

AAll Texas

AGENDA 11-18-23

1

09:30 INCOME SIG UPDATE
Frank Erzinger

10:30 Challenges & Opportunities in Equities
Bill Hawes, President & CIO
Candor Asset Advisors & Co

Income SIG – Disclosure & Disclaimer

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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 accuracy or completeness is not guaranteed.

Income SIG – Hybrid-Income

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- ▶ OBJECTIVE
 - Great Assets at Good Prices (Kettlebell, not Dumbbell)
 - Monthly Income via Dividends, Options ... & Price Δ
- ▶ ASSETS CLASSES
 - Au, Bonds, Stocks, Alternatives, US or non US
- ▶ HORIZON
 - 1 month +
- ▶ EQUITIES
 - Upper $\frac{1}{2}$ of Industry Benchmark(s);
 - 1st Position etfs or mfunds, 2nd Position - Companys
 - Morningstar >3 or C+
 - Dividend a f(Cash Flow, Inc Stmt Grwth, B.Sheet Debt)
 - Risk Adjusted Returns, Drawdowns
 - Momentum -> Buy Sell Sequence – etf, equity, options

Hybrid Income – Panel of (sort of free) Experts

4

- Dr. Ed Yardeni, Yardeni.com (EY)
- Dr. Torston Slok – The Apollo Economist (TS)
- JP Morgan Analytics – Q3 2023 Outlook (JPM)
- Research Affiliates – Risk and Return Simulations

AAll Houston Speakers+:

- Sumgrowth.com, Scott Juds - Algorithmic Sector Surfer
- DeltaIM.com, Delta Investment Management, Nick Atkinson
- RGBCapitalGroup.com, Rob Bernstein, AAll San Diego
- CandorAssetAdvisors.com, Bill Hawes, AAll San Antonio
- Aeromir.com, Wayne Klump, SW Portfolio
- This Week in Charts – CharlieBilello

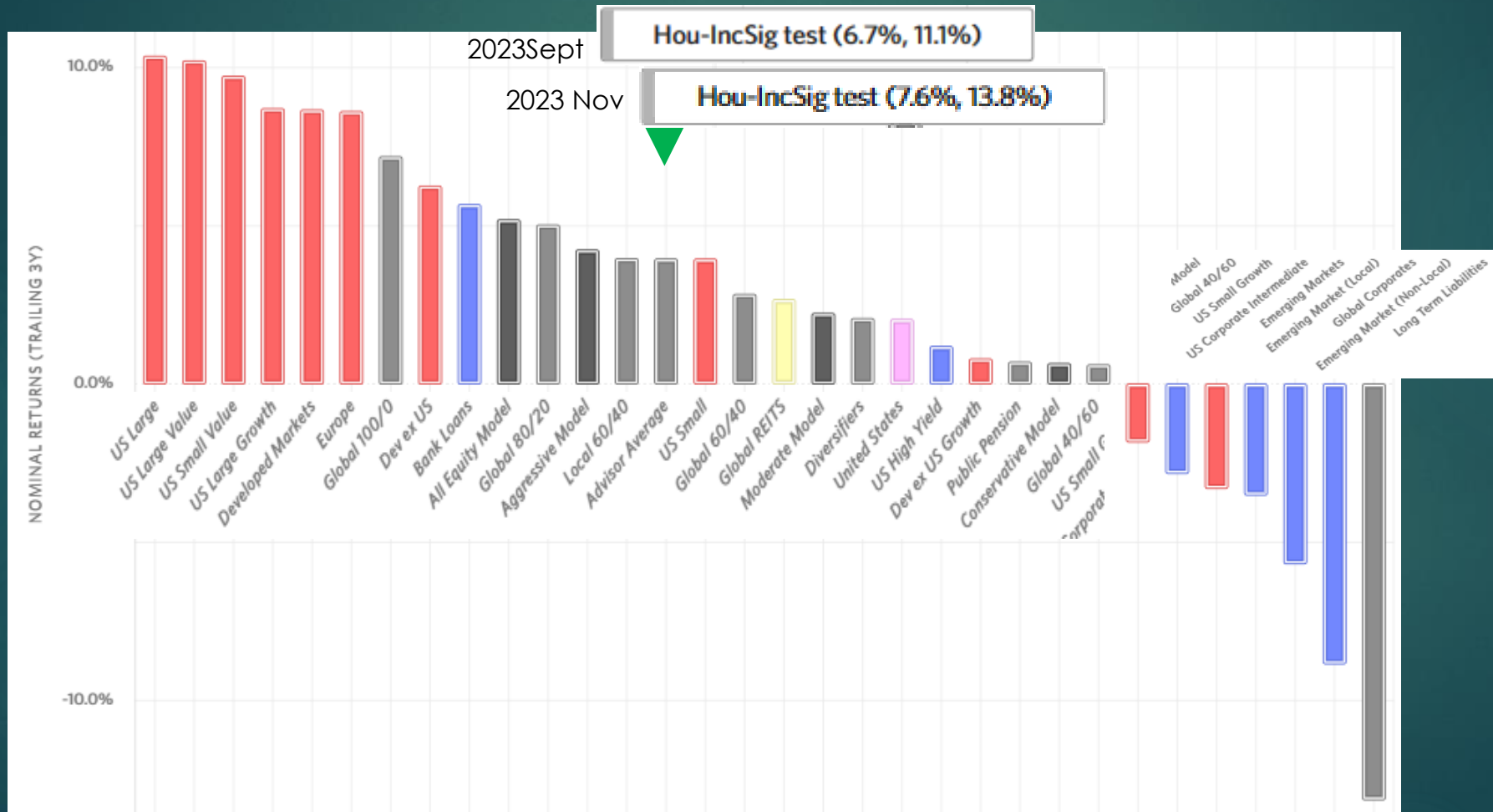
Income SIG - September 2023

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- ▶ **1. BASELINE**
- ▶ **2. MARKETS - MACRO**
- ▶ **3. NEXT STEPS - Rotation**

1. BASELINE - Trailing 3 yr - NOMINAL Return vs Risk (δ)

6

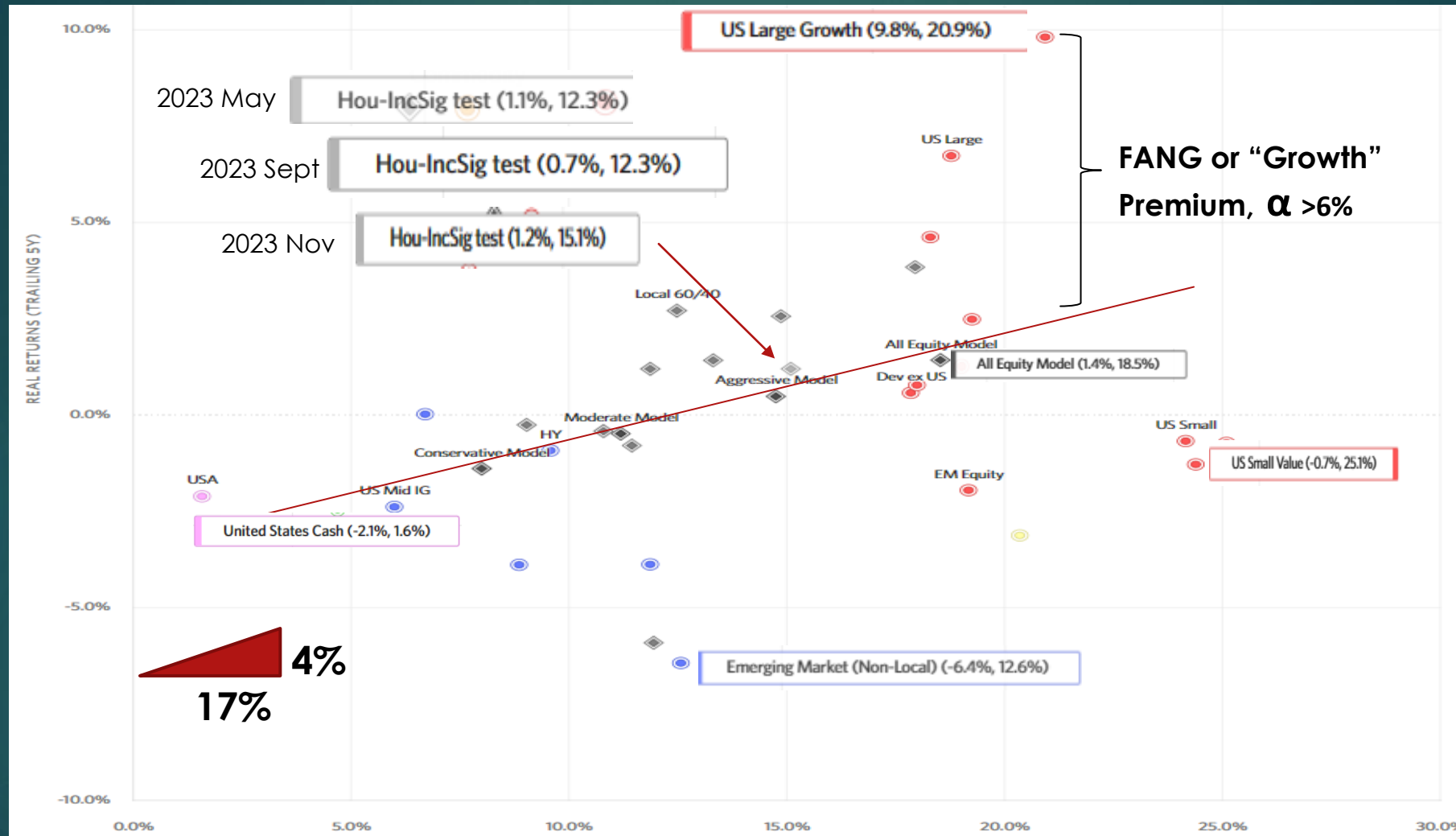


Source: RA Simulations, (3 year trailing nominal return*, risk as indicated by δ)

11-14-23vvE

1. BASELINE Trailing 5 year- REAL Return vs Risk (stdev)

7



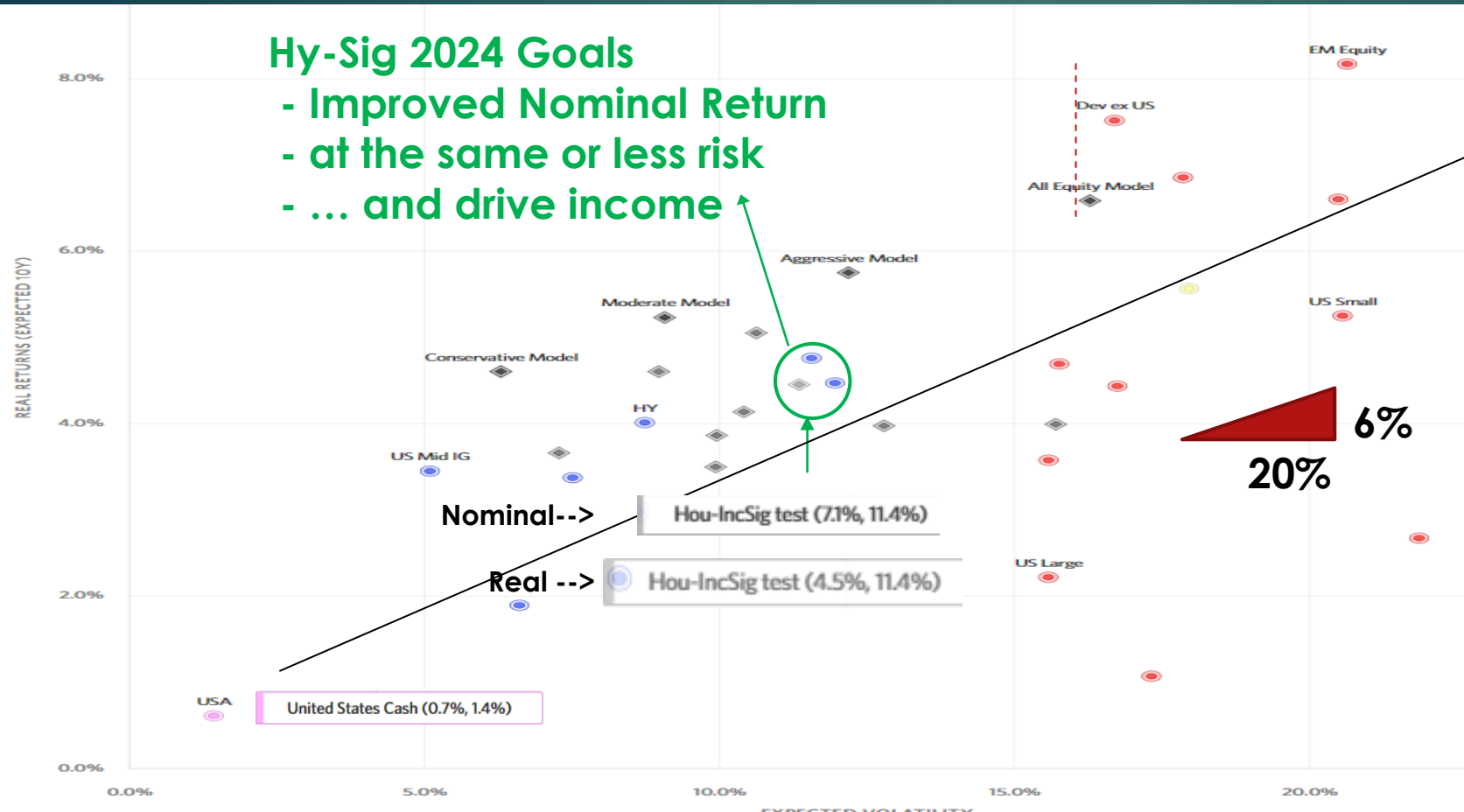
Source: RA Simulations, (Trailing 5 year real return*, risk as indicated by δ)

