



Volume Analysis



RESURGENT FAANG STOCKS

EARNINGS ARE BETTER THAN
EXPECTED



FAANG STOCKS START A RESURGENCE AS EARNINGS IMPROVE

- ✓ Covid-19 Cases in the USA are starting to fall President Biden signed 10 Executive Orders as part of a “Wartime” Covid-19 Plan by the US Government.
- ✓ World Growth Forecast – has been revised up but the Recovery will be slower than expected. \$1.9 trillion stimulus package will have a positive effect on the Economy.
- ✓ FAANG Stocks are back in focus based on Earnings Results.
- ✓ JP Morgan: “US equities have one of the best backdrops for sustained gains for years.” Forecast 12% by early 2021. Goldman Sachs says S&P 500 will rise by 14% in 2021.
- ✓ Significant inflows continue into Equity ETFs in 2021. Remember that allocations into equities increase post an election year. This will be more pronounced in 2021 as the COVID-19 vaccine starts to work, the economy continues to improve and earnings for technology stocks show overall relative strength due to demand.

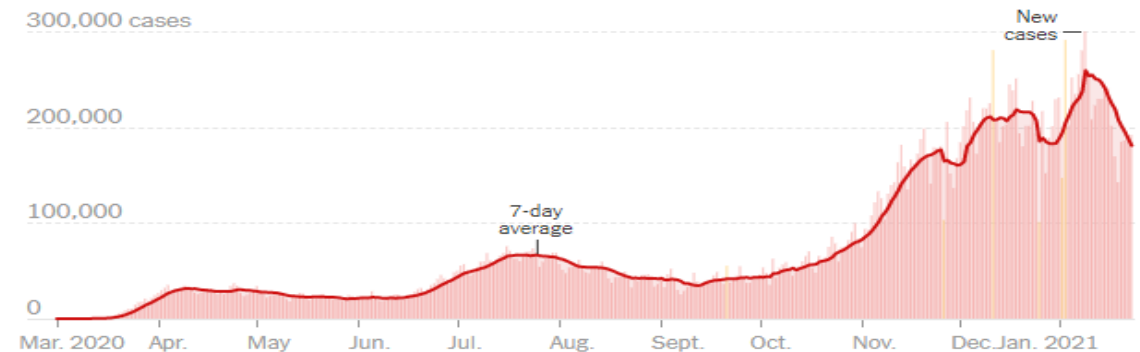
BIDEN SIGNED 10
EXECUTIVE
ORDERS AS PART
OF “WARTIME”
COVID PLAN
NEW CASES ARE
FALLING IN THE
USA

Covid-19 Cases Falling

Coronavirus in the U.S.: Latest Map and Case Count

Updated January 23, 2021, 12:14 A.M. E.T.

[Leer en español](#)



	TOTAL REPORTED	ON JAN. 22	14-DAY CHANGE
Cases	24.8 million+	191,912	-30% →
Deaths	414,070	3,734	Flat →
Hospitalized		116,264	-5% →

