

AAll Houston Chapter Meeting

Agenda 05-20-23

1

09:30 Income SIG Update – Hy-Inc
- jokeefe7@gmail.com (John)

10:30 Premier Social Security Consulting
- Mkiner@mypremierplan.com (Marc)

ADVISOR STATUS

- We are not investment advisors

THE FUTURE IS NOT PREDICTABLE ... but RHYMES?

- Pursuant to the provisions of Rule 206(4)-1 of the Investment Advisors Act of 1940, all attendees should recognize that recommendations implied or made, may or may not duplicate the performance based on historical analysis

SOURCES

- The contents of this presentation have been compiled from original and published sources believed to be reliable but are not guaranteed as to accuracy or completeness.

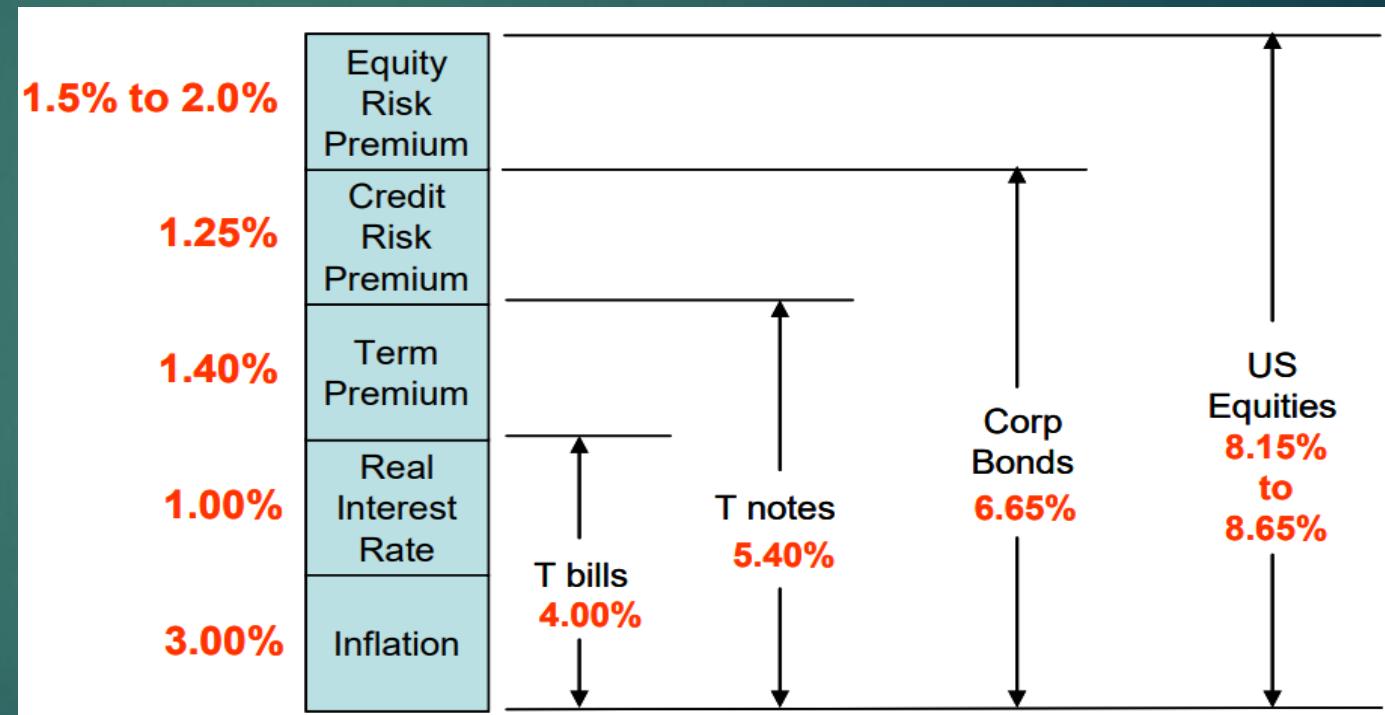
- ▶ **OBJECTIVE**
 - Great Assets at Good Prices (Kettlebell, not Dumbbell)
 - Monthly Income via Div, Interest, Options ... & Price Δ
- ▶ **ASSETS CLASSES**
 - Au, Bonds, Stocks, Alternatives, US or non-US
- ▶ **HORIZON**
 - 1 month +
- ▶ **EQUITIES**
 - Upper ½ of Industry Benchmarks;
 - 1st Position ETFs or Mutuals, 2nd Position - Companies
 - MorningStar >3 or C+
 - DivInc a f(CF, Income, & capacity to service debt)
 - Risk-adjusted Returns, Drawdowns
 - Momentum -> Buy Sell Sequence – ETF, equity, options

Inc Sig History

2020 Feb \$500k
2023 May \$748k
~13% CAGR

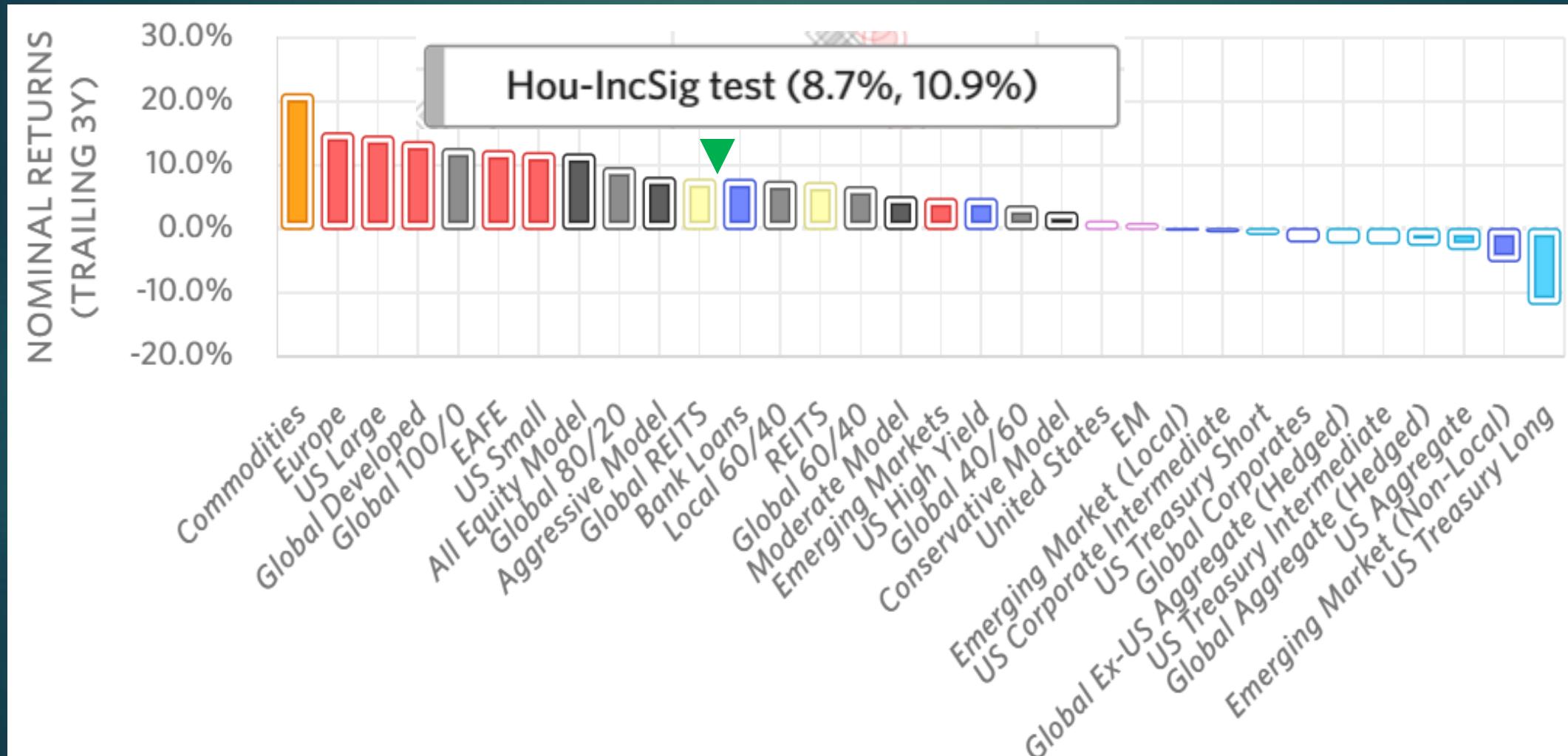
All US Equities
- Price Stability (Value)
- Dividends
- Options

Asset Risk Premium - Illustrative



3 Year Trailing - Nominal Return vs Risk

5

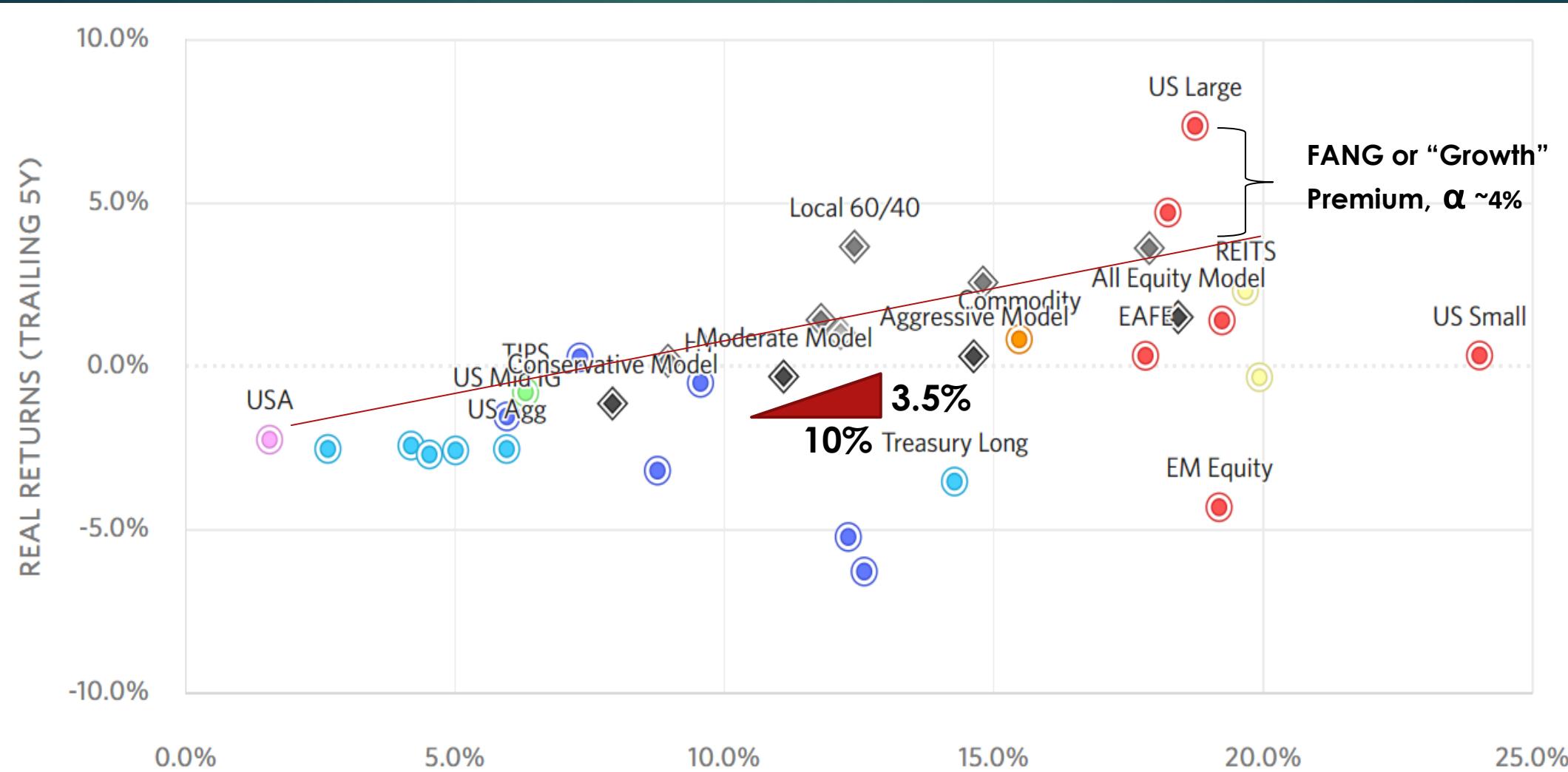


Source: Research Affiliates, (3 year trailing nominal return*, risk indicated by δ)

