



# Same Sector. Opposite Inflation Exposure

Revealing Macro Exposures



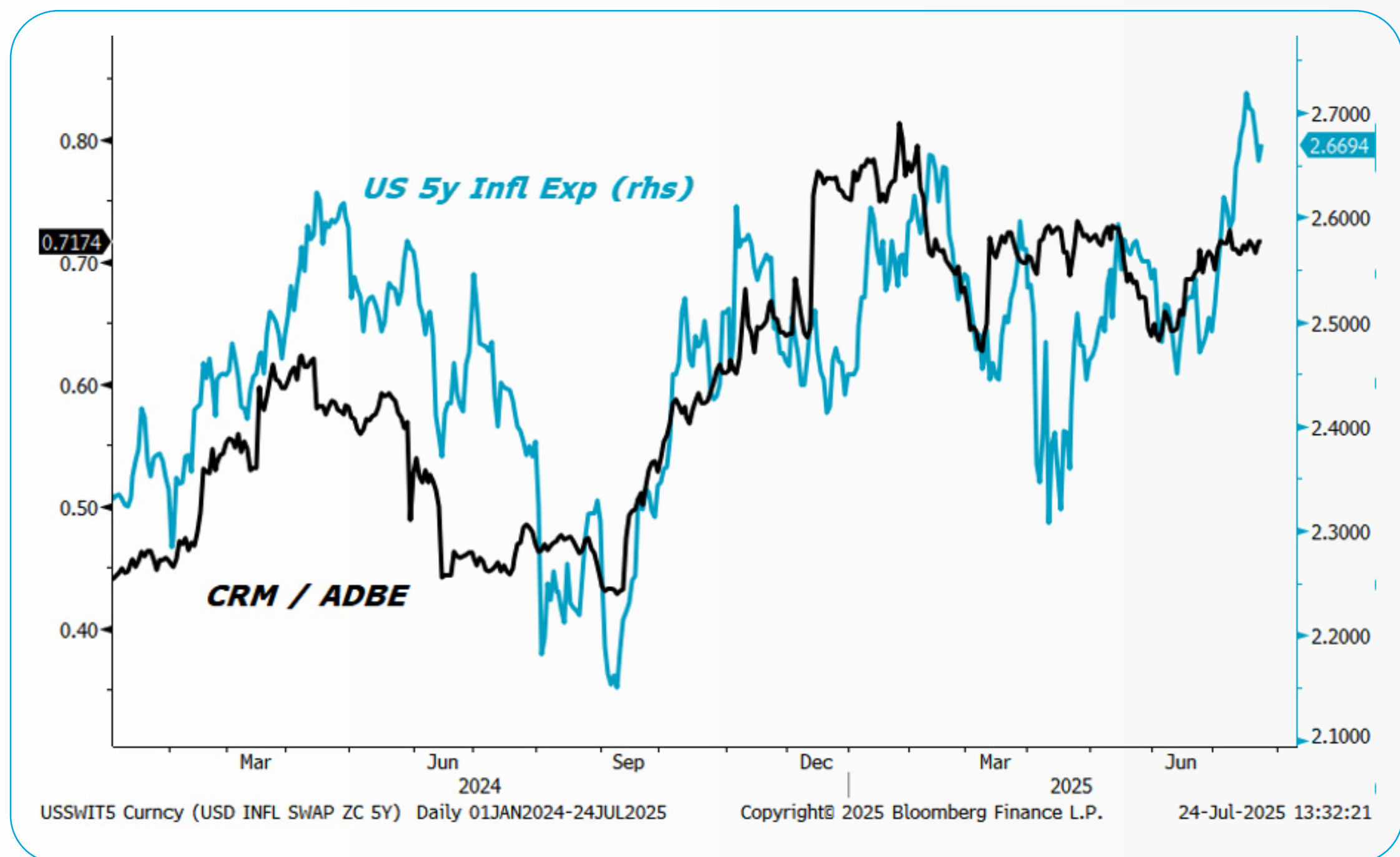




# US Inflation Expectations

## Software – Salesforce > Adobe in an inflation scare

- Current patterns show Salesforce has positive exposure to US inflation expectations; Adobe's exposure is negative.
- The common perception from a fundamental perspective is Adobe has greater pricing power – fewer direct competitors, more captive audience, stickier products, better margins.
- However, since Jan'24 the macro pattern is clear – higher inflation expectations are consistent with CRM outperforming ADBE.





## Retail – Etsy > Ebay in an inflation scare

- Etsy (eBay) has positive (negative) exposure to US inflation expectations.
- Etsy offers unique (often handmade or antique) goods to a niche audience. In contrast, eBay offers commoditised (electronics, second hand) goods to clients who are highly price sensitive given their auction-based pricing model & competitors like Amazon or Mercari.
- Bottom-up & top-down analysis is aligned – Etsy outperforms eBay during inflationary periods.

