RIA Advice

Buy Bonds? Yes, And Why You Should Too

In this 02-18-22 issue of "Buy Bonds? Yes, And You Should Too."

- *Market Turbulence From "Russia With Love."*
- *Why We Are Buying Bonds & You Should Too*
- *Portfolio Positioning*
- *Sector & Market Analysis*

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

Need Help With Your Investing Strategy?

Are you looking for complete financial, insurance, and estate planning? Need 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.](#)

Weekly Market Wrap With Adam Taggart

https://youtu.be/hxw6fEkSlDk

From Russia With Love

> *"When is the selling going to stop?"*

That was the most common question I received this past week. However, it is an interesting one given that people never ask, *"when is the BUYING going to stop?"*

The importance of the question drives to the emotional biases that drive our portfolio management decision processes. Last year, investors could do no wrong. Whatever investment you made seemed to work. So far, 2022 remains a *"year of nothing working."*

This week was another nauseating week of heightened Russian/Ukrainian headlines that sent stocks tumbling backward. As I **discussed Friday morning**:

"IF this market is going to maintain its bullish bias, it must hold those January lows otherwise we are looking at a potentially deeper correction. The good news, if you want to call it that, is the market has now reversed its previous overbought condition."

Importantly, investors are extremely bearish. The AAII sentiment index is now at the lowest levels since 2016, following a nearly 20% decline over concerns of Brexit. That was the low point for the year.

While this year is very different, the point is that with the market oversold and sentiment very bearish, we are likely to see a reflexive bounce to rebalance risks into.

As noted previously, the tailwinds pushing markets higher in 2021 and now headwinds into 2022. Liquidity is reversing, economic and earnings growth will slow, and the Fed will tighten monetary policy. Historically, these events have not been kind to market bulls.

However, there is just one question every bullish investor has.

"Where is the Fed put."

The Fed Put

The "Fed put" is the level where the Federal Reserve will take action to begin supporting asset markets by reversing rate hikes and restarting quantitative easing (QE) programs. Recently, a BofA fund managers survey pegged 3750 as the level they thought the "Fed put" resides.

Chart 29: Investors think the Fed "put" for the S&P500 is 3698
Which of the following is most likely to lead the S&P500 above 5000 in 2022?
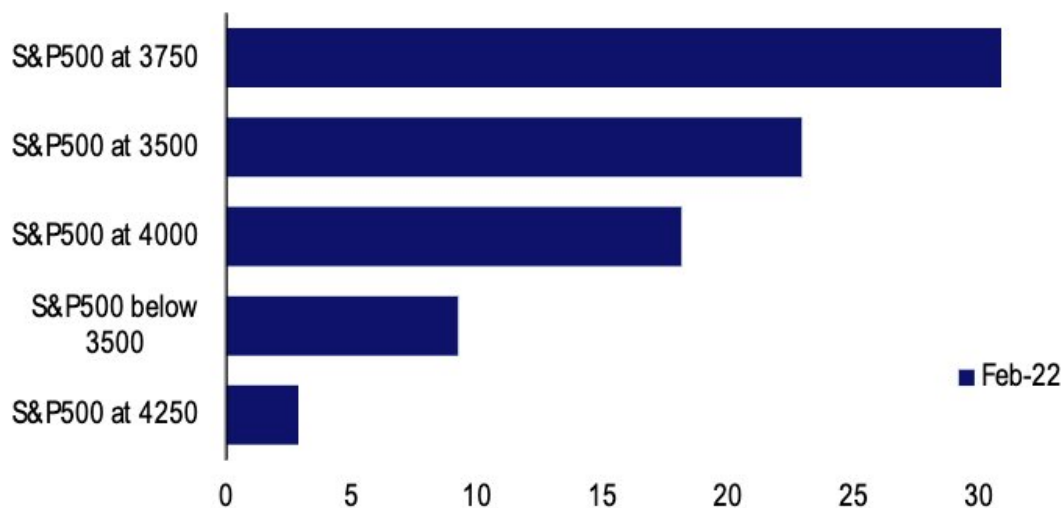
Source: BofA Global Fund Manager Survey

BofA GLOBAL RESEARCH

While the BofA fund managers may be correct, my targets are slightly different as they are a function of Fibonacci retracement levels from the March 2020 closing lows. From the peak close of the market, the targets are:

- 38.2% rally retracement = 3829 = 20% market decline *(Fed likely worried)*
- 50% rally retracement = 3523 = 27% market decline *(Margin calls triggered. Fed likely acts.)*
- 61.8% rally retracement = 3217 = 33% market decline *(Fed put triggered)*

Interestingly, a 33% market decline, while likely causing the Fed to reverse monetary tightening rapidly, only erases the market gains from early 2020. An absolute *"reversion to the mean"* event would probably take the market back to the previous market peaks of 2000 and 2007. For obvious reasons, the Fed will avoid that at all costs. *(This shows just how extensive the Fed-fueled bull run has become.)*

Regardless of where you think the Fed put is, one asset class benefits from a *"risk-off"* move in the markets.

Such is why we are buying bonds.

This Week's MacroView
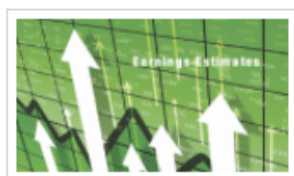
Earnings Estimates Will Disappoint As Fed Tightens Policy

Written by Lance Roberts | Feb 18, 2022 | Investing

Earnings estimates are more deviated from long-term growth trends than at any point in history....

> Read More

Why We Are Buying Bonds & You Should Too

I received many emails and questions on *"why"* we are adding bonds to our portfolio. It certainly seems *"crazy" when inflation is hot, and the Fed talks* about increasing rates. I certainly understand

the consternation. **However, sometimes the obvious may not be so obvious.**

Notably, few people have a fundamental understanding of the bond market, as shown by a previous survey from BNY Mellon.

> *?A BNY Mellon Investment Management national survey on fixed-income investing was stunning:* ***A measly 8% of Americans were able to accurately define fixed-income investments.***"

Mass Confusion

A large share of Americans say they have no understanding of bond markets

■ Percent answering "I do not understand it at all"
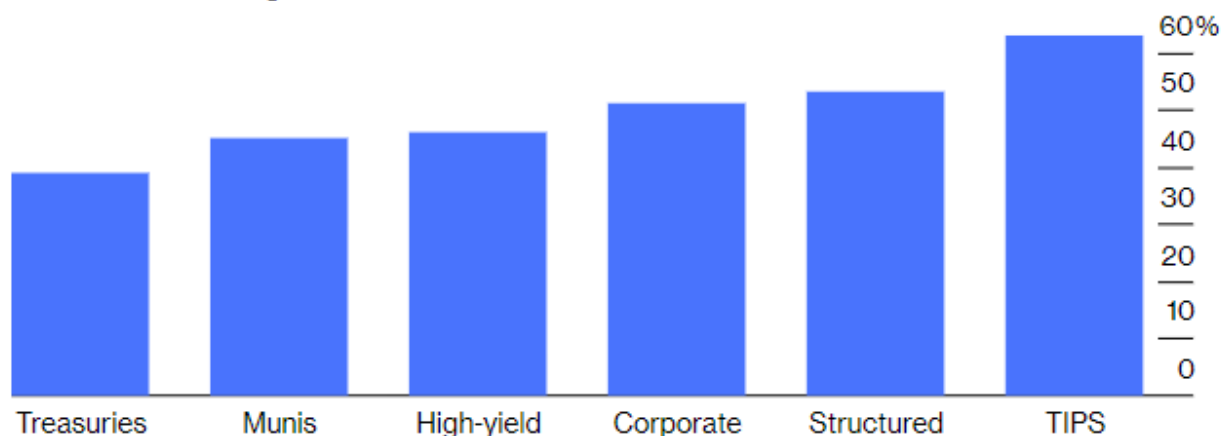
Source: BNY Mellon Investment Management

Such is not surprising since the financial media focuses only on the *"sexier"* side of the business - equities.

However, bonds are necessary from the investment perspective and the economic view. As we have discussed previously, low-interest rates are a function of an overly indebted economy. If rates rise too much, bad things have historically happened.

