parts told you how to read the pages, this one explains the world those pages describe: what each asset class is, how they connect, how to think across them, and the mistakes that trip up even experienced readers. None of it is required - but it makes everything else click into place.

7.1 The asset classes and how they connect

Markets are not a single thing but a system of connected parts. Understanding what each part does - and what it says about the others - is the foundation of cross-asset reading.

Equities (stocks)

Shares in companies; the growth engine of a portfolio and the most-watched barometer of risk appetite. Equities rise when investors expect growth and are willing to take risk, and fall when they fear the opposite. Because they sit at the risky end of the spectrum, their behaviour defines the market 'regime' - which is why the report's regime detector watches equity returns.

Government bonds and interest rates

Loans to governments, and the interest rates attached to them. They are the system's anchor: the 'risk-free' return everything else is measured against. Their yields encode the market's view of growth, inflation and central-bank policy. Crucially, high-quality government bonds have historically *risen* when equities fall - making them the classic portfolio hedge - which is why the stock-bond correlation is the report's most important single relationship.

Credit (corporate bonds)

Loans to companies. They pay more than government bonds to compensate for the risk the company defaults; that extra yield is the 'credit spread'. Because credit sits between safe bonds and risky equities, spreads are an exceptionally clean stress gauge - they widen early and decisively when the market smells trouble, and sit tight and calm when it does not. Watch them closely.

Commodities

Physical goods - oil, gas, metals, crops. They are real assets, sensitive to growth (demand) and to inflation (they are prices). Oil in particular ripples through the whole system: into inflation, into currencies of exporters and importers, into the earnings of energy companies. Industrial metals like copper are read as growth gauges; gold as a monetary and fear gauge.

Precious metals

Gold and silver straddle commodity and currency. Gold pays no income, so it competes with safe bonds - it shines when real yields fall and when fear rises, and it is widely held as insurance. Silver adds an industrial dimension, giving it a cyclical tilt gold lacks.

Currencies (FX)

The relative price of one country's money against another's. Currencies move on interest-rate differences, growth, trade and safe-haven flows. The US dollar is the system's linchpin: because so much of the world borrows and trades in dollars, a rising dollar tightens global conditions and tends to weigh on commodities and risk assets - which is why the report tracks it against gold and oil.

Cryptocurrencies

Digital assets, the newest and most speculative class. In practice they have traded largely as high-octane risk assets - closely tied to technology stocks - rather than as the independent hedge they are sometimes marketed as. The report's crypto internals reveal risk appetite within the class.

Volatility

Not an asset you hold so much as a measure of fear. Volatility indices like the VIX rise when investors pay up for protection and fall when they are calm. Volatility is the market's pulse rate - and it moves inversely to equities, spiking exactly when stocks fall.

The web, not the list

The power of cross-asset reading is seeing these not as a list but as a web: rising yields pressure gold and expensive stocks; a stronger dollar weighs on commodities; widening credit spreads warn before equities break; falling volatility and tight spreads confirm calm. The report exists to make this web visible - the correlation, network and relationship pages are literally maps of it.

7.2 How to think in cross-asset terms

A few habits turn a collection of prices into understanding:

- **Ask what each market is saying about the others.** If bond yields are falling while stocks rise, the bond market may be doubting the growth the stock market is celebrating - a divergence worth noting.
- **Trust the stress markets first.** Credit spreads and volatility tend to move before equities at turning points; when they disagree with a calm stock market, weight them.
- **Separate the durable from the fleeting.** A relationship that holds over years (the multi-horizon page) is a foundation; one that appeared last month is a hypothesis.
- **Respect the regime.** The same news means different things in different regimes; good growth data is bought in Goldilocks and sold in an inflation scare (because it means higher rates). Always read a signal through the current regime and quadrant.
- **Watch what is priced, not just what is true.** Markets move on surprises versus expectations. The valuation, positioning and rate-path pages all measure what is already priced in - the baseline any new fact is judged against.

7.3 A short primer on risk

The report is, at heart, a risk instrument. Three ideas underpin how it thinks about risk, and they are worth holding in mind.

Diversification is a correlation bet. Spreading money across assets only protects you if those assets do not all fall together. That is why rising correlations, rising risk concentration and a collapsing network are such important warnings: they mean diversification - the one free lunch in investing - is quietly failing exactly when you need it.