1. BASELINE - Forward 10 yr – REAL Return(δ) vs Risk

8

Hy-Sig 2024 Goals

- Improved Nominal Return
- at the same or less risk
- ... and drive income



2024 Stretch Target
2.3 x 13 wk Treasury
@
1/2 Stdev ~10%

1. BASELINE - UPDATE

– Portfolio Optimizes “Uncorrelated” Assets

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Ticker	Name	Quantity	Last Price	Market Value	Portfolio pct	Return	Cost Basis	Morningstar Rating for Stocks	Price/Fair Value	Total Return - YTD (%)	YTD Change [calc]	Jan-23
GOLD	Barrick Gold Corp	2196	15.82	34751.7			35136	4	0.76	-5.82	\$ (4,377)	\$ 39,128
FNV	Franco-Nevada Corp	253	121.25	30676.25			35926	3.00 Q	1.06	-10.61	\$ (2,884)	\$ 33,560
GLD	SPDR GOLD etf			\$ 35,978			\$ 35,978				\$ -	\$ 35,978
				\$ 101,406	14%	-6.7%					\$ (7,260)	\$ 108,666
Tbills	US Treasury T bills			\$ 277,041	38%	5.5%	\$ 262,598			5.5	\$ 14,443	\$ 262,598
KLAC	KLA Corp	138	544.92	\$ 75,199	9.3%		\$ 24,587	3	1.07	46.1	\$ 34,644	\$ 40,555
STX	Agate Technology Holdings PLC	416	75.8	\$ 31,533	0.26		\$ 24,507	2	1.37	47.7	\$ 15,032	\$ 16,501
MRK	Merck & Co Inc	308	101.15	\$ 31,154	-0.81		\$ 26,731	3	0.99	-6.1	\$ (1,900)	\$ 33,055
EMR	Emerson Electric Co	322	88.93	\$ 28,635	1.69		\$ 24,614	4	0.8	-6.7	\$ (1,930)	\$ 30,565
EPD	Enterprise Products Partners LP	1043	26.27	\$ 27,400	1.08		\$ 25,199	3	0.95	16.0	\$ 4,373	\$ 23,027
PXD	Pioneer Natural Resources Co	114	238.42	\$ 27,180	2.59		\$ 25,606	4	0.85	6.5	\$ 1,753	\$ 25,427
ENFR	Meridian Energy Infrastructure ETF	1172	22.43	\$ 26,288	1.68		\$ 24,612	-	-	10.3	\$ 2,695	\$ 23,593
WLKP	Westlake Chemical Partners LP	1119	21.94	\$ 24,551	0.6		\$ 25,021	3.00 Q	0.87	0.8	\$ 204	\$ 24,347
KMI	Kinder Morgan Inc Class P	1405	17.01	\$ 23,899	1.13		\$ 25,234	3	0.96	-0.8	\$ (179)	\$ 24,078
DUK	Duke Energy Corp	244	90.18	\$ 22,004	0		\$ 25,012	4	0.86	-8.5	\$ (1,870)	\$ 23,874
RHHBY	Roche Holding AG ADR	614	33.35	\$ 20,474	0.14		\$ 24,959	5	0.59	-11.7	\$ (2,389)	\$ 22,864
EOG	EOG Resources Inc	156	124.09	\$ 19,358	2.81		\$ 15,831	3	0.91	-3.5	\$ (676)	\$ 20,034
	Sub Total			\$ 357,675	49%	16.1%					\$ 49,677	\$ 307,920
	Total YTD			\$ 736,122	100%	8.4%					\$ 56,860	\$ 679,184

1. BASELINE – INC SIG Equity

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Company	Tick	Last Price	Fair Value	Mstars	FMV vs Price	Uncertainty	1 - Star Price	5-Star Price	Price /Fair Value	Price /Sales	Price /Book	Price/Earning (Normalized)	Dividend Yield
Merck & Co Inc	MRK	105.57	97.00	3	9% Premium	Medium	130.95	67.9	1.09	4.64	5.72	15.7	2.7%
KLA Corp	KLAC	545.39	510.00	3	7% Premium	High	790.5	306	1.07	7.45	24.79	24.4	1.0%
Seagate Technology Holdings PLC	STX	75.59	55.00	2	37% Premium	High	85.25	33	1.37	2.3	101.31	—	3.7%
Emerson Electric Co	EMR	87.50	109.00	4	20% Discount	Medium	147.15	76.3	0.8	3.33	2.41	19.7	2.4%
Enterprise Products Partners LP	EPD	25.99	27.50	3	5% Discount	Medium	37.13	19.25	0.95	1.17	2.08	10.6	7.6%
Pioneer Natural Resources Co	PXD	232.35	274.00	4	15% Discount	Medium	369.9	191.8	0.85	2.91	2.39	10.5	7.1%
Westlake Chemical Partners LP	WLKP	21.81	25.20	4	13% Discount	High	30.54	20.8	0.87	0.61	2.72	13.6	8.7%
Kinder Morgan Inc Class P	KMI	16.82	17.50	3	4% Discount	Medium	23.63	12.25	0.96	2.37	1.24	15.3	6.7%
Duke Energy Corp	DUK	90.18	105.00	4	14% Discount	Low	131.25	84	0.86	2.38	1.48	18.7	4.5%
Roche Holding AG ADR	RHHBY	33.30	56.00	5	41% Discount	Low	70	44.8	0.59	3.17	7.12	12.7	3.8%
EOG Resources Inc	EOG	120.70	132.00	3	9% Discount	Medium	178.2	92.4	0.91	2.98	2.54	9.5	2.7%
Barrick Gold Corp	GOLD	15.88	21.00	4	24% Discount	Medium	28.35	14.7	0.76	2.51	1.21	22.7	2.8%
Franco-Nevada Corp	FNV	120.98	114.15	3	6% Premium	High	147.37	88.41	1.06	18.81	3.43	34.4	1.1%
INV SIG AVERAGE->							\$ 167	\$ 81	93%	4.2	12.2	17.3	4.2%

2. MARKET MACRO OUTLOOK – “ifs” (appA)

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What if traditional metrics aren't applicable;

- The Recession ... isn't.. – All NBER Values are Stable*
- The Traditional Canaries are Buzzards (don't work)*
- Personal Consumption ... Continues (stimulus)*
- Markets are only down 8 months w/ a Recession*
- The Econ Muddles along w/ a High, Flat Yield Curve*

What is Different

- The Spectacular Fiscal – Monetary Snafu*

2. MARKET MACRO OUTLOOK

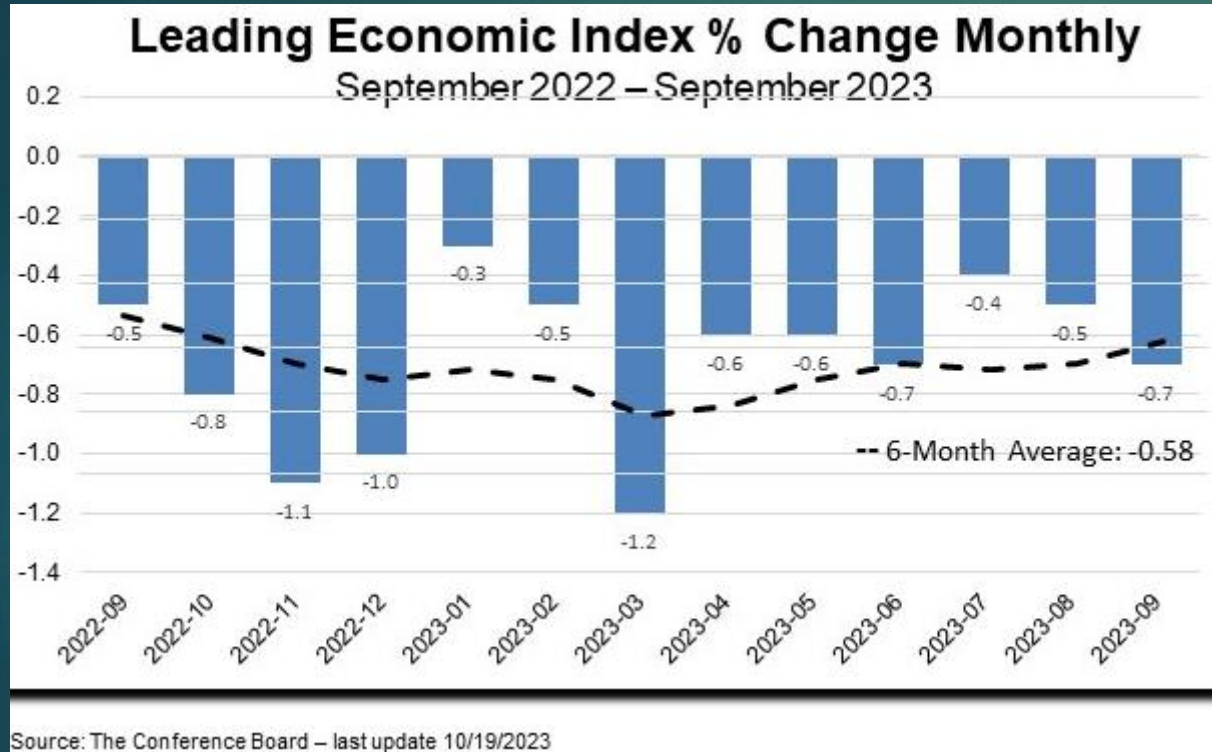
Q – Which Asset Classes, What Portfolio %?

