In this 07-09-21 issue of "Yields Plunge Dollar Surges The Reflation Trade Unravels."

- ***Market Pulls Back As Signals Turn***
- ***Yield Plunge, Dollar Surge***
- ***The Reflation Trade Unravels***
- ***Portfolio Positioning***
- ***Sector & Market Analysis***
- ***401k Plan Manager***

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Are you worried about the potential for a market correction, a surge in inflation, or are you unsure how to invest for your retirement? We can help. *If you are not yet a client and would like to discuss your portfolio construction, please schedule a time to meet with one of our advisors below.*



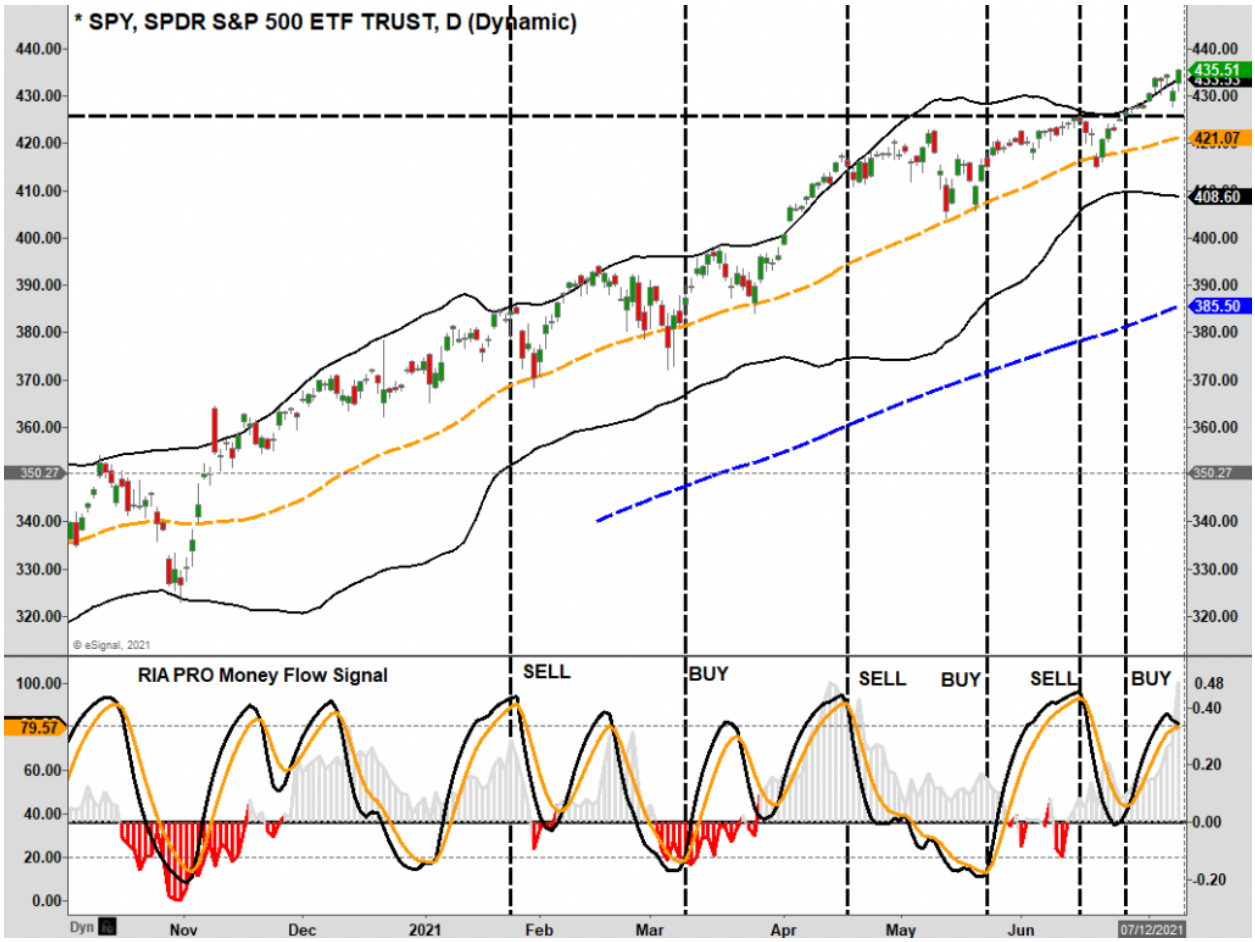
Market Stumbles But Rallies Back

Last week, we discussed the market hit new highs with the index getting back to more extended and overbought conditions. To wit:

> *"The technical backdrop is not great.* ***With the market back to 2-standard deviations above the 50-dma, conviction weak, and investors extremely bullish, the market remains set up for additional weakness.***
>
> ***However, we are in the first two weeks of July, which tends to be bullishly biased. After increasing our equity exposure previously, we will give the market the benefit of seasonality for now."***

While market volatility did pick up this past week, the index held its breakout support levels and closed at a new high. Such keeps the bullish bias intact. However, as shown, the money flow

signals are now back to more elevated levels, which will provide resistance to higher prices short term.



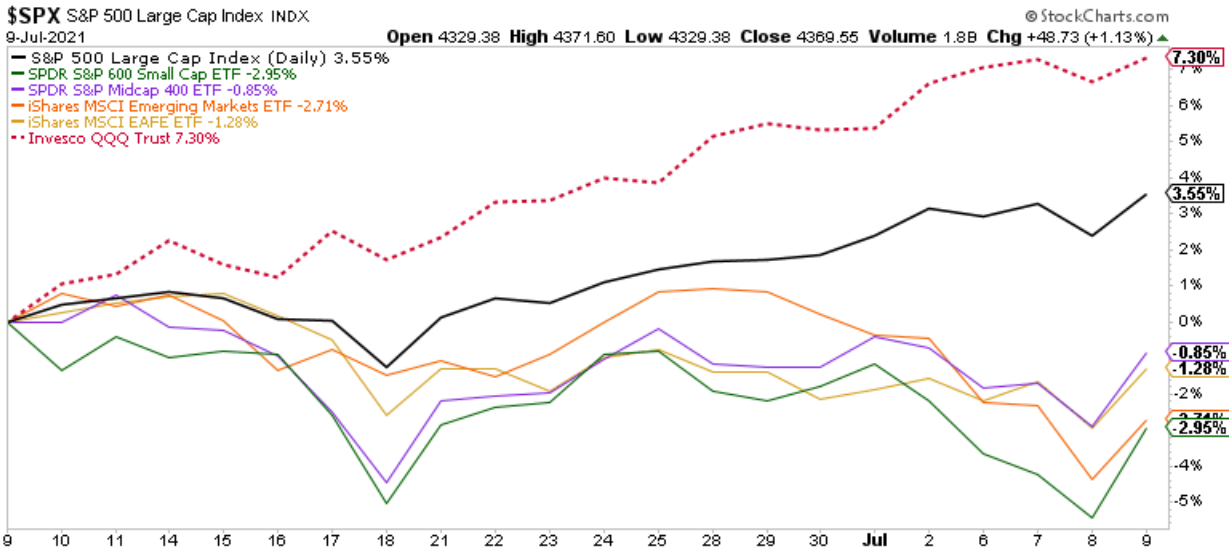
We are still within the seasonally strong period of July, which tends to last through mid-month. However, August and September are typically more challenging for returns. As we stated last week:

> *"The bulls are indeed in charge of the markets currently, but the clock is ticking."*

The market is also weak from a breadth perspective. While large-cap stocks have done better as of late, the rest of the markets have not. I discuss this in more detail in Friday's ***3-minutes*** video.

> https://www.youtube.com/watch?v=GjxTh1GPS6s

The critical point, as noted in the video, is there has been a definite rotation out of the "reflation trade" (small, mid, emerging, and international markets) into the large-cap names (primarily technology), which is the *"deflation trade."*



As we will discuss, the reflation trade ran well ahead of reality. Over the next couple of months, the test will be to see if earnings can support the surge in prices and valuations.

Yields Overbought

We will discuss the *"yield warning"* momentarily. However, in the short term, yields have gotten very overbought. We suspect we could see a retracement in yields short-term, but such will likely be an opportunity to increase bond exposure in portfolios as we head further into the year.

As shown, previous overbought conditions *(indicators get inverted concerning yields)* lead to retracements to resistance. **Currently, a retracement to 1.5% would be likely. Ultimately, a break below 1.25% will suggest much lower yields are coming.**



