



April 21, 2023

General commentary

The goal is to be completely flat two weeks from today. With this time horizon I am not eager to trade. I posted a number of charts on @Factor_Members twitter this past week for educational value only. It has been 36 years (older than many of you) since I was completely flat in futures trading for an extended period. It won't be until the end of May when I reconnect with the markets – with renewed energy and enthusiasm.

I do need to add that the self-directed portions of my retirement equity accounts are about 50% committed with an emphasis on GLD, SLV, QQQ, SPY and European indexes. The remainder is in various durations of U.S. government debt instruments.

I remain short SOFR3 futures. The market had a meager rally this past week and I will remain short at least for next week if prices remain on the defensive. I believe the Fed is intent upon its hawkish posture. Nothing destroys wealth more than inflation, and the Fed knows this.

I took a swing at Silver this past week with a 30-basis point risk stop below Wednesday's low. It can be argued that the daily Gold chart completed a small H&S top this past week. I will really be surprised if I remain long Silver next Friday. I am of divided temperament on precious metals. On one hand I think PMs could be huger performers in 2023. On the other hand the markets have already had fair sized moves and sentiment seems to be a bit steamy.

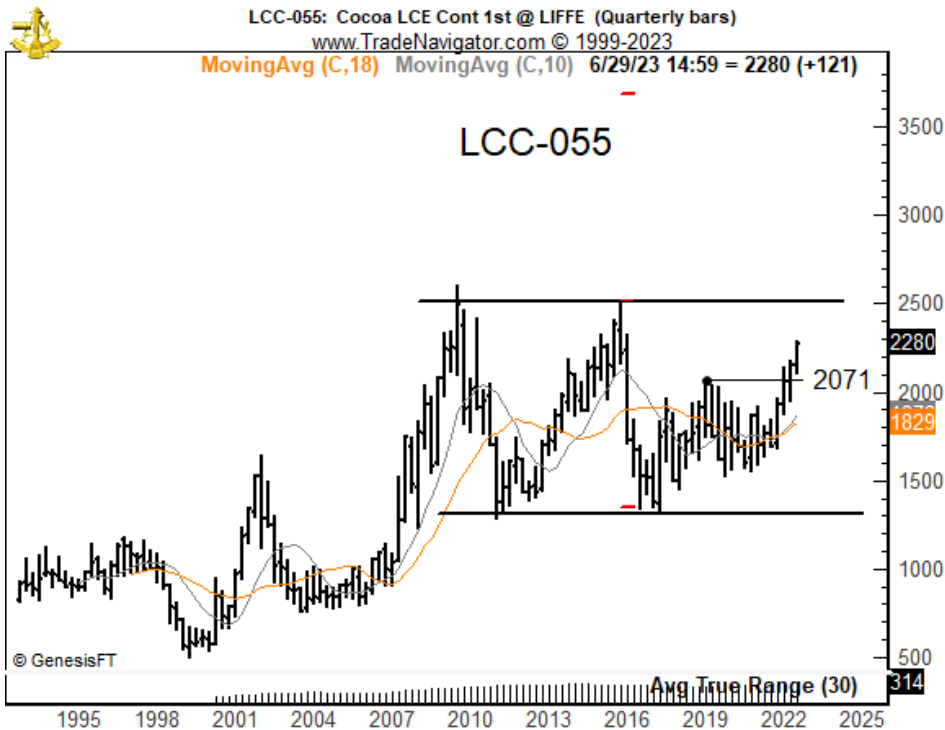
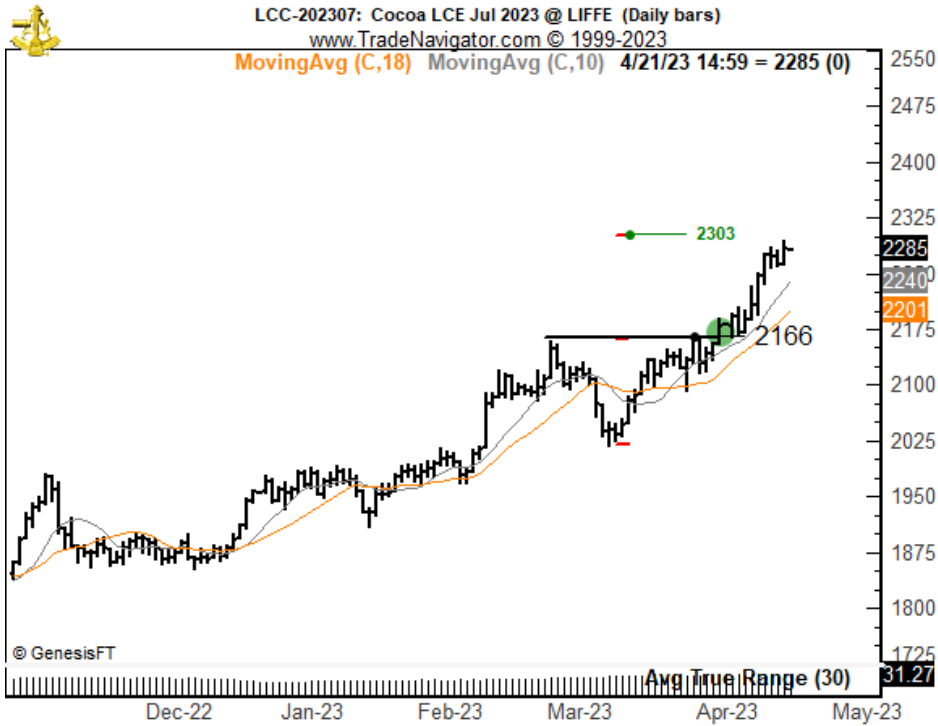
The Softs (Sugar, Cocoa, Coffee) are experiencing a major bull trend. The next target (LCCN23) is 2300, so I am not willing to sit through much of a reversal. I am counting Sugar as a missed trade for 2023.

