



Update November 6th 2015

Surprise number for US jobs – US recovery continues its Little League recovery - GDP growth middling – where is productivity growth? - Wondering about UK economy

What a number for jobs + 271000 - well above all estimates. US stock futures are moving down but not collapsing. The Euro is continuing to weaken and we expect to see yet more pressure on the EM currencies. Labor force participation remains at Depression levels and wages are putting in a slightly better but still sub-par performance, as the US economy continues to plod ahead in its “Little League” recovery.

Long and the short of it, we expect the Federal Reserve to take its “small step for the US but big step for mankind” rate increase by January if not December. If they do not move, their credibility – if this still counts – shall be zero.

This number is about the “happy few” - wealth accumulation as opposed to the income earners - the key is about asset allocation and not about paying the bills!

Rest of World shall do little - structural reforms remain “persona non grata”

Looking beyond US borders, what shall the rest of the world do in the wake of the US data? Our bottom dollar bet is that it shall overall do little and continue to persevere with its competitive devaluations masked as monetary easing. With structural reforms “persona non grata” – devaluation is the easy way out.

Commodities keep on taking it on the snout – German behemoth slowing?

Commodities are continuing to take it on the snout, with German factory orders falling – prospective demand looks weak in both the developed and the emerging markets. Oil is firming at the US Dollar 45 WTI level and no short term relief in sight. We remain cautious on the commodity complex and see spikes upwards used by producers to hedge future production at a higher price.

A tale of two sectors – Maersk earnings getting crushed

With regard to global growth, we are intrigued by the results of two behemoths at the opposite spectrum of the economic spectrum. Maersk – the shipping leader – has announced worse than expected third quarter results. While part of the loss stems from a dismal oil market, the focus is on a lack of recovery in the global consumer driven container market.

The Federal Reserve shall be raising rates in a steadily slowing “nuts and bolts” global economy.

Luxury group Richemont disappoints – Is this the swan song of the HENRY – High Earners Not Rich Yet?

At the other end of the spectrum - the superfluous as opposed to the essential - luxury group Richemont disappoints. Are we starting to see a more brittle performance by the HENRY – High Earners Not Rich Yet? Is there a plateauing of wealth accumulation in the emerging markets?

Jean Ergas
(646) 780-8880
jergas@tigressfp.com
Twitter: @jean_ergas

Tigress Financial Partners
Member of FINRA / MSRB /
SIPC

500 Fifth Avenue
New York, NY 10110
(212) 430-8700

www.tigressfinancialpartners.com

To subscribe to Jean’s Global
Macro Overview, order
customized reports, or gain
direct access to Jean, contact
research@tigressfp.com.

Rate rise in UK – Will it set off a property collapse?

We are interested in the adventures of the pound sterling – with interest rate increases again being postponed. Weak inflation and concerns as to the global economy – slowing of the Euro Zone – are staying the Bank of England's hand. We might also add that the BOE is likely scared out of their wits as to popping a massive property bubble.

The UK is still beholden to property speculation and financial markets for its livelihood. The two are closely correlated.

Contacts

Jean Ergas
Chief Economist
(917) 551-6533 Direct
jergas@tigressfp.com

Ivan Feinseth
Chief Investment Officer
(212) 430-8730 Direct
ifeinseth@tigressfp.com

Philip Van Deusen
Director of Research
(646) 862-2909 Direct
pvandeusen@tigressfp.com

Brian O'Sullivan
Managing Director, Trading
(646) 798-8453 Direct
bosullivan@tigressfp.com

Ernest Williams
Institutional Sales & Trading
(646) 862-2912 Direct
ewilliams@tigressfp.com

Chris DeCarolis
Research Associate
(646) 402-6695 Direct
cdecarolis@tigressfp.com

About Jean:

Jean Ergas is the Chief Economist for Tigress Financial Partners LLC (Member FINRA, MSRB, SIPC) based in New York City.

He is an Adjunct Assistant Professor at New York University's School of Professional Studies and an Adjunct Faculty member at Manhattanville College. In 2014 he received the award for teaching excellence from NYU School of Professional Studies.

He is fluent in English, French, German, Italian, Spanish and Portuguese. He also has a certificate in Arabic – from NYU School of Professional Studies.

His career has spanned the complete range of macro risk analysis - energy / commodities with ENI - Global Fortune 500 17 - leading global natural resources group, capital markets with Swiss Bank Corporation (now UBS) and insurance / reinsurance with the A.M. Best Company. Jean contributes regularly to international media commenting on key macro-economic issues.

