



25.07.2022

Blending micro & macro during earnings season

- This week, 175 S&P500 companies release earnings . But Q2 GDP may herald a technical recession, the Fed will hike rates & further inflation data are also due.
- There are so many moving parts, how is an equity manager supposed to keep up?
- Qi's RETINA™ is a pipeline of potential trade ideas. Amongst a list of tailored assets, it highlights when securities become divorced from macro fundamentals.
- One current example is [RSP](#), the Invesco ETF that tracks an equally weighted S&P500 index rather than a market-cap one.
- RETINA is flagging that RSP is now 0.9 sigma (5.5%) rich to macro model value. Spot RSP has accelerated ahead of macro conditions & Qi's Fair Value Gap is at the richest levels recorded in 2022.



- Aside from crunching the numbers on single stocks, bottom-up analysis will be thinking about concentration risks.
- There are fears that the big stocks by earnings contribution, distort the overall earnings picture for the broader index. Put another way, that the earnings picture is worse outside of the biggest mega cap names.
- Analysing company fundamentals during earnings season is a big drain on time. Fortunately, Qi provides a low touch way to identify when stocks become divorced from macro. RETINA™ is an efficient productivity tool to help blend micro & macro into one investment process.

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