

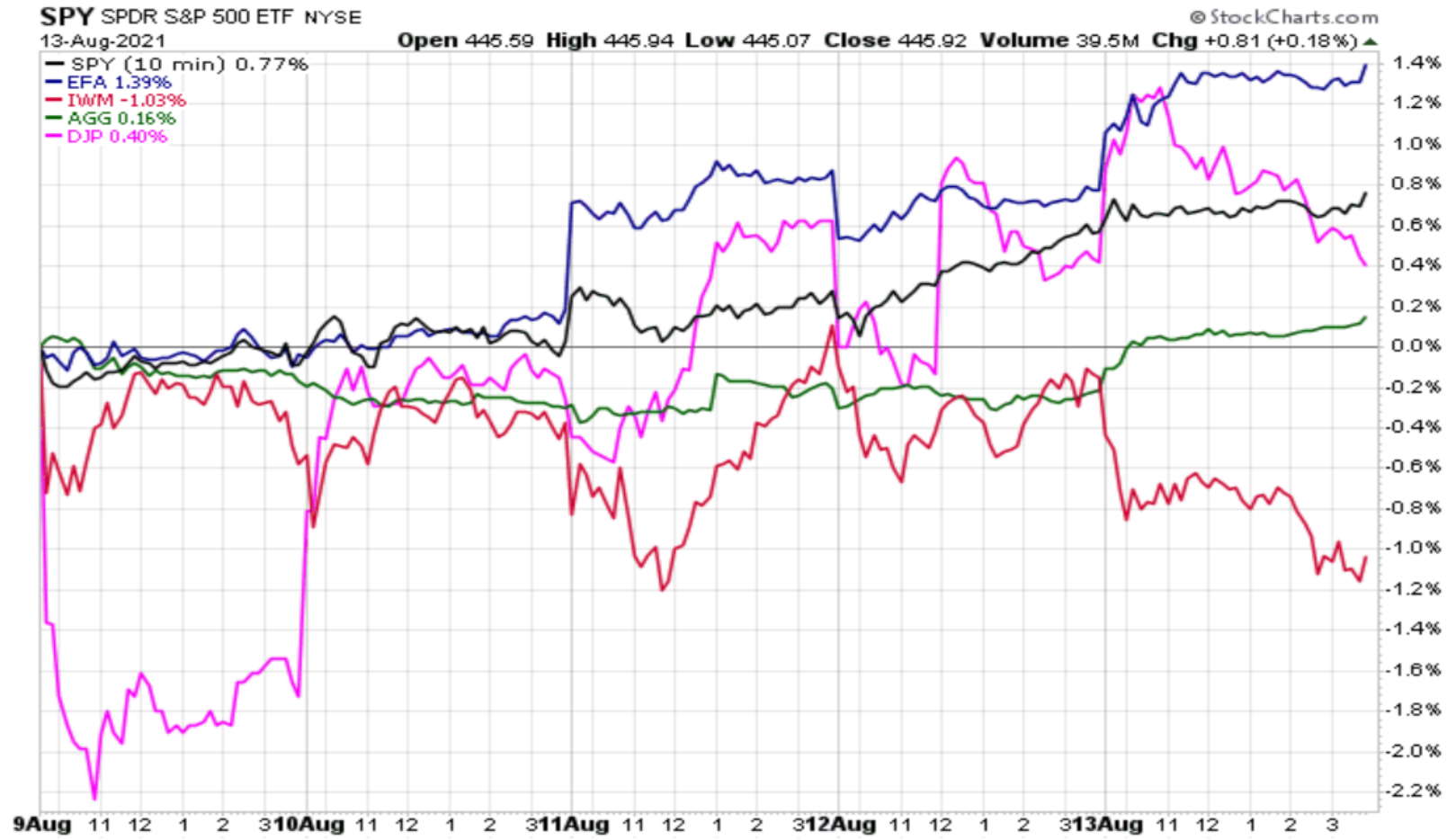


Two Minutes With Todd

Supporting Charts + Commentary

August 16th, 2021

Last Week's Performance



International
Developed Mkt Stocks

