



"Black Friday" Plunge As Market Rattled By Covid Variant

In this 11-26-21 issue of "Black Friday" Plunge As Market Rattled By Covid Variant

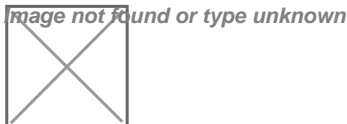
- **"Black Friday" As Market Plunges**
- **Time To Buy Oil**
- **Yes, Interest Rates Will Matter**
- **Portfolio Positioning**
- **Sector & Market Analysis**
- **401k Plan Manager**

Follow Us On: [Twitter](#), [Facebook](#), [Linked-In](#), [Sound Cloud](#), [Seeking Alpha](#)

Is It Time To Get Help With Your Investing Strategy?

Whether it is complete financial, insurance, and estate planning, to a risk-managed portfolio management strategy to grow and protect your savings, whatever your needs are, we are here to help.

[Schedule your "FREE" portfolio review today.](#)

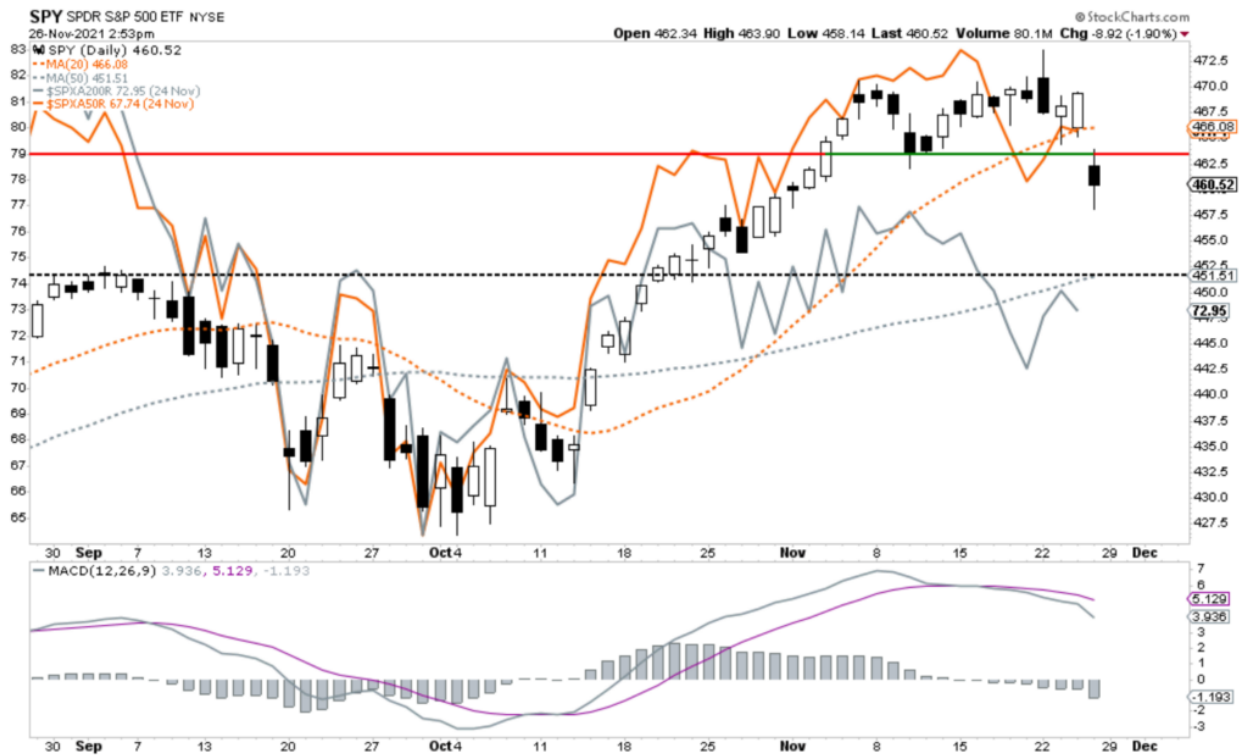


"Black Friday" As Market Plunges

Last week, we discussed the weakness of the underlying market as "FOMO" had returned to the market.

"The only concern we have is the lack of breadth as of late. As shown, the number of stocks above the 50-dma turned sharply lower this week. Furthermore, they are well below levels when markets typically make new highs. The same goes for the number of stocks trading above their 200-dma's."

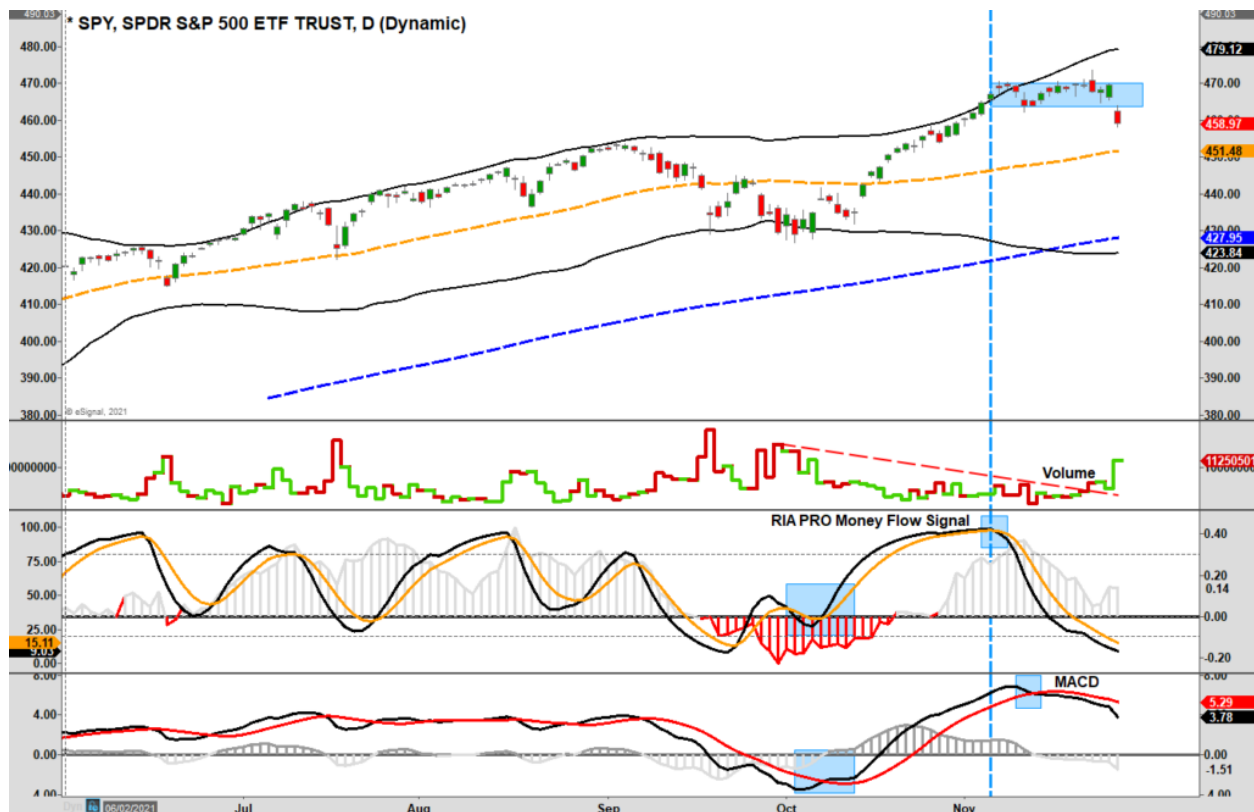
Chart updated through Friday.



Over the last couple of weeks, the market has been warning to the risk of a downturn, all that was needed was a catalyst to change sentiment.

That occurred as news of a new "Covid" variant broke, stocks marked "Black Friday" by plunging firmly through the 20-dma and support at recent lows. Notably, that downside break broke the consolidation pattern (blue box in the chart below) that began in early November. While there is some minor support around 4550, critical support lies at the 50-dma at 4527. That support level also corresponds to the September peak.

With mutual fund distributions running through the first two weeks of December, there is additional downside pressure on stocks near term. **However, our "money flow sell" signal is firmly intact and confirmed by the MACD signal. Such suggests we continue to maintain slightly higher levels of cash.**



Notably, the market is getting oversold near-term, with the money-flow signal depressed. Such suggests that any further weakness will provide a short-term trading opportunity. As discussed last week, the statistical odds are high that we will see a "Santa Rally" as most professional managers will position for year-end reporting.

Just remember, nothing is guaranteed. We can only make educated guesses.

Will The Fed Slow Their Roll

While "Black Friday" usually marks the beginning of the retail shopping season, the question is whether the new "variant," which is flaring concerns of additional lock-downs, will reverse the current economic recovery. [As Barron's notes](#), it will be worth watching the Fed closely.

"Fixed-income markets are signaling that the Federal Reserve will have to increase interest rates sooner than expected, which could put a dent in the stock market.