Jean is a member of the American Institute of Certified Public Accountants and has an MBA and an Advanced Professional Certificate in Accounting from New York University's Stern School. He has also passed the FINRA Series 7 examination.

Tigress Financial Partners LLC - Member of FINRA / MSRB / SIPC

Research: (646) 780-8880 research@tigressfp.com

500 Fifth Avenue New York, NY 10110 (212) 430-8700 www.tigressfinancialpartners.com

Research Report Disclaimer

This report is produced for informational purposes only and is not a solicitation to buy or sell any securities or services from any companies or issuers mentioned herein or to participate in any particular trading strategy or in any jurisdiction in which such an offer or solicitation would violate applicable laws or regulations.

Tigress research is distributed in the United States by Tigress Financial Partners LLC a registered broker dealer with the Securities and Exchange Commission (SEC) and a member of the Financial Industry Regulatory Authority (FINRA) and in Brazil by Gradual Investimentos, Gradual CCTVM S/A, a financial institution authorized by the Central Bank of Brazil.

The information contained herein has been obtained or derived from sources believed to be reliable but its accuracy and completeness is not guaranteed and should not be the sole basis of any investment decision but only to be used as a factor in the investment decision process.

This report does not provide individually tailored investment advice and has been prepared without regard to the individual financial circumstances and investment objectives of any person(s) receiving it. The analysis and conclusions herein are not a complete analysis of every material fact respecting any company, industry, or security. The opinions expressed in this report reflect the judgment of the author(s) at this date and are subject to change without further notice. Tigress Financial Partners is under no obligation to provide updates to recipients of any previously issued reports or recommendations.

The market value and expected income from any investment may vary because of changes in interest rates or foreign exchange rates, securities prices or market indexes, operational or financial conditions of the underlying companies or other factors. Past performance is not indicative of future performance. Estimates of future performance, research ratings and target prices are based on assumptions that may not be realized. Unless otherwise stated, the cover page provides the most recently available closing price on the primary exchange for the subject company's securities/instruments.

Securities are offered through Tigress Financial Partners LLC a SEC Registered Broker Dealer and a member of FINRA / MSRB / SIPC which clears its securities transactions and provides custody of client accounts on a fully disclosed basis through Pershing LLC, a subsidiary of The Bank of New York Mellon.

Securities in your account are protected up to \$500,000 of which \$250,000 can be for claims for cash awaiting reinvestment. Please note that SIPC does not protect against loss due to market fluctuation. For additional information please go to www.sipc.org.

In addition to SIPC protection, Pershing provides Tigress Financial Partners LLC client accounts coverage in excess of SIPC limits from Lloyd's of London, in conjunction with other insurance companies. The excess of SIPC coverage provides an aggregate loss limit of \$1 billion for eligible securities over all client accounts and a per-client loss limit of \$1.9 million for cash awaiting reinvestment within the aggregate loss limit of \$1 billion. The excess of SIPC coverage does not protect against loss due to market fluctuation. For additional information please go to www.lloyds.com.

Pershing's excess of SIPC coverage is provided by Lloyd's of London in conjunction with XL Specialty Insurance Co., Axis Specialty Europe Ltd., Great Lakes Reinsurance (UK) PLC and Ironshore Specialty Insurance Co.

About Tigress Financial Partners LLC

Tigress Financial Partners is a specialized financial services firm providing expertise and services in investment banking, investment research, asset management, corporate advisory and trade execution services.

Tigress Financial Partners provides its services to corporate entities, institutional investors, high-net worth individual investors, public and private pensions, federal, state and municipal governments.

Tigress Financial Partners LLC is a registered broker dealer with the Securities and Exchange Commission (SEC) and a member of the Financial Industry Regulatory Authority (FINRA), the Municipal Securities Rulemaking Board (MSRB) and the Securities Investor Protection Corporation (SIPC).

Tigress Financial Partners LLC is a Woman-Owned Business Enterprise (WBE) and is nationally certified by WBENC, the Women's Business Enterprise National Council.

Tigress Financial Partners LLC is a wholly-owned subsidiary of Tigress Holdings LLC and Gradual Holding Financeira S.A.

For further information please go to www.tigressfinancialpartners.com.

No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, scanning or otherwise without prior expressed permission in writing from Tigress Financial Partners LLC.

All trademarks, service marks and logos used in this report are trademarks or service marks or registered trademarks or service of their respective owners.

© 2015 Tigress Financial Partners LLC. All Rights reserved.

Tigress Financial Partners LLC - Member of FINRA / MSRB / SIPC**Research: (646) 780-8880 research@tigressfp.com**500 Fifth Avenue New York, NY 10110 (212) 430-8700 www.tigressfinancialpartners.com