



# STRONG EARNINGS MOMENTUM INTO 2022 CAN BE SUSTAINED

GLOBAL VACCINATION ROLLOUT  
IMPROVING



STRONG  
EARNINGS  
MOMENTUM  
INTO 2022 CAN BE  
ACHIEVED

- ✓ Global Vaccinations : 16.91% UK and 11.01% USA
- ✓ The Senate is moving forward to a budget that includes a \$1.9 trillion spending package. Administration of COVID-19 vaccines continues to rise, states can reopen, and economic activity may return to pre-pandemic levels.
- ✓ Strong earnings momentum into 2022 can be sustained. Goldman Sachs expects 6.6% GDP growth in 2021. Equity markets forecast +14% 2021 and +7% in 2022. A positive yield curve implies a growing economy and improving economic conditions.
- ✓ Technology and ecommerce's importance continues to grow in the economy. Their weightings in the S&P 500 Index also continue to grow.

PERCENTAGE OF  
PEOPLE  
VACCINATED  
GLOBALLY IS  
GROWING  
(16.91% UK,  
11.01% USA)

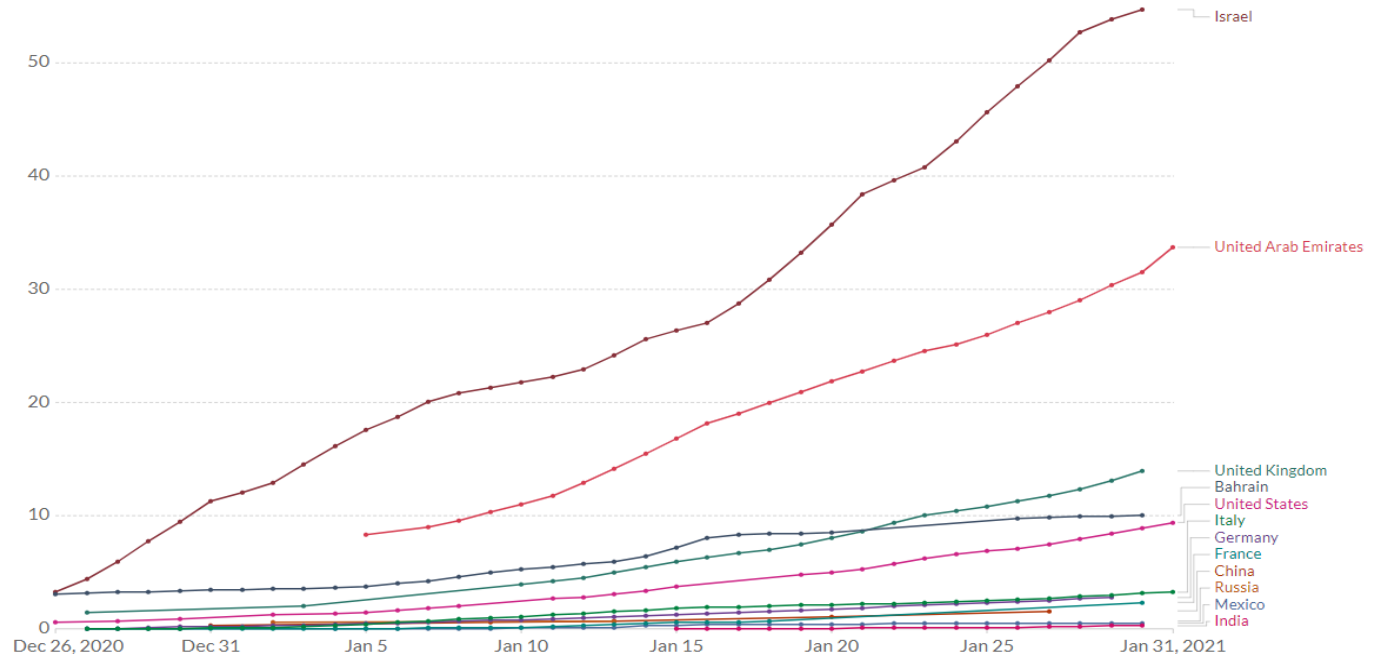
## People Are Being Vaccinated in Growing Numbers

### Cumulative COVID-19 vaccination doses administered per 100 people

This is counted as a single dose, and may not equal the total number of people vaccinated, depending on the specific dose regime (e.g. people receive multiple doses).

