RIA
Advice

Sell-Off Starts The New Year

By Lance Roberts | January 6, 2024

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Market Review And Update

In *our last newsletter for 2023,* we noted that the more overbought market conditions were a risk. To wit:

?While the price action this past week reduced some of the overbought conditions, as represented by the Relative Strength Index (RSI), more work is still ahead. Next week, the ?Santa Claus Rally? will officially begin, lasting through the first two days of January. Given the overbought condition, further upside may remain limited.?

Unfortunately, the beginning of 2024 started with a sell-off that wiped out all of the gains from the last five days of December. In other words, *?Santa Failed To Visit Broad And Wall.?*

S&P 500, 1D O4690.57 H4721.49 L4682.82 C4684.75 -3.93 (-0.08%)
Volume 1.421B

Santa Rally

29 Dec '23   24   5

TradingView

S&P 500, 1D O4690.57 H4721.49 L4682.82 C4684.75 -3.93 (-0.08%)
Volume 1.421B

Santa Rally

The failure of the Santa Claus rally has some historical implications, but not as dire as many have come to believe. As noted by the Stocktraders Alamanc on Wednesday:

> ?On the heels of last year?s momentous rally, the market is showing some signs of weakness causing the Santa Claus Rally to fail to materialize. Profit taking in January has become more commonplace in the last 25 years or so and January is notably softer in election years like 2024. Some profit taking is understandable following the massive rally from the end of October ranging from just over 16% for DJIA and S&P 500 to 19.9% for NASDAQ and 26.2% for Russell 2000 at their respective recent highs just before yearend. But the selling over the past few days is notable and a warning sign.

> The lack of a rally can be a preliminary indicator of tough times to come. This was certainly the case in 2008 and 2000. A 4.0% decline in 2000 foreshadowed the bursting of the tech bubble and a 2.5% loss in 2008 preceded the second worst bear market in history. Down SCRs were followed by flat years in 1994, 2005 and 2015, and a mild bear that ended in February 2016. Of the 15 down SCRs since 1950, 10 years have been up and 5 down, but the average gain is a measly 5.0%. As Yale Hirsch?s now famous line states, ?If Santa Claus should fail to call, bears may come to Broad and Wall.'?

Down Santa Claus Rally S&P 500 Performance Since 1950

New Year	Santa Claus Rally % Change	New Year % Change
1956	−0.9	2.6
1967	−1.4	20.1
1969	−1.2	−11.4
1978	−0.3	1.1
1980	−2.2	25.8
1982	−1.8	14.8
1985	−0.6	26.3
1991	−3.0	26.3
1993	−1.1	7.1
1994	−0.1	−1.5
2000	−4.0	−10.1
2005	−1.8	3.0
2008	−2.5	−38.5
2015	−3.0	−0.7
2016	−2.3	9.5
Average	−1.7	5.0
	Up	10
Bear Market Years Shaded	Down	5

With the Santa Claus Rally a no-show, we will now focus on the return for the first five days and the entire month. The old Wall Street axiom says, ?So goes the first five days of January, so goes the month, so goes the year.? Since 1950, there have been only three occurrences when the Santa Rally failed, and the first five days and the month of January were positive. Two out of three years were up over 20%, and 1994 was flat, at -1.5%. The average gain for those 3-years was 14.8%.&#2013266080;

Next week, we will know how the first five days turn out. For now, let?s return our focus on navigating a sell-off to start the year.

Investing Summit: *Early Bird Registration Available Now*

January 27th, we are hosting a live event featuring Greg Valliere to discuss investing in the 2024 presidential election. What will a new president mean for the markets, the risks, and where to invest through it all? **Greg will be joined by Lance Roberts, Michael Lebowitz, and Adam Taggart** for morning presentations covering everything you need to know for the New Year.

Register now, as there are only 150 seats. The session is a LIVE EVENT, and no recordings will be provided.

Sell Off Starts The New Year

As noted above, the market started the year with a sell-off. However, as we discussed in *Thursday?s Daily Market Commentary,* the sell-off was most likely a function of tax selling by portfolio managers for the New Year. In other words, rather than selling on December 31st by taking gains *(notably in Technology shares)* in January, taxes are not paid until 2024. During that sell-off, we also noted some rotation into sectors that underperformed last year, like Healthcare and Energy, which should do better if economic growth stabilizes as is currently expected by Wall Street.

However, as we look forward to 2024, the question becomes, what will the markets do next? Will it be another year of Mega-cap stock dominance or a continued rotation into more defensive sectors? The answer will be whether we continue to see a disinflationary environment driven by slower economic growth or a rebound in activity. Also, what will the Federal Reserve do? Will it cut rates and ease monetary policy? These are all questions that we do not have answers to.

From a statistical perspective, the momentum and optimism from 2023 should carry into 2024. As shown in the table below, historically, when the market has a return of 20% or more, the following year tends to be positive.

A 20% Yearly Gain Suggests More Green, But Don't Expect A Bigger Year Than 2023

20% Yearly Gains For The S&P 500 And What Happened Next

Year	Return	S&P 500 Index Returns		
		Next Year	Higher?	20%?
1950	21.7%	16.3%	No	No
1954	45.0%	26.4%	No	Yes
1955	26.4%	2.6%	No	No
1958	38.1%	8.5%	No	No
1961	23.1%	-11.8%	No	No
1967	20.1%	7.7%	No	No
1975	31.5%	19.1%	No	No
1980	25.8%	-9.7%	No	No
1985	26.3%	14.6%	No	No
1989	27.3%	-6.6%	No	No
1991	26.3%	4.5%	No	No
1995	34.1%	20.3%	No	Yes
1996	20.3%	31.0%	Yes	Yes
1997	31.0%	26.7%	No	Yes
1998	26.7%	19.5%	No	No
2003	26.4%	9.0%	No	No
2009	23.5%	12.8%	No	No
2013	29.6%	11.4%	No	No
2019	28.9%	16.3%	No	No
2021	26.9%	-19.4%	No	No
2023	24.2%	?	?	?
Average		10.0%		
Median		12.1%		
% Higher		80.0%		

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However, that does NOT mean there won?t be any bumps along the way. Just as in 2023, while the market sported a 24% return for the year, there was a 10% correction along the way, providing a better entry point for investors. As shown in the chart below, during every given year, there are corrections.

Annual Vs. Intra-Year Returns
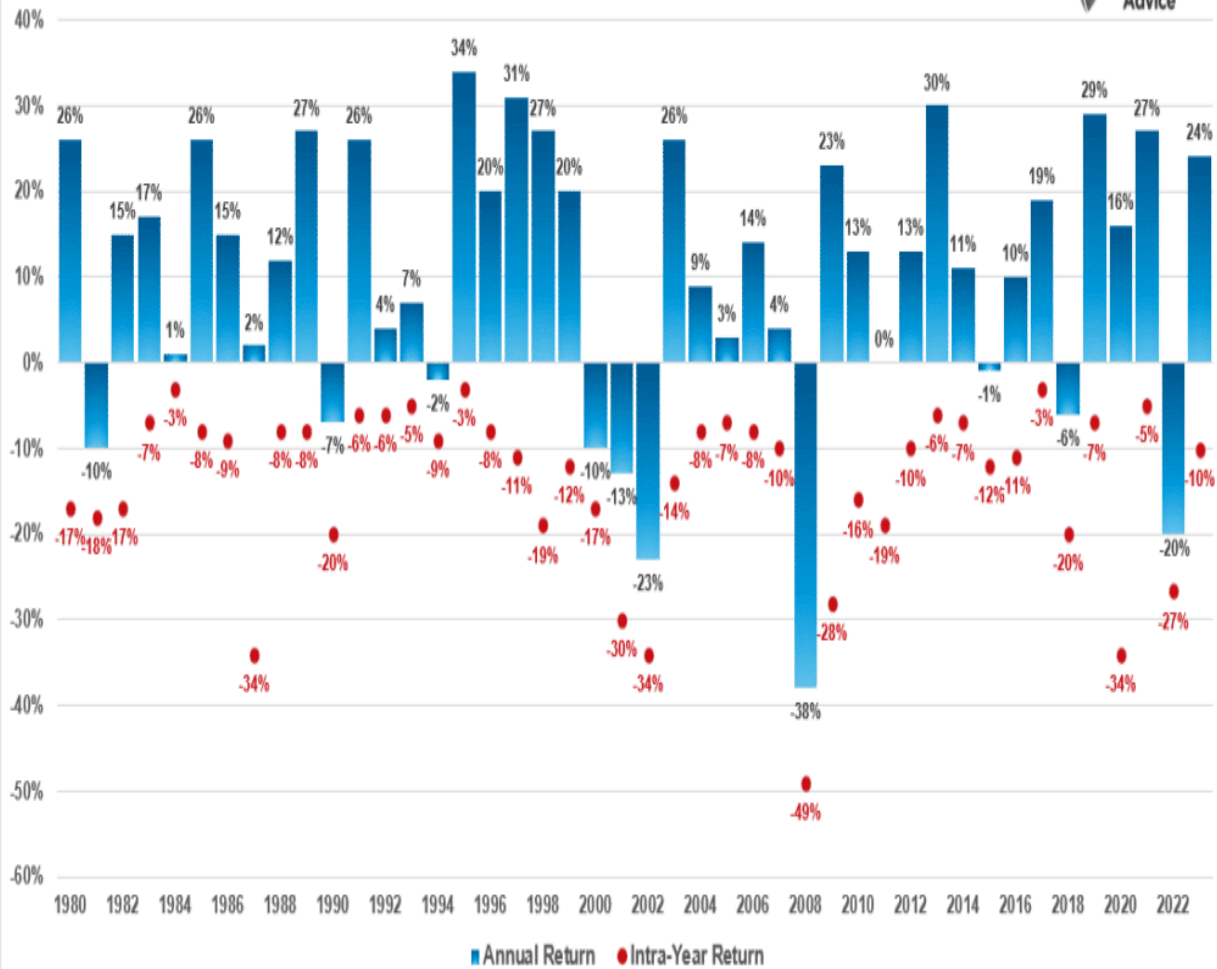
Annual Vs. Intra-Year Returns
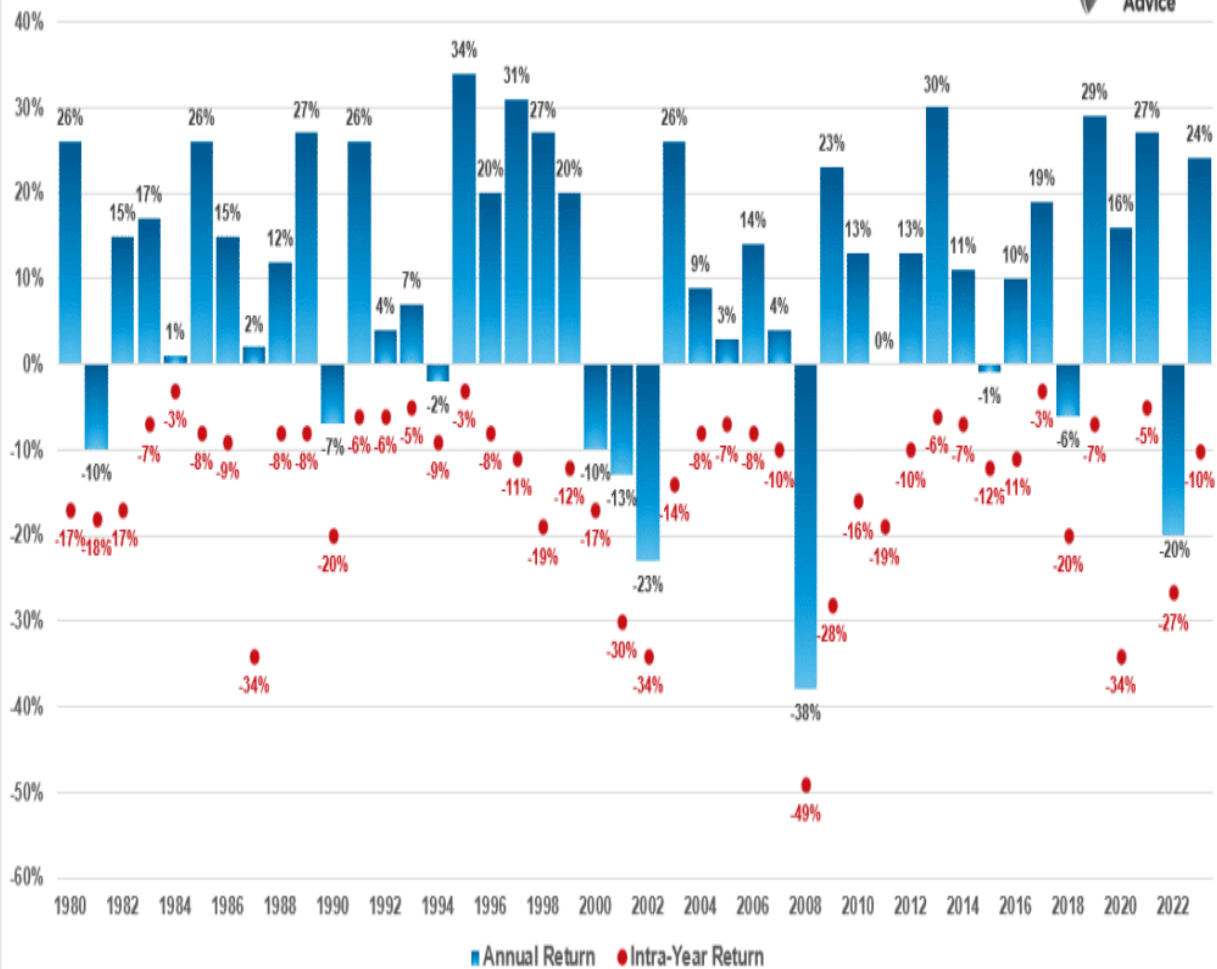
With investors currently very exuberant heading into 2024, the sell-off was not only expected but needed to rebalance buyers and sellers. As shown, the Net Bullish Sentiment of both retail and professional investors reached levels that historically coincide with short-term corrections.