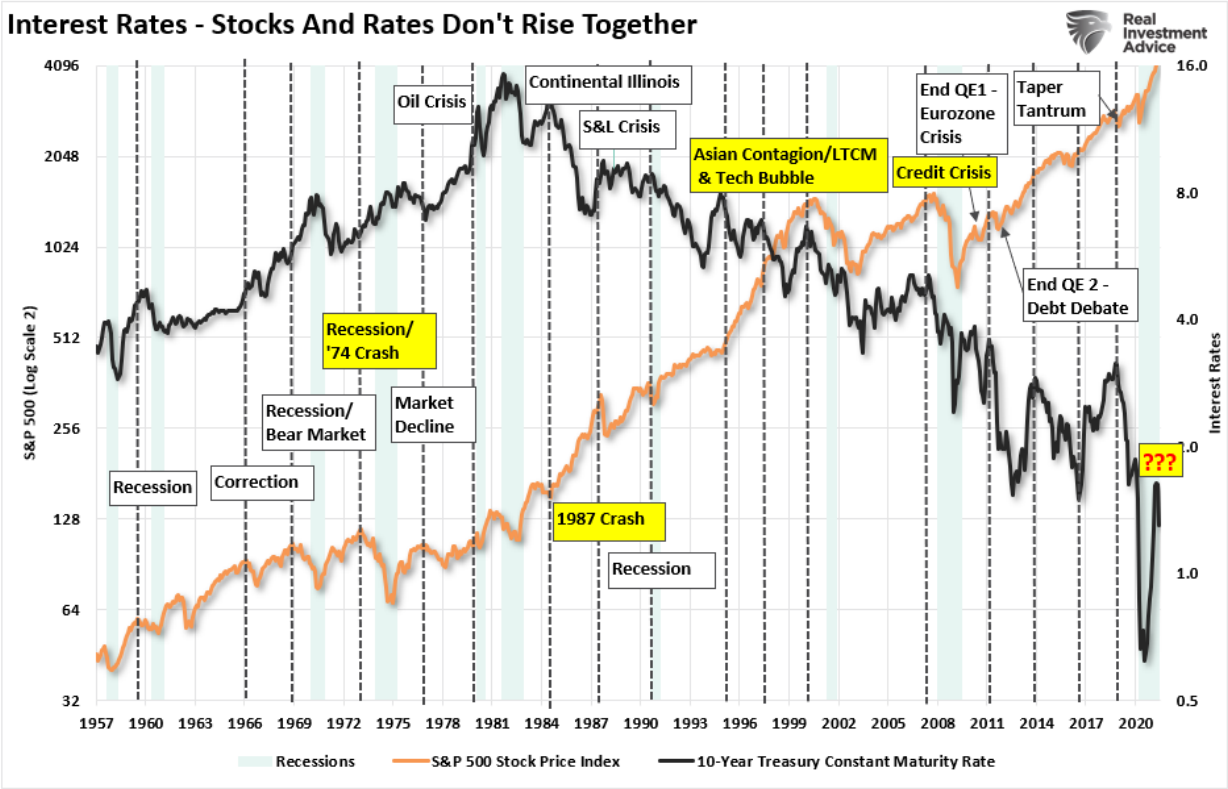
From a positioning standpoint, we increased our bond duration several weeks ago. However, while we want to increase our exposure eventually, we need to wait for the short-term overbought condition to reverse.

Longer-term, as we will discuss next, we believe yields are potentially headed lower as economic growth and inflationary pressures wane.



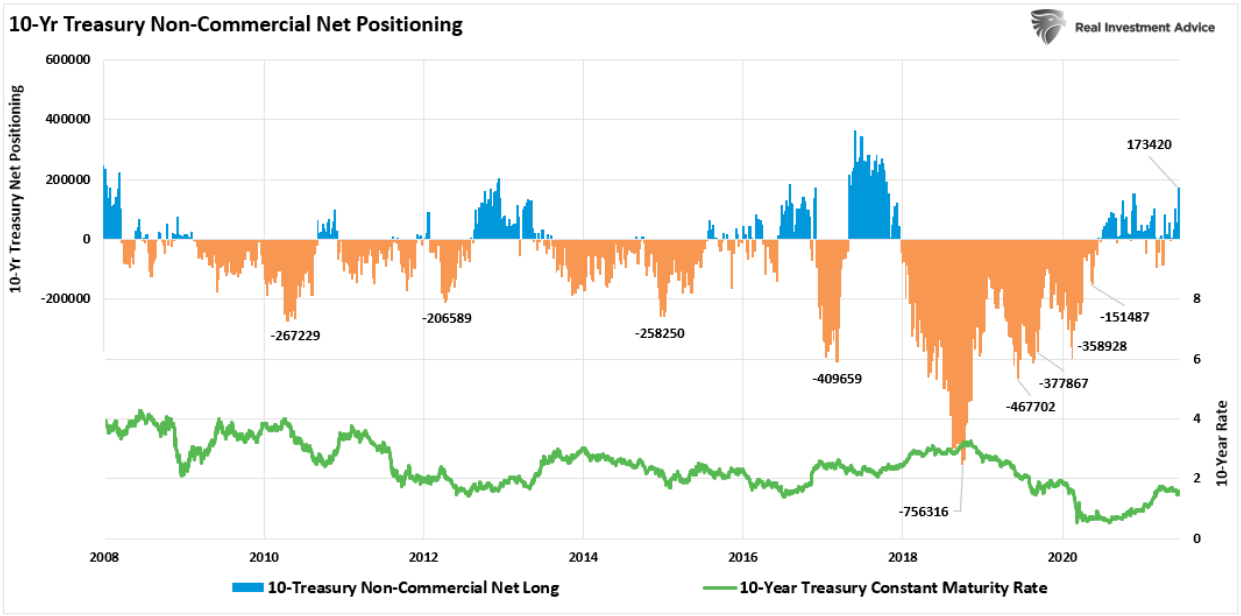
Yield Plunge, Dollar Surge

In our #MacroView this week, we discuss the warning sign that yields are sending in more detail. **However, importantly, the plunge in yields is suggestive that something in the market is becoming strained.** As discussed in that article, when interest rise, and peak, such has corresponded with more negative market outcomes.



Is the current rise in rates signifying the next market downturn? Historically, sharp spikes in rates have done so by slowing economic growth more than expected. However, as we noted previously in our ***Commitment Of Traders report:***

> *"The number of contracts net-long the 10-year Treasury already suggests the recent uptick in rates, while barely noticeable, maybe near its peak."*



Some of the pressure in bonds has come from the market bracing itself for some large auctions of new bonds next week. A lot of the action on Friday was the shift in focus to next week's auctions. **On Monday, there will be $38 billion in 10-year notes and $24 billion in 30-year bonds on Tuesday.**

However, as noted by Zerohedge on Friday:

> *"But those who are betting on a continued rise in yields may get disappointed for one key technical reason. As Morgan Stanley's derivatives strategist Chris Metli notes, CTAs - those mindless trend-followers who just ride on momentum waves until they crash, are still short bonds* ***and at current yields have to buy $95bn notional of TY-equivalent duration over the next week.***
>
> *As Morgan Stanley notes* ***such 'could continue the bond rally and put pressure on stocks as equity investors fear the bond market knows something they don?t about future growth prospects.'"***

The dollar is also confirming the same.

In Case You Missed It



#MacroView: Bond Yields Send An Economic Warning

Written by Lance Roberts | Jul 9, 2021

Bond yields are sending an economic warning. Despite expectations of strong economic growth, yields have again confounded the mainstream media.

>> Read More

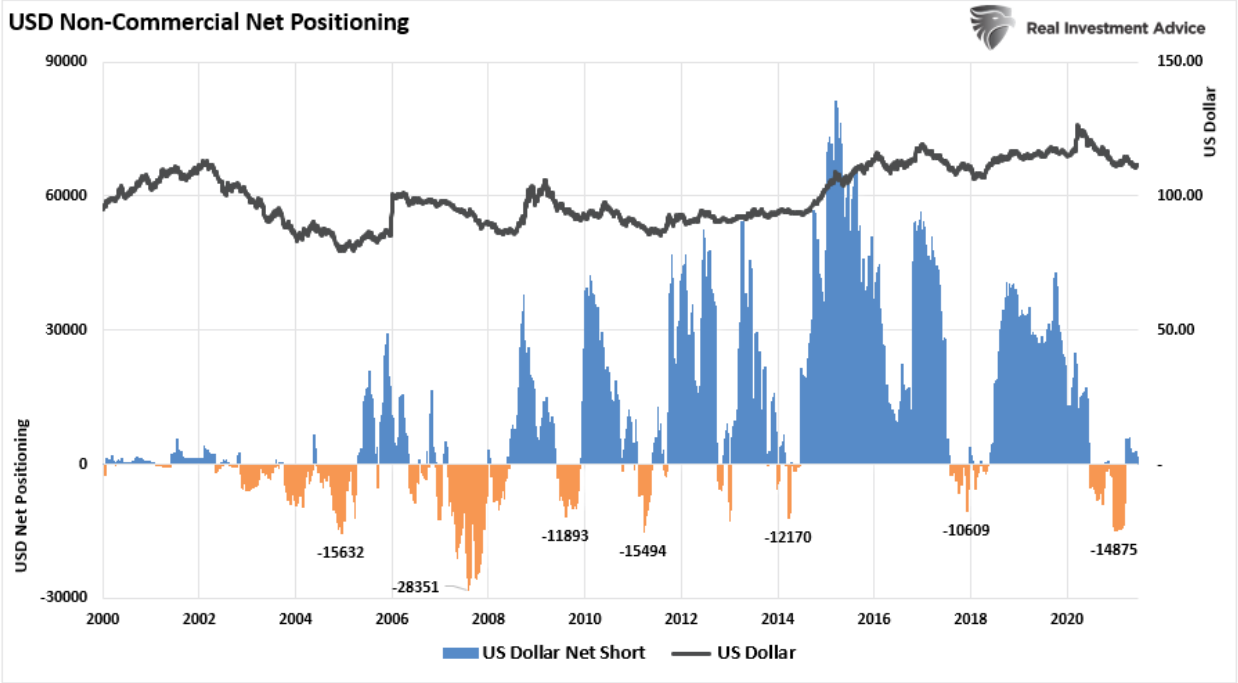
The Dollar Is Confirming The Same

We specifically noted that the dollar was about to rise sharply. To wit:

> *"**The one thing that always trips the market is what no one is paying attention to.** For me, that risk lies with the US Dollar. **As noted previously, everyone expects the dollar to continue to decline, and the falling dollar has been the tailwind for the emerging market, commodity, and equity risk-on trade.** So, whatever causes the dollar to reverse will likely bring the equity market down with it."*



While the dollar rally is still young, there was a successful test of the *"double bottom"* with higher lows. The break above the 50- and 200-dma also suggests the rally is just getting started. A further rally in the dollar will get fueled by additional short-covering.



There is a significant difference between a *?recovery?* and an *?expansion.?* One is durable and sustainable; the other is not.

Dollar & Rates Are Warning Signs

Those expecting a significant surge in inflation will likely be disappointed for the one reason which seems to get mostly overlooked.