The hedge that matters most is the stock-bond one. The standard balanced portfolio leans on bonds rising when stocks fall. When that correlation turns positive - as it did in 2022 - the balanced portfolio loses its shock absorber. The report tracks this continuously so you are never surprised by it.

Extremes matter more than middles. Most of the time most metrics are unremarkable. The information - and the risk - concentrates at the extremes: crowded positioning, stretched valuation, spreads at the top

or bottom of their range. The percentile framing throughout the report is designed to make those extremes leap out.

7.4 Common mistakes to avoid

The mistake	Why it misleads	The better habit
Reading a number without context	A raw level says nothing about whether it is high or low	Always read the percentile - context is everything
Treating a forecast as a certainty	Weekly prediction is genuinely weak; error bands are wide	Use projections as gentle tilts, weighted by their R-squared
Chasing a single indicator	Any one signal gives false positives	Require confluence across several pages
Ignoring a page that disagrees	The disagreement is often the most valuable signal	Let divergence lower your conviction, not be dismissed
Confusing a state with a forecast	The regime and quadrant describe now, not next week	Read them as the current weather, then watch the trail for change
Over-trading on the report	It is a weekly, strategic tool, not a day-trading signal	Let it shape your framework, not your Monday orders
Forgetting valuation is slow	Rich markets can stay rich for years	Use valuation for the multi-year backdrop, never for timing

7.5 Extended glossary of market terms

Beyond the report-specific terms in Appendix B, these general market terms appear throughout financial commentary and are worth knowing.

Term	Definition
Asset class	A group of investments with similar characteristics - equities, bonds, commodities, currencies, and so on.
Bear market	A prolonged decline in prices, conventionally a fall of 20% or more from a peak.
Bull market	A prolonged rise in prices; the opposite of a bear market.
Basis (in futures)	The difference between a futures price and the underlying spot price.
Beta	How much an asset moves relative to the overall market; a beta above one is more volatile than the market.
Bid-ask spread	The gap between the price to buy and the price to sell - a measure of trading cost and liquidity.
Carry	The income earned from holding an asset, such as a bond's yield or a currency's interest-rate advantage.
Central bank	The institution that sets a country's interest rates and manages its money supply (the Federal Reserve in the US).
Cyclical	An asset or sector whose fortunes rise and fall with the economic cycle (industrials, materials, banks).
Defensive	An asset or sector that holds up better in downturns (utilities, staples, healthcare).
Deflation	A general fall in prices - rarer and more dangerous than inflation, as it can feed on itself.
Disinflation	A slowing in the rate of inflation (prices still rise, but more slowly) - not the same as deflation.

Term	Definition
Dividend	A share of company profits paid to shareholders.
Dovish / Hawkish	Central-bank stances: dovish favours lower rates and easier money; hawkish favours higher rates to fight inflation.
Emerging markets	Developing economies (and their assets) - higher growth potential, higher risk, often more sensitive to the dollar.
Fiscal policy	Government tax-and-spending policy, distinct from monetary (interest-rate) policy.
Futures	Standardised contracts to buy or sell an asset at a set price on a future date - the basis of the positioning data.
Growth stock	A company valued for expected future expansion; typically expensive and sensitive to interest rates.
Hedge	A position taken to offset the risk of another - like bonds hedging equities.
Inflation	A general rise in prices, reducing the purchasing power of money.
Liquidity	How easily an asset can be traded without moving its price; also, the amount of money circulating in the system.
Long / Short	A long position profits if the price rises; a short position profits if it falls.
Margin	Borrowed money used to amplify a position - it magnifies both gains and losses.
Momentum	The tendency of prices that have been rising (or falling) to keep doing so for a time.
Monetary policy	A central bank's management of interest rates and money supply to steer inflation and growth.
Nominal vs real	Nominal figures are as-measured; real figures are adjusted for inflation.
Notional	The face value a derivative contract represents, which can far exceed the money actually put up.
Overweight / Underweight	Holding more (or less) of an asset than a benchmark would - the language of tilting a portfolio.
Quantitative easing / tightening	Central-bank expansion (QE) or contraction (QT) of its balance sheet - a key driver of net liquidity.
Rally	A sustained rise in price.
Repo / Reverse repo	Short-term secured lending between financial institutions and the central bank - part of the plumbing behind net liquidity.
Risk premium	The extra return investors demand for holding a riskier asset over a safe one.
Safe haven	An asset investors flock to in stress - typically government bonds, gold, the dollar or the yen.
Sector	A grouping of companies in the same industry (technology, energy, financials).
Sentiment	The overall mood of investors, from fear to greed - often contrarian at extremes.
Soft / Hard landing	Whether a slowing economy avoids recession (soft) or falls into one (hard).
Spot price	The price for immediate delivery, as opposed to a futures price.
Spread	A difference between two prices or yields - between two bonds, two maturities, or a bond and a benchmark.
Tail risk	The risk of a rare but severe event in the 'tail' of the distribution of outcomes.
Tightening / Easing	Central-bank moves to raise rates (tighten) or lower them (ease).