Net Bullish Sentiment (Retail & Institutional Composite) vs S&P 500
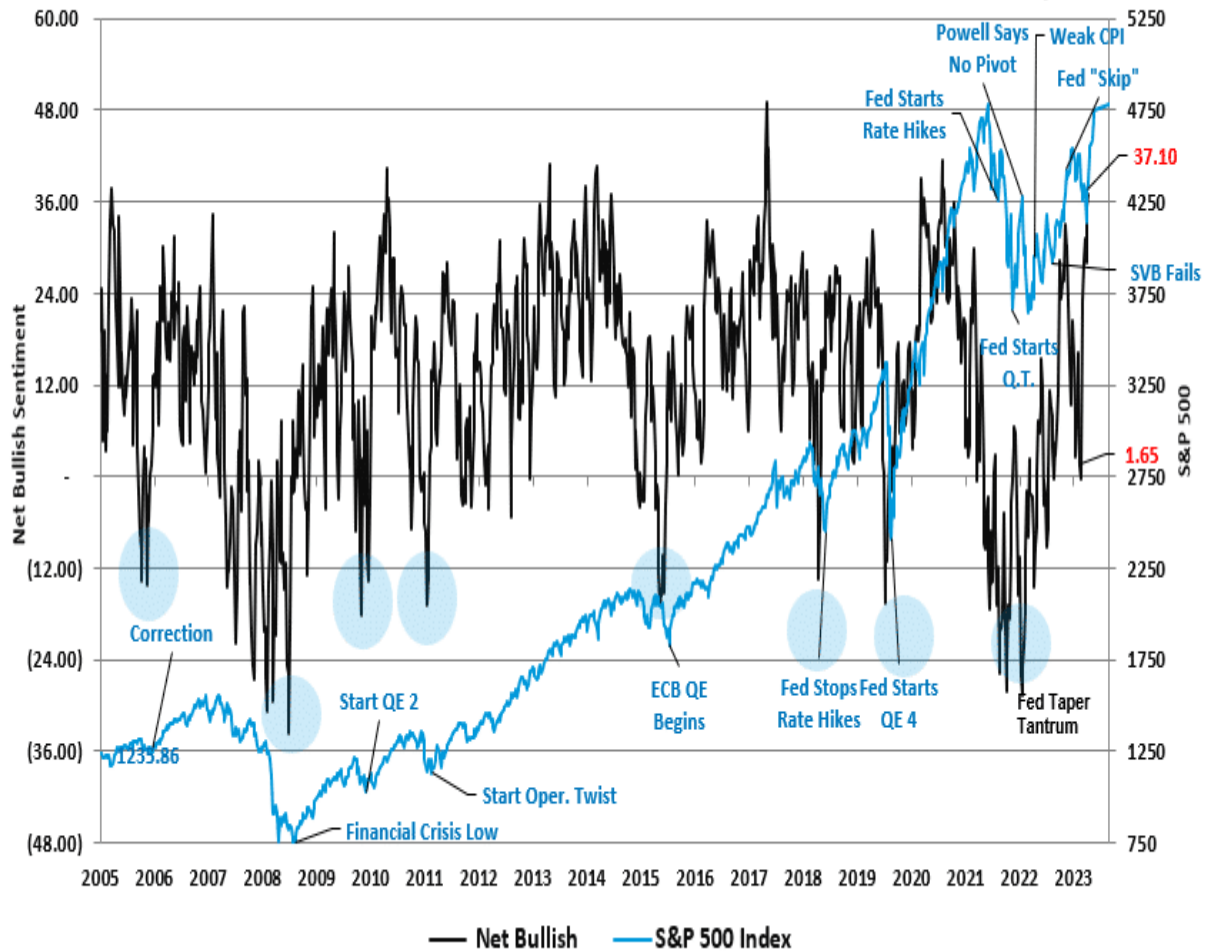
Net Bullish Sentiment (Retail & Institutional Composite) vs S&P 500
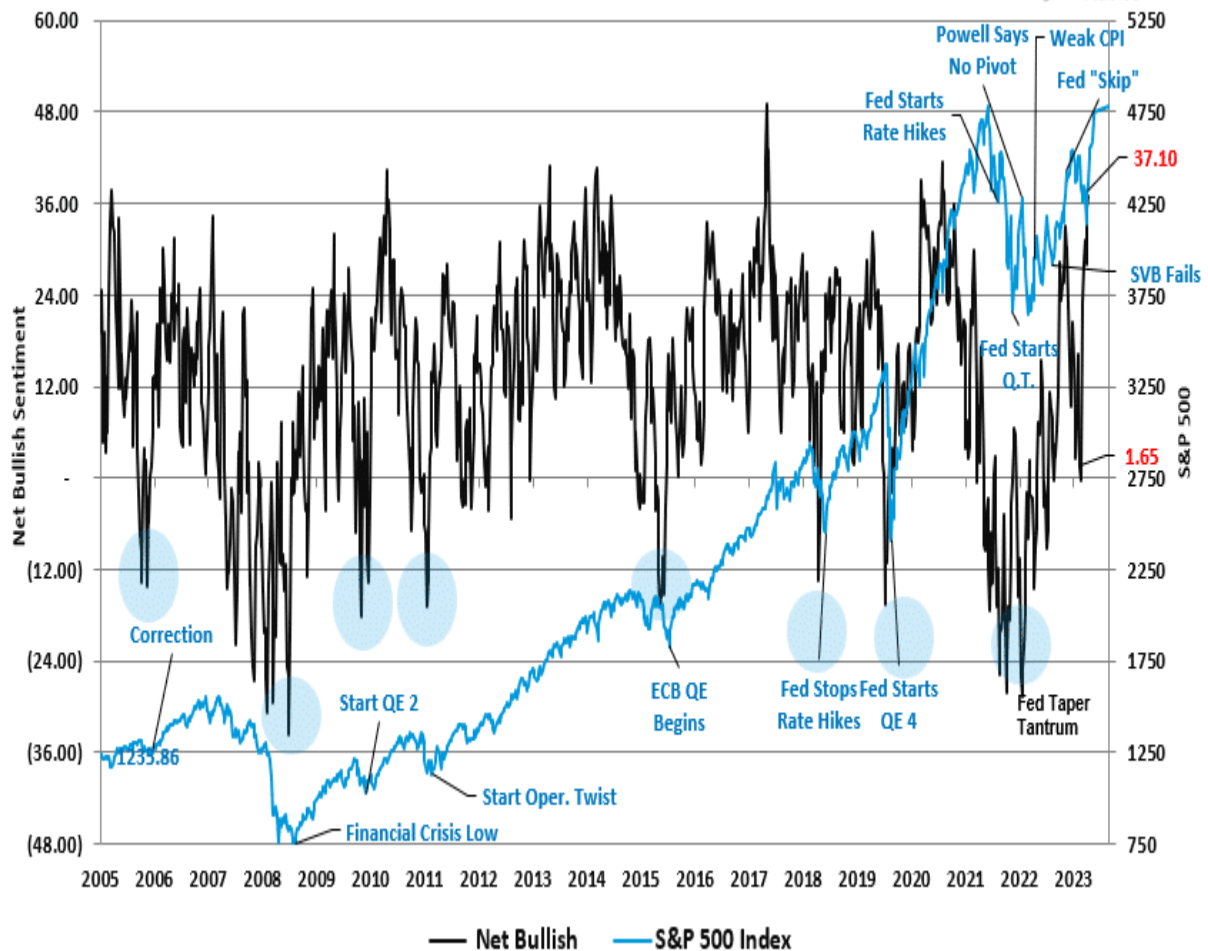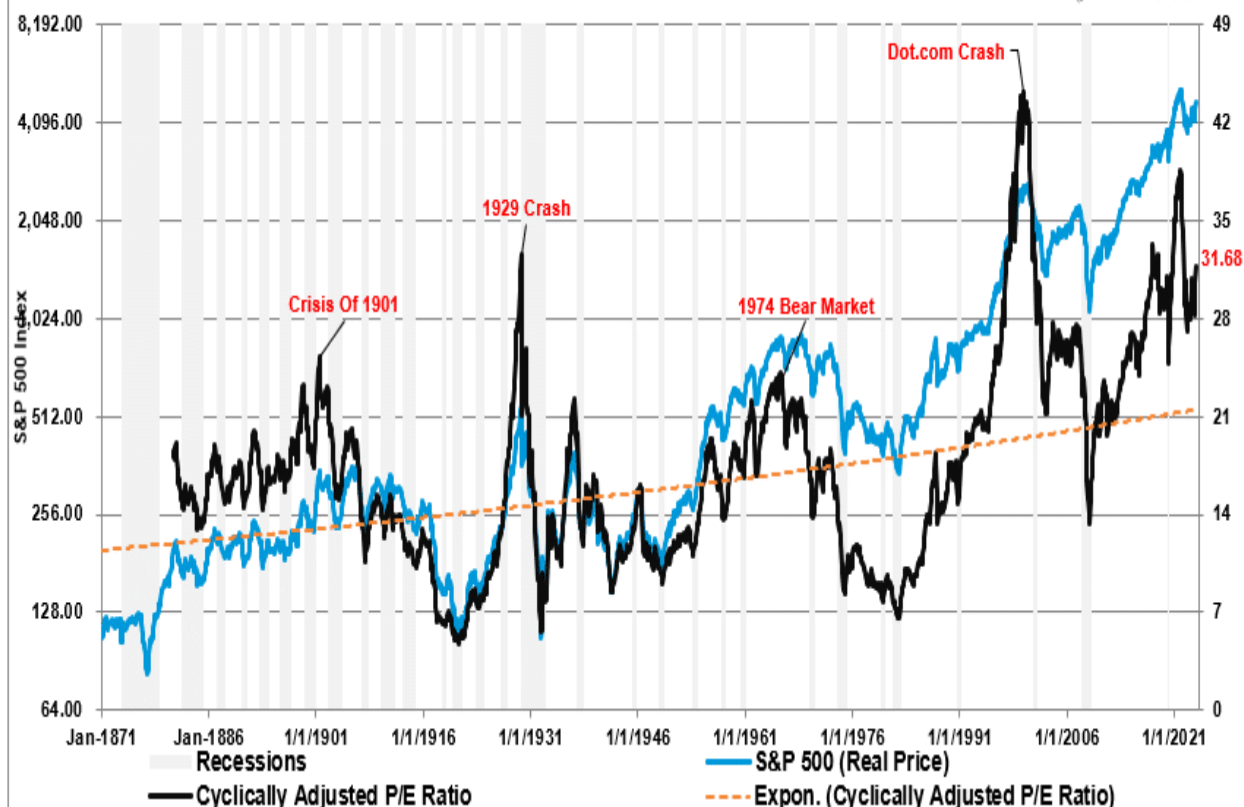
While there are currently very few reasons to bearish on the market, it does not mean it lacks risks. And, as noted, investors should expect another 5-10% correction in 2024.

The Fed?s Predicament

That market rally since late October has been a function of valuation expansion. As shown, valuations have recently increased as earnings growth fails to keep up with the price increases.
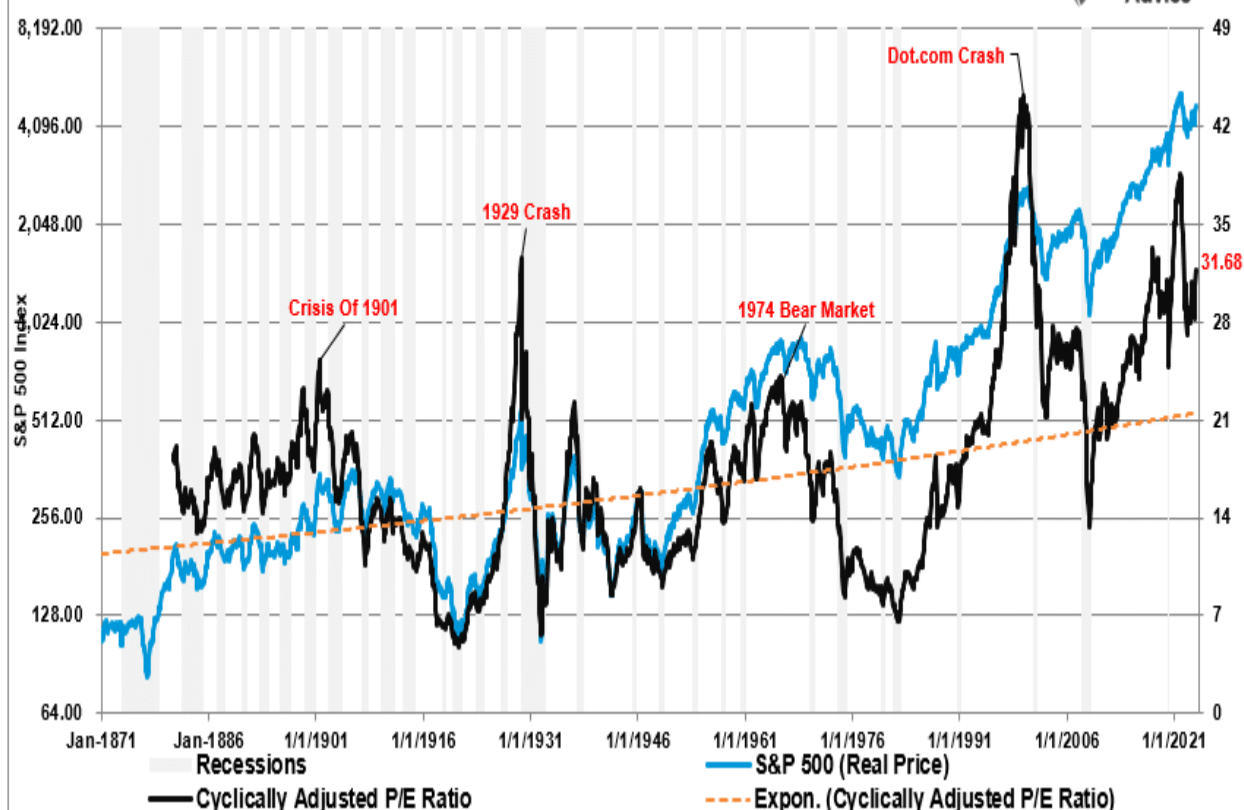
Real S&P 500 Index Vs. Valuations
(Robert Shiller Real Price Data)

Legend: Recessions — S&P 500 (Real Price) — Cyclically Adjusted P/E Ratio — Expon. (Cyclically Adjusted P/E Ratio)

Annotations: Crisis Of 1901, 1929 Crash, 1974 Bear Market, Dot.com Crash, 31.68

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That valuation expansion was almost entirely driven by the reversal of the Federal Reserve?s focus on its inflation fight. **_As we noted previously_**, in just a month, the Federal Reserve reversed its stance from *?higher for longer?* to *?rate cuts coming in 2024.?*

Nick Timiraos
@NickTimiraos

The Powell pivot begins.

Dec 1: "It would be premature to ... speculate on when policy might ease."

Dec 13: Rate cuts are something that "begins to come into view" and "clearly is a topic of discussion."

What a difference two weeks can make.

?Note that in the FOMC?s projections, not only is economic growth expected to slow sharply next year, but the Federal Funds rate is projected to drop by roughly 0.80 basis points.?

Table 1. Economic projections of Federal Reserve Board members and Federal Reserve Bank presidents, under their individual assumptions of projected appropriate monetary policy, December 2023

Percent

Variable	Median[1]					Central Tendency[2]					Range[3]				
	2023	2024	2025	2026	Longer run	2023	2024	2025	2026	Longer run	2023	2024	2025	2026	Longer run
Change in real GDP	2.6	1.4	1.8	1.9	1.8	2.5–2.7	1.2–1.7	1.5–2.0	1.8–2.0	1.7–2.0	2.5–2.7	0.8–2.5	1.4–2.5	1.6–2.5	1.6–2.5
September projection	2.1	1.5	1.8	1.8	1.8	1.9–2.2	1.2–1.8	1.6–2.0	1.7–2.0	1.7–2.0	1.8–2.6	0.4–2.5	1.4–2.5	1.6–2.5	1.6–2.5
Unemployment rate	3.8	4.1	4.1	4.1	4.1	3.8	4.0–4.2	4.0–4.2	3.9–4.3	3.8–4.3	3.7–4.0	3.9–4.5	3.8–4.7	3.8–4.7	3.5–4.3
September projection	3.8	4.1	4.1	4.0	4.0	3.7–3.9	3.9–4.4	3.9–4.3	3.8–4.3	3.8–4.3	3.7–4.0	3.7–4.5	3.7–4.7	3.7–4.5	3.5–4.3
PCE inflation	2.8	2.4	2.1	2.0	2.0	2.7–2.9	2.2–2.5	2.0–2.2	2.0	2.0	2.7–3.2	2.1–2.7	2.0–2.5	2.0–2.3	2.0
September projection	3.3	2.5	2.2	2.0	2.0	3.2–3.4	2.3–2.7	2.0–2.3	2.0–2.2	2.0	3.1–3.8	2.1–3.5	2.0–2.9	2.0–2.7	2.0
Core PCE inflation[4]	3.2	2.4	2.2	2.0		3.2–3.3	2.4–2.7	2.0–2.2	2.0–2.1		3.2–3.7	2.3–3.0	2.0–2.6	2.0–2.3	
September projection	3.7	2.6	2.3	2.0		3.6–3.9	2.5–2.8	2.0–2.4	2.0–2.3		3.5–4.2	2.3–3.6	2.0–3.0	2.0–2.9	
Memo: Projected appropriate policy path															
Federal funds rate	5.4	4.6	3.6	2.9	2.5	5.4	4.4–4.9	3.1–3.9	2.5–3.1	2.5–3.0	5.4	3.9–5.4	2.4–5.4	2.4–4.9	2.4–3.8
September projection	5.6	5.1	3.9	2.9	2.5	5.4–5.6	4.6–5.4	3.4–4.9	2.5–4.1	2.5–3.3	5.4–5.6	4.4–6.1	2.6–5.6	2.4–4.9	2.4–3.8

That reversal led to a rapid loosening of financial conditions, which supported the market rally.