> ***?If the economy were growing organically, which would create stronger rates of wage growth and inflation, then there would be no need for zero interest rates, continued monetary interventions by the Federal Reserve, or deficit spending from the Government.?***

The obvious problem is that not all *?spending?* is equal. Pulling forward consumption through stimulus is indeed short-term inflationary but long-term deflationary. **Moreover, since 1980, there has been a shift in the economy?s fiscal makeup from productive to non-productive investment.**

As we have pointed out previously, you can not overstate the impact of psychology on an economy?s shift to *?deflation.?* When the prevailing economic mood in a nation changes from optimism to pessimism, participants change. **Creditors, debtors, investors, producers, and consumers change their primary orientation from expansion to conservation.**

- *Creditors become more conservative and slow their lending.*
- *Potential debtors become more conservative and borrow less or not at all.*
- *Investors get increasingly conservative, and they commit less money to debt investments.*
- *Producers become more conservative and reduce expansion plans.*
- *Consumers become more conservative, and save more, and spend less.*

As we have been witnessing since the turn of the century, these behaviors reduce the velocity of money. Consequently, the decline in velocity puts downward pressure on prices. Moreover, given the massive increases in debt and deficits, the deflationary drag increases as the stimulus fades from the system.

Likely, the dollar and rates already figured this out.

The Reflation Trade Unravels

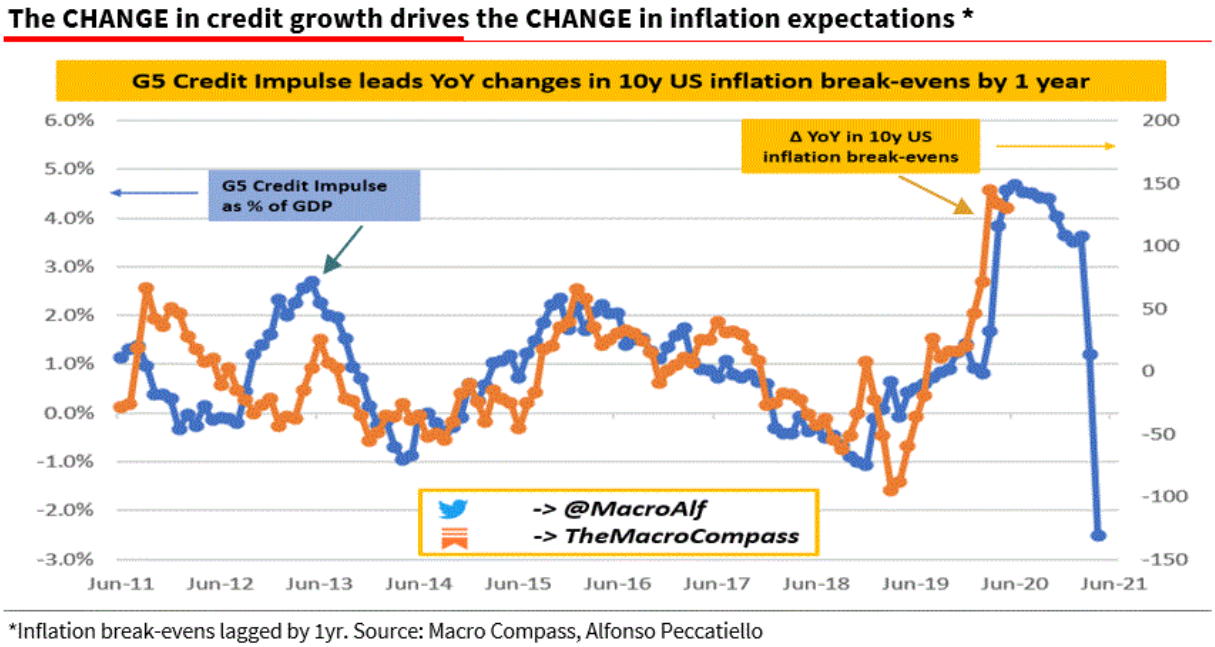
The importance of this analysis relates to a potential change in investor positioning in the market. To wit:

> ***"The unraveling of the inflation/reflation trade has accelerated over the past week. US 10y bond yields continue to decline and have now broken a crucial technical level. Such could see the rally accelerate sharply, and with it, the continued unraveling of both cyclicals and commodities." - Albert Edwards***

Albert's comment aligns with our views previously that such would likely be the case.

> ***I believe that the pandemic recession allowed policymakers to cross the Rubicon of fiscal rectitude. They have reached a new land where existing monetary profligacy can now get coupled with fiscal debauchery.***
>
> *In that respect, I am very much in the inflation/reflation camp. But I think it is a secular theme that will play out later in this cycle.* ***The problem is the markets have been too early in betting on the reflation trade and have gotten set up for a huge disappointment."***

We have previously discussed the change in the deflationary credit impulse. But, importantly, the bond and dollar markets are now reflecting that deflation.



*Inflation break-evens lagged by 1yr. Source: Macro Compass, Alfonso Peccatiello

Does such mean the markets will crash tomorrow? No.

What is critical to recognize is that the market is well ahead of what reality will turn out to be. As such, when overly exuberant earnings and economic growth expectations fade, the justification supporting overpaying for assets will run into trouble.



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Portfolio Update

There is something *"not quite right"* with the market currently. As discussed previously, the problem with technical indicators is that they do not distinguish between a consolidation, a correction, or more. Therefore, we have to pay attention to warnings, much the same as driving a car.

A yield sign is a warning. We have a choice to blow through yields signs and may get away with it 100 times. However, the 101st time leads to a devastating crash. **In the markets, the warning signs suggest reducing our *"speed"* in the portfolio slightly, watching for risk, and then returning to speed once the danger has passed.**

After increasing our bond duration in portfolios to hedge risk, we removed our index trading positions this past week and lowered our equity exposure to hedge risk further. *(We slowed down.)*

With our money flow *?sell signals?* approaching high levels, taking some action could be beneficial.

- *Trim back winning positions to original portfolio weights:* ***Investment Rule: Let Winners Run***
- *Sell positions that simply are not working (if the position was not working in a rising market, it likely won?t in a declining market.)* ***Investment Rule: Cut Losers Short***
- *Hold the cash raised from these activities until the next buying opportunity occurs.* ***Investment Rule: Buy Low***

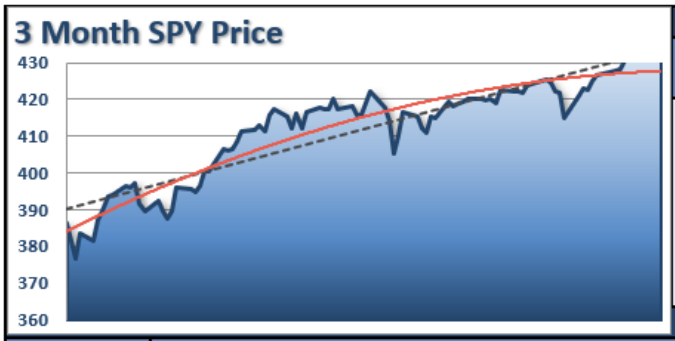
Minor adjustments can make significant differences to outcomes when you can avoid *"the wreck."*

By Lance Roberts, CIO

Market & Sector Analysis

Analysis & Stock Screens Exclusively For RIAPro Members

S&P 500 Tear Sheet



SPY RISK INFO	ZACKS	REAL INVESTMENT ADVICE		
Item	T 2-Yr	T 1-Yr.	YTD	% Diff YTD/T1-YR
Price Return	46.55%	38.53%	16.49%	(57.21%)
Max Drawdown	(35.63%)	(10.86%)	(5.65%)	(47.92%)
Sharpe	0.91	2.68	2.70	0.01
Sortino	0.99	3.61	3.68	0.02
Volatility	25.38	14.94	13.37	(0.10)
Daily VaR-5%	(14.57)	16.73	14.22	(0.15)
Mnthly VaR-5%	(3.22)	17.56	19.65	0.12

Item	2 years ago	1 year ago	Current	1 Yr % Change	5 Year High	5 year Low	% From High	% From Low
Dividend Yield	1.84%	1.72%	1.25%	(36.80%)	2.14%	1.28%	(41.53%)	(1.69%)
P/E Ratio	18.76	20.62	28.84	28.52%	2890%	1639%	(0.2%)	75.97%
P/S Ratio	3.82	3.94	5.39	26.99%	5.30	3.23	1.75%	66.69%
P/B Ratio	5.05	5.34	7.25	26.30%	6.98	4.18	3.88%	73.42%
ROE	21.68%	20.19%	22.80%	11.41%	22.80%	17.60%	0.00%	29.53%
ROA	4.24%	3.79%	4.07%	6.90%	4.31%	3.51%	(5.66%)	16.04%

S&P 500 Market Cap Analysis			
Item	12-M Ago	Current	% Chg
Shares	3,081.9	2,989.4	(3.00%)
Sales	71,348	71,322	(0.04%)
SPS	23.2	23.9	3.06%
Earnings	11,079	11,720	5.78%
EPS TTM	4.5	4.5	0.22%
Dividend	1.5	1.6	4.69%