05-19-23vvE

5 year Trailing - Real Return vs Risk

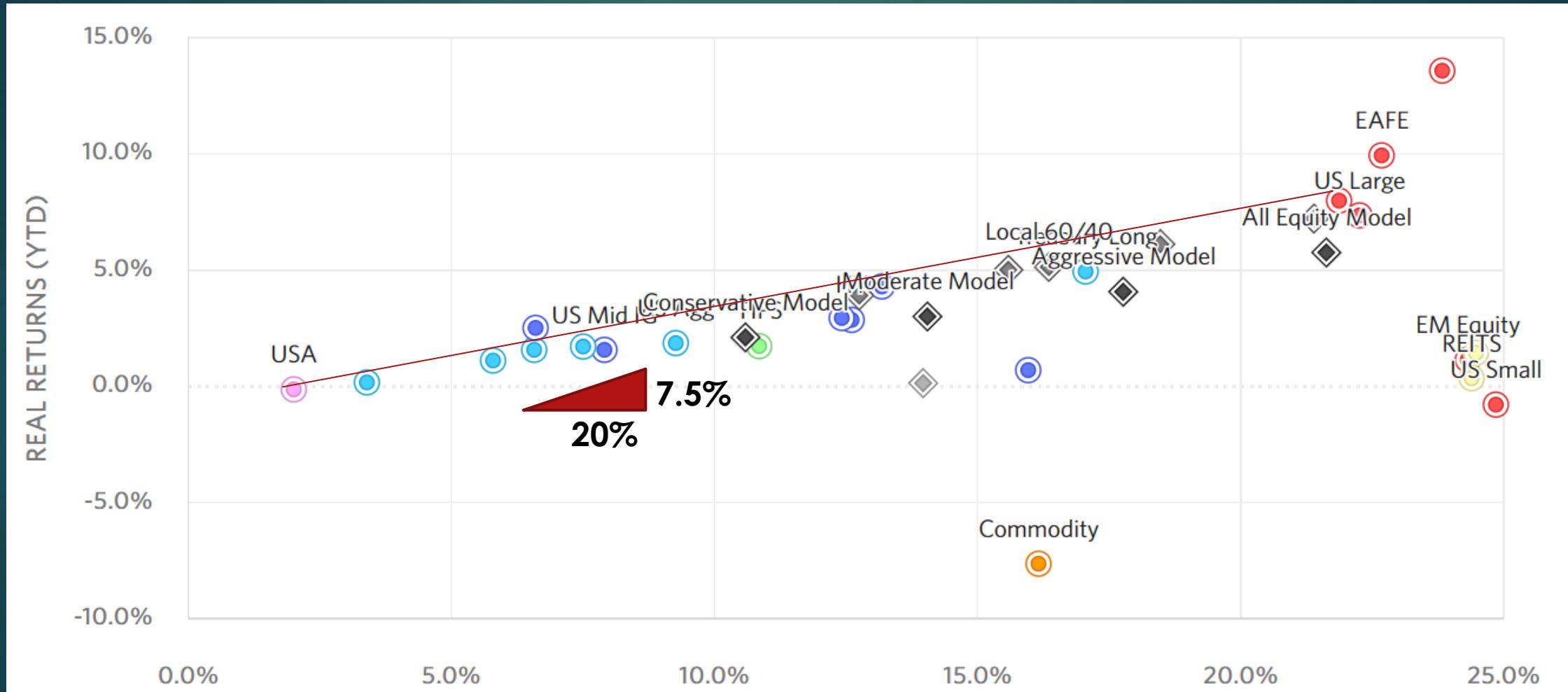
6



Source: Research Affiliates, (Trailing 5 year real return*, risk as indicated by δ)

Trailing YTD 2023 - Real Return vs Risk

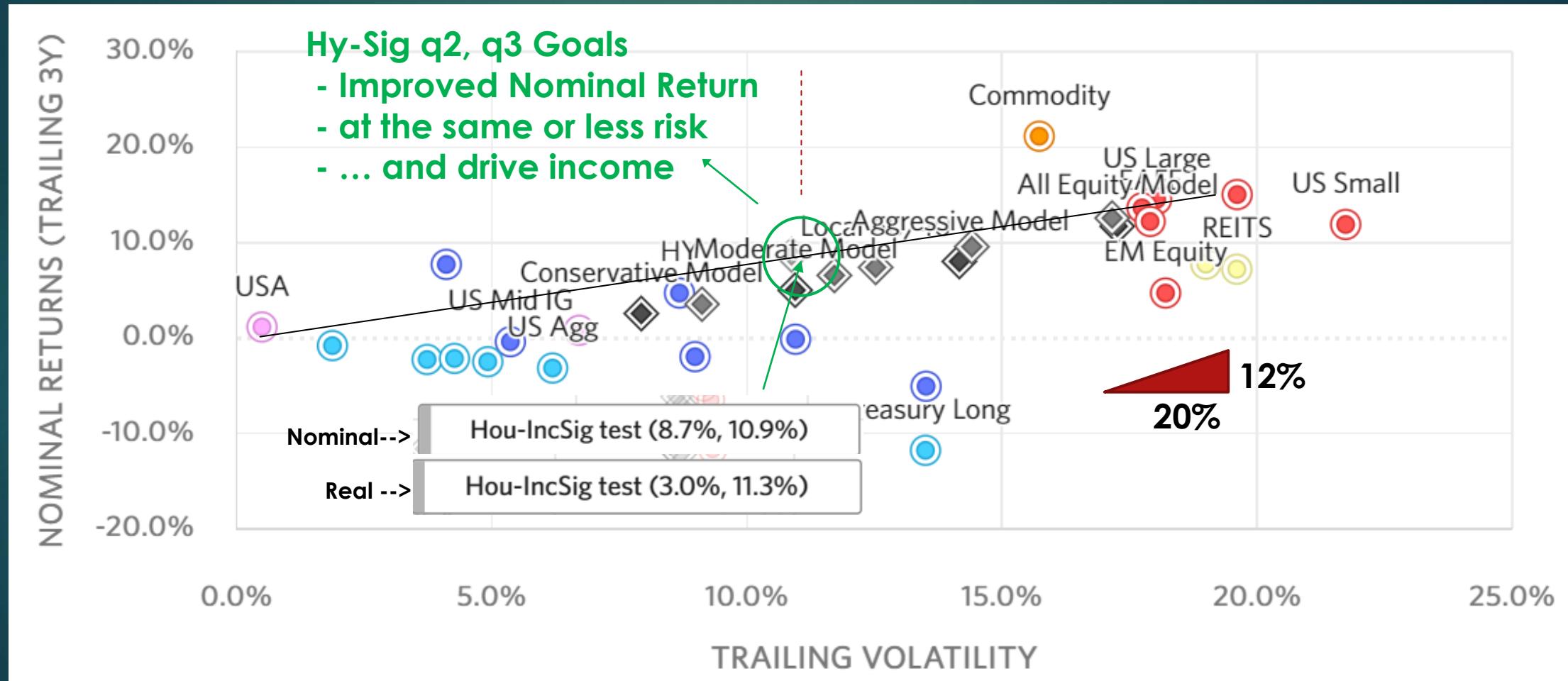
7



Source: Research Affiliates, (YTD year real return*, risk as indicated by δ)

Forward 3 yr - Risk & Return vs Asset Classes

8



- ▶ 1. BASELINE & UPDATE
- ▶ 2. MARKET OUTLOOK
- ▶ 3. ASSET ROTATION / PROSPECTS
- ▶ 4. POSITIONS / NEXT STEPS

BASELINE & UPDATE – HYbrid INCome

10

ASSET
PREservation
- Volatility
- Drawdown

		Update for May 20 2020	5/10/2023			Div & Interest		OPTIONS - May 2023		
ASSET CLASS ASSETS		\$ Total	\$ Basis	\$ Price Gain (loss)	%	q1 \$ div, \$int	ppa %	\$ prem	days	opt return% / yr
CRISIS Hedge	Gold	\$ 107,934	\$ 14,509	13.4%	\$ 356	1.3%	\$ 513			#VALUE!
GOVT ST BILLS	13 wk tbills and ibonds	\$ 262,598	\$ -		\$ 3,154	4.8%				
ETF & Company Shares	Equities	\$ 313,251								
CASH		\$ -								
TOTAL		\$ 748,158	\$ 683,783	\$ 36,849	5.4%	\$ 7,364	3.94%	\$ 2,690		#VALUE!

INCome GENeration – Buy Backs, Dividends, Interest & Option Income

05-19-23vvE

HyInc BASELINE – May Div/Option Sources

11

<u>TICK</u>	<u>Company</u>	Raw Return <u>(a) Option</u>	b) Annual Return <u>(a) + Dividend</u>	(c) Hy-Inc Return <u>(b) + Buyback</u>	Prob of Win p (< strike)
				14%	79%
EMR	Emerson Electric Co	7.37%*/0.43%	9.88%*	14.6%	82%
KLAC	KLA Corporation	12.33%*/0.70%	13.61%*	20.0%	79%
MDT	Medtronic PLC	8.36%*/0.49%	11.40%*	12.8%	86%
MMM	3 M Company	8.96%*/0.52%	14.88%*	16.1%	75%
STX	Seagate Technology	12.77%*/0.73%	17.66%*	25.2%	82%
RHHBY		na			
MRK	Merck & Company	7.02%*/0.41%	9.43%*	9.5%	80%
EPD	Enterprise Products	3.20%*/0.31%	3.20%*	3.7%	83%
WLKP	Westlake Chemicals	2.43%*/0.24%	2.43%*	2.4%	75%
FNV	Franco Nevada	8.38%*/0.77%	9.22%*	9.2%	84%
GOLD	Barrick Gold	12.60%*/0.68%	14.70%*	15.9%	84%
PXD	Pioneer Natural Resources	7.27%*/0.54%	9.18%*	13.2%	79%
EOG	Enron Oil and Gas	13.47%*/0.73%	16.28%*	16.8%	81%
KMI	Kinder Morgan Energy	9.24%*/1.02%	15.92%*	17.2%	71%
DUK	Duke Energy Corp	11.96%*/1.09%	17.10%*	17.1%	67%

OUTLOOK – 75 dma PRICE “SENTIMENT”

14 bullish weeks .. 6 bear weeks, April bulls .. May Bears

12



Delta Market Sentiment:

- This week's price for 1800 stocks
- Percent above or below 75 dma
- > 47% “Deadband” < 53% not a definitive indicator