		Outlook Timing			Income Sig						
<u>author</u>	<u>model</u>	<u>3wk</u>	<u>3wk-6mo</u>	<u>>6mo</u>	<u>q4 Asset Rec</u>						
Delta – N. Atkinson	S&P 75 dma	Short Term Trend			Econ Soft, 75dma neutral- Fix Inc - Equities -						
Stansbury – Eifrig	Allocation Rec	qtrly			<u>Au</u>	<u>TLT</u>	<u>Flnc</u>	<u>EEM</u>	<u>S&P</u>	<u>IWM</u>	<u>UUP</u>
					0	10	5	85			
Aeromir – W. Klump	Multi Asset	wkly	Trading+		<u>Au</u>	<u>TLT</u>	<u>Flnc</u>	<u>EEM</u>	<u>S&P</u>	<u>IWM</u>	<u>UUP</u>
										100	
RGBernstein Mkt Monitor		y	y	y	36			64			

2. MARKET MACRO OUTLOOK

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LEI – Economy Soft



75 dma Sentiment

MARKET SENTIMENT IS

Bearish

THIS WEEK'S NUMBER IS

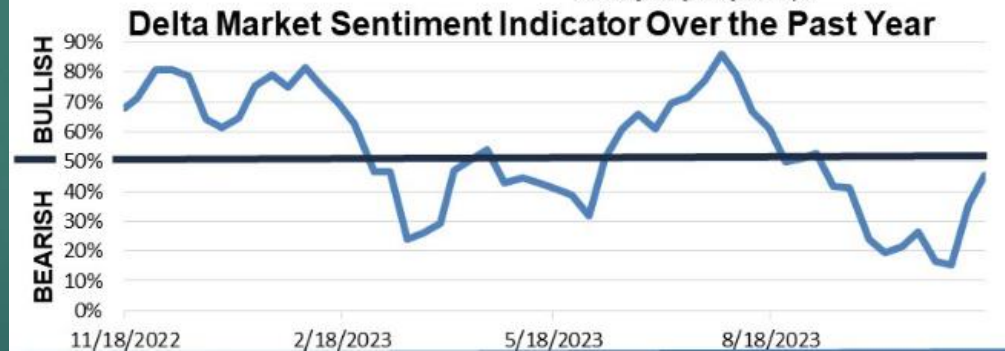
45.5

Our technical indicator increased from 35.6 to 45.5 this week

INDICATOR STATISTICS

Consecutive Bearish Weeks:	10
Cycle Inception Date:	9/14/2023
Range:	15.5 – 45.5
Mean:	28.8
Bullish Weeks YTD:	24
Bearish Weeks YTD:	22
*S&P 500	-0.1%
*DJIA	0.0%
*NASDAQ	-1%

* Percentage change during current cycle



Span

Short

Intermed

Long

Duration

3 wks

" 6 Mo

>6 mo

Outlook

Bear

Neutral

Neutral -

2. OUTLOOK – AAll 6 mo Investor Sentiment

.. This weeks survey is slightly positive,

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AAll as Direct Sentiment Indicator

Bullish AVE = 38.8% $\delta=10.5\%^*$

Bearish AVE = 30.6%, $\delta=10.1\%^*$



AAll as a Contrary Indicator

Sentiment Level	Number of Observations	Average S&P 500 Change (%)	Median S&P 500 Change (%)	% of Periods Correctly Contrarian (%)
6-Month Performance				
Bullish > +3 S.D. From Mean	2	7.4	7.4	0
Bullish > +2 S.D. From Mean	44	(0.7)	0.3	48
Bullish > +1 S.D. From Mean	167	0.8	2.9	34
Bullish < -1 S.D. From Mean	212	6.9	6.2	80
Bullish < -2 S.D. From Mean	16	14.0	17.7	100
Bearish > +3 S.D. From Mean	3	25.8	23.0	100
Bearish > +2 S.D. From Mean	50	2.8	5.3	60
Bearish > +1 S.D. From Mean	162	4.7	6.0	71
Bearish < -1 S.D. From Mean	211	3.8	4.5	26
Bearish < -2 S.D. From Mean	9	(5.5)	(1.7)	67
All	1,319	4.0	4.7	
12-Month Performance				
Bullish > +3 S.D. From Mean	2	3.6	3.6	50
Bullish > +2 S.D. From Mean	44	(2.0)	3.6	48
Bullish > +1 S.D. From Mean	167	2.4	6.3	31
Bullish < -1 S.D. From Mean	206	12.9	14.3	84
Bullish < -2 S.D. From Mean	16	20.7	21.7	100
Bearish > +3 S.D. From Mean	3	35.0	25.6	100
Bearish > +2 S.D. From Mean	50	3.1	14.3	60
Bearish > +1 S.D. From Mean	152	7.1	11.8	74
Bearish < -1 S.D. From Mean	211	7.7	9.9	24
Bearish < -2 S.D. From Mean	9	(4.3)	4.8	44
All	1,293	8.4	10.2	

Based on data from July 24, 1987, to May 2, 2013. Numbers are rounded.

2. MARKET MACRO OUTLOOK

Market Monitor – Equity Allocation

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Percent of Portfolio - Monthly Equity Recommendations;

Dynamic Equity Allocation - History																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
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Key Inputs;

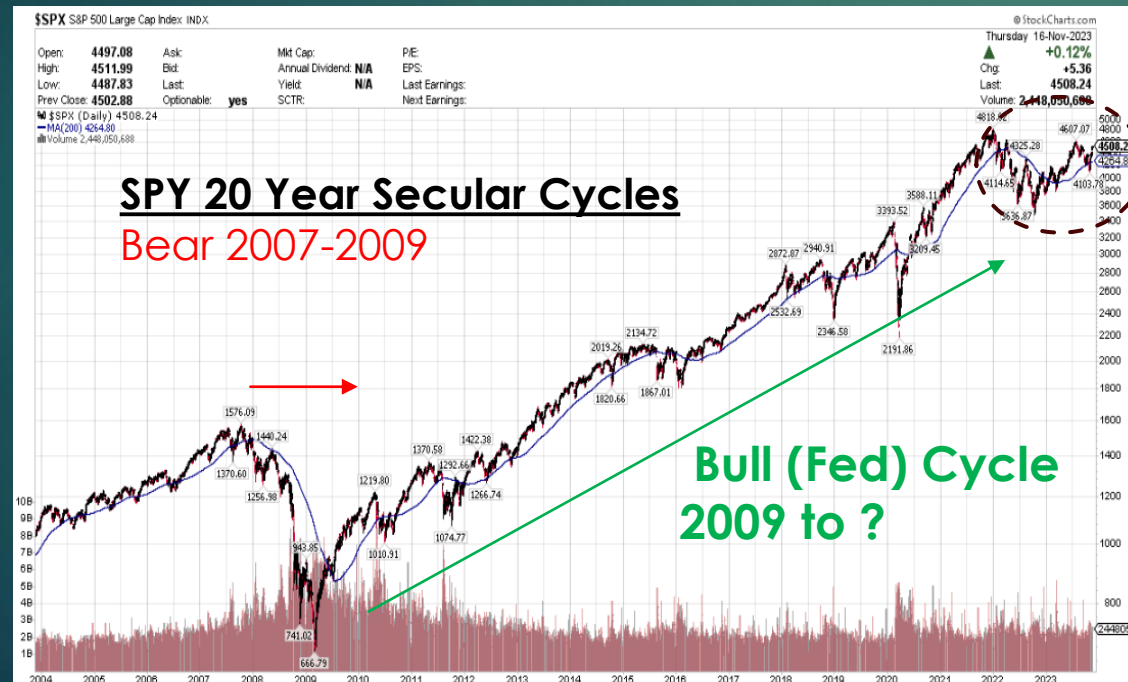
				2023_11 - Nov13				2023_10 - Oct 30				2023_10 - Oct 16				2023_09 - Sep 14				
				Indicator		S&P History				Indicator		S&P History				Indicator		S&P History		
timing	measures	REcommend	Rating	Return	REcommend	Rating	Return	REcommend	Rating	Return	REcommend	Rating	Return	REcommendation	Rating	Return				
<div>▼</div>	<div>▼</div>	<div>▼</div>	<div>▼</div>	<div>▼</div>	<div>▼</div>	<div>▼</div>	<div>▼</div>	<div>▼</div>	<div>▼</div>	<div>▼</div>	<div>▼</div>	<div>▼</div>	<div>▼</div>	<div>▼</div>	<div>▼</div>	<div>▼</div>				
TREND Composite - for Allocation Calc ->				bull / positive	25.0%					Bear / Neutral	8.3%			positive	16.7%			NEUTRAL	16.7%	
MOMENTUM Composite - for Allocation Calc ->				Bear	4.2%					Bear -	0.0%				8.3%			NEUTRAL	12.5%	
FUNDAMENTALS Comp - for Allocation Calc ->				Neutral / Bull	17.5%					Neutral / Bull	15.0%				15.0%			NEUTRAL +	15.0%	
CREDIT Comp - for Allocation Calc ->				Neutral / Bull	16.7%					Bear -	0.0%			Bear / Neut	8.3%			NEUTRAL / BULL	16.7%	
DYNAMIC (EQUITY) ALLOCATION CALC:																				
Equity Allocation ->					63.4%						23.3%				48.3%				60.9%	

2. MARKET MACRO OUTLOOK

16

Market Monitor – Primary (Econ-Mkt) Cycles

RGB Market Monitor				2023_11 - Nov13				2023_10 - Oct 30				2023_09 - Sep 14			
	source	index	timing	measures	REcommend	Indicator Rating	S&P History Return	REcommend	Indicator Rating	S&P History Return	REcommendation	Indicator Rating	S&P History Return		
<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>		
SCORECARD A															
Primary Cycle Analysis		etf or index	Timing & Criteria	Set Points	2023_11 - Nov13			2023_10 - Oct 30			2023_09 - Sep 14				
Secular > 5yr		S&P 500	> 5 yr		- na -	bull	31.2%	- na -	bull	31.2%	- na -	bull	31.2%		
Cyclical Bull < 5 yr	NDR	DJIA	< 5yr, w/in 50d	up 30%	- na -	bull	36.8%	- na -	bull	36.8%	- na -	bull	36.8%		
Cyclical Bull < 5 yr	NDR	DJIA	< 5yr, w/in 155d	up 13%											
Cyclical Bear < 5 yr	NDR	DJIA	< 5yr, w/in 50d	Down 30%											
Cyclical Bear < 5 yr	NDR	DJIA	< 5yr, w/in 155d	Down 13%											