Monetary Policy Conditions Index Vs. S&P 500 Index

Real Investment Advice

Monetary Policy Conditions Index Vs. S&P 500 Index

Real Investment Advice
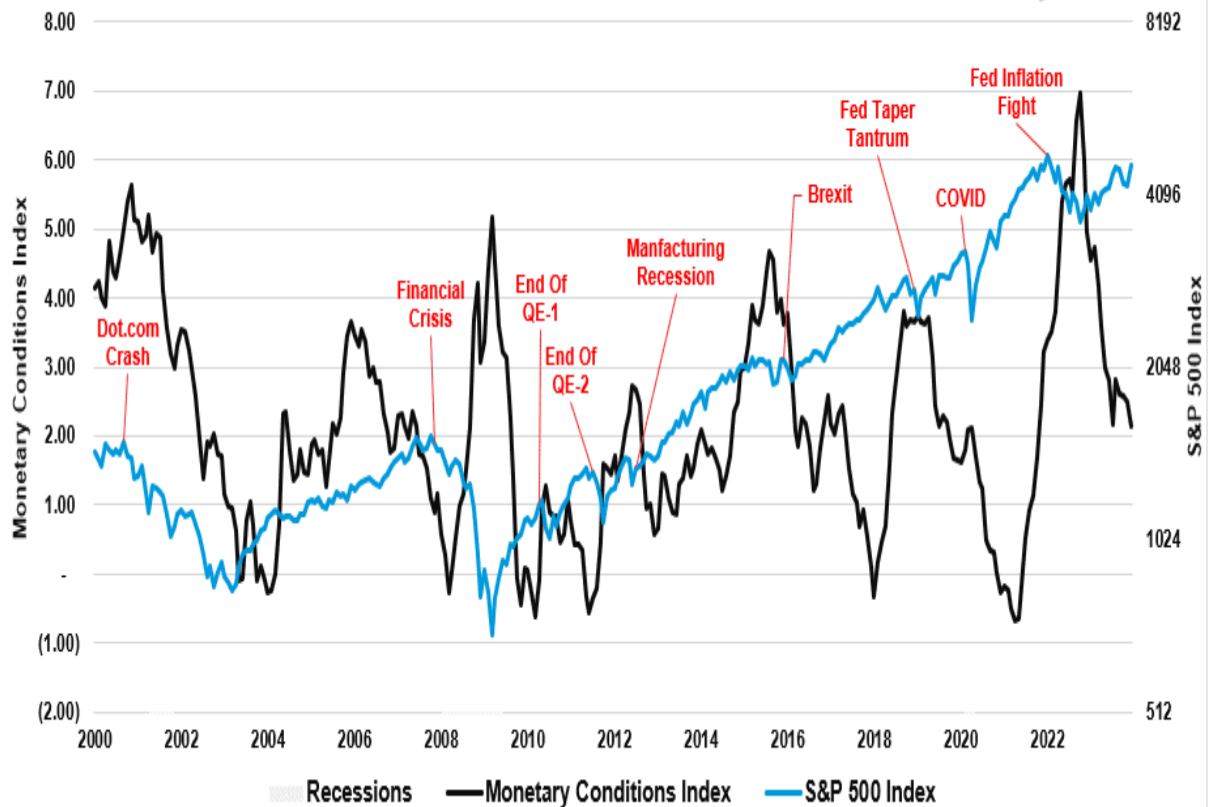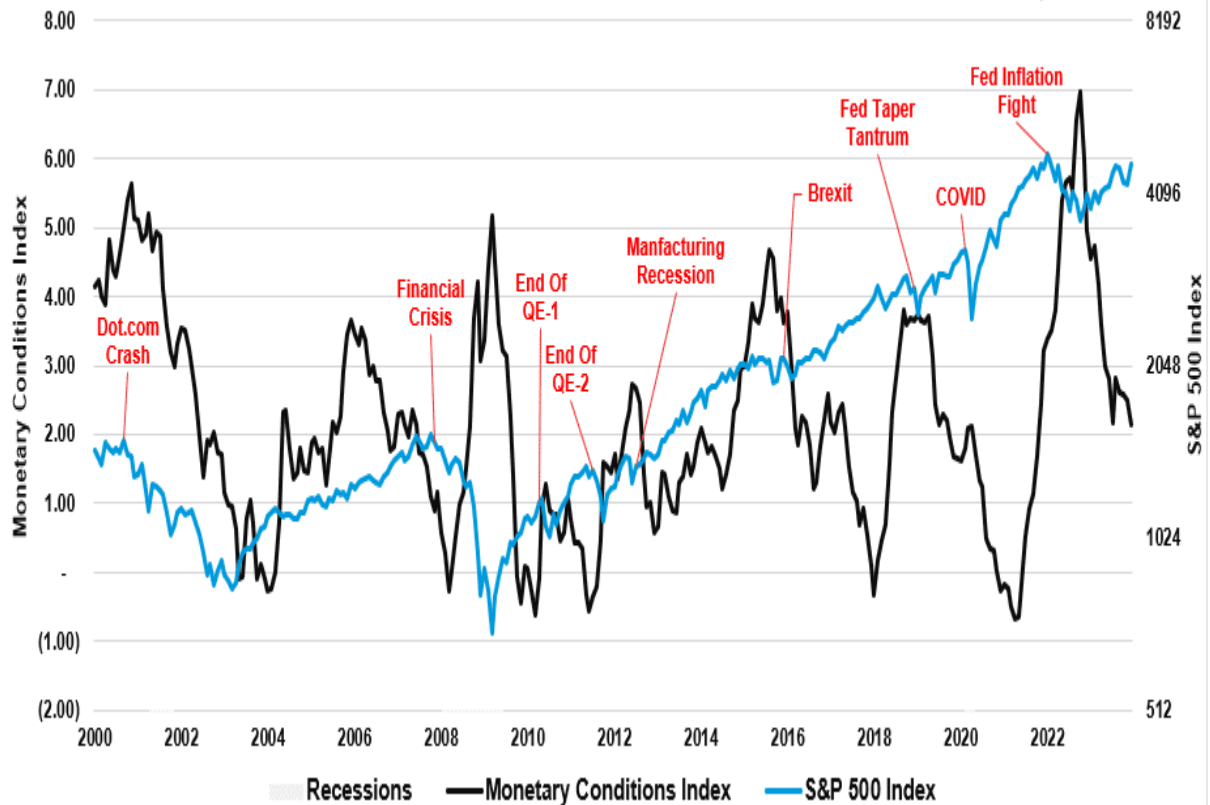
What surprised us is that the FOMC seems to have given up its fight against inflation. Given the decline in financial conditions will boost economic activity and consumer sentiment, historically

supporting higher inflation rates, the Fed may face a predicament this year.

The question is whether the Federal Reserve sees some risk brewing in the economy or the financial system we are unaware of. There is some evidence of stress in the repo market, similar to that seen in 2019. The spread between the Treasury repo market and the fed funds rate has jumped sharply.

Spread: O/N Treasury Repo vs. Fed Funds Rate

02-Jan-24

0.20% / +17.6 bps

2019 repo market "squeeze"

The Daily Shot®

2019   2020   2021   2022   2023

Spread: O/N Treasury Repo vs. Fed Funds Rate

02-Jan-24

0.20% / +17.6 bps

2019 repo market "squeeze"

The Daily Shot®

2019   2020   2021   2022   2023
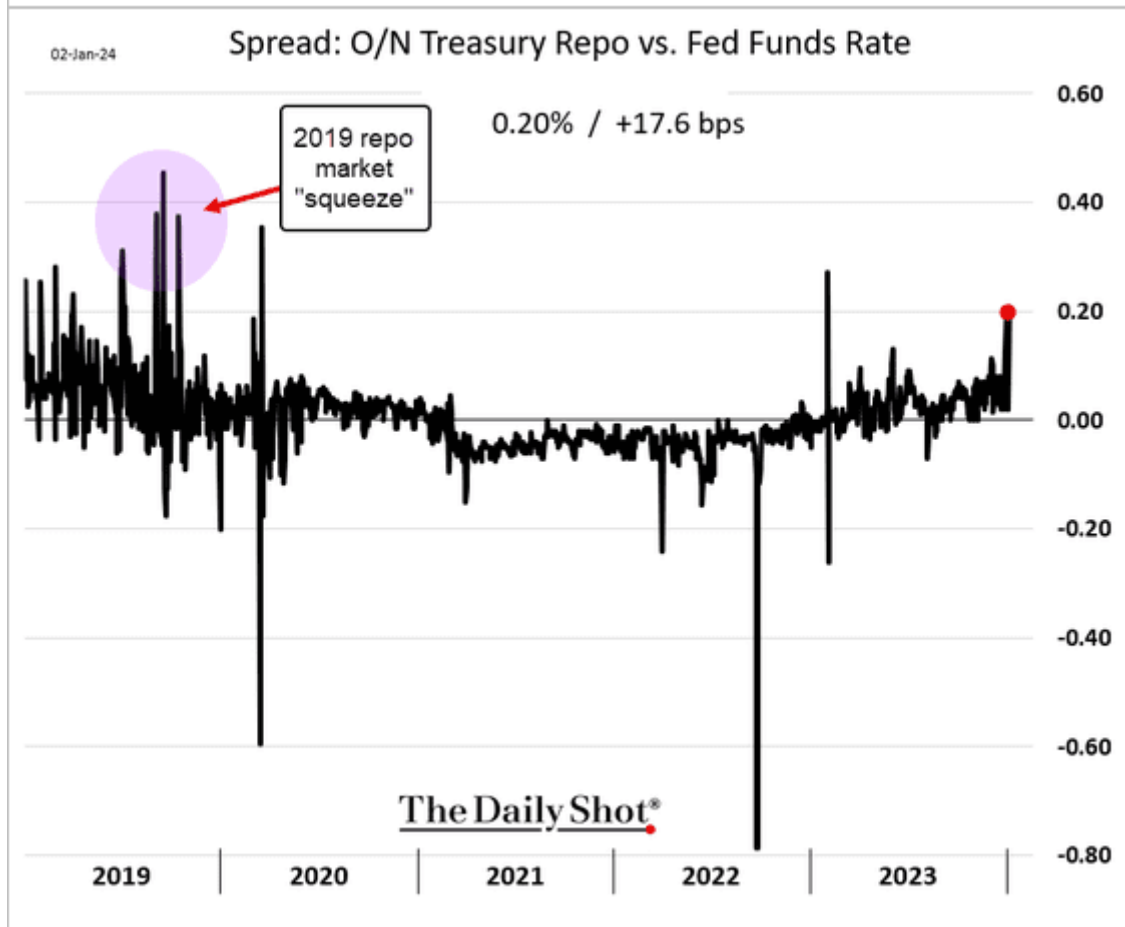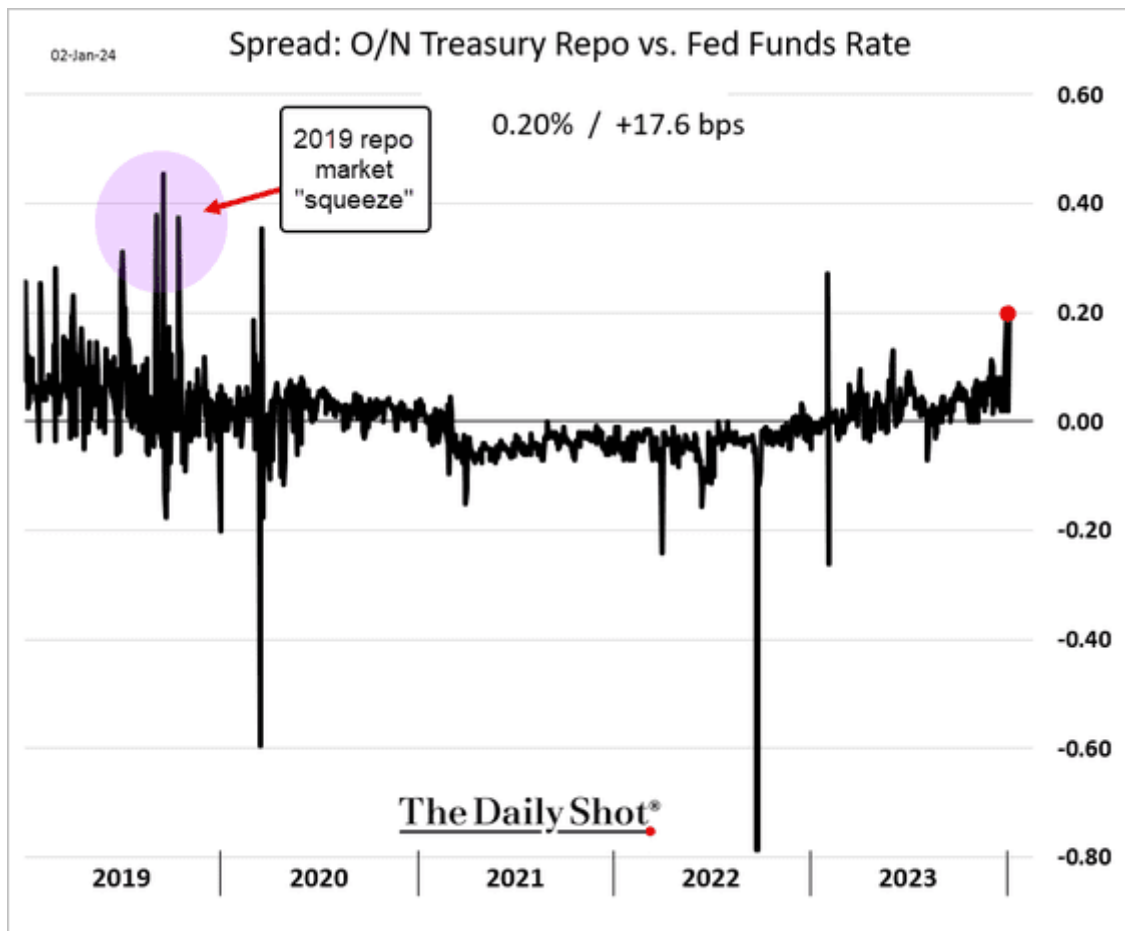
?After roughly four years of orderly trading when banks and fund managers lock-in funding at the end of each month, quarter and year, volatility has erupted again. Gyrations in repo rates sent one benchmark to a record on Thursday, while huge oscillations beset the market for short-term loans collateralized by Treasuries.