OUTLOOK – Inflation & Fed Funds Rates

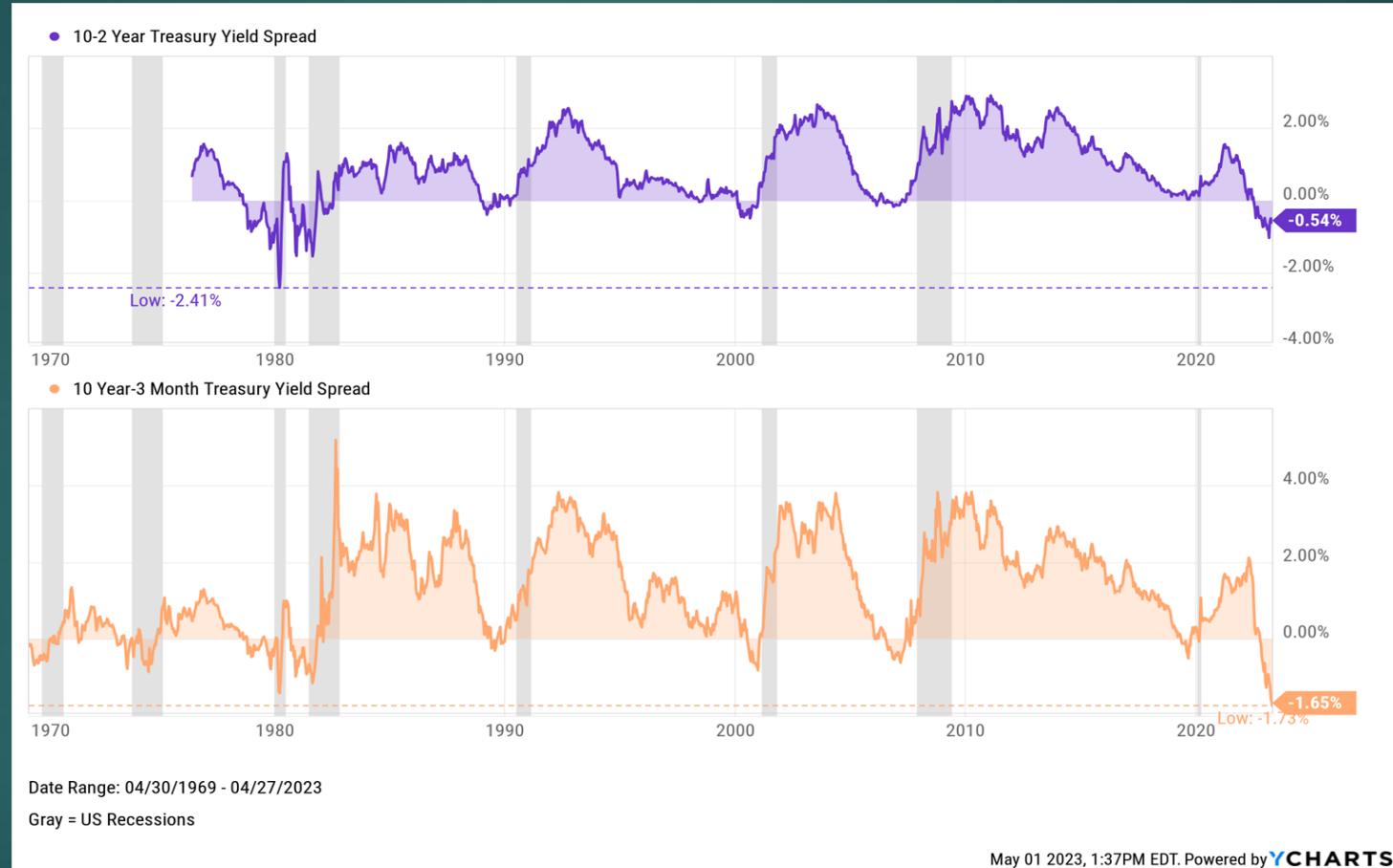
13



Source: Y-Charts

OUTLOOK - Inverted Yields Signal a Recession

14

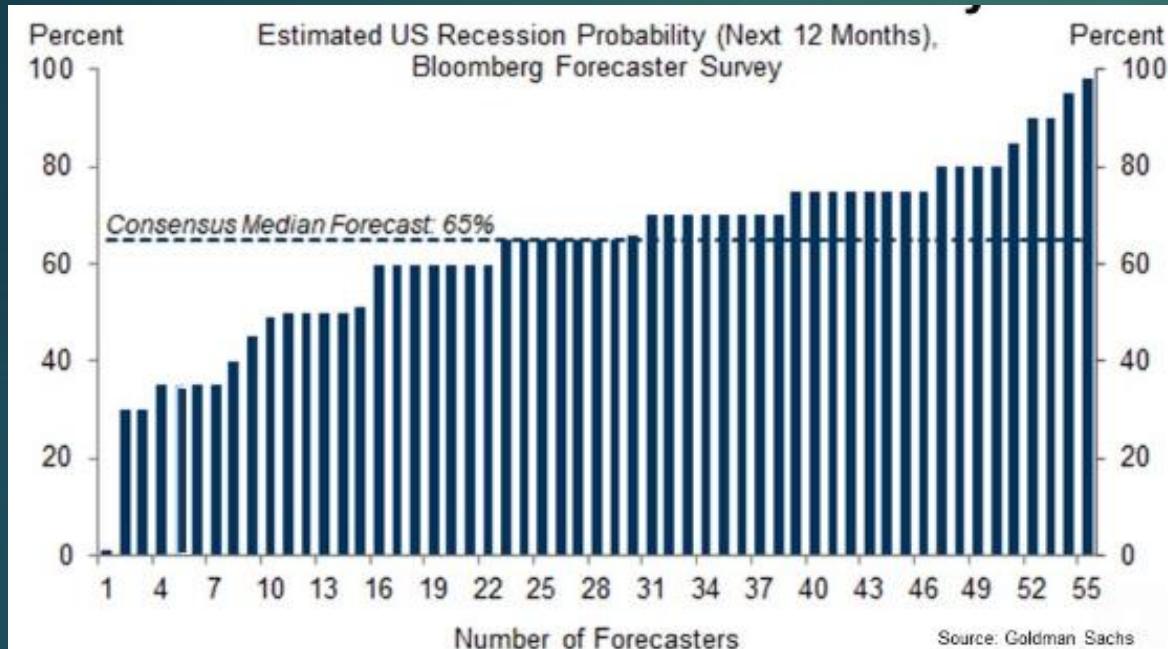


Source: Y-Charts

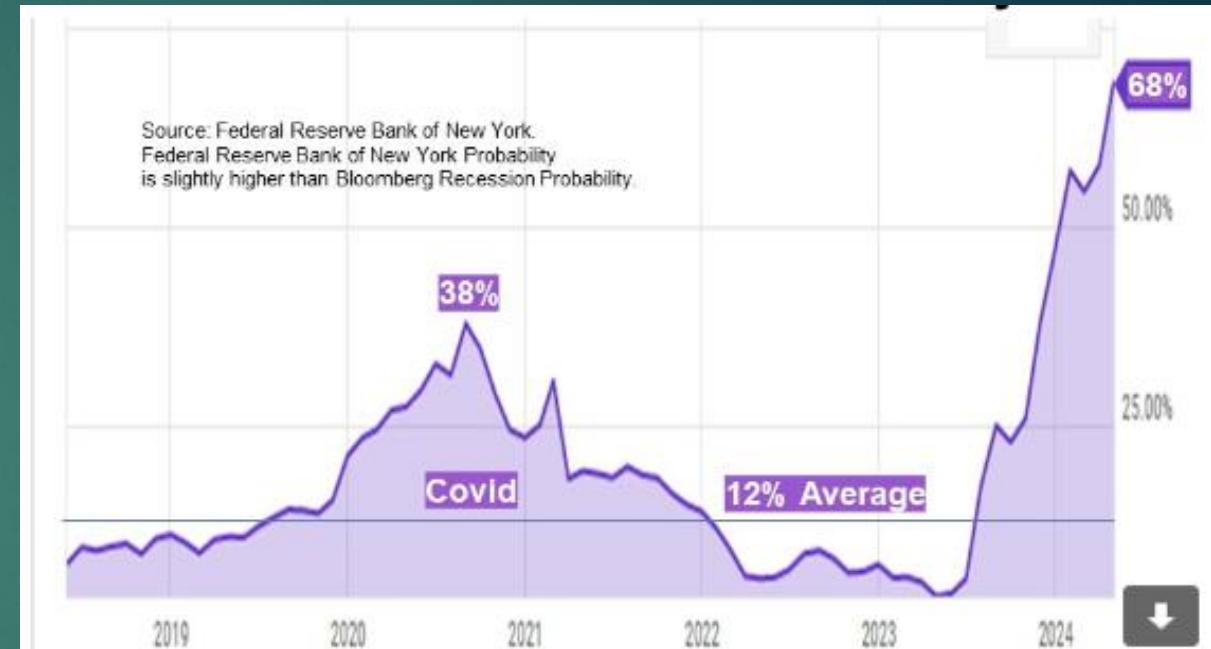
OUTLOOK – Recession Probabilities

15

Goldman Sachs - Bloomberg



Fed Bank of New York



Source: Delta Investments, Bloomberg/Goldman, Fed BoNY Outlook

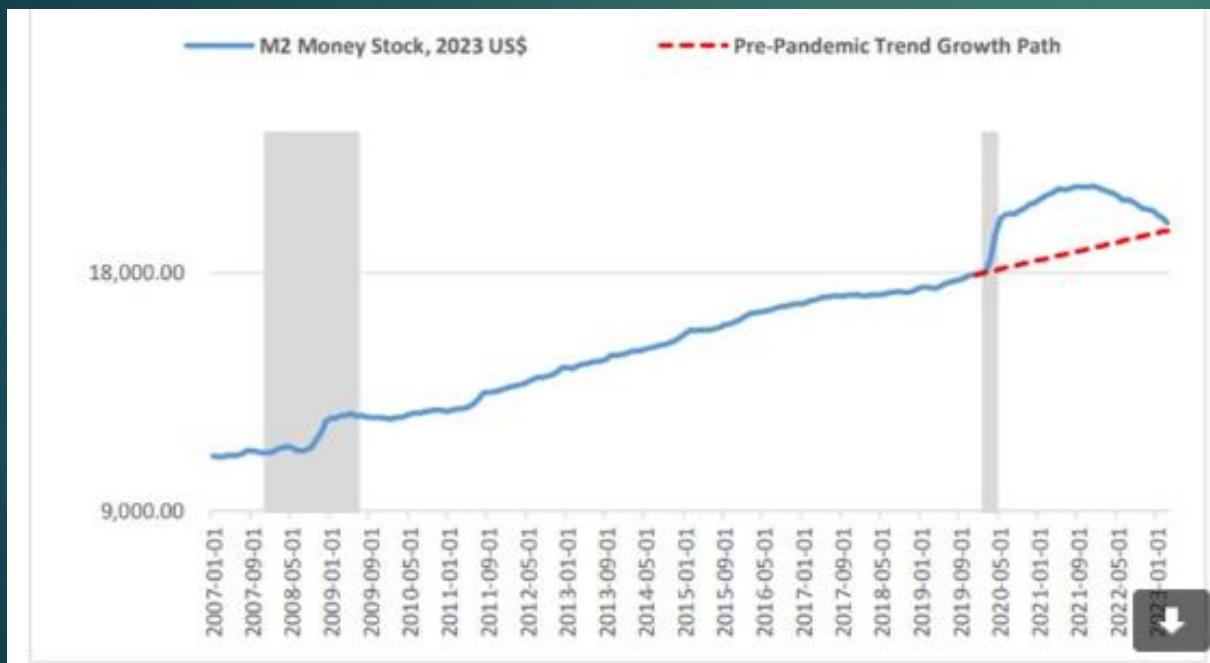
05-19-23vvE

OUTLOOK – M2 Under Repair

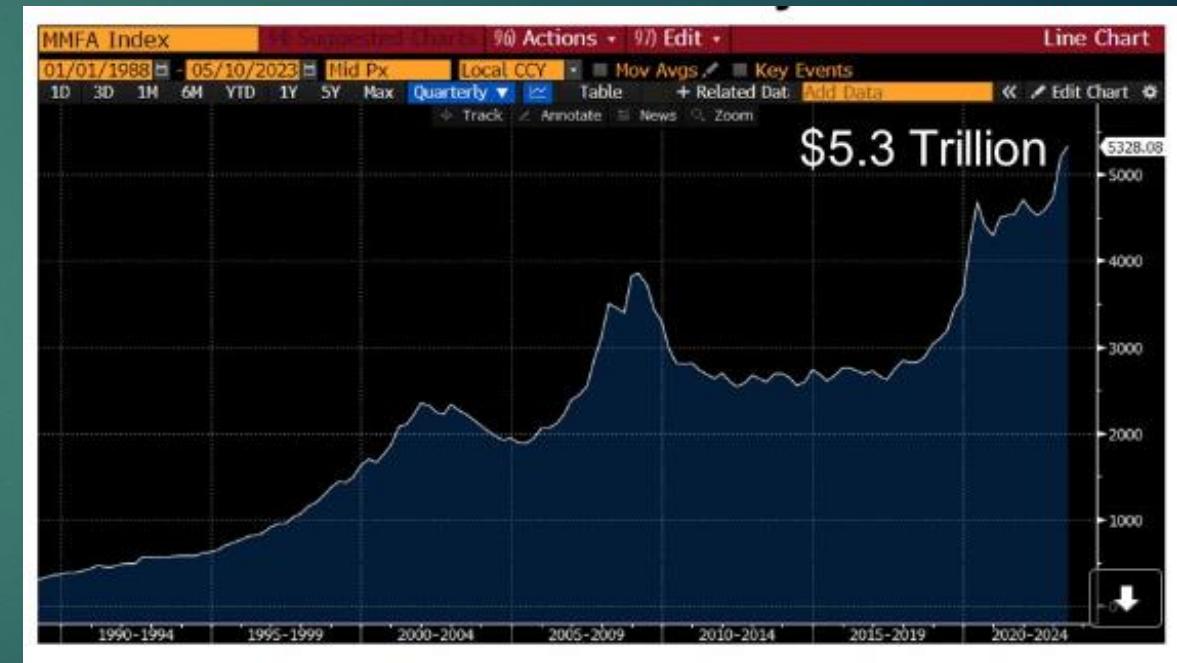
... while the Money Market Waits to Jump

16

M2 – Normalization of Money Supply



Money Market (Turbo-Blast) at \$5T!!!



Source: Delta Investments, Bloomberg/Goldman, Fed BoNY Outlook

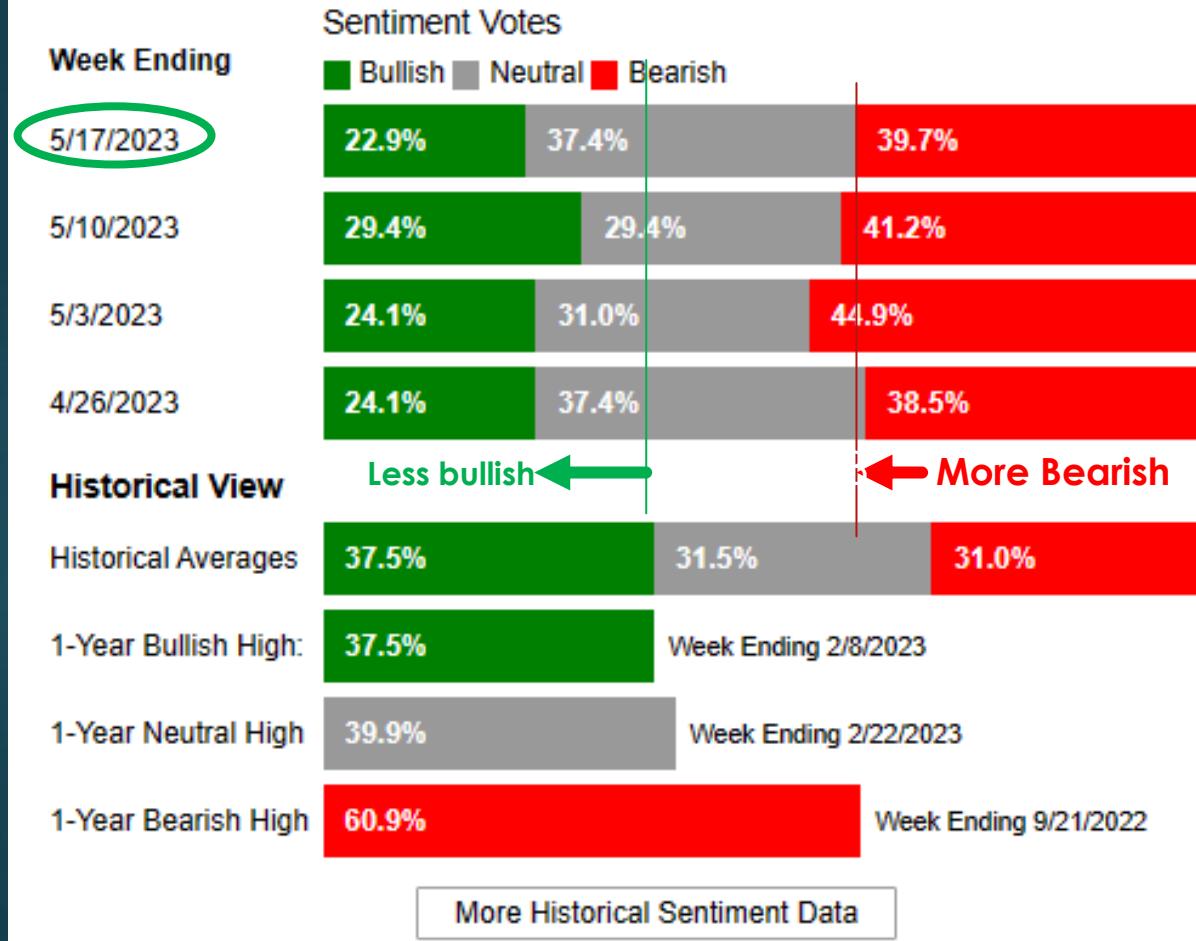
05-19-23vvE

OUTLOOK – AAII 6 mo Investor Sentiment

.. Improving .. Sort of

17

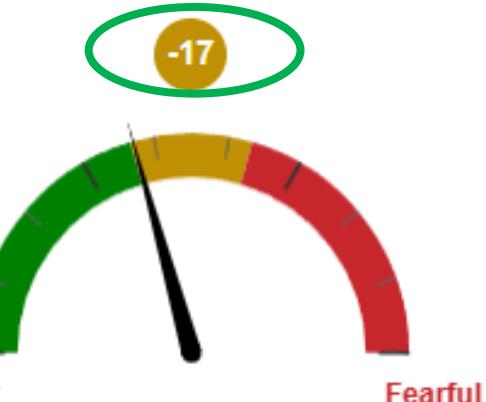
AAII as Direct Sentiment Indicator



CURRENT AAII SENTIMENT BULL-BEAR SPREAD:

The Sentiment Survey is a contrarian indicator. Above-average market returns have often followed unusually low levels of optimism, while below-average market returns have often followed unusually high levels of optimism. Click [here](#) to learn more.

