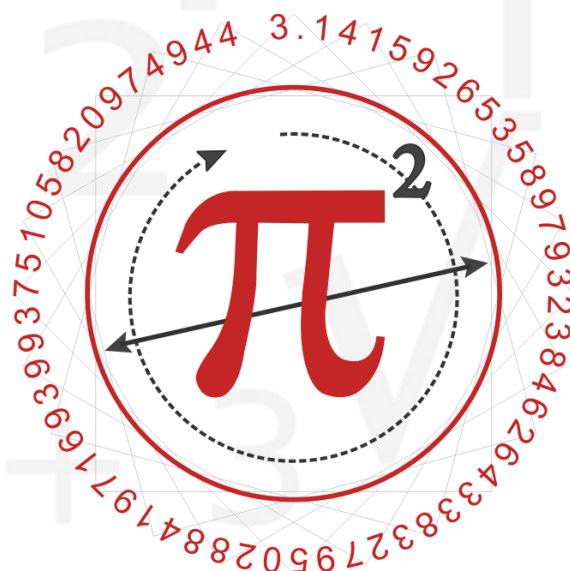
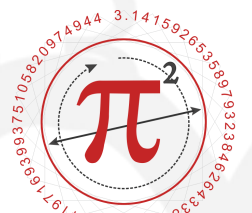


**US Insight**



**PI SQUARE INVESTMENTS**

# MACRO TRENDS



PI SQUARE INVESTMENTS

Constant decrease in Bond Yield is driving the US Equities to new highs.

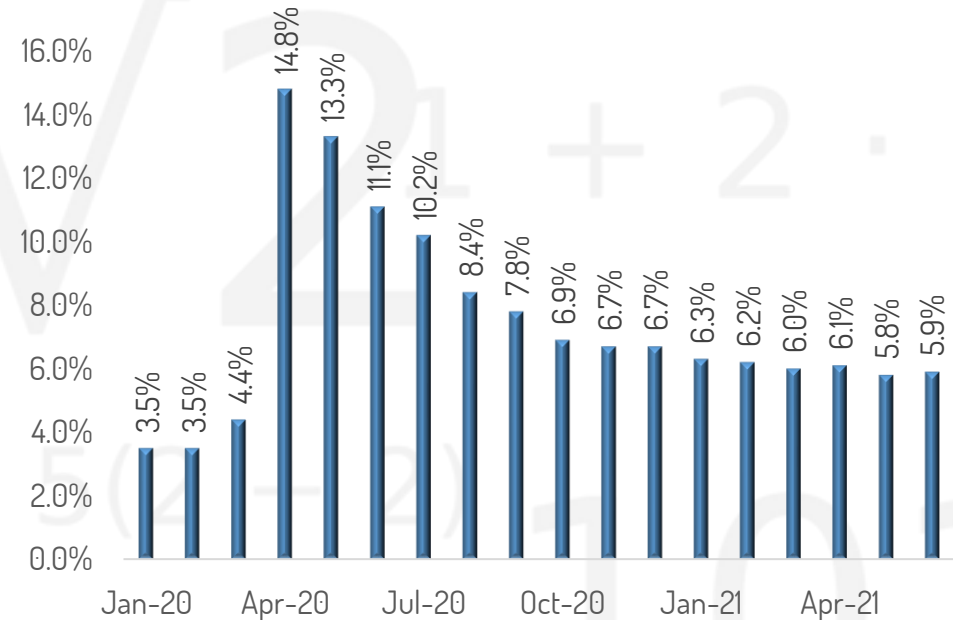
Monthly Unemployment rate near pre-covid levels, signalling more jobs and economic recovery.

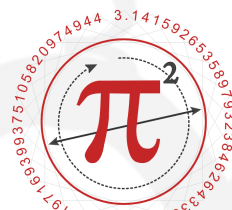
US 10Y Bond Yield (%)



Source: Investing.com

Monthly Unemployment Rate





# HOUSING RATES

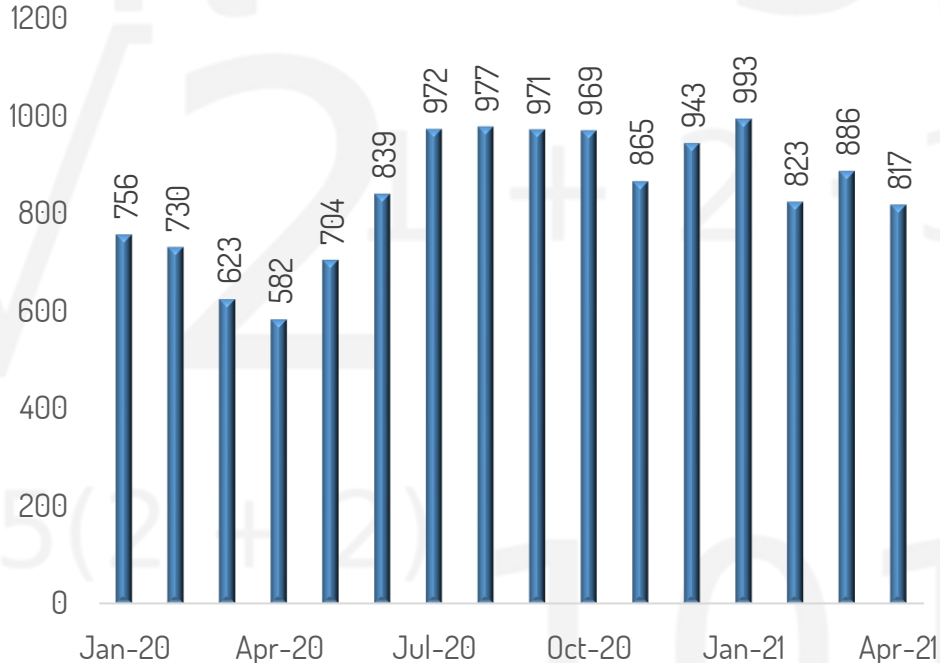
Fed Monetary policy keeps the mortgage rates at 30Y low

The spurt in commodity prices since 3 months have slowed down the new home sales.