Our World  
in Data

LINEAR LOG



Source: Official data collated by Our World in Data - Last updated 1 February, 09:40 (London time)

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▶ Dec 15, 2020 ◯ Jan 31, 2021

- ✓ Vaccinations are being widely administered now, and while some responses might be slower than anticipated, an end to the pandemic is in sight.

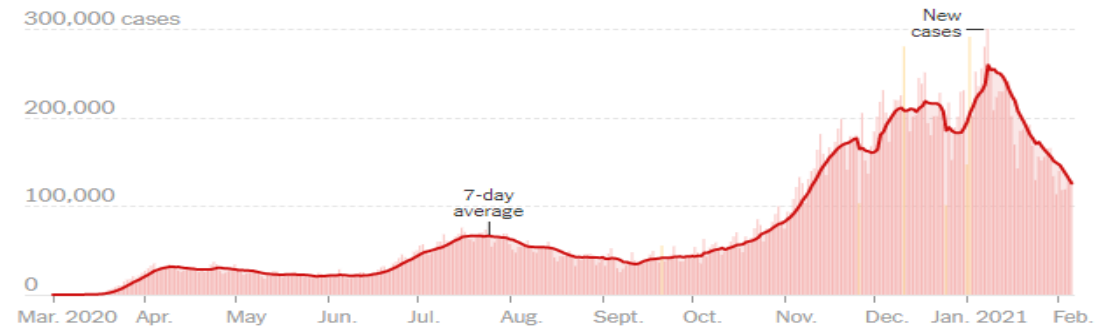
SIGNIFICANT  
DECLINE IN THE  
NUMBER OF  
NEW CASES IN  
THE US

## Infection Numbers Are Falling

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

Updated February 6, 2021, 12:09 A.M. E.T.

[Leer en español](#)



	TOTAL REPORTED	ON FEB. 5	14-DAY CHANGE
<b>Cases</b>	26.8 million+	129,316	-31% →
<b>Deaths</b>	459,361	3,556	-5% →
<b>Hospitalized</b>		86,373	-25% →

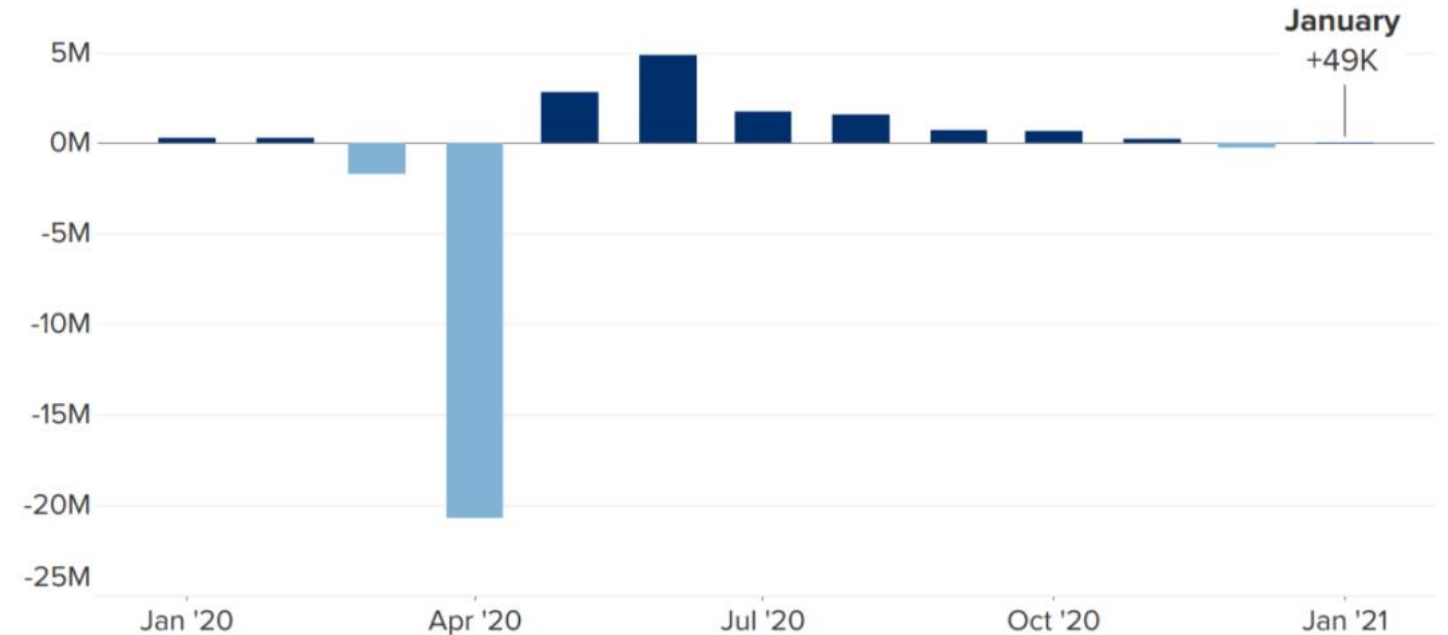
- ✓ New cases of COVID-19 are declining. This will eventually allow lockdowns to end and economies to begin recovering.