AAII as a Contrary Indicator



BULL-BEAR SPREAD TRENDS:

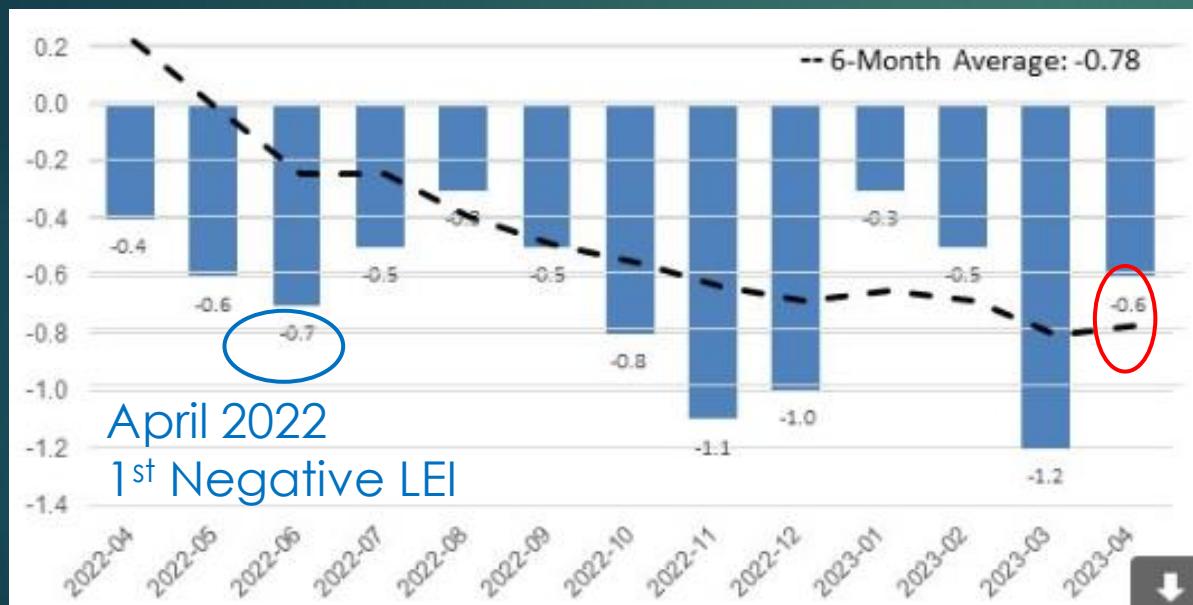
Previous Week 1 Month Ago 3 Months Ago 6 Months Ago



OUTLOOK – Macro Mixed Signals

Conference Board - LEI

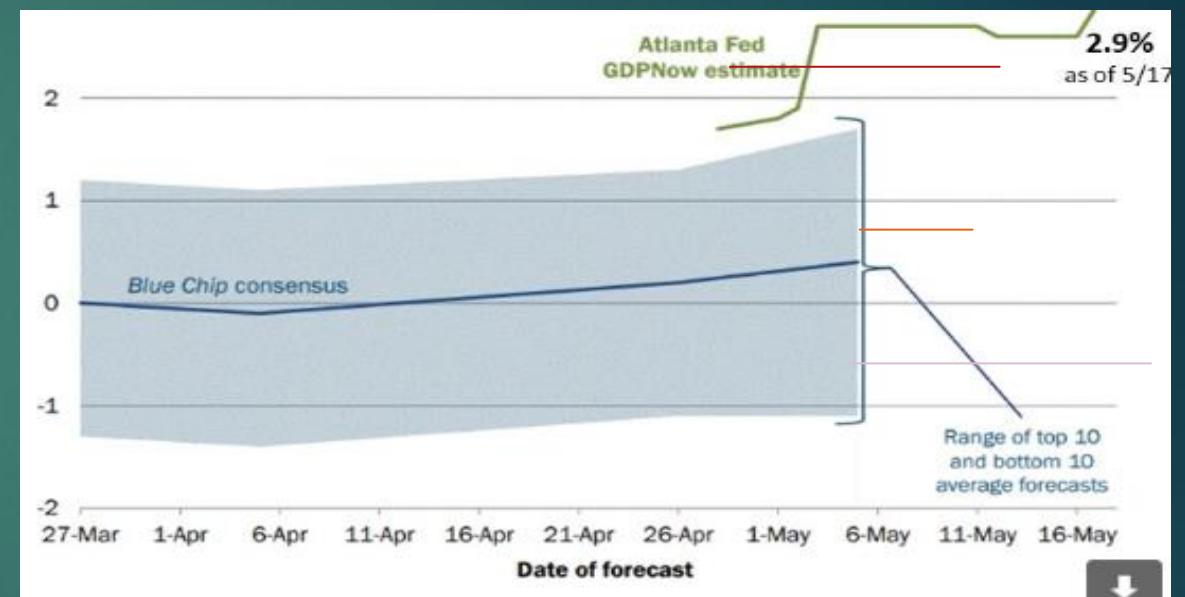
LEADING Economic Indicators (April YoY)



Atlanta Fed – GDPNow for Q2 2023

The Feds less
“Blue Chip” Forecasts

vs high vs avg
-140 bps +260bps



Source: Delta Investments
BlueChip Economic Indicators and Blue-Chip Financial Forecasts

OUTLOOK – SPY 2 year to May 08

Recovery (short term) - at 2yr Resistance

19



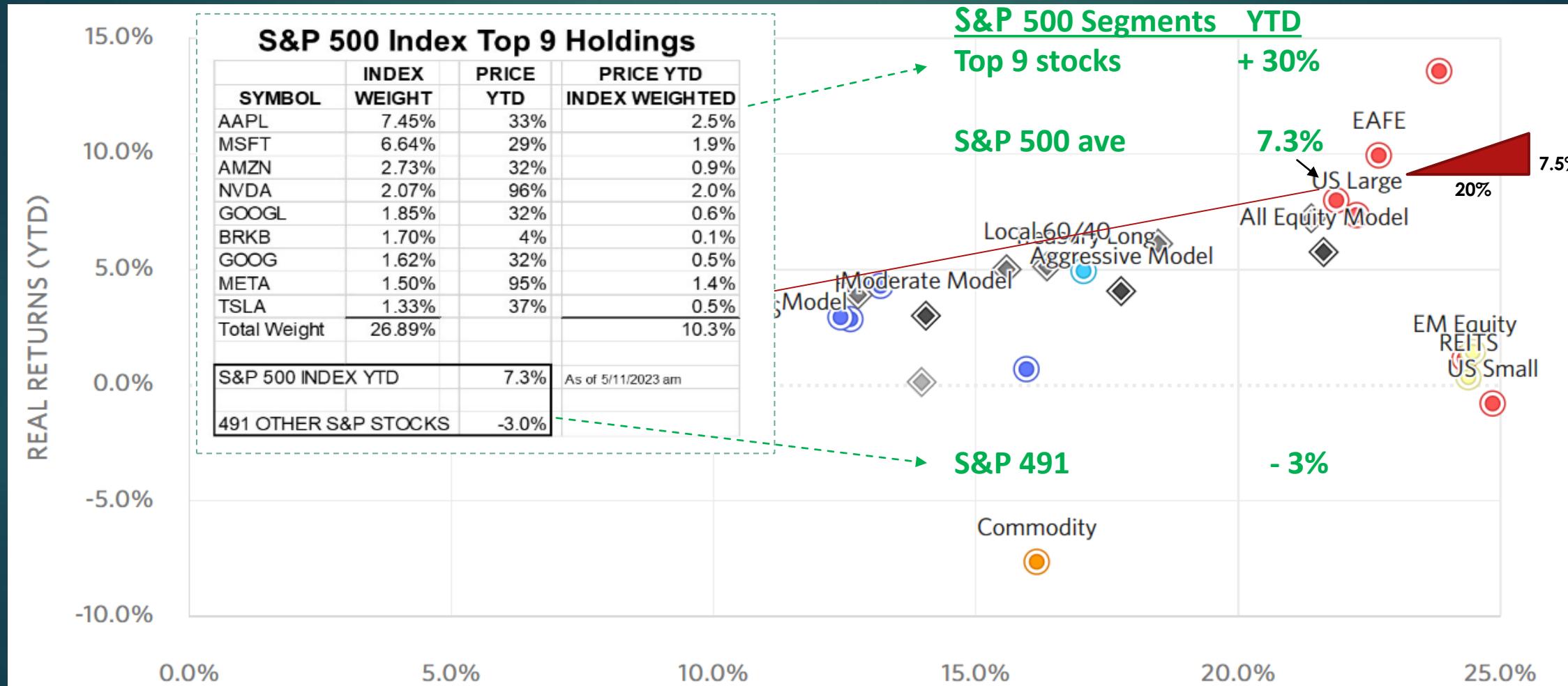
2021

2022

2023

05-19-23vvE

Trailing YTD - Real Return vs Risk, S&P 500 Segments

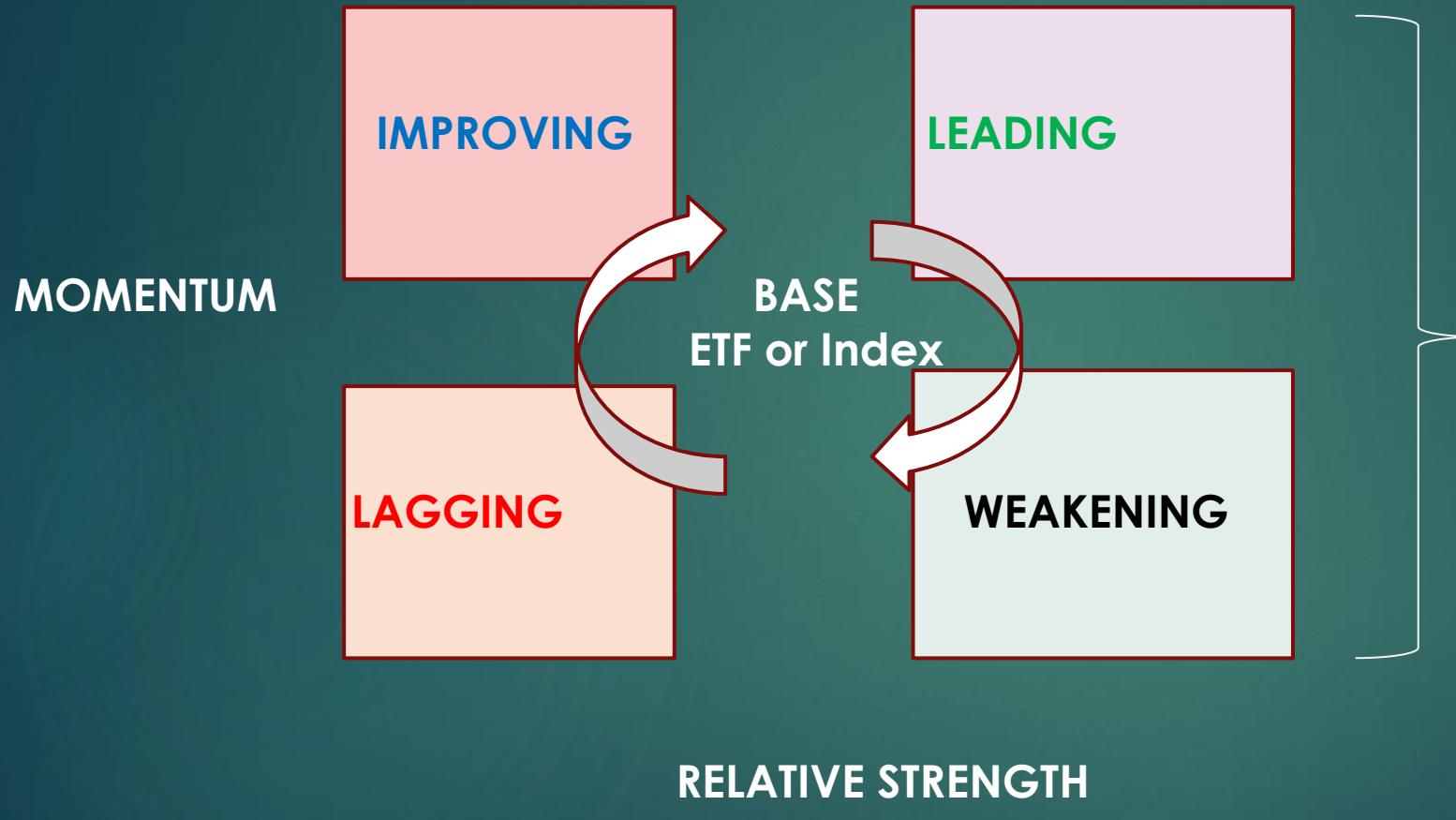


Source: Research Affiliates, (YTD year real return*, risk as indicated by δ)

05-19-23vvE

PROSPECTS – The Hy-Inc Challenge

21



How to Harvest?