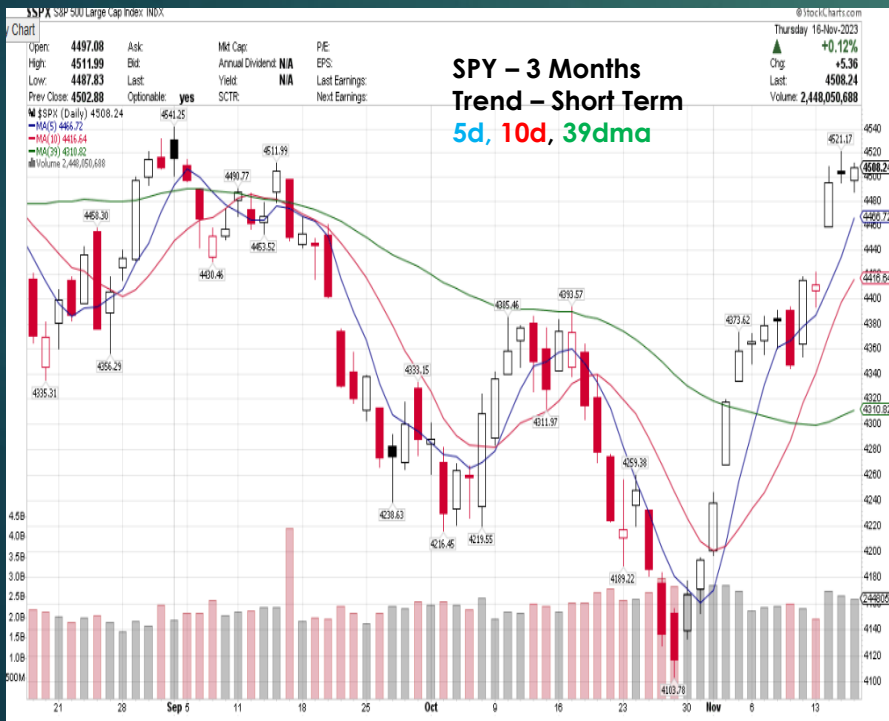


2. MARKET MACRO OUTLOOK

Market Monitor – Trend Analysis

17

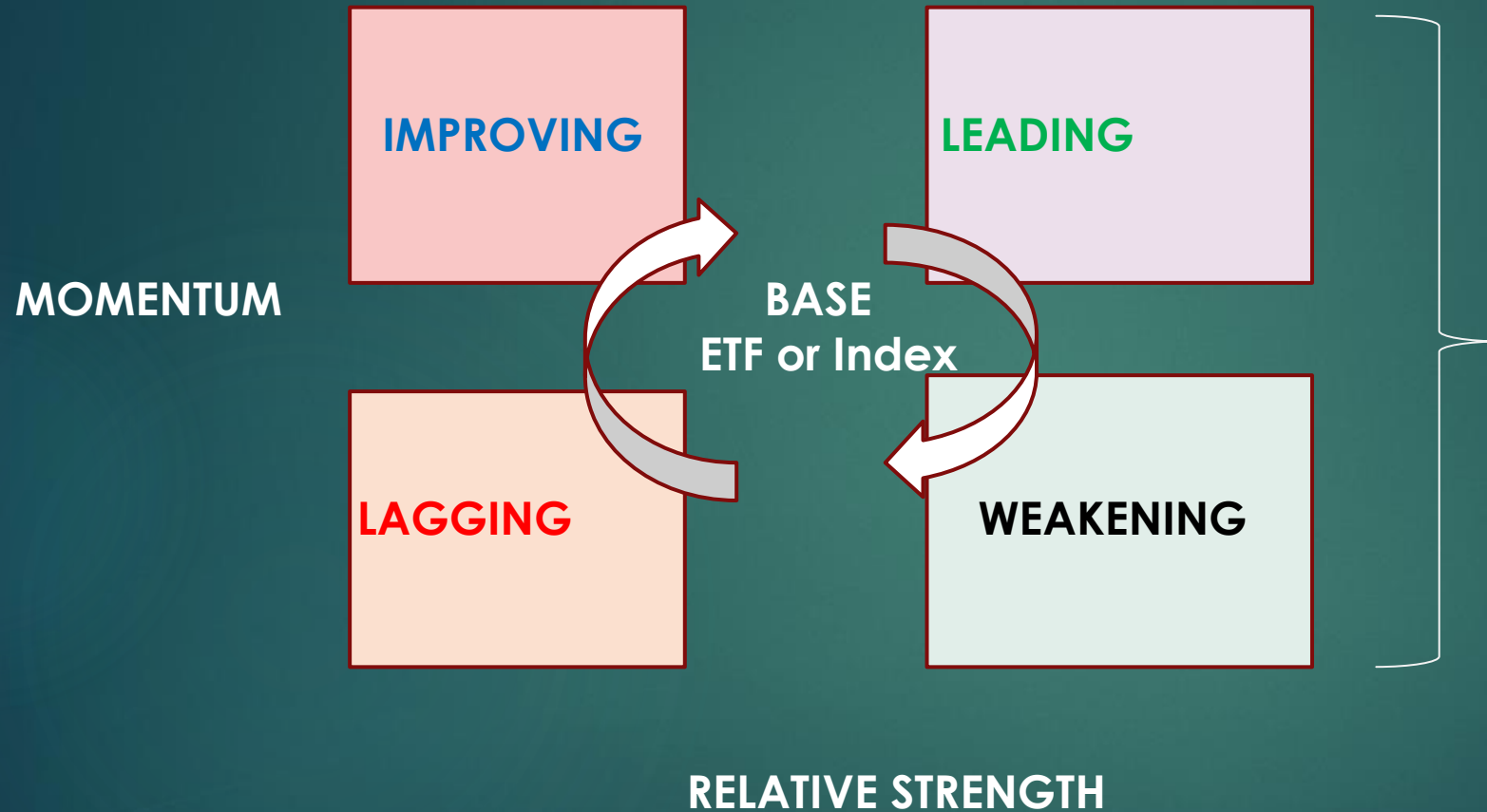
RGB Market Monitor					2023_11 - Nov13			2023_10 - Oct 30			2023_09 - Sep 14		
	source	index	timing	measures	REcommend	Indicator Rating	S&P History Return	REcommend	Indicator Rating	S&P History Return	REcommendation	Indicator Rating	S&P History Return
SCORECARD A													
TREND Analysis (Price Focus)													
Short Term Trend	stoc	S&P 500 daily	0 to 3 wk trend	5, 10, 39 dma	Buy	positive	- na -	Sell	negative	- na -	Hold	neutral	- na -
Intermediate Trend		S&P 500 weekly	3wks to 6 mo	10, 30, 55 dma	Buy	positive	- na -	Sell	negative	- na -	Hold	neutral	- na -
Longer Term		S&P 500 daily	> 6 mo trend	50 & 200 dma X over	Buy	positive	9.4%	Buy	positive	9.2%	Buy	positive	9.5%
TREND Composite - for Allocation Calc ->					bull / positive 25.0%			Bear / Neutral 8.3%			NEUTRAL 16.7%		



Long Term Trend

3. NEXT STEPS – The Suspect Gen Challenge

18



How to Harvest?

Clip Coupons
Rotate Assets
- Options In / Out

Where to Invest?

Market
Asset Class
Asset Cap
Sector
Industry
Company

When?

3. *NEXT STEPS*

19

- ▶ ROTATE Inc Sig Winners
- ▶ KEEP – CASH FLOW, DIV, BUY BACK, CALL SPREADS
- ▶ KEEP – COMMODITY HEDGE Cos
- ▶ CONSIDER &USD, UUP DYNAMICS
- ▶ EVALUATE the MID PACK – XLV, XLU, XLF, XCD
- ▶ CONSIDER US GOVT BOND SPEC POSITION

3. NEXT STEPS – Rotate MRK, KLAC, STX

20

1	2	3	4	6	7	8	9	16	17	18	23	24	25	26	27
Company	Tick	Last Price	Fair Value	Mstars	FMV vs Price	Uncertainty	1 - Star Price	5-Star Price	Price /Fair Value	Price /Sales	Price /Book	Price/Earning (Normalized)	Dividend Yield		
Merck & Co Inc	MRK	105.57	97.00	3	9% Premium	ct Medium	130.95	67.9	1.09	4.64	5.72	15.7	2.7%		
Bristol-Myers Squibb Co	BMJ	61.85	66.00	4	6% Discount	p Medium	89.1	46.2	0.94	2.88	4.08	7.94	3.64%		
Eli Lilly and Co	LLY	447.14	368.00	1	22% Premium	ay High	570.4	220.8	1.22	14.59	37.93	60.56	0.94%		
Siemens AG	SIE	149.92	160.00	5	25% Discount	n Medium	64.8	33.6	0.75	2.21	2	5.79	4.52%		
KLA Corp	KLAC	545.39	510.00	3	7% Premium	ct High	790.5	306	1.07	7.45	24.79	24.4	1.0%		
Applied Materials Inc	AMAT	154.81	152.00	3	2% Premium	ct High	235.6	91.2	1.02	4.93	7.92	20.42	0.75%		
Lam Research Corp	LRCX	700.44	660.00	3	6% Premium	ct High	1,023.00	396	1.06	5.96	11.47	23.46	1.02%		
ASML Holding NV	ASML	625.50	700.00	4	11% Discount	ct Medium	945	490	0.89	9.2	20.58	32.39	0.95%		
Seagate Technology Holdings PLC	STX	75.59	55.00	2	37% Premium	yr High	85.25	33	1.37	2.3	101.31	—	3.7%		
Micron Technology Inc	MU	76.67	70.00	3	10% Premium	p High	108.5	42	1.1	5.39	1.91	—	0.60%		
Western Digital Corp	WDC	46.01	42.00	3	10% Premium	n High	65.1	25.2	1.1	1.3	1.48	—	0.70%		
SK Hynix Inc	660	129,900.00	140,000.00	3	7% Discount	lJ High	217,000.00	84,000.00	0.93	3.07	1.67	—	0.92%		
Emerson Electric Co	EMR	87.50	109.00	4	20% Discount	ov Medium	147.15	76.3	0.8	3.33	2.41	19.7	2.4%		
Honeywell International Inc	HON	190.71	228.00	4	16% Discount	ul Medium	307.8	159.6	0.84	3.52	7.07	22.52	2.19%		
Rockwell Automation Inc	ROK	272.78	315.00	4	13% Discount	ov Medium	425.25	220.5	0.87	3.48	8.78	22.51	1.76%		
Siemens AG	SIE	146.82	166.00	4	12% Discount	ep Medium	224.1	116.2	0.88	1.52	2.56	16.09	2.89%		

3. NEXT STEPS – Keep Div, Cflow, Buy Backs

21

Company	Tick	Last Price	Fair Value	Mstars	FMV vs Price	Uncertainty	1-Star Price	5-Star Price	Price /Fair Value	Price /Sales	Price /Book	Price/Earning (Normalized)	Dividend Yield
Enterprise Products Partners LP	EPD	25.99	27.50	3	5% Discount	ar Medium	37.13	19.25	0.95	1.17	2.08	10.6	7.6%
ONEOK Inc	OKE	65.52	62.00	3	6% Premium	iy Medium	83.7	43.4	1.06	1.69	2.34	11.57	5.83%
Targa Resources Corp	TRGP	83.85	79.00	3	6% Premium	iv Medium	106.65	55.3	1.06	1.16	7.46	22	2.21%
Kinder Morgan Inc Class P	KMI	16.82	17.50	3	4% Discount	iv Medium	23.63	12.25	0.96	2.37	1.24	15.29	6.69%
Pioneer Natural Resources Co	PXD	232.35	274.00	4	15% Discount	ct Medium	369.9	191.8	0.85	2.91	2.39	10.5	7.1%
EOG Resources Inc	EOG	120.70	132.00	3	9% Discount	ov Medium	178.2	92.4	0.91	2.98	2.54	9.48	2.73%
Diamondback Energy Inc	FANG	152.50	164.00	3	7% Discount	ov High	254.2	98.4	0.93	3.37	1.68	8.12	4.51%
Coterra Energy Inc Ordinary Shares	CTRA	26.33	28.45	3	7% Discount	iv High	37.28	21.71	0.93	3.06	1.55	9.09	4.44%
Westlake Chemical Partners LP	WLKP	21.81	25.20	4	13% Discount	iv High	30.54	20.8	0.87	0.61	2.72	13.6	8.7%
Trecora Resources	TREC	9.81	12.76	3	23% Discount	n High	15.7	10.38	0.77	0.81	1.16	65.17	—
Phillips 66 Partners LP	PSXP	42.01	40.34	3	4% Premium	ar High	48	33.91	1.04	8.37	3.61	10.75	8.33%
Crestwood Equity Partners LP	CEQP	28.26	32.76	3	14% Discount	iv High	38.13	28.14	0.86	0.63	1.64	21.06	9.27%
Kinder Morgan Inc Class P	KMI	16.82	17.50	3	4% Discount	iv Medium	23.63	12.25	0.96	2.37	1.24	15.3	6.7%
Energy Transfer LP	ET	13.18	17.50	4	25% Discount	iy Medium	23.63	12.25	0.75	0.52	1.34	10.61	9.37%
Equitrans Midstream Corp	ETRN	8.96	15.00	4	40% Discount	n High	23.25	9	0.6	2.81	3.85	12.27	6.70%
Williams Companies Inc	WMB	34.75	36.00	3	3% Discount	iv Medium	48.6	25.2	0.97	3.85	3.58	16.07	5.09%

3. NEXT STEPS – Keep Clipping Div Coupons

22

Company	Tick	Last Price	Fair Value	Mstars	FMV vs Price	Uncertainty	1 - Star Price	5-Star Price	Price /Fair Value	Price /Sales	Price /Book	Price/Earning (Normalized)	Dividend Yield
Duke Energy Corp	DUK	90.18	105.00	4	14% Discount	Low	131.25	84	0.86	2.38	1.48	18.7	4.5%
American Electric Power Co Inc	AEP	77.38	90.00	4	14% Discount	Low	112.5	72	0.86	2.08	1.61	18.05	4.36%
Dominion Energy Inc	D	46.87	46.00	3	2% Premium	Medium	62.1	32.2	1.02	2.19	1.49	10.1	5.70%
NextEra Energy Inc	NEE	56.60	74.00	4	24% Discount	Medium	99.9	51.8	0.76	4.16	2.47	16.17	3.23%
Roche Holding AG ADR	RHHBY	33.30	56.00	5	41% Discount	Low	70	44.8	0.59	3.17	7.12	12.7	3.8%
Merck & Co Inc	MRK	101.99	103.00	3	1%	Medium	139.05	72.1	0.99	4.38	6.27	32.9	2.86%
Regeneron Pharmaceuticals Inc	REGN	796.54	750.00	3	6% Premium	Medium	1,012.50	525	1.06	6.92	3.48	20.81	—
AbbVie Inc	ABBV	138.28	126.00	3	10% Premium	High	195.3	75.6	1.1	4.45	20.19	34.12	4.28%
EOG Resources Inc	EOG	120.70	132.00	3	9% Discount	Medium	178.2	92.4	0.91	2.98	2.54	9.5	2.7%
Occidental Petroleum Corp	OXY	60.31	61.00	3	1% Discount	Very High	106.75	30.5	0.99	2	2.53	13.23	1.11%
Pioneer Natural Resources Co	PXD	232.35	274.00	4	15% Discount	Medium	369.9	191.8	0.85	2.91	2.39	10.47	7.09%
Diamondback Energy Inc	FANG	152.50	164.00	3	7% Discount	High	254.2	98.4	0.93	3.37	1.68	8.12	4.51%
Barrick Gold Corp	GOLD	15.88	21.00	4	24% Discount	Medium	28.35	14.7	0.76	2.51	1.21	22.7	2.8%
Newmont Corp	NEM	36.56	53.00	5	31% Discount	Medium	71.55	37.1	0.69	2.63	2.21	23.74	4.79%
Agnico Eagle Mines Ltd	AEM	67.06	73.50	4	9% Discount	Medium	99.23	51.45	0.91	3.76	1.22	19.87	3.23%
Kinross Gold Corp	K	7.49	7.40	3	1% Premium	High	11.47	4.44	1.01	1.62	1.11	13.35	2.17%
Franco-Nevada Corp	FNV	120.98	114.15	3	6% Premium	High	147.37	88.41	1.06	18.81	3.43	34.4	1.1%
INV SIG AVERAGE->							\$ 167	\$ 81	93%	4.2	12.2	17.3	4.2%

