



Did We Go Through A Major Bear Market?

In this 04-22-22 issue of "Did We Just Go Through A Major Bear Market?"

- **Market Review And Update**
- **Did We Go Through A Major Bear Market?**
- **Portfolio Positioning**
- **Sector & Market Analysis**

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Weekly Market Recap With Adam Taggart

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Market Review & Update

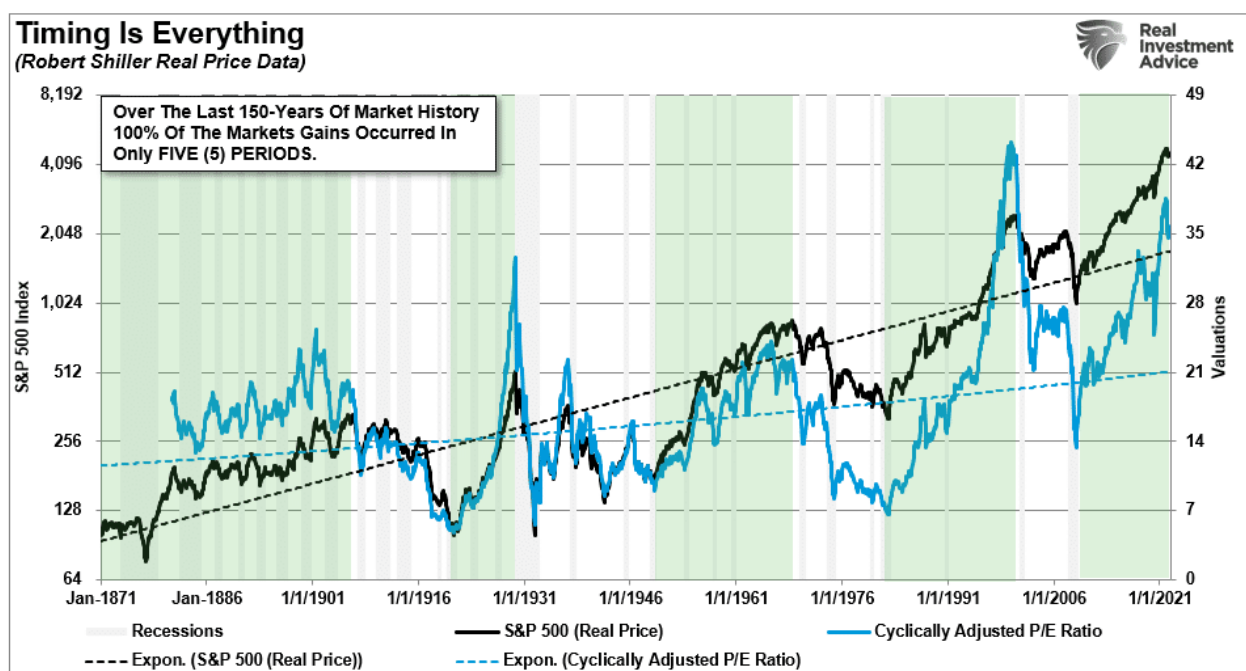
The market started the week out okay but finished sour as Jerome Powell ramped up his hawkish rhetoric of a .50% rate hike at the May FOMC meeting. That meeting will also contain details on the timing of the reduction in the Fed's balance sheet.

That commentary weighed on the markets even as earnings season rolls in. For the week, the market ended down. While the market is very oversold short-term, the break of the 50-dma suggests we could see a retest of the March lows next week. Such would be around 4150 on the S&P index.



There isn't much positive news to focus on currently. While we are in the midst of earnings season, we see the impact of higher input costs weighing on profit margins like Newmont Mining (NEM). We saw a shift in consumer sentiment with Netflix (NFLX) and concerns about outlooks as Gap Stores (GPS) consumption slowed. Such doesn't bode well for earnings and economic growth later this year and, with valuations elevated, makes maintaining current prices more difficult.

It is important to remember that 100% of all the returns in the market since 1871 came ONLY from 5-periods in the market. Those periods started with low valuations and ended with high valuations.



However, in the short term, the technical and psychological setup behind the market does offer the potential for a countertrend rally. Investor sentiment is still very negative, and the markets are oversold on several levels. **While such does not mean the next leg of the bull market is about to resume, it is supportive of a rally that could retrace the recent selloff.**

Such is what we will be monitoring next week.

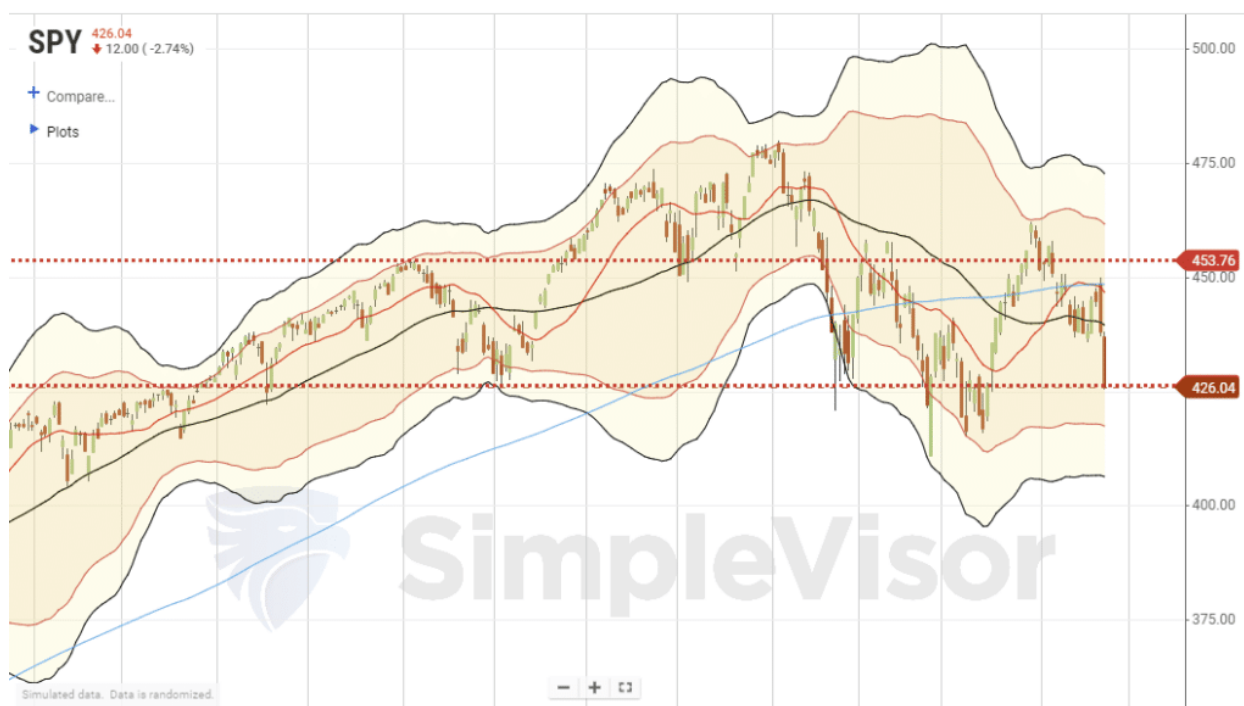
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Did We Go Through A Major Bear Market

If you haven't been paying much attention this year, you could be surprised. Despite all of the *"bad news, there has not been much consequence."* As shown in the chart below, the markets have made no real progress since September of last year.



However, despite that lack of progress for the major index below the surface, there was much devastation going on. As the table below shows, of the 700 companies screened with market capitalizations above \$7 billion, the 120 companies showed the most price destruction from their 52-week highs. You will notice many of the "meme stock" favorites like Zillow, Zoom, Pinterest, Netflix, etc. These companies are down 33% or more from their 52-week highs. In anyone's book, that is a *"bear market."*

Company	Ticker	Market Cap (\$mll)	Current Price	52 Week High	Price From 52-Week High
Grab Hldgs Ltd	GRAB	\$11,261	\$3.01	\$17.06	-82.36%
Rivian Automotv	RIVN	\$32,627	\$36.23	\$172.01	-78.94%
Uipath Inc	PATH	\$10,348	\$19.09	\$85.12	-77.57%
Roku Inc	ROKU	\$14,825	\$109.57	\$479.50	-77.15%
Draftkings Inc	DKNG	\$12,474	\$15.56	\$63.67	-75.56%
Carvana Co	CVNA	\$16,003	\$92.50	\$370.10	-75.01%
Zoom Video Cmts	ZM	\$31,019	\$103.70	\$401.12	-74.15%
Pinterest Inc	PINS	\$13,847	\$21.04	\$80.29	-73.79%
Roblox Corp	RBLX	\$19,868	\$36.75	\$134.72	-72.72%
Wayfair Inc	W	\$10,203	\$97.09	\$333.00	-70.84%
Docusign Inc	DOCU	\$18,351	\$92.74	\$310.05	-70.09%
Toast Inc	TOST	\$10,032	\$19.71	\$65.22	-69.78%
Zillow Group	ZG	\$10,932	\$43.61	\$143.53	-69.62%
Paypal Holdings	PYPL	\$110,207	\$94.90	\$308.53	-69.24%
Moderna Inc	MRNA	\$60,501	\$150.12	\$484.47	-69.01%
Shopify Inc	SHOP	\$66,096	\$525.00	\$1,690.60	-68.95%
Twilio Inc-A	TWLO	\$23,663	\$130.36	\$409.84	-68.19%
Zillow Group-C	Z	\$11,345	\$45.26	\$141.19	-67.94%
Netflix Inc	NFLX	\$100,490	\$226.19	\$691.69	-67.30%
Coupage Inc	CPNG	\$27,775	\$15.82	\$45.72	-65.40%
Sartorius Ag	SARTF	\$11,399	\$333.00	\$947.00	-64.84%
Etsy Inc	ETSY	\$13,645	\$107.41	\$296.91	-63.82%
Snap Inc	SNAP	\$49,963	\$30.76	\$83.11	-62.99%
Lucid Group Inc	LCID	\$34,503	\$20.87	\$55.52	-62.41%
Lufax Holding	LU	\$13,567	\$5.51	\$14.21	-61.22%
Applovin Corp	APP	\$17,341	\$46.34	\$114.85	-59.65%
Epam Systems	EPAM	\$16,473	\$289.61	\$717.49	-59.64%
Rocket Cos Inc	RKT	\$18,431	\$9.29	\$22.90	-59.43%
Block Inc	SQ	\$66,428	\$114.52	\$281.81	-59.36%
Spotify Tech Sa	SPOT	\$23,299	\$122.49	\$300.95	-59.30%
Doordash Inc	DASH	\$34,890	\$100.14	\$245.97	-59.29%
Confluent Inc	CFLT	\$10,405	\$38.12	\$93.60	-59.27%
Coinbase Global	COIN	\$32,292	\$147.13	\$357.39	-58.83%
Chewy Inc	CHWY	\$16,655	\$39.61	\$95.70	-58.61%
Sunny Optical	SNPTF	\$14,652	\$13.32	\$32.09	-58.49%
Unity Software	U	\$24,636	\$83.77	\$201.12	-58.35%
Dell Technologs	DELL	\$37,260	\$49.00	\$114.54	-57.22%
Palantir Tech	PLTR	\$25,965	\$12.79	\$28.77	-55.54%
Anta Sports Prd	ANPDF	\$31,088	\$11.50	\$24.99	-53.98%
Snowflake Inc	SNOW	\$58,509	\$185.98	\$401.89	-53.72%
Exact Sciences	EXAS	\$11,415	\$65.56	\$139.27	-52.93%