> "*The chart below is the interest service ratio on total consumer debt. (The graph is exceptionally optimistic as it assumes all consumer debt benchmarks to the 10-year treasury rate.) While the media proclaims consumers are in great shape because interest service is low, it only takes small increases in rates to trigger a ?recession? or ?crisis? event.?*

Why Rates Can't Rise Much
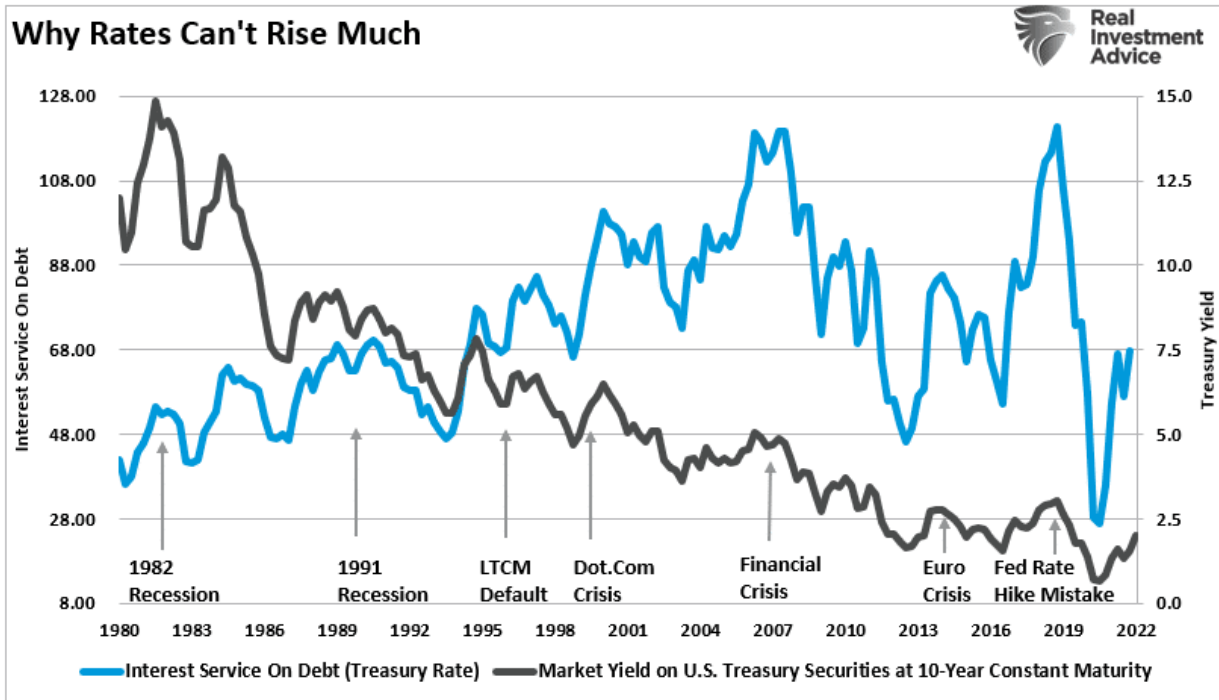
Of course, as noted, interest rates reflect economic growth. As economic growth slows this year and disinflationary pressures present themselves, rates will track economic growth lower.

10-Year Treasury Rate Vs GDP
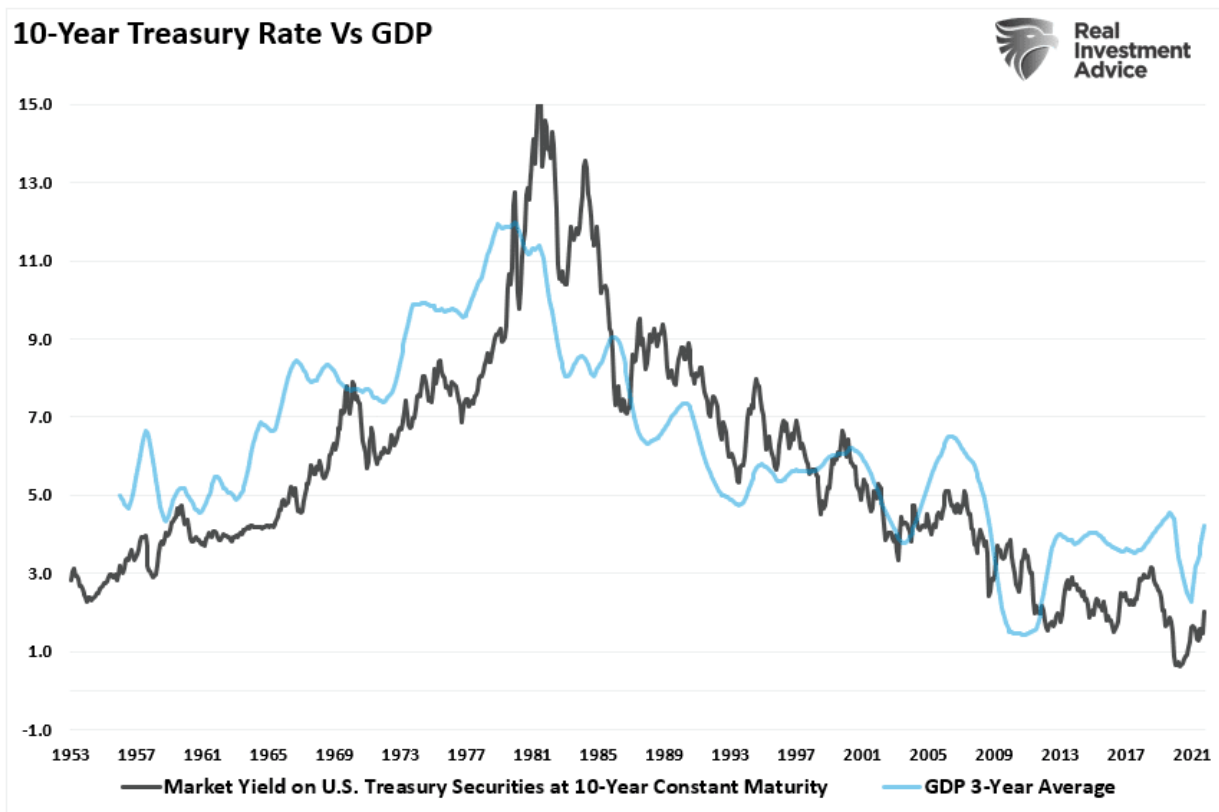
A Long History Of Rates & Economic Growth

The chart below shows a VERY long view of interest rates in the U.S. since 1854.

The Long View - Interest Rates, GDP, Inflation & Stocks
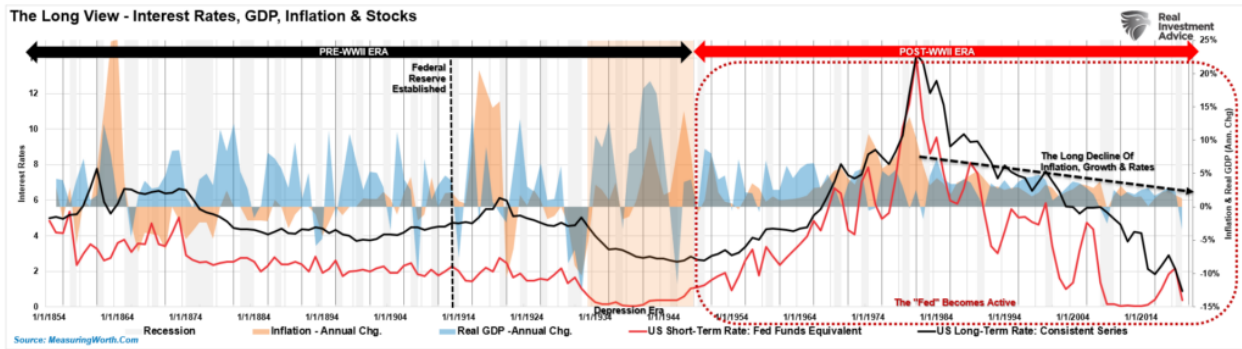
Interest rates are a function of the general trend of economic growth and inflation. **More robust growth and inflation rates allow for higher borrowing costs to be charged within the economy.** Such is why *bonds can?t be overvalued.* To wit:

> *?Unlike stocks, bonds have a finite value. At maturity, the principal gets returned to the lender along with the final interest payment. Therefore, bond buyers know the price they pay today for the return they will get tomorrow. As opposed to an equity buyer taking on investment risk, a bond buyer is loaning money to another entity for a specific period. Therefore, the interest rate takes into account several risks:?*