3. NEXT STEPS - CONSIDER \$USD or UUP

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

23

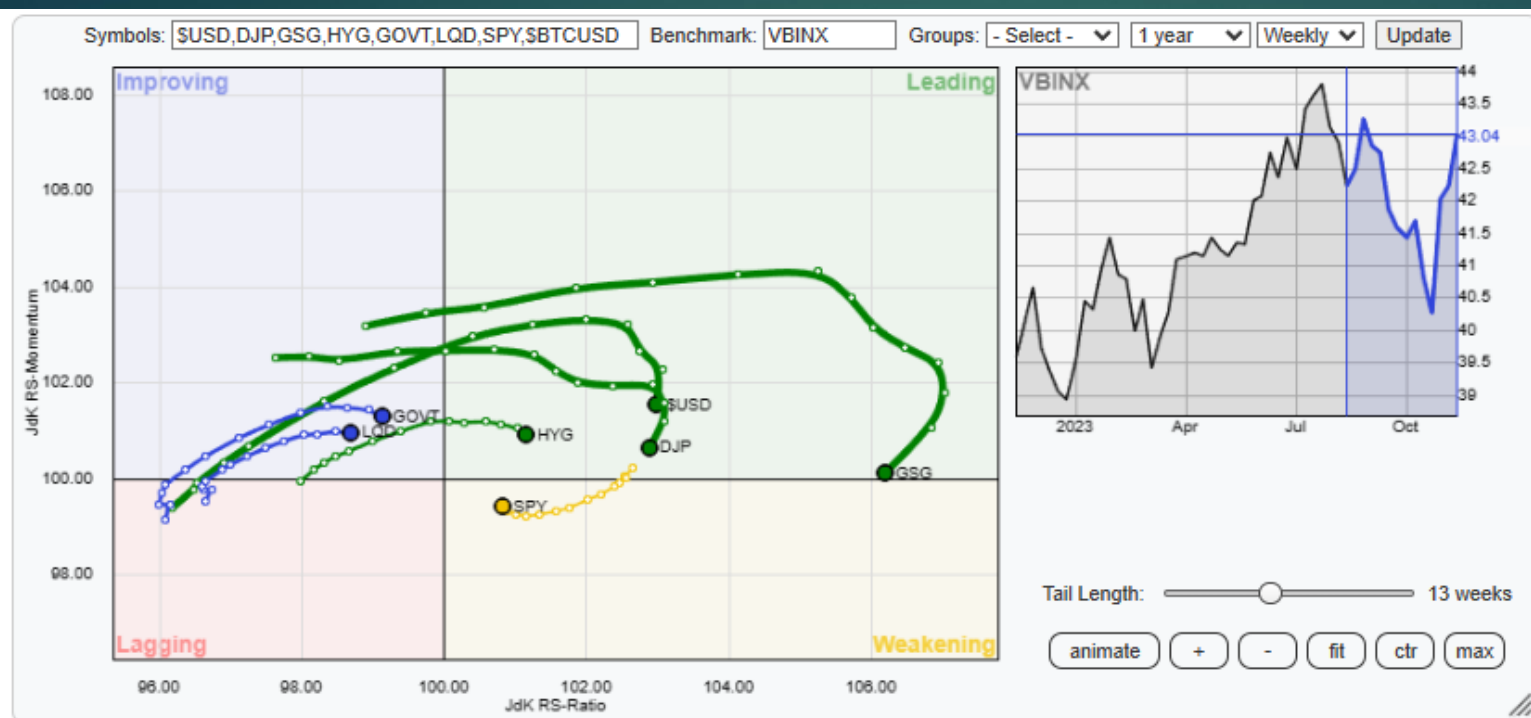


chart	visible	tail	symbol	name	sector	industry	price	%chg
⌵⌶	<input type="checkbox"/>	■	\$BTCUSD	Bitcoin to US Dollar			36466.20	39.2
⌵⌶	<input checked="" type="checkbox"/>	■	GSG	iShares S&P GSCI Commodity-Indexed Trust			20.80	-2.3
⌵⌶	<input checked="" type="checkbox"/>	■	\$USD	US Dollar - Cash Settle			103.81	0.5
⌵⌶	<input checked="" type="checkbox"/>	■	DJP	iPath Bloomberg Commodity Index Total Return ETN			31.38	-1.4
⌵⌶	<input checked="" type="checkbox"/>	■	HYG	iShares iBoxx \$ High Yield Corporate Bond ETF			74.77	2.5
⌵⌶	<input checked="" type="checkbox"/>	■	LQD	iShares iBoxx \$ Investment Grade Corporate Bond ETF			104.39	1.4
⌵⌶	<input checked="" type="checkbox"/>	■	GOVT	iShares Core US Treasury Bond ETF			22.25	0.2
⌵⌶	<input checked="" type="checkbox"/>	■	SPY	SPDR S&P 500 ETF			450.79	3.6
⌵⌶	<input type="checkbox"/>		VBINX	Vanguard Balanced Index Fund			43.04	1.9

3. NEXT STEPS - MUNDANE MID PACK COs

24



Source: Stockcharts.com, update 11/14

3. NEXT STEPS

THE MID PACK – XLU, XLP, XLV

25

Input	Data Look up->				RETURNS				FUND FLOW - \$mm			DIVIDEND		TECHNICAL		
Tick	SERIES - Name	Issuer	Asset Class	Ref - Dbase Category	1 Month	YTD	1 Year	Symbol	AuM -	YTD FF	%	Yield %	Pay Freq	YTD Ret / δ	δ Stdev	Beta
1	2	38	3	23	12	13	14		4	19		29	30		31	33
SPY	SPDR S&P 500 ETF Trust	State Street	Equity	Large Cap Growth	0.8%	13.9%	16.7%	SPY	\$ 394,116	\$ (2,657)	-0.7%	1.54%	Quarterly	0.6	23.27%	1.00
	XLC Communication Services Select Sector SPDR Fund	State Street	Equity	Large Cap Growth	1.5%	39.6%	44.3%	XLC	\$ 13,362	\$ 273	2.0%	0.82%	Quarterly	5.7	6.98%	1.02
	XLK Technology Select Sector SPDR Fund	State Street	Equity	Technology Equities	3.7%	37.5%	40.2%	XLK	\$ 48,180	\$ (436)	-0.9%	0.84%	Quarterly	2.1	17.67%	1.14
	XLY Consumer Discretionary Select Sector SPDR Fund	State Street	Equity	Consumer Discretionary	-1.9%	23.2%	16.3%	XLY	\$ 15,490	\$ (1,319)	-8.5%	0.93%	Quarterly	1.8	13.08%	1.18
	XLE Energy Select Sector SPDR Fund	State Street	Equity	Energy Equities	-3.1%	2.8%	2.4%	XLE	\$ 37,882	\$ 1,091	2.9%	3.57%	Quarterly	0.6	4.31%	1.36
	XLB Materials Select Sector SPDR Fund	State Street	Equity	Materials	-1.3%	1.3%	9.5%	XLB	\$ 5,147	\$ 305	5.9%	2.14%	Quarterly	0.5	2.60%	1.06
	XLF Financial Select Sector SPDR Fund	State Street	Equity	Financials Equities	0.5%	-1.2%	1.1%	XLF	\$ 27,949	\$ (1,732)	-6.2%	2.05%	Quarterly	(0.8)	1.39%	1.07
	XLV Health Care Select Sector SPDR Fund	State Street	Equity	Health & Biotech	-1.5%	-5.5%	-1.3%	XLV	\$ 35,750	\$ (1,026)	-2.9%	1.70%	Quarterly	(1.8)	3.05%	0.70
	XLP Consumer Staples Select Sector SPDR Fund	State Street	Equity	Consumer Staples	-0.2%	-6.2%	-1.1%	XLP	\$ 15,789	\$ (116)	-0.7%	2.79%	Quarterly	(2.7)	2.28%	0.58
	GLD SPDR Gold Shares	World Gold Council	Commodity	Precious Metals	8.9%	8.9%	21.7%	GLD	\$ 55,000	\$ (679)	-1.2%	0.00%	N/A	1.2	7.31%	0.15
	XLRE Real Estate Select Sector SPDR Fund	State Street	Real Estate	Real Estate	0.7%	-4.8%	-0.5%	XLRE	\$ 4,175	\$ 182	4.4%	3.99%	Quarterly	(3.1)	1.57%	0.84
	XLU Utilities Select Sector SPDR Fund	State Street	Equity	Utilities Equities	4.4%	-10.7%	-4.4%	XLU	\$ 13,546	\$ 33	0.2%	3.51%	Quarterly	(3.5)	3.07%	0.52