Company	Ticker	Market Cap (\$mll)	Current Price	52 Week High	Price From 52-Week High
Cloudflare Inc	NET	\$33,607	\$103.70	\$217.25	-52.27%
Match Group Inc	MTCH	\$24,129	\$84.62	\$175.53	-51.79%
Gamestop Corp	GME	\$11,364	\$148.85	\$302.56	-50.80%
Flutter Ent Plc	POOPY	\$19,404	\$55.20	\$110.50	-50.05%
Hubspot Inc	HUBS	\$20,135	\$426.13	\$852.08	-49.99%
Clarivate Anlyt	CLVT	\$11,505	\$16.83	\$33.53	-49.81%
On Holding Ag	ONON	\$16,211	\$26.05	\$51.45	-49.37%
Okta Inc	OKTA	\$22,683	\$144.76	\$285.35	-49.27%
Marketaxess Hld	MKTX	\$10,364	\$273.93	\$533.62	-48.67%
Generac Holding	GNRC	\$16,567	\$259.73	\$505.80	-48.65%
Nippon Paint	NPCPF	\$19,042	\$8.11	\$15.60	-48.01%
Meta Platforms	FB	\$545,532	\$200.42	\$382.18	-47.56%
Trip.Com Group	TCOM	\$13,204	\$22.02	\$41.85	-47.38%
Olaplex Hldgs	OLPX	\$10,091	\$15.55	\$29.41	-47.13%
Qualtrics Intl	XM	\$13,845	\$25.58	\$48.15	-46.87%
Biogen Inc	BIIB	\$32,395	\$220.43	\$414.71	-46.85%
Dynatrace Hldgs	DT	\$12,167	\$42.58	\$78.76	-45.94%
Omron Corp	OMRNY	\$12,158	\$58.95	\$107.47	-45.15%
Z Holdings Cp	YAHOO	\$30,233	\$7.96	\$14.50	-45.10%
Xp Inc-A	XP	\$15,738	\$28.15	\$51.17	-44.99%
Mercadolibre In	MELI	\$54,461	\$1,080.16	\$1,953.83	-44.72%
Lyft Inc-A	LYFT	\$12,444	\$35.70	\$63.70	-43.96%
Paycom Software	PAYC	\$18,779	\$111.90	\$553.23	-43.62%
Veeva Systems-A	VEEV	\$29,818	\$193.17	\$341.00	-43.35%
Adyen Nv	ADYEY	\$57,449	\$18.55	\$32.74	-43.34%
Uber Technologs	UBER	\$64,924	\$33.21	\$58.44	-43.17%
Bill.Com Holding	BILL	\$20,267	\$195.66	\$342.26	-42.83%
Align Tech Inc	ALGN	\$33,034	\$419.18	\$729.92	-42.57%
Hashicorp Inc	HCP	\$10,385	\$56.60	\$97.60	-42.01%
Qorvo Inc	QROVO	\$12,553	\$115.77	\$199.54	-41.98%
Atlassian Cp-A	TEAM	\$36,498	\$265.81	\$458.13	-41.98%
Adv Micro Dev	AMD	\$112,759	\$94.02	\$161.91	-41.93%
Warner Bros Dsc	WBD	\$11,649	\$23.01	\$39.01	-41.02%
Autodesk Inc	ADSK	\$43,879	\$201.92	\$342.27	-41.01%
Unicredit Spa	UNCRY	\$23,034	\$5.27	\$8.93	-40.99%
At&T Inc	T	\$138,786	\$19.43	\$32.63	-40.45%
Plug Power Inc	PLUG	\$15,392	\$26.63	\$44.55	-40.22%
Trade Desk Inc	TTD	\$32,445	\$66.92	\$111.64	-40.06%
Caesars Entertn	CZR	\$15,353	\$71.70	\$119.49	-39.99%
Salesforce.Com	CRM	\$184,368	\$186.23	\$309.96	-39.92%
Carmax Gp (Cc)	KMX	\$14,941	\$93.07	\$154.85	-39.90%

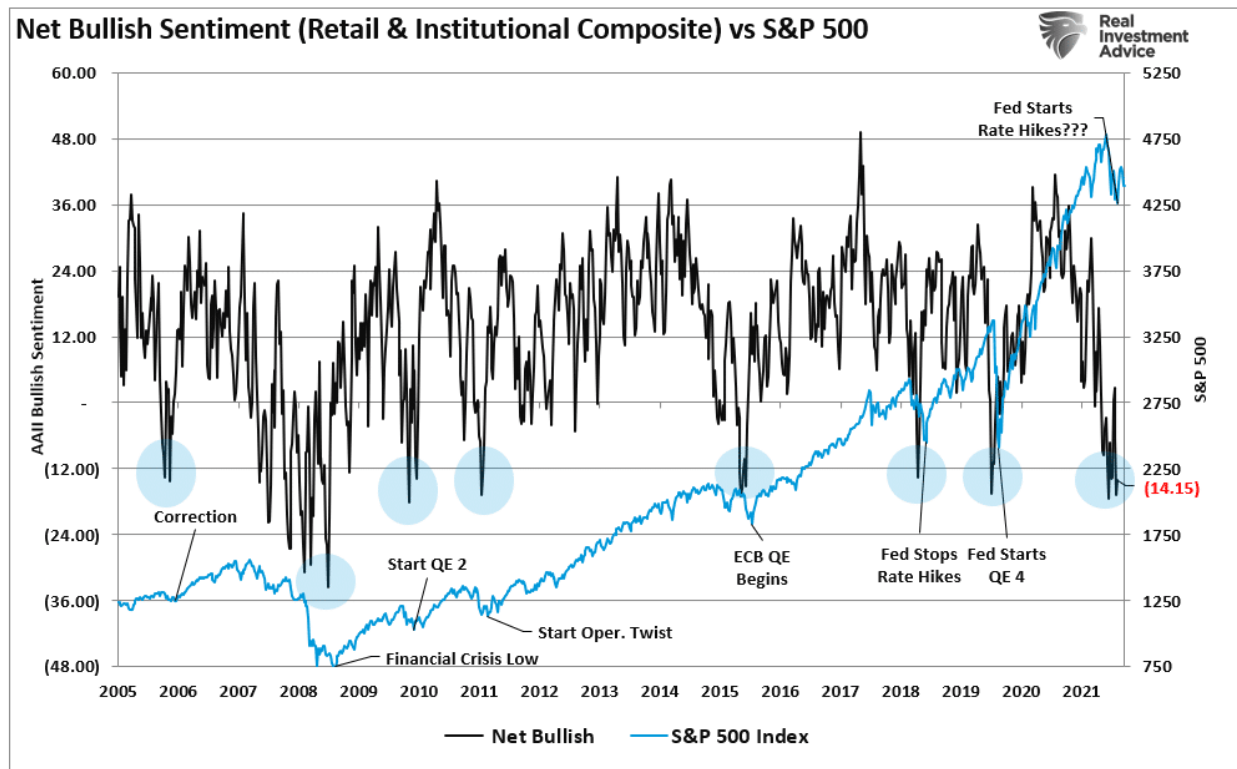
Company	Ticker	Market Cap (\$mll)	Current Price	52 Week High	Price From 52-Week High
Zscaler Inc	ZS	\$31,280	\$221.71	\$368.78	-39.88%
Keyence Corp	KYCCF	\$101,420	\$418.18	\$695.22	-39.85%
Nu Holdings Ltd	NU	\$32,998	\$7.16	\$11.85	-39.58%
Skyworks Solutn	SKWS	\$19,814	\$120.81	\$199.66	-39.49%
Bentley Systems	BSY	\$12,012	\$43.50	\$71.17	-38.88%
Adobe Systems	ADBE	\$202,282	\$428.11	\$688.37	-37.81%
Aptiv Plc	APTIV	\$30,082	\$111.04	\$178.12	-37.66%
Las Vegas Sands	LVS	\$29,421	\$38.51	\$61.74	-37.63%
Yum China Hldgs	YUMC	\$18,393	\$43.41	\$69.40	-37.45%
Carnival Corp	CCL	\$19,418	\$16.05	\$31.31	-37.34%
Xylem Inc	XYL	\$15,632	\$86.80	\$138.03	-37.12%
Burlington Strs	BURL	\$14,710	\$222.55	\$352.64	-36.89%
General Motors	GM	\$60,620	\$41.72	\$65.74	-36.54%
Costar Grp Inc	CSGP	\$25,015	\$63.33	\$99.74	-36.50%
Starbucks Corp	SBUX	\$92,220	\$80.17	\$126.06	-36.40%
Ford Motor Co	F	\$64,268	\$16.05	\$25.19	-36.28%
V F Corp	VFC	\$22,432	\$57.68	\$90.05	-35.95%
T Rowe Price	TROW	\$32,668	\$143.40	\$223.87	-35.94%
Western Digital	WDC	\$15,489	\$49.50	\$77.17	-35.86%
Garmin Ltd	GRMN	\$22,109	\$114.68	\$178.38	-35.71%
Nvidia Corp	NVDA	\$625,718	\$214.82	\$333.76	-35.64%
Charles Rvr Lab	CRL	\$14,987	\$296.85	\$458.30	-35.23%
Williams-Sonoma	WSM	\$10,276	\$143.60	\$221.63	-35.21%
Zebra Tech Cl A	ZBRA	\$21,148	\$398.42	\$614.55	-35.17%
Twitter Inc	TWTR	\$35,674	\$46.72	\$71.69	-34.83%
Charter Comm-A	CHTR	\$92,582	\$335.96	\$821.01	-34.72%
Stanley B&D Inc	SWK	\$23,577	\$144.28	\$220.69	-34.62%
Paylocity Hldg	PCTY	\$11,018	\$199.93	\$305.75	-34.61%
Vmware Inc-A	VMW	\$46,821	\$111.20	\$170.03	-34.60%
Global Payments	GP	\$40,424	\$143.51	\$219.24	-34.54%
Illumina Inc	ILMN	\$54,065	\$344.17	\$524.84	-34.42%
Warner Music Gp	WMG	\$16,819	\$32.67	\$49.53	-34.04%
Lam Research	LRCK	\$67,162	\$481.45	\$729.82	-34.03%
Fidelity Nat In	FIS	\$62,905	\$103.00	\$155.69	-33.84%
Stellantis Nv	STLA	\$29,252	\$14.45	\$21.82	-33.78%
Fedex Corp	FDX	\$54,217	\$209.19	\$315.59	-33.71%
Disney Walt	DIS	\$226,796	\$124.57	\$187.43	-33.54%
Citigroup Inc	C	\$105,186	\$53.10	\$79.86	-33.51%
Enphase Energy	ENPH	\$24,094	\$178.53	\$267.74	-33.32%
Fresenius Se&Co	FSNUI	\$21,344	\$9.56	\$14.32	-33.24%
Datadog Inc	DDOG	\$41,317	\$131.62	\$196.56	-33.04%