Term	Definition
Value stock	A company trading cheaply relative to its fundamentals; the counterpart to a growth stock.
Yield	The income an asset produces as a percentage of its price.

Part 5 — Workflows, judgement and limitations

The report gives you evidence; this part is about turning evidence into a view. It offers a weekly reading routine, a way to combine signals into a coherent picture, the triggers worth watching, and - just as important - an honest account of what the report cannot do.

5.1 A weekly reading routine

A repeatable routine takes about thirty minutes and builds the habit of seeing the whole market. A suggested sequence:

- **1. Frame (2 min).** Cover: read the regime chip and the Executive Summary. What kind of week is this?
- **2. Vital signs (5 min).** Dashboard: read the six badges, the valuation banner, then scan the percentile table for colour. Note every red and blue row - your list of what is unusual.
- **3. The story (8 min).** Read the analyst narrative, paying special attention to Key Risks & Divergences and Positioning & What to Watch.
- **4. Structure (5 min).** Returns heatmap (what moved), correlation heatmap/network (what moved together), DCC and regime page (how the deep links are evolving).
- **5. Macro frame (5 min).** Quadrant, valuation, recession/rate-path, macro pulse.
- **6. Specials as needed (5 min).** Positioning, oil, gas, metals, crypto - read the ones relevant to what you hold or watch.
- **7. Note three things.** Close by writing down the week's regime, the one or two genuine extremes, and the single risk you will watch. Over months, these notes become their own valuable record.

5.2 Building a market view from the report

No single number is a decision. The report's power is in **confluence** - when several independent signals point the same way, the read is strong; when they conflict, the honest conclusion is uncertainty, and smaller conviction. A worked way to think about it:

If you see...	...across these pages	...the read is
Risk-on regime, tight credit, high breadth, contango volatility	Cover, dashboard, VIX term	A durable risk-tolerant environment
Rising risk concentration, a collapsing network, widening spreads	Dashboard, network, dashboard	Building fragility - reduce conviction
Crowded-long positioning plus a stretched valuation plus fading breadth	Positioning, valuation, dashboard	A vulnerable, late-stage advance
Falling stock-bond correlation and a benign recession read	DCC page, recession page	Bonds regaining their hedge value

Confluence over cherry-picking

The temptation is to find the one page that agrees with what you already think. The discipline the report rewards is the opposite: weigh all the pages, and let disagreement between them lower your confidence rather than be ignored. The most valuable weeks are often the ones where the report contradicts your prior.

5.3 What to watch — the trigger list

A handful of shifts are worth watching week to week because they tend to mark genuine turns rather than noise:

- The **regime chip** changing colour, or the regime posterior probability weakening.
- The **stock-bond correlation** crossing zero - it changes whether bonds hedge equities.
- **Credit spreads** breaking out of their recent range, especially widening from tight levels.
- **Risk concentration** rising through the middle of its range toward dominance.
- The **VIX term structure** flipping from contango to backwardation.
- **Breadth** rolling over while indices still rise - a narrowing, fragile advance.
- A **positioning extreme** (above the 80th or below the 20th percentile) meeting a catalyst.
- The **quadrant** rotating across an axis - growth or inflation changing sign.
- **Jobless claims** turning up persistently, or the growth nowcast falling toward zero.

5.4 Combining signals well

Three habits separate good use of the report from poor use. First, **respect the timescale** of each signal: valuation and liquidity are multi-year forces, positioning and the VIX term structure are weeks-to-months, the returns heatmap is this week. Do not use a long-horizon signal to time a short-horizon decision. Second, **weight the percentile**: a metric near the middle of its range carries little information; the extremes carry most. Third, **let the narrative connect the dots** but verify its claims against the pages - the report is built so you always can.

5.5 Caveats and honest limitations

Trust is built on candour, so here is what the report is not and cannot do.