The yield on the 2-year Treasury note has gone from 0.5% in early November to 0.64% as of Wednesday. The move suggests that investors expect the Fed to raise interest rates to combat inflation that remains higher than expected because of soaring consumer demand and supply chains that are struggling to match demand.

Indeed, minutes released Wednesday from the Fed's meeting earlier this month show that members of the central bank are prepared to increase rates sooner than previously anticipated if inflation remains high."

Of course, this was before "Black Friday" sent yields plunging 10% lower in a single day. Suddenly, the bond market is starting to question the sanity of hiking rates in the face of an ongoing pandemic.



While many pundits have suggested higher interest rates won't matter to stocks, as we will discuss momentarily, they do matter and often matter a lot.

The surge in the new variant gives the Fed an excuse to hold off tightening monetary policy even though inflationary pressures continue to mount. But, what is most important to the Fed is the illusion of *"market stability."*

What *"Black Friday's"* plungeshowed was that despite the Fed's best efforts, *"instability"* is the most significant risk to the market and you.

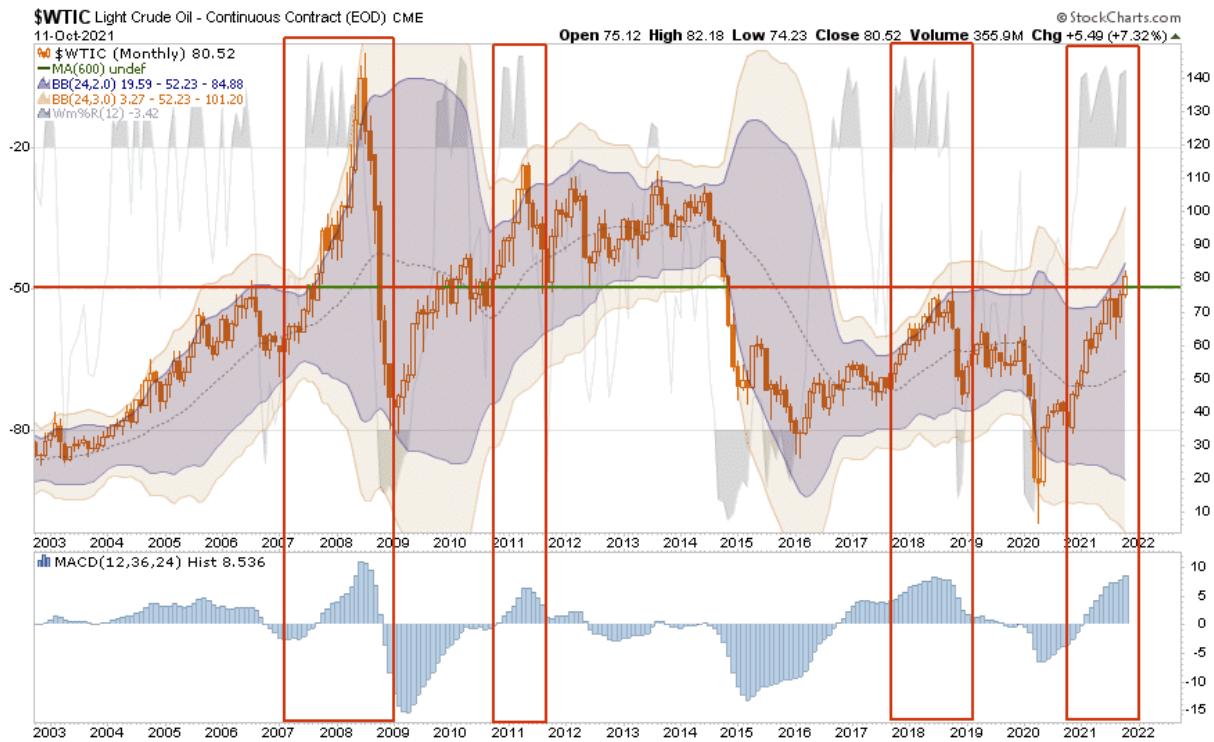
More on this in a moment.

[dmc]

Time To Buy Oil?

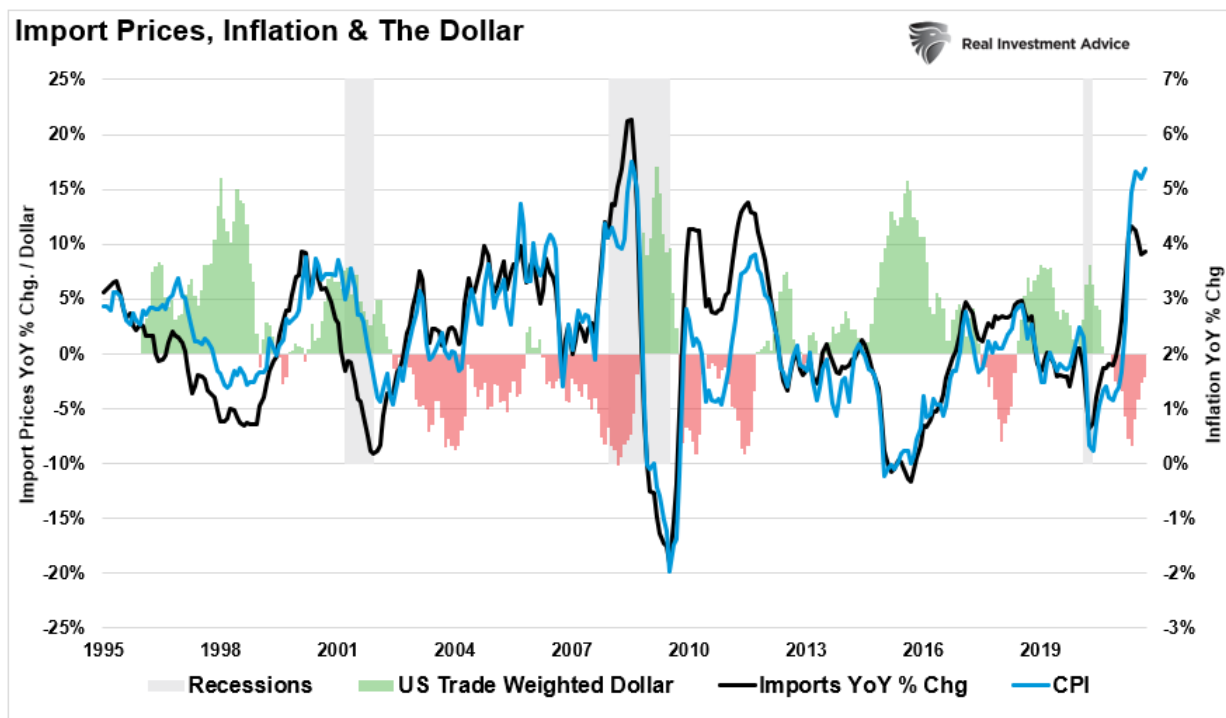
Once a quarter, I review the [Commitment Of Traders report](#) to see where speculators place their bets on bonds, the dollar, volatility, the Euro, and oil. In October's update, I looked at oil prices that were then pushing higher as speculators were sharply increasing their net-long positioning on crude oil.

We suggested then that **"the current extreme overbought, extended, and deviated positioning in crude will likely lead to a rather sharp correction."** (*The boxes denote previous periods of exceptional deviations from long-term trends.*)

