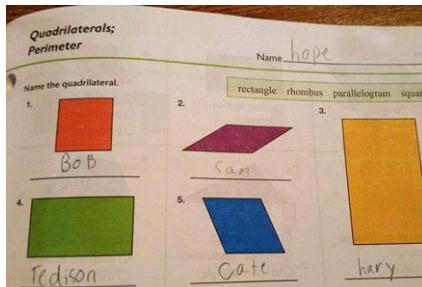


am
/
FX

Brent Donnelly

bdonnelly@spectramarkets.com
(212) 398-6230



Bonus marks for “Tedison”

Current Trades

Long 06DEC 0.7500
AUD digis
 spot ref. 0.7285

Tedison

Short sentences about today's jobs report

Today's jobs number shows a tight labor market. It does not contain a lot of new information. Fed on track for November taper. Market implications minimal. The reaction was to sell USD. I don't agree with that interpretation. It's a USD-neutral or mildly USD-positive outcome, in my opinion. The labor market is tight. We knew this at 8:28 a.m. We know it now.

DMN reply

Yesterday, I wrote about the brain's default mode network (DMN). [See here](#) if you missed it. My friend Dave Nadig (Director of Research at ETFTrends.com, [@DaveNadig](#), the guy who told me about the book “Buddhism is True”) responded to my piece yesterday with this, which I thought was enlightening (CTRL-V'd with Dave's permission):

My goal in meditation isn't the control of the DMN, it's essentially the destruction of it. The science here is super cool, but in essence, the DMN only gets the "conch" in your head when you detask, as WBIT goes into. If the task is repetitive and you get good at it, then you no longer need attention, so your lack-of-attention gives the DMN the conch. Meditation and mindfulness practices teach you to hijack that -- you detask, but you don't allow the DMN to do it's thing. You allow IT to be still as well.

And that's when your mind gets blown.

Psychedelics do something similar at a neurological level but are much less predictable, which is why set/setting/intention/integration are such critical parts of Psychedelic therapy protocols.

Dave is one h3ll of a writer, by the way. A must follow on the Twitters.

Podcast!

Steven Goldstein and Mark Randall had me on the AlphaMind podcast this week. They specialize in trader training, psychology and all the same stuff I am passionate about. [Here is the link for your listening enjoyment](#) this weekend.

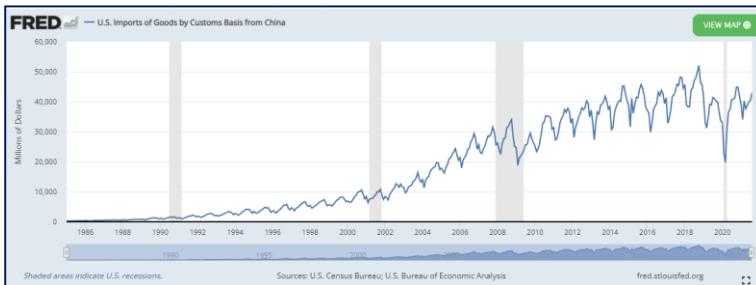
Speaking of this weekend: Don't forget to convert your free AM/FX subscription to paid so you don't get cut off next Friday. I know this marketing stuff is annoying, but I would not be doing my job if I didn't remind you of the approaching deadline. [Subscribe here](#).

Shipping

I sent out The Economist cover yesterday as an anecdote that supports other clues showing we may be near a peak in the shipping / shortages panic. I don't deal in absolutes but that's where the evidence points, I think.

A reader made the interesting point that shipping volumes and US imports peak each year in roughly mid-October as inventory builds for Christmas. This should help. I would presume companies ordered earlier than usual this year given the known supply problems and so it would be reasonable to think peak imports and shipping stress are behind us. See chart on the next page. This is another point in favor of my theory that we are near peak supply chain panic.

The seasonal peak in shipping volumes is right about now, funk soul brother



<https://fred.stlouisfed.org/graph/?g=HvqM>

Another reader pointed out that a good real-time way to track this story is through the equities of Cosco and Maersk¹. Those are two of the three largest shipping companies in the world². The charts show some negative divergence as Cosco failed to make new highs and Maersk took out the June highs but now trades back below.

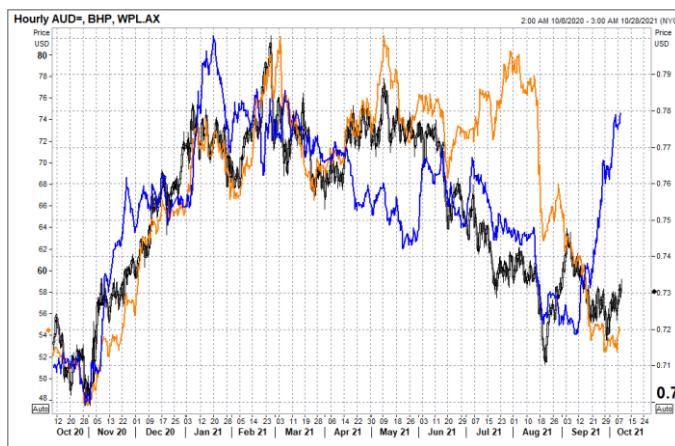
Finally, speaking of useful equities to follow, the best trader I know with regard to detailed knowledge of the AUD market made an excellent point to me the other day.

We used to watch BHP and FCX as lead indicators for AUD and China, but WPL (Woodside Petroleum) is worth adding to the watch list as LNG becomes a more important part of the Australian ToT mix. This chart is not to suggest that AUD should catch up to WPL, it's simply to show that perhaps an average of BHP and WPL is more appropriate than just BHP in a world where LNG is ripping, and yet iron ore is on the lows.

The two largest publicly-traded shipping companies



AUDUSD vs. BHP and Woodside Petroleum



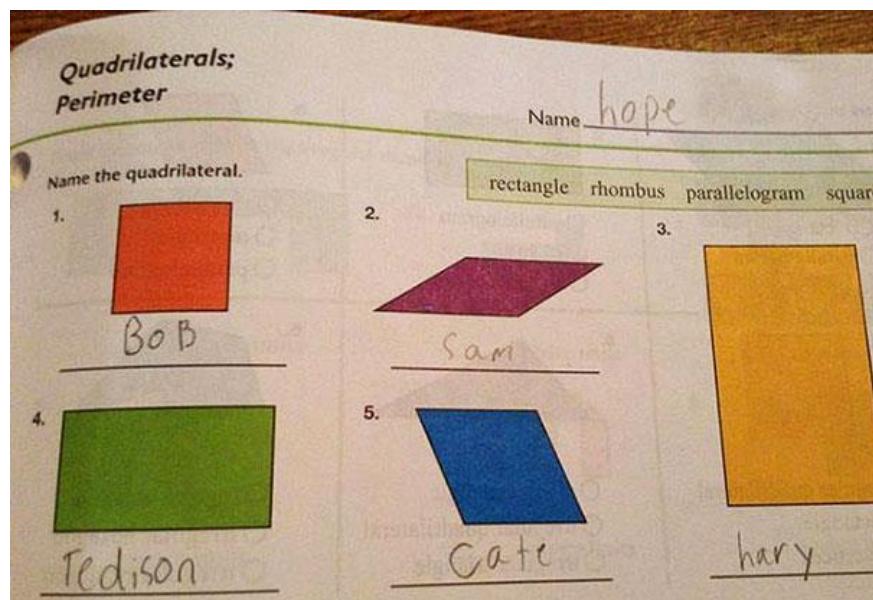
Happy Friday

The difference between 180 and 158 is 22.

Try This

Explain how you found your answer in Problem 4.

math



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