

Market Week Recap - October 16, 2015

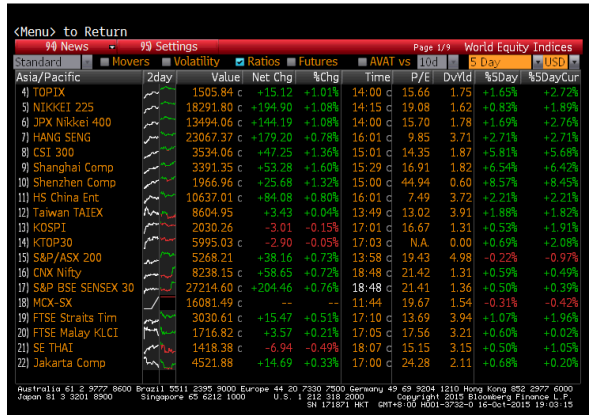
Markets continued with "risk-on" tone. Merger and new issue markets came roaring back to life and the consensus now solidly believes the Fed will wait to 2016 for lift-off.

WEI



Basically flat week in the equities market

WEI-APAC



Asia up across the board, SHCOMP up over 6%

S&P GIP5



S&P 500 recovered after a dip on Wed

SHCOMP GIP 10



Shanghai up for two weeks now

UST 10 YR GIY 10



Yields falling for most of the week

FFX5 GY 12 MO (Dec Fed Funds Contract)



Steadily declining expectation of FF hike by Dec

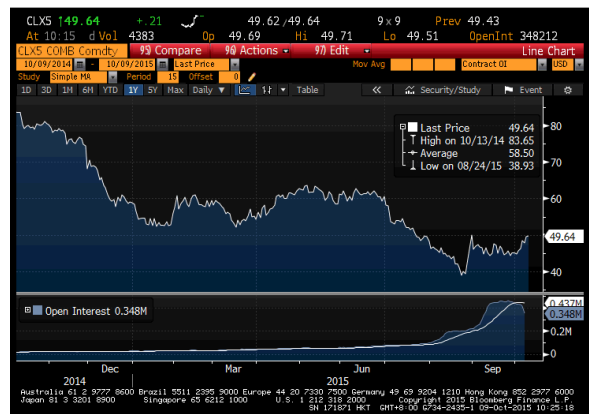
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WTI GIP 10



Price of oil back down below 47

WTI GP 12 MO



Are we bouncing near a bottom?

Greece CDS GP 12 MO



Fears over GREXIT have long dissipated

Brazil CDS GP 12 MO



Concerns still rising over Em Mkts, BR & CN

Highlights of the week:

Weak economic numbers in the US sparked a rally in the treasury market and convinced most market participants that the Fed will be on hold through the end of 2015.

The risk on tone in the markets continued as Chinese equities appreciated all week long.

Oil and EM relatively quiet. Big merger deals announced such as InBev's \$106 bln acq of SABMiller. Pressure dissipating from commodities companies such as Glencore and BHP Billiton.

US earnings season showing a mixed bag of results.

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Prismatic Capital Advisors

Macro Dashboard

	<u>US</u>	<u>EUR</u>	<u>JPN</u>	<u>CHN</u>	<u>IND</u>	<u>EM</u>
Equity	1	1	1	1	0	0
IG Bonds	1	2	0	0	0	0
HY Bonds	-1	0	0	1	0	0
iRates / Gov	0	-1	0	0	0	0
FX	-1	1	0	0	0	0

	<u>Prec Metals</u>	<u>Agri</u>	<u>Energy</u>	<u>Carbon</u>
Commo	0	0	1	0

Segment Conclusions

Personal Prism

We are moderately bullish on the market and see value in higher yielding, dividend paying assets.

For our “Young Professionals Wealth Preservation, Inflation Beating – Home, College and Retirement Savings Portfolio”: our weighting stands as follows: 40% in Fxd Inc; 42% in US Equity; 14% in International Equity; 25% in Energy Related Equity and -21% in Leverage

For more information on the Personal Prism Model Portfolio, please contact us through information@calexian.com

Asia Credit Prism

JACI rose from 191.22 to 193.09 over the week posting a gain of 0.98%.

High yield performed well for the week.

We remain long duration and weighted to higher beta, higher yielding assets.

For more information on the Asia Credit Prism Model Portfolio, please contact us through information@calexian.com

Global Carbon Prism

We remain bullish on renewable energy and battery storage stocks.