US MONTHLY  
EMPLOYED  
INCREASED BY  
49,000 AND THE  
UNEMPLOYMENT  
RATE FELL TO 6.3%  
IN JANUARY 2021

## Employment Figures Are Improving

### Monthly job growth

Total nonfarm payrolls, change from previous month



SOURCE: Bureau of Labor Statistics. Data is seasonally adjusted.



- ✓ As more vaccines are administered and economies begin to open employment figures will improve.
- ✓ This will be at a slower rate until we are back to a normal way of life.

DAILY ETF  
INFLOWS BY  
ASSET CLASS  
FEB 3, 2021

Inflows Into Equities Continue To Be Strong

ETF Daily Flows By Asset Class

	Net Flows (\$, mm)	AUM (\$, mm)	% of AUM
U.S. Equity	2,181.55	3,195,173.18	0.07%
International Equity	1,185.05	1,135,913.61	0.10%
U.S. Fixed Income	2,272.82	983,299.60	0.23%
International Fixed Income	393.19	127,708.49	0.31%
Commodities	-207.53	145,102.24	-0.14%
Currency	-10.13	2,031.94	-0.50%
Leveraged	113.10	48,946.41	0.23%
Inverse	51.27	11,625.46	0.44%
Asset Allocation	30.20	13,870.76	0.22%
Alternatives	124.71	5,955.72	2.09%
<b>Total:</b>	<b>6,134.24</b>	<b>5,669,627.42</b>	<b>0.11%</b>