Clip Coupons
Rotate Assets
- Options In / Out

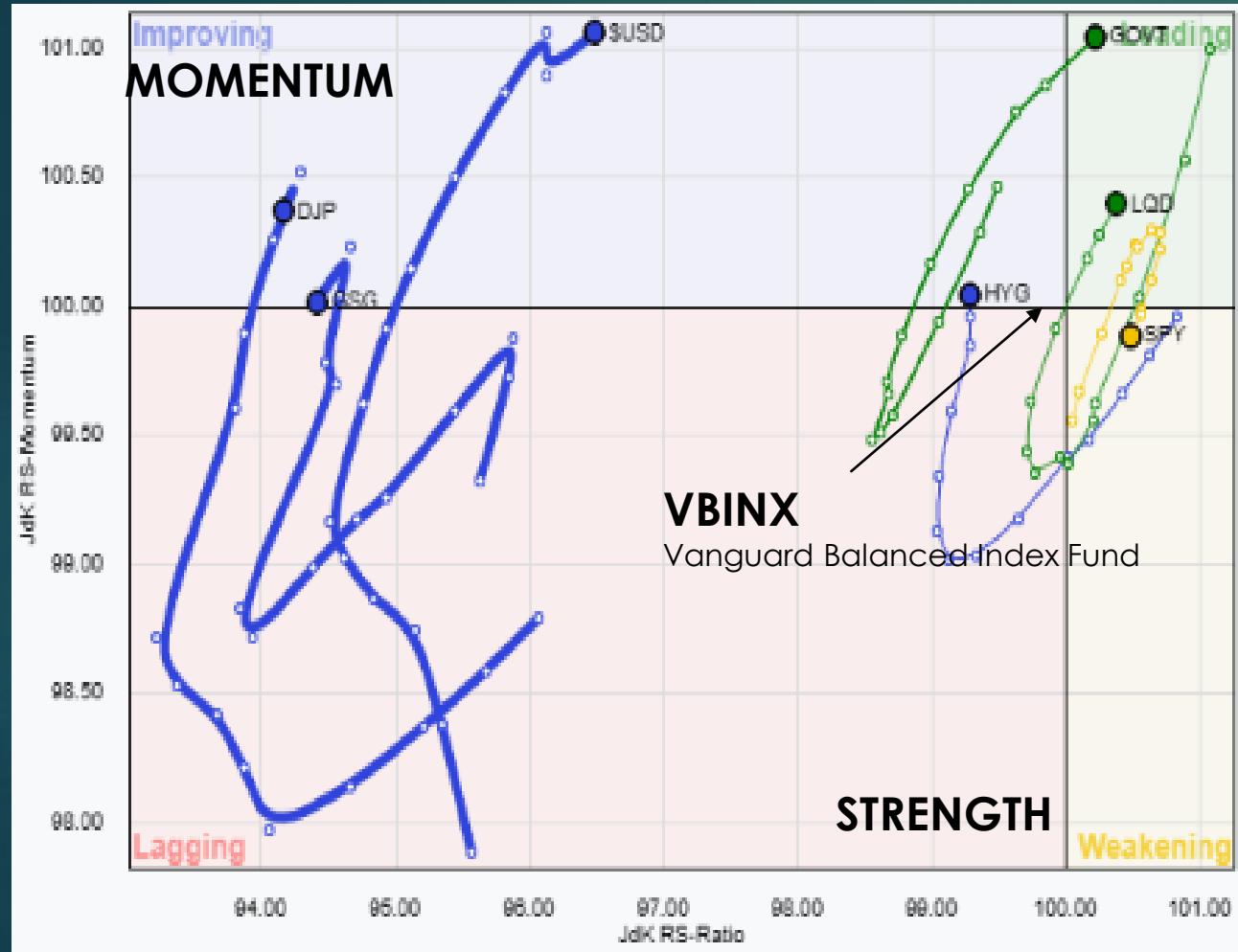
Where to Invest?

Asset Class
Asset Cap
Sector
Industry
Company

PROSPECTS - RRG & ASSET CLASSES?

Time: 13wks Indicator: Price Movement, Leader: Bonds

22



Source: Stockcharts.com, update 05/13/23

05-19-23vvE

PROSPECTS - WHICH ASSET CLASS?

Time: 1-3 yr comp, Indicator: Risk/Ret, Leader: Stocks

23

A longer term look at 1-3 year return vs risk presents the opposite ranking as the 13 week pricing.

Nick Name	Category	RETURN								Category	
		Ret / Risk	1mo	3mo	YTD	1yr	1-3yr comp	3yr	5yr	Risk Index	Total Risk Index
		▼	▼	▼	▼	▼	▼	▼	▼	▼	▼
SPY SPDR® S&P 500 ETF Trust	Large Blend	7	1.6% B	2.7% B	9.1% B	2.6% B	8.3	14.4% B	11.4% B	1.01 C	1.19
GSG iShares S&P GSCI Commodity Broad Basket	Commodities Broad Basket	6	-0.8% C	-5.8% F	-6.0% D	-16.3% D	8.5	33.0% A	2.7% F	1.23 F	1.4
VBINX Vanguard Balanced Index Fund	Moderate Allocation	5	0.9% D	1.0% B	6.4% A	0.7% C	3.8	6.9% C	6.9% A		0.84
HYG iShares iBoxx \$ High Yield Bond	High Yield Bond	3	0.8% D	0.3% D	4.3% C	0.8% C	2.0	3.2% F	2.4% D	1.13 D	0.61
DJP iPath® Bloomberg Comdty Total Return Index Fund	Commodities Broad Basket	2	-0.9% C	-6.6% F	-7.1% F	-19.2% F	2.5	24.4% C	4.6% C	1.05 F	1.2
LQD iShares iBoxx \$ Invmt Grd Corp Bond	Corporate Bond	-1	0.7% D	0.2% D	5.2% A	0.7% C	-0.7	-2.6% F	2.1% B	1.24 F	0.67
GOVT iShares US Treasury Bond	Intermediate Government	-6	0.5% C	1.1% C	3.9% A	-0.9% F	-2.0	-4.3% F	0.9% C	0.98 C	0.36

Source: AAll+ Data Base, Hybrid Analysis

05-19-23vvE

PROSPECTS – 3 ytd Diversified Assets

24

Time: 6weeks, Indicator: Momo Algo, Leader: Int?

FSPSX	11.9%
FIPDX	0.85%
FNILX	13.3%
FSHOX	23.1%
FNSOX	-0.93%
FPADX	4.31%
FDRXX	0.98%
FMAT	18%
FNMX	-0.52%
FFGCX	24.4%
FZIPX	13.5%
FSSNX	11.1%
05-12-20 to 05-12-23	
Annualized Returns	



Sharpe = (Portfolio-Risk Free)/ Fund Stdev

Sortino = (Port – Risk Free)/ Fund Stdev*

*Downturns Only

Rel Risk = Downside StdDev (Port / Market)

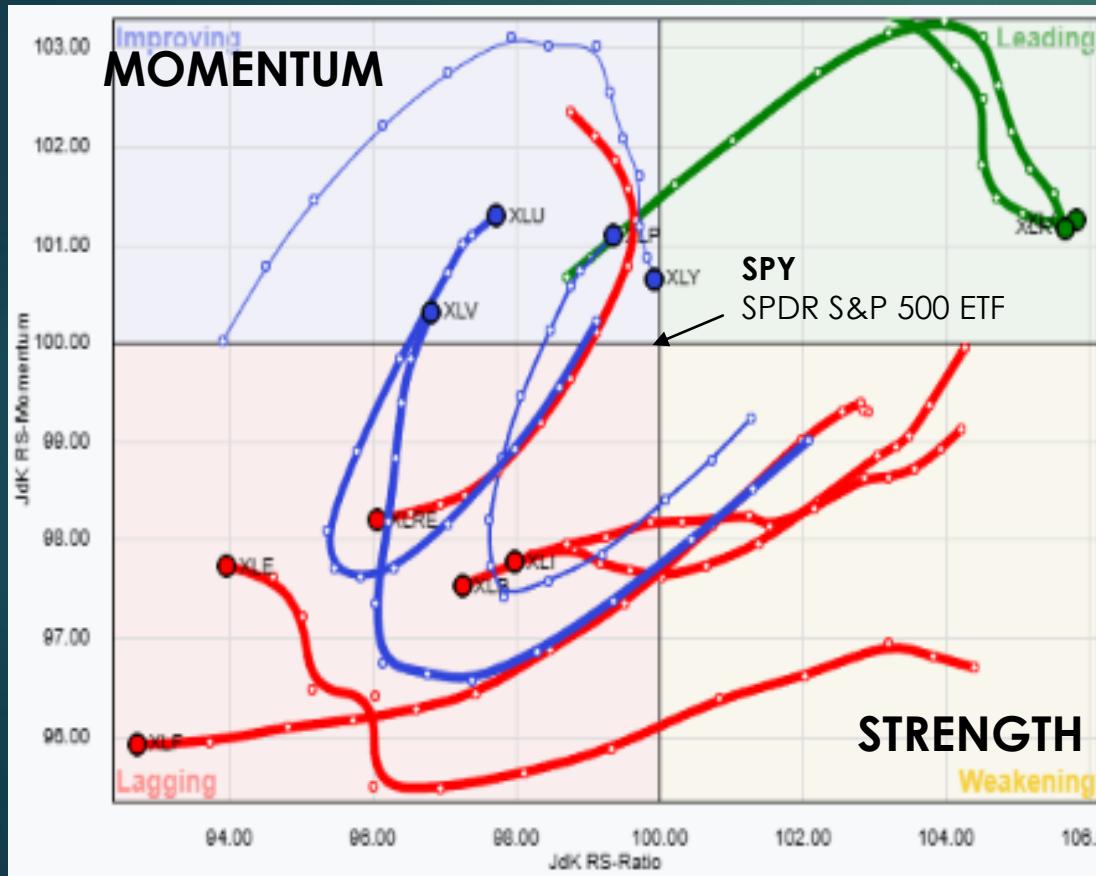
Source: Sumgrowth Sector Surfer

05-19-23vvE

PROSPECTS

EQUITY SECTORS? – 13wk favors XLC, XLK

25



Communication Services Select Sector	0.8
Technology Select Sector	1.5
Health Care Select Sector	-1.8
Utilities Select Sector	0.2
Consumer Staples Select Sector	2.6
Consumer Discretionary Select Sector	0.6
Financial Select Sector	-3.0
Energy Select Sector	-10.0
Real Estate Select Sector	1.3
Materials Select Sector	-3.5
Industrial Select Sector	-1.4
SPDR S&P 500 ETF (SPY)	-0.2

4 wk %	Ticker	13 wks %	
0.8	XLC	8.9	Best 13 wk
1.5	XLK	7.8	
-1.8	XLV	10.2	Mid 13wk
0.2	XLU	2.7	
2.6	XLP	6.2	
0.6	XLY	1.1	
-3.0	XLF	-12.1	
-10.0	XLE	-12.0	
1.3	XLRE	-6.9	
-3.5	XLB	-4.4	
-1.4	XLI	-3.2	
-0.2	SPY	1.3	



Source: Stockcharts.com, update 05/14

05-19-23vvE

PROSPECTS - EQUITY SECTORS?

26

1-3 yr comps, Risk vs Return, Leaders: **XLE, XLI**

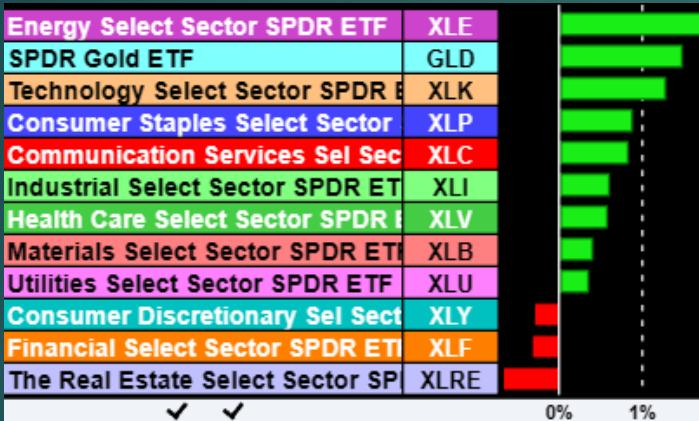
tick	Name	Category	RETURN							Category		
			Ret / Risk	1 mo	3 mo	YTD	1 yr	1-3yr comp	3 yr	5 yr	Risk Index	Total Risk Index
	XLE Energy Select Sector SPDR® ETF	Equity Energy	12	2.8%A	-4.3%A	-1.8%B	18.0%A	27.5	37.1%C	8.2%A	0.90C	2.30
	XLI Industrial Select Sector SPDR® ET	Industrials	9	-1.2%D	-1.4%B	2.2%F	7.0%B	12.0	17.7%B	8.7%B	0.90B	1.36
	XLK Technology Select Sector SPDR®	Technology	9	-0.1%A	11.1%A	21.5%A	7.7%A	13.4	19.2%A	19.5%A	0.89B	1.57
	XLV Health Care Select Sector SPDR®	Health	8	3.1%C	0.5%B	-1.4%D	4.1%C	7.6	11.9%A	12.1%A	0.74B	0.99
	XLP Consumer Staples Select Sector	Consumer Defensive	7	3.6%A	5.5%A	4.3%C	2.3%D	7.2	12.8%F	11.9%A	0.98D	0.97
	SPY SPDR® S&P 500 ETF Trust	Large Blend	7	1.6%B	2.7%B	9.1%B	2.6%B	8.3	14.4%B	11.4%B	1.01C	1.19
	XLB Materials Select Sector SPDR® ET	Natural Resources	5	-0.1%B	-4.5%B	4.1%B	-3.1%C	7.5	18.1%D	9.4%B	0.86B	1.4
	XLF Financial Select Sector SPDR® ET	Financial	5	3.2%A	-8.8%C	-2.6%C	-1.9%B	7.0	15.7%B	6.1%B	0.92B	1.44
	XLU Utilities Select Sector SPDR® ETF	Utilities	4	1.9%A	0.5%B	-1.5%D	-0.3%D	4.9	9.7%B	9.4%B	1.01F	1.18
	XLC Communication Services Sel Sect	Communications	3	3.3%A	9.1%A	25.2%A	2.4%A	4.7	6.9%B	na	1.03D	1.49
	XLY Consumer Discret Sel Sect SPDR®	Consumer Cyclical	0	-1.2%D	-0.3%B	14.8%B	-8.4%D	0.6	9.1%D	8.5%B	0.90B	1.62
	XLRE Real Estate Select Sector SPDR®	Real Estate	-3	1.0%B	-6.4%B	2.9%C	-16.0%C	-4.5	7.0%C	7.7%A	0.93C	1.32