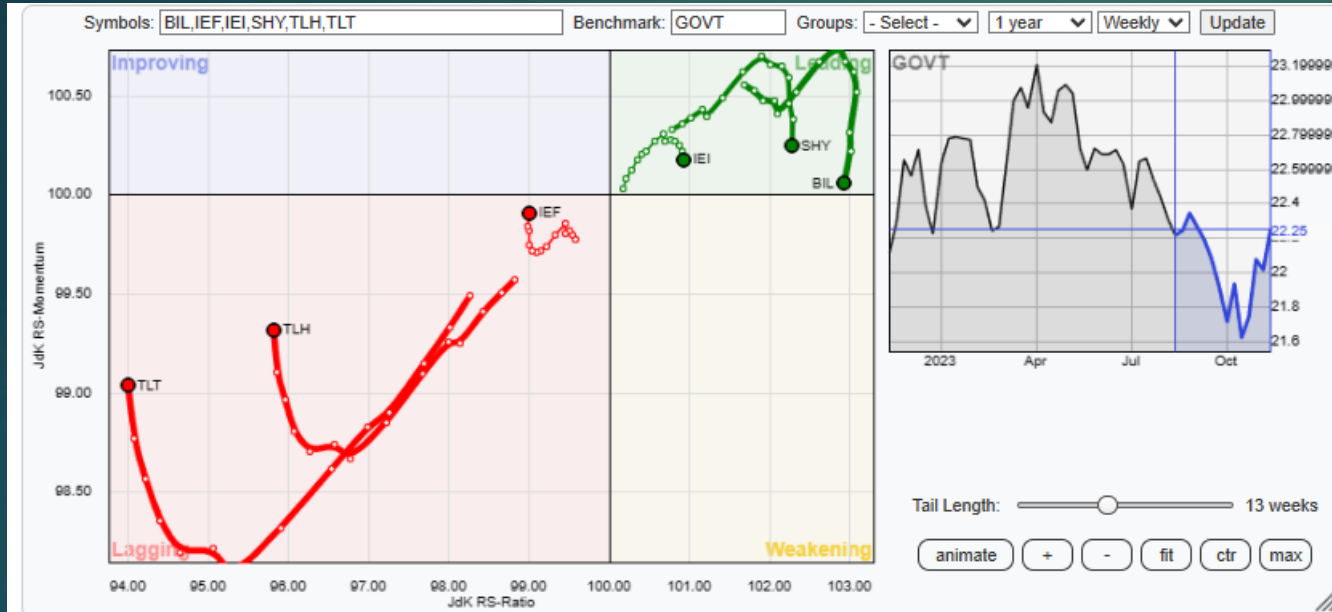
etfdb ratings									Mstar Ratings							
Tick	SERIES - Name	Liquidity	Expenses	Performance	Volatility	ETF Database Pro	Dividend	Concentration	Medalist Rating - Overall	Rating for Funds - Overall	Morningstar Category	Sharpe Ratio - 3 Year, Monthly	Maximum Drawdown - 10 Year (%)	Upside Capture Ratio - 5 Year	Downside Capture Ratio - 5 Year	
		51	52	53	54	55	56	57		3	4	6	17	18	19	20
SPY		A+	A-	B	B+	A	A-	A-	Silver	4	Large Blend	0.51	-23.88	99.68	99.81	SPY
XLC	Communication Services Select Sector SPDR Fund	A	A-	A-	B-	A-	B-	N/A	-	4	Communications	0.18	-	110.57	111.31	XLC
XLK	Technology Select Sector SPDR Fund	A+	A	A-	A-	A	A	B+	-	5	Technology	0.63	-31.23	136.66	96.82	XLK
XLY	Consumer Discretionary Select Sector SPDR Fund	A+	A	A	B	A	A-	B+	-	4	Consumer Cyclical	0.14	-36.25	112.64	110.97	XLY
XLE	Energy Select Sector SPDR Fund	A+	A	B	A	A	A-	B	-	5	Equity Energy	1.3	-63.91	132.91	129.62	XLE
XLB	Materials Select Sector SPDR Fund	A+	A	B+	A+	A	A	B-	-	4	Natural Resources	0.38	-26.16	119.79	115	XLB
XLF	Financial Select Sector SPDR Fund	A+	A	A-	B+	A	B-	B+	-	4	Financial	0.55	-31.82	111.27	118.45	XLF
XLV	Health Care Select Sector SPDR Fund	A	A	C+	A	A	A	B+	-	5	Health	0.48	-13.12	84.54	74.24	XLV
XLP	Consumer Staples Select Sector SPDR Fund	A+	A	B	A-	A	A	B+	-	3	Consumer Defensive	0.29	-13.6	74.98	69.38	XLP
GLD	SPDR Gold Shares	A+	B+	B	B+	A-	B-	B-	-	-	Commodities	0.03	-20.51	24.95	-16.8	GLD
XLRE	Real Estate Select Sector SPDR Fund	A	A	A-	C	B+	B	C+	-	4	Real Estate	0.11	-	88.4	99.63	XLRE
XLU	Utilities Select Sector SPDR Fund	A+	A	B+	A	A	A	B-	-	3	Utilities	0.05	-18.75	63.57	61.54	XLU

3. NEXT STEPS

GOVT DEBT ETFs – 13wk

Fed Bounce-5wk

26



13 weeks ending Nov 13, 2023

chart	visible	tail	symbol	name	sector	industry	price	%chg
	<input checked="" type="checkbox"/>		BIL	SPDR Bloomberg 1-3 Month T-Bill ETF			91.68	1.3
	<input checked="" type="checkbox"/>		SHY	iShares 1-3 Year Treasury Bond ETF			81.28	1.1
	<input checked="" type="checkbox"/>		IEI	iShares 3-7 Year Treasury Bond ETF			114.11	0.7
	<input checked="" type="checkbox"/>		TLT	iShares 20+ Year Treasury Bond ETF			90.04	-3.1
	<input checked="" type="checkbox"/>		TLH	iShares 10-20 Year Treasury Bond ETF			99.93	-2.2
	<input checked="" type="checkbox"/>		IEF	iShares 7-10 Year Treasury Bond ETF			92.53	-0.4
	<input checked="" type="checkbox"/>		GOVT	iShares Core US Treasury Bond ETF			22.25	0.2

4 weeks ending Nov 13, 2023

chart	visible	tail	symbol	name	sector	industry	price	%chg
	<input checked="" type="checkbox"/>		BIL	SPDR Bloomberg 1-3 Month T-Bill ETF			91.68	0.4
	<input checked="" type="checkbox"/>		SHY	iShares 1-3 Year Treasury Bond ETF			81.28	0.7
	<input checked="" type="checkbox"/>		IEI	iShares 3-7 Year Treasury Bond ETF			114.11	2.1
	<input checked="" type="checkbox"/>		TLT	iShares 20+ Year Treasury Bond ETF			90.04	8.5
	<input checked="" type="checkbox"/>		TLH	iShares 10-20 Year Treasury Bond ETF			99.93	6.8
	<input checked="" type="checkbox"/>		IEF	iShares 7-10 Year Treasury Bond ETF			92.53	3.7
	<input checked="" type="checkbox"/>		GOVT	iShares Core US Treasury Bond ETF			22.25	2.9

1. BASELINE - UPDATE

– Add USD, Buy Write Nasdaq

27

Ticker	Name	Quantity	Last Price	Market Value	Portfolio pct	Return	Cost Basis	Morningstar Rating for Stocks	Price/Fair Value	Total Return - YTD (%)	YTD Change [calc]	Jan-23
GOLD	Barrick Gold Corp	2196	15.82	34751.7			35136	4	0.76	-5.82	\$ (4,377)	\$ 39,128
FNV	Franco-Nevada Corp	253	121.25	30676.25			35926	3.00 Q	1.06	-10.61	\$ (2,884)	\$ 33,560
GLD	SPDR GOLD etf			\$ 35,978			\$ 35,978				\$ -	\$ 35,978
				\$ 101,406	14%	-6.7%					\$ (7,260)	\$ 108,666
Tbills	US Treasury T bills			\$ 277,041	38%	5.5%	\$ 262,598			5.5	\$ 14,443	\$ 262,598
KLAC	KLA Corp	138	544.92	\$ 75,199	9.3%		\$ 24,587	3	1.07	46.1	\$ 34,644	\$ 40,555
STX	Agate Technology Holdings PLC	416	75.8	\$ 31,533	0.26		\$ 24,507	2	1.37	47.7	\$ 15,032	\$ 16,501
MRK	Merck & Co Inc	308	101.15	\$ 31,154	-0.81		\$ 26,731	3	0.99	-6.1	\$ (1,900)	\$ 33,055
EMR	Emerson Electric Co	322	88.93	\$ 28,635	1.69		\$ 24,614	4	0.8	-6.7	\$ (1,930)	\$ 30,565
EPD	Enterprise Products Partners LP	1043	26.27	\$ 27,400	1.08		\$ 25,199	3	0.95	16.0	\$ 4,373	\$ 23,027
PXD	Pioneer Natural Resources Co	114	238.42	\$ 27,180	2.59		\$ 25,606	4	0.85	6.5	\$ 1,753	\$ 25,427
ENFR	Meridian Energy Infrastructure ETF	1172	22.43	\$ 26,288	1.68		\$ 24,612	-	-	10.3	\$ 2,695	\$ 23,593
WLKP	Westlake Chemical Partners LP	1119	21.94	\$ 24,551	0.6		\$ 25,021	3.00 Q	0.87	0.8	\$ 204	\$ 24,347
KMI	Kinder Morgan Inc Class P	1405	17.01	\$ 23,899	1.13		\$ 25,234	3	0.96	-0.8	\$ (179)	\$ 24,078
DUK	Duke Energy Corp	244	90.18	\$ 22,004	0		\$ 25,012	4	0.86	-8.5	\$ (1,870)	\$ 23,874
RHHBY	Roche Holding AG ADR	614	33.35	\$ 20,474	0.14		\$ 24,959	5	0.59	-11.7	\$ (2,389)	\$ 22,864
EOG	EOG Resources Inc	156	124.09	\$ 19,358	2.81		\$ 15,831	3	0.91	-3.5	\$ (676)	\$ 20,034
	Sub Total			\$ 357,675	49%	16.1%					\$ 49,677	\$ 307,920
	Total YTD			\$ 736,122	100%	8.4%					\$ 56,860	\$ 679,184

Income SIG – November 2023

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- ▶ **1. BASELINE**
- ▶ **2. MARKETS - MACRO**
- ▶ **3. NEXT STEPS - Rotation**

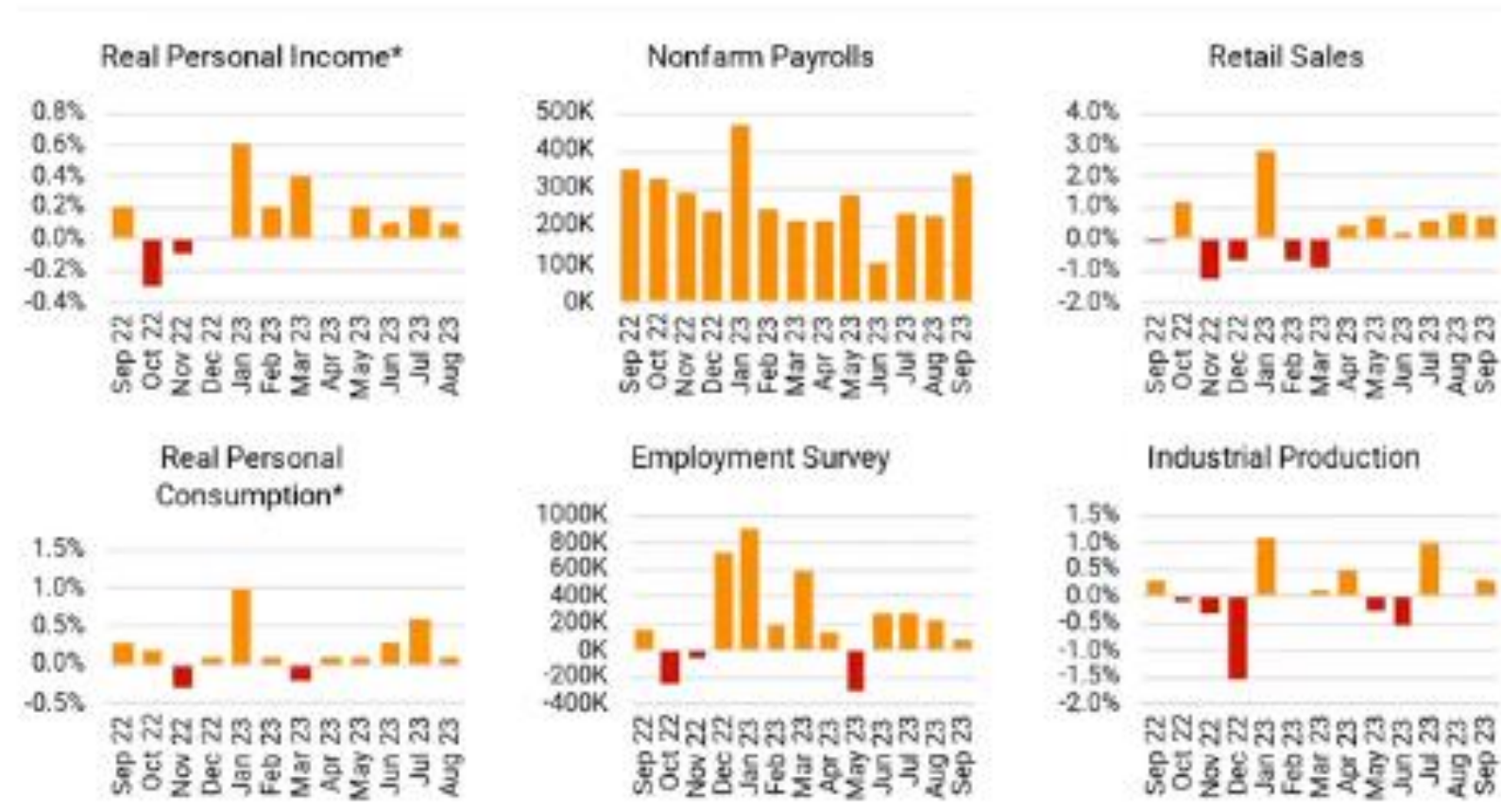
APPENDIX A

What if – NBER VALUE OK

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KEY COMPONENTS THE NBER EVALUATES

