

AAll - Houston

AGENDA 01-25-25

1

09:30 IncSig 2025 Portfolio Update
SME highlight – Market Outlook
Frank Erzinger

10:30 Test Drive Your Retirement Portfolio ...
... and Some Thoughts on Asset Allocation
Craig Israelsen, PhD
www.7TwelvePortfolio.com

**Subject Matter Expert – subject matter expert*

THE INCOME ASSET CHALLENGE

2

The MIX - WHICH ASSETS, WHICH MARKETS?

- ▶ HEDGES
- ▶ EQUITIES
- ▶ FIXED INCOME

DO THEY MEET INCOME OBJECTIVES?

- ▶ PRESERVE PRINCIPAL*
- ▶ MAINTAIN INCOME*
- ▶ SUSTAIN PORTFOLIO**

- ▶ *short term 1-3yr, ** long term 10yr

INCOME SIG (Hybrid Income) TOPICS

3

▶ 1. HyInc – RESULTS

▶ 2. REBUILD 2025 – SME* OUTLOOK TOOLS ^(1,2)

▶ 3. Q1-2025 NEXT STEPS

- Appendix A Hybrid Income* - Preserve Principal, Grow Income, Sustain Portfolio
- Sme – Subject Matter Expert
- (1) HF - hold / fold equities market), (2) HF - hire / fire equities mix

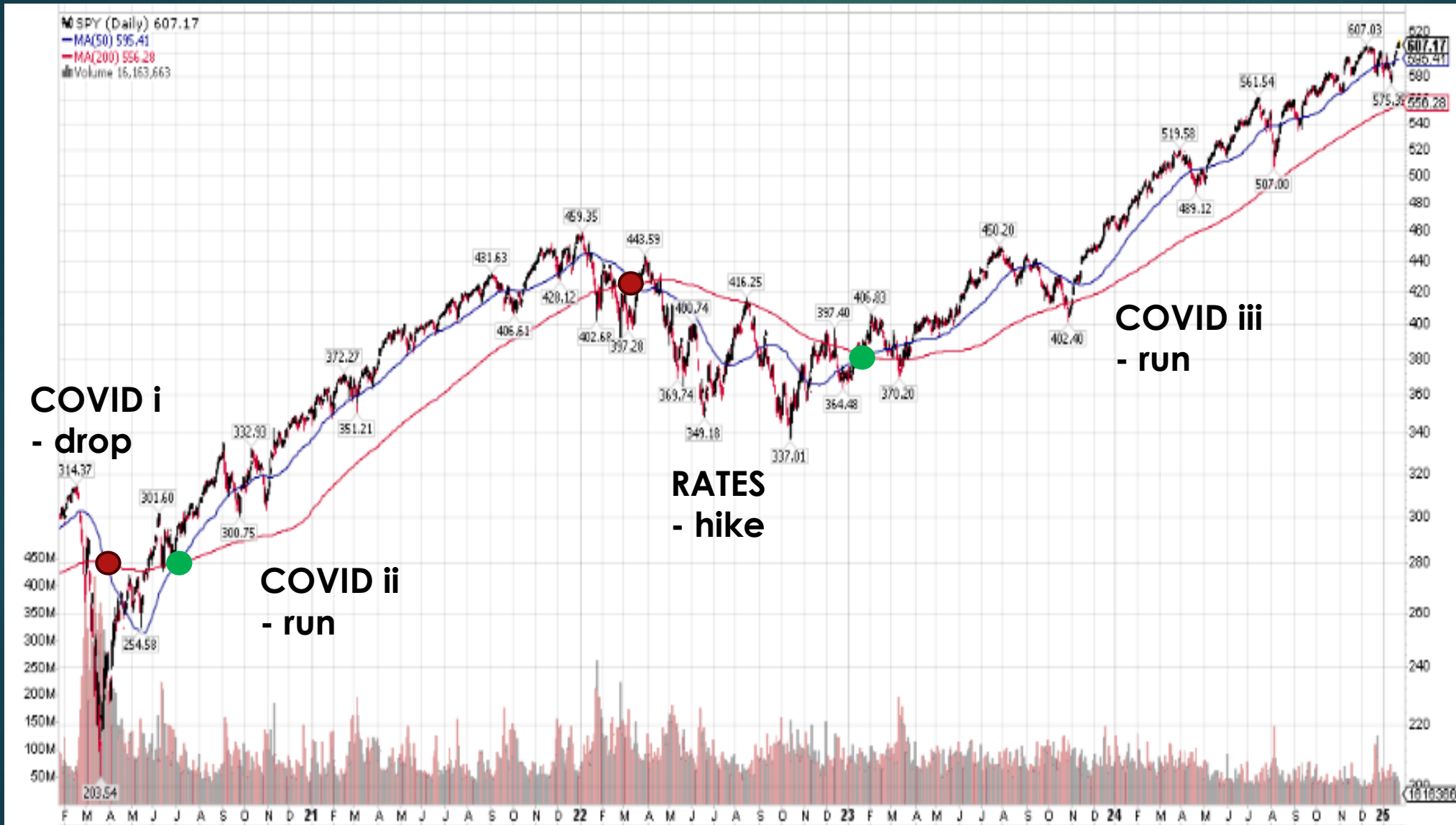
1. UPDATE

ticker	Company - Entity	Asset Class	\$ BEG 2024	Port %	\$ Shares	\$ Div & Int	\$ END 2024	Port %	\$ 2024 Δ	ticker
GOLD	Barrick Gold Corp	ALT Gold	\$ 39,726	5%	\$ 34,038	\$ 783	\$ 34,821	4.2%	\$ (4,905)	GOLD
HEDGE			\$ 108,305	14%	\$ 34,038		\$ 34,821	4.2%	\$ (73,484)	HEDGE
ENFR	Alerian Energy	US LG CAP VAL Sect Energy ML	\$ 27,061	4%	\$ 36,508	\$ 1,787	\$ 38,294	4.6%	\$ 11,233	ENFR
DUK	Duke Power	US LG CAP VAL Sect Utility	\$ 23,678	3%	\$ 26,289	\$ 944	\$ 27,232	3.3%	\$ 3,555	DUK
EOG	Enron Oil & Gas	US LG CAP VAL Sect Energy	\$ 18,720	2%	\$ 18,987	\$ 564	\$ 19,551	2.3%	\$ 831	EOG
EMR	Emerson Electric Co.	US LG CAP VAL Sect Industrial	\$ 31,340	4%	\$ 39,905	\$ 627	\$ 40,532	4.9%	\$ 9,192	EMR
EPD	Enterprise	US LG CAP VAL Sect Energy ML	\$ 26,972	4%	\$ 32,708	\$ 2,031	\$ 34,740	4.2%	\$ 7,768	EPD
KLAC	KLA Corporation	US LG CAP GROWTH	\$ 80,219	11%	\$ 86,957	\$ 887	\$ 87,844	10.5%	\$ 7,624	KLAC
KMI	Kinder Morgan	US LG CAP VAL Sect Energy	\$ 24,377	3%	\$ 38,497	\$ 1,613	\$ 40,110	4.8%	\$ 15,733	KMI
MRK	Merck & Co., Inc.	US LG CAP VAL Sect Hcare	\$ 33,578	4%	\$ 30,640	\$ 987	\$ 31,626	3.8%	\$ (1,952)	MRK
PXD	Pioneer	US LG CAP VAL Sect Energy	\$ 25,636	3%						
RHHBY	Roche Holding AG	US LG CAP VAL Sect Mat'ls	\$ 22,245	3%	\$ 21,416	\$ 801	\$ 22,217	2.7%	\$ (28)	RHHBY
STX	Seagate Technology Holdings plc	US LG CAP GROWTH	\$ 35,514	5%	\$ 35,905	\$ 1,002	\$ 36,907	4.4%	\$ 1,393	STX
WLKP	Westlake Polymer	US LG CAP VAL Sect Mat'ls	\$ 23,734	3%	\$ 25,894	\$ 2,048	\$ 27,942	3.4%	\$ 4,208	WLKP
XOM	Exxon Mobil	US LG CAP VAL Sect Energy MLP			\$ 28,492	\$ 957	\$ 29,449	3.5%	\$ 29,449	XOM
		US LG CAP GROWTH	\$ 115,733	15%	\$ 122,862		\$ 124,750	15%	\$ 9,017	
		US LG CAP VAL Sect Energy MLP	\$ 257,342	34%	\$ 299,336		\$ 311,695	37%	\$ 79,989	
JEPI	US STOCK MKT Options	US STOCK MKT Options			\$ 51,578	\$ 3,781	\$ 55,359	7%	\$ 55,359	JEPI
EQUITY			373,075	49%	\$ 473,776	\$ 18,028	\$ 491,803	59%	\$ 144,364	EQUITY
BIL	spdr 1-3 mo Tbills	FX INC GOVT NOTE STerm Trea:	\$ 275,454	36%	\$ 76,900	\$ 3,253	\$ 80,153	10%	\$ (195,301)	BIL
CASH-13wk Tbill			\$ 275,454	36%	\$ 76,900	\$ 3,253	\$ 80,153	10%	\$ (195,301)	CASH - 13WK TBIL
TLT	I Share 20+ yr Treasury Bond	FX INC GOVT BOND Ten Yr Tr			\$ 65,498	\$ 2,816	\$ 68,314	8%	\$ 68,314	TLT
IGIB	I Share 5-10 yr Inv Grade	FX INC CORP BOND Mid Term			\$ 50,325	\$ 2,743	\$ 53,068	6%	\$ 53,068	IGIB
FTSL	1st Trust Sr Loans	FX INC CORP BOND Mid Term			\$ 49,928	\$ 3,445	\$ 53,373	6%	\$ 53,373	FTSL
IBHG	I Share iBond 2024 Hyield & Income	FX INC CORP High Yield			\$ 48,150	\$ 3,178	\$ 51,327	6%	\$ 51,327	IBHG
FIXED INCOME			\$ -	0%	\$ 213,900	\$ 12,182	\$ 226,082	27%	\$ 226,082	<- FIX INC
			\$ BEG 2024		\$ Shares	\$ Div & Int	\$ END 2024		\$ 2024 Δ	
TOTAL			\$ 756,834	100%	\$ 798,614	\$ 33,462	\$ 832,859	100%	\$ 76,025	10.0%
Ytd					95.9%	4.2%	10.0%			