The return of these violent swings is largely thanks to the Federal Reserve, which is removing liquidity from the system via quantitative tightening, or QT. That?s reawakened volatility around these key funding periods, when banks pare activity to shore up their balance sheets for regulatory purposes, forcing would-be borrowers to either find alternatives or pay up. At the same time, the glut of government debt sales means more collateral that needs financing from the repo market.? ? Bloomberg

Jumpy Market

Overnight general collateral repo traded as high as 5.60% on Dec. 28

● Repo open   ● Repo high   ● Repo low   ● Repo close

Sep 1 2023   Sep 15   Oct 1   Oct 15   Nov 1   Nov 15   Dec 1   Dec 15
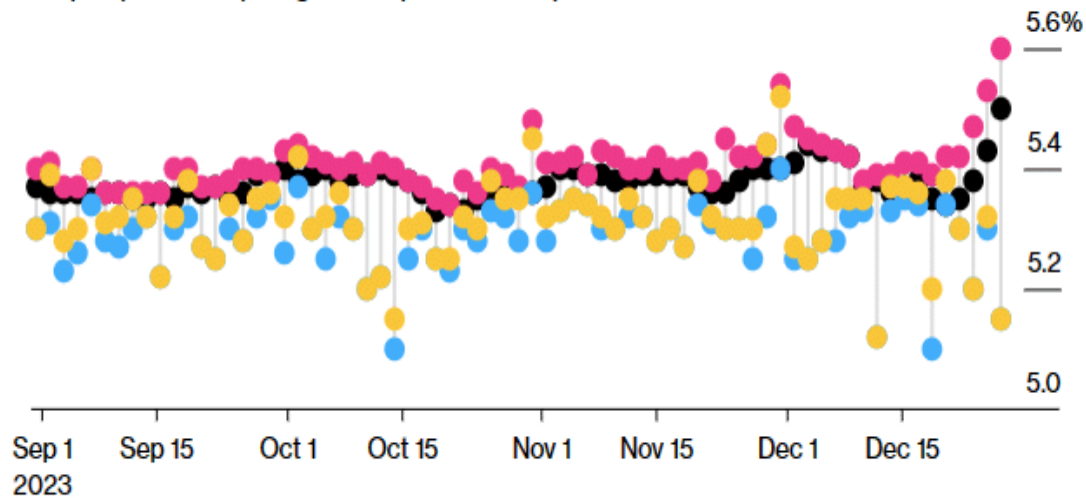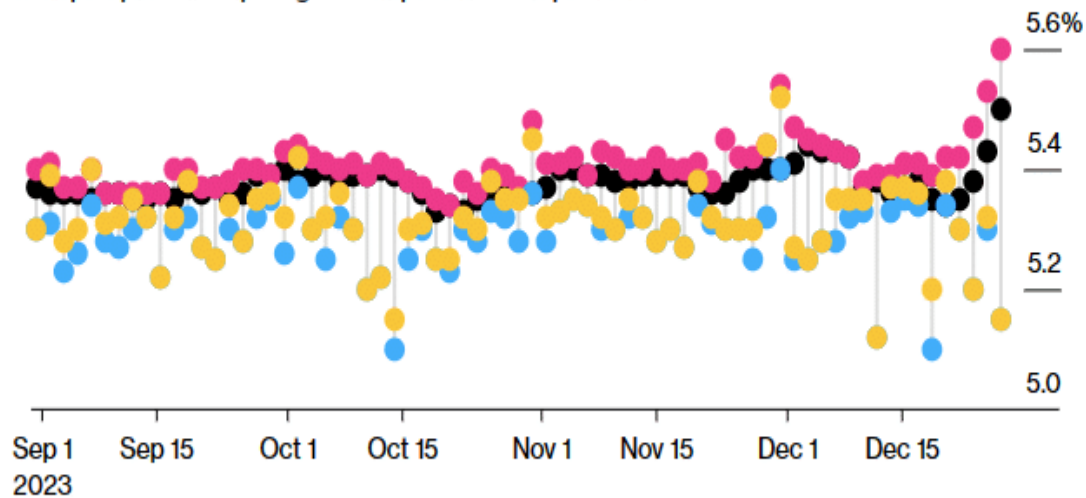
Source: Curvature Securities
NOTE: Data through Dec. 28

In 2019, the Fed had started cutting rates and supplementing liquidity to the repo market. While such does not necessarily mean the current market sell-off melts into a full-blown bear market, it does explain the sudden change in the Fed?s view on *?higher for longer.?*

The critical point is that the financial system is fragile.

What Happens If The Fed Disappoints?

?Pros spend a lot of time thinking about potential risks. At the beginning of 2023, strategists and economists seemed to dwell on the downside. And most ended up being too pessimistic about the outlook for growth. In part, they anticipated the Fed?s interest rate hikes would choke off economic activity, a prediction that proved to be incorrect. Now, the market is pricing in six interest rate cuts this year. Once again, investors could be wrong ? a key risk as we kick off 2024.? ? Yahoo Finance

That gap between what the Fed says and what the market hears isn?t new. And as it has been in the past, it could lead to a more painful sell-off for the two to get on the same page. As noted, the market expects six rate cuts in 2024, double what the most recent Federal Reserve forecasts suggest.

Rate-Change Exp for 2024

6 rate-cuts

Rate-Change Exp for 2024

6 rate-cuts

The most recent FOMC minutes from December also suggest that the market is likely overly optimistic about financial accommodation in 2024. In those most recent minutes, there was:

- ***No sign of imminent rate cuts:*** *Policymakers say their projections imply reductions ?would be appropriate by the end of 2024,? and several suggest rates could stay at the current level for longer than they currently anticipate*
- *The benchmark **rate was seen as likely at or near its peak,** though officials note that **further rate hikes remain possible** if the economy warrants them.*
- *In addition, Fed officials reaffirmed a ?careful? approach to rate decisions.*
- *Several participants observed that circumstances **might warrant keeping the policy rate at current levels longer than they currently anticipate.***
- *Participants generally reaffirmed it would be appropriate for policy to **remain restrictive until inflation was ?clearly moving down sustainably.?***
- *At the same time, **officials acknowledge ?clear progress?** in 2023 toward the Fed?s 2% inflation goal.*

While the markets widely accepted Powell?s recent mention of rate cuts as a fact, the minutes suggest there is sufficient room for rates to *?remain higher for longer.?* Given the rapid easing in financial conditions and the sharp improvement in consumer confidence, such could be the case if inflationary pressures re-emerge.

That is likely an outcome that has not been fully accounted for in the more bullish outlooks for the markets.

How We Are Trading It

While the sell-off started the year on a soft footing, we have no idea how things will turn out this year. As we noted in ***?Analysts Are Optimistic**,? there is a broad range of potential outcomes based on earnings and valuations.

> *?The chart below combines the three potential outcomes to show the range of possible outcomes for 2024. Of course, you can do the analysis, make valuation assumptions, and derive your targets for next year. This is just a logic exercise to develop a range of possibilities and probabilities over the next 12 months.*

> *While the bullish scenario is possible, that outcome faces many challenges in 2024, given the market already trades at fairly lofty valuations. Even in a ?soft landing? environment, earnings should weaken, which makes current valuations at 22x earnings more challenging to sustain.*

> *Our best guess is that reality lies somewhere in the middle. As investors, we should hope for lower valuations and prices, which gives us the best potential for long-term returns. Unfortunately, we don?t want the pain of getting there.?*

Price Estimate For Both Recession And Non-Recession Scenario

Multiple Expansion - 24.5x Earnings @ $220/Share

No Recession - 22x Earnings @ $220/Share

Recession - 17x Earnings @ $220/Share

— "Soft Landing" Recession Scenario @ $220/Share   — Multiple Expansion Scenario   — No Recession Scenario

Price Estimate For Both Recession And Non-Recession Scenario

Multiple Expansion - 24.5x Earnings @ $220/Share

No Recession - 22x Earnings @ $220/Share

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Regardless of which scenario plays out in real-time, there is a reasonable risk of weaker returns over the next year than what we saw in 2023. Therefore, we suggest managing risk and focusing on what matters long-term.

- ***Capital preservation** is always the primary objective. If you lose your capital, you are out of the game.*
- ***Seek a rate of return sufficient to&#2013266080;keep pace with the inflation rate.** Don?t focus on beating the market.*
- ***Keep expectations based on realistic objectives.**&#2013266080; (The market does not compound at 8%, 6% or 4%)*
- ***Higher rates of return require an exponential increase in the underlying risk profile.**&#2013266080;This tends to never work out well.*
- ***You can replace lost capital ? but you can?t replace lost time.**&#2013266080;Time is a precious commodity that you cannot afford to waste.*
- ***Portfolios are time-frame specific.**&#2013266080;If you have a 5-year retirement horizon but build a portfolio with a 20-year time horizon (taking on more risk), the results will likely be disastrous.*
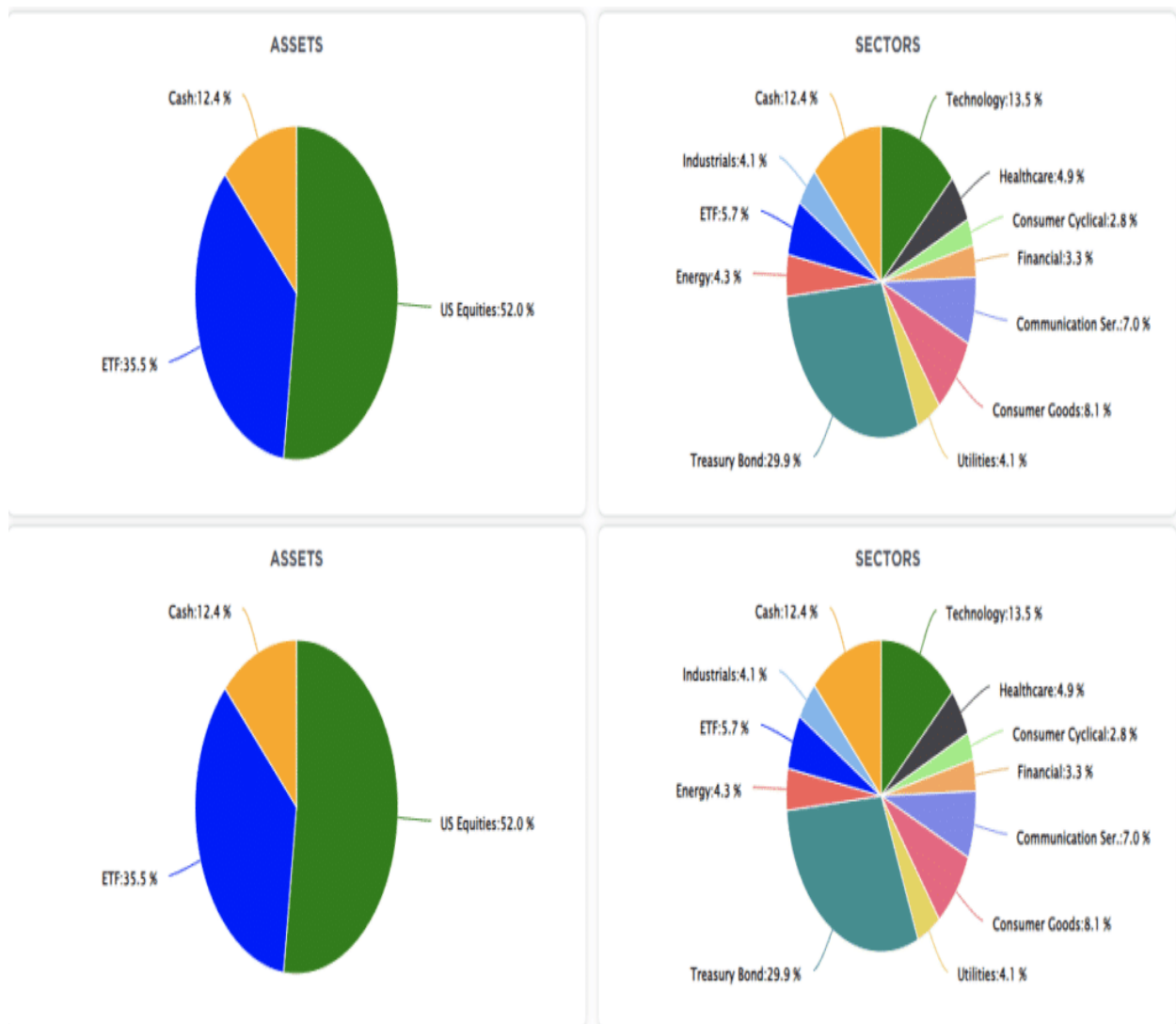
Have a great week.

Research Report

Real Investment Daily

Portfolio Return Expectations By Investors Are Too High

Written by Lance Roberts | Jan 5, 2024 | **Investing**

A stunning post from VisualCapitalist showed a poll of 8550 investors and 2700 advisors and the gap...

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Bull Bear Report Market Statistics & Screens

SimpleVisor Top & Bottom Performers By Sector

Today's Top & Bottom Performer by Sector

Click on a Symbol to see details below

Healthcare

CTLT 4.72%	VTRS 3.51%	MRNA 2.24%	CI 1.85%	WBA 1.65%
ALGN 1.55%	DXCM 1.43%	DVA 1.21%	UHS 1.01%	MDT 0.98%
GILD -1.12%	DHR -1.15%	BIIB -1.17%	TMO -1.19%	UNH -1.38%
HSIC -1.43%	INCY -1.53%	TECH -1.67%	MTD -2%	HUM -2.03%

Industrials

AAL 3.78%	LUV 3.7%	DAL 3.28%	UAL 2.79%	HWM 2.43%
SWK 1.52%	WAB 1.4%	GPN 1.39%	BA 1.38%	MAS 1.26%
UNP -0.82%	HON -0.85%	NSC -0.99%	GD -1.06%	LHX -1.23%
CTAS -1.34%	URI -1.36%	ODFL -1.45%	HII -1.66%	VRSK -2.03%

Technology

NVDA 1.79%	MTCH 1.39%	AMD 1.35%	JBL 1.26%	HPQ 0.99%
FIS 0.92%	GLW 0.88%	TER 0.83%	HPE 0.58%	LDOS 0.57%
STX -1.03%	EPAM -1.05%	MSI -1.09%	NTAP -1.09%	IBM -1.21%
NXPI -1.24%	ON -1.26%	CDNS -1.49%	SNPS -2.06%	ENPH -2.13%

Consumer Cyclical

RCL 3.34%	CCL 3.19%	MHK 3.12%	BBWI 3.02%	BWA 1.94%
WHR 1.86%	KMX 1.55%	ABNB 1.46%	IP 1.44%	GM 1.39%
ROST -0.42%	YUM -0.5%	SBUX -0.53%	BKNG -0.61%	ETSY -0.93%
WRK -0.95%	LULU -1.01%	ORLY -1.02%	MCD -1.03%	TJX -1.17%

Financial

SYF 3.53%	ZION 3.31%	CFG 2.91%	FITB 2.7%	CMA 2.67%
PYPL 2.57%	PNC 2.16%	KEY 2.13%	RF 2.13%	IVZ 2.09%
MMC -0.61%	FDS -0.67%	AON -0.8%	SPGI -0.83%	MCO -0.95%
ACGL -0.99%	BX -1.17%	BRO -1.32%	CME -1.76%	MSCI -4.12%

Consumer Goods

STZ 2.05%	KVUE 1.48%	TSN 0.84%	COST 0.72%	DG 0.55%
LW 0.53%	SYY 0.53%	TGT 0.36%	KHC 0.32%	KR 0.11%
EL -1.38%	HSY -1.46%	GIS -1.56%	KDP -1.56%	BF-B -1.59%
MKC -1.68%	ADM -1.69%	PEP -1.74%	CAG -1.95%	BG -2.14%

Utilities

D 1.33%	NRG 0.92%	PCG 0.65%	CEG 0.57%	AEP 0.38%
ETR 0.34%	FE 0.34%	EXC 0.33%	SRE 0.2%	EIX 0.11%
CMS -0.3%	PNW -0.3%	DTE -0.33%	AEE -0.38%	DUK -0.45%
XEL -0.49%	AES -0.56%	PEG -0.68%	SO -0.79%	ES -1.47%

Materials

FMC 0.86%	DOW 0.83%	EMN 0.82%	LYB 0.46%	PPG 0.41%
NEM 0.25%	IFF 0.23%	CE 0.21%	VMC 0.09%	SHW -0.05%
ALB -0.29%	ECL -0.41%	LIN -0.47%	STLD -0.49%	APD -0.63%
FCX -0.63%	CF -0.65%	CTVA -0.87%	MOS -0.95%	NUE -0.96%

Real Estate

BXP 1.52%	ARE 0.7%	HST 0.69%	EXR 0.48%	IRM 0.14%
WY 0.12%	O 0.1%	SPG 0.03%	PLD 0.01%	CPT -0.06%
INVH -0.65%	MAA -0.65%	PSA -0.72%	CBRE -0.78%	AVB -0.87%
EQIX -0.89%	DLR -1.03%	REG -1.18%	VTR -1.49%	SBAC -1.51%

Energy

EQT 0.79%	OKE 0.65%	CTRA 0.51%	DVN 0.43%	HAL 0.35%
APA 0.31%	SLB 0.31%	MRO 0.23%	BKR 0.11%	PXD 0.04%
CVX -0.31%	PSX -0.35%	FI -0.55%	HES -0.55%	OXY -0.61%
EOG -0.78%	MPC -0.99%	TRGP -1%	WMB -1.2%	VLO -1.48%

Communication Ser.