- *Default risk*
- *Rate risk*
- *Inflation risk*
- *Opportunity risk*
- *Economic growth risk*

> *?Since the future return of any bond, on the date of purchase, is calculable to the 1/100th of a cent, a bond buyer will not pay a price that yields a negative return in the future. (This assumes a holding period until maturity. One might purchase a negative yield on a trading basis if expectations are benchmark rates will decline further.) ?*

Currently, the inflation surge suggests yields should rise. However, that inflation push was artificial from massive monetary interventions. As monetary inputs fade, disinflation will push yields lower.
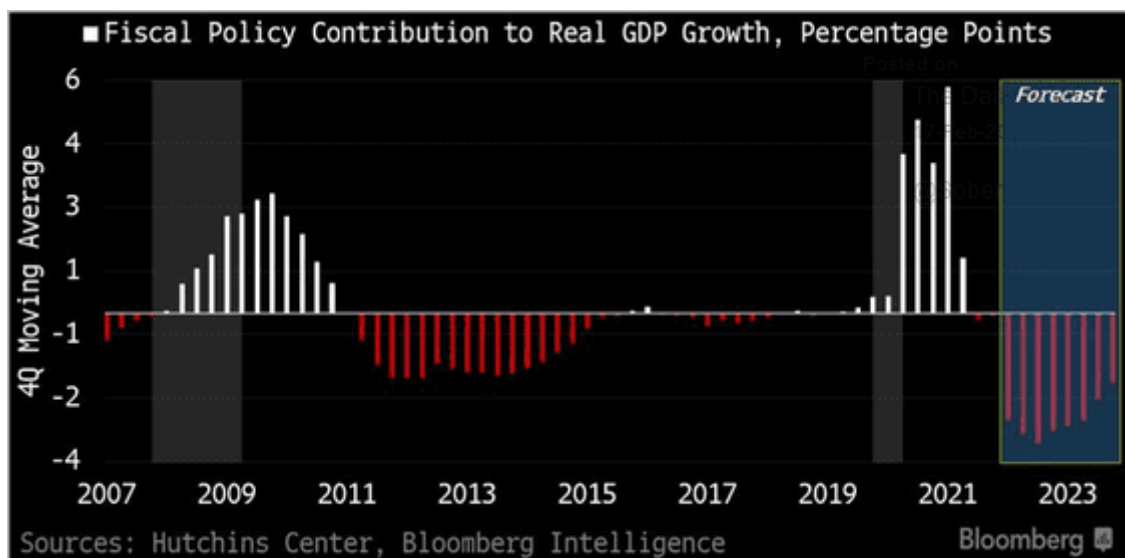
Disinflation from the contraction of liquidity will coincide with slower economic growth.

Morgan Stanley and Goldman Sachs suggest a faster economic slowdown than previously expected. Both Wall Street and the Fed will scramble to reassess the central bank's tightening intentions, especially if the US faces a recession in the second half of 2022. - Zerohedge
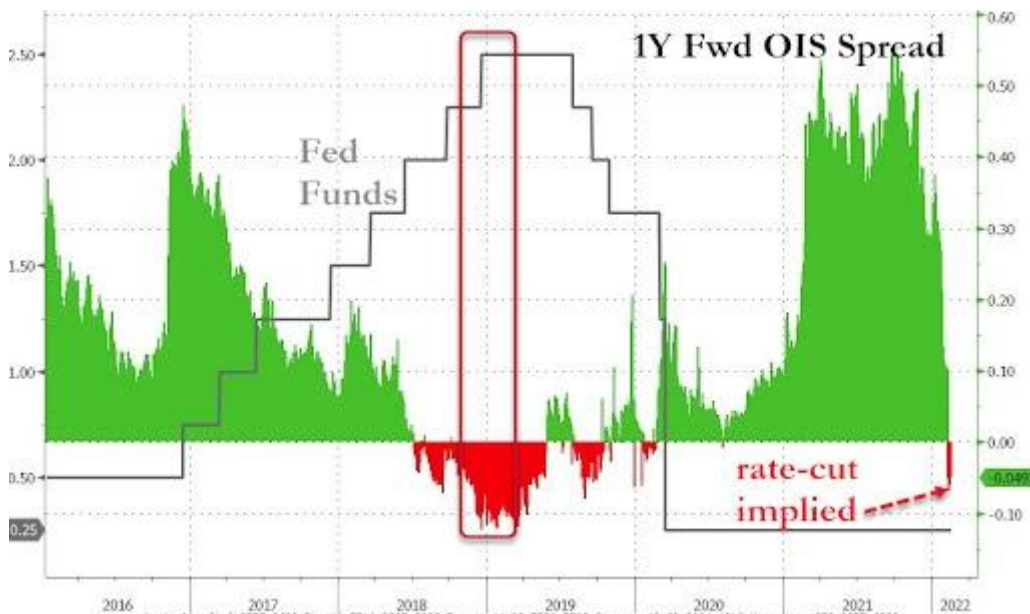
Throw on top of that massive geopolitical risk, and the *"demand for safety"* is evident.

Buy Bonds For Capital Appreciation & Protection

Most people view bonds as an income-only investment. With yields low, why own bonds? However, there is another aspect to bonds; capital appreciation.

In our portfolio management process, we buy bonds for three reasons:

1. *Capital appreciation - the same reason we buy equities*
2. *Total return - interest income plus capital appreciation*
3. *Risk reduction - lower volatility asset to offset higher volatility assets (equities.)*

If you start thinking about bonds as an *"equity,"* the analysis changes from an income strategy to a capital appreciation opportunity.

Currently, using a monthly chart, treasury bonds are at a very critical oversold juncture. Historically, when bonds were this oversold such coincided with a financial event or recession. Such is not surprising given, as noted above, the impact of higher rates on a highly leveraged economy.

$TNX CBOE 10-Year US Treasury Yield INDX © StockCharts.com
17-Feb-2022 2:27pm   Open 17.50 High 20.65 Low 17.43 Last 19.72 Chg +1.90 (+10.66%) ▲

Buy Bonds   Buy Bonds   Buy Bonds   Buy Bonds   Buy Bonds

$TNX (Monthly) 19.72
—$SPX 4406.29

Dot Com Crash   Financial Crisis   Brexit Taper Tantrum   Fed Rate Hike / COVID

Extremely Overbought Interest Rates Have Been Great Bond Buying Opportunities.
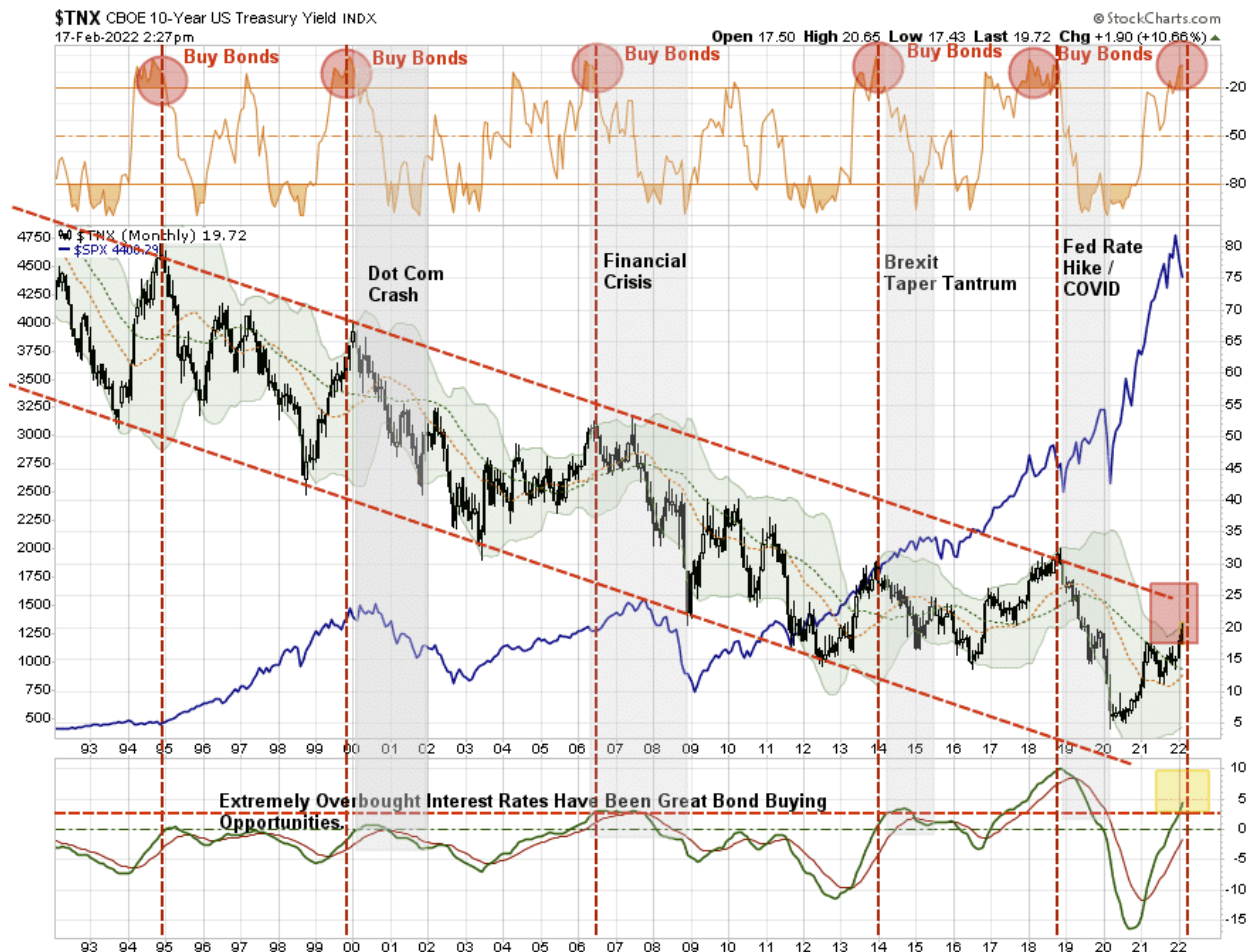
Since interest rates are the inverse of bond prices, we can look at this long-term chart of rates to determine when bonds are overbought or oversold.