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

DAILY ETF  
INFLOWS BY ETF  
QQQ, S&P  
BIOTECH,  
INNOVATION ETF,  
GENOMICS  
FEB 3, 2021

Strong Inflows Into Tech ETF's

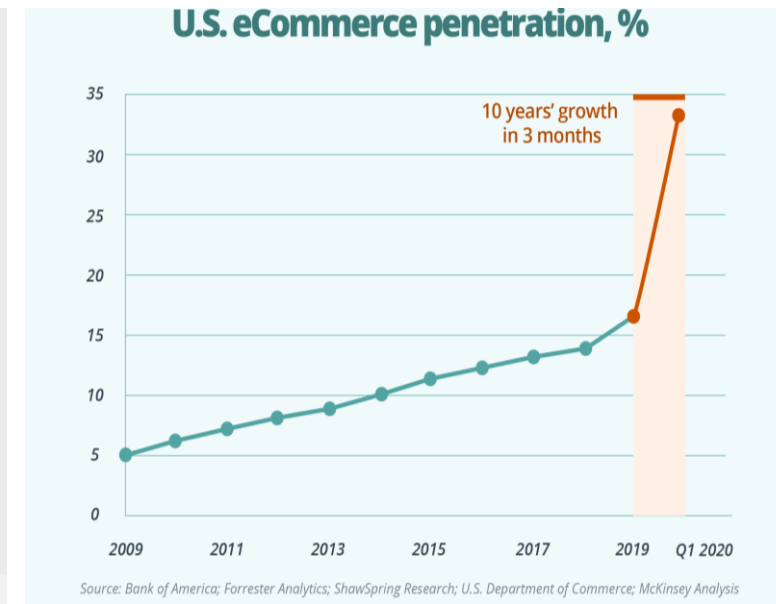
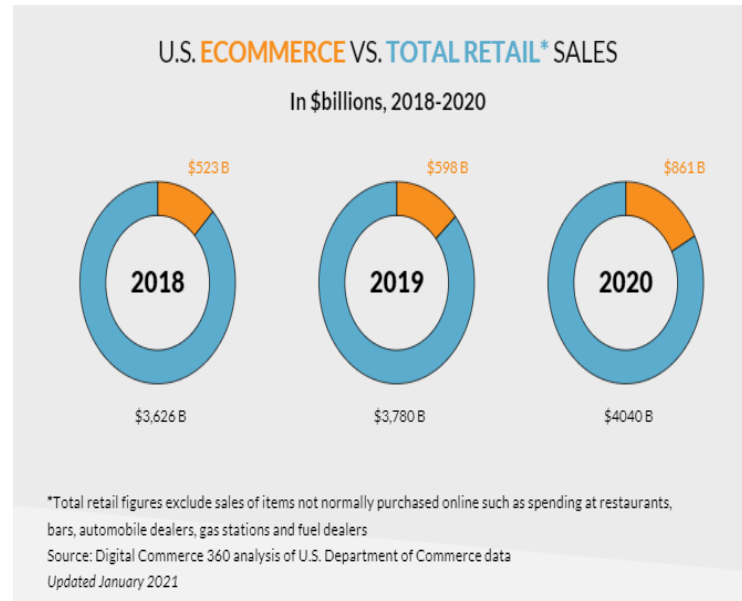
Top 10 Creations (All ETFs)

Ticker	Name	Net Flows (\$,mm)	AUM (\$,mm)	AUM % Change
QQQ	Invesco QQQ Trust	1,556.63	156,793.32	0.99%
IYR	iShares U.S. Real Estate ETF	438.89	4,753.20	9.23%
LQD	iShares iBoxx USD Investment Grade Corporate Bond ETF	391.94	51,100.97	0.77%
XBI	SPDR S&P Biotech ETF	367.04	8,596.97	4.27%
ARKK	ARK Innovation ETF	359.59	24,723.74	1.45%
JNK	SPDR Bloomberg Barclays High Yield Bond ETF	347.57	11,217.15	3.10%
DIA	SPDR Dow Jones Industrial Average ETF Trust	245.50	25,836.41	0.95%
XLF	Financial Select Sector SPDR Fund	222.16	29,218.72	0.76%
ARKG	ARK Genomic Revolution ETF	221.14	11,559.24	1.91%
HYG	iShares iBoxx USD High Yield Corporate Bond ETF	208.82	23,370.38	0.89%

- ✓ Tech ETFs continue to be attractive as the inflows show.
- ✓ This is unlikely to change, with tech being embedded into our lives at a rapidly increasing rate.

US ECOMMERCE  
PENETRATION HAS  
SEEN 10 YEARS  
GROWTH IN 3  
MONTHS (2020)