Out of that same scan of 700 companies, the table below shows the 81 companies with the largest market capitalization weight. You will note many companies that are down significantly more than the S&P 500 index for the year. Companies like Nvidia, Facebook (Meta), Salesforce, Paypal, Qualcomm, and even Tesla are down 20% or more from their 52-week highs.

					Price
					From 52-Week
					High
Company	Ticker	Market Cap (\$mil)	Current Price	52 Week High	High
Apple Inc	AAPL	\$2,729,100	\$167.23	\$182.01	-8.12%
Microsoft Corp	MSFT	\$2,146,803	\$286.36	\$343.11	-16.54%
Alphabet Inc-C	GOOG	\$1,695,332	\$2,564.91	\$3,014.18	-14.91%
Alphabet Inc-A	GOOGL	\$1,692,615	\$2,560.80	\$2,996.77	-14.55%
Amazon.Com Inc	AMZN	\$1,566,540	\$3,079.96	\$3,731.41	-17.46%
Tesla Inc	TSLA	\$981,368	\$977.20	\$1,229.91	-20.55%
Berkshire Hth-B	BRK.B	\$772,362	\$348.82	\$359.57	-2.99%
Berkshire Hth-A	BRK.A	\$771,876	\$522,901.00	\$539,180.00	-3.02%
Nvidia Corp	NVDA	\$625,718	\$214.82	\$333.76	-35.64%
Meta Platforms	FB	\$545,532	\$200.42	\$382.18	-47.56%
Unitedhealth Gp	UNH	\$513,740	\$546.01	\$546.01	0.00%
Johnson & Johns	JNJ	\$483,496	\$183.89	\$183.89	0.00%
Walmart Inc	WMT	\$442,794	\$159.63	\$159.63	0.00%
Visa Inc-A	V	\$416,898	\$217.79	\$250.93	-13.21%
Procter & Gambl	PG	\$396,024	\$163.65	\$164.21	-0.34%
Jpmorgan Chase	JPM	\$386,815	\$131.58	\$171.78	-23.40%
Exxon Mobil Crp	XOM	\$372,387	\$87.96	\$88.55	-0.67%
Mastercard Inc	MA	\$357,062	\$365.29	\$396.75	-7.93%
Chevron Corp	CVX	\$338,982	\$172.53	\$173.89	-0.78%
Home Depot	HD	\$325,655	\$315.14	\$416.18	-24.28%
Bank Of Amer Cp	BAC	\$319,852	\$39.66	\$49.38	-19.68%
Coca Cola Co	KO	\$285,936	\$65.96	\$65.96	0.00%
Pfizer Inc	PFE	\$280,977	\$49.75	\$61.25	-18.78%
Lilly Eli & Co	LLY	\$278,962	\$292.92	\$311.69	-6.02%
Abbvie Inc	ABBV	\$276,777	\$156.70	\$174.96	-10.44%
Costco Whole Cp	COST	\$267,499	\$603.53	\$608.05	-0.74%
Broadcom Inc	AVGO	\$244,038	\$597.72	\$674.28	-11.35%
Pepsico Inc	PEP	\$242,614	\$175.47	\$175.64	-0.10%
Thermo Fisher	TMO	\$231,399	\$591.15	\$667.24	-11.40%
Verizon Comm	VZ	\$228,404	\$54.41	\$59.52	-8.59%
Disney Walt	DIS	\$226,796	\$124.57	\$187.43	-33.54%
Cisco Systems	CSCO	\$220,254	\$53.02	\$63.96	-17.10%
Merck & Co Inc	MRK	\$218,555	\$86.46	\$90.54	-4.51%
Abbott Labs	ABT	\$216,273	\$122.64	\$141.46	-13.30%
Comcast Corp A	CMCSA	\$214,875	\$47.40	\$61.75	-23.24%
Oracle Corp	ORCL	\$214,226	\$80.29	\$103.65	-22.54%
Nike Inc-B	NKE	\$213,828	\$135.87	\$177.51	-23.46%
Accenture Plc	ACN	\$205,176	\$323.67	\$415.42	-22.09%
Adobe Systems	ADBE	\$202,282	\$428.11	\$688.37	-37.81%
Danaher Corp	DHR	\$200,571	\$280.38	\$332.43	-15.66%
Intel Corp	INTC	\$196,705	\$48.11	\$63.70	-24.47%

					Price
					From 52-Week
					High
Company	Ticker	Market Cap (\$mil)	Current Price	52 Week High	High
Mcdonalds Corp	MCD	\$189,228	\$255.85	\$269.69	-5.13%
Wells Fargo-New	WFC	\$184,947	\$48.65	\$59.06	-17.63%
Salesforce.Com	CRM	\$184,368	\$186.23	\$309.96	-39.92%
Bristol Myers	BMJ	\$168,448	\$77.28	\$77.77	-0.63%
Linde Plc	LIN	\$167,282	\$326.37	\$346.43	-5.79%
T-Mobile Us Inc	TMUS	\$165,781	\$132.70	\$149.41	-11.18%
Utd Parcel Srvc	UPS	\$165,749	\$190.43	\$232.11	-17.96%
Texas Instrs	TXN	\$165,583	\$179.42	\$201.29	-10.86%
Nextera Energy	NEE	\$160,122	\$81.51	\$93.36	-12.69%
Philip Morris	PM	\$159,736	\$103.05	\$111.90	-7.91%
Morgan Stanley	MS	\$159,126	\$90.61	\$108.73	-16.67%
Qualcomm Inc	QCOM	\$157,181	\$140.34	\$189.28	-25.86%
Raytheon Tec Cp	RTX	\$156,433	\$104.97	\$104.97	0.00%
Union Pac Corp	UNP	\$155,256	\$247.07	\$276.69	-10.71%
Medtronic	MDT	\$151,594	\$113.00	\$135.17	-16.40%
Amer Express Co	AXP	\$142,719	\$188.46	\$198.38	-5.00%
Cvs Health Corp	CVS	\$140,039	\$106.64	\$110.83	-3.78%
Schwab(Chas)	SCHW	\$138,833	\$76.45	\$95.53	-19.97%
At&T Inc	T	\$138,126	\$19.43	\$32.63	-40.45%
Lowes Cos	LOW	\$138,002	\$208.74	\$261.38	-20.14%
Amgen Inc	AMGN	\$136,318	\$255.38	\$259.14	-1.45%
Intuit Inc	INTU	\$136,301	\$481.95	\$694.66	-30.62%
Commonwlth Bk A	CMWAY	\$136,290	\$79.87	\$81.84	-2.41%
Honeywell Intl	HON	\$134,587	\$196.34	\$234.18	-16.16%
Anthem Inc	ANTM	\$134,190	\$529.84	\$529.84	0.00%
Deere & Co	DE	\$134,184	\$437.39	\$438.45	-0.24%
Conocophillips	COP	\$133,066	\$102.67	\$107.50	-4.49%
Cie Financiere	CFRUY	\$132,901	\$12.73	\$15.67	-18.76%
Prologis Inc	PLD	\$127,807	\$172.67	\$172.67	0.00%
Caterpillar Inc	CAT	\$125,977	\$235.08	\$244.79	-3.97%
Intl Bus Mach	IBM	\$124,393	\$138.32	\$151.28	-8.57%
Amer Tower Corp	AMT	\$121,990	\$267.59	\$303.62	-11.87%
Lockheed Martin	LMT	\$120,972	\$453.87	\$469.19	-3.27%
Bank China Ltd	BACHY	\$116,931	\$9.93	\$10.16	-2.26%
Target Corp	TGT	\$115,290	\$249.32	\$266.39	-6.41%
Goldman Sachs	GS	\$115,253	\$341.06	\$423.85	-19.53%
Bhp Group Ltd	BHP	\$113,437	\$76.90	\$80.83	-4.86%
Adv Micro Dev	AMD	\$112,759	\$94.02	\$161.91	-41.93%
Paypal Holdings	PYPL	\$110,207	\$94.90	\$308.53	-69.24%
Intuitive Surg	ISRG	\$108,800	\$302.90	\$365.42	-17.11%
Boeing Co	BA	\$108,365	\$183.55	\$255.62	-28.19%
Blackrock Inc	BLK	\$106,278	\$699.00	\$971.49	-28.05%

Of course, that destruction of capital weighs on investor sentiment. While the S&P 500 index may only be in correction territory currently, many investors have suffered a *"bear market"* in their portfolios. That negative sentiment gets shown in many measures, but one of the most common is the American Association of Investors Index. **Currently, that sentiment is at levels most often associated with more significant corrections and major bear markets.**



The question, of course, is, with many stocks down sharply, how has the market continued to hold up so well?