- *In 2018, rates slid lower as the realization that Fed rate hikes would negatively impact economic growth and financial stability.*
- *As 2019 progressed, the yield curve inverted pushing rates lower as investors sought safety.*
- *In March of 2020, as the pandemic raged, the demand for safety caused rates to plunge to record lows.*

Historically, bonds are the beneficiary of a *"risk-off"* rotation during market downturns. Such not only provides a return but reduces overall portfolio volatility.

With the Fed now set to hike rates and reduce their balance sheet to slow economic growth, not to mention geopolitical risk with Russia, the demand for safety will return. If GS and Morgan Stanley are correct, we suspect yields will fall toward previous lows by the end of 2022, suggesting an 11% return on bonds.
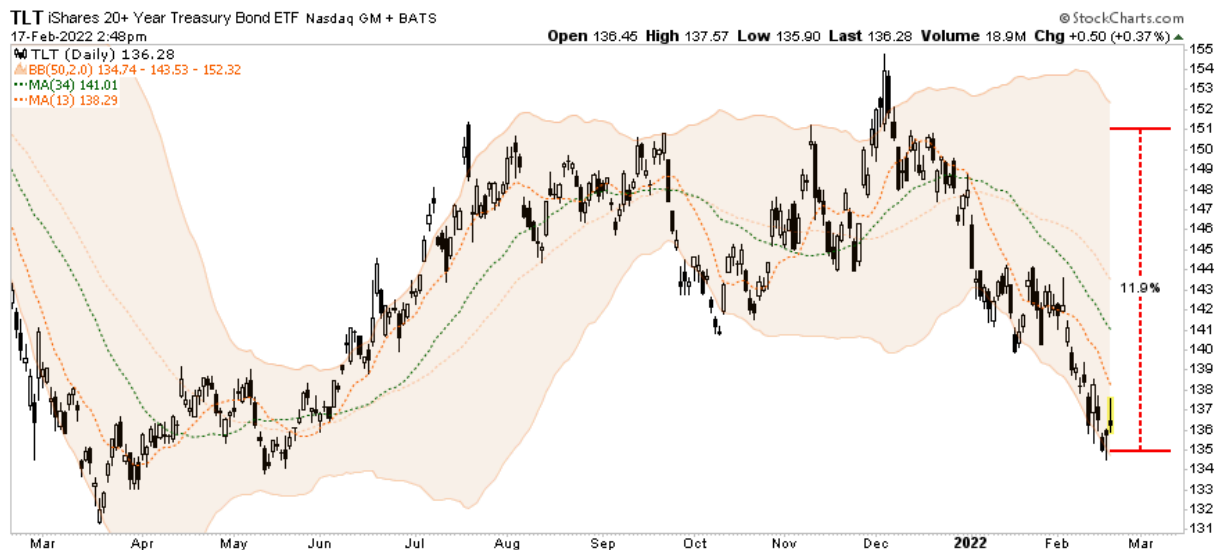
Bonds could outperform stocks this year.

Portfolio Update

There are undoubtedly many issues confronting even the most optimistic of investors currently.

- *Geopolitical risk from Russia and the threat to the Ukraine*
- *Rising interest rates*
- *Surging inflationary pressures*
- *Economic growth slowing*
- *Profit margins under pressure*
- *Reversal of monetary liqudity*
- *Tighter monetary policy from the Federal Reserve*
- *Surging oil prices*

The many tailwinds that supported the rapid rise in the markets from 2020 have reversed. As shown, the roughly 120% advance from the March lows was a function of the liquidity surge from the Government.

Market Meltup 2020-Present — Real Investment Advice
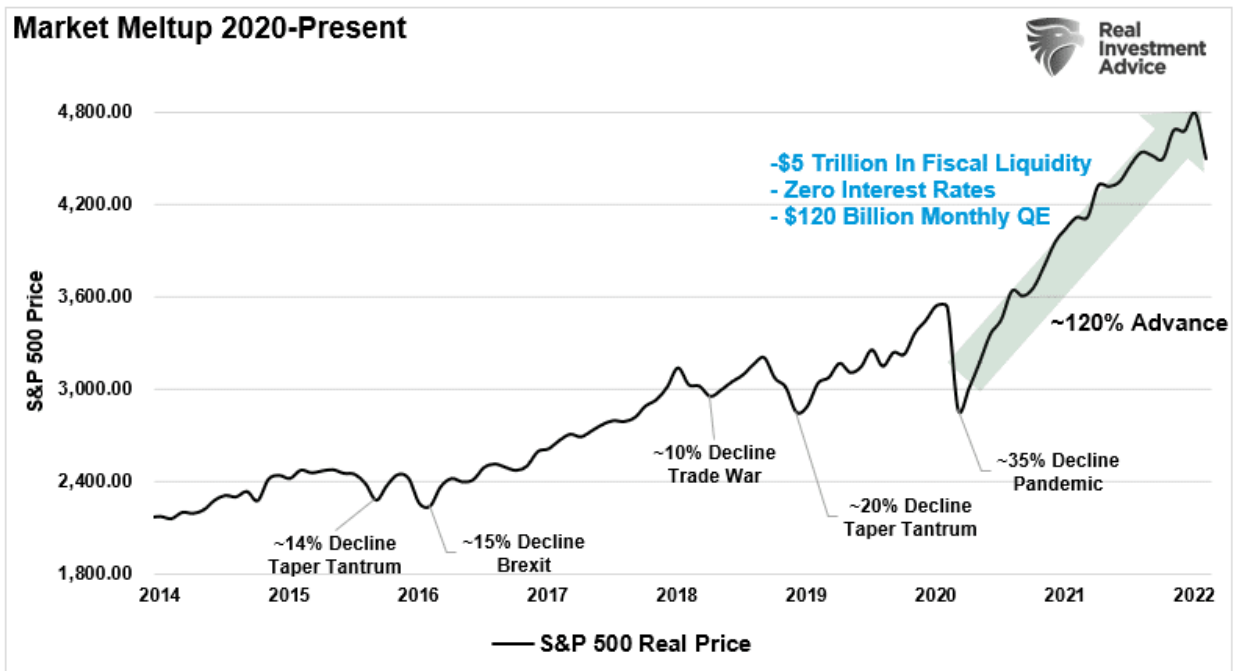
Now, the tenor of the market is changing.