- **It is not investment advice.** It is research and information. It describes the environment; it does not recommend securities or tell you what to buy or sell.
- **It does not predict prices.** Even its forecasting page is explicit that weekly predictive power is modest, and shows its error bands. Anyone promising reliable weekly price forecasts is overselling; this report deliberately does not.
- **Models can be wrong.** Regimes, correlations and probabilities are estimates from past data. They lag true turning points, and past relationships can break - as the stock-bond correlation did in 2022. Treat every model output as evidence, not certainty.
- **It is US-centred in its macro spine.** Rates, credit, liquidity, recession and valuation lean on US data, because that is where the deepest free, reliable series exist and because US conditions drive global markets - but it is a lens, not the whole world.
- **Data can be revised or delayed.** Official series are sometimes revised after the fact, and a source can be briefly unavailable. The report flags gaps rather than hiding them.

- **It reflects a moment.** Each edition is a snapshot at its week-ending date; markets move continuously and a figure can be overtaken by events between editions.

The spirit of the report

The goal is not to be right about everything - no market tool is - but to be **honest, comprehensive and reproducible**: to show you the whole board, place every number in context, and never dress up a guess as a fact. Used that way, week after week, it makes you a better-informed observer of markets, which is exactly what it is for.

5.6 Frequently asked questions

How often is the report produced?

Once a week, automatically. It is scheduled to run on a set day and time; if the computer is off then, it runs at the next opportunity, so an edition is never skipped.

Why did a number barely change from last week?

Some inputs - money supply, the Shiller CAPE, the recession probability - are published monthly. Between updates the report carries the latest official value forward, so those figures can hold steady for a few weeks. That is correct behaviour, not a stale error.

A percentile says the 6th percentile - is that bad?

It only means historically low. Whether low is good or bad depends on the metric: a 6th-percentile credit spread means calm, benign credit conditions; a 6th-percentile growth nowcast would mean weak growth. Read the percentile for context, then ask what high or low means for that particular series (Appendix C summarises this).

Why are the forecasts so hedged?

Because honesty demands it. Genuine weekly predictive power in markets is modest, and the report shows the explanatory power and error band of every projection rather than hiding them. A confident-looking forecast without error bars is less trustworthy, not more.

Can I use this to trade?

You can use it to understand the environment within which you make your own decisions - the regime, the stresses, the crowded trades, what is cheap or dear. It is not a signal service and issues no buy or sell instructions. Any decision, and its consequences, remain yours.

Why is the macro data mostly American?

Because the deepest, most reliable free economic data is US data, and because US rates, credit and liquidity conditions set the tone for global markets. The equity, currency and commodity coverage is genuinely global; the macro spine is a US-anchored lens.

What does 'Authored by ABL Digital Technologies' mean for the analysis?

The report is produced by ABL's engine and presented as ABL analysis. The written narrative is generated from the report's own computed signals and grounded in them; it introduces no outside facts, so every statement can be traced back to a number in the report.

Appendix A — Master colour and symbol legend

One place to decode every colour and marker used across the report.

Percentile shading (dashboard, positioning, valuation)

Colour	Meaning
Red	Top of the historical range (roughly 90th percentile and above).
Amber	Elevated or subdued - in the tails but not extreme (about 10th-25th or 75th-90th).
Grey	Middle of the range (about 25th-75th) - unremarkable.
Blue	Bottom of the historical range (roughly 10th percentile and below).

Regime and quadrant colours

Colour	Regime / quadrant
Green	Risk-on regime; or the Reflation quadrant (constructive).
Amber	Neutral regime.
Red	Risk-off regime; or the Stagflation quadrant (difficult).
Blue	The Goldilocks quadrant (growth without inflation).
Purple	The Deflation / Slowdown quadrant.

Heatmaps, correlations and networks

Element	Meaning
Green / red cells (returns heatmap)	Up / down; deeper colour = larger move.
Blue / red cells (correlation heatmaps)	Positive / negative correlation; deeper = stronger.
Blue / red edges (network)	Positive / negative link between two instruments.
Shaded band (seasonal charts)	The five-year seasonal average and its normal range.
Dotted / dashed reference line	A benchmark: today's policy rate, a long-run median, a threshold.

Appendix B — Glossary

Plain-language definitions of the terms used in the report and this guide.