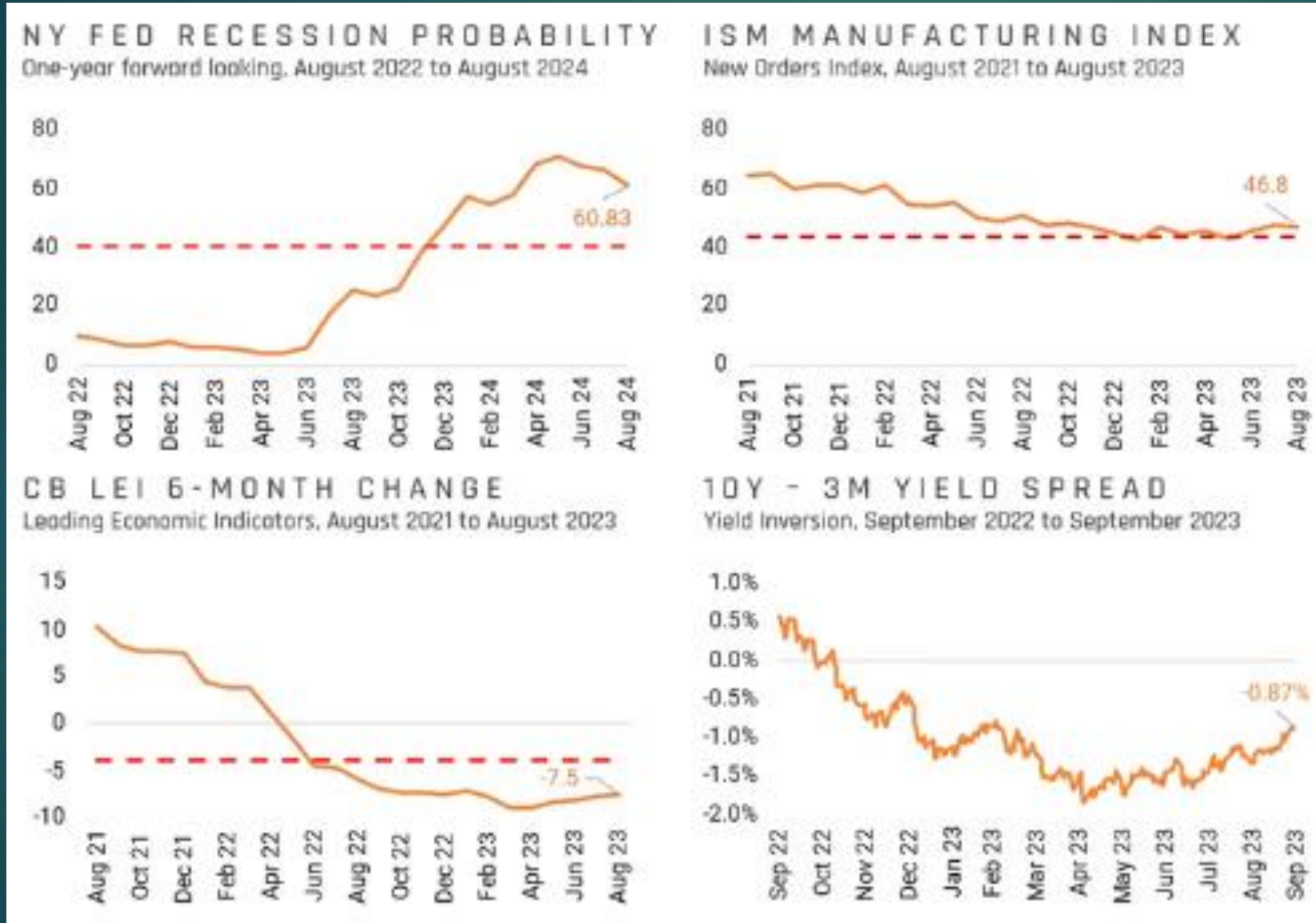
Monthly changes, September 2022 to September 2023, unless otherwise noted



APPENDIX A

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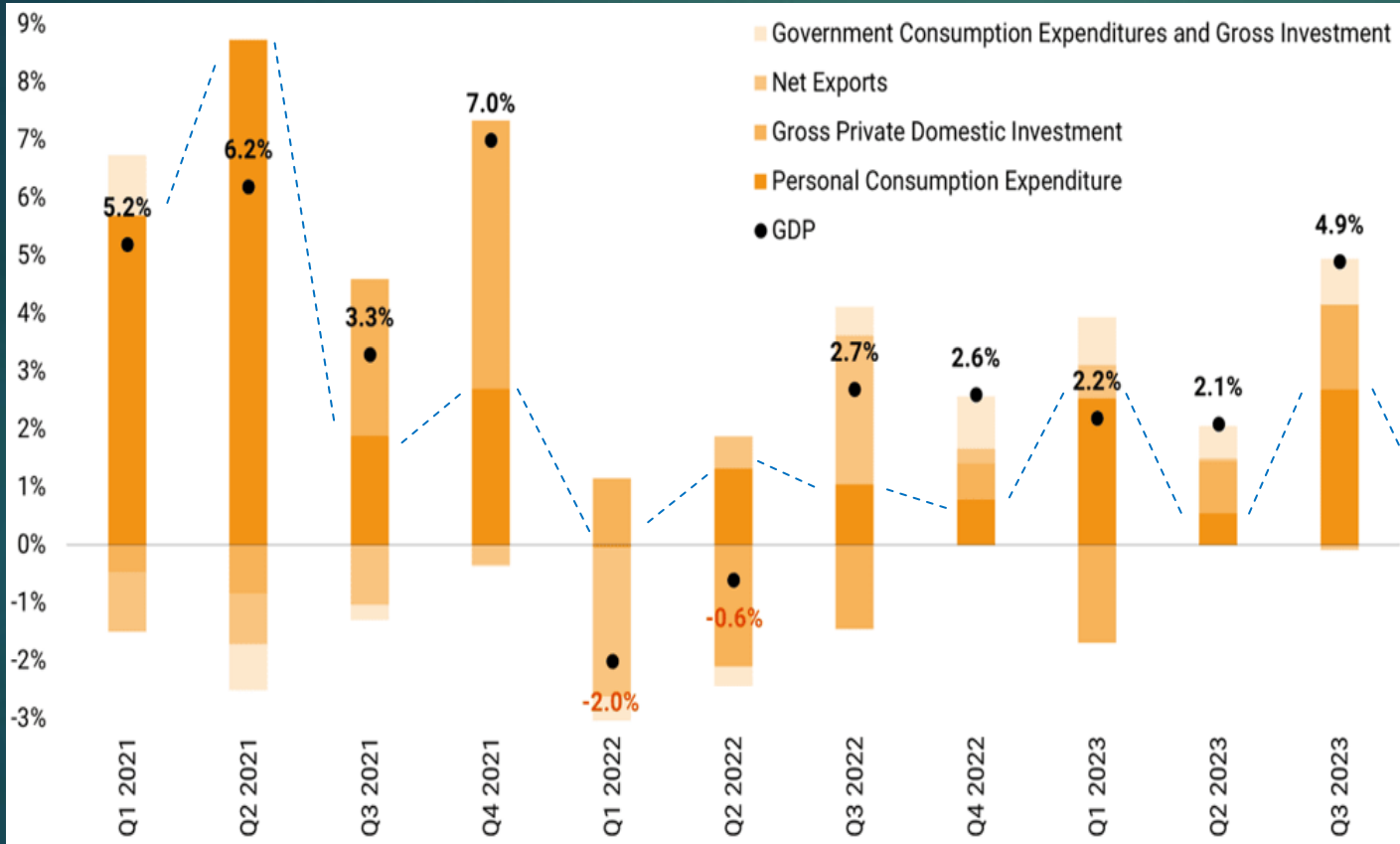
What if – Traditional Canaries are Buzzards



APPENDIX A

What if – Personal Consumption is ... Ok

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Q3 Positives

q3 Growth at 4.9%

Pers Consumption Contributes 2.7%

Q3 Inflation – Good but Sticky News

- GDP Deflator +3.5%

- PCE Core +2.4% (ex Food, Energy_

- YoY Inflation fr 7.2% to 3.2% (q3 22&23)

? Q4+ Challenge

d. Q4 GDP to Decline w Pers.Cons.Exp.

APPENDIX A

What if – Indicators ≠ Company Insight

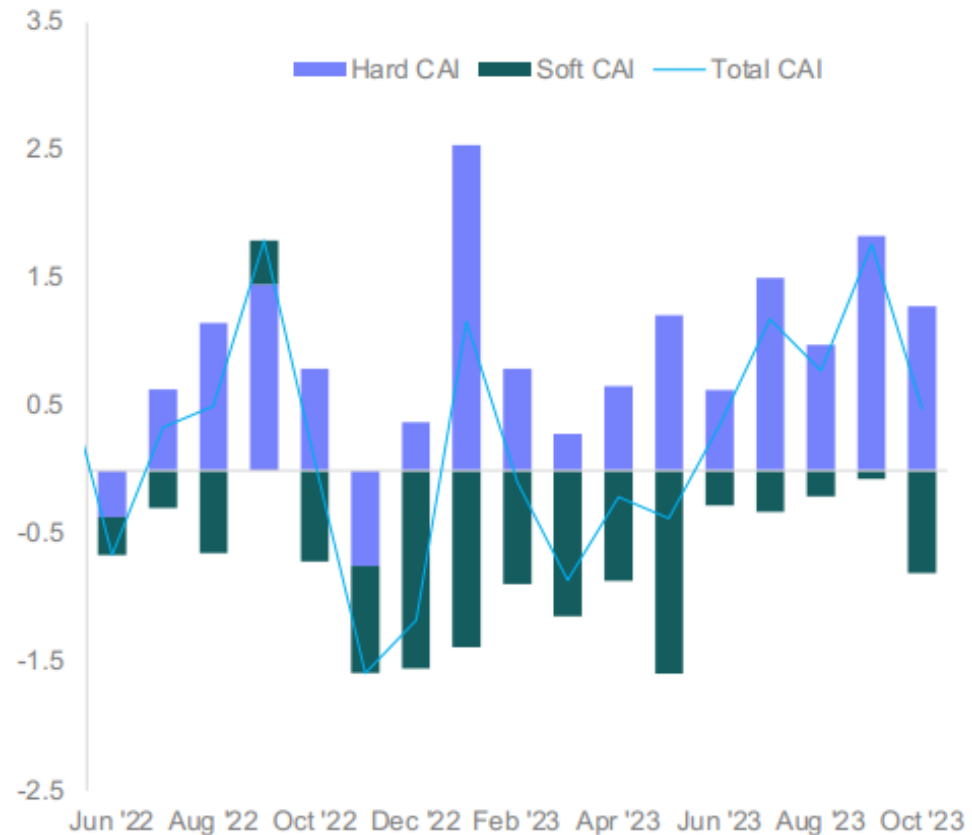
32

COMPONENTS INFORMING CURRENT ACTIVITY INDICATORS

Type	Indicator
Hard	Single-Family Existing Home Sales
Hard	Single-Family New Home Sales
Hard	Single-Family Building Permits
Hard	Single-Family Housing Starts
Hard	Average Weekly Hours, Total Private
Hard	Payrolls Diffusion Index
Hard	Household Employment
Hard	Unemployment Rate
Hard	Nonfarm Payrolls
Hard	Initial Jobless Claims
Hard	Light Vehicle Sales
Hard	Industrial Production
Hard	Industrial Production Manufacturing
Hard	Real Disposable Personal Income
Hard	Real Imports
Hard	Real Exports
Hard	Real Construction Spending
Hard	Real PCE
Soft	Conference Board Consumer Expectations
Soft	UMich. Consumer Expectations
Soft	ISM Nonmanufacturing Index
Soft	Richmond Fed Services Index
Soft	NY Fed Business Leaders Index
Soft	Markit PMI: Services
Soft	ISM Manufacturing Index
Soft	Chicago Manufacturing Index
Soft	Markit PMI: Manufacturing
Soft	Philadelphia Fed Manufacturing Index
Soft	Empire State Manufacturing Index
Soft	NFIB Small Business Optimism

PERCEPTION VS. REALITY

Breakdown of US Current Activity Indicators by Type (Ann. % change)