Market Cap Weighted Illusion

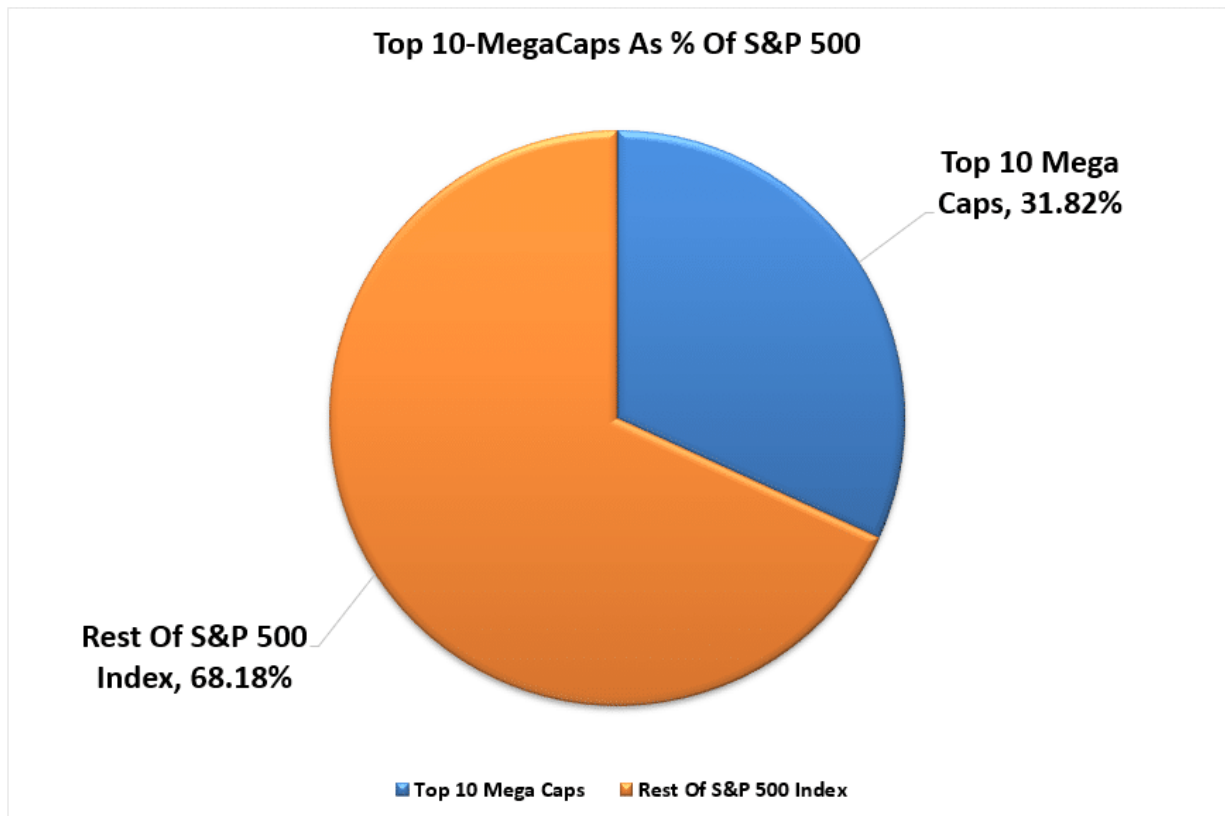
In *"Passive ETFs Are Hiding A Bear Market,"* I discussed the illusion of performance in the major indices. That illusion gets created by the largest market capitalization-weighted stocks. As a company's stock price appreciates, it becomes a more significant index constituent. Such means that prices changes in the largest stocks have an outsized influence on the index.

You will recognize the names of the top-10 stocks in the index.

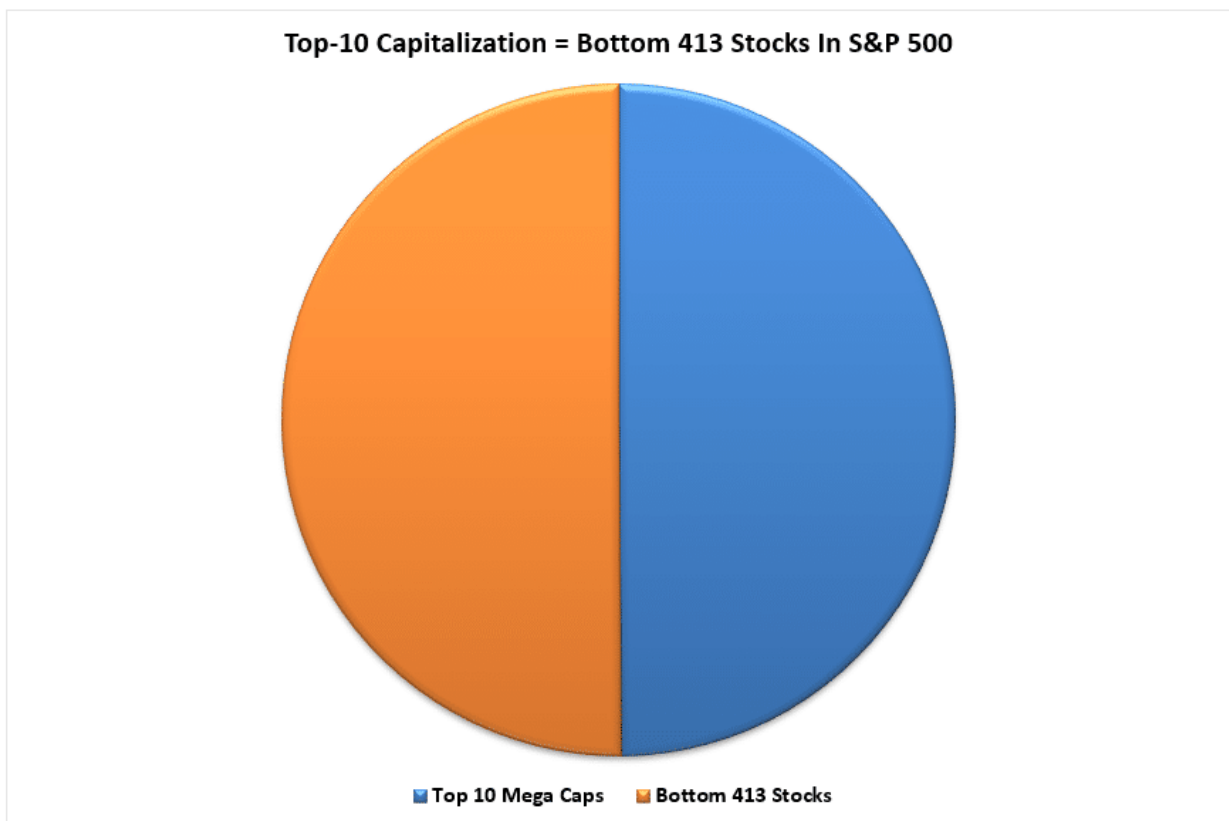
Top 10 stocks market cap.

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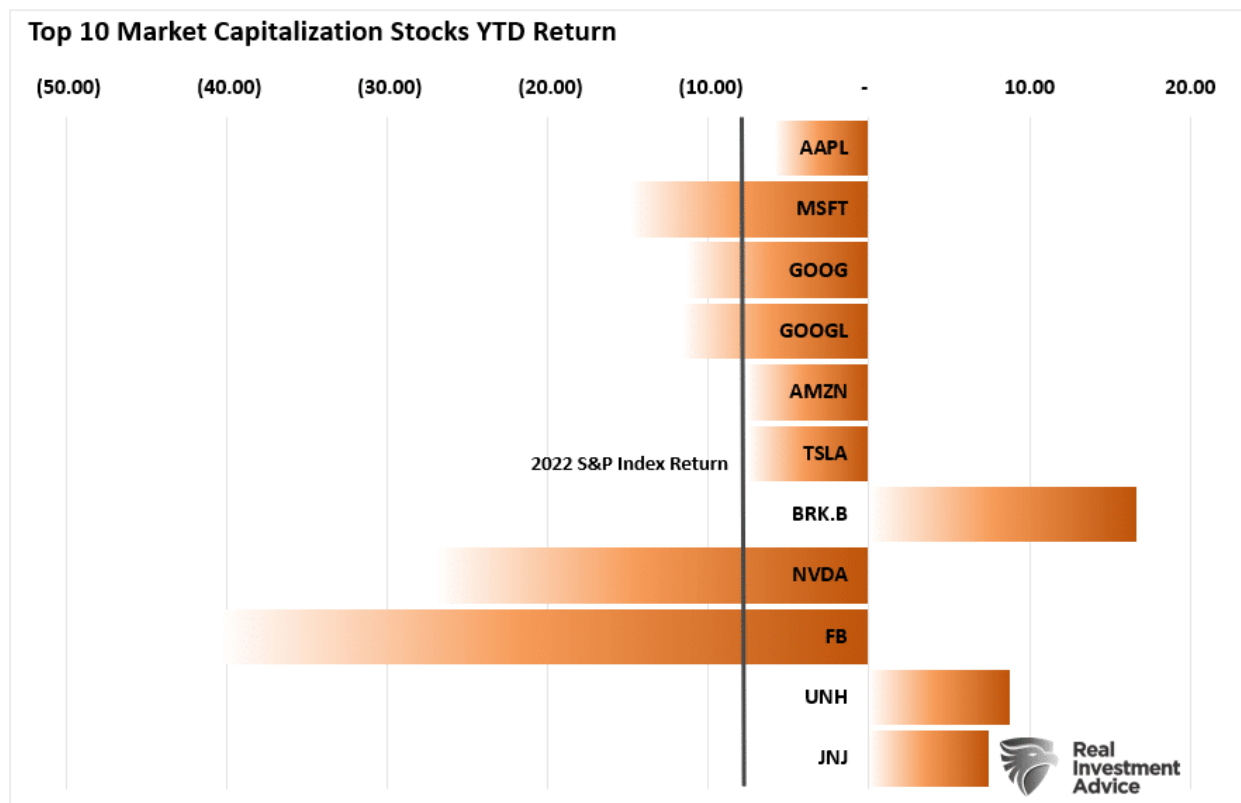
Currently, the top-10 stocks in the S&P 500 index comprise more than 1/3rd of the entire index. In other words, a 1% gain in the top-10 stocks is the same as a 1% gain in the bottom 90%.



Currently, out of 500 stocks, the bottom 413 stocks comprise the same market capitalization as the top-10.



Such is the story of 2022. The year's return would look different if it were not for the returns in companies like Berkshire Hathaway, United Healthcare, and Johnson & Johnson.