Term	Definition
Backwardation	A state of the volatility term structure where near-term volatility is priced above longer-term - a sign of acute, present-tense market stress. The opposite of contango.
Basis point	One hundredth of a percentage point. A move from 4.00% to 4.25% is 25 basis points.
Breadth	How many markets are participating in a trend - here, the share of world equity indices above their 40-week average. High breadth is broad strength; low breadth is a narrow, fragile advance.
Breakeven inflation	The rate of inflation the bond market expects, inferred from the gap between ordinary and inflation-protected government yields.
CAPE (Shiller CAPE)	Cyclically-Adjusted Price/Earnings ratio: share price divided by the inflation-adjusted average of the last ten years' earnings. A long-horizon valuation gauge.
Contango	The normal state of the volatility term structure, where longer-dated volatility is priced above near-dated - a sign of calm.
Correlation	A number from -1 to +1 measuring how two series move together: +1 always together, 0 unrelated, -1 always opposite.
Crack spread	A proxy for oil-refining profitability, comparing the value of refined products (gasoline, distillate) with the crude used to make them.
Credit spread (OAS)	The extra yield a corporate bond pays over a government bond - compensation for default risk. Widening spreads signal stress; tight spreads signal calm.
DCC-GARCH	A statistical model that estimates a correlation which changes through time, reacting to genuine shifts while staying anchored to the long-run average.
Dominance (Bitcoin/Ethereum)	A coin's share of total crypto market value. Rising Bitcoin dominance signals risk-aversion within crypto.
Drawdown	A fall from a recent peak, usually expressed as a percentage.
Duration	A bond's sensitivity to interest rates; long-duration bonds move most when rates change.
Equity risk premium (ERP)	The extra expected return of equities over government bonds, here the earnings yield minus the bond yield. Negative means stocks yield less than bonds.
Excess CAPE Yield	The CAPE earnings yield minus the real bond yield - how much equities pay over safe inflation-protected bonds. A leading gauge of long-run equity returns.
Fear & Greed index	A sentiment gauge (here for crypto) running from extreme fear to extreme greed.
Forward rate	The future short-term interest rate implied by today's yield curve; the basis of the market-implied rate path.
Inversion (yield curve)	When short-term yields exceed long-term ones (the curve goes negative) - historically a recession warning.
Log return	The percentage change of a price expressed in logarithms, the natural unit for compounding price moves.
Markov-switching model	A model that treats the market as moving between hidden states (regimes), inferring which state each period is in.

Term	Definition
Minimum spanning tree	The simplest web of links connecting every instrument using only the strongest relationships - used to draw the correlation network.
Net liquidity	Central-bank assets minus the government cash balance and overnight reverse-repo - a measure of money available to markets.
Nowcast	A real-time estimate of a slow-to-publish quantity, such as the Weekly Economic Index's estimate of current GDP growth.
Open interest	The total number of outstanding futures contracts in a market; positioning is often read as a share of it.
PCA (Principal Component Analysis)	A method that finds the common factor explaining the most shared movement across many assets - used to measure risk concentration.
Percentile	The rank of a value within its own history: the 90th percentile means higher than 90% of past readings.
Positioning (COT)	How speculators are positioned in futures, from the Commitments of Traders report; extremes flag crowding and squeeze risk.
Real yield	An interest rate adjusted for expected inflation - the key macro driver of gold.
Regime	The market's prevailing state - Risk-on, Neutral or Risk-off - detected statistically.
Risk concentration	The share of all market movement driven by a single common factor; high concentration means fragility.
R-squared	The share of one variable's movement explained by another in a regression; a measure of how much to trust a relationship.
Sahm rule	A simple, reliable recession trigger based on how far unemployment has risen from its recent low; it fires at 0.50.
Seasonal band	A moving reference for commodity inventories built from the five-year average for each week of the year, with a normal range around it.
Spearman correlation	A correlation based on rank order, robust to outliers and curved relationships.
Stablecoin supply	The total value of crypto tokens pegged to the dollar - a proxy for dry powder waiting in the crypto system.
Term structure (volatility)	The relationship between short- and longer-dated volatility; contango is calm, backwardation is stress.
VIX	A widely-followed index of expected near-term US equity volatility - the market's 'fear gauge'.
Weekly Economic Index (WEI)	A real-time weekly growth gauge blending ten timely series, scaled to compare with GDP growth.
Yield curve	The set of government bond yields across maturities; its shape carries growth and recession signals.
Z-score	How many standard deviations a value is from its own average; zero is average, plus or minus two is unusual.