US 30Y Housing Rates (%)

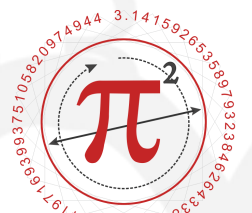


New Home Sales (in 000')

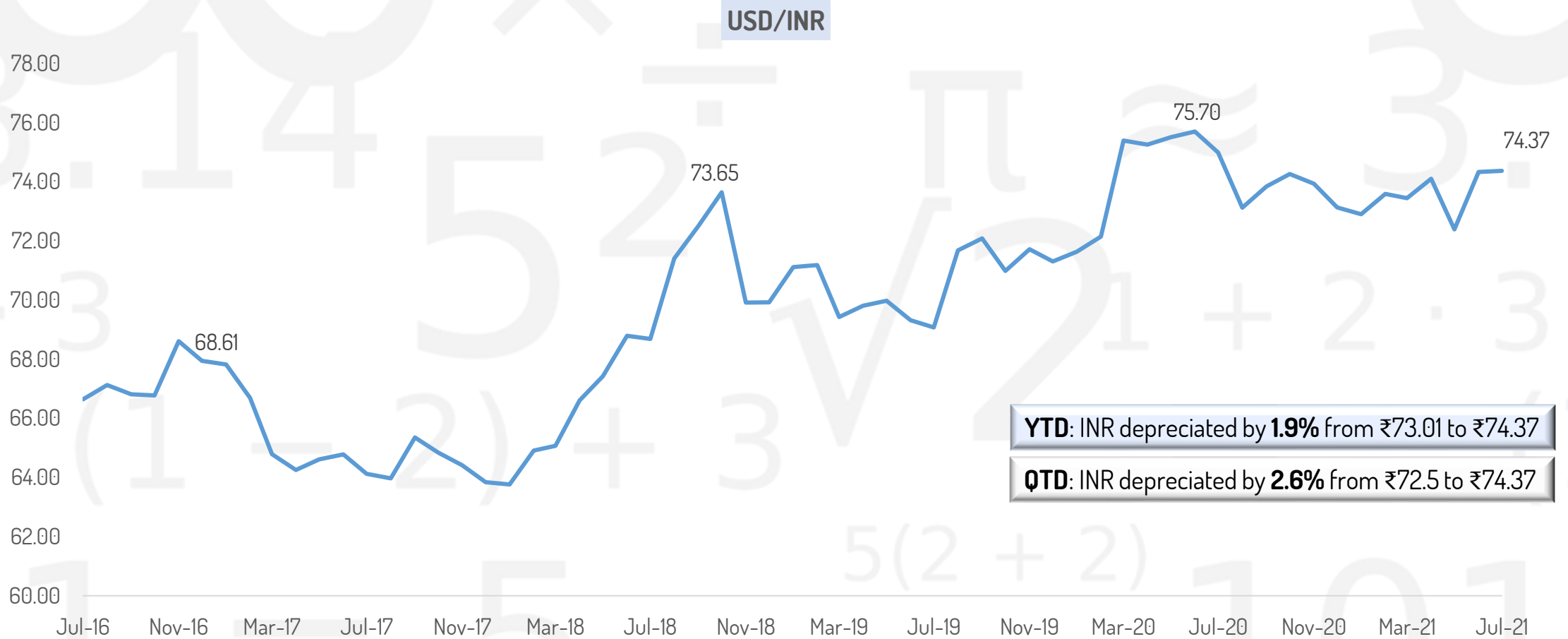


Source: [freddiemac.com](https://www.freddiemac.com) / [fred.stlouisfed.org](https://fred.stlouisfed.org)

# USD/INR



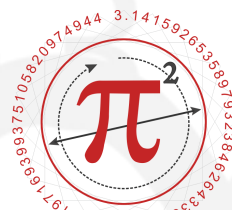
PI SQUARE INVESTMENTS



**YTD:** INR depreciated by **1.9%** from ₹73.01 to ₹74.37

**QTD:** INR depreciated by **2.6%** from ₹72.5 to ₹74.37

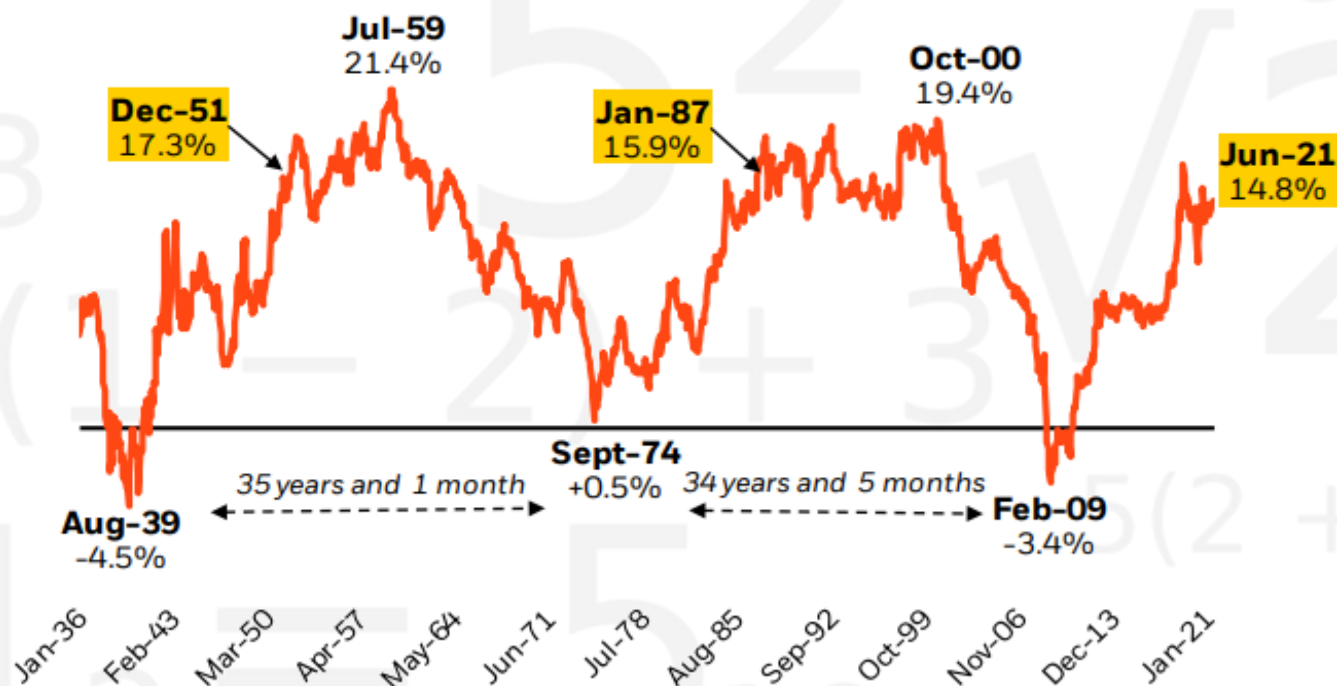
Source: yahoofinance.com



# 10Y ROLLING RETURNS

**Long term equity returns on pace with previous cycles.** The last two major corrections in the markets were at an interval of 35 years. The best 10Y rolling return was in Oct 2000 of 19.4%.