2024
10% ytd

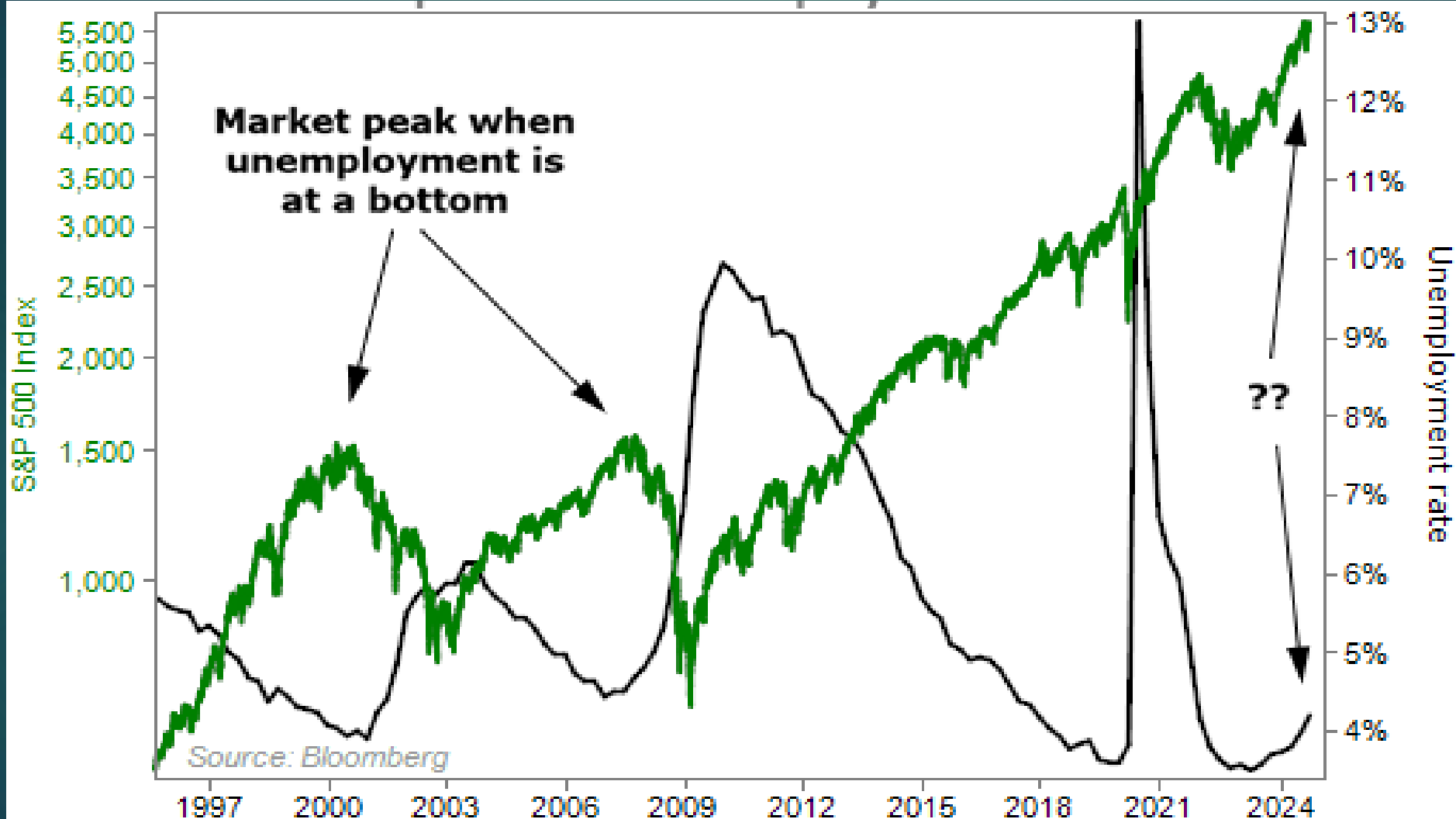
2. INC SIG REBUILD 2025 – SPY 5yr spdr S&P 500

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Source: OptionsPlay.com, StockCharts.com,

2. INC SIG REBUILD 2025 – COUNTER CYCLES



2. INCOME SIG REBUILD 2025 – The SME ANALYTIC FRAMEWORK



Jan - The Market Outlook- The Equity Percentage

Feb - ETFs 01 – w CEF and Mutual Funds

Mar - Hedges – Low Correlation Assets

Apr - Benchmark & Asset Optimization Toolkit

May - Fixed Inc 01- The RFR Treasuries & Govt Securities

Jun - Equities 01 – Dividends

Jul - Equities 02 – The Derivative Funds

Aug - Fixed Inc 02 – Corporate Debt & Credit

Sep - Equities 03 – Growth

Oct - Corporate Options as Income

Nov -

Q1 – Of SME “OUTLOOK” tools, which would you recommend we NOT use for 2025?

8

<u>Inc Sig Use</u>	<u>Toolkit by;</u>	<u>AAll Date</u>
Equity Exit	1 - Storm Guard Composite ⁽¹⁾	(Nov 22*)
Equity 60%	2 - Delta – Breadth, GDPNow, LEI ⁽²⁾	(Dec 24*)
Equity 87%	3 - RGB - Market Outlook & Sentiment ⁽²⁾	(Apr 23*)

Answers;

a. 1

b. 2

c. 3

d. Use combinations (send rec)

* Details from Featured Speakers at AAllHouston.org (month yr), RGB will provide an update Feb 05, 3pm cdt
SME – Subject Matter Expertise, (1) hold / fold (equities), (2) hire / fire (equity /fixed income mix)

OUTLOOK TOOLS –

1. Storm Guard Composite Algorithm(s)

Risk is Not a One-Dimensional Problem



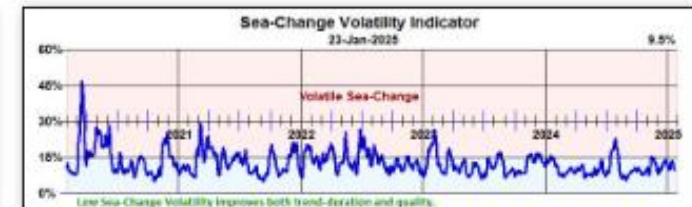
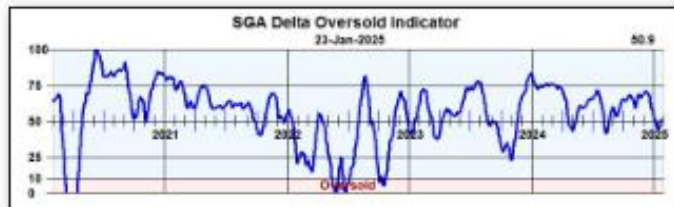
Trend – 2.2% ~50/200dma



Momentum – 1.07% ~\$/sh* vol



Value Sentiment 0.13% ~hi/lo



Delta Oversold 50.9% ~ 75d a/d

BSwan Vol 10.33% ~ treas flight

Sea Change Vol 9.5% ~ rotation

OUTLOOK TOOLS

1. Inc Sig Use of Storm Guard – Hold vs Fold

10



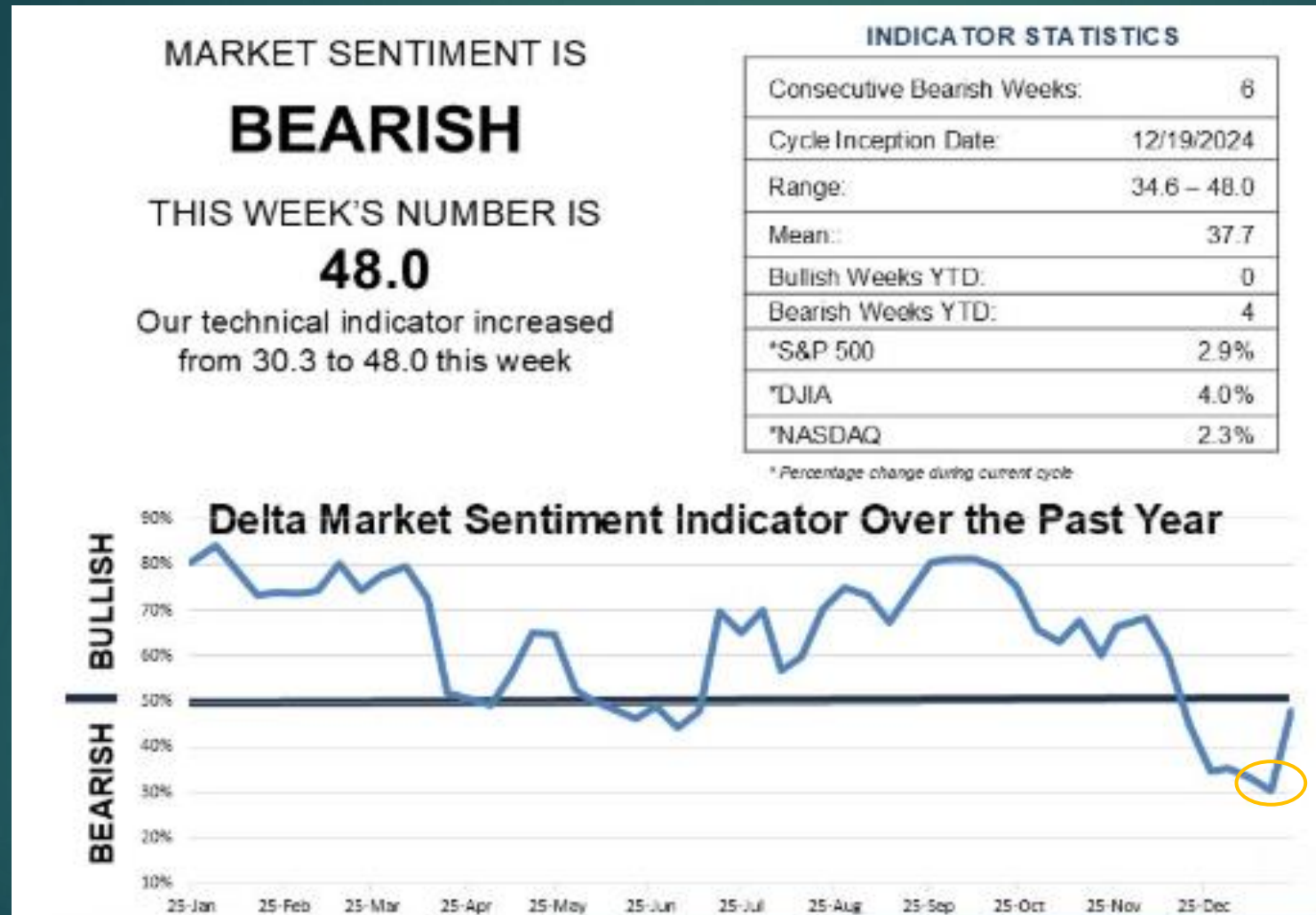
If Storm Guard Composite is < 0 for >15 days Trim Equity Positions by 1/2