We reduced equity risk on the previous rally from an investment perspective and added to our portfolio hedges. On the next oversold, counter-trend bounce, we will repeat that process.
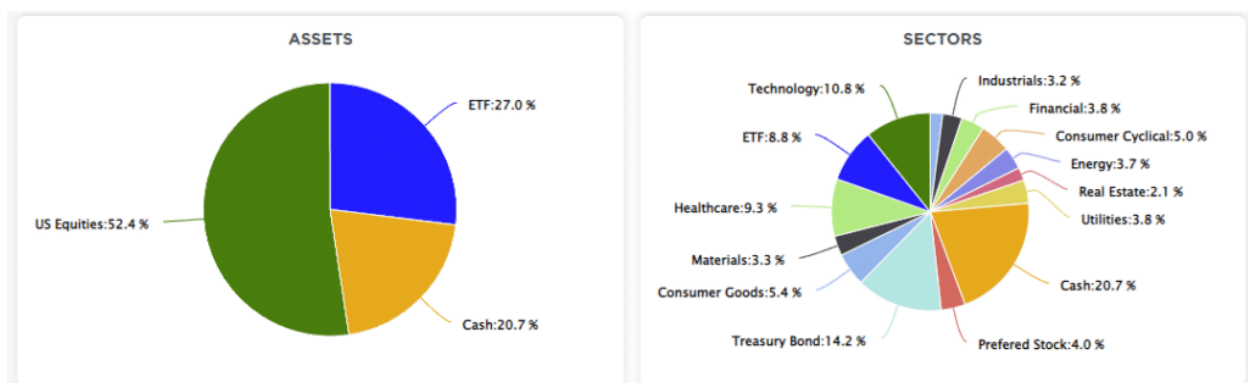
The market remains in a very vulnerable position. Again, we can't say with any confidence whether the next leg of the market is up or down. However, the weight of evidence is starting to suggest the latter.

As such, we have three options currently:

1. **Do Nothing** ? if the markets correct, we reduce capital and time waiting for the portfolio to recover.
2. **Take Profits** ? This was our choice on the recent reflexive rally. Taking profits, raising cash, and reducing equity exposure mitigates the damage of a decline. However, if wrong, we can repurchase positions, add new ones, or resize portfolio holdings as needed.
3. **Hedge** ? We also opted to hedge by adding a position to the portfolio that is the *?inverse?* of the market.

While we are reducing capital risk opportunistically, we are aware we could give up performance in the short term if the market rallies. For us, that choice we can live with if we bypass the risk of a more significant correction.

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	31.37%	12.73%	(7.26%)	(157.05%)
Max Drawdown	(35.63%)	(12.34%)	(12.34%)	0.00%
Sharpe	0.63	1.30	(2.61)	(3.02)
Sortino	0.72	1.58	(4.05)	(3.57)
Volatility	25.67	13.74	19.92	0.45
Daily VaR-5%	(21.92)	(7.16)	(84.53)	10.81
Mnthly VaR-5%	(7.11)	8.23	11.06	0.34

Item	2 years ago	1 year ago	Current	1 Yr % Change	5 Year High	5 year Low	% From High	% From Low
Dividend Yield	1.72%	1.40%	1.31%	(7.57%)	2.14%	1.20%	(38.87%)	8.91%
P/E Ratio	21.36	29.09	21.27	(36.75%)	2904%	1645%	(26.7%)	29.29%
P/S Ratio	3.96	4.61	4.79	3.58%	5.14	3.17	(6.99%)	51.14%
P/B Ratio	5.27	6.03	6.76	10.81%	7.10	4.34	(4.89%)	55.65%
ROE	21.82%	20.73%	27.98%	25.92%	27.98%	17.68%	0.00%	58.22%
ROA	4.29%	3.76%	4.99%	24.70%	4.99%	3.51%	0.00%	42.01%

S&P 500 Market Cap Analysis

Item	12-M Ago	Current	% Chg
Shares	2,868.4	2,780.5	(3.07%)
Sales	67,961	77,223	13.63%
SPS	23.7	27.8	17.22%
Earnings	10,289	14,788	43.73%
EPS TTM	4.0	5.8	42.70%
Dividend	1.6	1.7	10.39%

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	62.04%	3.44%	1.56	27.23	105.28	(330.04)	(74.1%)	8.6%	3.1%	3.75%	5.28	11.72
Materials	15.08%	2.52%	1.16	16.21	27.12	14.16	(40.2%)	16.7%	1.8%	5.48%	5.91	15.47
Industrials	10.48%	7.83%	1.18	26.76	54.35	14.68	(50.8%)	17.5%	1.5%	3.20%	6.36	19.73
Discretionary	3.87%	12.05%	1.31	34.56	59.91	21.98	(42.3%)	28.7%	0.6%	2.48%	6.79	29.18
Staples	13.49%	6.00%	0.66	22.24	23.01	17.65	(3.3%)	30.2%	2.4%	4.36%	4.72	21.46
Health Care	11.85%	13.13%	0.78	16.90	19.73	15.29	(14.3%)	33.4%	1.6%	5.55%	8.81	15.99
Financials	28.69%	11.64%	1.22	13.72	18.53	10.59	(26.0%)	12.8%	1.6%	7.13%	6.81	14.74
Technology	12.92%	28.57%	1.08	27.89	33.03	16.69	(15.6%)	78.1%	0.9%	3.25%	6.43	26.94
Telecom	5.53%	9.63%	0.88	20.15	28.26	17.65	(28.7%)	18.4%	0.6%	4.53%	9.64	19.82
Utilities	4.03%	2.45%	0.49	19.53	22.09	16.89	(11.6%)	10.8%	3.2%	5.10%	3.56	19.66
Real Estate	17.04%	2.63%	0.97	23.15	25.68	17.12	(9.9%)	9.6%	2.6%	4.25%	4.89	22.52

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	440.46	(2.86%)	460.06	24	(4.26%)	445.13	10	(1.05%)	3.35%	(8.23%)	18.44%	Buy
Mid Cap	482.44	(2.06%)	497.82	35	(3.09%)	497.58	39	(3.04%)	0.05%	(9.58%)	9.94%	Buy
Small Cap	92.36	(3.37%)	95.88	30	(3.67%)	96.75	38	(4.54%)	(0.90%)	(12.29%)	5.70%	Sell

Relative Performance Analysis

Year To Date Performance

Ticker	Performance
VWO	0.47%
VEA	-4.31%
XLC	-13.22%
TLT	-6.72%
SLY	-7.38%
MDY	-7.26%
XLY	-11.95%
XLV	-9.50%
XLU	-7.49%
XLP	-1.40%
XLRE	-13.76%
XLK	-12.33%
XLI	-7.06%
XLF	0.44%
XLE	22.61%
XLB	-7.45%
SPY	-8.58%

YTD Price - S&P Sectors Recalibrated To $50/share

Legend: XLB, XLE, XLF, XLI, XLK, XLRE, XLP, XLU, XLV, XLC, XLY, SPY

Year To Date Performance Relative To S&P 500

Ticker	Value
SPY	0
XLB	1.13%
XLC	-4.65%
XLE	31.19%
XLF	9.01%
XLI	1.52%
XLK	-3.75%
XLRE	-5.19%
XLP	7.17%
XLU	1.09%
XLV	-0.92%
XLY	-3.38%
MDY	1.32%
SLY	1.19%
TLT	1.85%
VEA	4.27%
VWO	9.04%

Price Deviation From 50-Day Moving Average

Ticker	Deviation
SPY	-5.13%
XLB	-3.42%
XLE	9.53%
XLF	-0.91%
XLI	-4.53%
XLK	-7.36%
XLRE	-7.43%
XLP	0.03%
XLU	-4.08%
XLV	-5.02%
XLY	-6.65%
MDY	-3.15%
SLY	-3.47%
TLT	-3.65%
XLC	-9.56%
VEA	-2.66%
VWO	0.24%

Extreme Deviation

Overbought/Oversold 14-Periods

Composite Average, (86.44)
Composite Median, (97.81)