Currently, more than 1750 ETFs are trading in the U.S. Each of those ETFs owns the same underlying companies. For example, according to ETF.com, there are:

- 363 ETFs that own Apple
- 532 own Microsoft
- 322 own Google (GOOG)
- 213 own Google (GOOGL)
- 424 own Amazon
- 330 own Netflix
- 445 own Nvidia
- 339 own Tesla
- 271 own Berkshire Hathaway
- 350 own JPM

In other words, out of roughly 1750 ETFs, the top-10 stocks in the index comprise approximately 25% of all issued ETFs. Such makes sense, given that **for an ETF issuer to ?sell? you a product, they need good performance.**

Therefore, as investors buy shares of a passive ETF, the shares of all the underlying companies must get purchased. Given the massive inflows into ETFs and the subsequent inflows into the top-10 stocks, the mirage of market stability is not surprising.

This Week's MacroView



7 Rules For Long-Term Investing Success

Written by Lance Roberts | Apr 22, 2022 | Investing

Long-term investing requires some basic rules to avoid pitfalls along the way. If investing money...

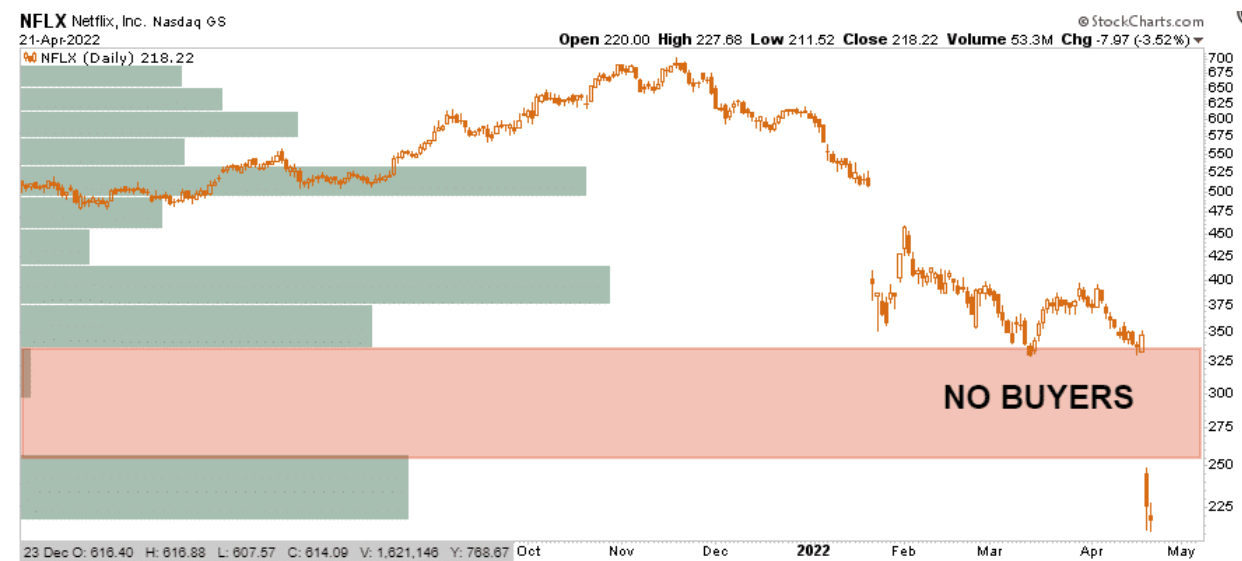
[> Read More](#)

A Lack Of Liquidity

The point you should take away from this analysis is the significant risk posed to investors with capital hiding in a handful of stocks. Over the last several weeks, we noted the **?lack of liquidity?** in the markets and weak breadth. To wit:

*The stock market is a function of buyers and sellers agreeing to a transaction at a specific price. Or rather, **?for every seller, there must be a buyer.?***

Such is why downturns in the market tend to be a **?wipe-out?** rather than a **?pullback.?** A good example recently was Netflix (NFLX).

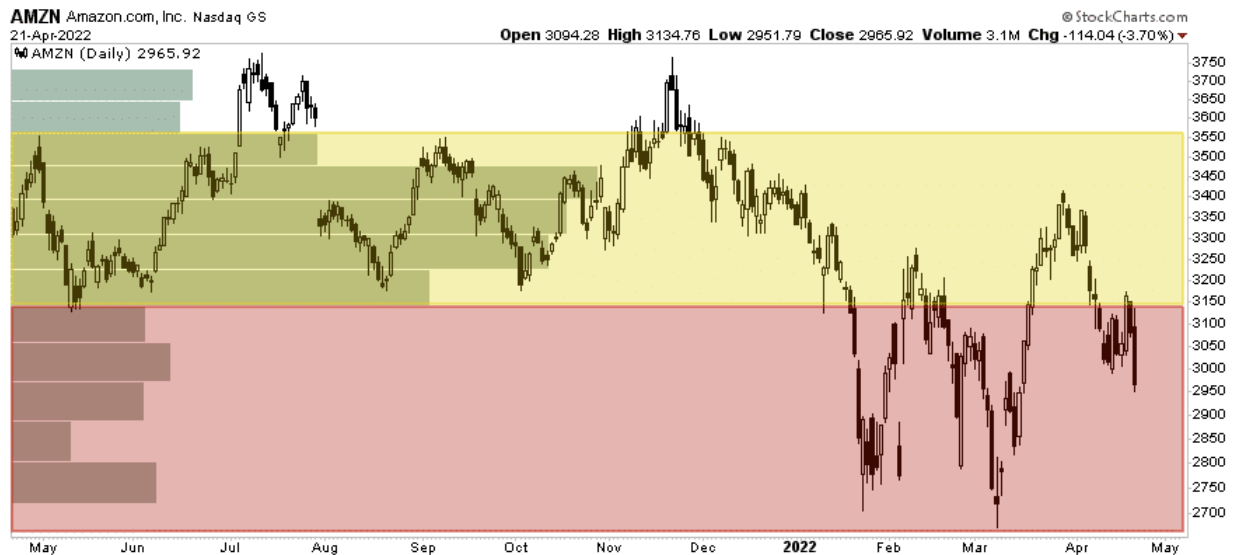


When there are not enough buyers at current prices to absorb an increase in selling pressure, prices gap down. While there are indeed buyers for every seller, they are at significantly lower prices.

However, during these **?wipe-outs,?** capital continues to flow into the index's top holdings. Such is because these stocks are highly liquid. For traders, they provide a **?safe haven?** to move large amounts of capital without creating a gap between buyers and sellers.

However, if capital flows reverse from these top-10 holdings for some reason, the illusion of a strong market will fade quickly. Most likely, those flows will be into bonds for safety as something has likely changed the bullish psychology of the market.

If you are wondering, we recently sold our Amazon (AMZN) as it has now moved to an area with significantly fewer buyers.



If the top-10 stocks come under more significant selling pressure, such will indicate a change in "investor psychology" has occurred. Such will also be an excellent time to start becoming significantly more defensive.

Failing To Plan

I want to repeat something I wrote recently regarding whether a ["bear market is lurking."](#)

"From a purely technical perspective, the monthly moving average convergence divergence indicator (MACD) also rings a significant warning bell. The chart below measures the difference between the 12 and 24-month moving averages. When that line crosses below the 6-month signal line, such suggests the market is at risk."

Market technical monthly chart

Image not found or type unknown

"Such suggests an eventual reversion will be similarly dramatic. The shaded grey bars show when a previous sell signal got triggered. While there are certainly some false signals along the way, it is worth noting that many of the sell signals are closely associated with more critical market-related events, corrections, and major bear markets."

Is a bear market coming? Maybe. Maybe not. However, we can follow some basic guidelines.

1. **Tighten up stop-loss levels** to current support levels for each position.
2. **Hedge portfolios** against significant market declines.
3. **Take profits in positions** that have been big winners
4. **Sell laggards and losers.**
5. **Raise cash and rebalance portfolios** to target weightings.

Notice, nothing in there says, ?sell everything and go to cash.?

As we concluded:

"Given the weight of evidence currently at hand, it certainly doesn't hurt to plan and even take some actions to prepare for a storm if, or when, it comes.

If the environment changes, it's a simple process to reallocate aggressively to equities. By planning, the worst that can happen is underperformance if the bull market suddenly resumes."

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Portfolio Update

We made some minor tweaks to our portfolio allocation this week. We reduced some of our growth names slightly as we head into earnings reporting season. Seeing the sharp selloffs that can occur if a company barely misses expectations, we reduced our exposure to companies we felt had the highest risk.

We kept our reduced equity exposure at current levels by adding an S&P index position to offset single stock equity risk reduction. In hindsight, we would have been better off with the reduced weighting. However, it had a minimal impact on performance.

[Portfolio Allocation.](#)

Image not found or type unknown

We continue to expect the next few weeks, and even the next couple of months could remain frustrating. However, as noted above, the markets remain oversold short-term, and earnings could help provide a short-term lift to markets.

Of course, the most significant risk to the market over the next two weeks will be the Fed. As we saw on Thursday and Friday, a more aggressive Fed posture could spook the bond and equity markets. However, I still suspect the Fed will ultimately be more "bark" than "bite."


One thing is for sure, the "boring market" of 2021 is sorely missed.

The rest of this year will likely remain just as challenging as it started.