PROSPECTS – 3 ytd US Equity Sectors

27

XLE	33.3%
GLD	5.43%
XLK	17.6%
XLP	12.8%
XLC	5.68%
XLI	18.3%
XLV	11%
XLB	17.1%
XLU	10.6%
XLY	8.98%
XLF	15.7%
XLRE	7.49%

05-12-20 to 05-12-23
Annualized Returns



Sharpe = (Portfolio-Risk Free)/ Fund Stdev
 Sortino = (Port – Risk Free)/ Fund Stdev*
 *Downturns Only
 Rel Risk = Downside StdDev (Port / Market)

► **ASSET PREServation**

- \$75k fr Tbills to Gold (equities)
- \$75k fr Marginal Equity to HYG or Equivalent

► **INCOME GENeration**

- Formal Screening – Div Stocks, Buybacks, OptInc
- Option Harvest - June
- High Grade Screening – Dividends, BuyBacks, Options

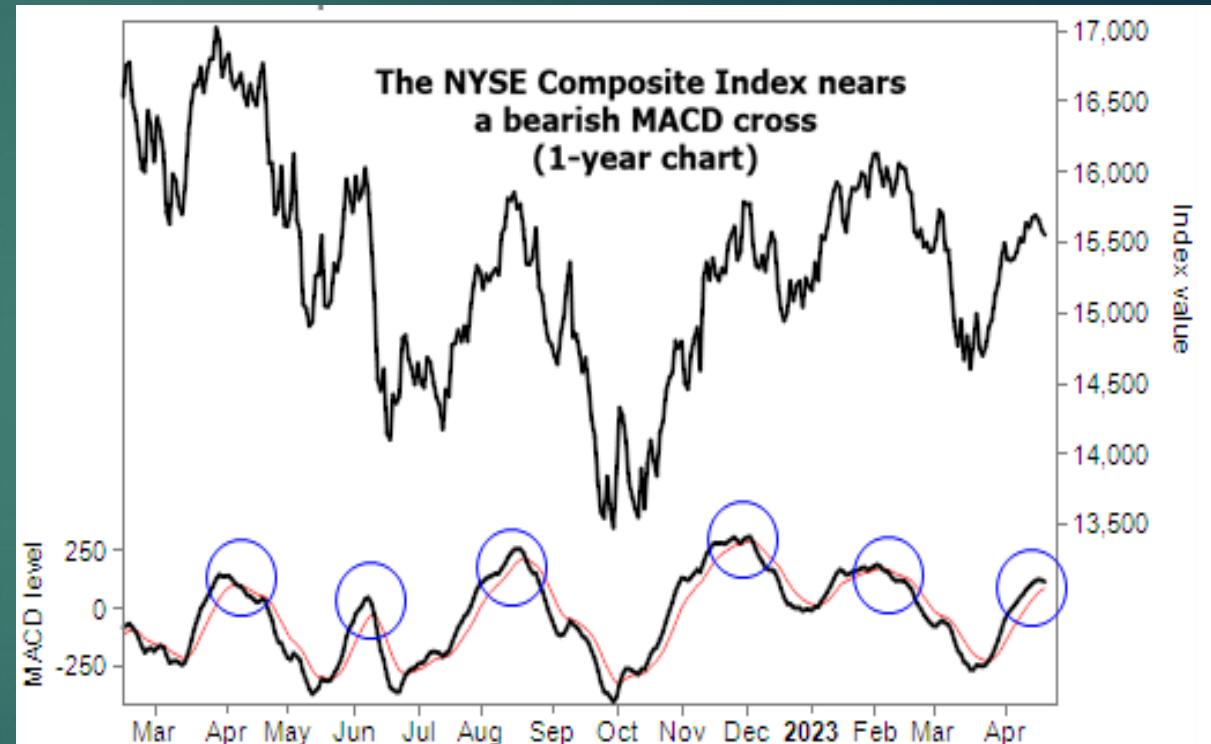
By Now, You should be able to Implement these Concepts

- ▶ Asset diversification
- ▶ Asset selection & highgrading
- ▶ Income orientation
- ▶ Take advantage of fixed income & high yield dividends
- ▶ Take advantage of buybacks & safe option income
- ▶ Evaluate your returns vs this model

- ▶ QUESTIONS
- ▶ ANSWERS
- ▶ COMMENTS

Appendix

Outlook – NYSE Technical Bear



Appendix - SECTORS? – Return vs Risk

32

	Alpha	Beta	R2	Sharpe Ratio	Stdev.5		Capture Ratios	GLD	Upside	Downside	Ddown Max
GLD	1.72	0.15	2.86	0.25	15.47			GLD	11	0	-17.34
Commodities Focused	-0.06	0.79	25.24	0.43	27.67		Commodities Focused	71	82		-16.68
Bloomberg Commodity Trust	—	—	—	0.83	17.93		Bloomberg Commodity Trust	—	—		-18.48
	Alpha	Beta	R2	Sharpe Ratio	Stdev.5		Capture Ratios	ENFR	Upside	Downside	Ddown Max
ENFR	6.09	1.48	57.95	0.52	38.68			ENFR	131	122	-47.29
Energy Limited Partnerships	8.6	1.48	54.6	0.55	40.25		Energy Limited Partnerships	130	114	-48.28	
Mstar MLP Composite	14.77	1.72	44.43	0.6	51.41		Morningstar MLP Composite	142	116	-58.09	
	Alpha	Beta	R2	Sharpe Ratio	Stdev.5		Capture Ratios	VNQ	Upside	Downside	Ddown Max
VNQ	-5.44	1.08	83.32	0.2	23.47			VNQ	101	124	-29.25
Real Estate	-5.36	1.09	78.99	0.2	24.32		Real Estate	100	123	-28.55	
Mstar Real Estate InvTrst	-5.89	1.09	83.17	0.18	23.7		Mstar Real Estate InvTrst	101	125	-28.84	
	Alpha	Beta	R2	Sharpe Ratio	Stdev.5			SPY	Upside	Downside	Ddown Max
SPY	-0.03	1	100	0.6	20.74			SPY	100	100	-23.87
Large Blend	-0.45	0.38	55.55	0.57	20.83		Large Blend	97	98	-23.3	
Mstar US LM Inv Trust	-0.58	1.02	99.77	0.58	21.2		Mstar US LM Inv Trust	100	102	-24.91	
	Alpha	Beta	R2	Sharpe Ratio	Stdev.5			XLE	Upside	Downside	Ddown Max
XLE	20.8	1.42	40.81	0.77	44.28			XLE	150	96	-44.31
Equity Energy	18.71	1.62	45.87	0.71	47.95		Equity Energy	160	121	-48.01	
Mstar US Enrg Capped	21.14	1.46	42.36	0.78	44.76		Mstar US Enrg Capped	154	99	-45.85	
	Alpha	Beta	R2	Sharpe Ratio	Stdev.5			XLU	Upside	Downside	Ddown Max
XLU	0.13	0.56	34.85	0.29	18.79			XLU	61	64	-18.74
Equity Utility	-1.08	0.65	49.04	0.27	18.5		Equity Utility	66	72	-19.3	
Mstar US Utility	-0.03	0.57	38.03	0.29	18.49		Mstar US Utility	62	65	-19.01	
	Alpha	Beta	R2	Sharpe Ratio	Stdev.5		Capture Ratios	XLY	Upside	Downside	Ddown Max
XLY	6.47	0.65	59.65	0.75	16.58			XLY	86	66	-13.12
Equity Health Care	0.36	0.77	56.29	0.41	20.85		Equity Health Care	76	78	-25.62	
Mstar US Health Care	5.01	0.67	64.65	0.68	16.64		Mstar US Health Care	83	68	-15.22	
	Alpha	Beta	R2	Sharpe Ratio	Stdev.5		Capture Ratios	VBINX	Upside	Downside	Maximum
VBINX	0.97	1.02	96.03	0.37	14.47			VBINX	108	104	-20.85
Allocation 50-70% Equity	0.99	1	92.73	0.36	14.51		Allocation 50-70% Equity	105	101	-18.54	
Mstar US Mod Target	—	—	—	0.36	13.81		Mstar US Mod Target	—	—	-20.14	

Appendix – PEAK FFR

... continued inflation ... continued hikes?

33

Tightening Cycle	Fed Funds Peak	Date	CPI	Real Fed Funds
1973	11.00%	8/30/1973	7.40%	3.60%
1976-1980	20.00%	3/3/1980	14.80%	5.20%
1980	20.00%	12/5/1980	12.50%	7.50%
1983-1984	11.75%	8/24/1984	4.30%	7.45%
1986-1989	9.75%	2/24/1989	4.80%	4.95%
1994-1995	6.00%	2/1/1995	2.90%	3.10%
1999-2000	6.50%	5/16/2000	3.20%	3.30%
2004-2006	5.25%	6/29/2006	4.30%	0.95%
2015-2018	2.50%	12/19/2018	1.90%	0.60%
2022-2023	5.00%*	12/31/2022	6.00%*	-1.00%