Markers: XLP, TLT, XLB, SLY, VWO, SPY, XLE, XLF, XLI, XLK, XLRE, XLU, XLV, XLY, MDY, XLC, VEA

Size / Sector ETF YTD Trading Range

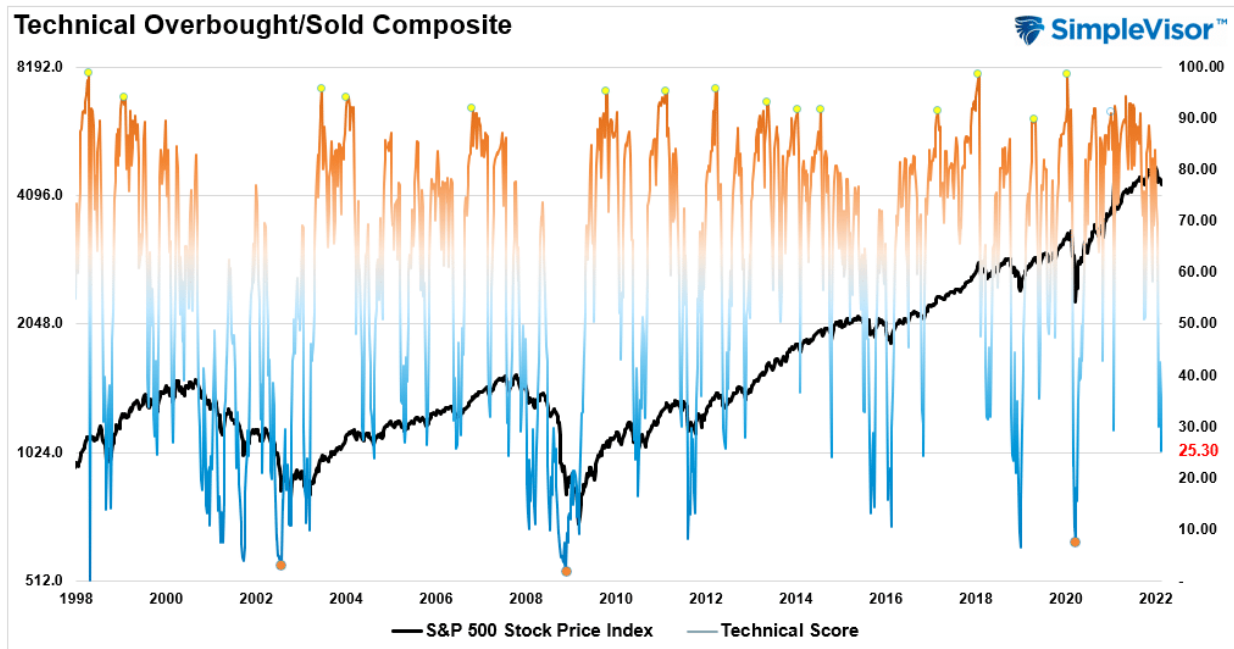| Ticker	Low	High
SLY	88.86	101.16
MDY	460.61	521.70
SPY	431.24	477.71
XLY	174.3	210.31
XLV	127.51	139.44
XLU	66.15	70.87
XLP	74.3	77.62
XLK	151.38	175.52
XLRE	44.68	51.33
XLI	98.34	107.05
XLF	38.2	41.42
XLE	57.22	70.41
XLB	82.46	90.53

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 25.30 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 c*urrent reading is 58.5 out of a possible 100.*
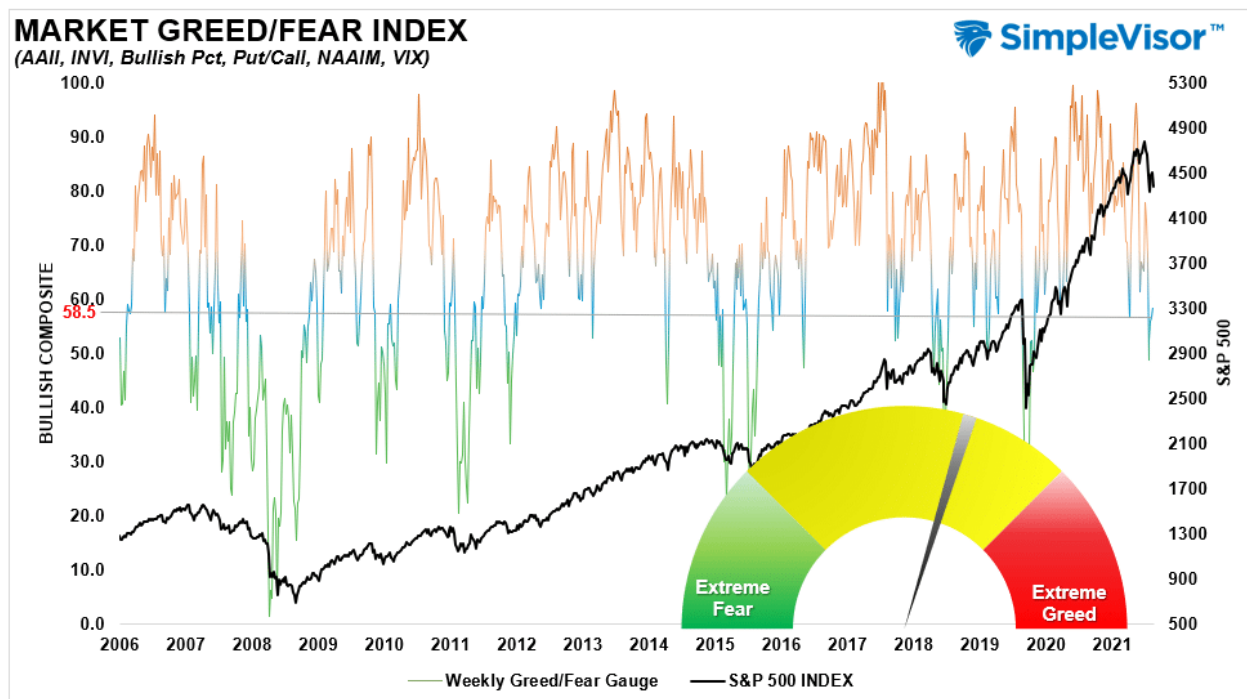
Sector Model Analysis & Risk Ranges

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.*
- *The complete history of all sentiment indicators is on under the* **Dashboard/Sentiment tab** *at* **SimpleVisor**