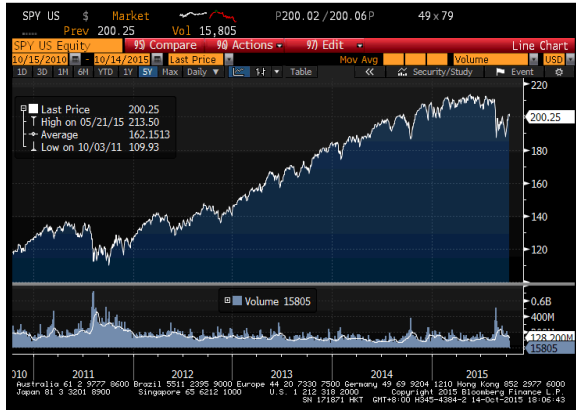
We are neutral on renewable energy yieldcos.

We are exploring two distressed special situations in detail and will provide commentary and research shortly.

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Personal Prism Segment Performance

SPY (S&P)



Largest hldg of portfolio still in a bull market

LQD (IG Bond Index)



Fixed Income maintaining stable yield

JNK (HY)



Need to be cautious – trouble signs on horizon

VVO (Vanguard EM)



Pivot point – could move large up or down

DXJ (Wisdom Tree Japan)



Good for diversification

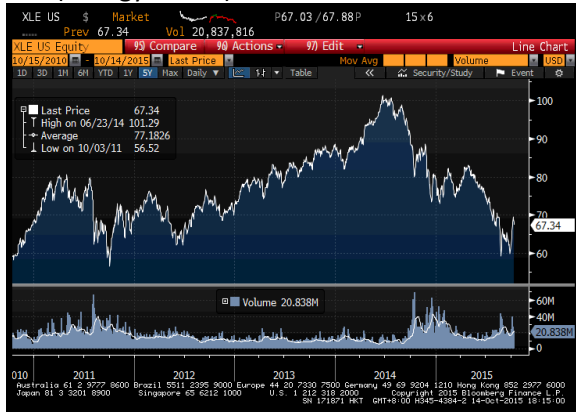
AML (Alerian MLP)



Good yield and neg price moves may be behind

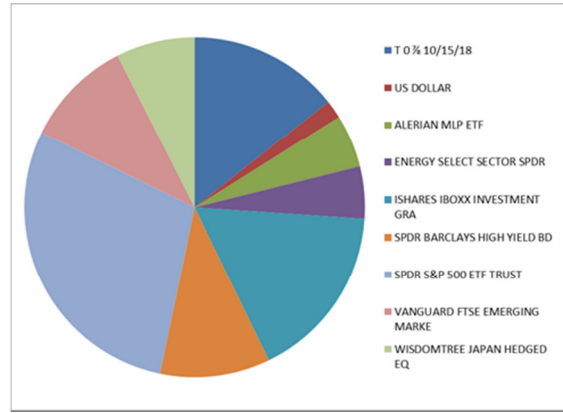
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XLE (Energy Select)



Small allocation waiting for bottom

PORT Breakdown



Initial allocation

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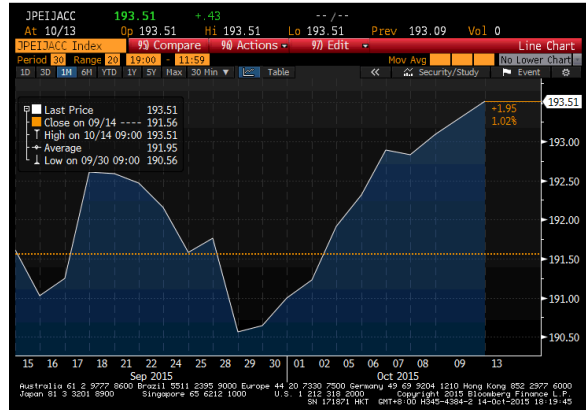
Asia Credit Prism Performance

AJAC SP GP 12 MO (iShares JACI)



Blackrock JACI ETF recovering

JPEIJACC GP 1 MO (JACI Core Index)



JACI Index – rocky few weeks

MXWO (MSCI World index)



Broad market index for comparison

MXMS (MSCI EM Asia index)



China scare behind us

PHIL CDS



Important component of AJAC

CHN CDS



China fears spiked in Sept

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Global Carbon Policy Prism Performance

TAN GP 5 YR (Solar ETF)



Recent down cycle not as bad 2011-12

SUNE GP 5 YR



Recent euphoria crashed, are we stabilizing?

SCTY GP 5 YR



Much more stable price per than SUNE

YLCOT (YieldCo Index)



New investment vehicles – good prospects

YGE GP 5 YR



Some consider this a bankruptcy prospect

RGSE GP 5 YR



All euphoria is past, hanging on barely

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