Appendix – Macro

YoY Change - Shelter and Housing

34

The COVID Bubble /Launch

SUPPLY - Decline in Listings

Jan 2017 – 1.4k

Jan 2022 -0.4 k

DEMAND

- In COVID Formation Up

TURBO

- Money (was) Cheap

RECORD HOUSING PRICES ->

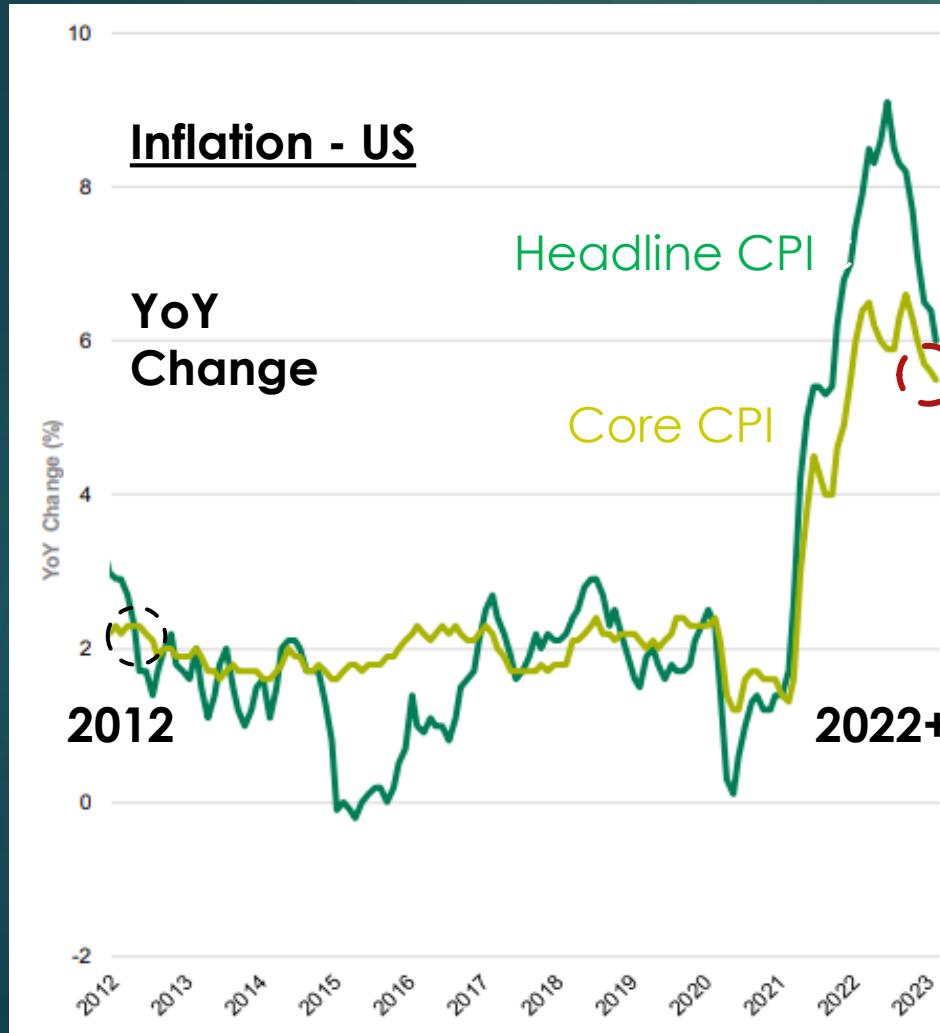


Appendix – Macro

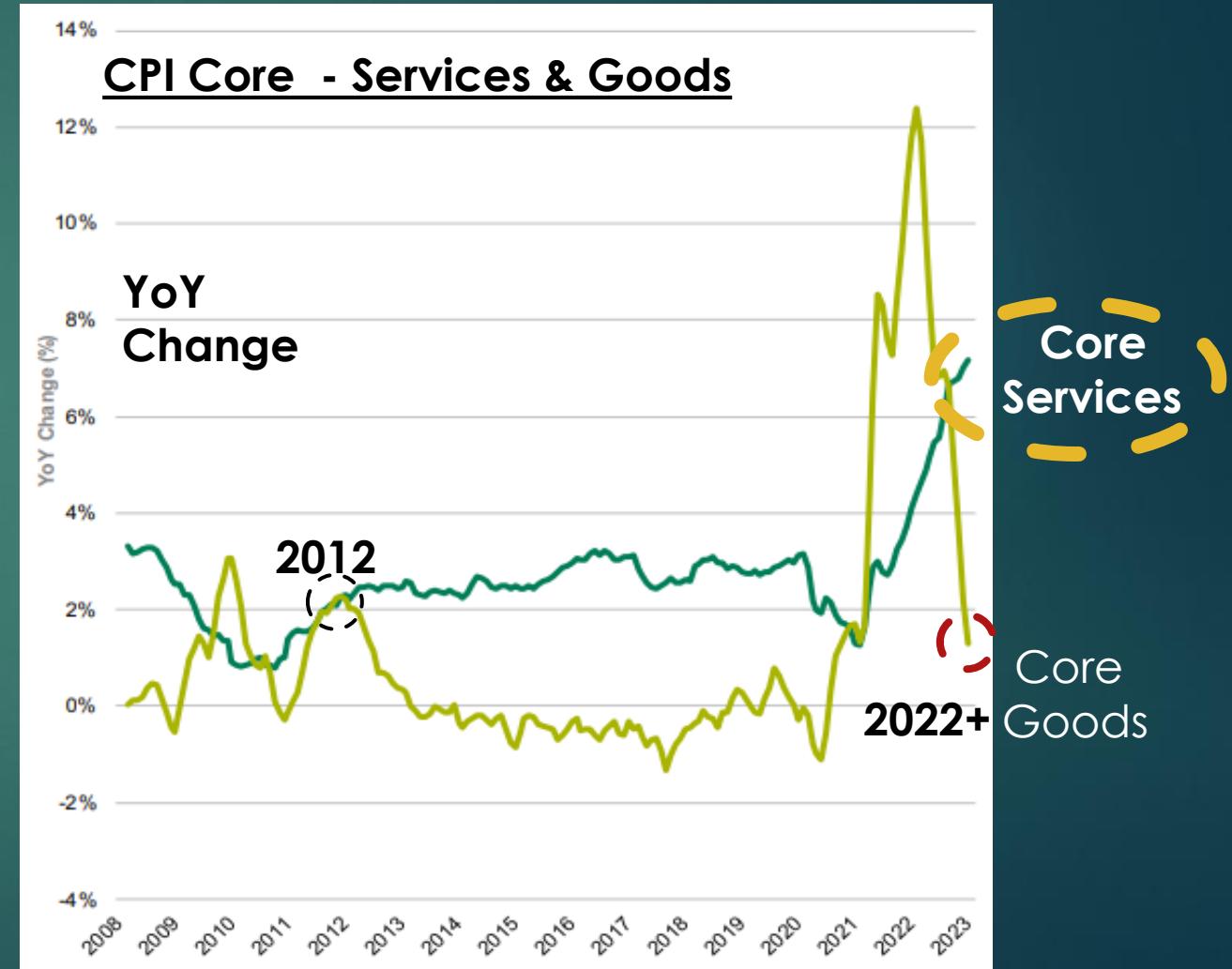
CPI Headline & Core

35

Services Drive > 80%!



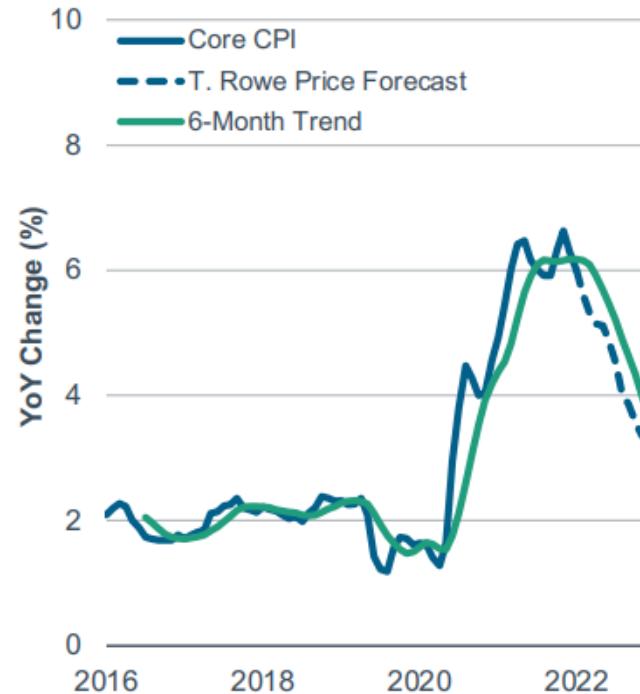
Source: Fed. Fact Set, American Century Investments



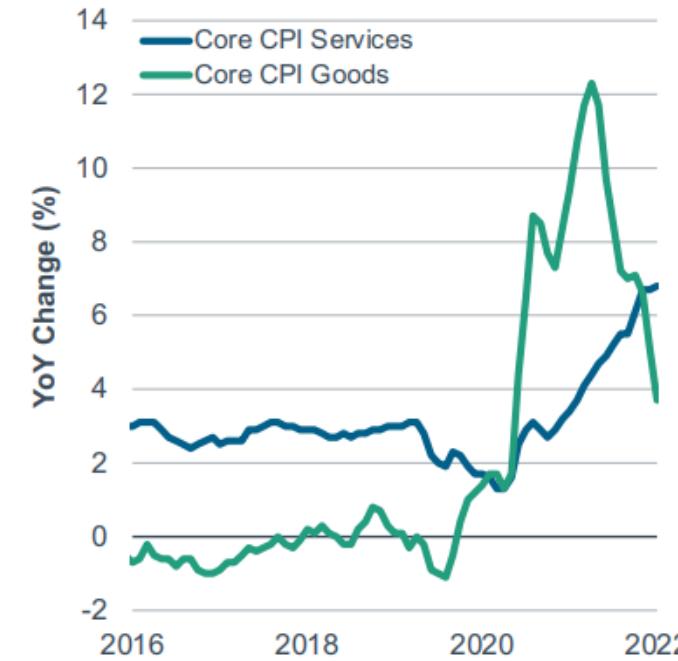
Appendix – CPI Down ... but Resilient

36

CPI high, but falling



Services inflation may not fall enough...



...until the labor market cools



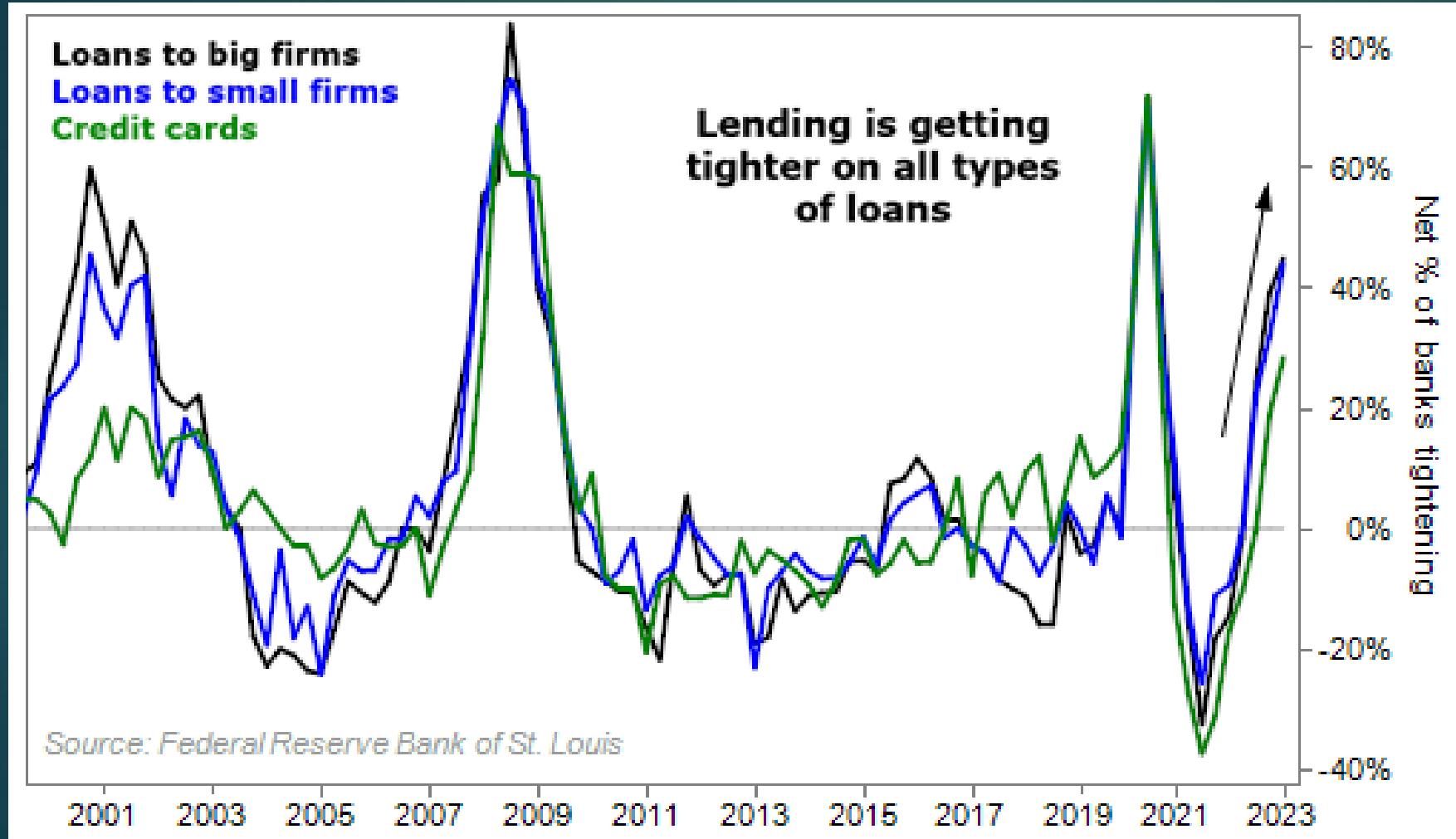
“Despite some promising developments, we have a long way to go in restoring price stability.”

– Jerome Powell, November 30, 2022

Source: Bureau of Labor Statistics/Haver Analytics, Bloomberg, L.P. and illustrated by T. Rowe Price.