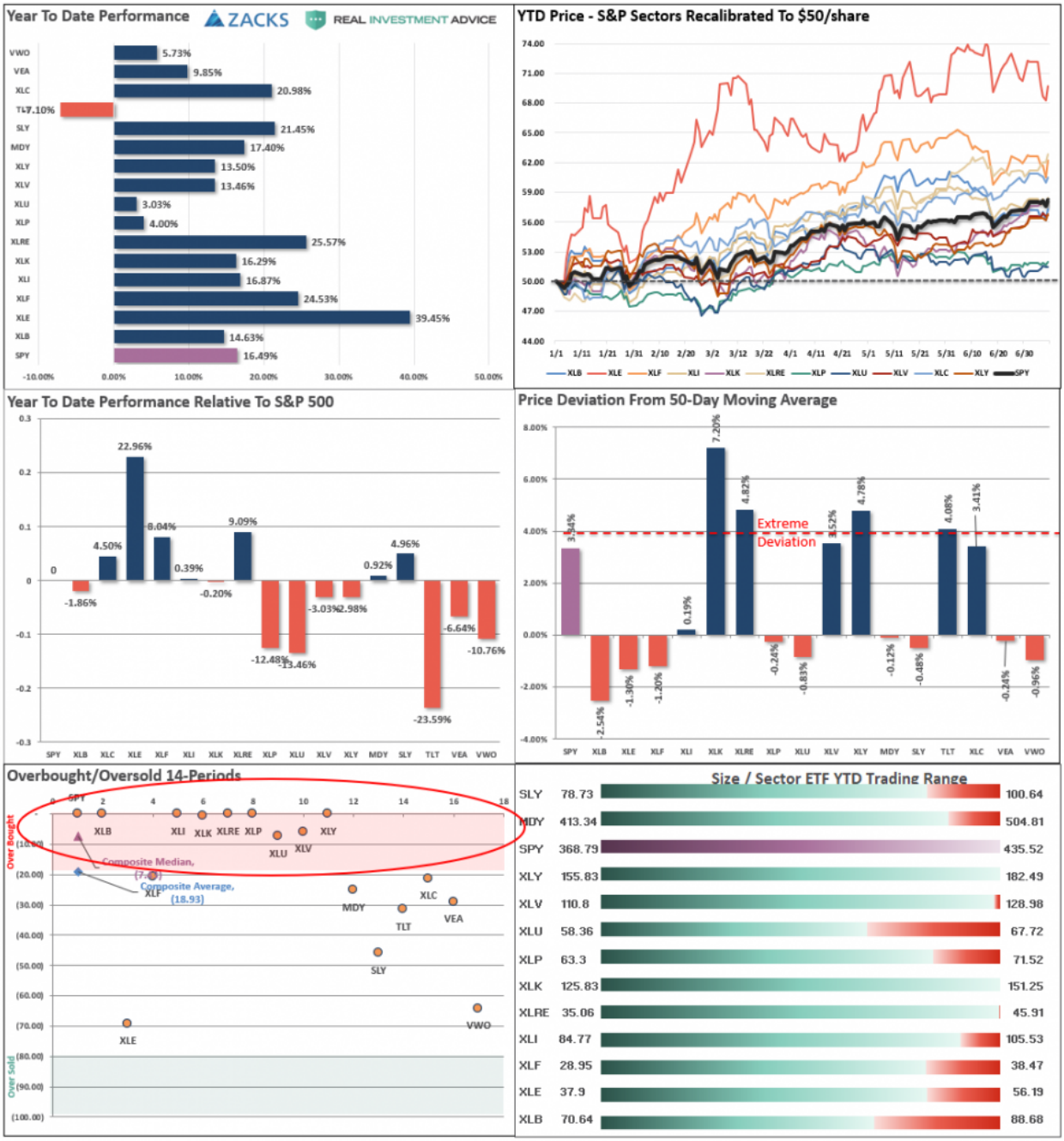
S&P 500 Asset Allocation

Sector	1 Year Price Return	Weight	Beta	P/E	P/E High- 5yr (Mo.)	P/E Low - 5Yr (Mo.)	P/E % From Peak	ROE	DIV. YIELD	TTM Earnings Yield	Current Forward Earnings	Forward PE
Energy	53.55%	2.72%	1.89	(310.52)	123.62	(302.30)	(351.2%)	(0.1%)	4.1%	-0.32%	2.94	17.07
Materials	46.50%	2.57%	1.20	25.82	27.13	14.16	(4.8%)	11.1%	1.8%	3.90%	5.14	17.36
Industrials	53.16%	8.50%	1.16	53.47	54.11	14.70	(1.2%)	5.5%	1.4%	1.88%	4.18	23.54
Discretionary	40.03%	12.39%	1.36	57.08	60.06	20.97	(5.0%)	24.5%	0.5%	1.76%	5.81	32.46
Staples	18.88%	5.74%	0.64	22.92	23.02	17.65	(0.4%)	29.7%	2.5%	4.37%	4.48	20.88
Health Care	24.39%	13.10%	0.77	19.31	19.45	15.10	(0.7%)	29.9%	1.6%	5.18%	7.80	17.18
Financials	60.87%	11.02%	1.32	16.55	18.48	10.52	(10.4%)	9.3%	1.6%	6.12%	6.60	14.26
Technology	41.48%	27.69%	1.07	34.60	32.81	16.66	5.5%	65.9%	0.8%	2.92%	5.88	27.49
Telecom	48.21%	11.16%	0.97	28.95	28.18	17.61	2.7%	16.4%	0.5%	3.48%	8.61	22.66
Utilities	13.52%	2.46%	0.41	20.02	22.09	16.35	(9.4%)	10.6%	3.2%	4.99%	3.48	18.49
Real Estate	32.71%	2.60%	0.95	26.47	24.86	17.12	6.5%	6.6%	2.4%	3.81%	4.50	23.29

Momentum Analysis

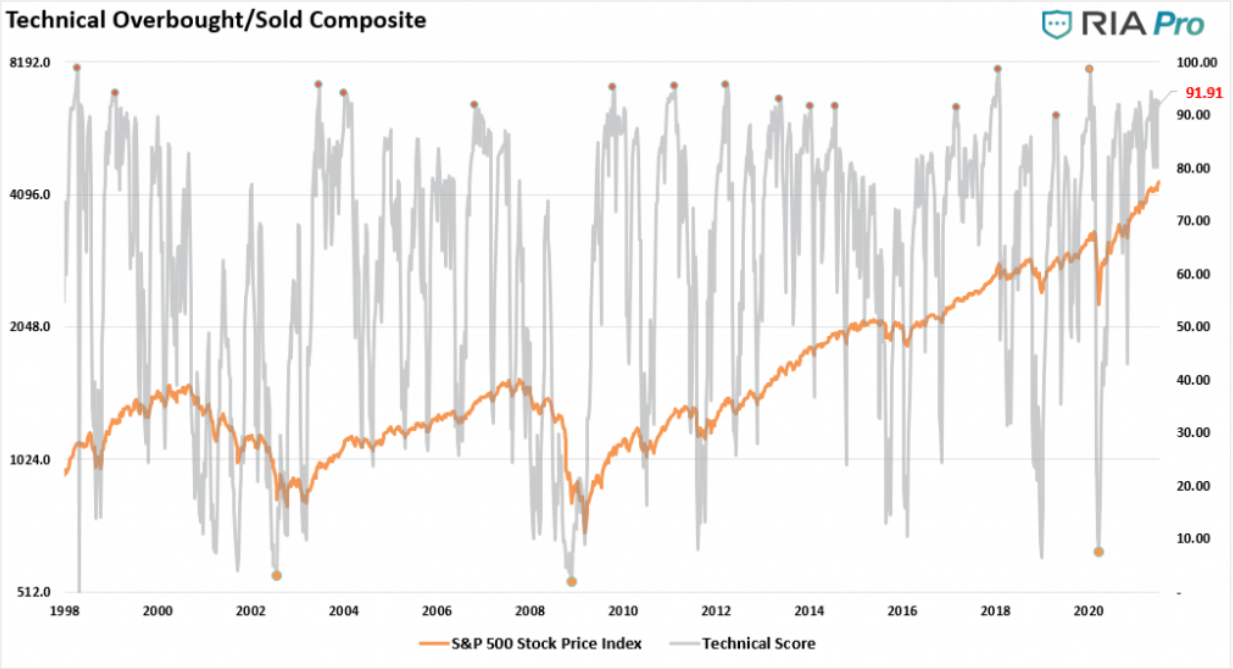
Item	Price	ROC 50-Days	50-DMA	# Days Since Cross	% Dev 50-Day	200-DMA	# Days Since Cross	% Dev 200-Day	% Dev 50-200 DMA	% From 52-W High	% From 52-W Low	Buy/Sell
Large Cap	435.52	4.37%	421.54	15	3.32%	387.91	270	12.27%	8.67%	(0.07%)	40.18%	Buy
Mid Cap	493.00	(0.72%)	493.52	7	(0.10%)	447.07	206	10.27%	10.39%	(2.88%)	56.76%	Buy
Small Cap	96.60	1.05%	97.09	15	(0.51%)	86.63	203	11.51%	12.08%	(4.30%)	71.98%	Buy