01-24-25vC

OUTLOOK TOOLS

2 Delta – MSI Market Sentiment Indicator (01/22)

11



Basis: ~1,800 stocks

Measure: 75 dma Cross over
Bullish: 50% of Stocks above Crossover
Bearish: 50% of stocks are below Crossover

Application;
- An Indicator
- Not a rigorous trade or set point
- Validity is +/-3% or 6% total

Current Exposure;

Asset	Pct
Cash	0
Bonds	0
Hedged Equity	40
Equity	60

OUTLOOK –

3. RGB/NDR THE PRIMARY MARKET CYCLE (01/22/25)



Primary Cycle Analysis

Secular Market

Cyclical Market

A

Bull Market

Bull Market

SECULAR Market Cycle

—Secular (long-term) bull markets are defined by above average returns over an extended period of time. Secular bear markets are defined by long-term periods of flat or declining prices (i.e. below average returns). **Secular cycles tend to last from 5 to 25 years. The indicator rating is based solely on an assessment of market conditions by Robert Bernstein.**

CYCLICAL Market Cycle

—Cyclical bull and bear markets are shorter trends within the context of secular (long-term) trend. There can be several cyclical bull and bear markets within a secular bull/bear market. For purposes of the stock Market Scorecard a cyclical bull market is a rise in the DJIA of 30% over 50 calendar days or a rise of 13% after 155 calendar days. A cyclical bear market is a 30% decline over 50 calendar days or a 13% decline after 145 days. This definition of cyclical bull and bear markets was first defined by Ned Davis Research.

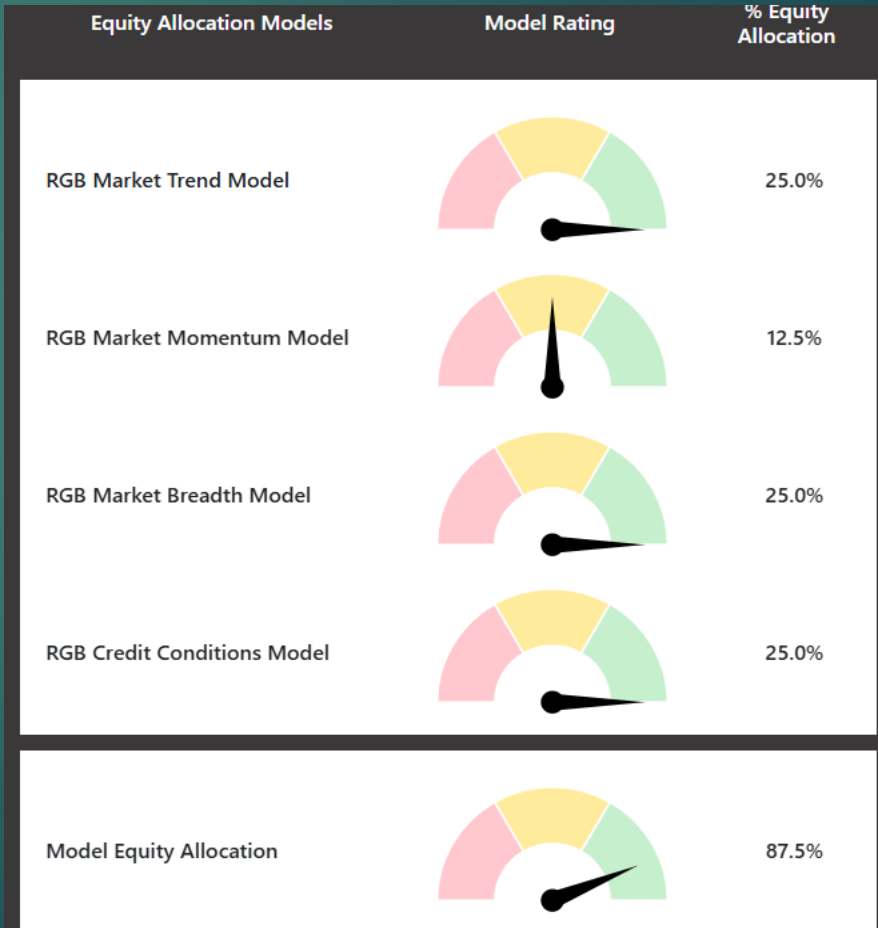
OUTLOOK TOOLS

3. RGB-NDR – EQUITY SCORECARD 87.5% (01/22/25)

A

Primary Cycle Analysis	
Secular Market	Bull Market
Cyclical Market	Bull Market
Technical Environment	
Trend Analysis	
Short-Term Trend Rating	Positive
Intermediate-Term Trend Rating	Positive
Long-Term Trend Rating	Positive
Momentum Analysis	
Short-Term Momentum Rating	Positive
Intermediate-Term Momentum Rating	Neutral
Long-Term Momentum Rating	Negative
Market Breadth Analysis	
Short-Term Market Breadth Rating	Positive
Intermediate-Term Market Breadth Rating	Positive
Long-Term Market Breadth Rating	Positive
Credit Conditions Analysis	
Short-Term Credit Conditions Rating	Positive
Intermediate-Term Credit Conditions Rating	Positive
Long-Term Credit Conditions Rating	Positive

B



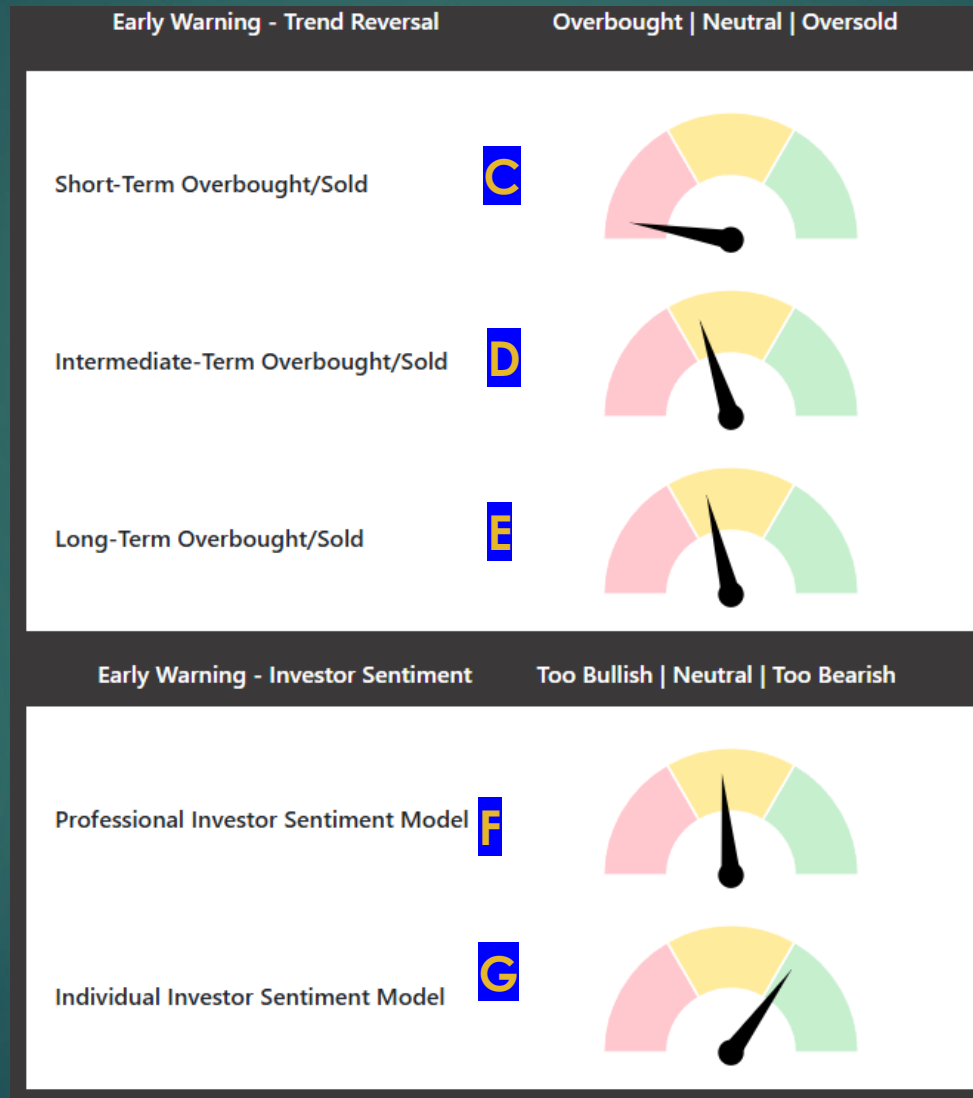
Source: RGB Capital – Market Monitor Tools w NedDavis Research

OUTLOOK –

3. RGB/NDR EARLY (CONTRARIAN) WARNING (01/22/25)

OB-OS
OVERBOUGHT
/ OVERSOLD

SENTIMENT



Q1 – Of SME “OUTLOOK” tools, which would you recommend we NOT use for 2025?