Appendix – Macro / Sentiment

37

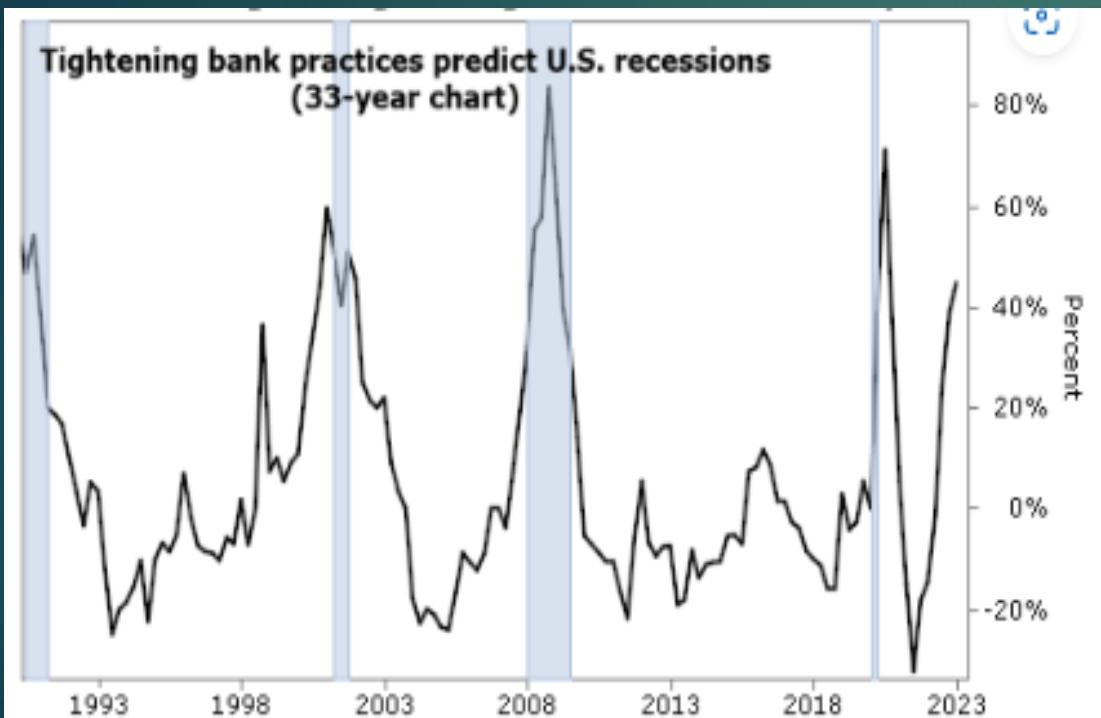


Source: StLouis Fed, StandberryResearch.com, 03-19

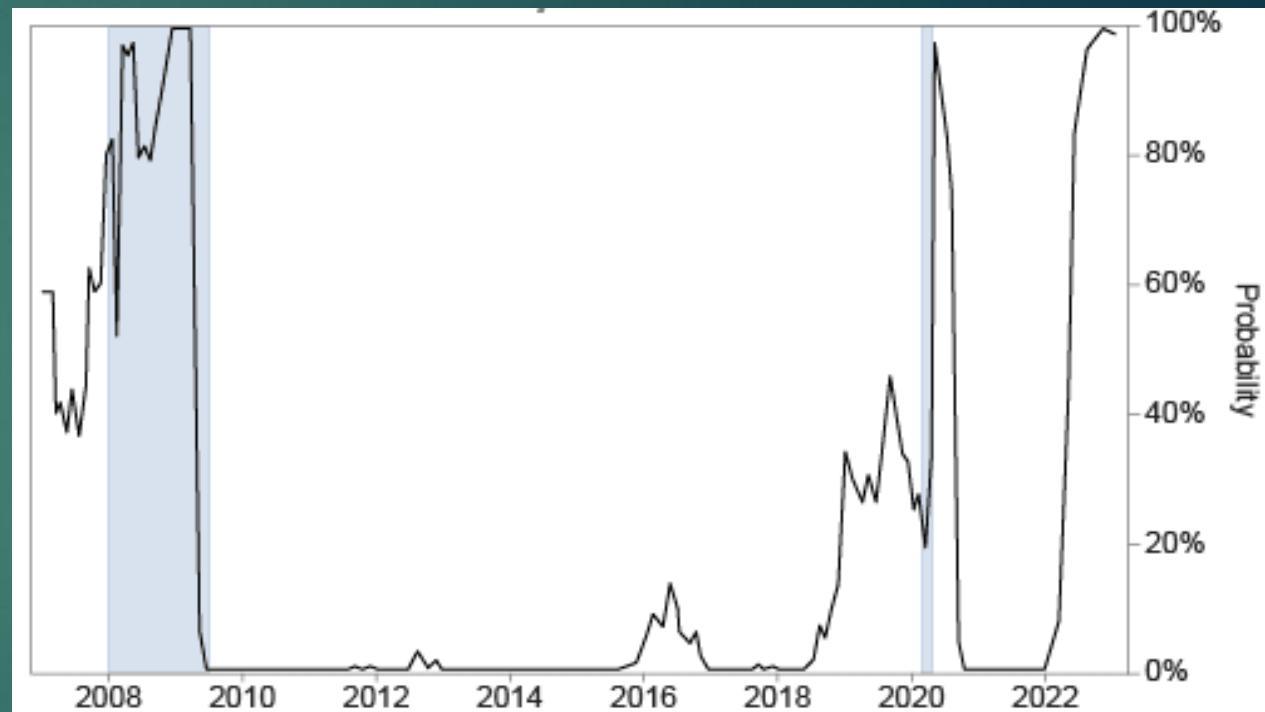
Appendix – Macro / Sentiment

38

Federal Reserve Bank – St Louis
– Net Pct of Banks Tightening Loan Stds

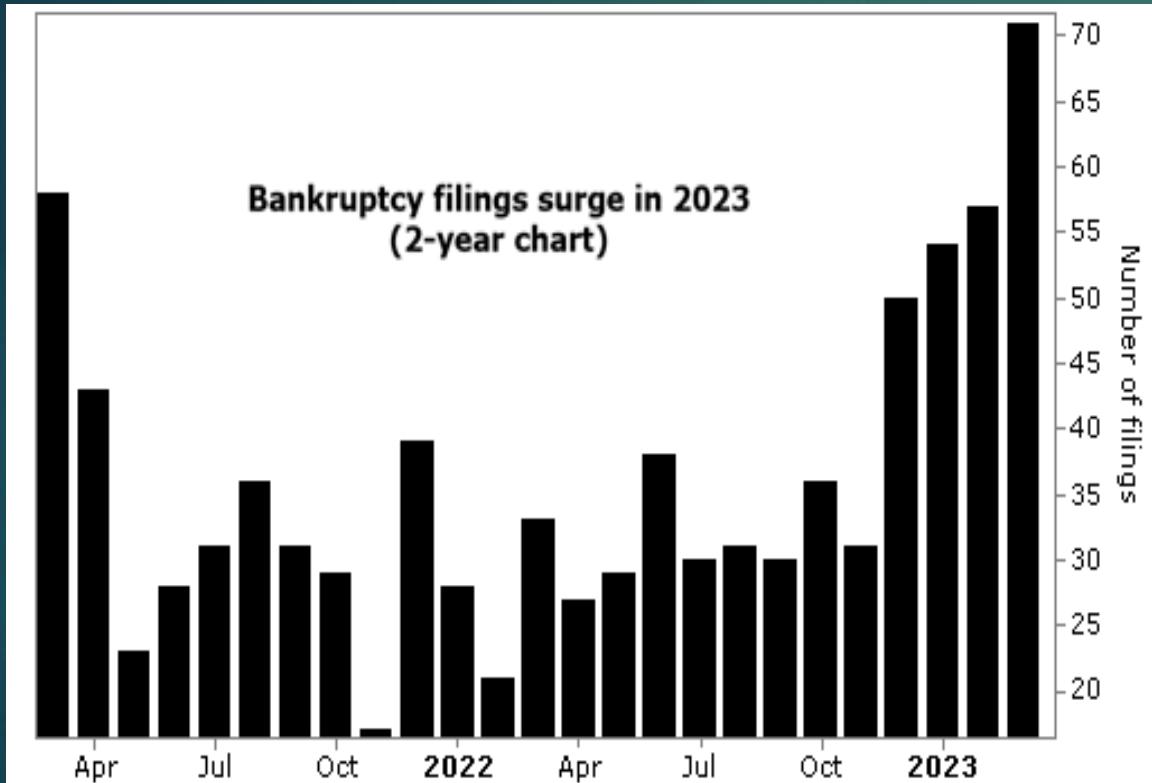


Conference Board – Recession Probability
– Highest Since 2008-09 and q1 2020

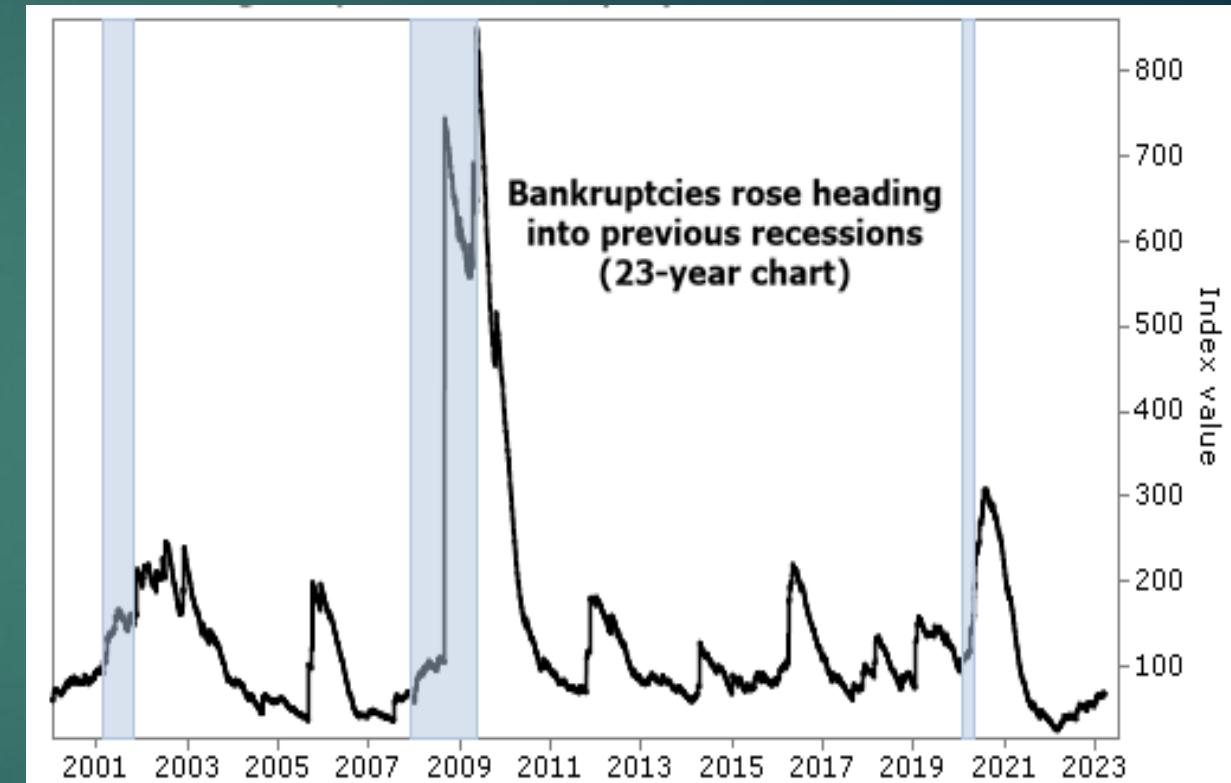


Source (Compilation) Stansberry research

GMI - Bankruptcy Filings



Bloomberg Index



GMI - Criteria:

Public Company or Private with Public Debt, > \$2mm Assets
Private Companies > \$10mm in Liabilities

Appendix

EQUITY SECTORS? – Return vs Risk

40

ASSET GROUP_category	report date	AuM - \$mm	No etfs	1 month	3 month	Yield pct	1 Year	3 Year	RI - Risk Index	Beta	R^2
				13	11	12	10	4	9	8	7
				▼	▼	▼	▼	▼	▼	▼	▼
SECTOR EQUITY_Equity Energy	1/31/2023	\$ 72,323	27	5.2%	3.5%	2.3%	33.8%	23.7%	2.90	1.72	0.46
SECTOR EQUITY_Natural Resources	1/31/2023	\$ 45,385	46	10.4%	14.9%	2.0%	6.2%	19.2%	1.60	1.18	0.74
SECTOR EQUITY_Energy Limited Partne	1/31/2023	\$ 16,715	19	4.9%	2.3%	5.2%	19.6%	11.6%	2.45	1.57	0.54
SECTOR EQUITY_Consumer Defensive	1/31/2023	\$ 31,324	14	1.8%	3.2%	1.8%	-0.7%	10.0%	0.96	0.66	0.62
SECTOR EQUITY_Industrials	1/31/2023	\$ 33,265	30	8.5%	10.7%	2.2%	-1.0%	8.9%	1.54	1.21	0.81
SECTOR EQUITY_Financial	1/31/2023	\$ 63,307	30	8.2%	7.5%	3.1%	-4.2%	8.1%	1.58	1.17	0.71
SECTOR EQUITY_Consumer Cyclical	1/31/2023	\$ 26,457	34	14.9%	14.7%	0.7%	-13.3%	8.0%	1.79	1.34	0.74
SECTOR EQUITY_Equity Precious Metals	1/31/2023	\$ 23,190	14	11.5%	28.8%	1.5%	1.1%	7.6%	2.32	1.29	0.41
SECTOR EQUITY_Technology	1/31/2023	\$ 156,662	117	12.7%	10.6%	0.4%	-20.9%	7.1%	1.59	1.17	0.72
SECTOR EQUITY_Infrastructure	1/31/2023	\$ 12,973	15	7.1%	10.6%	2.4%	-0.7%	6.2%	1.27	1.01	0.82
SECTOR EQUITY_Health	1/31/2023	\$ 105,010	56	4.4%	5.1%	0.5%	-4.4%	5.3%	1.24	0.79	0.55
SECTOR EQUITY_Utilitys	1/31/2023	\$ 25,931	12	0.3%	4.2%	2.3%	2.0%	3.3%	1.08	0.67	0.50
SECTOR EQUITY_Communications	1/31/2023	\$ 14,056	10	12.6%	12.6%	1.0%	-21.0%	3.2%	1.34	1.05	0.81
SECTOR EQUITY_Miscellaneous Sector	1/31/2023	\$ 22,728	44	8.6%	3.9%	1.0%	-17.1%	0.9%	2.16	1.43	0.62
SECTOR EQUITY_Real Estate	1/31/2023	\$ 69,469	37	10.7%	11.0%	3.8%	-10.7%	0.7%	1.50	1.16	0.78
SECTOR EQUITY_Global Real Estate	1/31/2023	\$ 7,531	15	8.3%	15.7%	2.4%	-14.8%	-5.3%	1.29	1.05	0.86
SECTOR EQUITY_Grand Total	1/31/2023	\$ 726,326	520	9.2%	9.6%	1.7%	-6.3%	8.1%	1.68	1.18	0.67

Appendix – Select Data Sources

41

<u>Data</u>	<u>Timing</u>	<u>files</u>	<u>Input / Output</u>	<u>Source(s)</u>
Asset Indicators – R / R Au, Cash, Equity, Debt (tick or etf)		dload, daily	Asset or Sector/Rank	stockcharts.com
US Govt Tbills	Monthly	Auction Results	Bill or Note / Auction	USTreasuryDirect.com
Equities				
DJUS IGS (138)	Weekly	Index Price Mo* by IG	Top 15 / Bottom 15 Priority etfs, cos	stockcharts.com, barrons barrons data
All etfs by Asset Class				
FundFlow – etf	daily	Fund Mo* by etfs	Match – Idx Price & etf Flow	etfdb.com
All etfs by Asset Class				
AAll+ etf (3,000)	monthly	etf and Index Tracked	AAll Grades, Risk Indic	aaii.com
All Equities Asset Class				
AAll+ equities (10,000)		daily	AAll Grades, Risk Indic	aaii.com
Equity & ETF Fin Data	Data Dep	xls Dloads	Price – Tech, Fin, Comps	Finra.com & Mstar.com
Options	data dep	Call, Put w Probabilities	Conserve – Time, Spread	OptionPlay.com
Priority – Present Co vs New Long or Shorts –		Div or Coupon, Earnings, Options (L/S)		

Hy-Inc – Fix List

42

Kettlebell (ind or asset averages) vs Dumbell (4th qtl is opportunity, 1st qtl is harvest?)

- Formalize process to define these 3 classes monthly
- DJIG Equites and 3 best representative etfs
- Spec vs Lead Position High Grading vs present equities

Fund Flow – Formal process of reconcile eftdb.com vs ICI (Inv Co Inst) vs the DJIGs, and related MSCI

Restated Risk – Remove the Ddowns, what is risk if d-downs are eliminated via stop loss set points

Restated Risk – How to classify the Equity Options in the RA R/R format

RA – Download quant values, complete real regressions, slopes, r^2

Fix xls Template and related lookups to automate – Price Move, Dividends, Interest, Share Backs & Option

Use of 3 Forecasts

- RRG Asset Rotation is for input to the HySig Assets Selection or Rotation
- AAII 3 Year Real Return is for Sector – Industry then – Etf and company Selection
- RRG Industry (spdr pool) and Sumgrowth are for the Options Selections and related criteria

Outlook – Update the formal list of DEV – Dominant Exogenous Variables – Then report on the status change

Of the most important – monthly (for options), quarterly (for etf, stock sections), annual or 12 mo outlook.

1. BASELINE 2023 – Equity & Quarterly Income

43

05-19-23vvE