Performance Analysis



Technical Composite

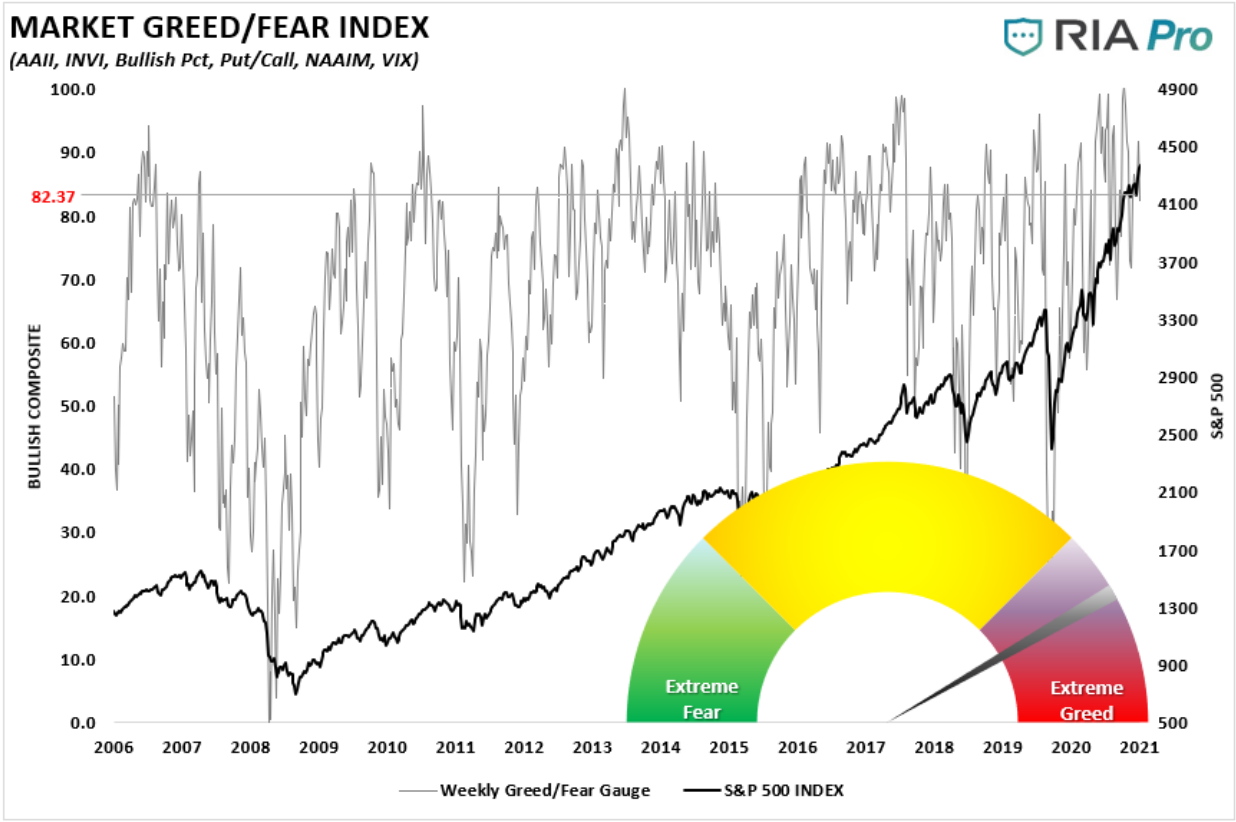
The technical overbought/sold gauge comprises several price indicators (RSI, Williams %R, etc.), measured using "weekly" closing price data. Readings above "80" are considered overbought, and below "20" are oversold. ***The current reading is 91.91 out of a possible 100.***



Portfolio Positioning "Fear / Greed" Gauge

The "Fear/Greed" gauge is how individual and professional investors are "positioning" themselves in the market based on their equity exposure. From a contrarian position, the higher the allocation to equities, to more likely the market is closer to a correction than not. The gauge uses weekly closing data.

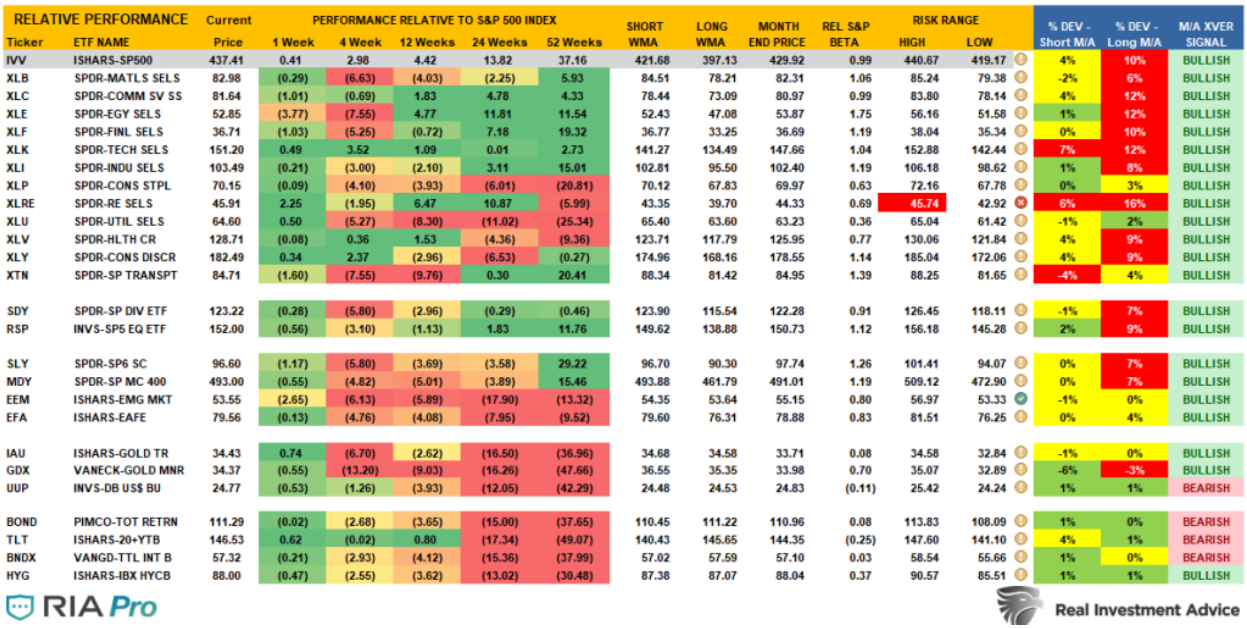
NOTE: The Fear/Greed Index measures risk from 0-100. It is a rarity that it reaches levels above 90. The c*urrent reading is 84.20 out of a possible 100.*



Sector Model Analysis & Risk Ranges

How To Read This Table

- *The table compares each sector and market to the S&P 500 index on relative performance.*
- *"MA XVER" is determined by whether the short-term weekly moving average crosses positively or negatively with the long-term weekly moving average.*
- *The risk range is a function of the month-end closing price and the "beta" of the sector or market.*
- *Table shows the price deviation above and below the weekly moving averages.*



RELATIVE PERFORMANCE		Current	PERFORMANCE RELATIVE TO S&P 500 INDEX					SHORT	LONG	MONTH	REL S&P	RISK RANGE		% DEV -	% DEV -	M/A XVER
Ticker	ETF NAME	Price	1 Week	4 Week	12 Weeks	24 Weeks	52 Weeks	WMA	WMA	END PRICE	BETA	HIGH	LOW	Short M/A	Long M/A	SIGNAL
IVV	ISHARS-SP500	437.41	0.41	2.98	4.42	13.82	37.16	421.68	397.13	429.92	0.99	440.67	419.17	4%	10%	BULLISH
XLB	SPDR-MATLS SELS	82.98	(0.29)	(6.63)	(4.03)	(2.25)	5.93	84.51	78.21	82.31	1.06	85.24	79.38	-2%	6%	BULLISH
XLC	SPDR-COMM SV SS	81.64	(1.01)	(0.69)	1.83	4.78	4.33	78.44	73.09	80.97	0.99	83.80	78.14	4%	12%	BULLISH
XLE	SPDR-EGY SELS	52.85	(3.77)	(7.55)	4.77	11.81	11.54	52.43	47.08	53.87	1.75	56.16	51.58	1%	12%	BULLISH
XLF	SPDR-FINL SELS	36.71	(1.03)	(5.25)	(0.72)	7.18	19.32	36.77	33.25	36.69	1.19	38.04	35.34	0%	10%	BULLISH
XLK	SPDR-TECH SELS	151.20	0.49	3.52	1.09	0.01	2.73	141.27	134.49	147.66	1.04	152.88	142.44	7%	12%	BULLISH
XLI	SPDR-INDU SELS	103.49	(0.21)	(3.00)	(2.10)	3.11	15.01	102.81	95.50	102.40	1.19	106.18	98.62	1%	8%	BULLISH
XLP	SPDR-CONS STPL	70.15	(0.09)	(4.10)	(3.93)	(6.01)	(20.81)	70.12	67.83	69.97	0.63	72.16	67.78	0%	3%	BULLISH
XLRE	SPDR-RE SELS	45.91	2.25	(1.95)	6.47	10.87	(5.99)	43.35	39.70	44.33	0.69	45.74	42.92	6%	16%	BULLISH
XLU	SPDR-UTIL SELS	64.60	0.50	(5.27)	(8.30)	(11.02)	(25.34)	65.40	63.60	63.23	0.36	65.04	61.42	-1%	2%	BULLISH
XLV	SPDR-HLTH CR	128.71	(0.08)	0.36	1.53	(4.36)	(9.36)	123.71	117.79	125.95	0.77	130.06	121.84	4%	9%	BULLISH
XLY	SPDR-CONS DISCR	182.49	0.34	2.37	(2.96)	(6.53)	(0.27)	174.96	168.16	178.55	1.14	185.04	172.06	4%	9%	BULLISH
XTN	SPDR-SP TRANSPT	84.71	(1.60)	(7.55)	(9.76)	0.30	20.41	88.34	81.42	84.95	1.39	88.25	81.65	-4%	4%	BULLISH
SDY	SPDR-SP DIV ETF	123.22	(0.28)	(5.80)	(2.96)	(0.29)	(0.46)	123.90	115.54	122.28	0.91	126.45	118.11	-1%	7%	BULLISH
RSP	INVS-SP5 EQ ETF	152.00	(0.56)	(3.10)	(1.13)	1.83	11.76	149.62	138.88	150.73	1.12	156.18	145.28	2%	9%	BULLISH
SLY	SPDR-SP6 SC	96.60	(1.17)	(5.80)	(3.69)	(3.58)	29.22	96.70	90.30	97.74	1.26	101.41	94.07	0%	7%	BULLISH
MDY	SPDR-SP MC 400	493.00	(0.55)	(4.82)	(5.01)	(3.89)	15.46	493.88	461.79	491.01	1.19	509.12	472.90	0%	7%	BULLISH
EEM	ISHARS-EMG MKT	53.55	(2.65)	(6.13)	(5.89)	(17.90)	(13.32)	54.35	53.64	55.15	0.80	56.97	53.33	-1%	0%	BULLISH
EFA	ISHARS-EAFE	79.56	(0.13)	(4.76)	(4.08)	(7.95)	(9.52)	79.60	76.31	78.88	0.83	81.51	76.25	0%	4%	BULLISH
IAU	ISHARS-GOLD TR	34.43	0.74	(6.70)	(2.62)	(16.50)	(36.96)	34.68	34.58	33.71	0.08	34.58	32.84	-1%	0%	BULLISH
GDX	VANECK-GOLD MNR	34.37	(0.55)	(13.20)	(9.03)	(16.26)	(47.66)	36.55	35.35	33.98	0.70	35.07	32.89	-6%	-3%	BULLISH
UUP	INVS-DB US$ BU	24.77	(0.53)	(1.26)	(3.93)	(12.05)	(42.29)	24.48	24.53	24.83	(0.11)	25.42	24.24	1%	1%	BEARISH
BOND	PIMCO-TOT RETRN	111.29	(0.02)	(2.68)	(3.65)	(15.00)	(37.65)	110.45	111.22	110.96	0.08	113.83	108.09	1%	0%	BEARISH
TLT	ISHARS-20+YTB	146.53	0.62	(0.02)	0.80	(17.34)	(49.07)	140.43	145.65	144.35	(0.25)	147.60	141.10	4%	1%	BEARISH
BNDX	VANGD-TTL INT B	57.32	(0.21)	(2.93)	(4.12)	(15.36)	(37.99)	57.02	57.59	57.10	0.03	58.54	55.66	1%	0%	BEARISH
HYG	ISHARS-IBX HYCB	88.00	(0.47)	(2.55)	(3.62)	(13.02)	(30.48)	87.38	87.07	88.04	0.37	90.57	85.51	1%	1%	BULLISH