There are a number of well defined monthly and weekly chart patterns forming, but I am not very excited about engaging a position based on a long-term chart when I am about to shut down for a month.

Positions at end of week

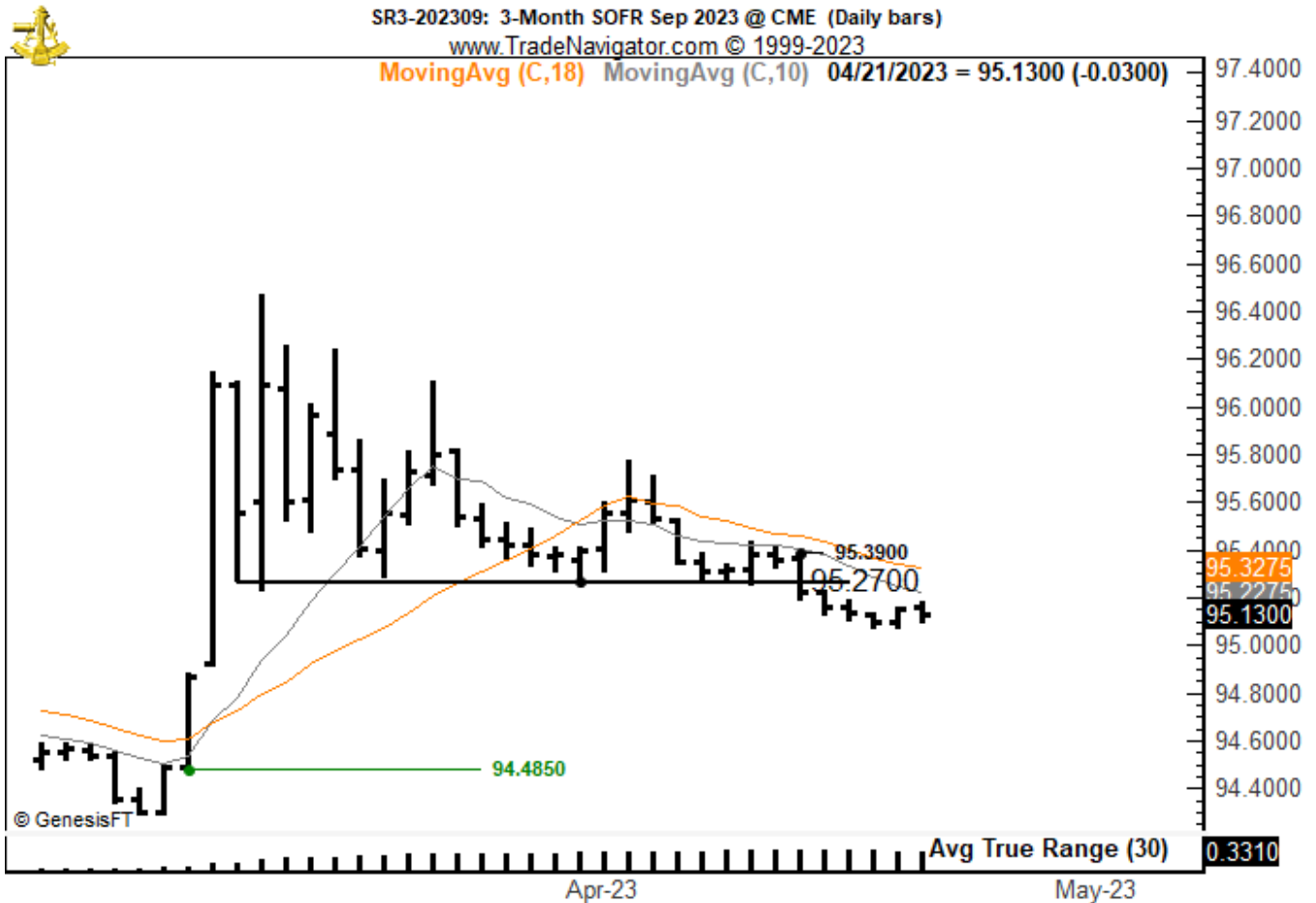
- Long 50% London Cocoa futures
- Short 100% SR3U23
- Long 50% Silver

London Cocoa. Long 50%. The case can be made for 3500 on the quarterly chart. I will start the new week with a protective stop just below Tuesday's low. I will NOT have an order entered to take profits, preferring to see if price can trend higher for the next week.



SOFR3 rates. Short 100%. I had a hiccup on this market on Friday. I viewed the price action on Wednesday and Thursday as the low and set-up days for the 3-day trailing stop rule. So I jammed my stop to Thursday's high and was stopped out on Friday. However, even through it was technically a 3DTSR, the stop out price was below the entry price so jamming the stop was a discretionary action. I resold the 50% position for a small day-trade loss (3 BPs) when price moved back below Thursday's closing price. My rules specify that when holding a 100% position (multiple tranches), a tranche will be covered under the following conditions:

- A 3DTSR once the trend has reached 70% to the target
- A Friday closing price loss
- A 3DTSR when the trigger price represents a losing position



Silver. The interpretation of the channel breakout will be negated if price closes below 23.70 (nearby contract). Otherwise the initial target is a test of 30.00.



THE FACTOR REPORT		Weekly position/symbol tracking - Prop ONLY			
W/O April 16, 2023					
Beginning Trades	Beginning Positions	Starting radar list for New Initial Positions	Symbols / orders added during week	Actions, End of week position	BP +/-
GCM23/7JM23	L 50%	Jun Gold v. Yen		S 50% W 267251; flat	94
Bitcoin	L 50%			S 50% W 29747.5; flat	3
LCCN23	L 50%	London Cocoa		Hold	
MNQM23	L 50%	Nasdaq		S 50% W 13108; flat	3
SR3U23	S 100%	SOFR 3 mo.		Hold	
		ZWN23		Unable, cxd	
		ECFZ23		Unable, cxd	
		SIN23		B 50% Th 25.61; long 50%	
		UGA		Unable, cxd	
		GBP futures		Unable	
		Closed trades YTD	15.9%		100

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