## Ecommerce Penetration Hastened By Pandemic

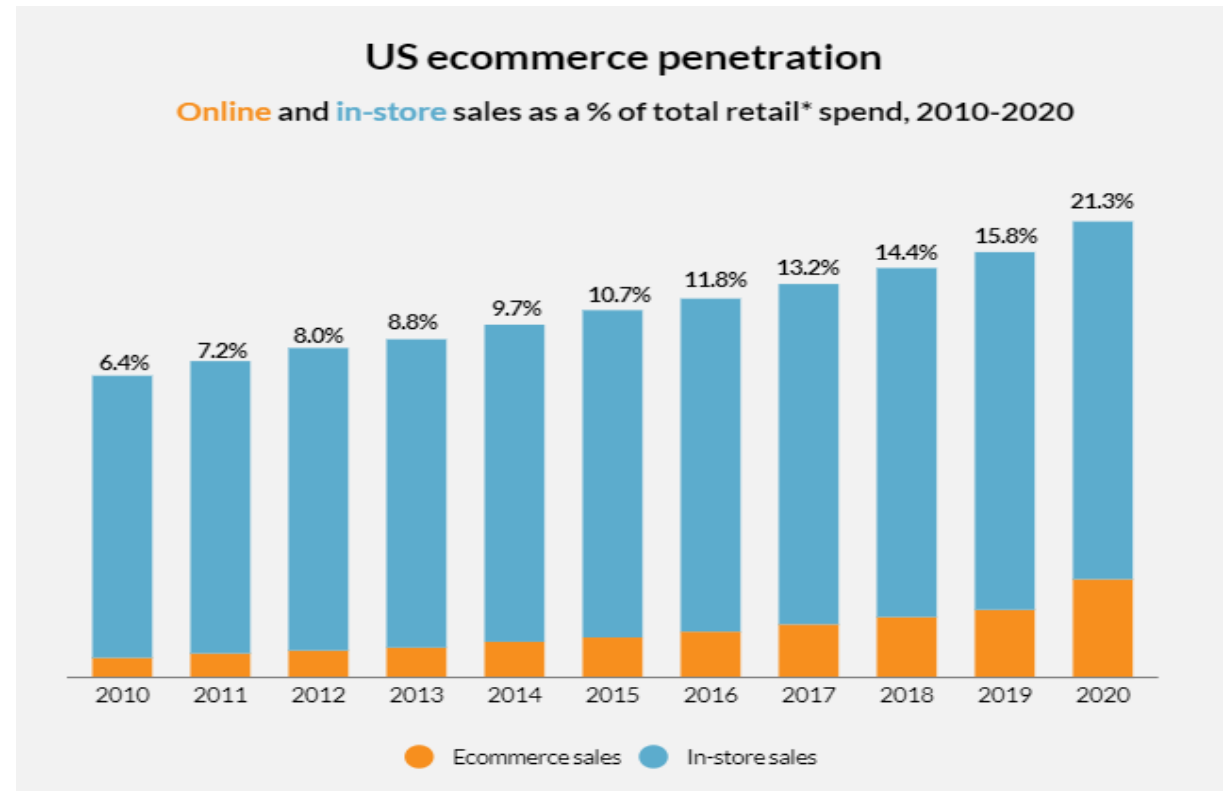


- ✓ There has been an exponential increase in ecommerce penetration into our lives during the pandemic.
- ✓ This has shown the consumer that buying online is much easier, quicker and generally cheaper than buying in stores.



# US ECOMMERCE SALES VS IN-STORE SALES 2010-2020

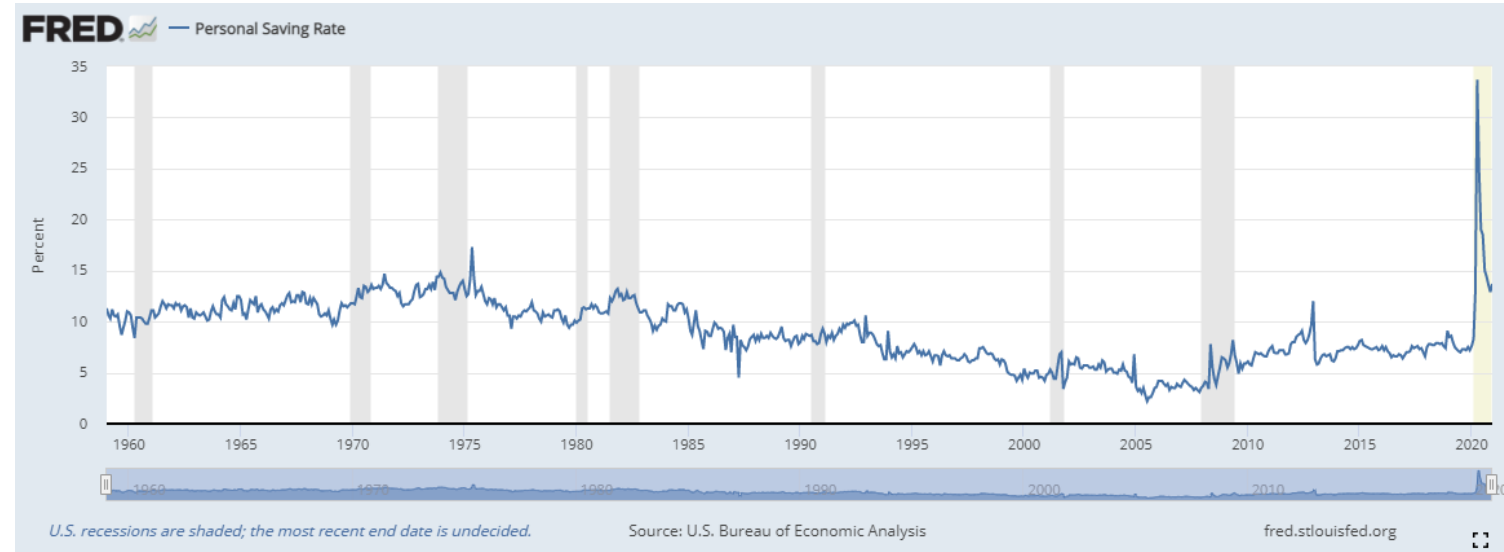
## Ecommerce Is Gaining Ground On In Store Purchasing