RIA Pro

Real Investment Advice

Weekly Stock Screens

Currently, there are four different stock screens for you to review. The first is S&P 500 based companies with a *"Growth"* focus, the second is a *"Value"* screen on the entire universe of stocks, and the last are stocks that are "*Technically"* strong and breaking above their respective 50-dma.

We have provided the yield of each security and a Piotroski Score ranking to help you find fundamentally strong companies on each screen. ***(For more on the Piotroski Score - read this report.)***

S&P 500 Growth Screen

Ticker	Company	Current Price	Next 3-5 Yr Est EPS Gr rate	5 yr Hist Sales Gr	Div Yield	P/E using 12 mo EPS	Score
AMAT	Appld Matls Inc	132.53	17.97	9.73	0.72	24.86	9.00
DE	Deere & Co	343.58	20.15	9.08	1.05	23.68	9.00
KLAC	Kla Corp	303.09	14.03	17.32	1.19	23.59	9.00
LH	Laboratory Cp	277.13	10.56	8.02	0.00	9.14	9.00
PAYX	Paychex Inc	110.22	8.00	7.44	2.40	36.26	9.00
TGT	Target Corp	248.58	13.27	6.37	1.09	19.84	9.00
AAP	Advance Auto Pt	207.51	13.88	1.39	1.93	18.97	8.00
ADI	Analog Devices	163.91	12.25	11.10	1.68	28.36	8.00
AMD	Adv Micro Dev	89.74	35.01	20.18	0.00	64.10	8.00
AVGO	Broadcom Inc	470.50	15.00	14.64	3.06	21.57	8.00
INTU	Intuit Inc	506.09	14.82	13.32	0.47	65.90	8.00
KEYS	Keysight Tech	154.17	10.96	11.08	0.00	29.65	8.00
LOW	Lowes Cos	192.80	13.75	7.11	1.24	18.77	8.00
MLM	Martin Mrt-Matl	351.26	12.40	6.26	0.65	28.86	8.00
MXIM	Maxim Intg Pdts	98.39	10.00	0.41	0.00	34.52	8.00
NOC	Northrop Grummn	369.94	8.72	11.19	1.70	14.76	8.00
PYPL	Paypal Holdings	295.05	22.08	18.15	0.00	91.63	8.00
SNPS	Synopsys Inc	278.86	14.65	10.75	0.00	54.15	8.00
TXN	Texas Instrs	188.24	9.33	1.51	2.17	28.52	8.00
WAT	Waters Corp	365.68	7.08	2.54	0.00	35.85	8.00
WMT	Walmart Inc	139.59	5.50	3.18	1.58	23.34	8.00
WST	West Pharm Svc	373.11	25.79	8.70	0.18	64.44	8.00
ZTS	Zoetis Inc	196.96	12.86	8.12	0.51	47.35	8.00
A	Agilent Tech	148.83	13.00	6.76	0.52	39.27	7.00
AAPL	Apple Inc	143.24	12.50	7.22	0.61	32.15	7.00
ACN	Accenture Plc	309.15	10.00	6.63	1.14	37.25	7.00
AVY	Avery Dennison	207.48	7.00	3.71	1.31	26.43	7.00
BBY	Best Buy	108.16	8.28	3.93	2.59	11.41	7.00
CRL	Charles Rvr Lab	379.20	14.00	15.96	0.00	42.94	7.00
DG	Dollar General	219.66	11.31	10.53	0.76	20.21	7.00
HD	Home Depot	318.54	11.44	7.77	2.07	23.08	7.00
J	Jacobs Engin Gr	132.30	12.72	6.91	0.63	22.20	7.00
LDOS	Leidos Holdings	103.73	10.14	14.73	1.31	16.26	7.00
ORLY	O Reilly Auto	581.53	13.36	7.39	0.00	21.84	7.00
PH	Parker Hannifin	306.88	11.78	4.65	1.34	23.30	7.00
SEE	Sealed Air Corp	58.29	8.73	-6.08	1.37	17.93	7.00
TRMB	Trimble Inc	81.49	10.00	8.49	0.00	39.18	7.00
TT	Trane Tech Plc	187.24	21.50	0.89	1.26	37.22	7.00
UNH	Unitedhealth Gp	409.95	13.24	8.95	1.41	22.21	7.00
ADM	Archer Daniels	59.13	6.20	1.17	2.50	13.62	6.00
AME	Ametek Inc	133.03	10.18	5.54	0.60	33.26	6.00
ARE	Alexandria Real	186.90	7.15	18.33	2.40	25.29	6.00
COST	Costco Whole Cp	407.15	9.13	9.52	0.78	39.49	6.00
CTLT	Catalent Inc	112.89	20.92	14.41	0.00	44.44	6.00
MMC	Marsh &Mclennan	141.52	9.13	7.15	1.31	26.60	6.00
MSI	Motorola Solutn	222.31	9.00	7.02	1.28	29.52	6.00
MTD	Mettler-Toledo	1422.43	15.54	5.34	0.00	50.57	6.00
ODFL	Old Dominion Fl	256.44	21.94	8.38	0.31	40.90	6.00
PKG	Packaging Corp	136.13	5.00	4.06	2.94	22.50	6.00
RSG	Republic Svcs	112.40	9.85	2.07	1.51	30.05	6.00
XEL	Xcel Energy Inc	67.50	6.11	1.12	2.71	23.36	6.00

Low P/B, High-Value Score, High Dividend Screen

Ticker	Company	Current Price	Next 3-5 Yr Est EPS Gr rate	5 yr Hist Sales Gr	Div Yield	P/E F1/ LT EPS Gr	Score
INTU	Intuit Inc	506.09	14.82	13.32	0.47	4.70	8
MXIM	Maxim Intg Pdts	98.39	10.00	0.41	-	2.77	8
PYPL	Paypal Holdings	295.05	22.08	18.15	-	3.81	8
RGLD	Royal Gold Inc	114.89	10.00	6.61	1.04	2.98	8
SNPS	Synopsys Inc	278.86	14.65	10.75	-	4.12	8
TXN	Texas Instrs	188.24	9.33	1.51	2.17	2.72	8
WST	West Pharm Svc	373.11	25.79	8.70	0.18	2.02	8
ZTS	Zoetis Inc	196.96	12.86	8.12	0.51	3.41	8
CRNC	Cerence Inc	114.41	#N/A	#N/A	-	#N/A	7
FFIN	First Fin Bk-Tx	47.54	#N/A	11.75	1.26	#N/A	7
STAA	Staar Surgical	143.43	#N/A	20.15	-	#N/A	7
ARE	Alexandria Real	186.90	7.15	18.33	2.40	3.37	6
CPRT	Copart Inc	136.85	#N/A	14.92	-	#N/A	6
CTRE	Caretrust Reit	23.27	#N/A	14.47	4.56	#N/A	6
LSI	Life Storage	111.69	3.63	7.62	2.65	6.88	6
MTD	Mettler-Toledo	1,422.43	15.54	5.34	-	2.88	6
NOW	Servicenow Inc	560.47	27.83	34.39	-	16.70	6
REG	Regency Ctrs Cp	63.32	7.93	13.09	3.76	2.34	6
TECH	Bio-Techne Cp	460.87	21.00	11.07	0.28	3.26	6
ILMN	Illumina Inc	472.86	#N/A	9.81	-	#N/A	5
NVDA	Nvidia Corp	796.11	17.56	21.44	0.08	3.44	5
PLD	Prologis Inc	123.11	7.20	13.67	2.05	4.27	5
REXR	Rexford Ind Rty	57.96	8.77	28.15	1.66	4.51	5
RGEN	Repligen	206.36	#N/A	37.06	-	#N/A	5
TYL	Tyler Tech Inc	474.18	#N/A	11.63	-	#N/A	5
V	Visa Inc-A	236.61	18.71	9.47	0.54	2.26	5
ALGN	Align Tech Inc	616.79	23.20	24.58	-	2.99	4
DRE	Duke Realty Cp	48.84	6.87	3.34	2.09	4.22	4
EPR	Epr Properties	51.17	24.06	0.85	-	0.91	4
EQR	Equity Resident	80.36	3.20	1.58	3.00	9.05	4
RMD	Resmed Inc	250.73	13.88	12.13	0.62	3.23	4
TREX	Trex Company	100.27	#N/A	15.55	-	#N/A	4
GKOS	Glaukos Corp	77.17	#N/A	20.57	-	#N/A	3
PGNY	Progyny Inc	60.05	#N/A	#N/A	-	#N/A	3
XNCR	Xencor Inc	33.28	#N/A	14.09	-	#N/A	2