**U.S. stocks, 10-year rolling return**  
Average annual returns (1/1/26 - 6/30/21)



Cyclical low in 10-year return	Next 12 years and 4 months after cyclical low
Feb-09 -3.4%	Jun-21 +14.8%
Sept-74 +0.5%	Jan-87 +15.9%
Aug-39 -4.5%	Dec-51 +17.3%

# US v/s INDIA



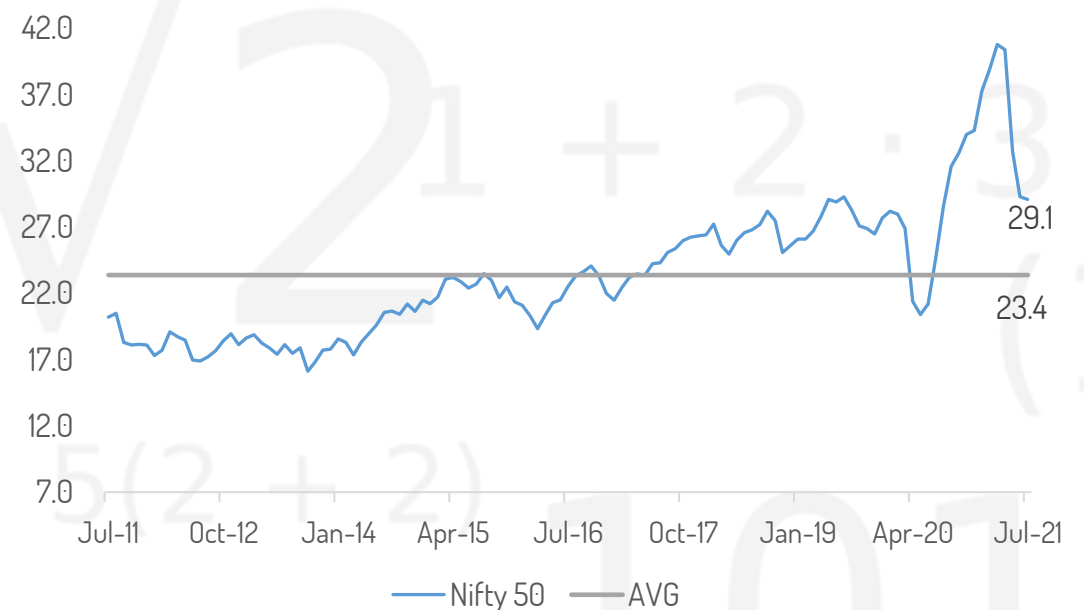
PI SQUARE INVESTMENTS

<b>GDP (2021)</b>	<b>\$22.7trn</b>
Expected growth rate (2021)	6.4%
Trailing PE	34.0

<b>GDP (2021)</b>	<b>\$2.8trn</b>
Expected growth rate (2021)	12.5%
Trailing PE	29.1

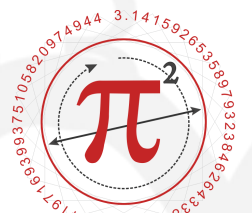
**S&P 500**

**NIFTY 50**



Source: [macrotrends / nifty-pe-ratio.com](https://www.macrotrends.net/nifty-pe-ratio)

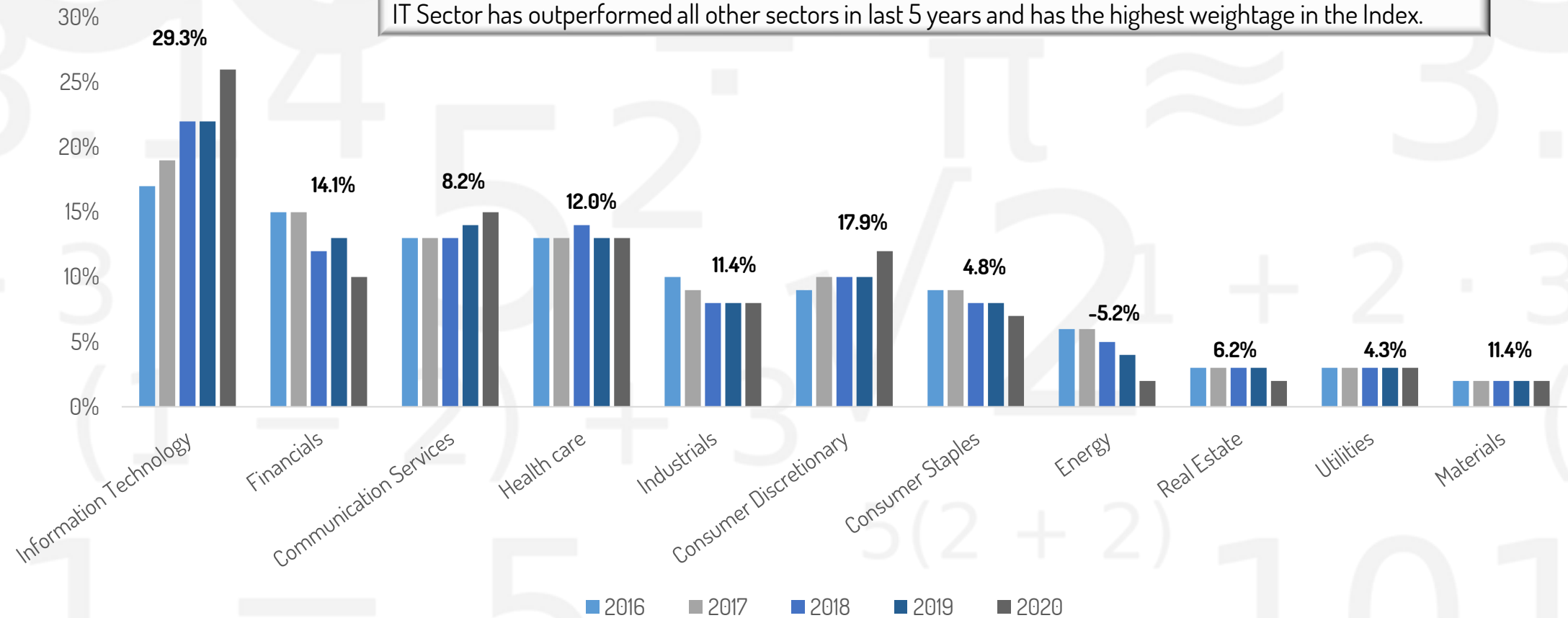
# S&P 500 SECTOR COMPARISON



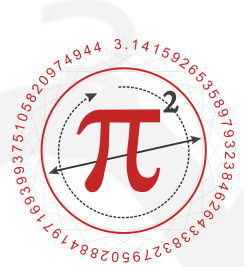
PI SQUARE INVESTMENTS

## Sector Indices CAGR Returns (2016-2020)

IT Sector has outperformed all other sectors in last 5 years and has the highest weightage in the Index.