VZ 2.06%	T 1.65%	PARA 1.1%	CMCSA 0.97%	OMC 0.94%
META 0.89%	IPG 0.73%	NWS 0.59%	NWSA 0.56%	TMUS 0.49%
LYV 0.24%	FOX 0.11%	DIS 0.06%	FOXA -0.1%	TTWO -0.36%
NFLX -0.41%	EA -0.43%	CHTR -0.52%	GOOG -0.78%	WBD -1.32%

S&P 500 Weekly 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	(0.10%)	23.34%	(1.55%)	(106.66%)
Max Drawdown	(27.17%)	(10.93%)	(2.22%)	(79.68%)
Sharpe	(0.01)	1.49	(10.59)	(8.11)
Sortino	(0.09)	2.43	(17.36)	(8.13)
Volatility	19.48	13.05	6.56	(0.50)
Daily VaR-5%	(29.67)	3.32	(74.64)	(23.51)
Mnthly VaR-5%	(29.27)	3.07	3.07	0.00

Item	2 years ago	1 year ago	Current	1 Yr % Change	5 Year High	5 year Low	% From High	% From Low
Dividend Yield	1.22%	1.50%	1.40%	(7.29%)	2.14%	1.20%	(34.67%)	16.57%
P/E Ratio	24.63	17.44	22.14	21.21%	29.36	16.64	(24.6%)	33.07%
P/S Ratio	4.79	3.66	3.94	6.98%	4.99	3.23	(21.06%)	21.85%
P/B Ratio	6.68	5.72	5.96	4.13%	6.76	4.30	(11.81%)	38.63%
ROE	28.24%	27.63%	25.67%	(7.67%)	29.55%	19.19%	(13.16%)	33.75%
ROA	6.37%	6.37%	6.10%	(4.48%)	6.72%	4.47%	(9.27%)	36.46%

S&P 500 Market Cap Analysis

Item	12-M Ago	Current	% Chg
Shares	3,707.4	3,608.1	(2.68%)
Sales	108,398	113,498	4.70%
SPS	29.2	31.5	7.58%
Earnings	19,191	18,421	(4.01%)
EPS TTM	5.7	5.6	(1.84%)
Dividend	1.6	1.7	5.09%

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	(3.19%)	4.05%	1.32	10.39	93.64	(357.54)	(88.9%)	19.6%	3.1%	9.56%	7.00	11.03
Materials	9.47%	2.41%	1.16	18.67	26.99	11.37	(30.8%)	12.4%	2.0%	5.38%	4.73	19.16
Industrials	15.36%	8.66%	1.16	21.80	58.37	16.78	(62.6%)	22.6%	1.6%	4.61%	5.96	20.93
Discretionary	39.09%	10.69%	1.44	29.94	71.65	24.50	(58.2%)	16.5%	0.7%	3.36%	4.51	28.53
Staples	(6.21%)	6.24%	0.60	20.07	22.79	18.21	(11.9%)	30.8%	2.6%	4.97%	4.41	20.07
Health Care	3.78%	13.00%	0.66	20.44	19.84	14.89	3.1%	24.7%	1.6%	4.90%	6.86	20.37
Financials	13.32%	13.09%	1.16	16.14	21.47	12.76	(24.8%)	12.4%	1.7%	6.23%	6.97	15.16
Technology	58.22%	28.21%	1.18	34.45	34.65	16.65	(0.6%)	65.3%	0.8%	2.90%	6.00	32.64
Telecom	52.52%	8.63%	0.98	22.41	28.38	15.42	(21.0%)	23.2%	0.5%	4.46%	5.06	20.19
Utilities	(7.35%)	2.41%	0.69	18.04	21.24	15.58	(15.1%)	10.6%	3.4%	5.57%	3.18	16.79
Real Estate	6.98%	2.52%	1.05	18.39	26.21	15.47	(29.8%)	6.6%	3.5%	5.46%	4.60	17.58

Momentum Analysis

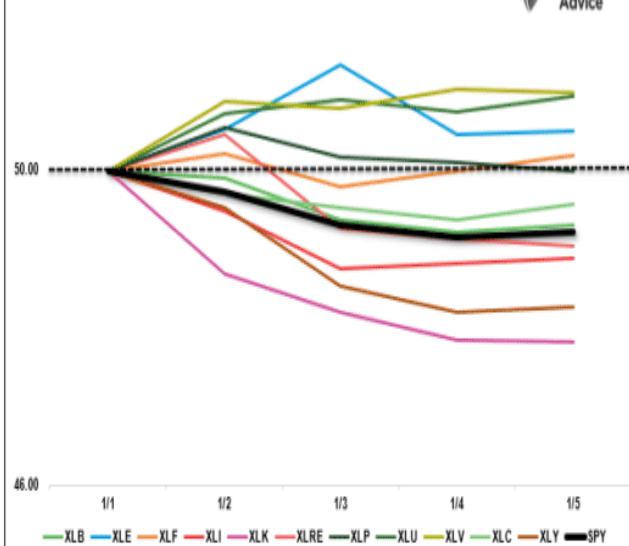| Item	Price	ROC 50-Days	50-DMA	# Days Since Cross	% Dev 50-Day	200-DMA	# Days Since Cross	% Dev 200-Day	% Dev 50- 200 DMA	% From 52-W High	% From 52-W Low	Buy/Sell
Large Cap	467.92	13.94%	456.28	46	2.55%	437.75	47	6.89%	4.23%	(2.02%)	23.84%	Buy
Mid Cap	495.11	16.47%	476.74	39	3.85%	467.37	36	5.94%	2.01%	(3.67%)	16.71%	Buy
Small Cap	40.62	18.43%	38.90	39	4.41%	38.04	26	6.78%	2.26%	(5.58%)	18.88%	Buy

Relative Performance Analysis

The sell-off that marked the beginning of the year is evident in the major market and sector analysis. The laggards from last year, Utilities, Healthcare, and Energy, have clearly outperformed this year. Last year?s big winners have been this year?s biggest losers. We suspect that most of this is early repositioning and rebalancing, and we will get a clearer picture over the next few weeks as to where money is being allocated. However, for now, the markets are getting more oversold, and with Financials, Utilities, and Healthcare overbought, we should see some rotations back into the laggards to date.

Year To Date Performance

Ticker	%
VWO	-1.48%
VEA	-1.61%
XLC	-0.85%
TLT	-2.62%
SPSM	-3.70%
MDY	-2.42%
XLY	-3.46%
XLV	2.01%
XLU	1.89%
XLP	-0.03%
XLRE	-1.92%
XLK	-4.34%
XLI	-2.25%
XLF	0.40%
XLE	1.00%
XLB	-1.40%
SPY	-1.55%

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

Legend: XLB XLE XLF XLI XLK XLRE XLP XLU XLV XLC XLY SPY
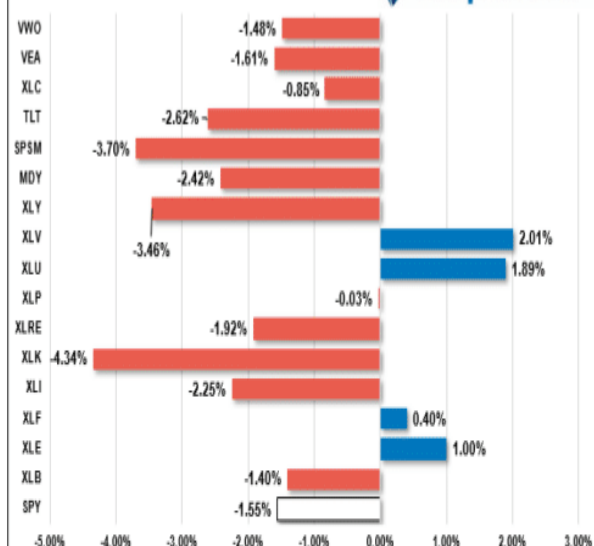
Year To Date Performance Relative To S&P 500

Ticker	%
SPY	0
XLB	0.15%
XLC	0.70%
XLE	2.56%
XLF	1.95%
XLI	-0.69%
XLK	-2.79%
XLRE	-0.37%
XLP	1.53%
XLU	3.45%
XLV	3.56%
XLY	-1.91%
MDY	-0.86%
SLY	-2.14%
TLT	-1.06%
VEA	-0.05%
VWO	0.07%
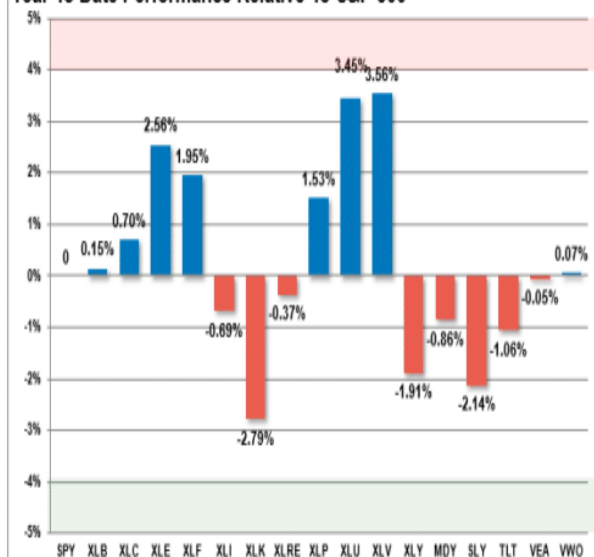
Price Deviation From 50-Day Moving Average

Extreme Deviation

Ticker	%
SPY	2.75%
XLB	3.34%
XLE	0.46%
XLF	5.88%
XLI	3.88%
XLK	0.32%
XLRE	5.48%
XLP	2.41%
XLU	3.19%
XLV	5.84%
XLY	1.65%
MDY	4.07%
SPSM	4.60%
TLT	3.45%
XLC	2.89%
VEA	2.99%
VWO	0.83%
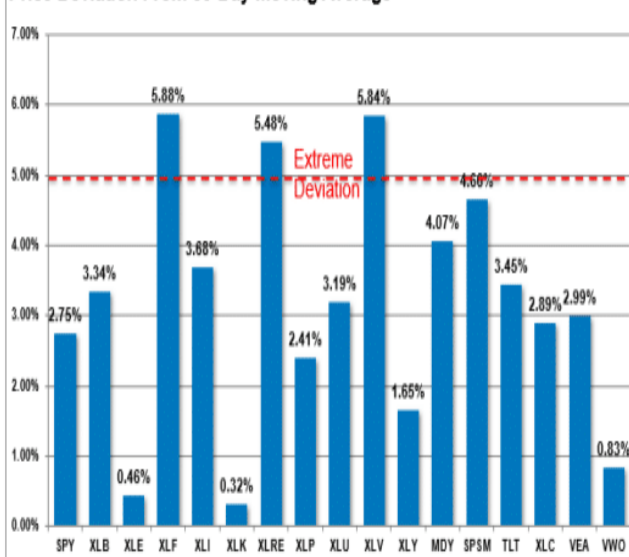
Overbought/Oversold 14-Periods

Over Bought / Over Sold

XLF, XLU, XLV (Over Bought region)
XLP
VWO
Composite Average, (67.02)
XLE
VEA
Composite Median, (90.86)
XLC
SPY
XLB, XLI
XLK, XLRE
XLY, MDY
SPSM, TLT
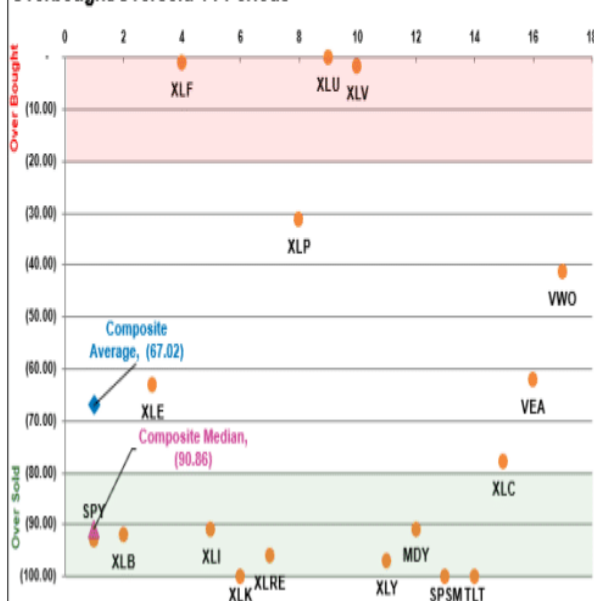
Size / Sector ETF YTD Trading Range

Ticker	Low	High
SPSM	40.62	42.18
MDY	493.35	507.38
SPY	467.28	475.31
XLY	172.35	178.81
XLV	136.38	139.24
XLU	63.33	64.53
XLP	72.01	72.84
XLK	184.12	192.48
XLRE	39.29	40.43
XLI	111.16	113.99
XLF	37.44	37.76
XLE	83.84	86.12
XLB	84.2	85.54