Fundamental Growth Screen

Ticker	Company	Current Price	Next 3-5 Yr Est EPS Gr rate	5 yr Hist Sales Gr	Div Yield	P/E using 12 mo EPS	Score
DE	Deere & Co	343.58	20.15	9.08	1.05	23.68	9.00
AMAT	Appld Matls Inc	132.53	17.97	9.73	0.72	24.86	9.00
KLAC	Kla Corp	303.09	14.03	17.32	1.19	23.59	9.00
TGT	Target Corp	248.58	13.27	6.37	1.09	19.84	9.00
AMD	Adv Micro Dev	89.74	35.01	20.18	-	64.10	8.00
WST	West Pharm Svc	373.11	25.79	8.70	0.18	64.44	8.00
PYPL	Paypal Holdings	295.05	22.08	18.15	-	91.63	8.00
AVGO	Broadcom Inc	470.50	15.00	14.64	3.06	21.57	8.00
INTU	Intuit Inc	506.09	14.82	13.32	0.47	65.90	8.00
SNPS	Synopsys Inc	278.86	14.65	10.75	-	54.15	8.00
AAP	Advance Auto Pt	207.51	13.88	1.39	1.93	18.97	8.00
LOW	Lowes Cos	192.80	13.75	7.11	1.24	18.77	8.00
ZTS	Zoetis Inc	196.96	12.86	8.12	0.51	47.35	8.00
MLM	Martin Mrt-Matl	351.26	12.40	6.26	0.65	28.86	8.00
ADI	Analog Devices	163.91	12.25	11.10	1.68	28.36	8.00
TT	Trane Tech Plc	187.24	21.50	0.89	1.26	37.22	7.00
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ORLY	O Reilly Auto	581.53	13.36	7.39	-	21.84	7.00
UNH	Unitedhealth Gp	409.95	13.24	8.95	1.41	22.21	7.00
A	Agilent Tech	148.83	13.00	6.76	0.52	39.27	7.00
J	Jacobs Engin Gr	132.30	12.72	6.91	0.63	22.20	7.00
AAPL	Apple Inc	143.24	12.50	7.22	0.61	32.15	7.00
ODFL	Old Dominion Fl	256.44	21.94	8.38	0.31	40.90	6.00
CTLT	Catalent Inc	112.89	20.92	14.41	-	44.44	6.00
MTD	Mettler-Toledo	1,422.43	15.54	5.34	-	50.57	6.00
GPN	Global Payments	188.12	19.11	19.64	0.41	29.67	5.00
V	Visa Inc-A	236.61	18.71	9.47	0.54	47.51	5.00
NVDA	Nvidia Corp	796.11	17.56	21.44	0.08	81.32	5.00
KMX	Carmax Gp (Cc)	133.27	15.17	6.07	-	18.74	5.00
ALGN	Align Tech Inc	616.79	23.20	24.58	-	107.27	4.00

Aggressive Growth Strategy

Ticker	Company	Current Price	Price/ Book	ROE 5 Yr Avg	Div Yield	Score
AGNC	Agnc Investment	16.53	0.89	12.77	8.71	8
BSRR	Sierra Bancorp	24.32	1.08	10.62	3.45	8
CMTV	Commnty Bcp Vt	20.00	1.39	13.02	4.40	8
FNCB	Fncb Bancorp	7.20	0.94	11.35	3.33	8
LOMA	Loma Negra Cia	6.85	1.35	21.10	3.71	8
NHTC	Natural Hlth Tr	6.82	1.19	31.03	11.73	8
NRIM	Northrim Bcp	40.63	1.09	10.38	3.64	8
UBCP	Utd Bancorp -Oh	14.11	1.22	10.37	4.11	8
WAYN	Wayne Svgs Bcsh	25.00	1.18	10.31	3.36	8
ABR	Arbor Rlty Trst	17.45	1.48	11.16	7.79	7
AINV	Apollo Inv Cp	13.58	0.86	10.34	9.13	7
CAC	Camden Ntl Corp	45.24	1.27	11.52	3.18	7
CADE	Cadence Bancorp	19.41	1.15	10.07	3.09	7
CATY	Cathay Genl Bcp	36.69	1.19	11.19	3.38	7
CIM	Chimera Invest	14.46	0.94	12.66	9.13	7
CRWS	Crown Crafts	7.62	1.82	13.77	4.20	7
DTE	Dte Energy Co	114.23	1.74	10.70	3.80	7
FCBP	First Choice Bc	28.77	1.18	11.93	3.48	7
FLIC	First Long Is	20.28	1.18	10.80	3.75	7
FMNB	Farmers Natl Bc	14.65	1.19	11.91	3.00	7
FNF	Fnf Group	42.21	1.48	15.72	3.41	7
FNLC	First Bancp Inc	27.85	1.34	11.80	4.60	7
GSBD	Goldman Sac Bdc	19.51	1.22	11.45	9.23	7
IBCP	Indep Bk Mich	20.29	1.15	12.20	4.14	7
NMFC	New Mountn Fin	13.18	1.01	10.27	9.10	7
PFG	Principal Finl	59.94	1.05	11.94	4.07	7
PRK	Park National	112.27	1.76	12.16	3.67	7
TRTN	Triton Intl Ltd	49.12	1.53	12.89	4.64	7
UGI	Ugi Corp	45.99	1.99	11.63	3.00	7
UVE	Univl Insur Hld	13.25	0.91	18.50	4.83	7
WBA	Walgreens Bai	46.72	1.79	19.73	4.00	7
WTBA	West Bancorp	26.72	1.89	14.82	3.59	7

Portfolio / Client Update

With our money flow signals returning to peaks, which typically precede a pickup in volatility, we took the opportunity to reduce our index trading positions. That action raised our cash levels by 5% to provide a bit more of a cash cushion for now.

As discussed in the main body of this week's newsletter, one of the more significant concerns is the sharp drop in yields over the last two weeks. Such suggests there is a problem brewing somewhere in the market. While that problem isn't evident at the moment, such doesn't mean it doesn't exist.

We are monitoring the markets closely. If our signals do get triggered, we will take further action to reduce risk exposures accordingly. In addition, we are watching all of our positions for violations of support or a change in fundamental underpinnings. At the current time, there are no *"red flags,"* but if things change, we will change as well.

Portfolio Changes

During the past week, we made minor changes to portfolios. In addition, we post all trades in real-time at ***RIAPRO.NET***.

***** Trading Update ? Equity and Sector Models *****

> *"Given the plunge in yields, there is something not "quite right" with the market. We are taking our DIA trading position off for now at a minimal loss to reduce our overall equity exposure. If the current sell-off begins to gain some traction, we will take further risk reduction actions" - 07/08/21*

Equity & ETF Model

- *Sell 100% of DIA*

> *"In the equity model, we sold NXPI as it performed poorly versus the tech sector and its weakening from a technical perspective. As we discussed this morning the tech sector is overbought as well. In the sector model, we reduced XLY and XLV by 1% each to reduce exposure to overweight sectors that are overbought." - 07/09/21*