- ✓ The acceleration of ecommerce sales due to the pandemic show a sign of things to come.
- ✓ There is a large proportion of people that still shop in store, leaving huge potential for ecommerce to fill in the coming years.

PERSONAL  
SAVING AS A  
PERCENTAGE OF  
DISPOSABLE  
PERSONAL  
INCOME SINCE  
1960.

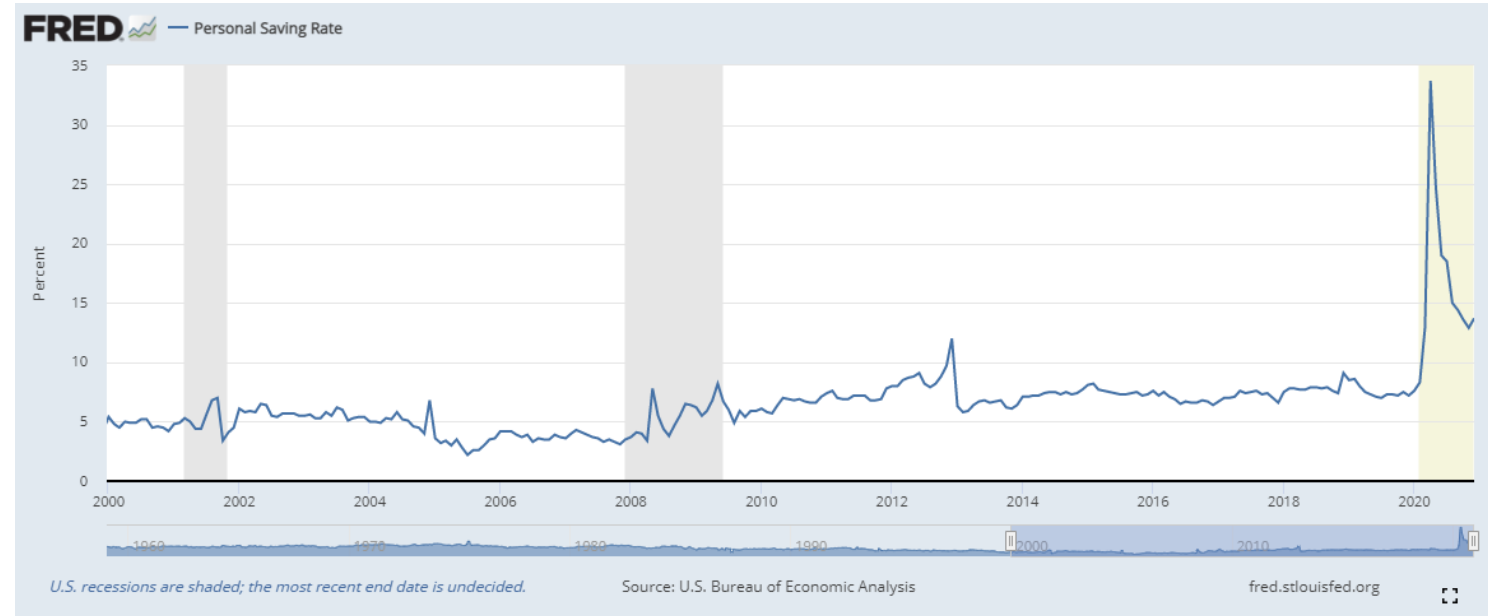
## Personal Savings Are Still High



- ✓ Personal savings rates are higher than they have been for many years.
- ✓ Once economies begin to open again, there will be a rapid influx of people spending excess reserves.

USA PERSONAL  
SAVING RATES  
ARE HIGH

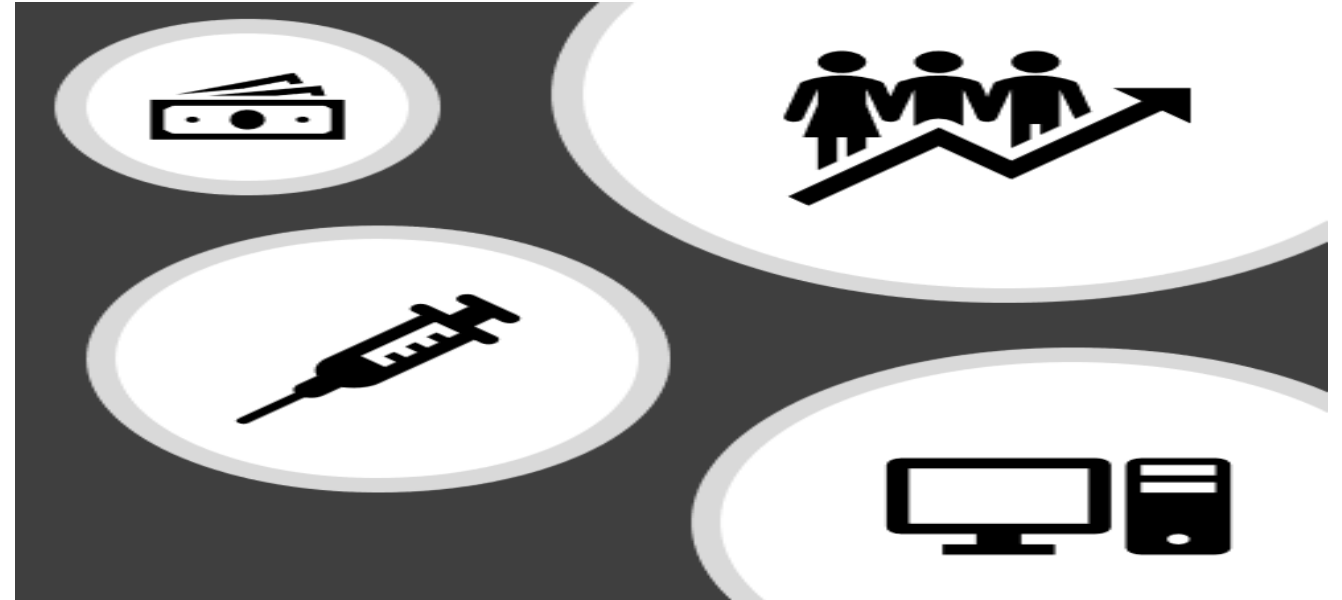
## Spike In Personal Savings



- ✓ Due to the pandemic people have been saving more money as there are less opportunities to spend.
- ✓ Once economies begin to open again people will return to a more normal way of life and spend these savings enjoying the comforts that have been unavailable over the past year.

STRONG  
EARNINGS INTO  
2021;  
VACCINATIONS;  
WEIGHTING OF  
TECHNOLOGY IN  
THE S&P 500

Strong Earnings Are Expected In 2021



- ✓ The world will slowly return to normal as more vaccines are tested and administered, meaning people will be able to spend money saved over the pandemic and therefore increasing companies EPS.
- ✓ Technology has become deeply embedded into our daily lives, and is set to continue as people realise the benefits associated with it.
- ✓ Equities remain the only option for a positive return on investments.

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