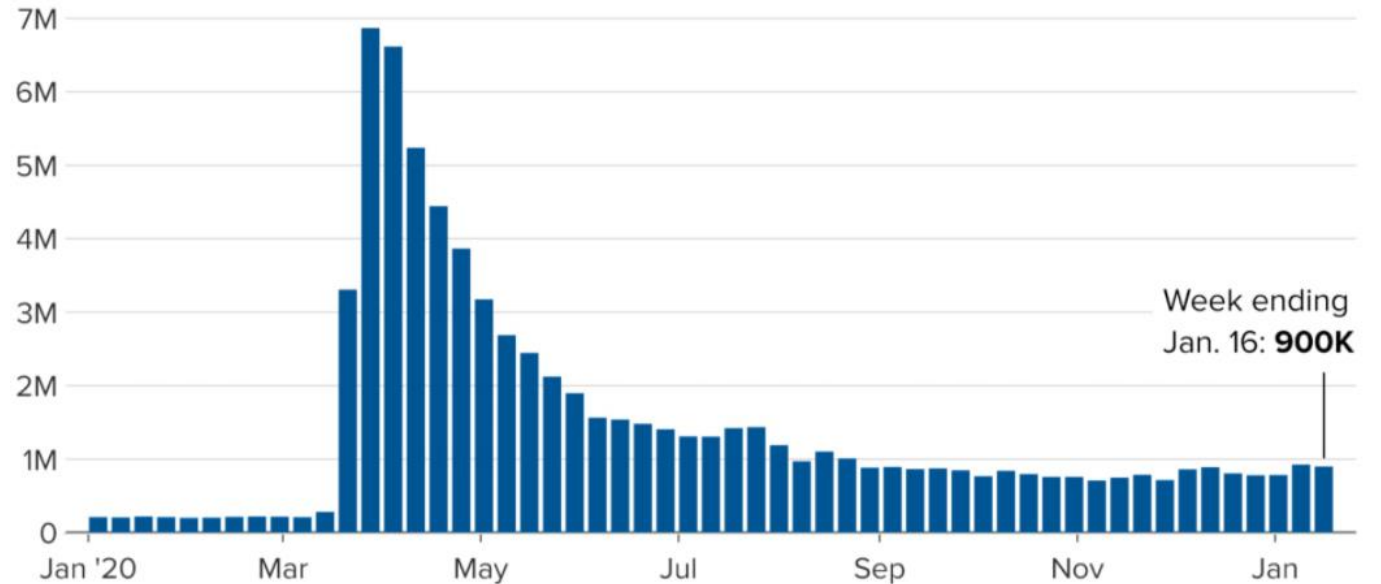
- ✓ Although the handling of the Pandemic was particularly poor in the United States, cases are dropping, giving hope that the worst might finally be over.

THE ECONOMY
WILL RECOVER
SLOWLY
JOBLESS CLAIMS
TOTALLED
900,000 FOR THE
WEEK ENDING
JAN 16, 2021

Unemployment Figures Unchanged

Initial claims for unemployment insurance

Weekly since the start of 2020, seasonally adjusted



SOURCE: Dept. of Labor. Data is seasonally adjusted and through Jan. 16, 2021. The DOL began using a new seasonal adjustment methodology the week of August 29.



- ✓ Unemployment figures have stagnated due to lockdowns increasing over the winter period.
- ✓ The figure is still a vast improvement on lows in April and should improve further as the vaccination rollout continues.