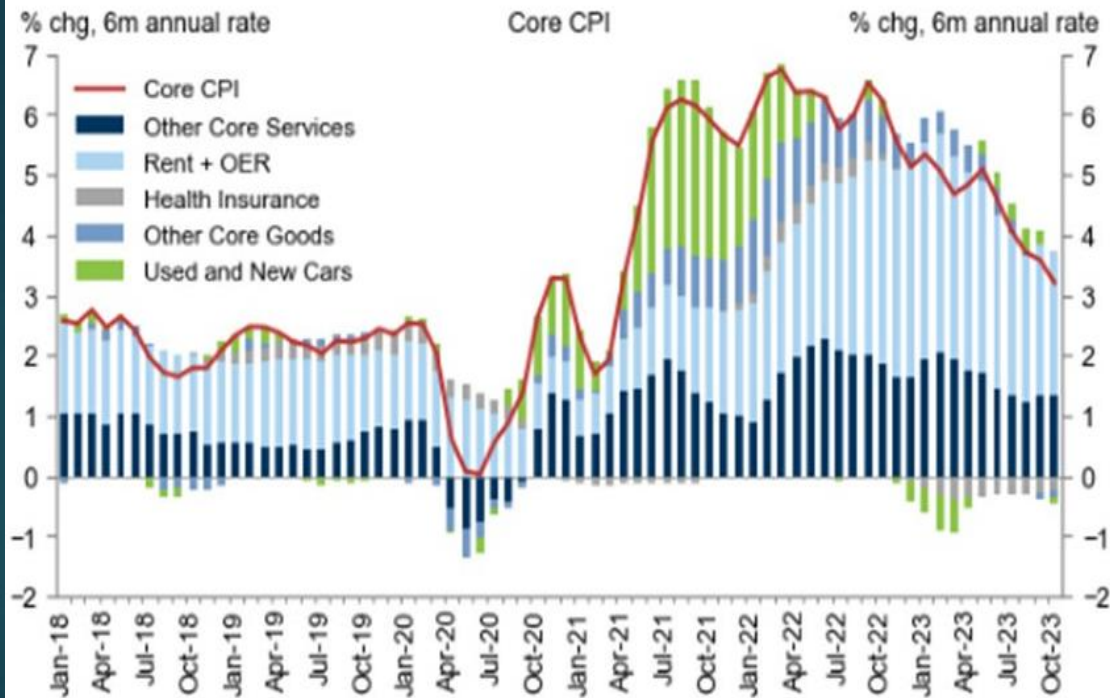


APPENDIX B

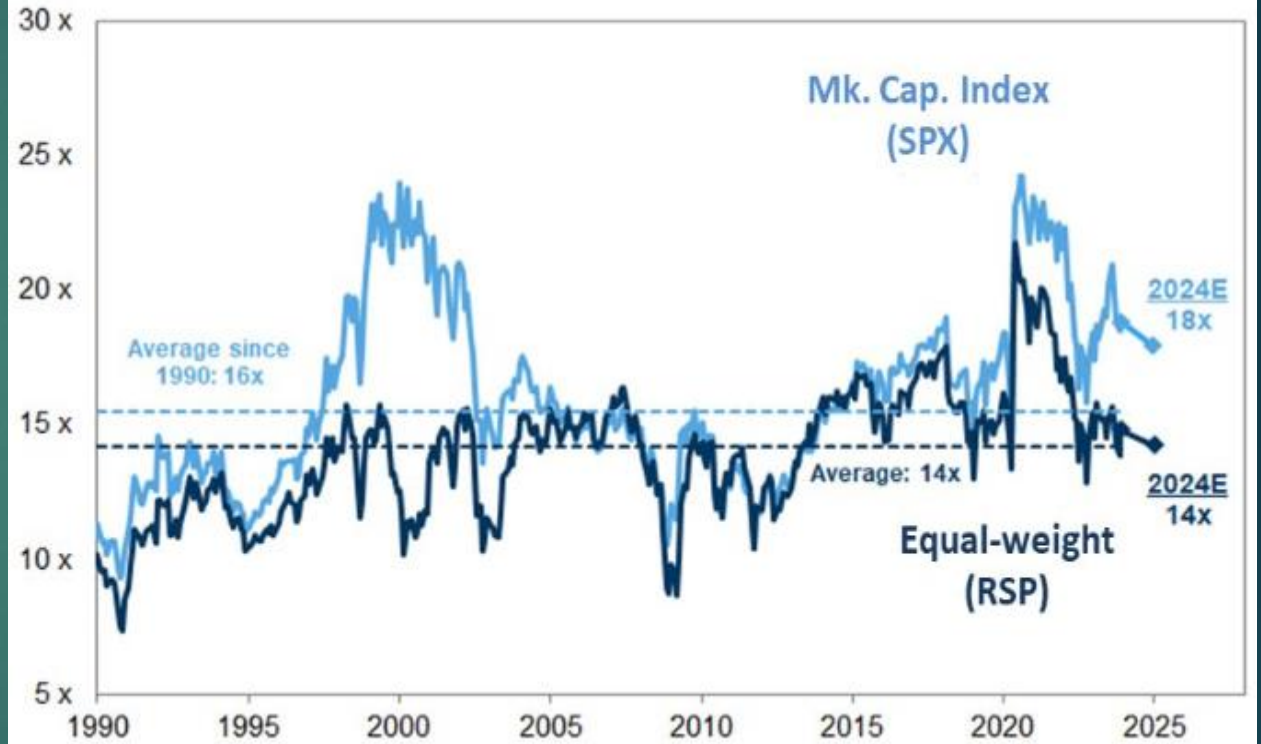
The Optimist

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% Change, 6-Month CPI Annual Rate



S&P 500 P/E Multiple

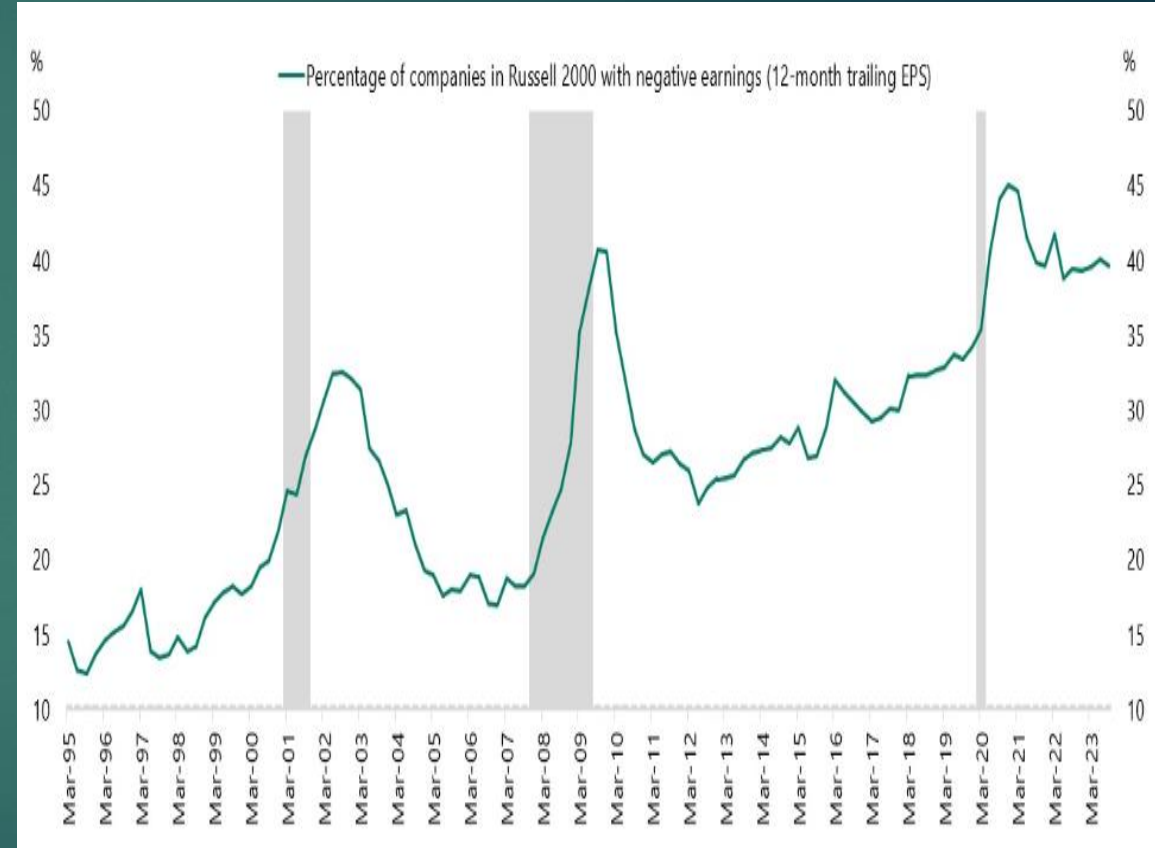
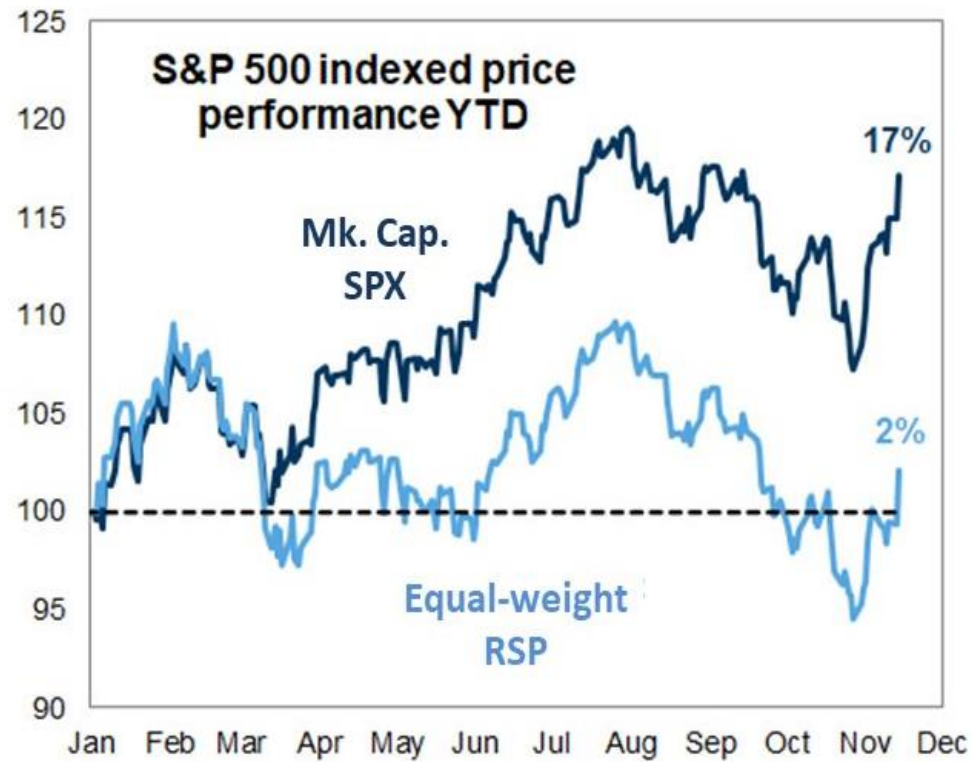


APPENDIX B

The Optimist

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S&P 500 Market Cap. vs. Equal Weighted Index



Source: Apollo Economics

Appendix – Select Data Sources

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Data	Timing	files	Input / Output	Source(s)
Asset Indicators – R / R Au, Cash, Equity, Debt (tick or etf)		dload, daily	Asset or Sector/Rank	stockcharts.com
US Govt Tbills Equities	Monthly	Auction Results	Bill or Note / Auction	USTreasuryDirect.com
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 Priority – Present Co vs New Long	data dep	Call, Put w Probabilities	Conserve – Time, Spread	OptionPlay.com
		Shorts – Div or Coupon, Earnings, Options (L/S)		

Hy-Inc – Fix List

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Kettlebell (ind or asset averages) vs Dumbbell (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 ddowns 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 Bbacks & Option

Use of 3 Forecasts

- RRG – Relative Rotation Graphs - Input to the HySig Assets Selection or Rotation
- AAll 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 – Report on the status change
Of the most important – monthly (for options), quarterly (for etf, stock sections), annual or 12 mo outlook.