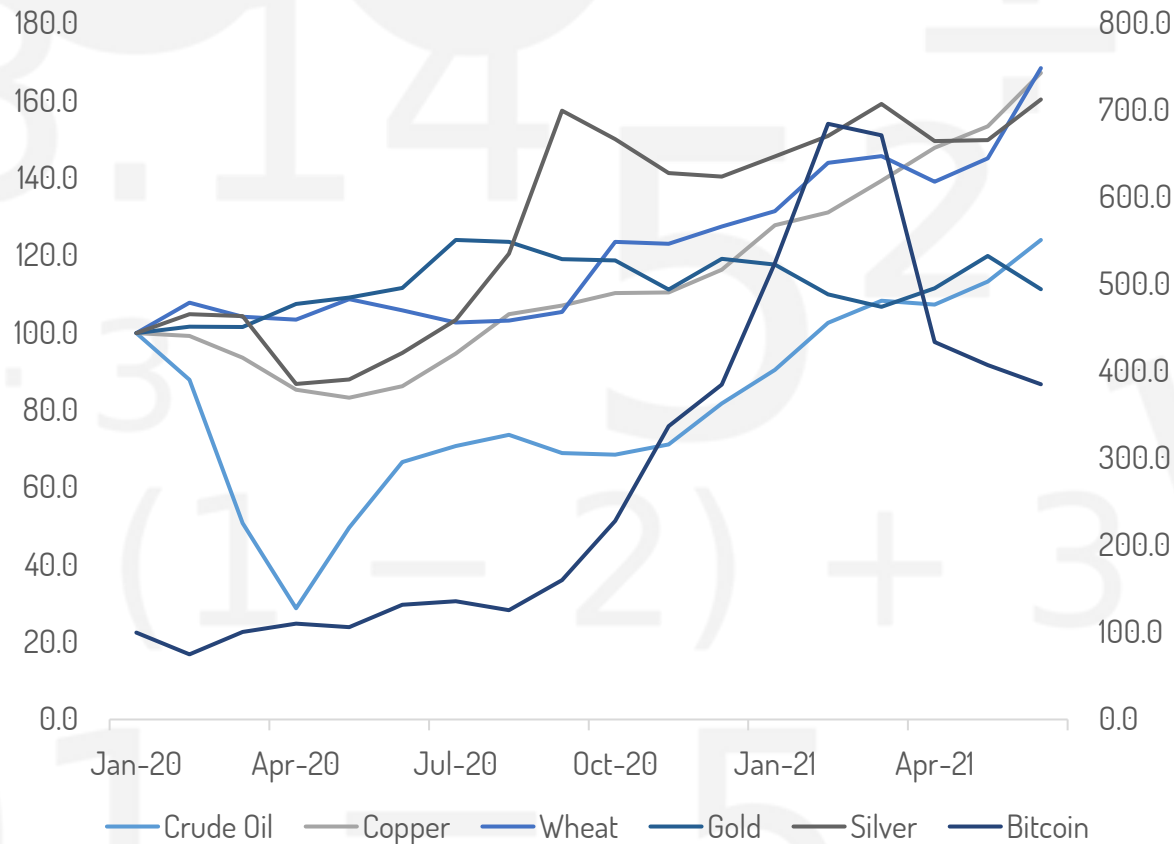


Source: [einvestingforbeginners.com](http://einvestingforbeginners.com)



# COMMODITY RETURNS

Commodity Returns (Value of \$100)



Almost all commodities have underperformed the S&P index over 2 to 5 years time frame showing strength of Equities against commodities.

Returns	S&P 500	Crude Oil	Copper	Wheat	Gold	Silver	Bitcoin
YTD	16.1%	51.8%	43.8%	32.1%	-6.6%	14.2%	0.1%
1 year	35.1%	86.3%	94.0%	59.2%	-0.3%	69.1%	192.8%
2 year	20.9%	-2.6%	6.8%	7.7%	21.5%	29.5%	209.5%
3 year	15.9%	-6.7%	1.2%	15.1%	13.5%	12.3%	48.0%
5 year	15.1%	-2.0%	5.3%	11.5%	10.5%	6.7%	102.6%