15

<u>Inc Sig Use</u>	<u>Toolkit by;</u>	<u>AAll Date</u>
Equity Exit	1 – Storm Guard – AlphaDailyBrief	(Nov 22*)
Equity 60%	2 - Delta – Breadth, GDPNow, LEI	(Dec 24*)
Equity 87%	3 - RGB - Market Outlook &Sentiment	(Apr 23*)

Answers;

a. 1

b. 2

c. 3

d. Use combinations (send rec)

* Details from Featured Speakers at AAllHouston.org (month yr), RGB will provide an update Feb 05, 3pm cdt
SME – Subject Matter Expertise

3. Q1 NEXT STEPS – INC SIG EQUITIES

GOLD	FIRE	-14%, Wrong Asset Replace w GLD
DUK	KEEP	14%, Use Options
EOG	KEEP	4% , Use Options, Commodity Hedge
EMR	KEEP	23% , Use Options
EPD	KEEP	24%, No Options
KLAC	WATCH	9% , Use Options, Study Earnings
KMI	KEEP	41%, Use Options, Commodity Hedge
MRK	WATCH	-6% , Use Options, Study Pharma Earnings
RHHBY	WATCH	0%, Rates Play Drove Price
STX	WATCH	9% , Study Role or Lack of in AI
WLKP	KEEP	16%, Excellent Dividends Payor
XOM	WATCH	Replaced PXP, Use Options, Commodity Hedg
ENFR	KEEP	31%, Caught Infra Boom, No Options

3. Q1 NEXT STEPS – GOLD 5yr Barrick Gold Corp

17



2024	no shares	\$/sh	\$ Shares	\$ Div & Int	\$ END 2024	Port%	\$ 2024 Δ	pct	ticker
GOLD	2,196	\$ 15.50	\$ 34,038	\$ 783	\$ 34,821	4.2%	\$ (4,905)	-14%	GOLD

Date	01/22	12/14	11/04
\$/sh	\$16	\$109	\$113
dma			
50	\$16		
200	\$17		
RSI	51		
Res	\$18		
Supt	\$15	\$109	

Source: OptionsPlay.com, StockCharts.com,
 dma – daily moving average, RSI – Relative (price) Strength Index, Res (price) Resistance, Supt (price) Support

3. Q1 NEXT STEPS – GLD:GOLD 5yr



Source: OptionsPlay.com, StockCharts.com,
dma – daily moving average, RSI – Relative (price) Strength Index, Res (price) Resistance, Supt (price) Support

3. Q1 NEXT STEPS – DUK 5yr

19



Date	01/22	12/14	11/04
\$/sh	\$109	\$109	\$113
dma			
50	\$110	\$113	
200	\$107		
RSI	52	34	44
Res	\$118		
Support	\$108	\$109	

2025 Target

Div/Yield
\$4.14/3.79%

Call
\$.69 / 31 days
6 calls/y ~ Dividend

3. Q1 NEXT STEPS – KLAC 5yr

20

recovery fr \$650 to \$760



2024	no shares	\$/sh	\$ Shares	\$ Div & Int	\$ END 2024	Port%	\$ 2024 Δ	pct	ticker
KLAC	138	\$ 630.12	\$ 86,957	\$ 887	\$ 87,844	10.5%	\$ 7,624	9%	KLAC

Date	01/22	12/14	11/04
\$/sh	\$760	\$653	\$687
dma			
50	\$662	\$676	\$782
200	\$730	\$731	\$732
RSI	3	49	45
Res	\$830	\$772	\$796
Supt	\$610	\$582	\$586

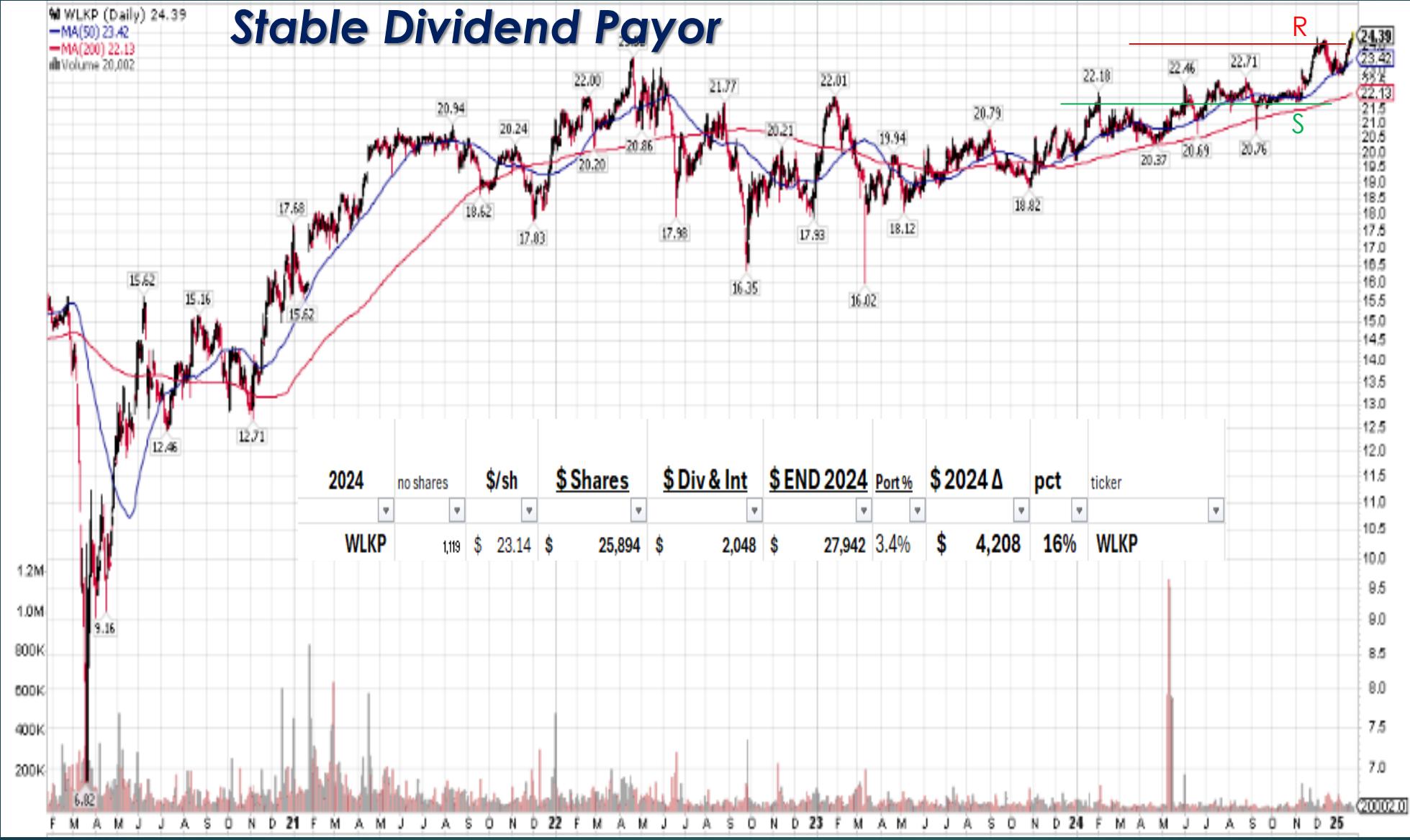
2025 Target

Div/Yield
\$6.08/1%

Call
\$9.70 / 35 days
1 calls/y > Dividend

Source: OptionsPlay.com, StockCharts.com,
dma – daily moving average, RSI – relative (price) strength index, R (price) Resistance, S (price) Support

3. Q1 NEXT STEPS – WLKP 5yr Westlake Chemical Ptnrs



2024	no shares	\$/sh	\$ Shares	\$ Div & Int	\$ END 2024	Port%	\$ 2024 Δ	pct	ticker
WLKP	1,119	\$ 23.14	\$ 25,894	\$ 2,048	\$ 27,942	3.4%	\$ 4,208	16%	WLKP

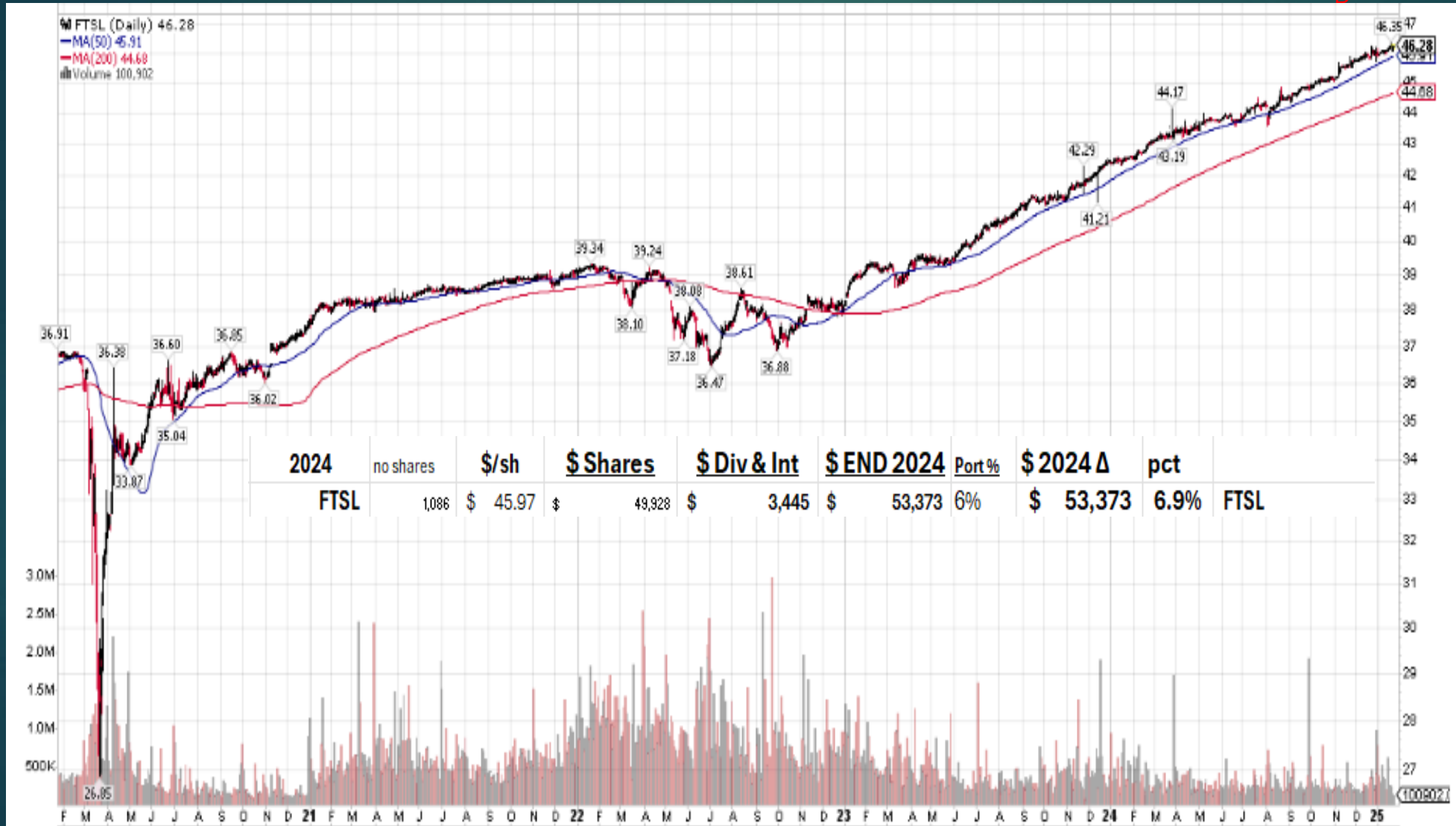
Date	01/22	12/14	11/04
\$/sh	\$24	\$24	\$22
dma			
50	\$23	\$22	\$21
200	\$22	\$21	\$22
RSI	71	69	
Res	\$24		
Supt	\$22		