Year To Date Performance

Ticker	%
VWO	-1.48%
VEA	-1.61%
XLC	-0.85%
TLT	-2.62%
SPSM	-3.70%
MDY	-2.42%
XLY	
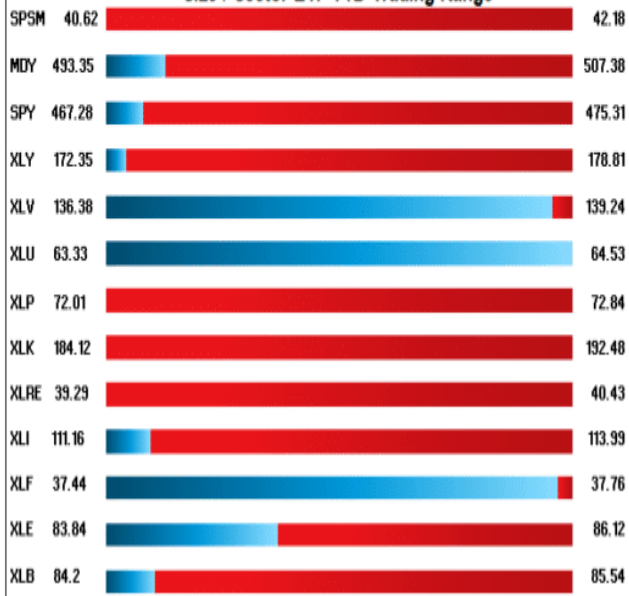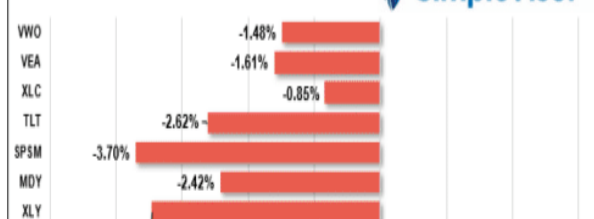
YTD Price - S&P Sectors Recalibrated To $50/share
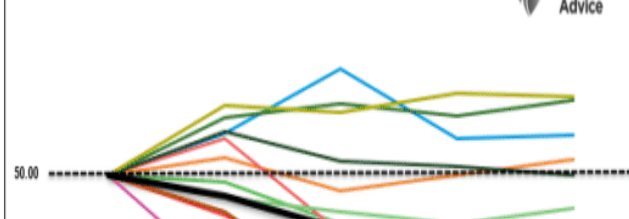
Technical Composite

The technical overbought/sold gauge comprises several price indicators (R.S.I., Williams %R, etc.), measured using ?weekly? closing price data. Readings above ?80? are considered overbought, and below ?20? are oversold. The market peaks when those readings are 80 or above, suggesting prudent profit-taking and risk management. ***The best buying opportunities exist when those readings are 20 or below.***
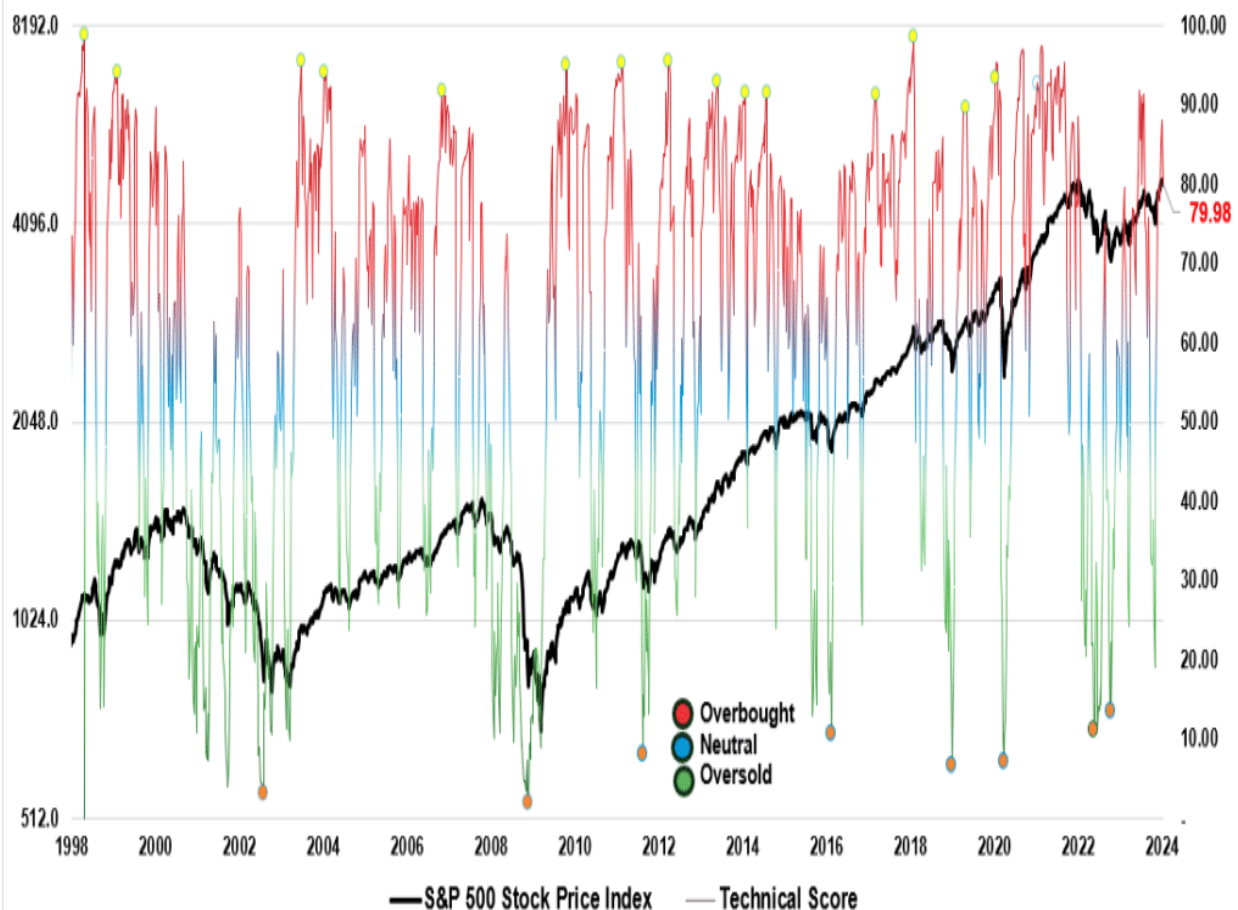
The current reading is&#2013266080;79.98&#2013266080;out of a possible 100.

Technical Overbought/Sold Composite
(Composite Of Weekly Technical Measures)
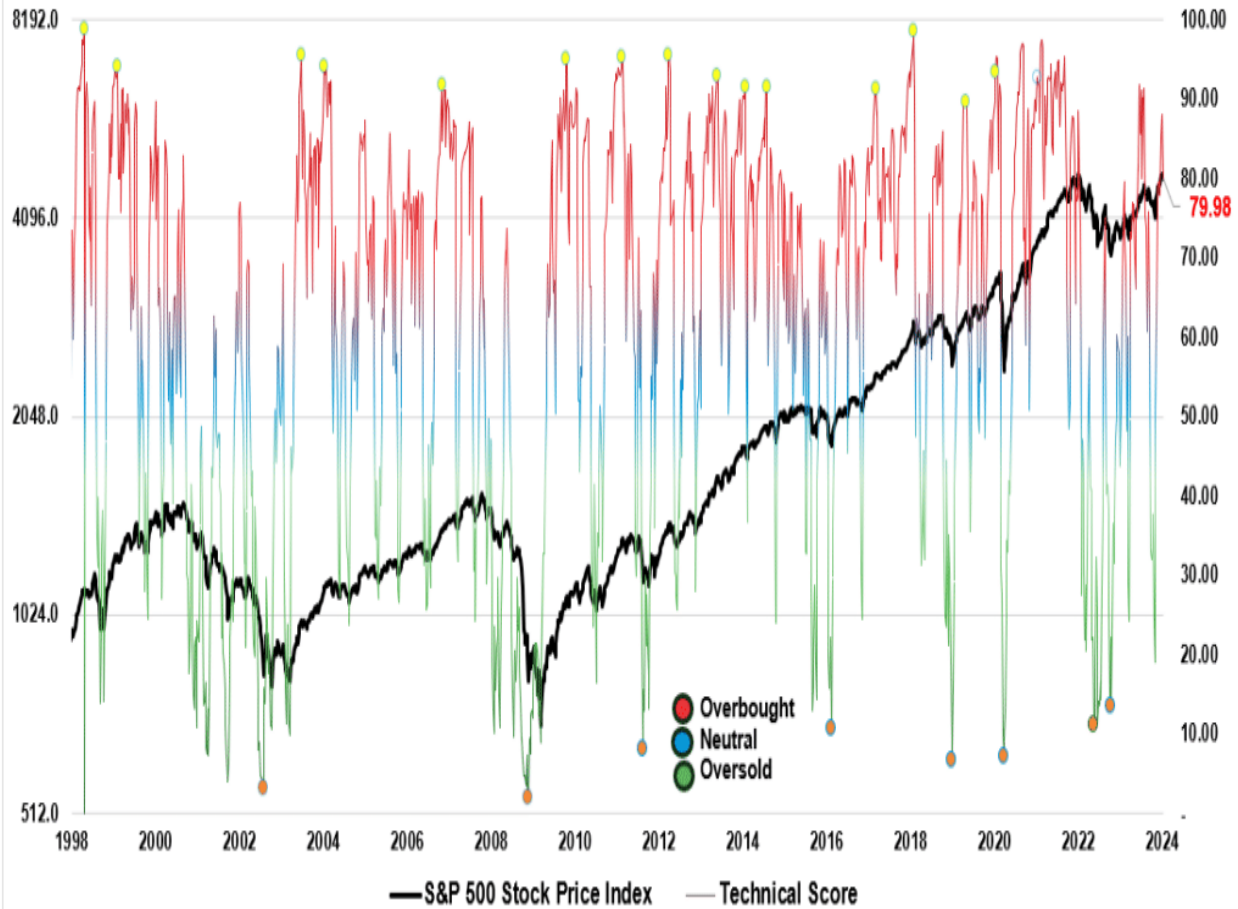
SimpleVisor™

Legend:
- Overbought (red)
- Neutral (blue)
- Oversold (green)

— S&P 500 Stock Price Index   — Technical Score

Current value: 79.98

Technical Overbought/Sold Composite
(Composite Of Weekly Technical Measures)

SimpleVisor™

Legend:
- Overbought (red)
- Neutral (blue)
- Oversold (green)

— S&P 500 Stock Price Index   — Technical Score

Current value: 79.98

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, the more likely the market is closer to a correction than not. The gauge uses weekly closing data.

NOTE:&#2013266080;*The Fear/Greed Index measures risk from 0 to 100. It is a rarity that it reaches levels above 90.* The current reading &#2013266080;is&#2013266080;83.26&#2013266080;out of a possible 100.

MARKET GREED/FEAR INDEX
(AAII, INVI, Bullish Pct, Put/Call, NAAIM, VIX)

SimpleVisor™

Legend: Weekly Greed/Fear Gauge — S&P 500 INDEX

MARKET GREED/FEAR INDEX
(AAII, INVI, Bullish Pct, Put/Call, NAAIM, VIX)

SimpleVisor™
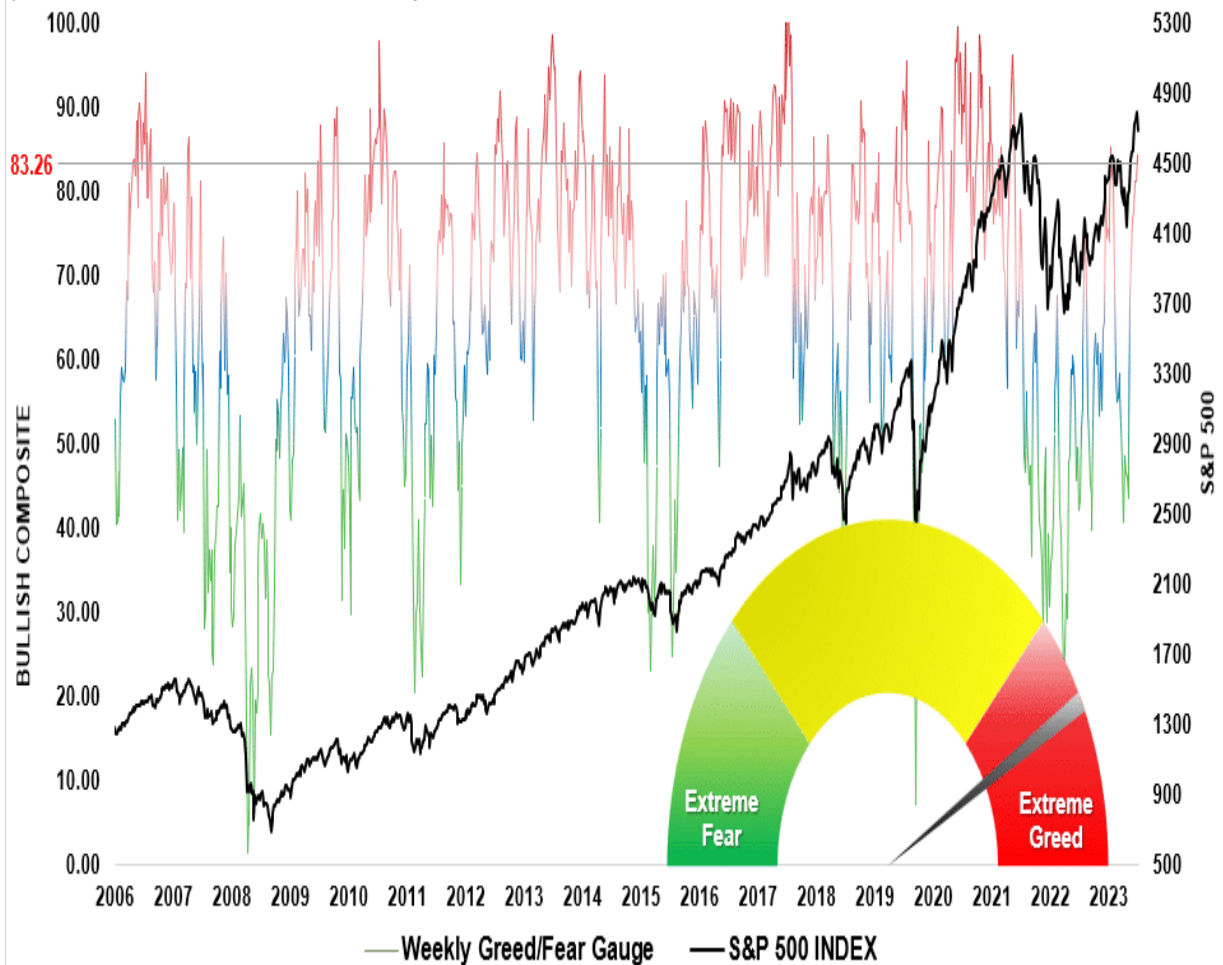
Legend: Weekly Greed/Fear Gauge — S&P 500 INDEX
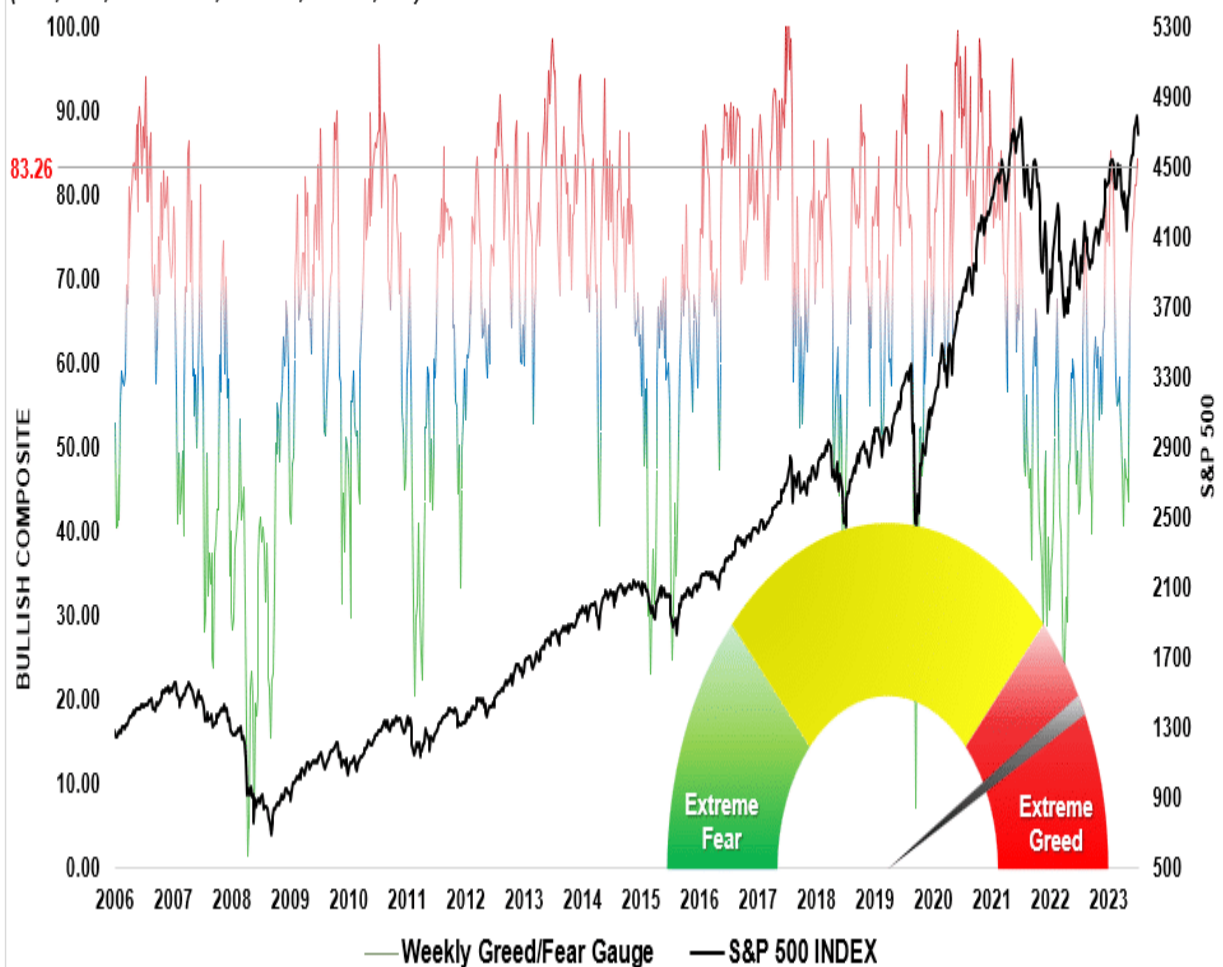
Relative Sector Analysis