\*Highlighted returns have underperformed the Broader Index

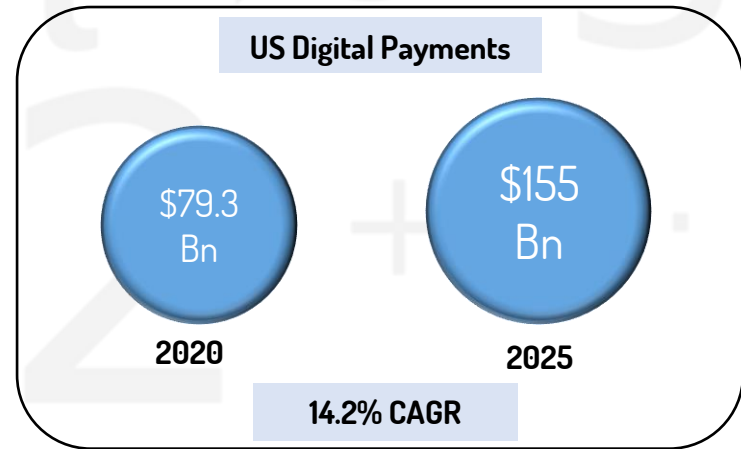
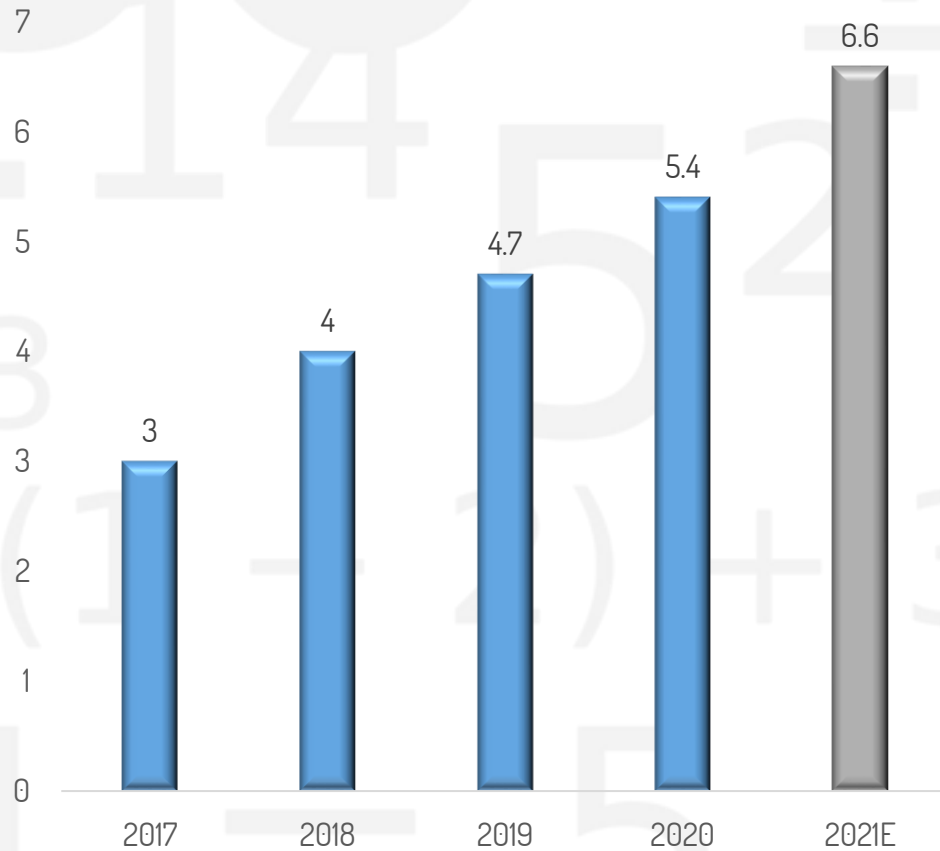


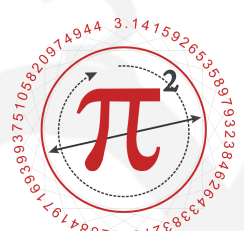
# MACRO TRENDS



PI SQUARE INVESTMENTS

Global Digital Payments (in Tn \$)