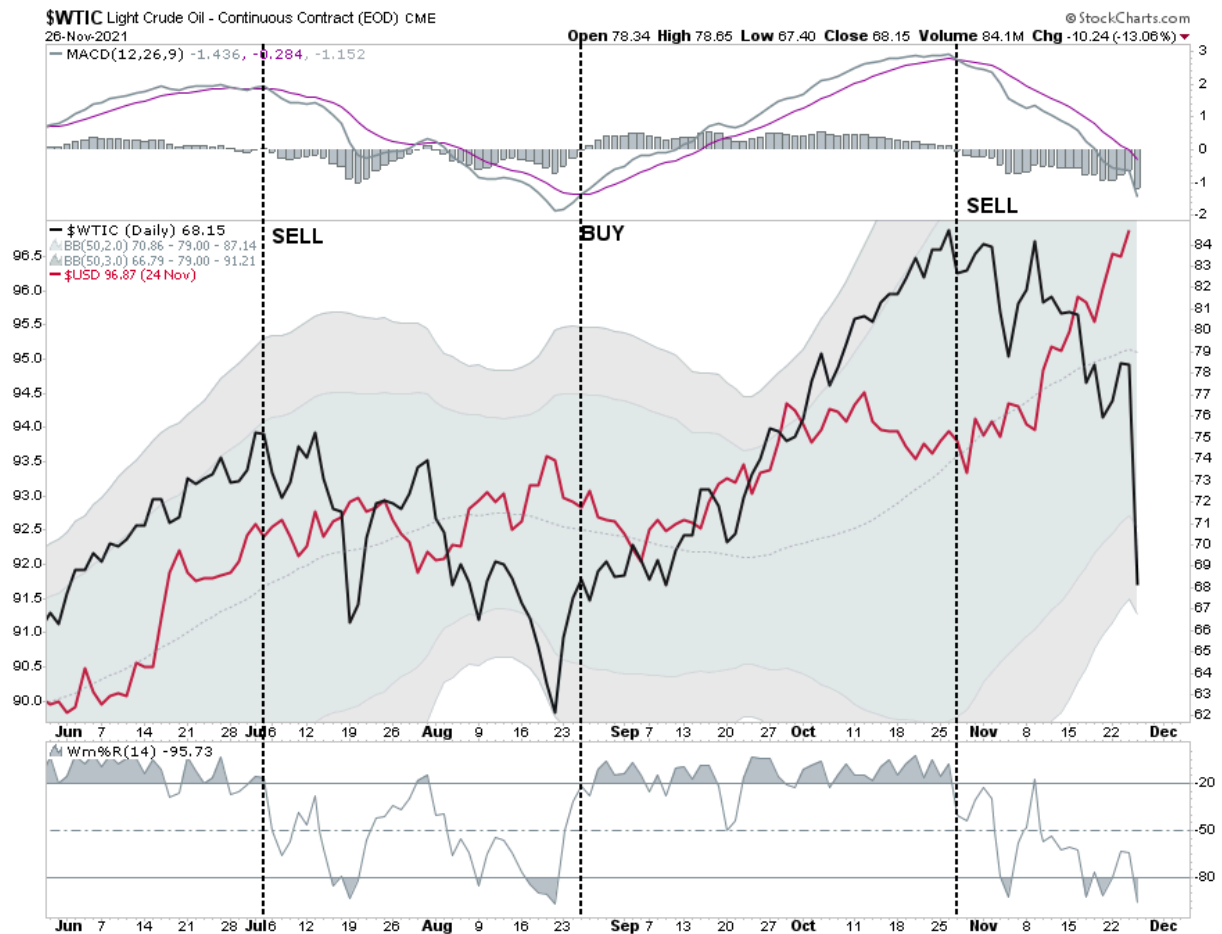


The dollar rally was the most crucial key to a view of potentially weaker oil prices. Given that commodities are globally priced in U.S. dollars, the strengthening of the dollar would reduce oil demand. To wit:

"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." - June 2021



Since then, as expected, the dollar rally is beginning to weigh on commodity prices, and oil in particular.



While the dollar could certainly rally further heading into year-end, oil prices are becoming much more attractive from a trading perspective. The recent correction did violate the 50-dma, which will act as short-term resistance. However, prices are beginning to reach more attractive oversold levels.

There are also reasons to believe higher oil prices are coming.

RIA Pro

Set up your own portfolio today and start getting actionable intelligence.

> Sign up now

Higher Oil Prices Coming

The Biden administration released oil from the "Strategic Petroleum Reserve," attempting to lower oil prices. He also tasked the DOJ to "investigate oil companies for potential price gouging." These actions are thinly veiled attempts to regain favor with voters but will not lower oil prices.

Oil prices are NOT SET by producers. Instead, speculators and hedgers set oil prices on the NYMEX. Think about it this way:

- ***If oil companies are setting prices to "reap profits," why did oil prices go below ZERO in 2020?***
- ***Furthermore, would producers need to "hedge" current production against future delivery?***

There are two drivers reflecting positioning by speculators and hedgers:

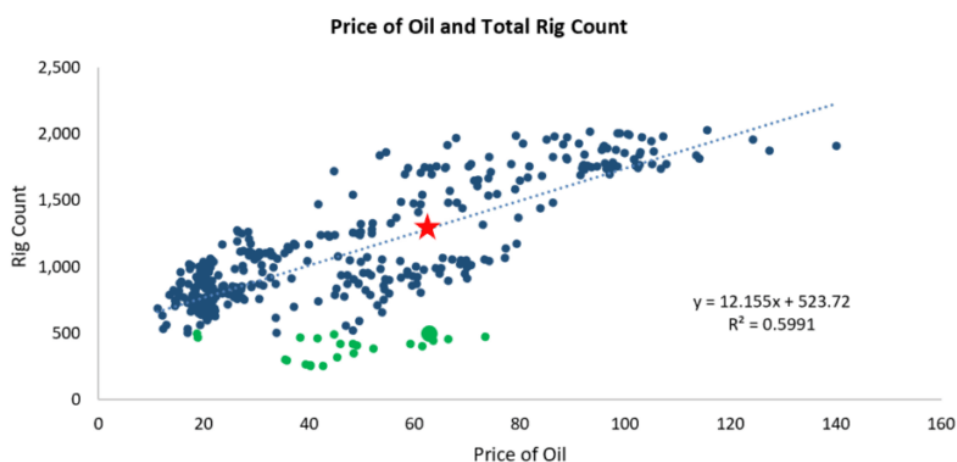
1. *The expected supply and demand for oil; and,*
2. *The value of the dollar.*

The more critical problem comes from the Administrations' attack on production over "*climate change*" policies. As noted in [Crude Investing: Energy Stocks & ESG \(kailashconcepts.com\)](https://kailashconcepts.com):

"This isn't rocket science. Look at the sharply lagging rig response to the rise in energy prices post the Covid crash. This is an anomaly."

According to history, there should be ~1,300 rigs in operation today based on current oil prices. With only ~480 rigs running today, oil's prospects may be bright over the long haul."

Fig. 4: The **Current Rig** Count Has Historically Suggested a Rise in Oil Prices

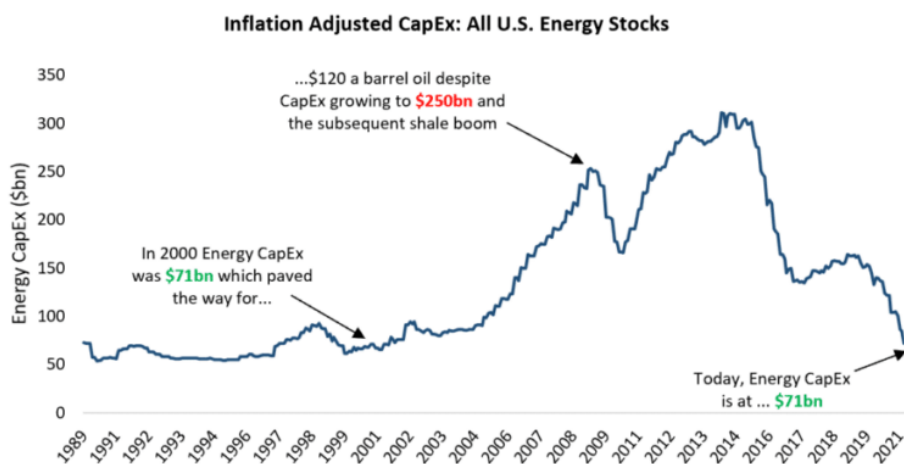


Source: Kailash Capital, LLC, Bloomberg; Data from 12/31/1989-7/31/2021

With output at such low levels, OPEC+ refusing to increase production, and "*inefficient clean energy*" increasing demand on "*dirty energy*," higher future prices are likely.

If the economy falls into a tailspin, oil prices will fall along with demand, so nothing is assured. However, the ongoing decline in CapEx in the industry suggests production will continue to contract, leaving it well short of future demand.

Fig. 1: Collapsing CapEx, ESG & "Peak Energy Demand" May Set the Stage for Higher Energy Prices

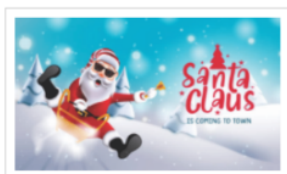


Source: Kailash Capital, LLC; Data from 12/31/1989-7/31/2021

Chart courtesy of Kailash Concepts

That is the perfect environment for higher prices.

In Case You Missed It



Santa Claus Rally Is Coming, But Will Markets Correct First?

Written by Lance Roberts | Nov 23, 2021

Investors have high hopes for the annual "Santa Claus" rally. But, could there be a...