US Large Stocks

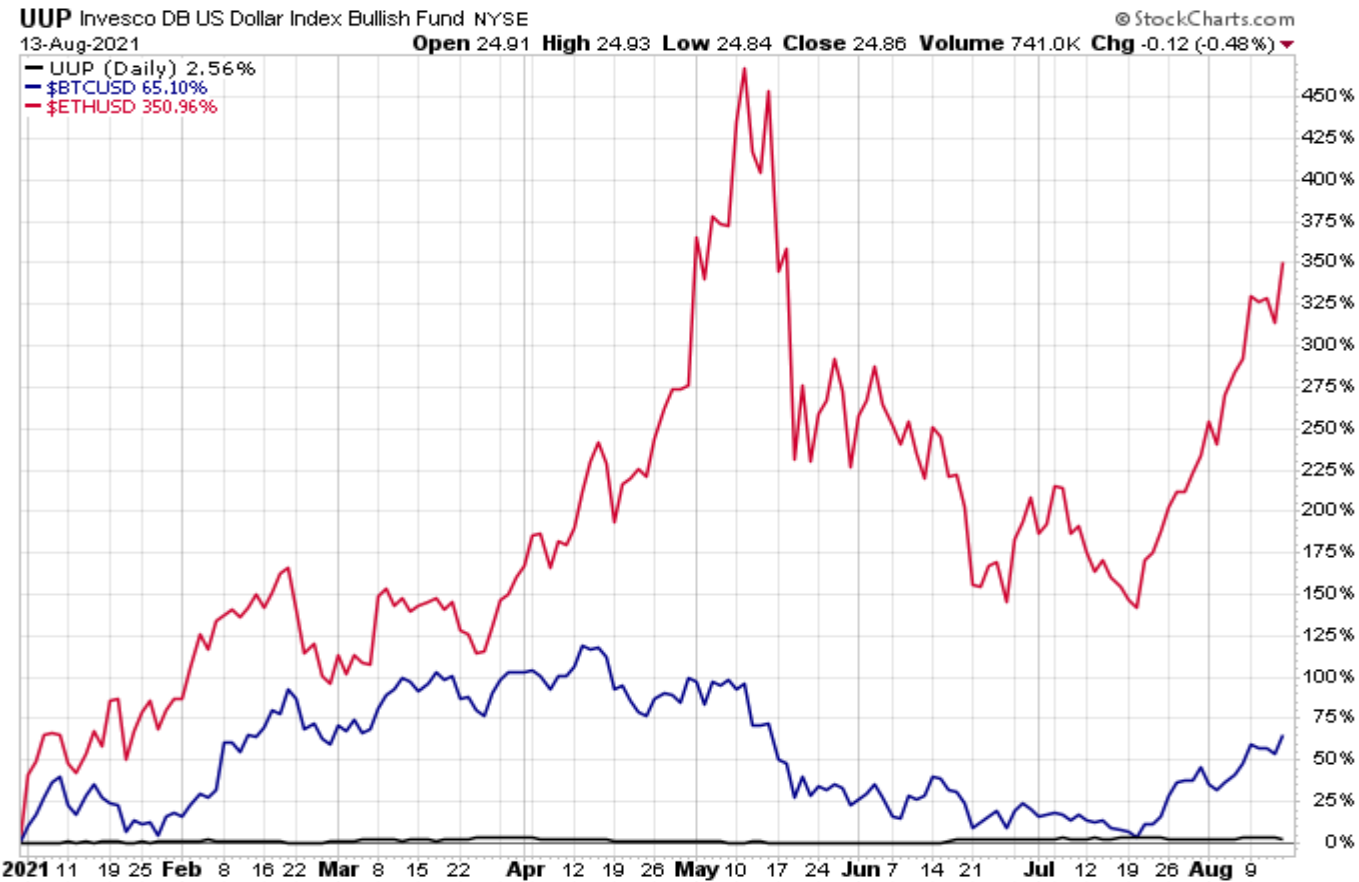
Commodities

US Total Mkt Bonds

US Small Company
Stocks

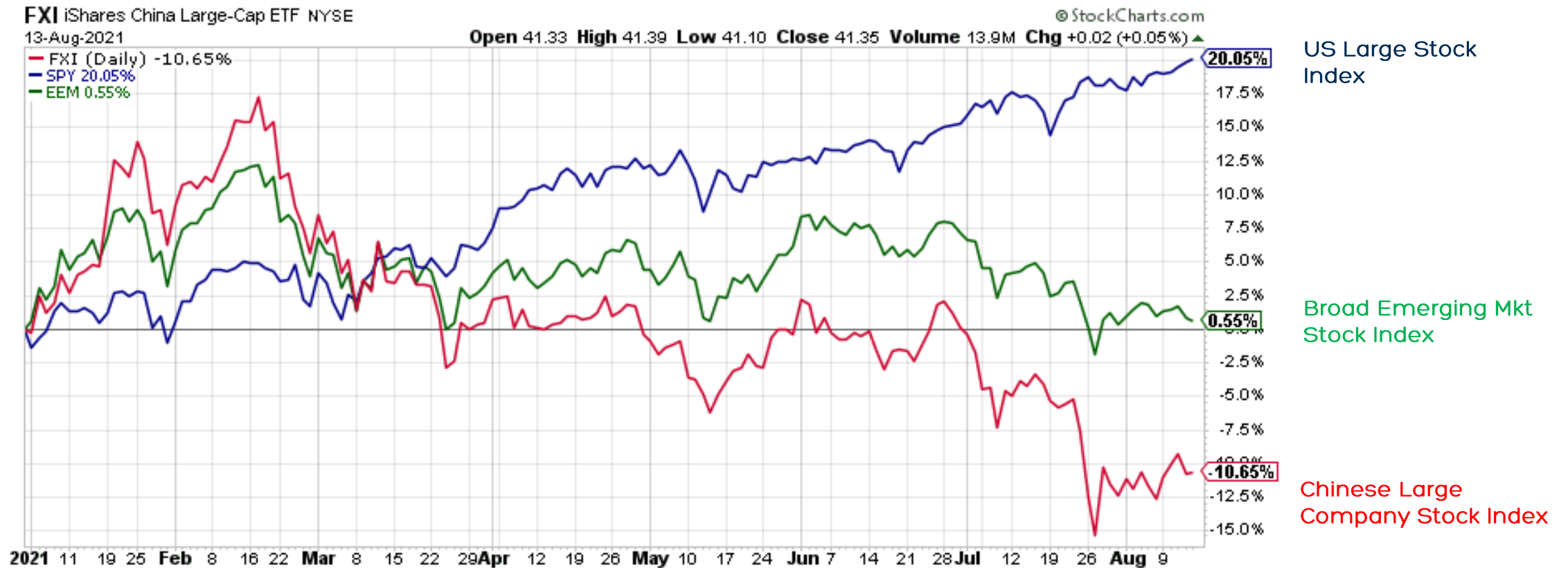
Global equity markets diverged last week with large companies edging higher (S&P 500) while small companies traded lower (Russell 2000). Consumer prices were seen moderating and labor market gains strengthened.