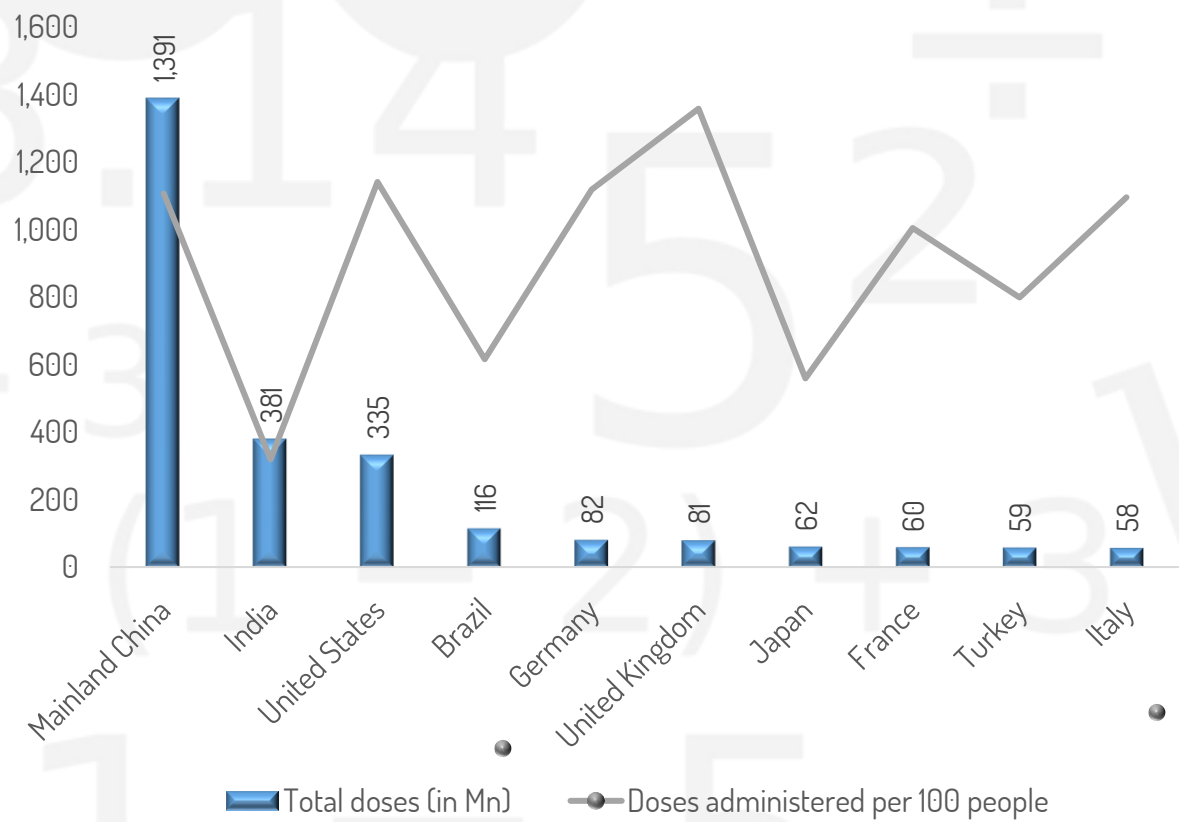




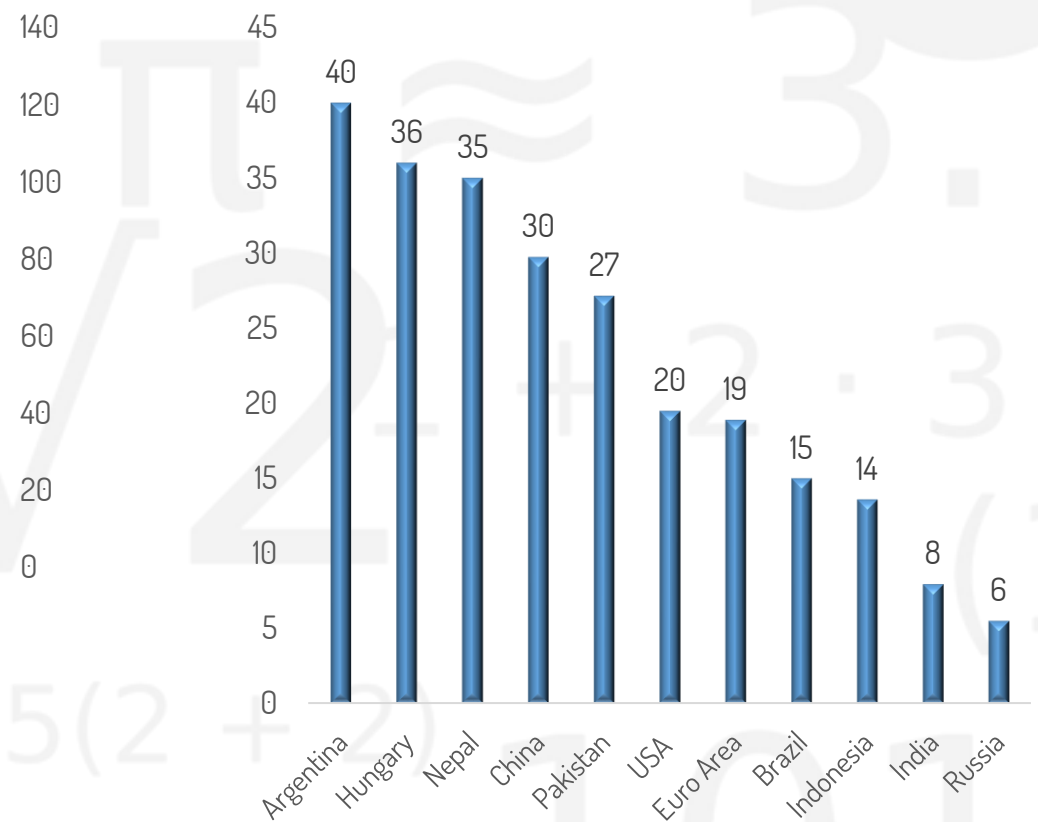
PI SQUARE INVESTMENTS

# VACCINATION DATA

Country wise Vaccination (in Mn)

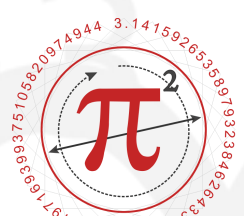


Vaccine Prices (US \$)



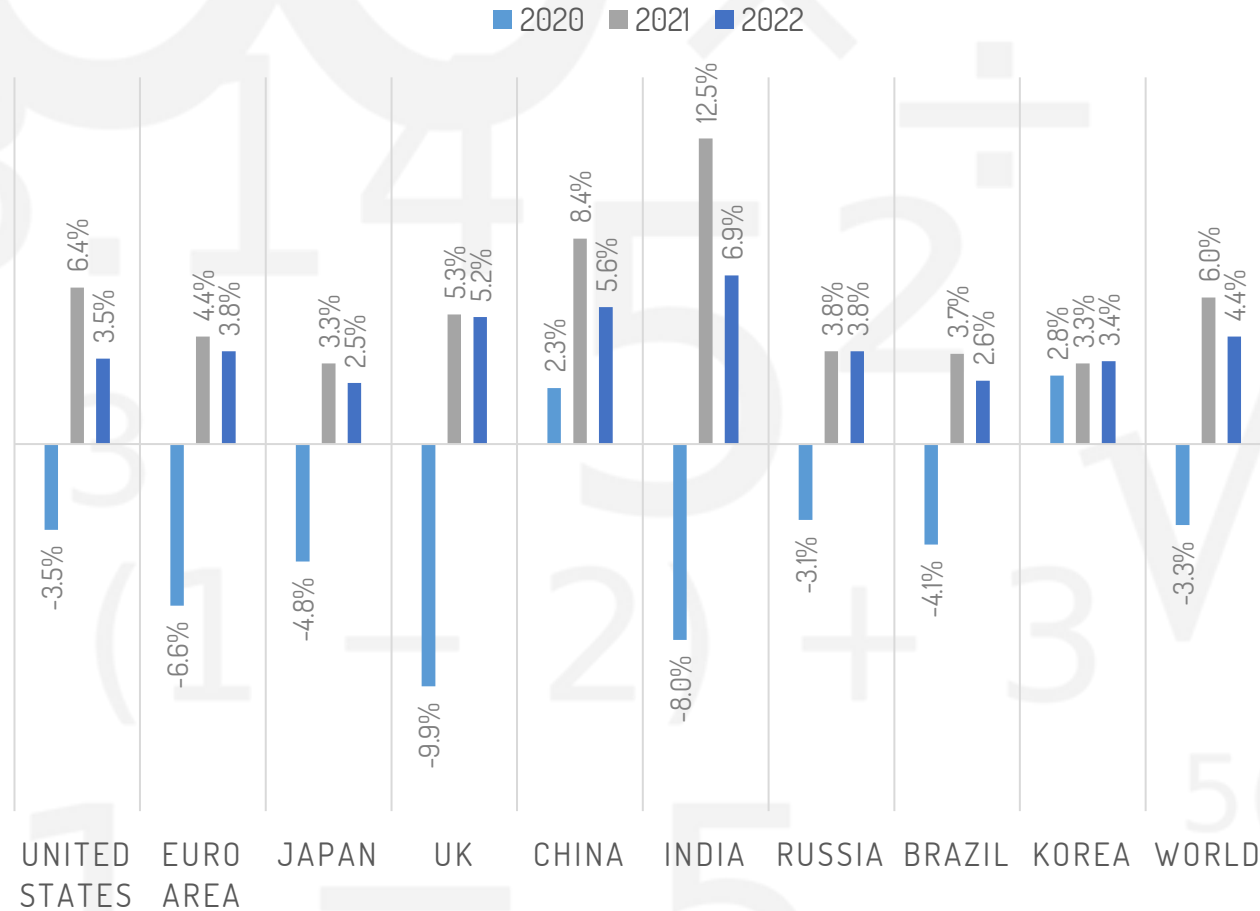
Source: CNN Health / unicef.org  
Data as on : July 15, 2021