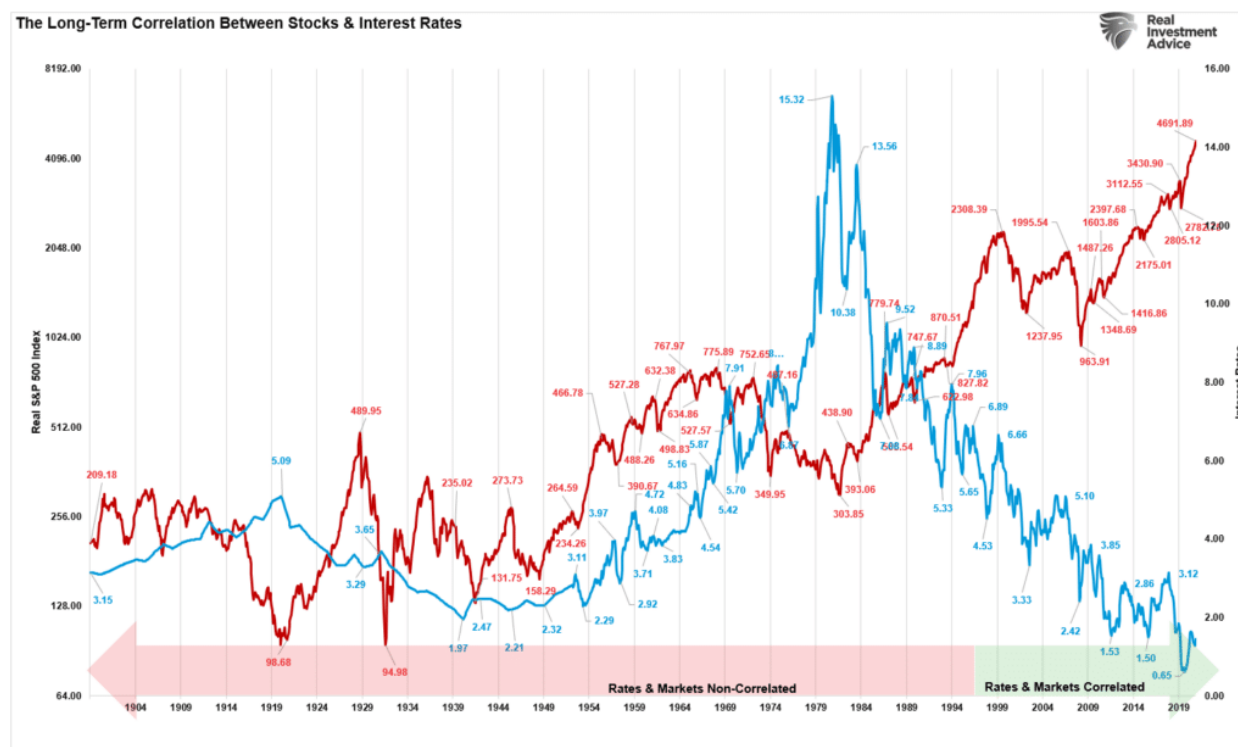
[> Read More](#)

Higher Interest Rates Will Lead To Market Volatility

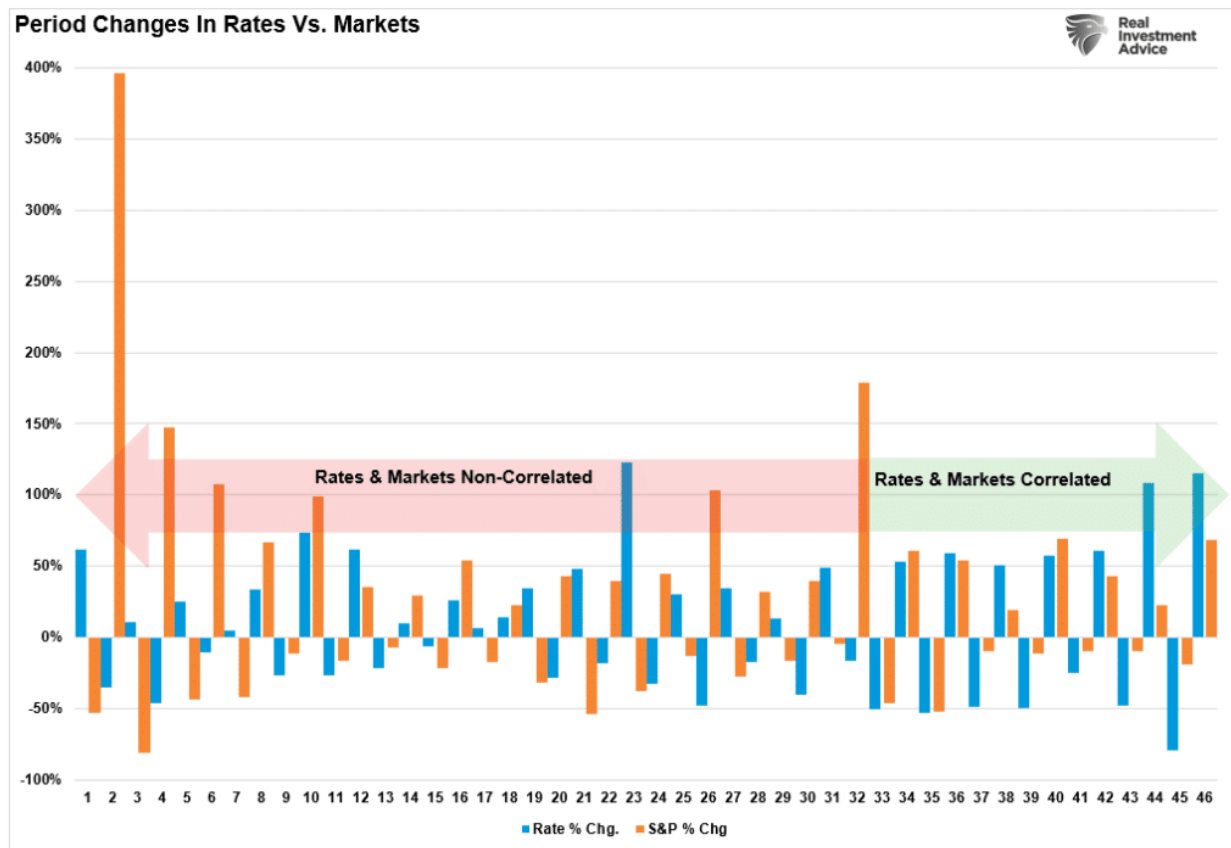
Did "Black Friday's" plunge send a warning about rates? Last week, we discussed that it isn't a question of if, but only one of when.

I showed the correlation between [interest rates and the markets](#). With the sharp drop in rates, it is worth reminding you of the analysis. **It is all about "instability."**

The chart below is the monthly ?real,? inflation-adjusted return of the S&P 500 index compared to interest rates. The data is from Dr. Robert Shiller, and I noted corresponding peaks and troughs in prices and rates.



To try and understand the relationship between stock and bond returns over time, I took the data from the chart and broke it down into 46 periods over the last 121-years. What jumps is the high degree of non-correlation between 1900 and 2000. **As one would expect, in most instances, if rates fell, stock prices rose. However, the opposite also was true.**



Rates Matter

Notably, since 2000, rates and stocks rose and fell together. So bonds remain a "haven" against market volatility.

As such, In the short term, the markets (*due to the current momentum*) can **DEFY the laws of financial gravity** as interest rates rise. **However, as interest rates increase, they act as a "brake" on economic activity.** Such is because higher rates **NEGATIVELY** impact a highly levered economy:

- Rates increases debt servicing requirements reducing future productive investment.
- Housing slows. People buy payments, not houses.
- Higher borrowing costs lead to lower profit margins.
- The massive derivatives and credit markets get negatively impacted.
- Variable rate interest payments on credit cards and home equity lines of credit increase, reducing consumption.
- Rising defaults on debt service will negatively impact banks which are still not as well capitalized as most believe.
- Many corporate share buyback plans and dividend payments are done through the use of cheap debt.
- Corporate capital expenditures are dependent on low borrowing costs.
- The deficit/GDP ratio will soar as borrowing costs rise sharply.

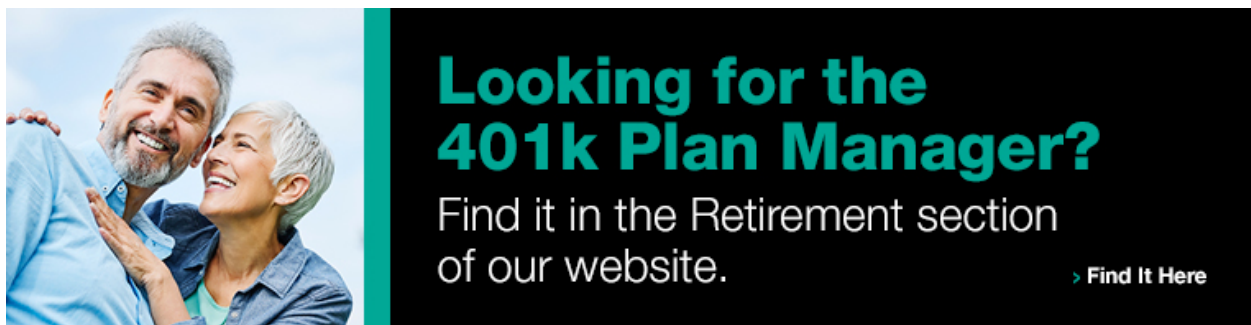
Critically, for investors, one of the main drivers of assets prices over the last few years was the rationalization that *"low rates justified high valuations."*

Either low-interest rates are bullish, or high rates are bullish. Unfortunately, they can't be both.

What *"Black Friday's"* plunge showed was the correlation between rates and equity prices remains. Such is due to market participants' *"risk-on"* psychology. However, that correlation cuts both ways. When something changes investor sentiment, the *"risk-off"* trade (*bonds*) is where money flows.

The correlation between interest rates and equities suggests that bonds will remain a haven against risk if something breaks given **exceptionally high market valuations**. The market's plunge on *"Black Friday"* was likely a *"shot across the bow."*

It might just be worth evaluating your bond allocation heading into 2022.