2025 Target
Div/Yield
\$1.89/7.86%
Call
\$0.10 / 35 days
calls/y << Dividend

Source: OptionsPlay.com, StockCharts.com,
 dma – daily moving average, RSI – Relative (price) Strength Index, Res (price) Resistance, Supt (price) Support

3. Q1 NEXT STEPS – FTSL 5yr 1st Trust Sr Loan etf

22



Date	01/25	01/24	01/23*
\$/sh	\$46	\$42	\$38

Source: OptionsPlay.com, StockCharts.com,
January of 2023, 2024, 2025

3. Q1 NEXT STEPS – IGIB 5yr iShares Int. Corp Bond eff

23



Date	01/25	01/24	01/23*
\$/sh	\$51	\$50	\$45

2024	no shares	\$/sh	\$ Shares	\$ Div & Int	\$ END 2024	Port %	\$ 2024 Δ	pct
IGIB	977	\$ 51.51	\$ 50,325	\$ 2,743	\$ 53,068	6%	\$ 53,068	5.5%

Source: OptionsPlay.com, StockCharts.com,
 January of 2023, 2024, 2025

3. Q1 NEXT STEPS – TLT 5yr iShares 20+yr Treasury Bond eff

24



Date	01/25	01/24	01/23*
\$/sh	\$87	\$96	\$101
		01/22	
	\$138		

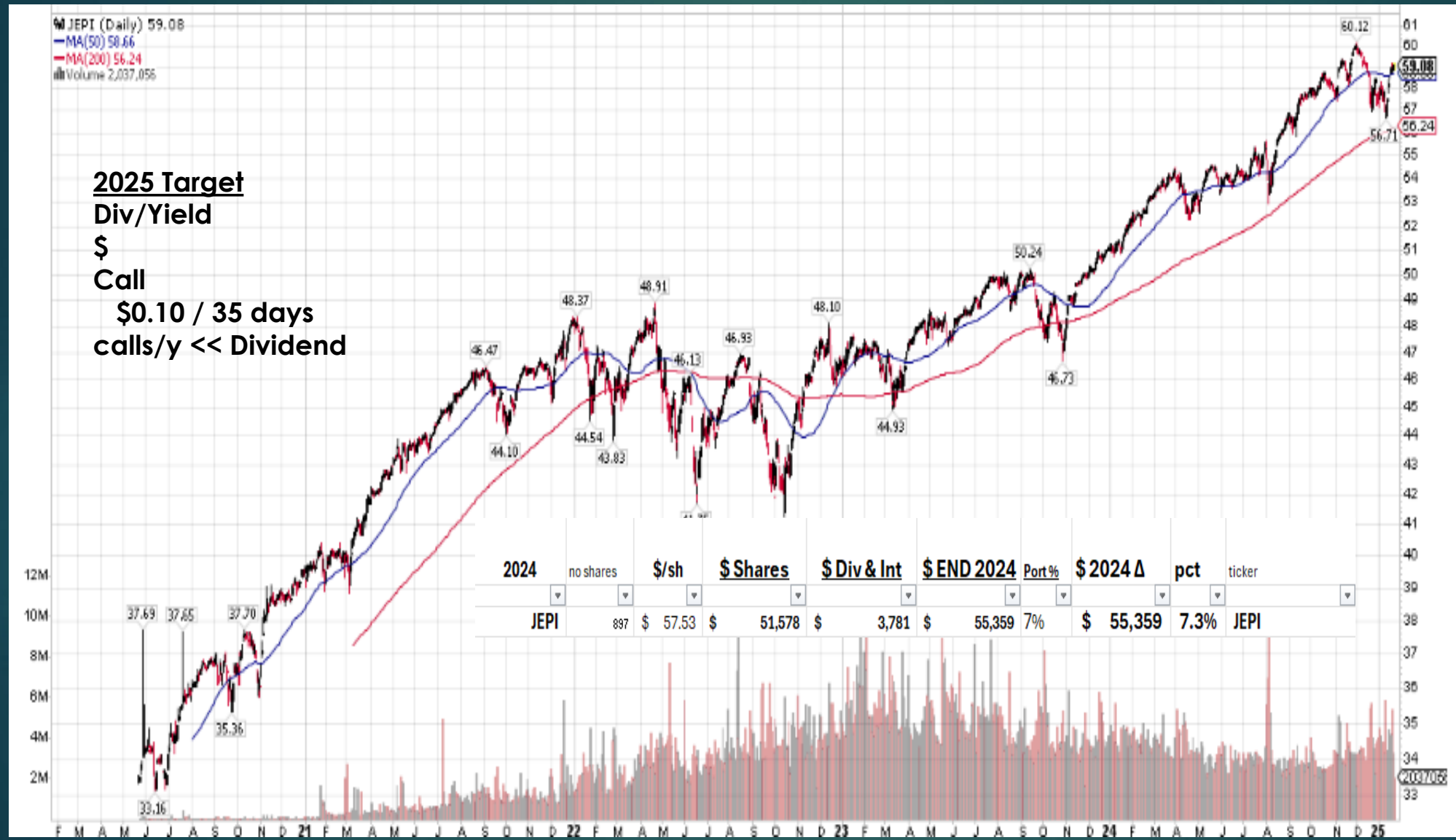
2025 Target
 Div/Yield
 \$Call
 \$0.10 / 35 days
 calls/y << Dividend

Source: OptionsPlay.com, StockCharts.com,
 January of 2022, 2023, 2024, 2025

3. Q1 NEXT STEPS – JEPI 5yr JPMorgan Eq Premium eff

25

Date	01/25	01/24	01/23*
\$/sh	\$59	\$51	\$47
	01/22		
	\$48		



Source: OptionsPlay.com, StockCharts.com, January of 2022, 2023, 2024, 2025

INCOME SIG (Hybrid Income) TOPICS

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▶ 1. HyInc – RESULTS

▶ 2. REBUILD 2025 – SME* OUTLOOK TOOLS ^(1,2)

▶ 3. Q1-2025 NEXT STEPS

- Appendix A Hybrid Income* - Preserve Principal, Grow Income, Sustain Portfolio
- Sme – Subject Matter Expert
- (1) HF - hold / fold equities market), (2) HF - hire / fire equities mix

- A. **OUTLOOK TOOLS Storm Guard**
- B. **OUTLOOK TOOLS LEI, GDP NOW**
- C. **OUTLOOK TOOLS – RGB – NDR**
- D. **NEXT STEPS – EQUITIES**
- E. **NEXT STEPS – FIXED INCOME**

OUTLOOK TOOLS

1. – “Storm Guard” Algo Model

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Trend – 2.2%

Momentum – 1.07%

Value Sentiment 0.13%

COMPOSITE 0.76%

SGA Market Trend Indicator

The Market Trend Indicator was determined from the application of Matched Filter Theory that examines daily returns of the broad market (S&P500) and determines when to exit (and re-enter) the market to optimize overall investment performance. This first component of StormGuard-Armor behaves similarly but better than the classic Death Cross Indicator (which is based on the 50-day/200-day simple moving average crossover of the S&P500).

SGA Institutional Momentum Indicator

The SGA Institutional Market Momentum Indicator is similar in design to the Market Trend Indicator but further incorporates daily volume information. Note that a “Wall Street momentum trader” generally defines momentum as (volume)x(price change) just as a physicist defines it as (mass)x(velocity). However, ordinary trend followers typically ignore volume and use “trend” and “momentum” interchangeably.

SGA Value Sentiment Indicator

The SGA Value Sentiment Indicator is similar in design to the Market Momentum Indicator but further incorporates new highs and lows statistics. This Indicator acts as a “poker tell” that indicates a change in behavior of value traders that are concerned with where a stock’s price is relative to its previous highs and lows over the past 52 weeks. When the percent of new highs declines relative to new lows, it may be a sign that value sentiment traders have paused in favor of seeking safety.

SGA Delta Oversold Indicator

The SGA Delta Oversold Indicator is similar to the published Delta Market Sentiment Indicator which tracks the price performance of about 3,600 stocks relative to a medium-term moving average. StormGuard-Armor incorporates it as an oversold indicator that will trigger mean reversion behavior in the momentum algorithm after a particularly sharp decline and also incorporates it as an indicator for early re-entry if the recovery is sufficiently strong.

SwanGuard Black Swan Indicator

A “black swan” event is rare, unpredictable, and beyond the realm of normal expectations. The market’s fall from its high on Feb 19, 2020, to bear market territory was the fastest on record. Fortunately, its unusual characteristics in volatility, downside volume, and a flight of capital to treasuries make early detection possible. The indicator is both a logical and linear combination of these measures. It is integrated into StormGuard-Armor and can trigger an early exit at any time during the month.

Sea-Change Volatility Indicator

The Sea-Change Volatility Indicator measures the combined rate of change of 12 diverse funds relative to the S&P500 to indicate the pace and extent of rotation between recent trend leaders and former trend laggards. The funds include primary sectors, disruptive subsectors, and traditional style-funds. Values over 15% indicate rapid and broad rotation. Momentum strategies take about two months to confirm and execute a change in leadership. A trade will be profitable only if its momentum continues for one or more additional months.