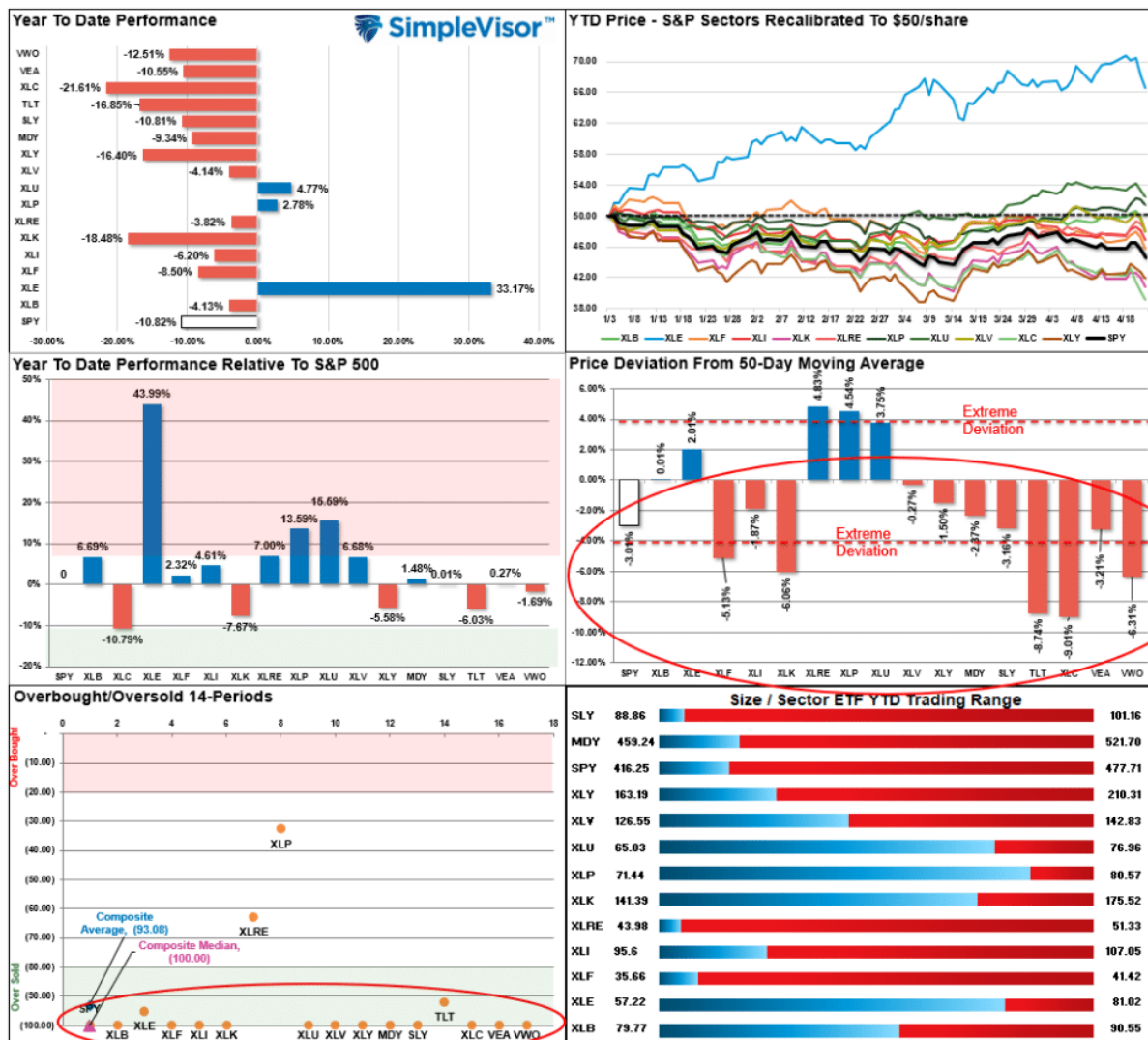
See you next week.

Market & Sector Analysis

S&P 500 Tear Sheet

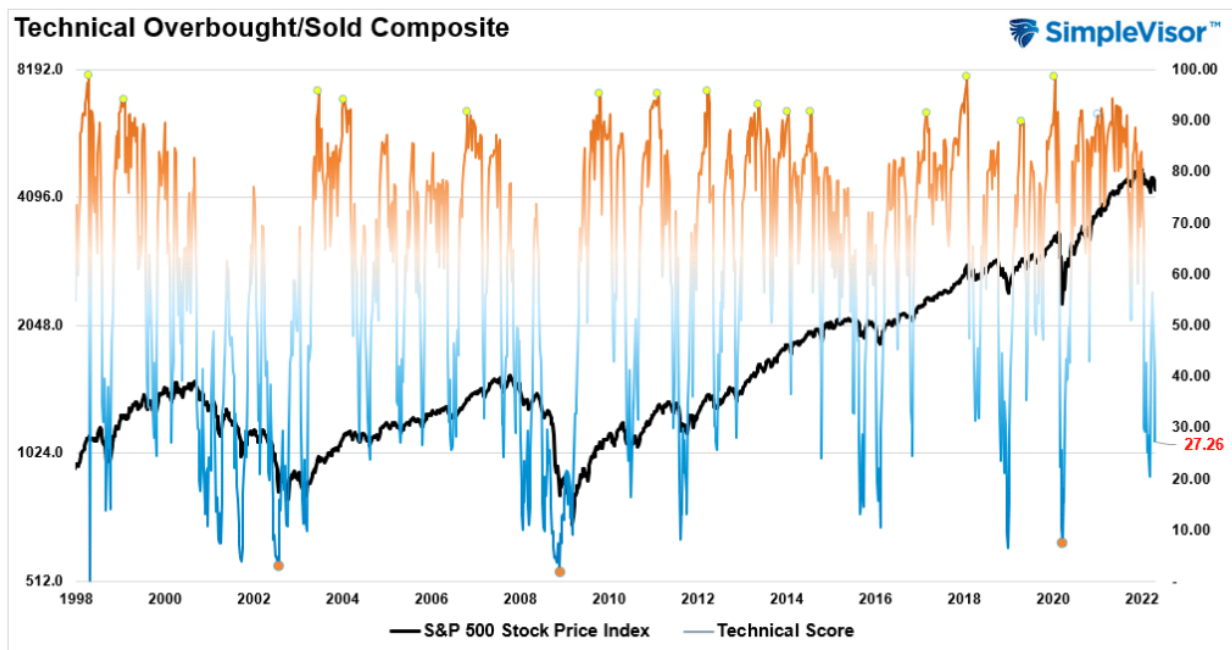
3 Month SPY Price									RIA SimpleVisor		SPY RISK INFO			
									Item	T 2-Yr	T 1-Yr.	YTD	% Diff YTD/T1-YR	
									Price Return	52.65%	3.34%	(10.30%)	(408.37%)	
									Max Drawdown	(14.45%)	(14.45%)	(14.45%)	0.00%	
									Sharpe	#N/A	0.50	(1.48)	(3.97)	
									Sortino	#N/A	0.44	(2.53)	(6.74)	
									Volatility	16.82	15.48	21.11	0.36	
									Daily VaR-5%	0.87	(20.53)	(65.56)	2.19	
									Mnthly VaR-5%	#N/A	(0.61)	(43.29)	69.52	
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	2.14%	1.36%	1.38%	1.63%	2.14%	1.20%	(35.25%)	15.28%	Shares	2,851.3	2,767.1	(2.95%)		
P/E Ratio	17.80	30.31	20.68	(46.56%)	2904%	1646%	(28.8%)	25.63%	Sales	68,667	80,013	16.52%		
P/S Ratio	3.18	4.76	4.44	(7.19%)	5.16	3.18	(14.01%)	39.60%	SPS	24.1	28.9	20.07%		
P/B Ratio	4.36	6.32	6.32	(0.07%)	7.12	4.35	(11.34%)	45.12%	Earnings	10,651	15,687	47.29%		
ROE	21.47%	23.17%	29.11%	20.40%	29.11%	18.04%	0.00%	61.36%	EPS TTM	4.1	6.2	51.22%		
ROA	4.15%	4.16%	5.21%	20.17%	5.21%	3.57%	0.00%	45.90%	Dividend	1.6	1.8	10.52%		
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	61.92%	4.14%	1.54	18.54	95.24	(330.04)	(80.5%)	13.1%	3.3%	5.29%	5.99	11.97		
Materials	5.00%	2.73%	1.15	16.57	27.12	14.16	(38.9%)	18.4%	1.9%	5.86%	6.06	15.75		
Industrials	(1.78%)	7.90%	1.18	26.39	54.35	14.62	(51.4%)	17.6%	1.6%	3.72%	6.51	19.77		
Discretionary	(1.11%)	11.95%	1.31	34.47	59.91	21.98	(42.5%)	27.7%	0.7%	2.84%	7.07	28.44		
Staples	14.28%	6.53%	0.65	23.76	23.09	17.65	2.9%	31.0%	2.3%	4.13%	4.78	21.23		
Health Care	9.12%	14.16%	0.78	17.30	19.74	15.27	(12.3%)	34.8%	1.5%	5.62%	8.83	16.67		
Financials	5.03%	11.14%	1.19	12.34	18.53	10.60	(33.4%)	12.6%	1.9%	7.87%	7.02	14.23		
Technology	2.21%	26.74%	1.08	25.81	32.99	16.66	(21.8%)	77.5%	1.0%	3.76%	6.68	25.47		
Telecom	(11.60%)	8.84%	0.88	18.04	28.37	17.73	(36.4%)	18.6%	0.5%	5.35%	9.91	18.87		
Utilities	8.26%	2.87%	0.51	21.50	22.09	16.89	(2.7%)	10.7%	2.8%	4.55%	3.52	20.86		
Real Estate	15.10%	2.94%	0.97	24.38	25.74	17.10	(5.3%)	10.4%	2.5%	4.03%	5.04	22.23		
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	426.04	(3.27%)	439.23	4	(3.00%)	449.13	22	(5.14%)	(2.20%)	(11.24%)	5.46%	Sell		
Mid Cap	470.72	(2.43%)	482.16	4	(2.37%)	495.11	19	(4.93%)	(2.62%)	(11.78%)	3.94%	Sell		
Small Cap	89.55	(3.04%)	92.47	4	(3.16%)	95.65	19	(6.38%)	(3.32%)	(14.96%)	2.48%	Sell		

Relative Performance Analysis



Technical Composite

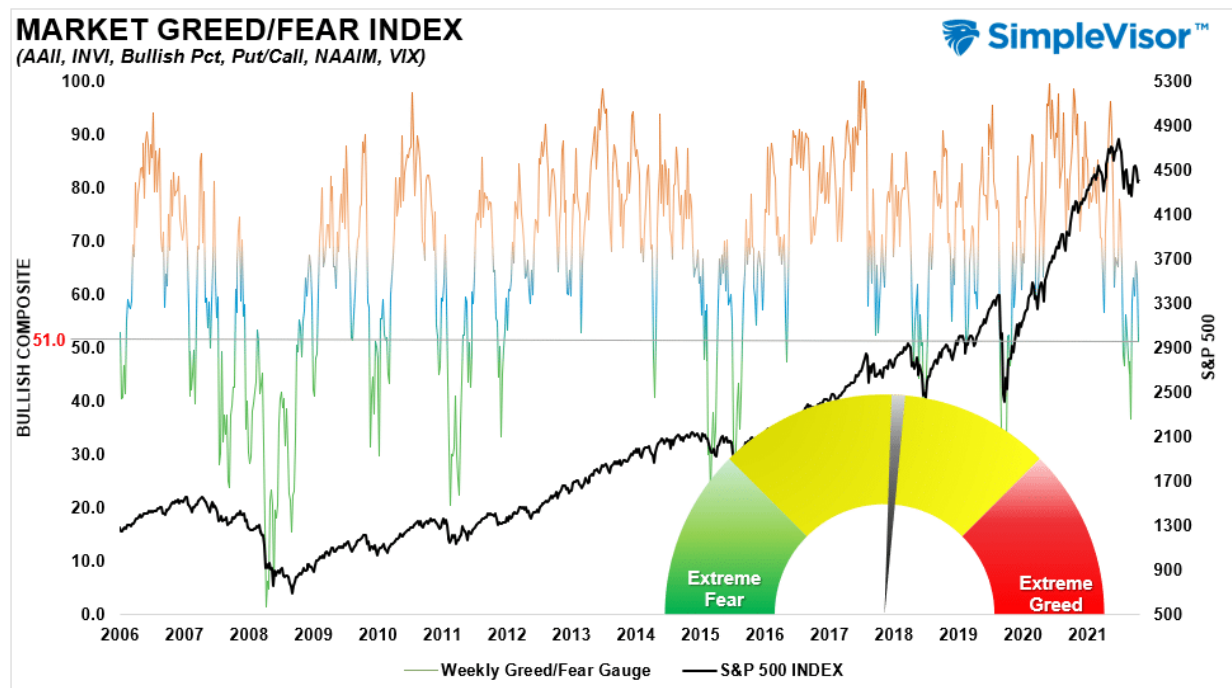
The technical overbought/sold gauge comprises several price indicators (RSI, Williams %R, etc.), measured using "weekly" closing price data. Readings above "80" are considered overbought, and below "20" are oversold. **The current reading is 27.26 out of a possible 100.**



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 to 100. It is a rarity that it reaches levels above 90. The current reading is 51.0 out of a possible 100.