RESURGENT FAANG STOCKS EARNING RESULTS AND EARNING EXPECTATIONS

Resurgent FAANG Stocks Surge Upwards



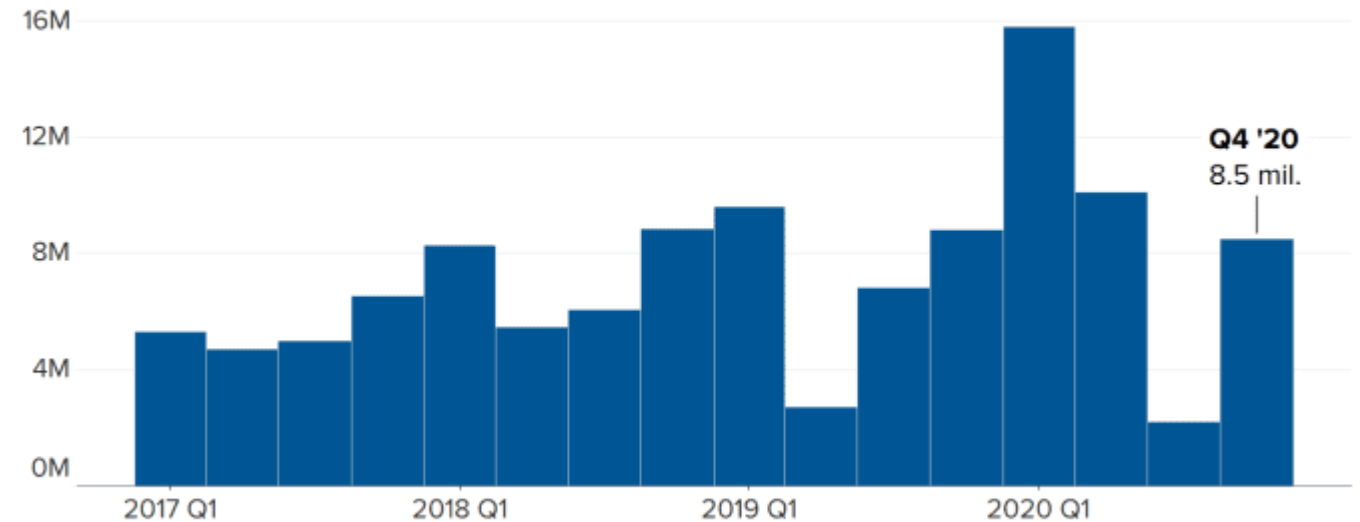
- ✓ FAANG Stocks have performed well over the Christmas period.
- ✓ Earnings are expected to be strong when they are reported, which will boost prices further.

NETFLIX
SURPASSED
200M PAID
SUBSCRIBERS
IN Q4, 2020
(100M IN 2017)

Netflix Passes 200M Subscribers

Netflix subscriber growth

Quarterly paid subscribers added, both US and international



SOURCE: FactSet, company statements



- ✓ Netflix has over 200M subscribers for the first time, giving them major financial power in their sector, which is only increasing as the Pandemic continues.
- ✓ Content will improve as more money is spent on 'blockbusters at home', meaning more people subscribing to their service.

STRONG
DEMAND FOR
ETF'S CONTINUED
AS INVESTORS
ADDED \$18.3BN
DURING THE
WEEK TO
JANUARY 21,
2021

(YTD \$55.3B VS \$42.7BN)