Delta Oversold 50.9%

Black Swan Vol 16.33%

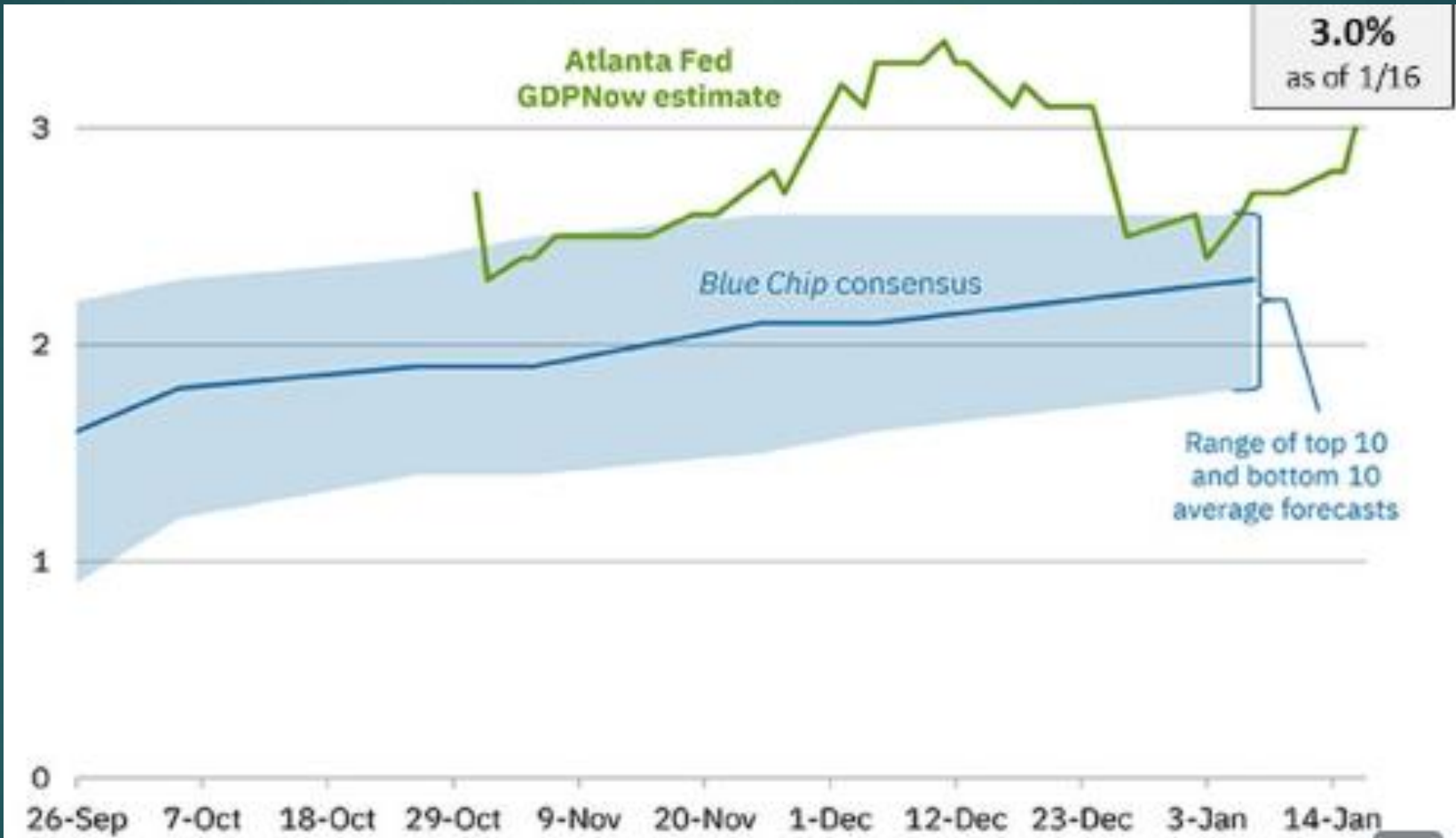
Sea Change Vol 9.5%

- A. *OUTLOOK TOOLS Storm Guard*
- B. *OUTLOOK TOOLS LEI, GDP NOW***
- C. *OUTLOOK TOOLS – RGB – NDR*
- D. *NEXT STEPS – EQUITIES*
- E. *NEXT STEPS – FIXED INCOME*

OUTLOOK TOOLS

2 Delta – ATL Fed GDPNow for 4Q2024 (01/17)

Real GDP
For 4Q

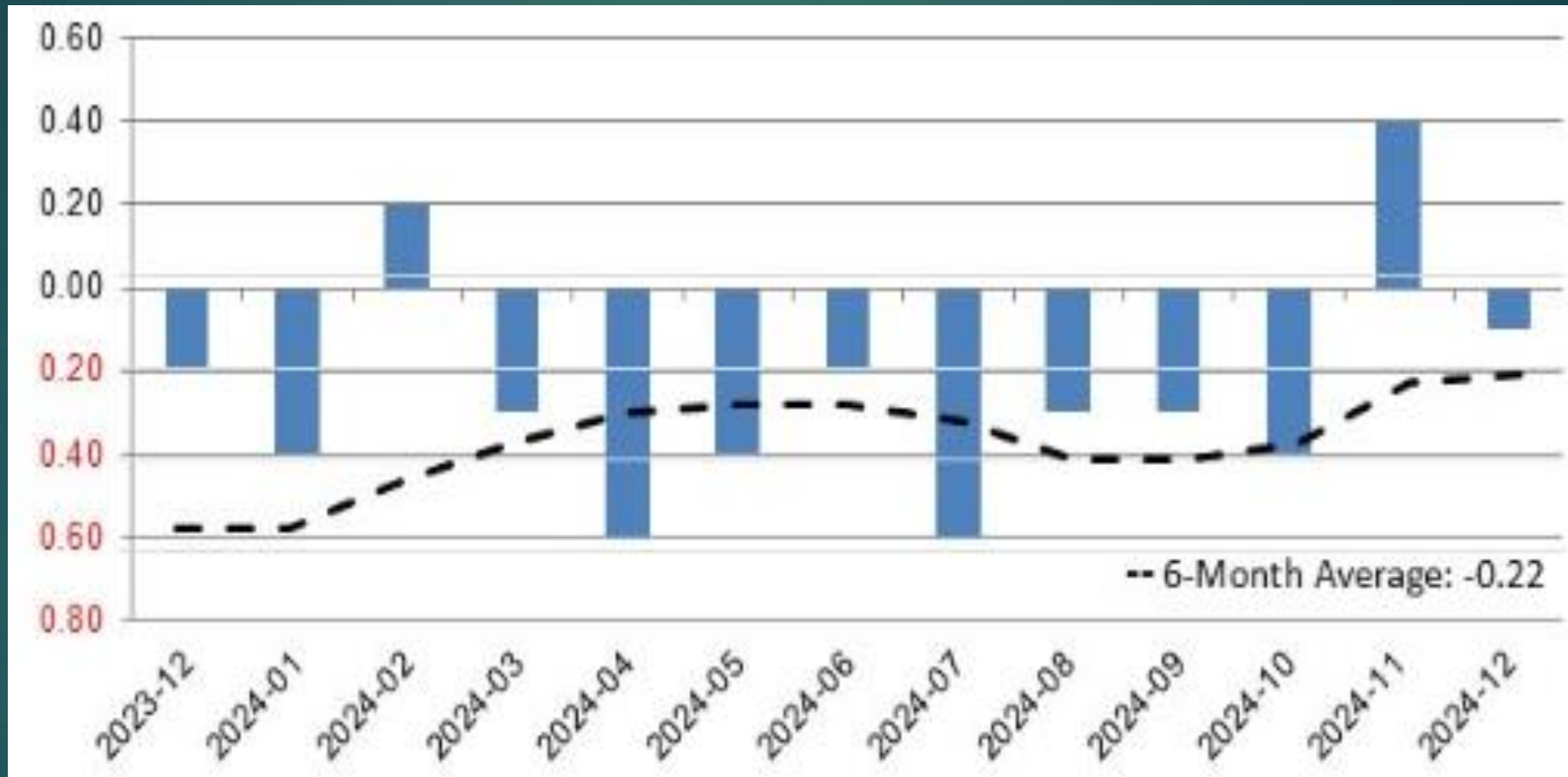


Date of Forecast

Source: Atlanta Fed via Delta Investment 01/17/25
Blue Chip Economic Indicators and Blue Chip Financial Forecasts

OUTLOOK TOOLS –

2 Delta - LEI Change Monthly Dec 2023-24



Date of Forecast

Source: The Conference Board – Update 01/22/25, via Delta Investments

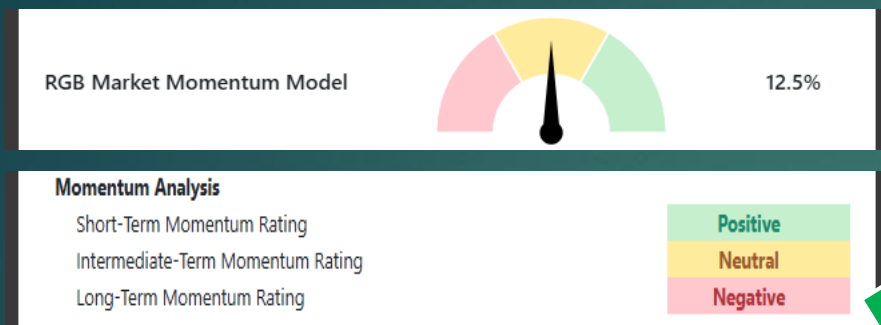
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OUTLOOK –

B

3. RGB-NDR MARKET MOMENTUM (MOJO) (01/22/25)

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MOJO - Short-Term

An oscillator designed to express the short-term momentum in the market. This is a five day Rate of Change (ROC) indicator that measures the percentage change in price of the S&P 500 Index between the current price and the price five days ago. A ROC greater than 1% will generate a positive reading. A ROC value less than 1% will generate a negative reading. All values between -1% and +1% are considered neutral.

MOJO - Long-Term

Average Convergence Divergence indicator on the S&P 500 Index to provide an indication of the momentum in the stock market. **A MACD (26, 52, 18) is used. If the MACD line is above its 18-period exponential moving average, then the indicator is positive.** If the MACD line falls below its moving average, the indicator will provide a negative reading.

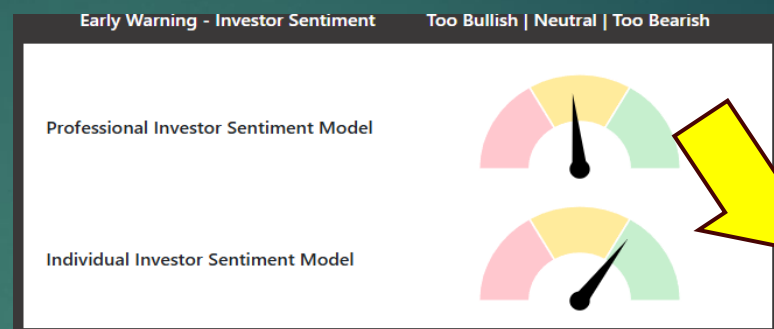
Short-Term Market Breadth: Short-term market breadth is determined by the cumulative number of advancing and declining stocks on the S&P 500 Index and comparing the value to its 21-day exponential moving average. Any value above the 21-day EMA is considered positive and values below the 21-day EMA is considered negative.

MOJO – Intermediate Term

– an indicator that uses the Average Directional Index (ADX) indicator to measure the strength of a trend, regardless of its direction. **If the 14-day ADX reading is above its reading from 2-days prior**, it is considered a positive trend. This indicator then uses the Directional Movement System, developed by J. Welles Wilder Jr., to determine the direction of the trend by comparing the +DI (Positive Directional Indicator) to -DI (Negative Directional Indicator). If the 14-day ADX reading is above its reading from two days prior and the +DI is great than -DI, the trend is up (positive). If the 14-day ADX reading is below its value from two days prior and the +DI is less than -DI, the trend is down (negative). If the 14-day ADX reading is below its reading from two days prior the overall rating is neutral.