Equity Model

- *Sell 100% of NXPI*

ETF Model

- *Reduce XLY by 1% of the portfolio.*
- *Reduce XLV by 1% of the portfolio*

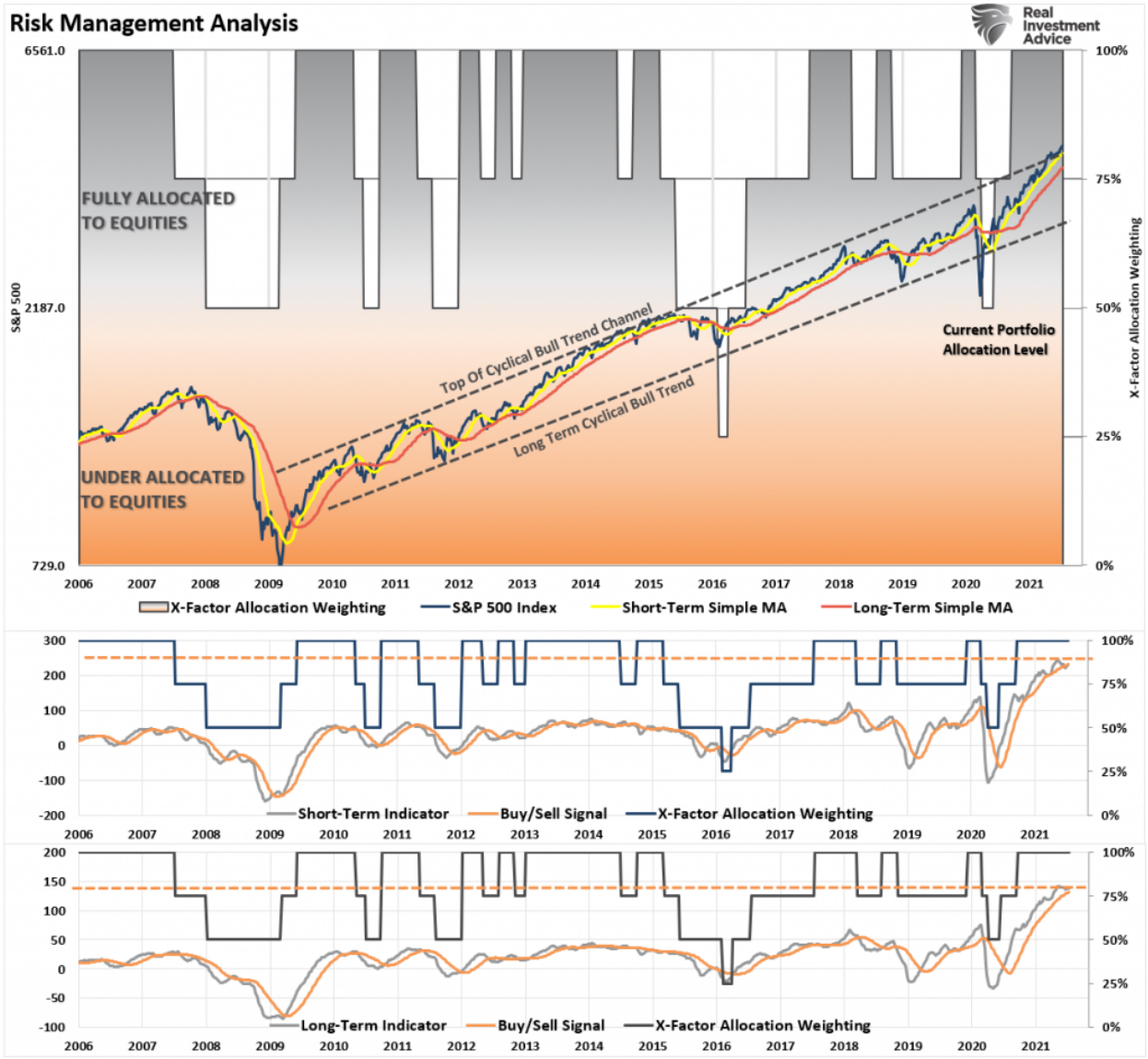
As always, our short-term concern remains the protection of your portfolio. Accordingly, we have shifted our focus from the election back to the economic recovery and where we go from here.

Lance Roberts

CIO

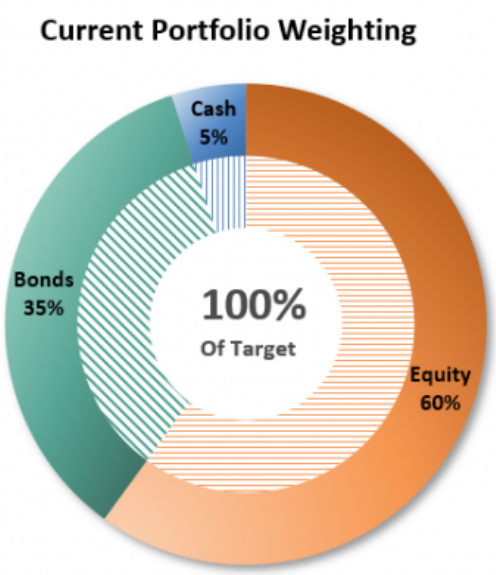
THE REAL 401k PLAN MANAGER

A Conservative Strategy For Long-Term Investors


Risk Management Analysis
Real Investment Advice
6561.0
2187.0
729.0
S&P 500
100%
75%
50%
25%
0%
X-Factor Allocation Weighting
FULLY ALLOCATED TO EQUITIES
UNDER ALLOCATED TO EQUITIES
Top Of Cyclical Bull Trend Channel
Long Term Cyclical Bull Trend
Current Portfolio Allocation Level
2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021
X-Factor Allocation Weighting
S&P 500 Index
Short-Term Simple MA
Long-Term Simple MA

300
200
100
0
-100
-200
100%
75%
50%
25%
0%
Short-Term Indicator
Buy/Sell Signal
X-Factor Allocation Weighting
2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021

200
150
100
50
0
-50
-100
100%
75%
50%
25%
0%
Long-Term Indicator
Buy/Sell Signal
X-Factor Allocation Weighting
2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021



Current 401k Allocation Model

5.00% **Cash + All Future Contributions**

Primary concern is the protection of investment capital

Examples: Stable Value, Money Market, Retirement Reserves

35.00% **Fixed Income (Bonds)**

Bond Funds reflect the direction of interest rates

Examples: Short Duration, Total Return and Real Return Funds

60.00% **Equity (Stocks)**

The vast majority of funds track an index.
Therefore, select on ONE fund from each category.
Keep it Simple.

20% Equity Income, Balanced or Conservative Allocation
30% Large Cap Growth (S&P 500 Index)
5% International
5% Mid-Cap

Portfolio Instructions:

Allocation Level To Equities	Recommendation	When To Take Action
Less Than Target Allocation	Hold Current Exposure	Hold Exposure
Equal To Target Allocation	Hold Current Exposure	Hold Exposure
Over Target Allocation	Hold Current Exposure	Hold Exposure

Commentary

As noted last week, the first two-weeks of July tend to be bullishly biased so continue to maintain exposure to market s for now. The market rallied to all-time highs, barely, to conclude the week keeping the bullish trend intact for now.

However, the breadth of the rally is becoming narrow with small and mid-caps, international and emerging markets lagging badly. For now, keep exposures at full weights, but hold new contributions in cash for now. We will likely get a correction over the next month or so to allow a better entry point for new money.

If you are underweight equity exposure stay where you are. We are still liekly to see more volatility over the next week or so. **Again, there is no need to be aggressive here. There isn't likely a lot of upside to the market as we head into summer. Downside risk outweighs upside reward.**

If you need help after reading the alert, do not hesitate to **contact me**.

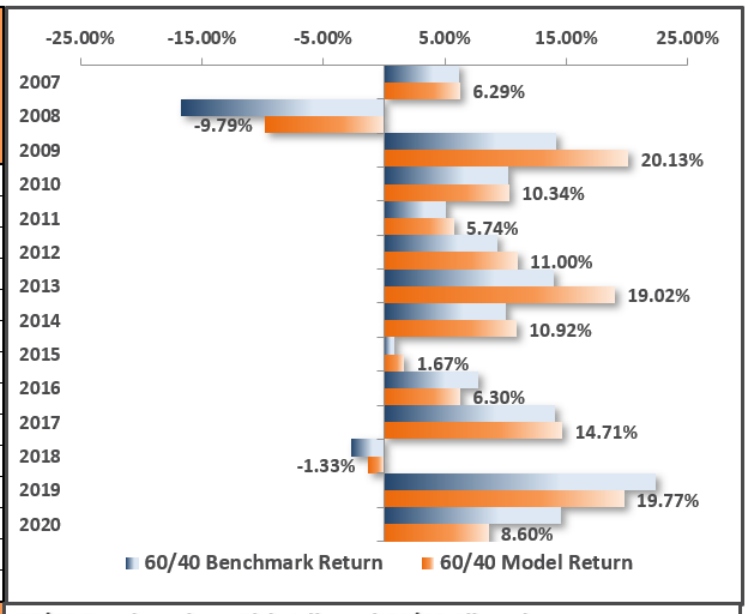


401k Model Performance Analysis

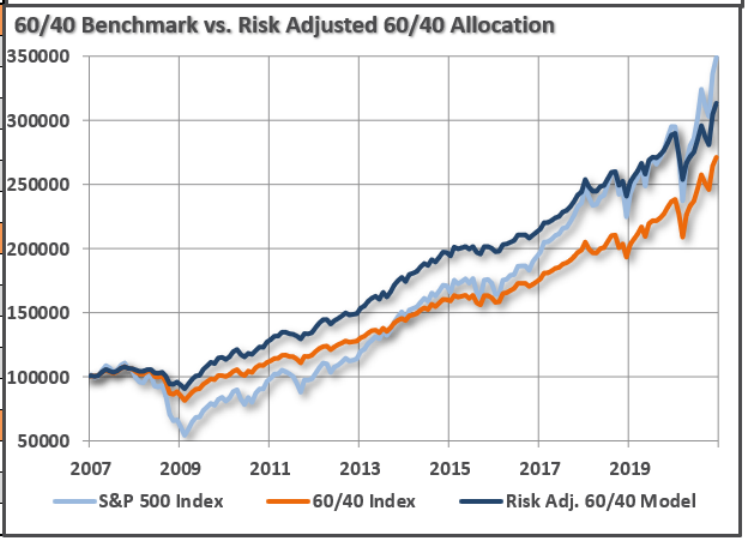
Model performance is a two-asset model of stocks and bonds relative to the weighting changes made each week in the newsletter. Such is strictly for informational and educational purposes only,

and one should not rely on it for any reason. Past performance is not a guarantee of future results. Use at your own risk and peril.

Year	60/40 Benchmark Return	60/40 Model Return
2007	6.16%	6.29%
2008	-16.73%	-9.79%
2009	14.14%	20.13%
2010	10.19%	10.34%
2011	5.11%	5.74%
2012	9.33%	11.00%
2013	13.94%	19.02%
2014	10.04%	10.92%
2015	0.88%	1.67%
2016	7.77%	6.30%
2017	14.12%	14.71%
2018	-2.71%	-1.33%
2019	22.41%	19.77%
2020	14.58%	8.60%



Portfolio vs Benchmark Statistics	
Number of Up Years	12
Number of Down Years	2
Best One Year Return Of Benchmark	22.41%
Best One Year Return Of Model	20.13%
Worst One Year Return Of Benchmark	-16.73%
Worst One Year Return Of Model	-9.79%
Benchmark Return 2007-Present	171.16%
Model Return 2007-Present	213.32%
Total Alpha Generated	42.17%
Mean Annual Return Of Benchmark	7.80%
Mean Annual Return Of Model	8.81%
Beta Of Model vs Benchmark	0.87
Jensens Alpha	1.91%
Sharpe Ratio	0.29



Have a great week!