Sector Model Analysis & Risk Ranges

How To Read This Table

- The table compares the relative performance of each sector and market to the S&P 500 index.
- "M/A 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)
- The table shows the price deviation above and below the weekly moving averages.
- The complete history of all sentiment indicators is under the **Dashboard/Sentiment tab** at [SimpleVisor](#).

RELATIVE PERFORMANCE		Current	PERFORMANCE RELATIVE TO S&P 500 INDEX					SHORT	LONG	MONTH END	REL. S&P	RISK RANGE		% DEV. Short M/A	% DEV. Long M/A	M/A XVER SIGNAL
Ticker	ETF NAME	Price	1 Week	4 Week	12 Weeks	24 Weeks	52 Weeks	WMA	WMA	PRICE	BETA	HIGH	LOW			
IVV	ISHARS-SP500	427.78	(2.71)	(5.91)	(1.60)	(0.00)	2.26	442.66	452.46	453.69	0.99	465.03	442.35	-3%	-5%	BEARISH
XLB	SPDR-MATLS SELS	85.74	(1.02)	1.93	6.63	6.69	1.15	85.38	85.72	88.15	1.07	91.30	85.00	0%	0%	BEARISH
XLC	SPDR-COMM SV S&S	61.32	(5.05)	(5.45)	(11.60)	(15.88)	(22.05)	68.36	75.33	68.78	0.98	71.18	66.38	-10%	-19%	BEARISH
XLE	SPDR-EGY SELS	76.20	(1.86)	2.67	19.70	39.85	58.02	73.06	62.33	70.44	1.48	79.48	73.40	4%	22%	BULLISH
XLFI	SPDR-FINL SELS	36.17	0.76	(2.57)	(2.99)	(8.56)	(8.03)	38.42	38.85	38.32	1.11	39.70	36.34	6%	-7%	BEARISH
XLK	SPDR-TECH SELS	143.08	0.28	(3.66)	(5.84)	(5.30)	(2.00)	153.63	159.43	158.93	1.06	164.59	153.27	-7%	-10%	BEARISH
XLJ	SPDR-INDU SELS	98.43	1.20	0.81	2.33	1.58	(5.35)	100.44	102.39	102.98	1.16	106.75	99.21	-2%	-4%	BEARISH
XLP	SPDR-CONS STPL	79.24	3.22	11.51	8.30	17.61	11.64	75.80	74.00	75.89	0.65	78.20	73.50	5%	7%	BULLISH
XLRE	SPDR-RE SELS	49.37	3.96	10.66	9.05	11.45	14.62	47.02	47.61	48.32	0.77	49.90	46.74	5%	4%	BEARISH
XLU	SPDR-UTIL SELS	74.25	0.29	7.93	12.85	19.52	9.26	70.83	68.93	74.46	0.45	76.66	72.26	5%	8%	BULLISH
XLV	SPDR-HEALTH CR	133.67	(0.87)	4.00	6.04	9.67	5.81	133.40	133.25	136.99	0.79	141.49	132.49	0%	0%	BULLISH
XLTY	SPDR-CONS DISCR	115.82	1.26	1.80	2.32	(7.72)	(3.39)	119.41	109.32	105.00	1.15	191.74	118.26	2%	-7%	BEARISH
XTN	SPDR-SP TRANSPT	83.25	3.78	(0.50)	3.73	(6.06)	(8.55)	85.50	88.80	89.06	1.29	92.44	85.68	-3%	-4%	BEARISH
SDY	SPDR-SP DIV ETF	128.70	2.19	6.24	6.44	11.03	2.59	126.49	125.23	128.11	0.89	132.45	123.77	2%	3%	BULLISH
RSP	INV-S SP5 EQ ETF	152.39	0.69	2.35	3.02	3.54	0.74	155.02	156.56	157.71	1.08	163.36	152.06	-2%	-3%	BEARISH
SLY	SPDR-SP6 SC	89.55	0.87	0.67	2.92	(5.11)	(9.07)	92.31	95.78	93.61	1.17	97.05	90.17	-3%	-7%	BEARISH
MDY	SPDR-SP MC 400	470.72	0.98	1.16	3.80	(2.05)	(8.15)	481.50	495.80	490.45	1.14	508.33	472.57	-2%	-5%	BEARISH
EEM	ISHARS-EMG MKT	42.38	(1.47)	(0.82)	(6.78)	(7.71)	(24.89)	46.89	48.82	45.15	0.76	46.62	43.68	8%	-13%	BEARISH
EFA	ISHARS-EAFE	70.47	0.56	1.45	(2.10)	(4.82)	(13.14)	73.42	77.14	73.60	0.83	76.05	71.15	-4%	-9%	BEARISH
IAU	ISHARS-GOLD TR	36.72	0.71	4.72	11.50	15.31	6.31	36.31	34.99	36.83	0.10	37.79	35.87	1%	5%	BULLISH
GDX	VANECK-GOLD MNR	36.94	(6.88)	1.31	29.67	21.85	0.18	35.93	33.29	38.35	0.70	39.58	37.12	3%	11%	BULLISH
UUP	INV-S DB US\$ BU	27.05	3.53	8.33	7.44	16.06	8.37	26.20	25.71	26.30	(0.12)	26.93	25.67	3%	5%	BULLISH
BOND	PIMCO-TOT RETRN	97.64	1.24	2.87	(5.36)	(2.54)	(13.99)	103.24	107.35	101.78	0.09	104.42	99.14	-5%	-9%	BEARISH
TLT	ISHARS-20-YTB	119.99	2.08	(8.83)	(12.57)	(10.57)	(16.59)	133.47	141.82	132.08	(0.19)	135.13	129.03	10%	-15%	BEARISH
BNDX	VANGD-TLT INT B	51.03	2.09	3.61	(2.94)	(1.70)	(13.02)	52.93	55.23	52.44	0.03	53.77	51.11	4%	-8%	BEARISH
HYG	ISHARS-DBX HYCB	79.26	1.49	3.37	(2.80)	(8.36)	(11.55)	82.30	85.16	82.29	0.36	84.64	79.94	4%	-7%	BEARISH



RISK RANGE REPORT



Double-Digit Deviations Not Sustainable

Weekly Stock Screens

Each week we will provide three different stock screens generated from **SimpleVisor**: (RIAPro.net subscribers use your current credentials to log in.)

This week we are scanning for the Top 20:

- Relative Strength Stocks
- Momentum Stocks
- Technically Strong With Strong Fundamentals

These screens generate portfolio ideas and serve as the starting point for further research.

(Click Images To Enlarge)

RSI Screen

Scan Result: 20 Item(s) found Tables Overview Technicals Fundamentals Performance												
Symbol ↑↓	Trend ↑↓	Last ↑↓	RSI ↑↓	20 SMA ↑↓	50 SMA ↑↓	100 SMA ↑↓	Mohanram Score ② ↑↓	Piotroski Score ② ↑↓	SV Rank ② ↑↓	Yield% ↑↓	MACD ↑↓	
ABBV	10/10	\$158.52	44.83	\$162.98	\$154.30	\$142.11	5	8	3	3.55%	1.58	
ADM	10/10	\$96.05	73.03	\$93.00	\$85.28	\$76.54	1	8	1	1.68%	3.47	
APA	10/10	\$42.19	64.81	\$42.07	\$38.37	\$33.66	5	6	1	1.22%	1.56	
BKR	10/10	\$32.91	47.42	\$36.83	\$33.77	\$29.51	1	7	3	1.98%	0.67	
CF	10/10	\$99.36	57.54	\$105.30	\$92.87	\$79.86	1	9	3	1.10%	4.15	
CTRA	10/10	\$29.97	71.99	\$28.07	\$25.56	\$22.97	6	9	3	1.74%	1.40	
CTVA	10/10	\$60.21	73.95	\$59.29	\$55.04	\$51.04	—	7	3	0.92%	1.79	
CVX	10/10	\$164.58	63.20	\$167.52	\$156.89	\$139.13	5	7	2	3.31%	4.07	
DLTR	10/10	\$173.06	77.38	\$162.53	\$151.42	\$143.70	3	6	3	%	6.12	
DVN	10/10	\$61.15	61.93	\$61.34	\$57.75	\$51.48	1	8	3	6.27%	1.67	
FMC	10/10	\$137.01	67.37	\$135.03	\$126.02	\$116.59	6	7	3	1.55%	3.71	
HAL	10/10	\$38.95	56.15	\$38.91	\$35.98	\$30.76	5	7	3	1.19%	1.37	
KR	10/10	\$58.18	54.55	\$57.98	\$53.59	\$49.33	5	4	3	1.44%	1.19	
MCK	10/10	\$331.45	75.53	\$314.77	\$293.32	\$267.84	1	7	2	0.58%	10.40	
MOS	10/10	\$68.66	67.90	\$70.95	\$59.91	\$49.29	5	9	2	0.60%	4.90	
MRO	10/10	\$26.09	67.88	\$25.78	\$23.80	\$20.60	1	8	1	1.05%	0.94	
NEM	10/10	\$77.06	60.09	\$81.13	\$74.33	\$66.63	—	7	3	2.61%	2.67	
NUE	10/10	\$175.59	74.64	\$154.94	\$138.32	\$123.92	—	7	3	1.21%	8.77	
OXY	10/10	\$59.20	61.17	\$58.52	\$52.22	\$42.35	5	7	1	0.88%	2.18	
VRTX	10/10	\$281.71	73.29	\$270.51	\$250.98	\$235.92	1	6	2	%	10.66	