OUTLOOK

3. RGB-NDR – INVESTOR SENTIMENT (01/25/25)



Individual Investor Sentiment:

Based on the **AAI Sentiment Survey** published by the American Association of Individual Investors (AAII). AAI members are polled weekly and asked if what direction they believe the stock market will move in the next six months. This indicator uses the Bull/Bear Spread (the difference between the % of respondents that believe the market will be higher in six months less the % of respondents that believe the market will be lower in six months). The value is then compared to its mean. Values greater than 1 standard deviation above the mean is considered Too Bullish (negative) and values less than 1 standard deviation below the mean are considered Too Bearish (positive). All values within +1 and -1 standard deviations are considered neutral.

Professional Investor Sentiment:

Based on the **NAAIM Exposure Index** published by the National Association of Active Investment Managers (NAAIM). The index represents the average equity exposure to the US equity markets by the professional investors and financial advisors that belong to the organization. The current reading is compared to its mean. Values greater than 1 standard deviation above the mean is considered Too Bullish (negative) and values less than 1 standard deviation below the mean are considered Too Bearish (positive). All values within +1 and -1 standard deviations are considered neutral.

- A. *OUTLOOK TOOLS Storm Guard*
- B. *OUTLOOK TOOLS LEI, GDP NOW*
- C. *OUTLOOK TOOLS – RGB – NDR*
- D. ***NEXT STEPS – EQUITIES***
- E. *NEXT STEPS – FIXED INCOME*

3. Q1 NEXT STEPS – INC SIG FIXED INCOME

36

GOLD	FIRE	- w GLD
DUK	KEEP	14%, Use Options
EOG	KEEP	4% , Use Options, Commodity Hedge
EMR	KEEP	23% , Use Options
EPD	KEEP	24%, No Options, Alnfra Boom
KLAC	WATCH	9% , Use Options, Study Earnings
KMI	KEEP	41%, Use Options, Commodity Hedge
MRK	WATCH	-6% , Use Options, Study Pharma Earnings
RHHBY	WATCH	0%, Rates Play Drove Price
STX	WATCH	9% , Study Role or Lack of in AI
WLKP	KEEP	16%, Excellent Dividends Payor
XOM	WATCH	Repl PXP, Use Options, Commodity Hedg
ENFR	KEEP	31%, Caught Alnfra Boom, No Options

3. Q1 NEXT STEPS – EOG 5yr

37

sideways \$115 to 136



2024	no shares	\$/sh	\$ Shares	\$ Div & Int	\$ END 2024	Port %	\$ 2024 Δ	pct	ticker
EOG	156	\$ 121.71	\$ 18,987	\$ 564	\$ 19,551	2.3%	\$ 831	4%	EOG

Date	01/22	12/14	11/04
\$/sh	\$128	\$126	\$134
dma	50	200	
	\$128	\$125	
RSI	84	40	67
Res	\$136	\$136	\$136
Supt	\$115		

2025 Target

Div/Yield
\$3.64/2.88%

Call
\$.70 / 21 days
5 calls/y ~ Dividend

Source: OptionsPlay.com, StockCharts.com,
dma – daily moving average, RSI – Relative (price) Strength Index, Res (price) Resistance, Supt (price) Support

3. Q1 NEXT STEPS – EMR 5yr

38



sideways \$115 to 136

Date	01/22	12/14	11/04
\$/sh	\$127	\$130	\$127
dma			
50	\$127		
200	\$113		
RSI	66	57	40
Res	\$136		
Supt	\$115		

2025 Target

Div/Yield
\$2.10/1.6%

Call
\$3.30 / 49 days
1 calls/y > Dividend

2024	no shares	\$/sh	\$ Shares	\$ Div & Int	\$ END 2024	Port %	\$ 2024 Δ	pct	ticker
EMR	322	\$ 123.93	\$ 39,905	\$ 627	\$ 40,532	4.9%	\$ 9,192	23%	EMR

Source: OptionsPlay.com, StockCharts.com,
dma – daily moving average, RSI – Relative (price) Strength Index, Res (price) Resistance, Supt (price) Support

3. Q1 NEXT STEPS – EPD 5yr

39



Date	01/22	12/14	11/14
\$/sh	\$34	\$32	\$30
dma			
50	\$32	\$30	\$28
200	\$29	\$28	\$37
RSI	55	53	90
Res	\$34	34	\$30
Supt	\$29	\$30	\$27

Source: OptionsPlay.com, StockCharts.com,
 dma – daily moving average, RSI – Relative (price) Strength Index, Res (price) Resistance, Supt (price) Support

3. Q1 NEXT STEPS – KMI 5yr

40

recovery and new high!

KMI – 5 year



2024	no shares	\$/sh	\$ Shares	\$ Div & Int	\$ END 2024	Port%	\$ 2024 Δ	pct	ticker
KMI	1,405	\$ 27.40	\$ 38,497	\$ 1,613	\$ 40,110	4.8%	\$ 15,733	41%	KMI

Date	01/24	12/14	11/04
\$/sh	\$30	\$25.7	\$26.9
dma			
50	\$27	\$26	\$23
200	\$22	\$21	\$19
RSI	66	49	81
Res	\$31		
Supt	\$28		

2025 Target

Div/Yield
\$1.15/1%

Call
\$0.31 / 28 days
3 calls/y > Dividend

Source: OptionsPlay.com, StockCharts.com,
dma – daily moving average, RSI – relative (price) strength index, R (price) Resistance, S (price) Support

3. Q1 NEXT STEPS – MRK 5yr

41

post drop, new Res, Supt range

MRK (Daily) 96.08
 MA(50) 99.26
 MA(200) 113.69
 Volume 3,562,354

2024	no shares	\$/sh	\$ Shares	\$ Div & Int	\$ END 2024	Port%	\$ 2024 Δ	pct	ticker
MRK	308	\$ 99.48	\$ 30,640	\$ 987	\$ 31,626	3.8%	\$ (1,952)	-6%	MRK



Date	01/24	12/14	11/04
\$/sh	\$ 96	\$ 103	
dma			
50	\$99	\$103	\$110
200	\$113	\$117	\$120
RSI	39	50	38
Res	\$104	\$104	
Support	\$ 94	\$94	

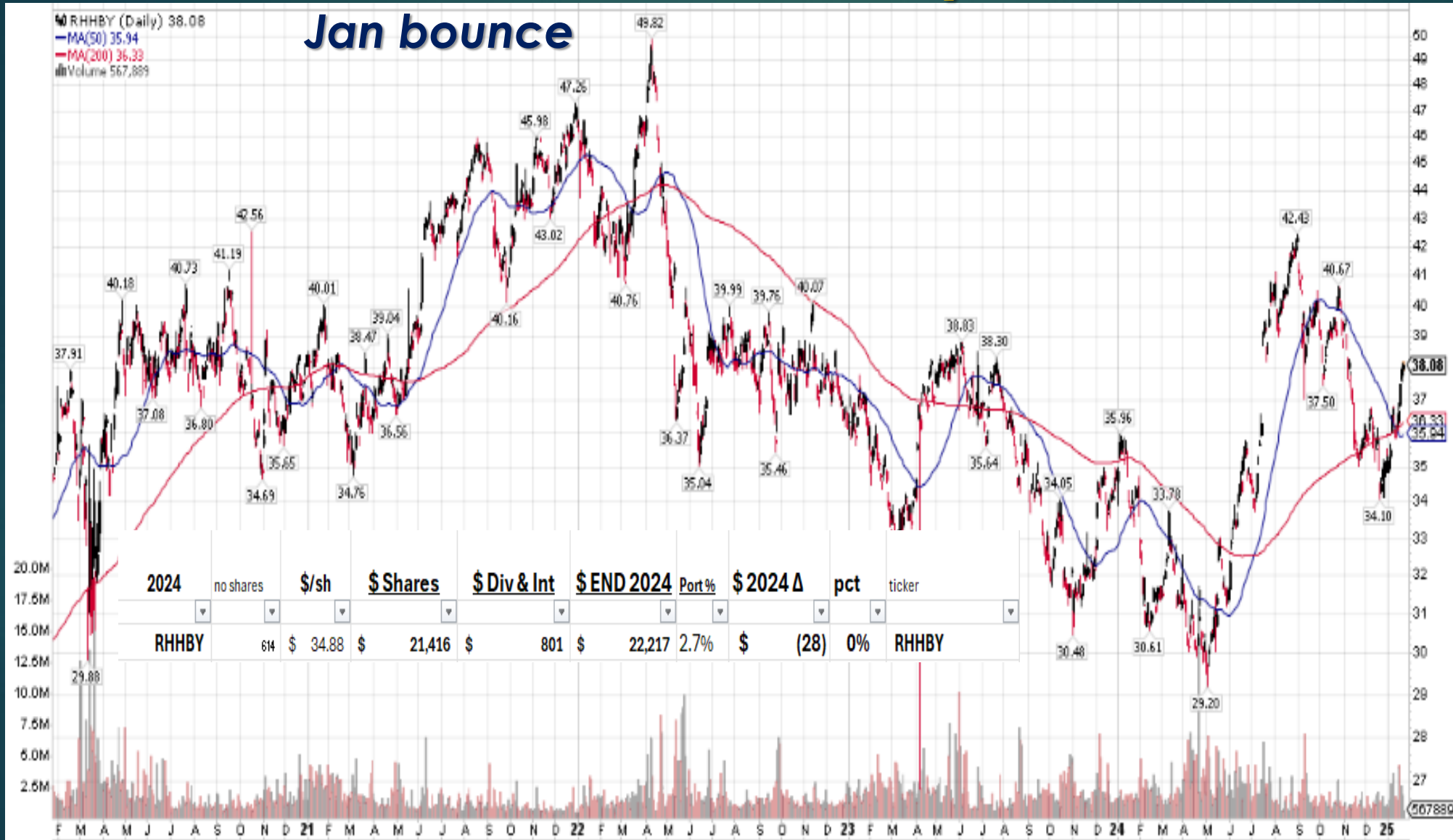
2025 Target
 Div/Yield
 \$3.08/3%

Call
 \$0.57 / 21 days
 6 calls/y > Dividend

Source: OptionsPlay.com, StockCharts.com,
 dma – daily moving average, RSI – relative (price) strength index, R (price) Resistance, S (price) Support

3. Q1 NEXT STEPS – RHHBY 5yr Roche Holding Ltd

42



Date	01/22	12/14	11/04
\$/sh	\$36	\$37	\$37
dma			
50	\$36	\$37	\$39
200	\$36	\$36	\$35
RSI	69		
Res	\$38		
Support	\$35		