# WORLD OUTLOOK 2021



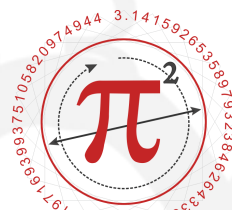
PI SQUARE INVESTMENTS

## GDP Trend



Country	2016	2017	2018	2019	2020
United States	1.7%	2.3%	3.0%	2.2%	-3.5%
Euro Area	1.9%	2.6%	1.9%	1.3%	-6.7%
Japan	0.5%	2.2%	0.3%	0.3%	-4.8%
United Kingdom	1.7%	1.7%	1.3%	1.4%	-9.8%
China	6.8%	6.9%	6.7%	5.9%	2.3%
India	8.3%	6.8%	6.5%	4.0%	-8.0%
Russia	0.2%	1.8%	2.8%	2.0%	-3.0%
Brazil	-3.3%	1.3%	1.8%	1.4%	-4.1%
Korea	2.9%	3.2%	2.9%	2.0%	-1.0%

Source: IMF, World Economic Outlook 2021



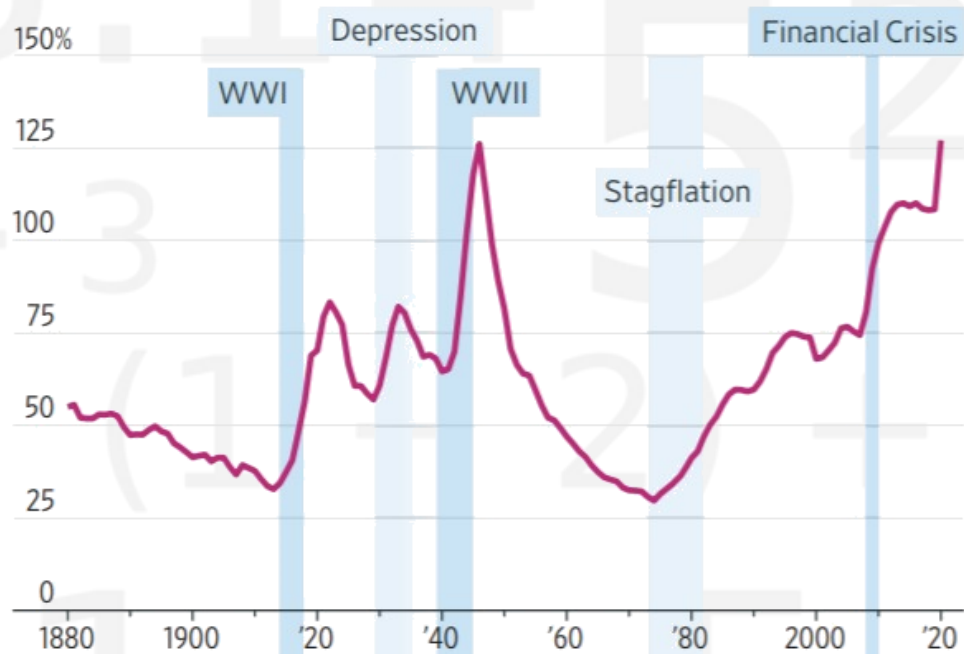
PI SQUARE INVESTMENTS

# MACRO DATA

## Rising Debt, Falling Interest

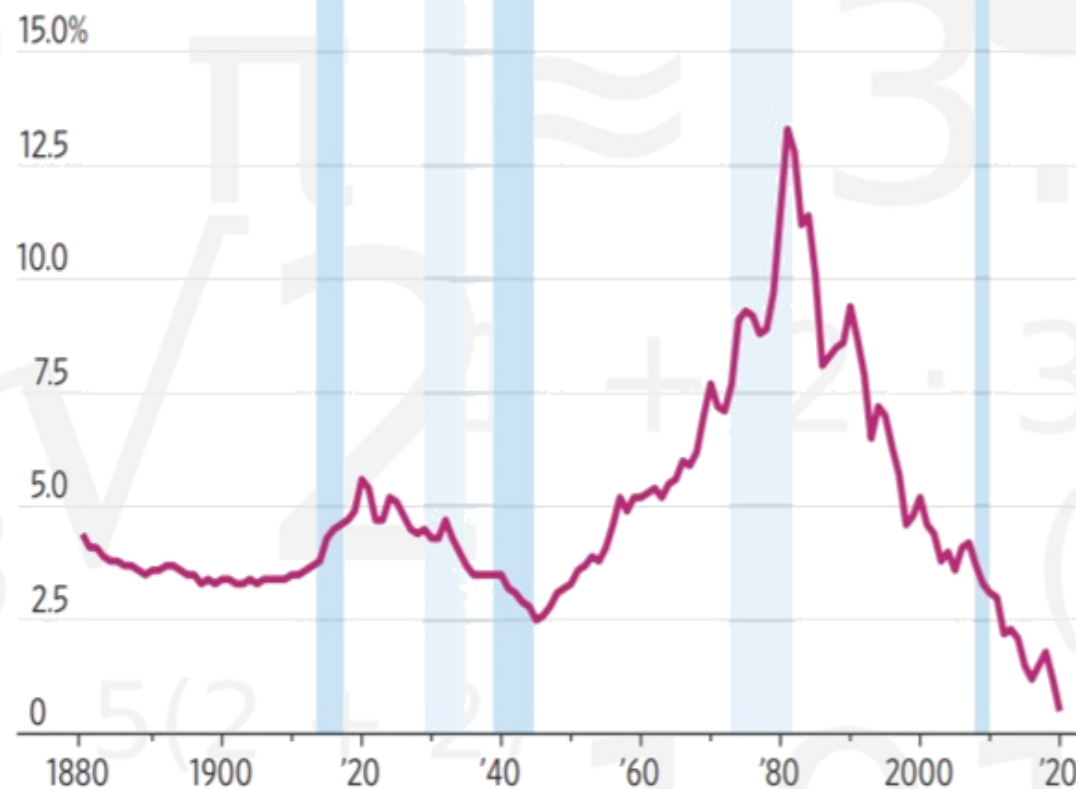
As government debt levels in advanced economies have risen close to their highest ever...

Public debt as a percentage of GDP in 20 advanced economies



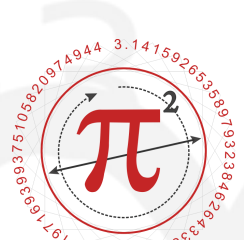
...governments' borrowing costs have fallen to an all-time low.