Inflows Into Equities Start Strong in 2021

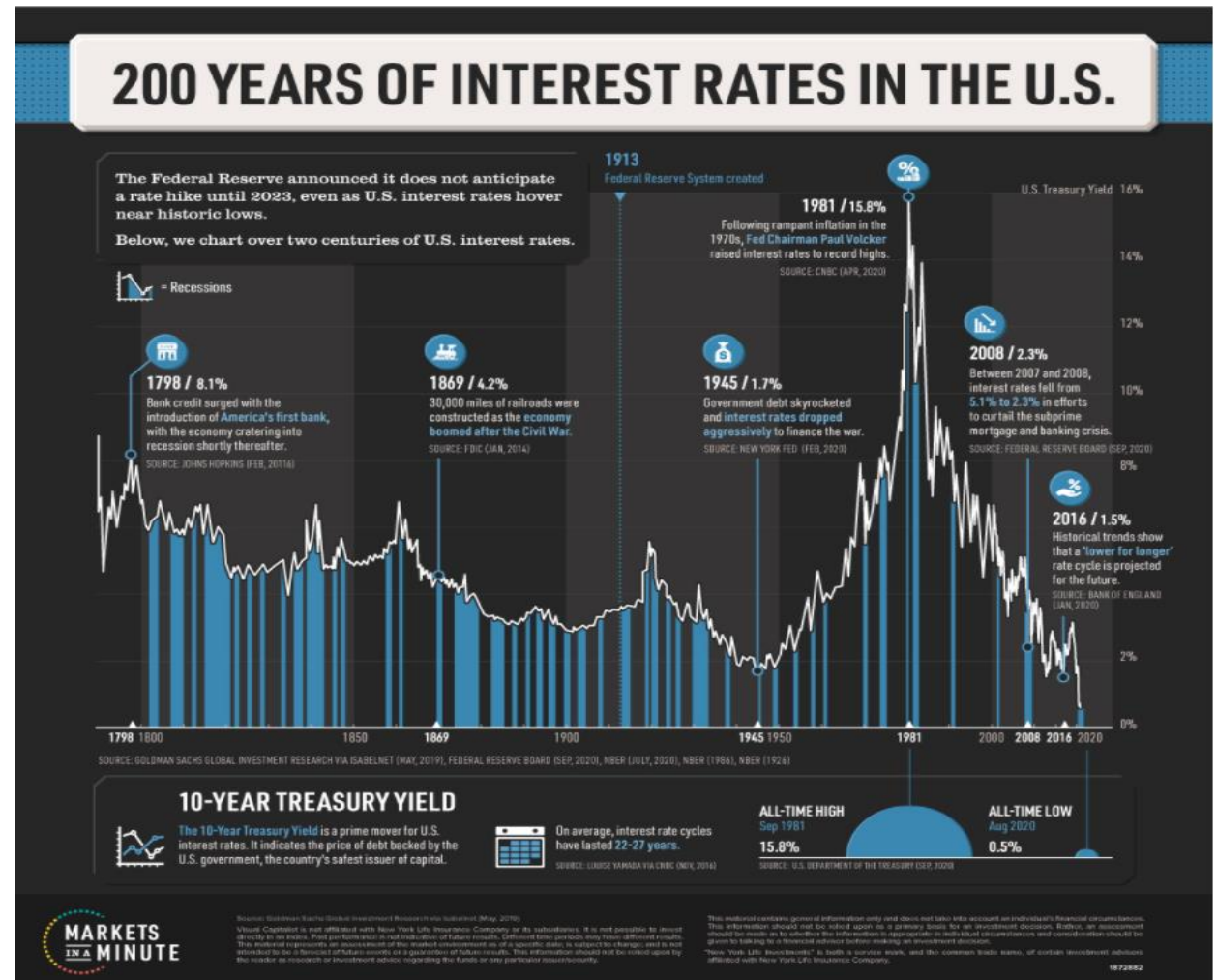
Asset Classes (Year-to-Date)

	Net Flows (\$, mm)	AUM (\$, mm)	% of AUM
U.S. Equity	12,626.07	3,231,794.18	0.39%
International Equity	27,058.82	1,140,675.82	2.37%
U.S. Fixed Income	10,757.45	977,579.09	1.10%
International Fixed Income	2,751.66	125,967.34	2.18%
Commodities	1,069.11	143,429.20	0.75%
Currency	77.54	2,000.86	3.88%
Leveraged	-965.08	43,751.42	-2.21%
Inverse	1,275.43	15,329.94	8.32%
Asset Allocation	140.56	13,662.71	1.03%
Alternatives	529.50	5,844.37	9.06%
Total:	55,321.06	5,700,034.92	0.97%

- ✓ The increase in inflows into equities will drive up market prices as the demand continues to rise.
- ✓ This is a real indicator that confidence has returned to the markets after a tumultuous 2020.