The advertisement features a photograph of a smiling older couple on the left. To their right, on a black background, is the text "Looking for the 401k Plan Manager?" in large teal letters, followed by "Find it in the Retirement section of our website." in white. A small teal arrow points to the text "> Find It Here".

Portfolio Update

We made no substantive changes to portfolio allocations this past week given due to the holidays. Generally, the week of Thanksgiving is a poor indicator of market sentiment given the *"inmates are running the asylum."*

Therefore, despite the market swinging around a good bit this past week, we will re-evaluate our positioning and holdings when institutional traders return to their desks next week.

However, as a reminder:

*"Over the last two weeks, we took profits in overbought and extended equities. We also shortened our bond duration by trimming our longer-duration holdings. Such actions rebalanced portfolio risk short-term. **In addition, we run a 60/40 allocation model for our clients; such left us slightly underweight equities and bonds and overweight cash.**"*



Despite the sell-off on Friday, the bullish bias remains strong. We also remain in the "*seasonally strong*" period of the year, and the seemingly endless supply of money continues to flood into equities.

However, as discussed most of this week, mutual fund distributions will begin in earnest and continue through the second week of December. **Such suggests we could see some additional volatility and potential weakness in the market as those distributions get made.**

Critically, any correction will provide a decent entry point for the year-end "*Santa Claus*" rally and the first week of January, which tend to be strong. Therefore, we will try and take advantage of that.

While Friday's plunge likely shocked you out of your "*tryptophan-induced*" coma, I hope you had a Happy Thanksgiving.

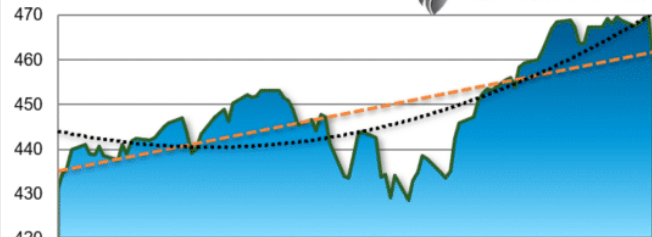
See you next week.