Relative Analysis of Sectors against SPY

(click sector symbol for sector details including a relative analysis of its top ten holdings)

Technology (XLK) -0.34 »	Consumer Discretionary (XLY) -0.16 »	Energy (XLE) -0.14 »	Consumer Staples (XLP) -0.05 »	Utilities (XLU) -0.01 »	Transportation (XTN) -0.01 »
Materials (XLB) 0.01 »	Industrials (XLI) 0.01 »	Real Estate (XLRE) 0.02 »	Communication Services (XLC) 0.12 »	Health Care (XLV) 0.36 »	Financial (XLF) 0.58 »

Overbought - could be a good time to reduce holdings. Oversold - could be a good time to increase holdings

About Relative Analysis

This analysis uses the price ratio of two securities to establish a relative technical score. 13 technical measures are applied to the ratio to determine the score. The score tells us how one stock compares to another stock. We like to compare sector ETFs to the S&P 500 to help assess relative strength or weakness of the sectors.

Quite often scores of + .75 or greater are good times to reduce holdings and -.75 are good times to buy. However, scores can stay extremely overbought or sold for a few weeks so at times patience is required.

Most Oversold Sector Analysis

XLK (Technology) / SPY - Analysis

Legend: XLK – SPY | XLK | SPY | RA Score
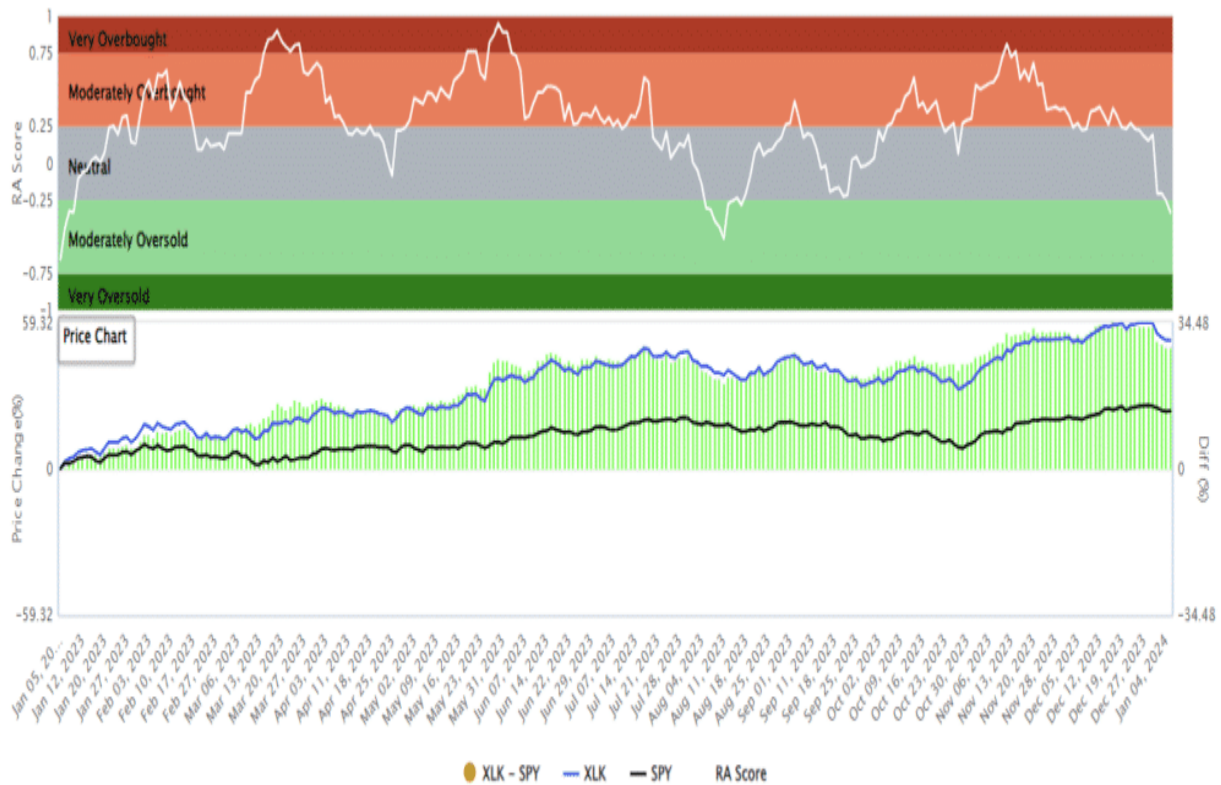
Description

In seeking to track the performance of the index, the fund employs a replication strategy, which means that the fund typically invests in substantially all of the securities represented in the index in approximately the same proportions as the index. It generally invests substantially all, but at least 95%, of its total assets in the securities comprising the index. The fund is non-diversified.

Latest Price (Jan 20, 1970, 11:28:08 AM)

$184.15 ▽ (-$0.02) (-0.01%)

Last Close	Open	Volume	Annual Div.
$184.17	$184.38	8,146,484	$1.10

52 Week Range
$120.81 — $193.72

Day Range
$183.42 — $185.71

Avg. Volume (3m)
N/A

Div. Yield
0.60%

Symbol	Name	Holdings
MSFT	Microsoft Corp	22.31%
AAPL	Apple Inc	21.84%
AVGO	Broadcom Inc	5.13%
NVDA	NVIDIA Corp	4.53%
ADBE	Adobe Inc	2.95%
CRM	Salesforce Inc	2.78%
AMD	Advanced Micro Devices Inc	2.58%
ACN	Accenture PLC Class A	2.39%
INTC	Intel Corp	2.30%
CSCO	Cisco Systems Inc	2.22%

	AAPL/	ACN/	ADBE/	AMD/	AVGO/	CRM/	CSCO/	INTC/	NVDA/	MSFT/	XLK/	
	0.00	0.77	0.13	0.80	0.59	0.51	0.23	0.78	0.70	0.59	0.87	AAPL
	-0.77	0.00	-0.48	0.43	0.36	0.32	-0.07	0.49	0.26	-0.01	-0.14	ACN
	-0.13	0.48	0.00	0.38	0.29	0.31	0.27	0.77	0.63	0.62	0.41	ADBE
	-0.80	-0.43	-0.38	0.00	-0.27	-0.71	-0.34	0.03	-0.15	-0.40	-0.52	AMD
	-0.59	-0.36	-0.29	0.27	0.00	-0.07	-0.21	0.22	-0.03	-0.34	-0.42	AVGO
	-0.51	-0.32	-0.31	0.71	0.07	0.00	-0.18	0.31	0.11	-0.19	-0.38	CRM
	-0.23	0.07	-0.27	0.34	0.21	0.18	0.00	0.33	0.23	0.12	0.03	CSCO
	-0.78	-0.49	-0.77	-0.03	-0.22	-0.31	-0.33	0.00	-0.32	-0.46	-0.69	INTC
	-0.70	-0.26	-0.63	0.15	0.03	-0.11	-0.23	0.32	0.00	-0.48	-0.37	NVDA
	-0.59	0.01	-0.62	0.40	0.34	0.19	-0.12	0.46	0.48	0.00	-0.07	MSFT
	-0.87	0.14	-0.41	0.52	0.42	0.38	-0.03	0.69	0.37	0.07	0.00	XLK

XLK (Technology) / SPY - Analysis

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.*
- *?MA XVER? (Moving Average Crossover) is determined by the short-term weekly moving average crossing 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 start of the year has been sloppy. However, as we look forward to 2024, numerous sectors and markets are trading bearishly despite the market?s 24% advance last year. Furthermore, there are numerous sectors trading deviated well above their longer-term moving averages. Over the next couple of weeks, we should begin to get clarity as to where money is flowing. Will it be another narrow advance year, or will this finally be a year where the laggards finally have their day?

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	RISK RANGE LOW	% DEV Short M/A	% DEV Long M/A	M/A XVER SIGNAL
IVV	ISHARS-SP500	470.12	(1.57)	1.68	8.47	3.41	20.60	451.65	444.67	477.63	1.00	489.57	465.69	4%	6%	BULLISH
XLB	SPDR-MATLS SELS	84.34	0.17	1.26	0.16	(2.71)	(15.66)	80.61	80.81	85.54	1.08	88.60	82.48	5%	4%	BEARISH
XLC	SPDR-COMM SV SS	72.04	0.72	0.53	(1.06)	6.47	22.34	69.38	66.94	72.66	1.03	75.22	70.10	4%	8%	BULLISH
XLE	SPDR-EGY SELS	84.68	2.57	1.30	(13.95)	(2.96)	(23.89)	85.34	84.99	83.84	1.26	87.00	80.68	-1%	0%	BULLISH
XLF	SPDR-FINL SELS	37.75	1.97	2.80	5.20	3.65	(13.90)	35.05	34.29	37.60	1.08	38.95	36.25	8%	10%	BULLISH
XLK	SPDR-TECH SELS	184.12	(2.77)	(3.04)	0.72	1.12	27.02	180.01	173.39	192.48	1.14	199.48	185.48	2%	6%	BULLISH
XLI	SPDR-INDU SELS	111.43	(0.67)	0.59	1.04	(1.70)	(10.17)	106.03	105.40	113.99	1.10	118.10	109.88	5%	6%	BULLISH
XLP	SPDR-CONS STPL	72.01	1.54	1.03	(0.67)	(8.20)	(25.57)	69.67	71.87	72.03	0.59	74.26	69.80	3%	0%	BEARISH
XLRE	SPDR-RE SELS	39.29	(0.35)	1.99	5.94	(1.63)	(16.87)	36.47	36.65	40.06	0.91	41.43	38.69	8%	7%	BEARISH
XLU	SPDR-UTIL SELS	64.53	3.47	0.09	0.35	(9.15)	(29.71)	61.76	63.51	63.33	0.56	65.27	61.39	4%	2%	BEARISH
XLV	SPDR-HLTH CR	139.12	3.58	3.66	(1.61)	(1.30)	(18.05)	130.93	131.49	136.38	0.65	140.68	132.08	6%	6%	BEARISH
XLY	SPDR-CONS DISCR	172.62	(1.89)	(2.01)	0.12	(2.45)	10.11	167.05	166.05	178.81	1.21	185.44	172.18	3%	4%	BULLISH
XTN	SPDR-SP TRANSPT	81.00	(1.41)	0.80	3.65	(9.76)	(4.89)	75.69	78.08	83.49	1.35	86.70	80.28	7%	4%	BEARISH
SDY	SPDR-SP DIV ETF	124.10	0.88	0.67	0.66	(5.09)	(23.62)	118.41	120.20	124.97	0.87	129.18	120.76	5%	3%	BEARISH
RSP	INVS-SP5 EQ ETF	155.71	0.25	1.73	2.52	(2.38)	(13.38)	146.79	147.09	157.80	1.07	163.44	152.16	6%	6%	BEARISH
SPSM	SPDR-PRT SC	40.62	(2.13)	1.86	5.41	(2.34)	(13.45)	38.15	38.28	42.18	1.15	43.72	40.64	6%	6%	BEARISH
MDY	SPDR-SP MC 400	495.11	(0.85)	1.14	2.52	(3.16)	(11.57)	469.08	470.26	507.38	1.12	525.77	488.99	6%	5%	BEARISH
EEM	ISHARS-EMG MKT	39.44	(0.34)	(0.58)	(4.30)	(5.60)	(22.17)	38.80	39.21	40.21	0.77	41.53	38.89	2%	1%	BEARISH
EFA	ISHARS-EAFE	74.17	0.01	(0.27)	(0.08)	(3.16)	(11.73)	71.28	71.52	75.35	0.88	77.90	72.80	4%	4%	BEARISH
IAU	ISHARS-GOLD TR	38.66	0.62	0.32	(2.55)	0.59	(11.48)	37.77	37.02	39.03	0.20	40.08	37.98	2%	4%	BULLISH
GDX	VANECK-GOLD MNR	29.77	(2.43)	(1.38)	(5.64)	(8.88)	(26.27)	29.60	29.75	31.01	0.96	32.08	29.94	1%	0%	BEARISH
UUP	INVS-DB US$ BU	27.41	2.75	(8.64)	(16.89)	(5.38)	(22.35)	29.02	28.79	27.09	(0.20)	27.71	26.47	-6%	-5%	BULLISH
BOND	PIMCO-ACTV BOND	91.51	0.56	(0.45)	(3.42)	(3.46)	(21.34)	89.11	89.92	92.45	0.23	94.97	89.93	3%	2%	BEARISH
TLT	ISHARS-20+YTB	96.29	(1.05)	0.17	1.44	(8.76)	(29.05)	91.42	95.30	98.88	0.18	101.53	96.23	5%	1%	BEARISH
BNDX	VANGD-TTL INT B	48.91	0.65	(3.11)	(6.49)	(3.23)	(19.33)	48.83	48.60	49.37	0.17	50.68	48.05	0%	1%	BULLISH
HYG	ISHARS-IBX HYCB	76.68	0.65	(0.60)	(3.07)	(1.68)	(19.07)	74.94	74.66	77.39	0.45	79.67	75.11	2%	3%	BULLISH

RISK RANGE REPORT

Real Investment Advice

SimpleVisor™

Weekly SimpleVisor Stock Screens

We provide three stock screens each week from&#2013266080;*[**SimpleVisor**](#)*.