Ticker	ETF NAME	Current Price	1 Week	4 Week	12 Weeks	24 Weeks	52 Weeks	SHORT WMA	LONG WMA	MONTH END PRICE	REL S&P BETA	RISK RANGE HIGH	LOW	% DEV - Short M/A	% DEV - Long M/A	M/A XVER SIGNAL
IVV	ISHARS-SP500	436.07	(1.42)	(0.89)	(5.33)	(4.18)	11.38	460.65	452.26	451.77	0.99	463.06	440.48	-5%	-4%	BULLISH
XLB	SPDR-MATLS SELS	83.86	1.25	0.67	2.39	2.41	0.36	86.83	85.02	84.45	1.07	87.46	81.44	-3%	-1%	BULLISH
XLC	SPDR-COMM SV SS	67.41	(1.32)	(5.77)	(7.33)	(16.95)	(18.38)	75.01	79.34	73.95	0.97	76.52	71.38	-10%	-15%	BEARISH
XLE	SPDR-EGY SELS	68.05	(1.93)	9.86	27.77	44.14	35.98	60.86	55.58	65.92	1.50	68.56	63.28	12%	22%	BULLISH
XLF	SPDR-FINL SELS	39.22	(0.80)	3.56	6.49	7.20	9.63	39.45	38.65	39.06	1.13	40.48	37.64	-1%	1%	BULLISH
XLK	SPDR-TECH SELS	152.44	(0.16)	(0.34)	(2.83)	(0.17)	0.67	165.52	159.68	161.97	1.05	167.72	156.22	-8%	-5%	BULLISH
XLI	SPDR-INDU SELS	98.34	0.39	(1.94)	0.61	(1.80)	(3.29)	103.20	103.14	100.74	1.17	104.44	97.04	-5%	-5%	BULLISH
XLP	SPDR-CONS STPL	76.03	2.46	0.98	10.99	8.57	5.70	75.17	72.74	75.97	0.65	78.37	73.57	1%	5%	BULLISH
XLRE	SPDR-RE SELS	44.68	(0.21)	(3.82)	(1.20)	(4.14)	5.92	48.29	47.27	47.34	0.76	48.88	45.80	-7%	-5%	BULLISH
XLU	SPDR-UTIL SELS	66.22	0.21	(2.92)	4.52	(0.53)	(3.55)	68.73	67.39	69.25	0.44	71.29	67.21	-4%	-2%	BULLISH
XLV	SPDR-HLTH CR	127.51	(0.68)	(0.63)	1.95	(2.65)	0.07	133.73	132.36	131.23	0.79	135.55	126.91	-5%	-4%	BULLISH
XLY	SPDR-CONS DISCR	180.00	1.15	0.66	(6.47)	2.26	(5.26)	195.59	190.03	184.95	1.13	191.67	178.23	-8%	-5%	BULLISH
XTN	SPDR-SP TRANSPT	87.00	2.36	3.66	(0.40)	4.61	(3.37)	90.18	88.49	85.76	1.32	89.04	82.48	-4%	-2%	BULLISH
SDY	SPDR-SP DIV ETF	124.14	1.05	0.01	5.88	3.85	0.08	126.51	124.23	126.33	0.90	130.62	122.04	-2%	0%	BULLISH
RSP	INVS-SP5 EQ ETF	153.55	0.28	1.19	3.47	2.05	1.86	158.11	155.92	155.64	1.09	161.23	150.05	-3%	-2%	BULLISH
SLY	SPDR-SP6 SC	92.07	1.11	2.05	(0.63)	(1.37)	(11.00)	96.08	96.54	92.08	1.19	95.48	88.68	-4%	-5%	BEARISH
MDY	SPDR-SP MC 400	480.12	0.94	2.54	0.15	(0.47)	(7.43)	498.45	498.09	480.04	1.17	497.63	462.45	-4%	-4%	BULLISH
EEM	ISHARS-EMG MKT	48.72	1.42	0.32	5.37	(4.11)	(26.70)	49.05	50.82	48.84	0.76	50.43	47.25	-1%	-4%	BEARISH
EFA	ISHARS-EAFE	75.30	0.92	(0.47)	2.96	(4.07)	(12.63)	77.56	79.08	75.82	0.83	78.34	73.30	-3%	-5%	BEARISH
IAU	ISHARS-GOLD TR	36.06	3.26	4.39	11.51	7.74	(5.20)	34.43	34.24	34.22	0.12	35.12	33.32	5%	5%	BULLISH
GDX	VANECK-GOLD MNR	34.50	7.80	9.89	12.74	7.84	(6.01)	31.33	32.11	30.23	0.73	31.21	29.25	10%	7%	BULLISH
UUP	INVS-DB USS BU	25.72	1.42	1.32	5.14	8.18	(5.76)	25.74	25.31	25.87	(0.12)	26.49	25.25	0%	2%	BULLISH
BOND	PIMCO-TOT RETRN	105.23	1.28	(1.27)	1.41	(1.43)	(16.97)	108.20	109.89	107.20	0.09	109.98	104.42	-3%	-4%	BEARISH
TLT	ISHARS-20+YTB	138.23	1.41	(2.87)	(2.84)	(2.54)	(14.90)	144.81	146.40	142.39	(0.19)	145.68	139.10	-5%	-6%	BEARISH
BNDX	VANGD-TTL INT B	53.59	1.59	(1.25)	(0.90)	(2.80)	(17.99)	55.42	56.61	54.40	0.03	55.78	53.02	-3%	-5%	BEARISH
HYG	ISHARS-IBX HYCB	82.89	1.70	(2.10)	2.31	(1.64)	(16.65)	85.59	86.75	84.70	0.36	87.12	82.28	-3%	-4%	BEARISH

RISK RANGE REPORT — Real Investment Advice — SimpleVisor™

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

Symbol	Trend	Last	RSI	20 SMA	50 SMA	100 SMA	Mohanram Score	Piotroski Score	SV Rank	Yield%	MACD
APA	10/10	$32.26	51.12	$33.01	$29.99	$28.15	5	6	1	1.60%	0.66
CF	10/10	$74.06	59.44	$71.69	$69.04	$64.86	4	9	3	1.63%	1.72
COP	10/10	$89.99	58.84	$89.89	$81.61	$77.28	3	8	1	1.75%	2.60
CVX	10/10	$133.57	54.26	$133.96	$125.96	$118.74	6	7	2	4.16%	2.54
DVN	10/10	$55.06	64.46	$51.90	$47.74	$44.20	6	8	3	3.77%	1.57
EOG	10/10	$112.19	59.40	$110.88	$99.96	$94.95	7	8	3	2.66%	3.51
EXPE	10/10	$210.22	68.08	$188.42	$180.69	$174.92	1	8	3	%	8.04
FANG	10/10	$131.95	55.24	$127.89	$118.87	$113.05	4	8	3	1.65%	3.06
HAL	10/10	$32.30	65.42	$31.34	$27.17	$25.51	1	7	3	1.47%	1.69
HES	10/10	$94.19	58.23	$92.49	$85.25	$84.06	5	7	3	1.12%	2.34
LYV	10/10	$118.00	55.10	$111.31	$113.01	$108.89	3	5	3	%	1.56
MCK	10/10	$272.65	64.98	$263.19	$250.71	$230.97	6	7	2	0.70%	7.49
MOS	10/10	$45.40	62.70	$42.93	$40.50	$39.46	5	9	2	0.98%	1.66
MRO	10/10	$21.96	64.25	$20.41	$18.28	$17.11	3	7	1	1.30%	0.91
OXY	10/10	$39.89	59.56	$38.46	$33.85	$32.92	5	7	1	0.10%	1.93
PXD	10/10	$233.50	64.63	$219.36	$200.56	$192.04	5	7	3	1.03%	6.99
SLB	10/10	$40.44	63.32	$39.26	$34.94	$33.47	5	7	2	1.30%	1.53
XOM	10/10	$77.64	59.62	$77.70	$70.05	$66.36	4	8	1	4.95%	2.41
CTRA	9/10	$22.67	55.51	$22.14	$21.15	$21.12	6	9	3	2.22%	0.60
XLNX	8/10	$194.92	46.54	$196.42	$202.63	$193.53	—	7	1	0.80%	0.16

Momentum Screen

Symbol	Trend	Last	RSI	20 SMA	50 SMA	100 SMA	Mohanram Score	Piotroski Score	SV Rank	Yield%	MACD
AXP	10/10	$195.91	74.32	$176.82	$169.54	$171.85	6	8	3	0.93%	6.91
EXPE	10/10	$210.22	68.08	$188.42	$180.69	$174.92	1	8	3	%	8.04
MU	10/10	$91.75	59.92	$85.17	$88.56	$81.27	3	9	3	0.24%	1.47
SBNY	10/10	$336.98	54.11	$323.48	$327.10	$317.08	1	5	1	0.71%	3.32
MAR	9/10	$176.40	68.41	$161.74	$159.88	$157.95	4	5	3	%	2.89
NUE	9/10	$123.52	61.92	$109.29	$111.55	$109.27	—	7	3	1.64%	3.65
PM	9/10	$111.94	83.48	$104.86	$99.29	$96.74	1	8	3	4.90%	3.05
BKNG	8/10	$2,633.78	71.22	$2,429.55	$2,344.92	$2,389.88	3	6	3	%	40.71
HLT	8/10	$151.44	55.55	$147.67	$148.20	$145.14	—	5	3	%	2.19
DE	7/10	$371.90	51.64	$379.14	$367.76	$357.62	7	8	3	1.12%	5.92
NOC	7/10	$393.04	57.95	$385.14	$386.10	$377.97	4	6	3	1.63%	1.29
RE	7/10	$305.37	61.79	$286.06	$276.91	$272.66	1	8	1	2.16%	3.23
RL	7/10	$127.56	61.14	$117.51	$117.23	$119.05	1	8	1	2.42%	3.40
AIZ	6/10	$167.27	65.50	$155.93	$154.92	$157.68	0	7	3	1.67%	3.26
BDX	6/10	$265.60	53.58	$263.80	$257.61	$250.84	5	6	3	1.29%	3.85
CI	6/10	$230.26	47.78	$229.19	$228.42	$218.69	5	6	3	1.84%	-0.62
ORLY	6/10	$682.60	50.56	$652.35	$669.40	$650.50	1	8	1	%	-6.78
TDG	6/10	$655.06	59.28	$630.02	$626.19	$629.43	1	8	3	%	7.96
WYNN	6/10	$94.34	59.23	$88.68	$86.95	$88.08	1	4	3	%	2.17
DFS	5/10	$124.23	54.24	$119.60	$119.10	$119.50	6	8	3	1.57%	1.72