Source: OptionsPlay.com, StockCharts.com,
 dma – daily moving average, RSI – Relative (price) Strength Index, Res (price) Resistance, Supt (price) Support

3. Q1 NEXT STEPS – STX 5yr Seagate Technology



Date	01/22	12/14	11/04
\$/sh	\$109	\$96	\$104
dma			
50	\$96	\$101	\$104
200	\$97	\$97	\$96
RSI	82	39	
Res	\$114	109	
Supt	\$102	\$98	

2025 Target
 Div/Yield
 \$2.80/2.87%

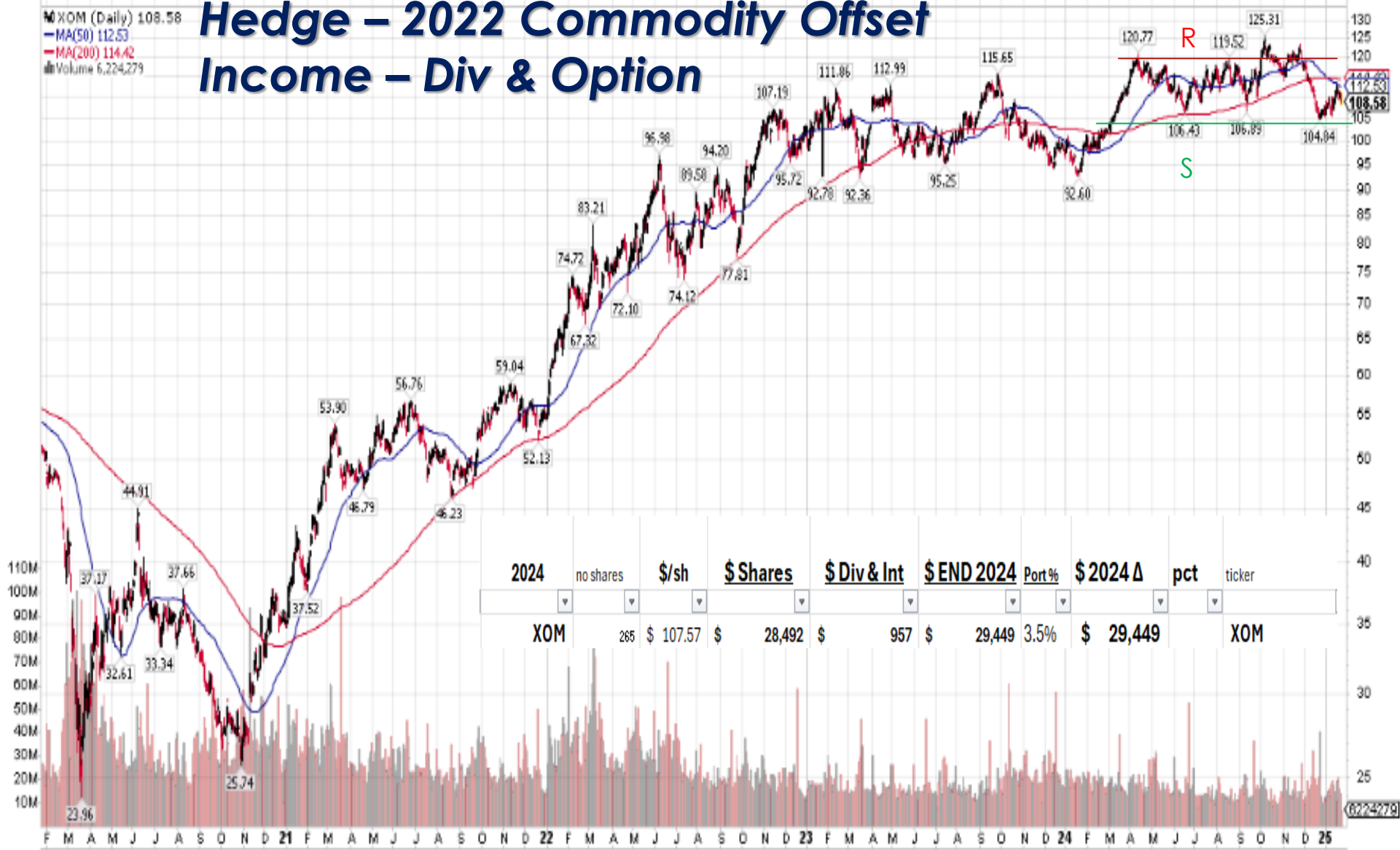
Call
 \$0.80 / 21 days
 4 calls/y > Dividend

Source: OptionsPlay.com, StockCharts.com,
 dma – daily moving average, RSI – Relative (price) Strength Index, Res (price) Resistance, Supt (price) Support

3. Q1 NEXT STEPS – XOM 5yr Exxon Mobile

44

**Hedge – 2022 Commodity Offset
Income – Div & Option**



Date	01/23	12/14	11/04
\$/sh	\$108	\$110	\$121
dma			
50	\$112		
200	\$114		
RSI			
Res	\$120		
Support	\$106		

2025 Target
Div/Yield
\$3.84/3.5%

Call
\$0.69 / 21 days
7 calls/y > Dividend

Source: OptionsPlay.com, StockCharts.com,
dma – daily moving average, RSI – Relative (price) Strength Index, Res (price) Resistance, Supt (price) Support

3. Q1 NEXT STEPS – ENFR 5yr Alerian Energy

45



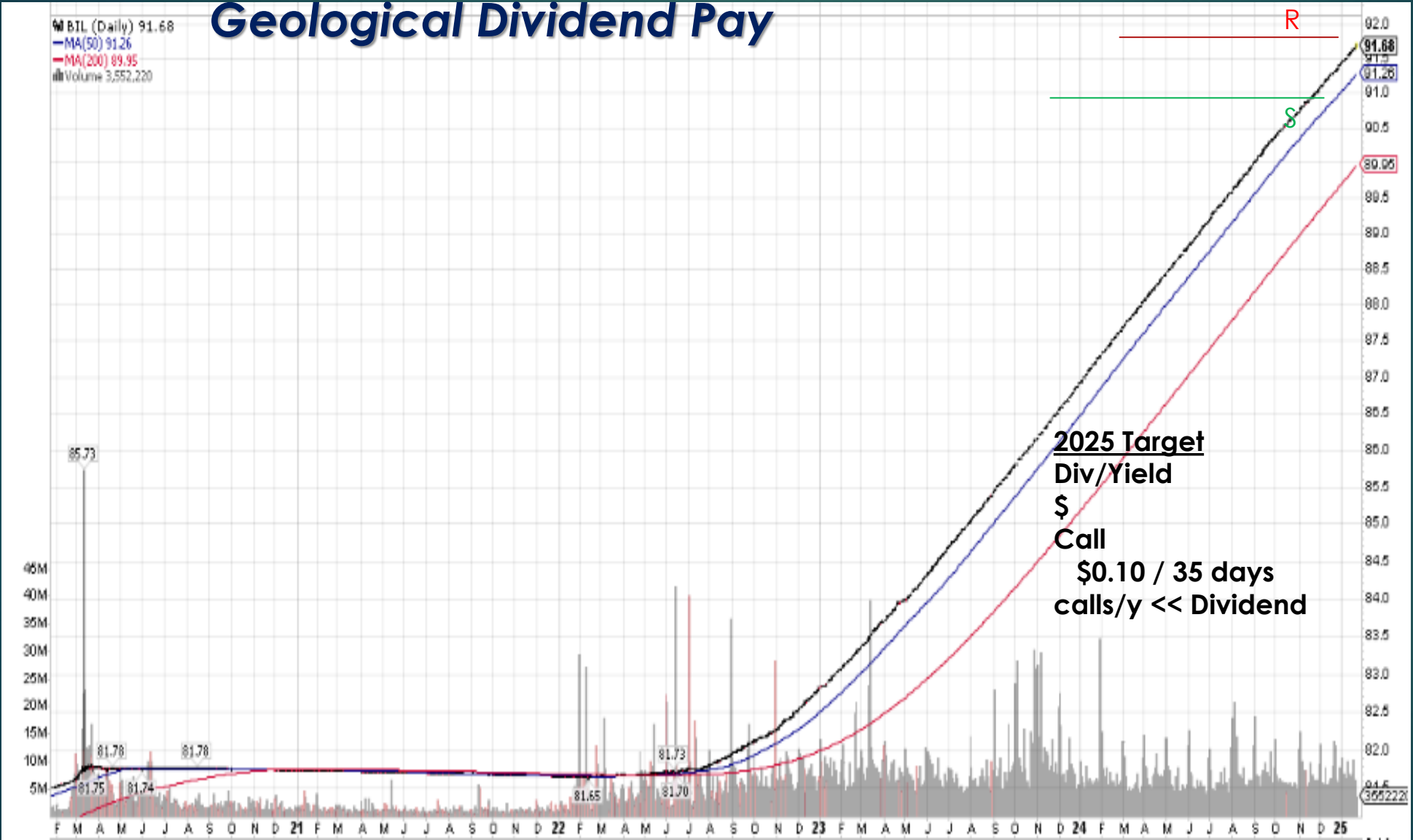
Date	01/22	12/14	11/04
\$/sh	\$33	\$31	\$29.6
dma			
50	\$32		
200	\$28		
RSI	65		
Res	\$34		
Supt	\$ 29		

2025 Target
 Div/Yield
 \$Call
 \$0.10 / 35 days
 calls/y << Dividend

Source: OptionsPlay.com, StockCharts.com,
 dma – daily moving average, RSI – Relative (price) Strength Index, Res (price) Resistance, Supt (price) Support

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3. Q1 NEXT STEPS – BIL 5yr SPDR Bloomberg 1-3mo TBill



Date	01/25	01/24	01/23*
\$/sh	\$91	\$90	\$86

Source: OptionsPlay.com, StockCharts.com, January of 2023, 2024, 2025

3. Q1 NEXT STEPS – IBHG 5yr iShares 27 Hyield & Income

48



Date	01/25	01/24	01/23*
\$/sh	\$23	\$20	\$19
		01/22	
	\$20		

Source: OptionsPlay.com, StockCharts.com, January of 2022, 2023, 2024, 2025

3. Q1 NEXT STEPS – IBHG:HYG Check 5yr

49



Date	01/25	01/24	01/23*
\$/sh	\$23	\$20	\$19
	01/22		
	\$20		

Source: OptionsPlay.com, StockCharts.com,
 January of 2022, 2023, 2024, 2025