Chart #1: Crypto Assets Roaring Back



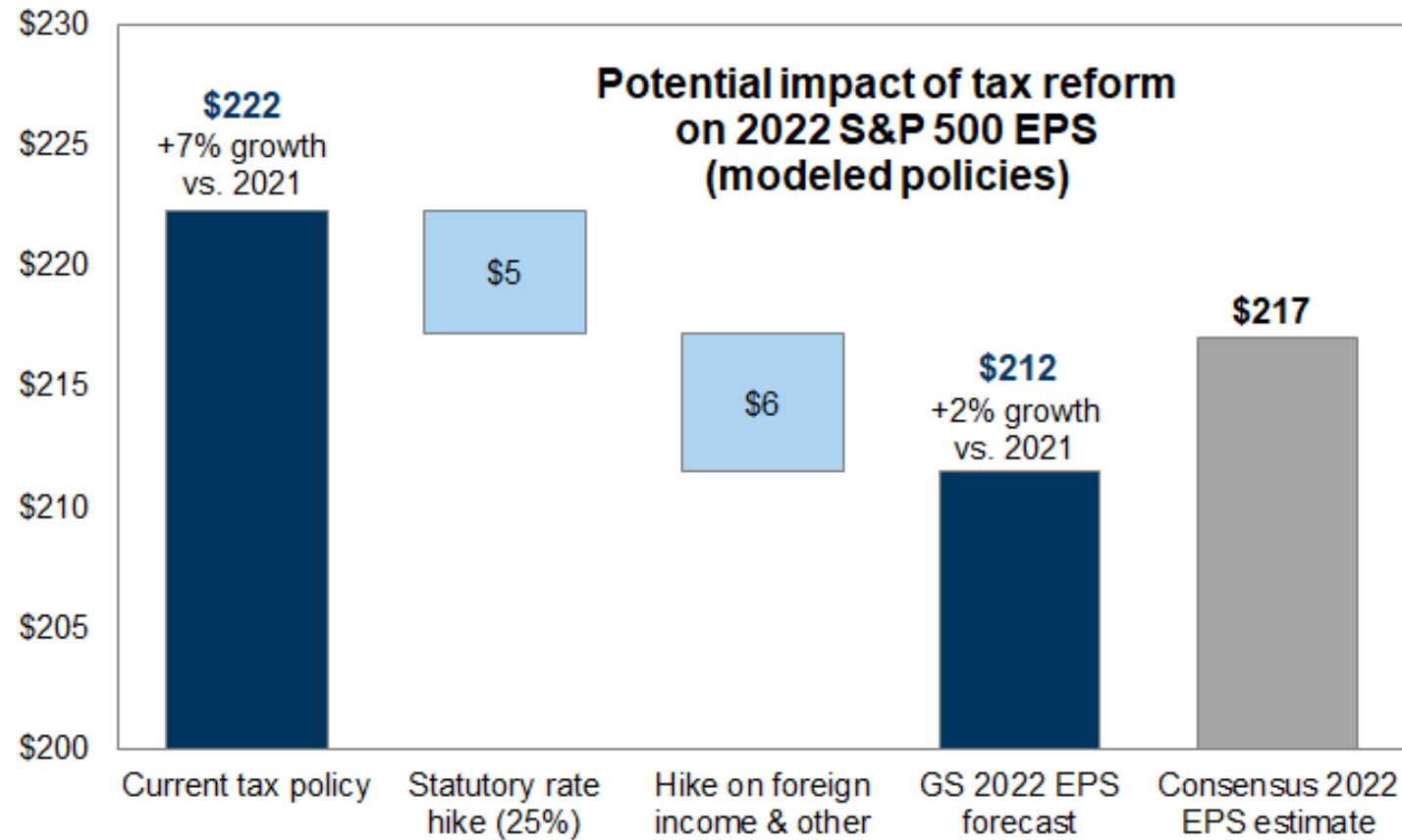
After a massive, mid-year sell-off, crypto currencies like Bitcoin (blue) and Ethereum (red) are staging a comeback. Recent legislative initiatives have aimed to bring the crypto markets into the public area, effectively legitimizing the asset class.

Chart #2: Chinese Equities.....



YTD difference in performance between large Chinese stocks (red) and large US stocks (blue) has widened in recent weeks. Additionally, Chinese stocks weighting in the broad MSCI EM index (green) earlier in 2021 was increased at precisely the wrong time.

Chart #3: Proposed Tax Policy Changes



Last week, the US Senate advanced a version of the Infrastructure package making it's way through the US Congress. Based on current estimates, US stock market earnings should not be impacted more than 5%.

Appendix

Correction / Recession Indicators



Commodities Trend (3M) ¹	Up	
High Yield Credit Spreads (579 bps ave) ²	334	
BBB Credit Spreads (172 bps ave) ²	115	
Yield Curve 10yr – 3M (175 bps ave) ²	123	
CBOE Put/Call Ratio (0.9 to 1.1) ¹	0.93	
Volatility Index (13-19 ave) ¹	15.59	
NYSE Advance/Decline Line (month/month) ¹	Down	

CNN Fear/Greed Index ³	Fear	
AII % Bulls Sentiment (39% ave) ⁴	37%	
Chemicals Activity Barometer (y/y) ⁵	18.6%	
S&P 500 200 Day Moving Average Cross	No	
Total Positive	11 / 18	
Total Negative	5 / 18	

Continued Unemployment Claims ²	2,866	
GDP Nowcast ⁶	6.0%	
Case-Schiller HPI (y/y) ⁷	16.6%	
US ISM Manufacturing (>50= +) ⁷	59.5	
US ISM Services (>50= +) ⁷	64.5	
Headline Consumer Price Index (y/y) ⁷	5.4%	
Leading Economic Index (m/m) ⁷	0.7%	

Sources: (1) Stockcharts.com, (2) St. Louis Federal Reserve FRED. (3) CNN.com, (4) American association of Individual Investors, (5) American Chemistry Counsel, (6) Atlanta Federal Reserve, (7) Factset

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