Technical & Fundamental Strength Screen

| Symbol	Trend	Last	RSI	20 SMA	50 SMA	100 SMA	Mohanram Score ⑦	Piotroski Score ⑦	SV Rank ⑦	Yield%	MACD
AIR	10/10 👍	$43.40	67.91	$41.00	$39.74	$37.43	6	7	3	%	0.95
AXP	10/10 👍	$195.91	74.32	$176.82	$169.54	$171.85	6	8	3	0.93%	6.91
CLR	10/10 👍	$53.08	52.19	$54.30	$49.90	$49.19	6	9	3	1.53%	1.54
CPHC	10/10 👍	$21.52	89.13	$18.47	$17.83	$17.05	6	8	—	1.23%	0.96
CVX	10/10 👍	$133.57	54.26	$133.96	$125.96	$118.74	6	7	2	4.16%	2.54
DVN	10/10 👍	$55.06	64.46	$51.90	$47.74	$44.20	6	8	3	3.77%	1.57
EGY	10/10 👍	$5.09	68.99	$4.90	$4.01	$3.67	6	7	3	2.35%	0.47
EOG	10/10 👍	$112.19	59.40	$110.88	$99.96	$94.95	7	8	3	2.66%	3.51
FCX	10/10 👍	$43.26	57.55	$40.39	$40.73	$38.95	6	8	3	0.81%	0.81
IGT	10/10 👍	$29.45	60.14	$27.65	$27.47	$28.02	6	8	3	2.86%	0.66
LEGH	10/10 👍	$27.14	61.48	$25.38	$25.32	$23.14	6	7	3	%	0.48
LUNMF	10/10 👍	$9.22	68.10	$8.77	$8.35	$8.25	6	9	—	3.18%	0.35
MCK	10/10 👍	$272.65	64.98	$263.19	$250.71	$230.97	6	7	2	0.70%	7.49
ORBT	10/10 👍	$8.25	65.50	$7.79	$7.06	$6.66	6	7	—	0.87%	0.29
PAE	10/10 👍	$10.05	77.32	$10.02	$9.96	$9.06	6	7	3	%	0.03
PBR	10/10 👍	$14.00	62.26	$13.54	$12.18	$11.26	6	8	3	15.09%	0.53
PTSI	10/10 👍	$73.65	55.44	$72.37	$70.52	$64.73	6	8	3	%	1.88
ROG	10/10 👍	$272.90	52.66	$272.72	$272.51	$249.79	6	7	—	%	0.27
SPTN	10/10 👍	$26.85	68.00	$25.80	$25.45	$24.49	6	7	—	3.28%	0.63
STX	10/10 👍	$110.03	56.05	$106.35	$107.91	$100.29	6	7	3	2.54%	1.12
TECK	10/10 👍	$35.72	67.32	$33.78	$31.11	$29.13	6	7	1	0.47%	1.44
USAK	10/10 👍	$27.02	81.11	$21.66	$20.27	$19.48	6	8	1	%	2.11
WES	10/10 👍	$25.81	61.33	$25.13	$23.13	$22.37	6	7	2	5.51%	0.94
AUY	9/10 👍	$4.93	70.25	$4.23	$4.13	$4.15	7	9	3	2.86%	0.12
CSGS	9/10 👍	$59.04	57.05	$58.11	$57.57	$54.44	6	8	3	1.78%	0.89
CTRA	9/10 👍	$22.67	55.51	$22.14	$21.15	$21.12	6	9	3	2.22%	0.60
RS	9/10 👍	$175.26	68.89	$158.08	$159.83	$156.08	6	7	2	1.72%	2.39
SSRM	9/10 👍	$18.52	62.31	$17.04	$17.08	$16.93	6	7	3	1.18%	0.26
TIPT	9/10 👍	$13.07	53.06	$12.70	$13.10	$13.53	6	7	—	1.33%	-0.06
WRB	9/10 👍	$90.57	58.69	$87.60	$84.34	$81.64	7	9	1	0.57%	2.01
ANF	8/10 👍	$39.40	66.50	$36.53	$35.40	$38.21	6	8	3	%	1.33
ARC	8/10 👍	$3.39	40.02	$3.40	$3.32	$3.15	6	7	—	6.33%	-0.07
BJ	8/10 👍	$66.19	61.50	$61.52	$63.67	$62.18	6	8	3	%	0.49
BYD	8/10 👍	$69.07	61.79	$63.04	$62.88	$63.37	6	9	3	%	2.34
FC	8/10 👍	$46.70	50.98	$46.09	$46.39	$45.12	7	9	1	%	0.08
HNI	8/10 👍	$44.20	66.01	$41.76	$41.73	$40.54	6	7	—	3.06%	0.48
LITE	8/10 👍	$100.14	54.26	$97.01	$100.98	$93.71	6	8	3	%	-0.69
MTRN	8/10 👍	$88.24	64.10	$83.47	$87.03	$83.66	7	8	4	0.58%	-0.23
NATR	8/10 👍	$18.09	59.86	$17.79	$18.21	$17.29	6	8	—	%	-0.02
NEXA	8/10 👍	$8.40	56.72	$8.44	$8.24	$8.56	6	8	3	3.16%	0.14

SimpleVisor Portfolio Changes

We post all of our portfolio changes as they occur at **_SimpleVisor:_**

February 15th

We added 1% TLT to both models on the bond sell-off this morning. TLT has been bouncing around with the ebbs and flows of the possible Russian invasion. Behind the

scenes, the important driver that we think will push yields lower is weakening economic activity and a likely stabilization in inflation in the coming months. TLT should flip to a buy signal in the coming days from a deeply oversold level.
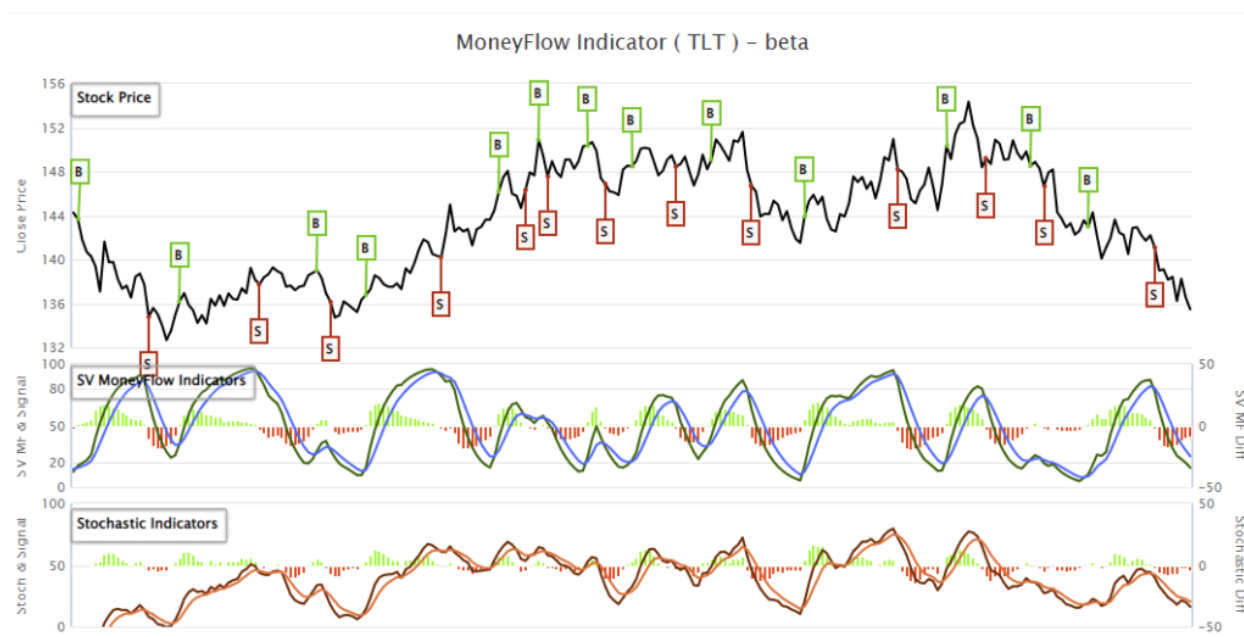
- **Add 1% of portfolio value to TLT**. **Total portfolio weight is now 10%.**

Lance Roberts, CIO

Have a great week!