By Lance Roberts, CIO

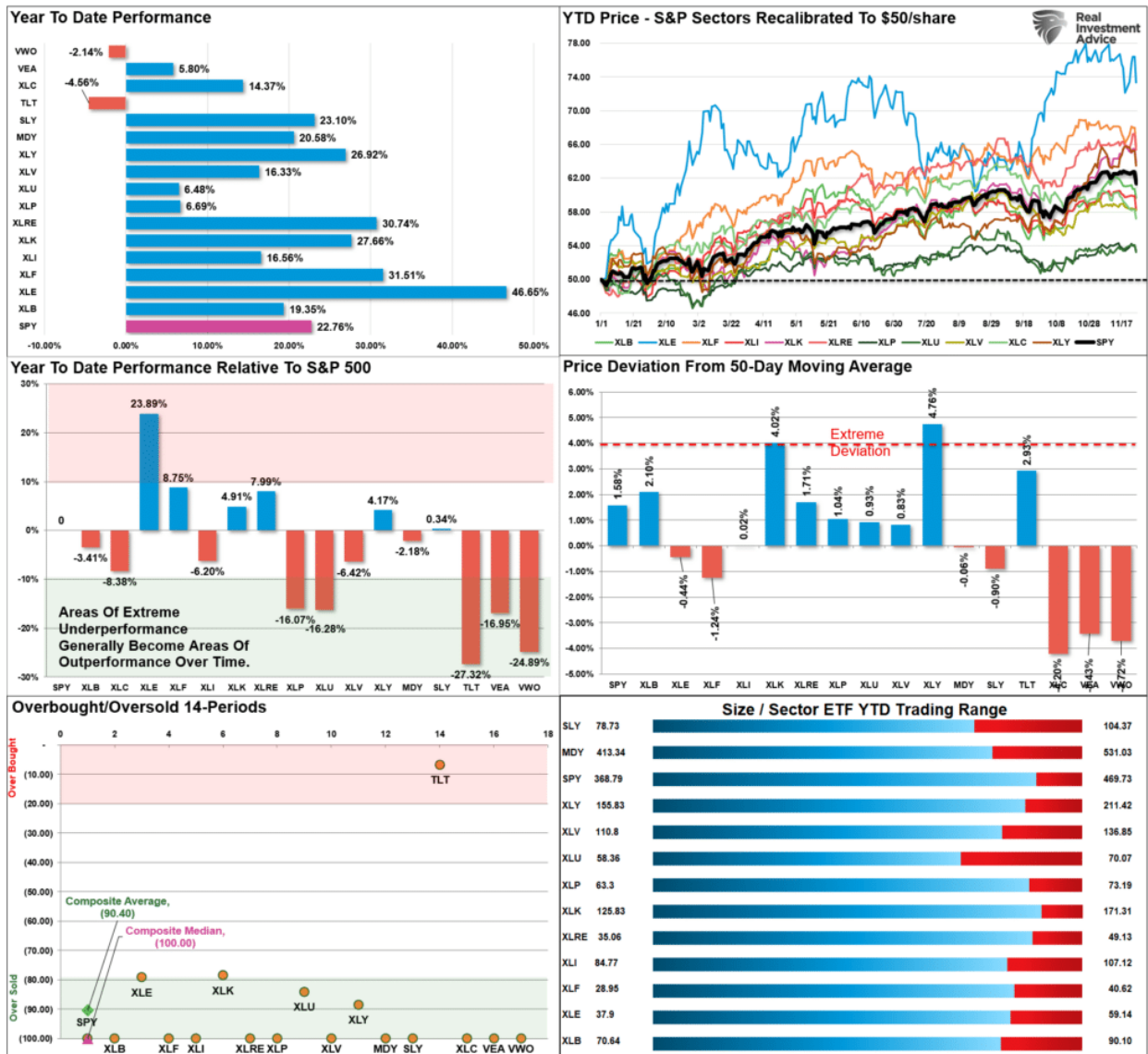
Market & Sector Analysis

Analysis & Stock Screens Exclusively For RIAPro Members

S&P 500 Tear Sheet

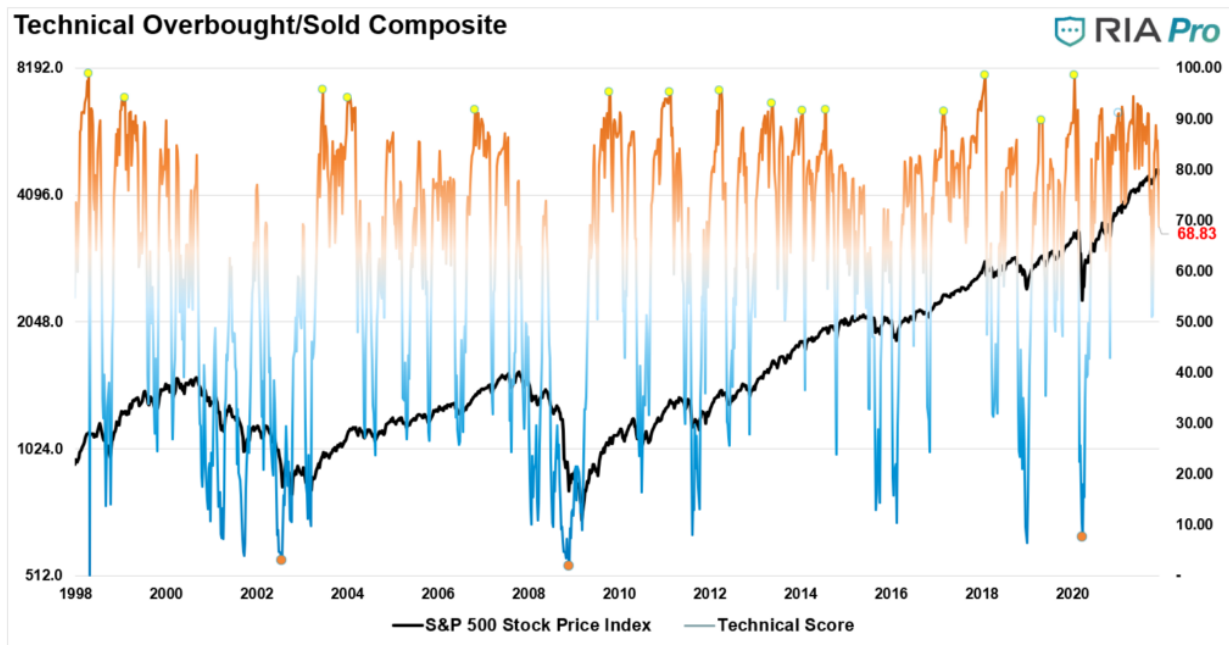
3 Month SPY Price									SPY RISK INFO				
									Item	T 2-Yr	T 1-Yr.	YTD	% Diff YTD/T1-YR
									Price Return	46.13%	26.56%	22.76%	(14.30%)
									Max Drawdown	(35.63%)	(6.10%)	(6.10%)	0.00%
									Sharpe	0.91	2.67	2.17	(0.19)
									Sortino	0.98	3.22	2.88	(0.10)
									Volatility	25.13	12.07	12.45	0.03
									Daily VaR-5%	(14.52)	9.37	6.57	(0.30)
									Mnthly VaR-5%	(7.74)	6.82	11.30	0.66
S&P 500 Market Cap Analysis													
Item	2 years ago	1 year ago	Current	1 Yr % Change	5 Year High	5 year Low	% From High	% From Low	Item	12-M Ago	Current	% Chg	
Dividend Yield	1.80%	1.59%	1.24%	(28.39%)	2.14%	1.20%	(42.29%)	2.75%	Shares	2,859.2	2,772.6	(3.03%)	
P/E Ratio	19.79	26.38	23.96	(10.13%)	2903%	1643%	(17.5%)	45.77%	Sales	67,973	76,986	13.26%	
P/S Ratio	3.78	4.09	4.97	17.66%	5.12	3.15	(2.94%)	57.91%	SPS	23.8	27.8	16.80%	
P/B Ratio	5.04	5.38	7.03	23.52%	7.06	4.17	(0.43%)	68.58%	Earnings	10,251	14,735	43.74%	
ROE	21.78%	19.98%	27.97%	28.54%	27.97%	17.68%	0.00%	58.21%	EPS TTM	4.0	5.8	42.72%	
ROA	4.28%	3.71%	4.99%	25.54%	4.99%	3.51%	0.00%	41.89%	Dividend	1.5	1.7	8.77%	
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	43.87%	2.80%	1.78	21.61	120.90	(330.04)	(82.1%)	8.6%	4.0%	2.23%	4.52	12.04	
Materials	21.40%	2.52%	1.18	18.54	27.12	14.16	(31.6%)	16.7%	1.8%	4.64%	5.64	16.34	
Industrials	15.68%	7.97%	1.19	31.92	54.23	14.69	(41.1%)	15.4%	1.4%	3.12%	6.18	21.14	
Discretionary	28.38%	13.11%	1.32	44.02	60.06	21.30	(26.7%)	28.7%	0.5%	2.29%	6.47	32.54	
Staples	7.38%	5.58%	0.64	21.96	23.01	17.65	(4.5%)	31.1%	2.5%	4.54%	4.64	20.64	
Health Care	21.07%	12.59%	0.75	18.05	19.73	15.29	(8.5%)	33.4%	1.5%	5.16%	8.25	17.45	
Financials	34.66%	11.11%	1.29	13.41	18.52	10.58	(27.6%)	12.2%	1.7%	7.39%	6.69	15.30	
Technology	36.43%	28.77%	1.07	31.61	32.87	16.66	(3.9%)	76.2%	0.8%	2.89%	6.10	28.00	
Telecom	30.98%	10.44%	0.91	23.82	28.26	17.65	(15.7%)	18.4%	0.5%	3.85%	9.59	21.83	
Utilities	3.12%	2.37%	0.45	19.70	22.09	16.35	(10.8%)	10.8%	3.1%	4.87%	3.53	19.17	
Real Estate	28.36%	2.63%	0.95	24.25	25.68	17.12	(5.6%)	9.6%	2.4%	3.91%	4.67	23.75	
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	458.97	3.98%	452.04	31	1.53%	429.05	275	6.97%	5.36%	(3.08%)	27.79%	Buy	
Mid Cap	506.35	3.98%	507.06	32	(0.14%)	492.90	275	2.73%	2.87%	(5.10%)	28.14%	Buy	
Small Cap	97.91	3.25%	98.88	41	(0.98%)	96.48	48	1.49%	2.49%	(7.02%)	32.99%	Buy	

Performance Analysis



Technical Composite

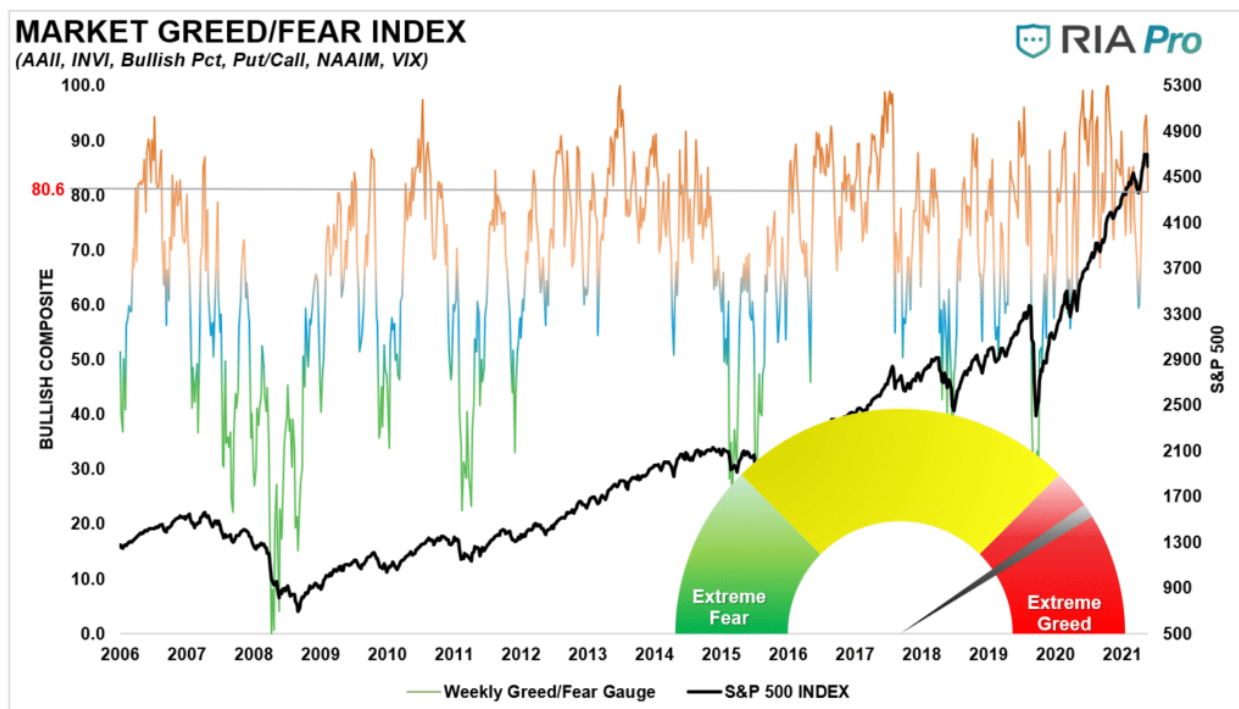
The technical overbought/sold gauge comprises several price indicators (RSI, Williams %R, etc.), measured using "weekly" closing price data. Readings above "80" are considered overbought, and below "20" are oversold. **The current reading is 65.83 out of a possible 100.**



Portfolio Positioning "Fear / Greed" Gauge

Our "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 current reading is 80.55 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. **(Ranges reset on the 1st of each month)**
- Table shows the price deviation above and below the weekly moving averages.