This week, we are searching for the Top 20:

- *Relative Strength Stocks*
- *Momentum Stocks*
- *Fundamental & Technical Strength*

(Click Images To Enlarge)

R.S.I. Screen

Symbol ↑↓ ▽	Sector ↑↓	Trend ↓⦊	Last ↑↓	FairValue ↑↓	RSI ↑↓	20 SMA ⑦ ↑↓	50 SMA ⑦ ↑↓	100 SMA ⑦ ↑↓	Mohanram ⑦ ↑↓	Piotroski ⑦ ↑↓	SV Rank ⑦ ↑↓	Yield% ↑↓
BX	Financial	10/10 👍	$121.46	()	82.05	$109.23(11.20%)	$103.63(17.21%)	$103.93(16.87%)	3	5	3	2.58%
CE	Materials	10/10 👍	$150.06	()	82.08	$134.40(11.65%)	$125.81(19.28%)	$120.59(24.44%)	0	6	3	1.98%
COF	Financial	10/10 👍	$132.09	()	80.20	$114.03(15.84%)	$104.77(26.08%)	$107.14(23.29%)	—	6	3	2.29%
DHI	Consumer Cyclical	10/10 👍	$148.70	()	80.38	$134.20(10.80%)	$119.64(24.29%)	$117.71(26.33%)	3	7	1	0.94%
EXPE	Consumer Cyclical	10/10 👍	$146.13	()	83.36	$133.76(9.25%)	$114.25(27.90%)	$113.22(29.07%)	1	8	3	%
FICO	Technology	10/10 👍	$1,113.67	$338.84(-228.67%)	76.11	$1,090.19(2.15%)	$969.39(14.88%)	$906.41(22.87%)	—	7	3	%
INTC	Technology	10/10 👍	$46.75	$24.48(-90.95%)	75.80	$44.81(4.32%)	$40.89(14.32%)	$38.13(22.59%)	5	6	3	1.11%
IT	Technology	10/10 👍	$425.17	$155.43(-173.54%)	65.94	$439.88(-3.34%)	$384.66(10.53%)	$360.18(18.04%)	6	7	3	%
JBL	Technology	10/10 👍	$126.61	$136.65(7.35%)	55.16	$127.46(-0.67%)	$117.71(7.56%)	$107.33(17.96%)	5	8	3	0.25%
KEY	Financial	10/10 👍	$14.64	()	73.32	$12.58(16.34%)	$11.45(27.82%)	$11.03(32.68%)	4	6	3	6.79%
NCLH	Consumer Cyclical	10/10 👍	$17.83	()	72.16	$17.63(1.13%)	$15.75(13.21%)	$16.95(5.19%)	—	1	3	%
NRG	Utilities	10/10 👍	$51.76	()	78.88	$47.76(8.38%)	$43.46(19.10%)	$39.79(30.08%)	4	6	3	3.13%
PANW	Technology	10/10 👍	$282.48	$250.51(-12.76%)	66.05	$277.38(1.84%)	$256.44(10.15%)	$248.78(13.55%)	5	4	3	%
PHM	Consumer Cyclical	10/10 👍	$101.41	()	86.25	$89.04(13.89%)	$80.28(26.32%)	$78.96(28.43%)	4	7	2	0.92%
RCL	Consumer Cyclical	10/10 👍	$122.98	()	81.66	$115.02(6.92%)	$98.87(24.39%)	$99.96(23.03%)	1	—	4	%
UBER	Technology	10/10 👍	$57.30	$14.80(-287.13%)	73.76	$60.68(-5.58%)	$53.45(7.19%)	$49.51(15.72%)	2	3	3	%
URI	Industrials	10/10 👍	$541.41	$523.86(-3.35%)	82.42	$484.30(11.79%)	$457.07(18.45%)	$451.25(19.98%)	3	8	3	1.04%
WDC	Technology	10/10 👍	$49.76	$21.52(-131.23%)	73.18	$47.98(3.71%)	$45.08(10.38%)	$42.53(17.00%)	5	7	3	%
ZION	Financial	10/10 👍	$44.05	()	74.76	$38.48(14.48%)	$35.32(24.72%)	$32.55(35.33%)	2	6	1	3.76%
CEG	Utilities	8/10 👍	$116.02	()	46.25	$120.39(-3.63%)	$115.32(0.61%)	$104.04(11.51%)	—	—	—	0.96%

Momentum Screen

Symbol	Sector	Trend	Last	FairValue	RSI	20 SMA	50 SMA	100 SMA	Mohanram	Piotroski	SV Rank	Yield%
ANSS	Technology	10/10 👍	$344.34	$101.95(-237.75%)	76.79	$295.27(16.62%)	$294.37(16.98%)	$306.35(12.40%)	7	5	3	%
AVGO	Technology	10/10 👍	$1,041.77	$1,210.59(13.95%)	71.03	$1,033.58(0.79%)	$956.06(8.96%)	$901.51(15.56%)	3	8	2	1.90%
BKNG	Consumer Cyclical	10/10 👍	$3,399.01	()	79.63	$3,333.45(1.97%)	$3,108.98(9.33%)	$3,108.31(9.35%)	2	6	3	%
FICO	Technology	10/10 👍	$1,113.67	$338.84(-228.67%)	76.11	$1,090.19(2.15%)	$969.39(14.88%)	$906.41(22.87%)	—	7	3	%
INTU	Technology	10/10 👍	$588.12	$543.65(-8.18%)	77.15	$569.78(3.22%)	$536.24(9.67%)	$513.56(14.52%)	8	5	2	0.57%
LRCX	Technology	10/10 👍	$728.60	$1,041.49(30.04%)	79.85	$715.78(1.79%)	$657.09(10.88%)	$660.67(10.28%)	4	—	3	1.02%
LULU	Consumer Cyclical	10/10 👍	$490.98	$336.94(-45.72%)	76.61	$450.15(9.07%)	$414.28(18.51%)	$396.14(23.94%)	6	7	3	%
MKTX	Financial	10/10 👍	$278.28	$154.34(-80.30%)	77.93	$247.60(12.39%)	$237.01(17.41%)	$260.09(6.99%)	5	4	5	1.20%
MPWR	Technology	10/10 👍	$571.49	$466.76(-22.44%)	70.62	$567.53(0.70%)	$497.54(14.86%)	$509.13(12.25%)	7	6	3	0.64%
MTD	Healthcare	10/10 👍	$1,126.34	$909.52(-23.84%)	69.12	$1,088.87(3.44%)	$1,131.62(-0.47%)	$1,242.06(-9.32%)	1	7	2	%
SHW	Materials	10/10 👍	$295.62	$172.68(-71.20%)	83.85	$267.33(10.58%)	$258.02(14.57%)	$255.37(15.76%)	1	5	4	0.79%
URI	Industrials	10/10 👍	$541.41	$523.86(-3.35%)	82.42	$484.30(11.79%)	$457.07(18.45%)	$451.25(19.98%)	3	8	3	1.04%
WAT	Healthcare	10/10 👍	$304.50	$161.06(-89.06%)	80.28	$288.29(5.62%)	$269.78(12.87%)	$271.24(12.26%)	5	8	3	%
BLK	Financial	9/10 👍	$782.34	$523.45(-49.46%)	79.57	$697.94(12.09%)	$671.52(16.50%)	$684.87(14.23%)	2	6	3	2.80%
IDXX	Healthcare	9/10 👍	$536.88	$182.21(-194.65%)	80.17	$489.07(9.78%)	$458.48(17.10%)	$476.76(12.61%)	1	7	3	%
NVR	Consumer Cyclical	9/10 👍	$6,968.37	()	76.54	$6,442.35(8.17%)	$6,079.08(14.63%)	$6,149.24(13.32%)	1	7	2	%
VRTX	Healthcare	9/10 👍	$415.25	()	66.90	$372.98(11.33%)	$363.10(14.36%)	$355.42(16.83%)	1	6	2	%
CMG	Consumer Cyclical	8/10 👍	$2,218.37	$1,022.39(-116.98%)	64.76	$2,260.91(-1.88%)	$2,106.96(5.29%)	$1,994.25(11.24%)	1	7	3	1.90%
REGN	Healthcare	8/10 👍	$914.67	()	64.46	$826.26(10.70%)	$820.32(11.50%)	$786.67(16.27%)	4	6	3	%
ULTA	Consumer Cyclical	7/10 👍	$471.15	()	68.84	$439.33(7.24%)	$410.92(14.66%)	$435.48(8.19%)	4	7	3	%

Fundamental & Technical Strength

Symbol	Sector	Trend	Last	FairValue	RSI	20 SMA	50 SMA	100 SMA	Mohanram	Piotroski	SV Rank	Yield%
SPG	Real Estate	10/10 👍	$140.30	$77.23(-81.67%)	88.20	$125.01(12.23%)	$114.97(22.03%)	$115.17(21.82%)	—	6	3	6.56%
PNC	Financial	10/10 👍	$155.82	$220.54(29.35%)	84.34	$130.23(19.65%)	$122.94(26.74%)	$124.79(24.86%)	—	4	3	3.92%
RL	Consumer Cyclical	10/10 👍	$143.46	$133.86(-7.17%)	81.98	$126.51(13.40%)	$118.67(20.89%)	$118.83(20.73%)	3	8	1	2.32%
COF	Financial	10/10 👍	$132.09	()	80.20	$114.03(15.84%)	$104.77(26.08%)	$107.14(23.29%)	—	6	3	2.29%
GRMN	Technology	10/10 👍	$122.71	$44.16(-177.86%)	78.76	$121.33(1.13%)	$111.43(10.12%)	$107.86(13.76%)	—	3	4	2.27%
CE	Materials	10/10 👍	$150.06	()	82.08	$134.40(11.65%)	$125.81(19.28%)	$120.59(24.44%)	0	6	3	1.98%
CAT	Industrials	10/10 👍	$288.51	$276.95(-4.17%)	82.20	$272.18(6.00%)	$255.76(12.81%)	$265.21(8.79%)	1	7	3	1.82%
BR	Technology	10/10 👍	$196.16	$169.73(-15.57%)	78.61	$189.39(3.57%)	$181.51(8.07%)	$180.43(8.72%)	4	3	3	1.65%
AMP	Financial	10/10 👍	$381.15	$507.30(24.87%)	65.85	$362.28(5.21%)	$346.13(10.12%)	$333.09(14.43%)	3	7	2	1.57%
TT	Industrials	10/10 👍	$240.23	$106.13(-126.35%)	78.41	$229.94(4.47%)	$212.33(13.14%)	$202.11(18.86%)	5	8	3	1.36%
PH	Industrials	10/10 👍	$453.95	$447.93(-1.34%)	75.75	$436.08(4.10%)	$407.22(11.47%)	$401.72(13.00%)	6	9	3	1.28%
LH	Healthcare	10/10 👍	$225.66	$356.01(36.61%)	72.19	$212.51(6.19%)	$210.81(7.04%)	$215.09(4.91%)	5	8	3	1.27%
CBOE	Financial	10/10 👍	$173.79	$178.95(2.89%)	60.56	$172.71(0.62%)	$159.88(8.70%)	$148.27(17.21%)	5	7	2	1.24%
LEN	Consumer Cyclical	10/10 👍	$146.62	()	85.61	$128.04(14.51%)	$118.43(23.80%)	$121.03(21.14%)	3	7	2	1.17%
ROST	Consumer Cyclical	10/10 👍	$134.70	$112.34(-19.90%)	79.05	$129.24(4.22%)	$121.59(10.78%)	$114.73(17.41%)	3	9	4	1.12%
NDSN	Industrials	10/10 👍	$250.00	$210.94(-18.52%)	74.90	$235.91(5.97%)	$233.47(7.08%)	$232.93(7.33%)	7	8	2	1.09%
URI	Industrials	10/10 👍	$541.41	$523.86(-3.35%)	82.42	$484.30(11.79%)	$457.07(18.45%)	$451.25(19.98%)	3	8	3	1.04%
LRCX	Technology	10/10 👍	$728.60	$1,041.49(30.04%)	79.85	$715.78(1.79%)	$657.09(10.88%)	$660.67(10.28%)	4	—	3	1.02%
DHI	Consumer Cyclical	10/10 👍	$148.70	()	80.38	$134.20(10.80%)	$119.64(24.29%)	$117.71(26.33%)	3	7	1	0.94%
PHM	Consumer Cyclical	10/10 👍	$101.41	()	86.25	$89.04(13.89%)	$80.28(26.32%)	$78.96(28.43%)	4	7	2	0.92%
CTAS	Industrials	10/10 👍	$574.55	$296.91(-93.51%)	78.08	$560.23(2.56%)	$527.88(8.84%)	$506.09(13.53%)	6	7	3	0.90%
GWW	Industrials	10/10 👍	$815.68	$675.10(-20.82%)	69.67	$787.96(3.52%)	$738.36(10.47%)	$717.57(13.67%)	5	6	2	0.90%
EFX	Industrials	10/10 👍	$236.38	$56.94(-315.14%)	76.09	$221.77(6.59%)	$196.36(20.38%)	$204.32(15.69%)	5	6	3	0.88%
SHW	Materials	10/10 👍	$295.62	$172.68(-71.20%)	83.85	$267.33(10.58%)	$258.02(14.57%)	$255.37(15.76%)	1	5	4	0.79%
COST	Consumer Goods	10/10 👍	$653.04	$410.31(-59.16%)	74.51	$621.31(5.11%)	$582.64(12.08%)	$562.51(16.09%)	5	8	3	0.73%
AMD	Technology	10/10 👍	$137.85	()	75.05	$132.42(4.10%)	$119.33(15.52%)	$112.38(22.66%)	5	7	1	%
BA	Industrials	10/10 👍	$248.33	$58.55(-324.13%)	85.09	$227.59(9.11%)	$207.21(19.84%)	$215.19(15.40%)	3	4	4	%
BKNG	Consumer Cyclical	10/10 👍	$3,399.01	()	79.63	$3,333.45(1.97%)	$3,108.98(9.33%)	$3,108.31(9.35%)	2	6	3	%
CRL	Healthcare	10/10 👍	$223.94	$193.62(-15.66%)	79.14	$195.39(14.61%)	$192.71(16.21%)	$197.06(13.64%)	1	5	3	%
EPAM	Technology	10/10 👍	$287.17	$296.84(3.26%)	79.35	$260.57(10.21%)	$250.16(14.79%)	$243.14(18.11%)	1	6	3	%
EXPE	Consumer Cyclical	10/10 👍	$146.13	()	83.36	$133.76(9.25%)	$114.25(27.90%)	$113.22(29.07%)	1	8	3	%

Symbol	Sector	Trend	Last	FairValue	RSI	20 SMA	50 SMA	100 SMA	Mohanram	Piotroski	SV Rank	Yield%

SimpleVisor Portfolio Changes

We post all of our portfolio changes as they occur at&#2013266080;*SimpleVisor:*

January 5th

?As we closed out last year, we took advantage of tax loss selling to reduce some positions in the portfolio. We entered the New Year a bit underweight in equity exposure, particularly in Healthcare. This morning, we are adding starter positions in both United Healthcare&#2013266080;(see today?s UNH writeup)&#2013266080;and Ely Lilly. We are looking for some consolidation or correction in these two names to bring the positions to target weight.

To make room for these two holdings, as we want to remain overweight cash at the moment, we are selling Cisco Systems (CSCO), which has remained a laggard in the portfolio.

In the sector model, we are balancing the Healthcare allocation by adding 2% to the SPDR Healthcare ETF (XLV).?

Equity Model

- *Initiate a 1.5% portfolio position in United Healthcare (UNH) and Ely Lilly (LLY)*
- *Sell 100% of Cisco Systems (CSCO)*

ETF Model

- *Add 2% to the SPDR Healthcare Sector ETF (XLV).*

Lance Roberts,&#2013266080;*C.I.O.*

Have a great week!