200 YEARS OF
INTEREST RATE
HISTORY
THERE ARE NO
VIABLE
INVESTMENTS
THAT WILL GIVE
A POSITIVE REAL
RETURN

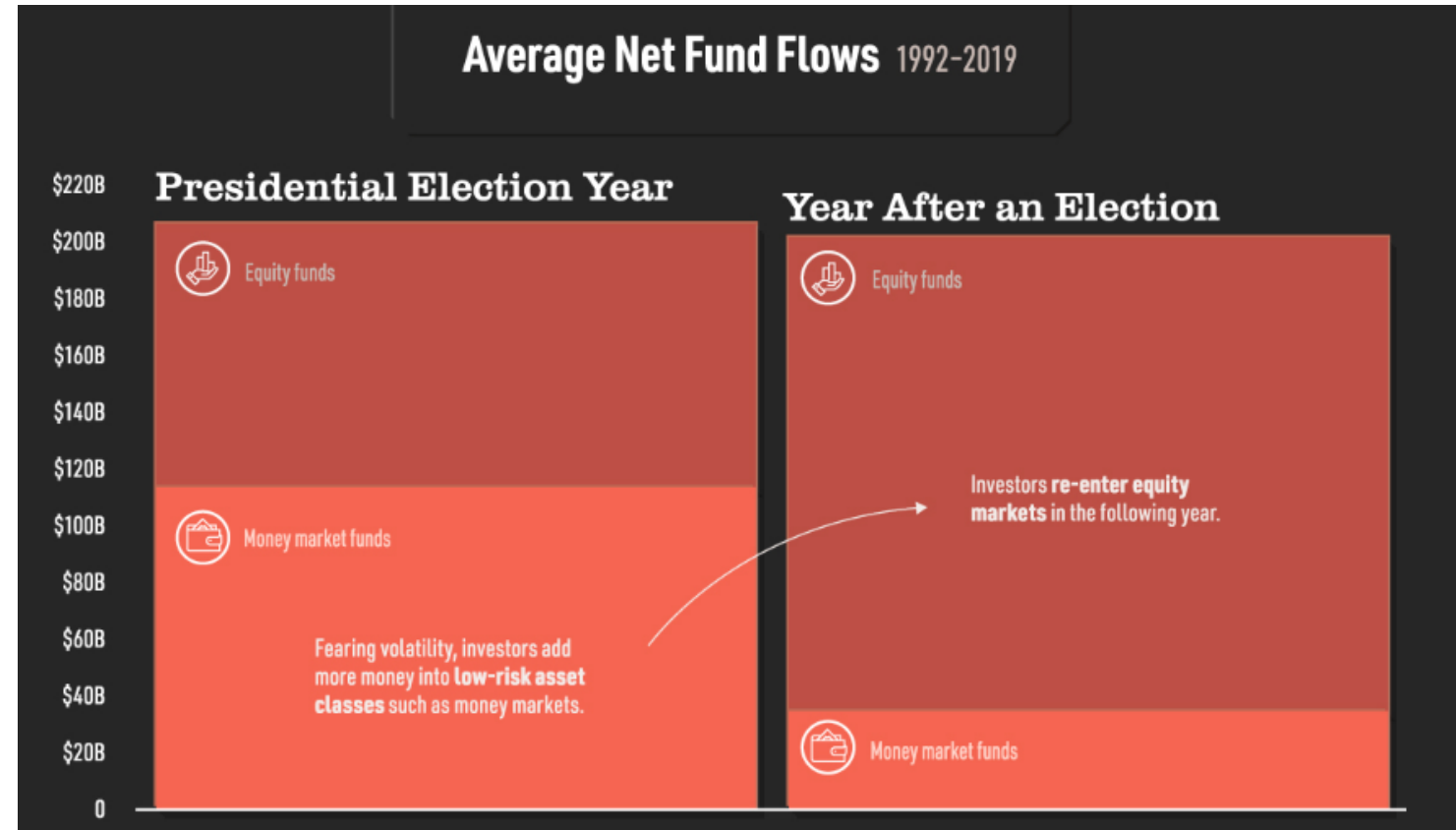
Interest Rates at Their Lowest in 200 Years



- ✓ Interest rates have never been lower. Holding cash will give no returns, equities remain the only option.

As Volatility Decreases People Move Back To Equity Funds

AVERAGE NET
FUND FLOWS
1992-2019
INVESTORS RE-
ENTER EQUITY
MARKETS IN
THE
FOLLOWING
YEAR



- ✓ This inflow into equities will only push prices higher. Investing now will be more beneficial.
- ✓ With effective Covid-19 vaccines now in circulation, confidence will quickly return to the economy and consequently, the markets.

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