RELATIVE PERFORMANCE		Current	PERFORMANCE RELATIVE TO S&P 500 INDEX					SHORT WMA	LONG WMA	MONTH END PRICE	REL S&P BETA	RISK RANGE		% DEV - Short MIA	% DEV - Long MIA	M/A XVER SIGNAL
Ticker	ETF NAME	Price	1 Week	4 Week	12 Weeks	24 Weeks	52 Weeks					HIGH	LOW			
IVV	ISHARS-SPS500	460.82	(2.17)	(0.00)	1.22	8.45	26.20	453.37	437.68	460.99	0.99	472.51	449.47	2%	5%	BULLISH
XLB	SPDR-MATLS SELS	86.40	0.00	1.58	(0.01)	(8.12)	(5.72)	84.62	84.22	85.12	1.06	88.15	82.09	2%	3%	BULLISH
XLC	SPDR-COMM SV SS	77.18	(0.98)	(3.81)	(10.92)	(11.74)	(8.61)	81.52	80.41	80.30	0.97	83.08	77.52	-5%	-4%	BULLISH
XLE	SPDR-EOY SELS	55.58	3.83	(3.21)	13.10	(8.09)	16.64	54.27	52.32	57.47	1.67	59.87	55.07	2%	6%	BULLISH
XLF	SPDR-FINL SELS	38.77	1.53	(3.62)	0.62	(5.23)	9.97	38.98	37.67	40.26	1.18	41.74	38.78	-1%	3%	BULLISH
XLK	SPDR-TECH SELS	165.99	(0.94)	2.84	2.94	8.47	9.12	159.31	150.69	161.53	1.04	167.26	155.80	4%	10%	BULLISH
XLI	SPDR-INDU SELS	103.21	(0.22)	(1.14)	(2.54)	(8.74)	(10.90)	103.19	103.00	104.49	1.19	108.34	100.64	0%	0%	BULLISH
XLP	SPDR-CONS STPL	71.96	2.04	1.08	(2.41)	(7.91)	(18.67)	71.45	70.87	71.25	0.63	73.48	69.02	1%	2%	BULLISH
XLRE	SPDR-RE SELS	47.80	1.32	0.04	(3.13)	(3.25)	3.62	47.17	45.35	47.82	0.70	49.35	46.29	1%	5%	BULLISH
XLU	SPDR-UTL SELS	66.76	1.36	(0.14)	(5.19)	(7.46)	(21.50)	66.73	66.24	66.91	0.40	68.85	64.97	0%	1%	BULLISH
XLV	SPDR-HLTH CR	131.97	1.41	(1.30)	(4.79)	(2.49)	(5.62)	131.72	128.36	133.82	0.75	138.17	129.47	0%	3%	BULLISH
XLV	SPDR-CONS DISCR	204.07	(1.31)	1.53	9.98	9.37	2.77	192.40	182.81	201.15	1.13	208.46	193.84	6%	12%	BULLISH
XTN	SPDR-SP TRANSP	92.29	(0.87)	1.74	5.33	(4.47)	4.43	90.44	88.22	90.78	1.33	94.26	87.30	2%	5%	BULLISH
SDY	SPDR-SP DIV ETF	123.71	0.89	0.53	(1.89)	(10.88)	(9.13)	122.81	123.25	123.16	0.90	127.35	118.97	1%	0%	BEARISH
RSP	INVS-SPS EQ ETF	156.46	0.17	(0.74)	(1.49)	(5.64)	(0.24)	156.39	152.72	157.76	1.10	163.44	152.08	0%	2%	BULLISH
SLY	SPDR-SPE SC	97.91	(1.28)	0.09	(0.77)	(9.95)	3.50	98.24	96.85	97.90	1.20	101.53	94.27	0%	1%	BULLISH
MDY	SPDR-SP MC 400	506.35	(1.12)	(0.47)	(0.65)	(7.63)	(0.45)	504.74	497.03	509.14	1.17	527.80	490.48	0%	2%	BULLISH
EEM	ISHARS-EMG MKT	48.70	(2.19)	(4.28)	(9.54)	(20.37)	(26.86)	51.37	52.71	50.92	0.77	52.59	49.25	-5%	-8%	BEARISH
EFA	ISHARS-EAFE	77.13	(1.83)	(4.09)	(7.24)	(13.23)	(18.65)	80.22	79.81	80.49	0.82	83.16	77.82	-4%	-3%	BULLISH
IAU	ISHARS-GOLD TR	33.96	(1.22)	0.17	(3.69)	(13.48)	(26.56)	34.11	34.32	33.93	0.09	34.81	33.05	0%	-1%	BEARISH
GDX	VANECK-GOLD MNR	32.12	(2.44)	1.37	(4.71)	(24.54)	(32.37)	32.02	34.06	31.71	0.69	32.72	30.70	0%	-6%	BEARISH
UUP	INVS-DB USS BU	25.77	2.24	2.14	2.99	(2.62)	(22.13)	25.22	24.86	25.25	(0.11)	25.85	24.65	2%	4%	BULLISH
BOND	PIMCO-TOT RETRN	109.52	2.05	(0.39)	(2.98)	(9.74)	(28.96)	110.41	110.66	110.04	0.08	112.88	107.20	-1%	-1%	BEARISH
TLT	ISHARS-20+YTB	150.53	3.63	2.00	0.37	(2.67)	(32.25)	146.86	144.52	147.69	(0.23)	151.05	144.33	2%	4%	BULLISH
BNDX	VANGD-TTL INT B	57.15	2.04	0.93	(2.02)	(8.69)	(28.59)	57.07	57.21	56.67	0.03	58.10	55.24	0%	0%	BEARISH
HYG	ISHARS-IBX HYCB	85.47	0.91	(1.60)	(4.11)	(10.90)	(27.29)	87.25	87.36	86.93	0.35	89.41	84.45	-2%	-2%	BEARISH



RISK RANGE REPORT



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
LH	Laboratory Cp	283.73	10.56	10.39	0.00	8.78	9.00
PAYX	Paychex Inc	125.08	7.50	7.31	2.11	37.90	9.00
TMO	Thermo Fisher	633.00	14.00	15.68	0.16	24.67	9.00
WRB	Berkley (Wr) Cp	83.50	9.00	2.45	0.62	18.60	9.00
CBRE	Cbre Group Inc	104.24	11.00	17.33	0.00	20.60	8.00
GOOG	Alphabet Inc-C	2934.35	26.00	20.46	0.00	28.26	8.00
GOOGL	Alphabet Inc-A	2922.40	25.82	20.46	0.00	28.14	8.00
GPC	Genuine Parts	136.36	11.96	3.05	2.39	20.54	8.00
IPG	Interpublic Grp	34.47	12.61	5.10	3.13	13.06	8.00
KEYS	Keysight Tech	199.66	8.54	11.13	0.00	34.78	8.00
TER	Teradyne Inc	150.83	19.88	14.86	0.27	26.42	8.00
TGT	Target Corp	248.76	14.40	8.56	1.45	19.09	8.00
WST	West Pharm Svc	433.72	27.65	11.17	0.17	54.83	8.00
AMD	Adv Micro Dev	157.80	46.20	24.54	0.00	73.06	7.00
BRK.B	Berkshire Hth-B	287.28	7.00	2.20	0.00	26.09	7.00
CDNS	Cadence Design	183.47	18.17	10.83	0.00	69.23	7.00
CVX	Chevron Corp	117.19	5.53	-3.74	4.57	21.08	7.00
EXR	Extra Space Stg	204.32	11.35	8.12	2.45	31.58	7.00
JBHT	Hunt (Jb) Trans	200.23	15.00	11.22	0.60	31.78	7.00
KLAC	Kla Corp	413.30	16.17	18.21	1.02	25.58	7.00
MTD	Mettler-Toledo	1518.25	17.88	5.99	0.00	46.51	7.00
ODFL	Old Dominion Fl	358.83	27.60	8.59	0.22	44.35	7.00
QCOM	Qualcomm Inc	180.71	15.31	6.05	1.51	24.22	7.00
CDW	Cdw Corp	199.79	13.10	7.74	1.00	26.43	6.00
CHRW	Ch Robinson Wwd	98.26	9.00	5.94	2.08	17.39	6.00
EMR	Emerson Elec Co	94.23	8.70	1.07	2.19	22.98	6.00
EVRG	Evergy Inc	65.53	6.11	22.17	3.49	17.90	6.00
LOW	Lowes Cos	252.63	14.64	8.05	1.27	21.93	6.00
LRCX	Lam Research	660.79	17.01	12.74	0.91	22.05	6.00
MPWR	Monolithic Pwr	552.58	25.00	22.24	0.43	126.45	6.00
PTC	Ptc Inc	110.00	13.73	9.24	0.00	40.59	6.00
TSCO	Tractor Supply	225.82	9.61	12.72	0.92	27.11	6.00
ANSS	Ansys Inc	390.05	11.89	14.68	0.00	66.56	5.00
AZO	Autozone Inc	1855.05	10.24	6.06	0.00	19.38	5.00
FAST	Fastenal	60.89	9.00	8.76	1.84	39.28	5.00
JKHY	Jack Henry Assc	152.81	14.00	5.26	1.20	35.46	5.00
NVDA	Nvidia Corp	326.74	21.55	22.52	0.05	98.19	5.00
HD	Home Depot	412.11	12.17	9.24	1.60	27.38	4.00

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

Ticker	Company	Current Price	Price/ Book	ROE 5 Yr Avg	Div Yield	Score
GSBD	Goldman Sac Bdc	18.98	1.19	11.56	9.48	9
AGNC	Agnc Investment	16.03	0.92	13.37	8.98	8
BABB	Bab Inc	0.78	1.93	14.92	5.13	8
ETD	Ethan Allen Int	23.88	1.75	10.27	4.19	8
NL	NI Inds Inc	6.47	0.86	12.72	3.71	8
NLY	Annaly Cap Mgmt	8.46	1.01	12.30	10.40	8
NMFC	New Mountn Fin	13.62	1.01	10.16	8.81	8
WBA	Walgreens Bai	46.62	1.69	19.95	4.10	8
WMC	Western Ast Mtg	2.21	0.61	10.05	10.86	8
ACNB	Acnb Corp	29.39	0.95	11.18	3.40	7
AEP	Amer Elec Pwr	83.82	1.87	10.52	3.72	7
BCSF	Bain Capital	15.25	0.90	10.87	8.92	7
CAG	Conagra Brands	31.60	1.76	17.59	3.96	7
CFFI	C&F Finl Cp	50.00	0.86	11.42	3.20	7
FFBC	First Fin Bc-Oh	25.21	1.08	10.05	3.65	7
FLIC	First Long Is	22.02	1.24	10.81	3.63	7
FNLC	First Bancp Inc	31.95	1.47	12.14	4.01	7
HPE	Hewlett Pkd Ent	14.86	1.14	10.34	3.23	7
HVT	Haverty Furnit	32.21	1.97	12.01	3.10	7
IBCP	Indep Bk Mich	23.72	1.28	12.91	3.54	7
IP	Intl Paper	47.55	1.91	25.04	3.89	7
JHG	Janus Henderson	46.51	1.70	11.18	3.27	7
MNRL	Brigham Mnrls	22.20	1.92	12.27	7.21	7
NEWT	Newtek Bus Svcs	30.16	1.86	11.98	11.94	7
NHTC	Natural Hlth Tr	7.09	1.32	25.04	11.28	7
NRIM	Northrim Bcp	45.14	1.16	11.19	3.37	7
NTIP	Network-1 Tech	2.83	1.10	11.29	3.53	7
PFG	Principal Finl	73.93	1.22	11.75	3.41	7
SAFT	Safety Ins Grp	79.56	1.28	11.75	4.52	7
SBSI	Southside Bancs	43.87	1.61	10.06	3.01	7
TCPC	Blackrk Tcp Cap	13.61	0.97	11.62	8.82	7
TRTN	Triton Intl Ltd	60.55	1.80	14.64	3.77	7
UBCP	Utd Bancorp -Oh	15.50	1.29	10.78	3.81	7
UGI	Ugi Corp	44.91	1.77	11.95	3.07	7
USB	Us Bancorp	59.84	1.83	14.10	3.07	7
UVE	Univl Insur Hld	15.70	0.99	16.02	4.08	7
WASH	Wash Tr Bancorp	57.85	1.80	13.81	3.60	7
WAYN	Wayne Svgs Bcsh	26.00	1.20	10.91	3.23	7
WSBF	Waterstone Finl	21.47	1.22	11.11	3.73	7