Momentum Screen

Scan Result: 20 Item(s) found Tables Overview Technicals Fundamentals Performance												
Symbol ↑↓	Trend ↑↓	Last ↑↓	RSI ↑↓	20 SMA ↑↓	50 SMA ↑↓	100 SMA ↑↓	Mohanram Score ② ↑↓	Piotroski Score ② ↑↓	SV Rank ② ↑↓	Yield% ↑↓	MACD ↑↓	
ANTM	10/10	\$522.87	68.65	\$501.04	\$475.89	\$457.20	1	7	3	0.99%	13.57	
AZO	10/10	\$2,233.31	73.68	\$2,097.94	\$1,979.67	\$1,982.34	5	7	3	%	68.76	
CI	10/10	\$264.61	73.65	\$250.44	\$239.51	\$231.06	5	6	3	1.76%	6.93	
DE	10/10	\$424.36	68.15	\$423.71	\$397.90	\$379.03	0	6	3	1.00%	10.31	
DG	10/10	\$255.83	77.74	\$235.81	\$217.24	\$218.82	5	6	4	0.88%	10.42	
HII	10/10	\$221.98	74.16	\$208.23	\$201.21	\$193.70	—	5	2	2.12%	6.07	
MCK	10/10	\$331.45	75.53	\$314.77	\$293.32	\$267.84	1	7	2	0.58%	10.40	
NUE	10/10	\$175.59	74.64	\$154.94	\$138.32	\$123.92	—	7	3	1.21%	8.77	
PSA	10/10	\$412.57	76.34	\$397.10	\$374.25	\$363.55	6	7	2	1.96%	12.06	
UNH	10/10	\$537.44	68.28	\$525.01	\$500.06	\$486.38	1	5	3	1.08%	11.98	
CAT	9/10	\$232.57	75.76	\$221.91	\$210.49	\$208.88	1	7	3	2.05%	4.59	
COST	9/10	\$591.74	66.49	\$580.09	\$547.40	\$538.49	5	8	3	0.52%	13.75	
HCA	8/10	\$269.44	67.95	\$257.72	\$255.27	\$249.69	6	7	3	0.86%	2.31	
ORLY	8/10	\$728.15	64.59	\$707.34	\$684.18	\$676.61	5	8	3	%	13.72	
REGN	8/10	\$706.11	60.41	\$706.08	\$661.47	\$644.61	4	6	3	%	18.28	
STZ	8/10	\$254.21	81.15	\$238.97	\$228.35	\$233.91	3	5	3	1.29%	7.94	
ULTA	8/10	\$421.43	70.94	\$403.37	\$384.53	\$384.66	4	7	3	%	11.20	
HUM	7/10	\$455.92	65.52	\$446.64	\$436.59	\$429.42	0	3	3	0.63%	7.60	
SNA	7/10	\$226.19	69.52	\$210.66	\$209.69	\$210.61	1	9	3	2.69%	3.11	
TGT	7/10	\$248.17	73.22	\$225.63	\$217.08	\$221.93	5	8	3	1.54%	7.35	

Technical & Fundamental Strength Screen

Scan Result: 58 Item(s) found												
Tables												
Overview Technicals Fundamentals Performance												
Symbol	Trend	Last	RSI	20 SMA	50 SMA	100 SMA	Mohanram Score	Piotroski Score	SV Rank	Yield%	MACD	
↑↓	↑↓	↑↓	↑↓	↑↓	↑↓	↑↓	↑↓	↑↓	↑↓	↑↓	↑↓	↑↓
↕	↑↓	↑↓	↑↓	↑↓	↑↓	↑↓	↑↓	↑↓	↑↓	↑↓	↑↓	↑↓
AA	10/10	\$72.20	52.35	\$88.86	\$82.60	\$69.27	6	8	1	0.46%	1.19	
ARC	10/10	\$3.86	57.14	\$3.85	\$3.60	\$3.44	6	7	—	5.26%	0.06	
AVD	10/10	\$22.99	79.51	\$21.10	\$18.07	\$16.73	6	8	3	0.45%	1.41	
BDL	10/10	\$35.93	69.46	\$34.62	\$31.44	\$30.83	6	7	—	2.84%	1.37	
CPHC	10/10	\$21.74	57.21	\$21.05	\$20.55	\$19.04	6	8	—	1.39%	0.26	
CSGS	10/10	\$64.62	61.29	\$63.81	\$62.56	\$59.39	6	8	3	1.65%	0.61	
CTRA	10/10	\$29.97	71.99	\$28.07	\$25.56	\$22.97	6	9	3	1.74%	1.40	
EOG	10/10	\$119.49	54.73	\$121.69	\$117.08	\$105.70	7	8	3	2.44%	1.73	
EPD	10/10	\$27.14	76.18	\$26.13	\$25.09	\$23.63	6	7	3	6.96%	0.57	
FMC	10/10	\$137.01	67.37	\$135.03	\$126.02	\$116.59	6	7	3	1.55%	3.71	
IMKTA	10/10	\$99.33	71.09	\$92.89	\$89.10	\$85.59	6	8	—	0.69%	2.40	
IRM	10/10	\$57.58	73.28	\$55.29	\$50.47	\$48.67	8	7	3	4.46%	1.70	
ITPOF	10/10	\$31.65	76.24	\$31.60	\$26.61	\$23.23	6	7	—	2.17%	1.16	
PBR	10/10	\$14.58	71.72	\$14.04	\$13.32	\$12.01	6	8	3	22.17%	0.53	
PSA	10/10	\$412.57	76.34	\$397.10	\$374.25	\$363.55	6	7	2	1.96%	12.06	
SFM	10/10	\$32.14	52.38	\$32.61	\$31.22	\$29.72	6	8	2	%	0.32	
SGRY	10/10	\$60.14	70.25	\$54.51	\$52.45	\$49.95	6	7	2	%	1.37	
TECK	10/10	\$40.05	60.47	\$40.98	\$38.83	\$34.08	6	7	1	0.93%	1.30	
VHI	10/10	\$34.09	74.45	\$30.18	\$27.81	\$27.46	6	8	—	0.98%	1.47	
WES	10/10	\$26.16	64.01	\$25.27	\$25.24	\$23.55	6	7	2	5.01%	0.37	
WRB	10/10	\$69.52	76.29	\$67.35	\$63.63	\$59.18	7	9	1	0.51%	1.78	
ABM	9/10	\$52.76	77.86	\$47.06	\$45.25	\$43.84	6	7	4	1.64%	1.61	
CW	9/10	\$155.47	64.91	\$151.44	\$147.29	\$140.85	8	6	3	0.48%	1.36	
HCKT	9/10	\$24.20	70.76	\$23.39	\$21.49	\$20.76	6	8	3	1.86%	0.66	
L	9/10	\$66.66	71.23	\$64.84	\$62.86	\$60.50	6	9	—	0.39%	0.86	
PFIE	9/10	\$1.32	65.08	\$1.32	\$1.25	\$1.17	7	6	—	%	0.03	
SPH	9/10	\$16.89	66.88	\$16.46	\$15.54	\$15.05	7	8	3	7.58%	0.45	
WPM	9/10	\$49.12	68.97	\$49.19	\$46.69	\$43.66	6	8	4	1.17%	1.30	
ALIM	8/10	\$5.85	57.64	\$5.84	\$5.29	\$5.01	6	7	3	%	0.22	
ATSG	8/10	\$32.16	56.27	\$31.74	\$30.65	\$29.07	6	8	3	%	0.18	
BFS	8/10	\$54.98	68.67	\$52.71	\$49.26	\$50.07	7	6	—	4.20%	1.52	
BRX	8/10	\$26.48	68.24	\$25.60	\$25.15	\$24.74	6	7	2	3.69%	0.35	
CAPL	8/10	\$22.61	59.93	\$22.29	\$21.13	\$20.49	7	6	3	9.19%	0.50	
CNA	8/10	\$49.57	64.72	\$48.66	\$47.02	\$44.96	6	9	4	3.30%	0.57	
EHC	8/10	\$72.74	60.47	\$70.90	\$68.26	\$65.36	6	7	5	1.51%	1.31	
EXR	8/10	\$217.01	70.82	\$208.52	\$199.19	\$202.62	6	7	3	2.35%	5.13	
FLT	8/10	\$258.69	66.94	\$251.53	\$242.15	\$234.39	6	7	3	%	5.40	
HCA	8/10	\$269.44	67.95	\$257.72	\$255.27	\$249.69	6	7	3	0.86%	2.31	
HL	8/10	\$6.51	54.21	\$6.74	\$6.40	\$5.77	7	8	3	0.35%	0.15	
LSI	8/10	\$148.22	70.12	\$142.81	\$135.90	\$137.68	6	8	3	2.75%	3.42	

SimpleVisor Portfolio Changes

We post all of our portfolio changes as they occur at [SimpleVisor](#):

April 21st

"As we head into earnings season, we are rebalancing equity risk in the portfolio models. While we like the growth-oriented side of our portfolio allocation heading into a slower economic environment, we realize there may be an earnings-related risk to those companies short term. Importantly, the markets have not been kind to short-falls as witnessed by the recent clubbing of NFLX.

As such we are reducing our specific earnings risk exposure in AAPL, AMD, and NVDA and replacing that reduction with a holding in the S&P 500 ETF (SPY). This keeps our equity weighting roughly the same but reduces some of the potential risks of a specific earnings miss. If that event does NOT occur, we will simply add back to those holdings.

We are also just reducing our holding in PSA (Public Storage) back to the target weight and taking profits.

In the ETF model we are reducing Technology (XLK) and Real Estate (XLRE) for the same related risks. We are also rebalancing Staples (XLP) and Utilities (XLU) back to model weights to take profits."

Equity Model

- Sell 1% of NVDA and AMD
- Reduce AAPL by 1%
- Reduce PSA to 2% of the portfolio
- Initiate a 3% position of SPY

ETF Model

- Reduce XLRE by 1/2% of the portfolio.
- Sell 1% of the portfolio weight in XLK
- Reduce XLP to 5% of the portfolio weight.
- Reduce XLU to 4% of the portfolio weight.



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Lance Roberts, CIO

Have a great week!