Appendix C — Metric quick-reference

Every headline metric at a glance: what it is, where it comes from, and what high or low readings mean. Percentiles throughout are versus the metric's own history.

Metric	Source	High reading means	Low reading means
VIX (volatility)	Yahoo	Fear, stress	Calm, complacency
VIX term ratio	Yahoo	Backwardation - acute stress	Contango - calm
High-yield spread	FRED	Credit stress, risk-off	Credit calm, risk appetite
Investment-grade spread	FRED	Broad credit caution	Broad credit calm
10Y real yield	FRED	Tight money, gold headwind	Easy money, gold tailwind
10Y nominal yield	FRED	Higher rates/growth/inflation	Lower rates, slower economy
Yield curve (10Y-3M)	FRED	Steep - expansion	Inverted - recession warning
Inflation breakeven	FRED	Rising inflation expectations	Falling inflation expectations
Financial conditions	FRED	Tight conditions	Easy conditions
Net liquidity	FRED	More liquidity - risk tailwind	Less liquidity - risk headwind
Initial jobless claims	FRED	Weakening labour market	Healthy labour market
Weekly Economic Index	FRED	Strong growth	Weak growth / contraction
Recession probability	FRED	Recession likely	Expansion
Shiller CAPE	multpl	Equities expensive	Equities cheap
Excess CAPE Yield	Derived	Good long-run equity value	Poor long-run equity value
Equity breadth	Derived	Broad, healthy trend	Narrow, fragile advance
Risk concentration	Derived	Fragile - one trade	Diversified, resilient
Stock-bond correlation	Derived	They fall together - no hedge	Bonds hedge equities
Positioning percentile	CFTC	Crowded long - wash-out risk	Crowded short - squeeze risk
Gold/silver ratio	Yahoo	Silver cheap; defensive tilt	Silver dear; cyclical tilt
Crude vs 5-yr seasonal	EIA	Glut - bearish oil	Tight - bullish oil
Gas storage vs seasonal	EIA	Oversupply - bearish gas	Tight - bullish gas
Bitcoin dominance	CoinGecko	Risk-off within crypto	Risk appetite for altcoins

Appendix D — Files and artifacts

What each weekly run produces and where to find it, for reference and record-keeping.

Artifact	What it is
The weekly report PDF	The finished report for the week, named with its date, in the reports folder.
The analysis text	The written narrative saved as a text file alongside the PDF - useful for search and archiving.
The weekly data panel	The clean table of every instrument's weekly values behind the analysis.
The energy, positioning and internals data	The supporting datasets for the oil, gas, positioning and crypto pages.
The valuation and recession data	The long-history CAPE and the recession-model series.
The run log	A record of each run: when it happened, what was fetched, coverage and any failures.
This user guide	The document you are reading, regenerated on demand.

Every edition is saved and dated, so the archive itself becomes a valuable record - a week-by-week history of the global market you can look back through.

Appendix E — Automation and troubleshooting

How the report runs itself, and what to check on the rare occasion something looks off.

How the schedule works

The engine is registered as a weekly scheduled task. On its set day and time it runs the full pipeline - fetch, analyse, write - and produces the PDF without any manual step. If the computer is asleep or switched off at that moment, the task is configured to run at the next opportunity once the machine is available, so an edition is delayed at worst, never missed.

If the report looks wrong

Symptom	Most likely cause	What it means
A metric is blank or marked unavailable	A source was briefly down that week	The engine failed soft and skipped it; it returns next week.
A figure is unchanged for a few weeks	It is a monthly series between updates	Expected - the last official value is carried forward.
A page says data unavailable	That dataset could not be fetched this run	The rest of the report is unaffected; the log records the gap.
The PDF looks like last week's	The viewer cached the old file	Close and reopen it, or check the date in the filename.

The provenance principle

Because every number traces to a logged, official source and every gap is recorded, there is never a mystery: anything unusual in an edition can be explained by checking the run log for that week. Transparency is the troubleshooting tool.

A closing word

The ABL Digital Global Cross-Asset Weekly exists to give a serious reader the whole global market in one honest, weekly view - rigorously computed, plainly explained, and always traceable to its sources. This guide exists so that every page, chart and number in it is fully within your reach. Read them together for a few weeks and the report will become second nature - a standing, reliable vantage point on the world's markets.

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