Average government bond yield in 20 advanced economies



Source: International Monetary Fund

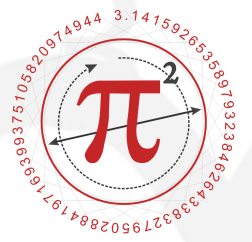
# Disclaimer



PI SQUARE INVESTMENTS

1) Pi Square Advisors is registered with SEBI as a Registered Investment Adviser ("Investment Adviser"). 2) This material is provided for informational purposes only. Information contained does not constitute and shall not be deemed to constitute in any manner any investment advice or an offer for sale or solicitation or endorsement relating to the products/ services mentioned herein ("Products"/ "Services"). The data used in this material is prepared and issued based on internal data, publicly available data and also obtained from the sources which it considers reliable. Pi Square Advisors and its related entities distributing this document and each of their respective partners, officers and agents believe that utmost care has been taken to represent facts and provide correct information as at the time of its compilation. However, Pi Square Advisors does not warrant the completeness/accuracy/reasonableness of the information and disclaims itself from all liabilities, losses/damages arising out of the use of this information. Pi Square Advisors / its subsidiaries / affiliates / sponsors or their officers, employees, personnel, partners shall not be liable for any loss, damage, liability whatsoever, whether direct or indirect, arising from the use or access of any information. 3) For Pi Square Client/s: (a) The Client understands that the Advisor serves as Investment Advisor for other clients and will continue to do so. The Client understands that the Advisor may give advice or take action in performing its duties to other clients, or for its own accounts, that may differ from advice given to or acts taken for the Client based on the individual time horizon, risk tolerance, financial situation and other subjective criteria. The Advisor is not obligated to buy, sell or recommend for the Client any security that the Investment Advisor may buy, sell or recommend for any client or for its own accounts. (b) This does not limit or restrict in any way the Advisor from buying, selling or trading in any security or other investments for their own accounts. 4) Pi Square Advisors or its partners, associates, officer, or employees, research analyst (including relatives) worldwide may: (a) from time to time, have long or short positions in, and buy or sell the securities thereof, of company(ies), mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company/company(ies) discussed herein or act as advisor or lender/borrower to such company(ies) or have other potential/material conflict of interest with respect to any recommendation and related information and opinions. The Advisor may have proprietary long/short position in the above mentioned scrip(s) and therefore should be considered as interested. The views provided herein are general in nature and do not consider risk appetite or investment objective of any particular investor; readers are requested to take independent professional advice before investing. This should not be construed as invitation or solicitation to do business with Pi Square Advisors. The recipient is requested to read and understand the warnings/ disclaimers/ disclosures, etc. before making any investment related decisions. 5) The information contained in this document is for general purposes only and may not be a complete disclosure of every material fact and terms and conditions and features. The statements contained herein may include statements of future expectations/outlook and other forward looking views that are based on our current views and assumptions/factors and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Any forecasts or opinions expressed may be subject to change without any intimation. The recipient alone shall be fully responsible / liable for any decision taken on the basis of this presentation. The recipient of this material should rely on their own investigations and if required take their own professional advice. This communication is for private circulation only and for the exclusive and confidential use of the intended recipient(s) only. Any other distribution, use or reproduction of this communication in its entirety or any part thereof is unauthorized and strictly prohibited. The content of this presentation is confidential and intended solely for the use of the addressee. If you are not the addressee, or the person responsible for delivering it to the addressee, please delete the same immediately and any disclosure, copying, distribution or any action taken or omitted to be taken in reliance on it is prohibited and may be unlawful. No part of this document may be duplicated in whole or in part in any form and/or redistributed without prior written consent of Pi Square Advisors. 6) Securities investments are subject to market risks and there is no assurance or guarantee that the objective of the investments will be achieved. Past performance of the investment adviser does not indicate its future performance. Portfolio Advisory products/strategy along with product name does not in any manner indicate either the quality of the products/strategy or its future prospects and returns. References to indices, benchmarks or other measures of relative market performance over a specified period of time are provided for information only and do not imply that the portfolio will achieve similar results in the future. The index composition may not reflect the manner in which a portfolio is constructed. The Portfolio Adviser, its affiliates/associates, their directors, employees, representatives or agents shall not be liable or responsible, in any manner whatsoever, to any Investor/Recipient or any other person, for the performance/profitability/operations of the products/strategy, the contents of any document or any investments in the products/strategy including any and all direct, special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages. Investors are advised to read the client agreement and other related documents carefully and consult your legal, tax, financial advisor and accounting professional if required before making the decision, acting or omitting to act. 7) As with any investments in securities, the value of portfolio can go up or down depending on various factors and forces affecting capital/fixed income markets and hence such investments may not be always profitable and there is no guarantee against loss resulting from investment. Portfolio investment will be subject to various risks which include but are not limited to market risk, interest rate risk, credit risk, price risk, settlement risk, liquidity risk, general economic and political conditions, risk due to global impact and uncertainties etc. Portfolio(s) of individual clients may be concentrated in certain companies/industries/sector. The performance of the portfolios would depend on the performance of such companies / industries / sectors of the economy. Asset allocation and strategies have some base assumptions which may or may not be right due to either internal circumstances relating to the corporation or external circumstances. 8) Confidential information about the client shall not be divulged without taking prior permission from the client except where such disclosures are required to be made in compliance with any law for the time being in force. 9) There are no outstanding litigations against the Company and its Partners. 10) The Analyst has not served as an officer, director or employee of the company(ies) mentioned herein. 11) This message is intended only for the personal and confidential use of the designated recipient(s). If you received this transmission in error, please immediately contact the sender and destroy the material in its entirety, whether in electronic or hard copy format. Sender does not intend to waive confidentiality or privilege. Use of this is prohibited when received in error. If you are not the intended recipient of this message, you are hereby notified that any review, dissemination, distribution or copying of this message is strictly prohibited. This transmission may contain information that is privileged, confidential, legally privileged, and/or exempt from disclosure under applicable law.

# Thank You



PI SQUARE INVESTMENTS

Ahmedabad: 1103, Titanium One, Near Rajpath Club,  
S G Highway, Bodakdev, Ahmedabad – 380054  
+91 79 2970 4838

New York: 257 Marcus Avenue, New Hyde Park, New York – 11040  
+1 646 434 5110

[www.pisquareinvestments.com](http://www.pisquareinvestments.com)  
[investors@pisquareinvestments.com](mailto:investors@pisquareinvestments.com)

**PI SQUARE INVESTMENTS**