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
TMO	Thermo Fisher	633.00	14.00	15.68	0.16	24.67	9.00
LH	Laboratory Cp	283.73	10.56	10.39	-	8.78	9.00
WST	West Pharm Svc	433.72	27.65	11.17	0.17	54.83	8.00
GOOG	Alphabet Inc-C	2,934.35	26.00	20.46	-	28.26	8.00
GOOGL	Alphabet Inc-A	2,922.40	25.82	20.46	-	28.14	8.00
TER	Teradyne Inc	150.83	19.88	14.86	0.27	26.42	8.00
TGT	Target Corp	248.76	14.40	8.56	1.45	19.09	8.00
IPG	Interpublic Grp	34.47	12.61	5.10	3.13	13.06	8.00
GPC	Genuine Parts	136.36	11.96	3.05	2.39	20.54	8.00
CBRE	Cbre Group Inc	104.24	11.00	17.33	-	20.60	8.00
AMD	Adv Micro Dev	157.80	46.20	24.54	-	73.06	7.00
ODFL	Old Dominion Fl	358.83	27.60	8.59	0.22	44.35	7.00
CDNS	Cadence Design	183.47	18.17	10.83	-	69.23	7.00
MTD	Mettler-Toledo	1,518.25	17.88	5.99	-	46.51	7.00
KLAC	Kla Corp	413.30	16.17	18.21	1.02	25.58	7.00
QCOM	Qualcomm Inc	180.71	15.31	6.05	1.51	24.22	7.00
JBHT	Hunt (Jb) Trans	200.23	15.00	11.22	0.60	31.78	7.00
EXR	Extra Space Stg	204.32	11.35	8.12	2.45	31.58	7.00
MPWR	Monolithic Pwr	552.58	25.00	22.24	0.43	126.45	6.00
LRCX	Lam Research	660.79	17.01	12.74	0.91	22.05	6.00
LOW	Lowe's Cos	252.63	14.64	8.05	1.27	21.93	6.00
PTC	Ptc Inc	110.00	13.73	9.24	-	40.59	6.00
CDW	Cdw Corp	199.79	13.10	7.74	1.00	26.43	6.00
TSCO	Tractor Supply	225.82	9.61	12.72	0.92	27.11	6.00
CHRW	Ch Robinson Wwd	98.26	9.00	5.94	2.08	17.39	6.00
NVDA	Nvidia Corp	326.74	21.55	22.52	0.05	98.19	5.00
JKHY	Jack Henry Assc	152.81	14.00	5.26	1.20	35.46	5.00
ANSS	Ansys Inc	390.05	11.89	14.68	-	66.56	5.00
AZO	Autozone Inc	1,855.05	10.24	6.06	-	19.38	5.00
HD	Home Depot	412.11	12.17	9.24	1.60	27.38	4.00

Aggressive Growth Strategy

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
CTRA	Coterra Energy	21.09	55.04	1.48	5.69	0.09	9.00
PAYX	Paychex Inc	125.08	7.50	7.31	2.11	4.81	9.00
INFO	Ihs Markit Ltd	129.78	#N/A	9.52	0.62	#N/A	8.00
KRG	Kite Realty Grp	22.37	7.94	(7.15)	3.22	2.08	8.00
LSCC	Lattice Semicon	79.48	10.00	1.21	-	11.04	8.00
LSI	Life Storage	135.01	3.63	7.07	2.55	7.43	8.00
WST	West Pharm Svc	433.72	27.65	11.17	0.17	1.86	8.00
AMD	Adv Micro Dev	157.80	46.20	24.54	-	1.43	7.00
CDNS	Cadence Design	183.47	18.17	10.83	-	3.88	7.00
EXR	Extra Space Stg	204.32	11.35	8.12	2.45	2.63	7.00
IRT	Indep Realty Tr	25.83	2.00	9.14	1.86	16.14	7.00
MAA	Mid-Amer Apt Cm	210.56	2.00	6.71	1.95	15.09	7.00
NSA	Natl Storage	63.31	12.71	19.82	2.59	2.26	7.00
RMBS	Rambus Inc	27.31	#N/A	(9.62)	-	#N/A	7.00
SPG	Simon Property	169.03	8.74	(3.34)	3.55	1.66	7.00
SRC	Spirit Realty	47.15	6.31	(6.71)	5.41	2.35	7.00
TSLA	Tesla Inc	1,116.00	37.50	43.03	-	7.08	7.00
XLNX	Xilinx Inc	230.05	#N/A	8.41	0.64	#N/A	7.00
ADC	Agree Rlty Corp	70.12	#N/A	29.02	3.88	#N/A	6.00
EXPO	Exponent Inc	122.26	#N/A	7.11	0.65	#N/A	6.00
FRT	Fed Rlty Inv	131.70	8.41	1.36	3.25	2.85	6.00
MLAB	Mesa Labs Inc	315.25	#N/A	9.85	0.20	#N/A	6.00
MPWR	Monolithic Pwr	552.58	25.00	22.24	0.43	4.48	6.00
REXR	Rexford Ind Rty	72.07	12.79	27.65	1.33	3.47	6.00
ANSS	Ansys Inc	390.05	11.89	14.68	-	5.81	5.00
FDS	Factset Resh	469.07	8.50	6.93	0.70	4.53	5.00
NVDA	Nvidia Corp	326.74	21.55	22.52	0.05	4.19	5.00
TYL	Tyler Tech Inc	514.53	#N/A	12.20	-	#N/A	5.00
CPT	Camden Ppty Tr	170.69	4.43	5.15	1.95	7.17	4.00
CTRE	Caretrust Reit	20.71	#N/A	11.59	5.12	#N/A	4.00
EPRT	Essential Pptys	28.48	12.34	28.29	3.51	1.75	4.00
FFIN	First Fin Bk-Tx	54.14	#N/A	12.22	1.11	#N/A	4.00
STOR	Store Capital	34.26	#N/A	16.30	4.49	#N/A	4.00
AIRC	Apartment Reit	53.15	#N/A	#N/A	3.31	#N/A	3.00
CRM	Salesforce.Com	289.17	16.75	26.40	-	8.03	3.00
PDFS	Pdf Solutions	31.05	#N/A	(3.25)	-	#N/A	3.00

Portfolio / Client Update

This past week, we took no substantive actions in portfolios. Such is because Thanksgiving week usually trades on very light volume.

?Given the more exceeding levels of FOMO in the market currently, we remain weighted towards equity risk. Therefore, from a portfolio management standpoint, we must continue to press for portfolio returns for clients. However, don?t mistake that as a disregard for the underlying risk.

*Over the last two weeks, we took profits in overbought and extended equities (F, NVDA, AMD). We also shortened our bond duration by trimming our longer-duration holdings. Such actions rebalanced portfolio risk short-term. **In addition, we run a 60/40 allocation model for our clients; such left us slightly underweight equities and bonds and overweight cash.***



The best opportunity to increase equity would come from a correction in early December as mutual funds distribute their annual gains. Such would provide a better entry point for the year-end *"Santa Claus Rally."*

As we move closer to the end of the year, I will review our annual performance in both primary models and discuss what we expect as we head into 2022. With the Fed on course to taper their balance sheet, and the market forecasting 3-rate hikes, next year will likely be an entirely different *"ball game."*

Portfolio Changes

There were no changes this past week.

As always, our short-term concern remains the protection of your portfolio. Accordingly, we remain focused on the differentials between underlying fundamentals and market over-valuations.

Lance Roberts, CIO

Have a great week!