



GROWTH STOCKS REBOUND. INFLOWS INTO EQUITY ETF'S CONTINUE

COVID-19 VACCINES ROLLOUT
CONTINUES. INFLATION CAN BE
POSITIVE.



WE SAID THE
POSITIVE YIELD
CURVE SHOWED
ECONOMIC GROWTH
WAS EXPECTED. THIS
CONFIRMED THE
RECENT UPGRADE TO
US GDP FORECASTS
WHICH WERE
INCREASED BY 2% TO
5.9% SINCE JANUARY
2021.

- ✓ World economy to return to pre-pandemic output in 2021. \$1.9 trillion spending package which equates to 7% of GDP.
- ✓ Administration of COVID-19 vaccines continues to rise globally. US states can reopen, and global economic activity will improve. Reopening of the US is targeted to be by Independence Day.
- ✓ Growth stocks rebound. Inflows continued into ETFs last week. Outflows of Gold and fixed income.
- ✓ Inflation (modest) is positive for an economy.

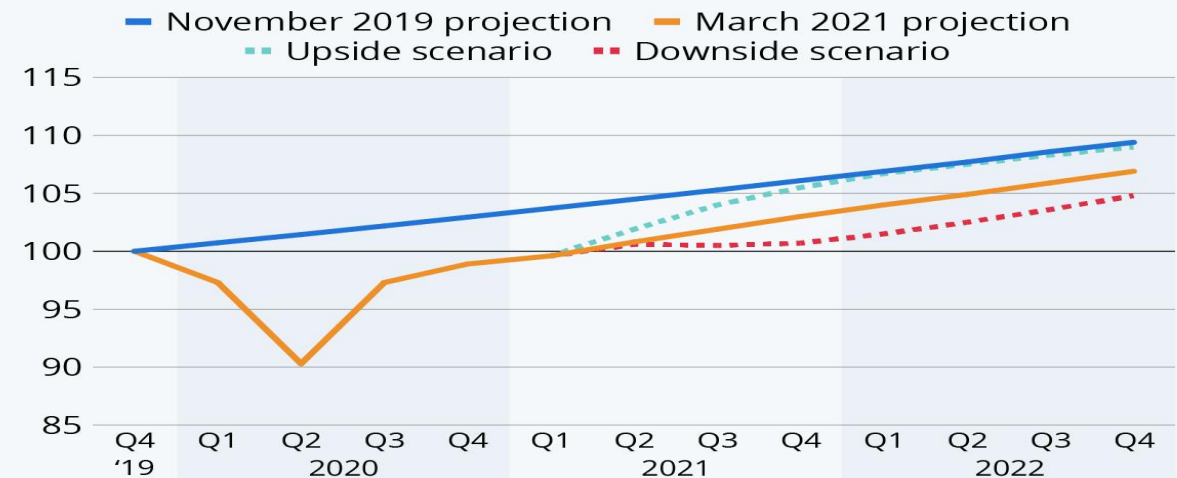
\$1.9TR RELIEF PACKAGE SIGNED INTO LAW. WORLD ECONOMY TO RETURN TO PRE- PANDEMIC OUTPUT IN 2021

(Positive for the US Economy)

World Economy to Return to Pre-Pandemic Levels

World Economy to Return to Pre-Pandemic Output in 2021

Global GDP projections made in November 2019 and March 2021, Index: Q4 2019=100



Source: OECD



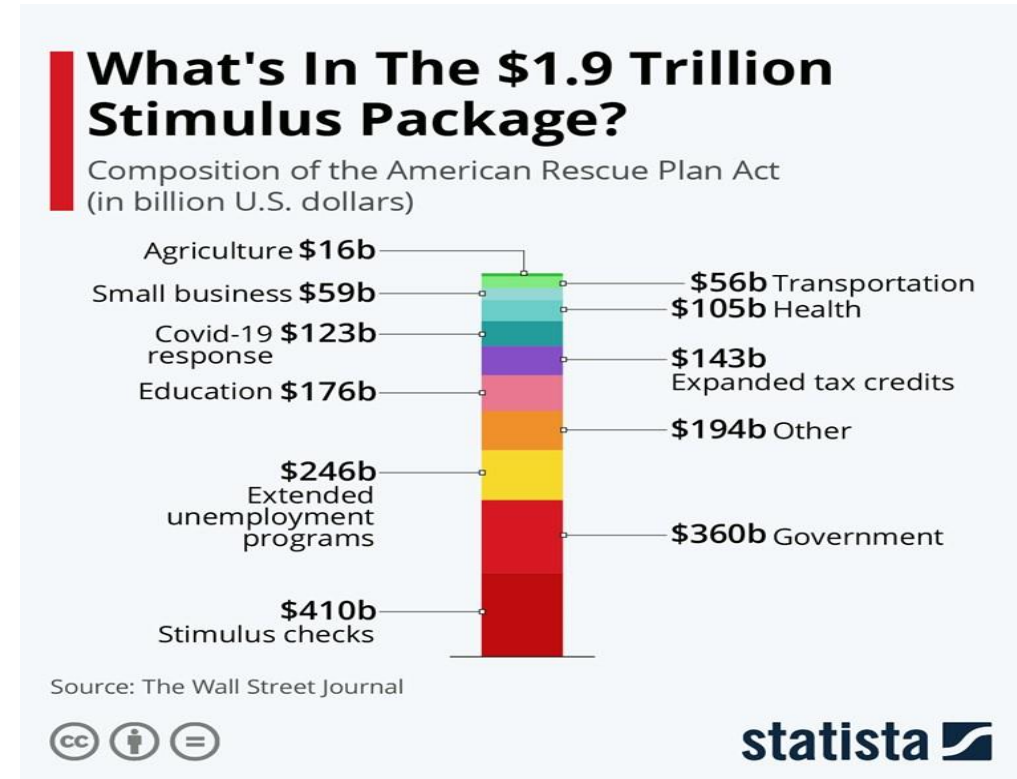
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- ✓ Projections indicate the economy could recover to pre-pandemic levels this year.
- ✓ This will help to improve EPS and justify the continuing growth in the market, particularly of technology based companies.

WHAT'S IN THE \$1.9 TRILLION STIMULUS PACKAGE

(COVID-19 has had a real and devastating impact on our society, but it will have no meaningful long term economic effect except it has changed the way we interact with technology)

Stimulus Spending Breakdown



- ✓ Spending for the \$1.9 trillion stimulus package has been outlined, giving an indication of what to expect going forwards.
- ✓ While this is a huge amount (equal to 7% of the US GDP), it will not have a long term effect, even though taxes will have to be increased to fund this short term solution to COVID-19.

CONTINUED DECLINE IN THE NUMBER OF NEW CASES IN THE US MARCH 15, 2021

(Significant improvement as US
aims for return to a kind of
normality by the Fourth of July)

Infection Numbers Continue To Fall

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

Updated March 15, 2021, 12:55 A.M. E.T.

[Leer en español](#)



	TOTAL REPORTED	ON MARCH 14	14-DAY CHANGE
Cases	29.4 million+	38,034	-19% →
Deaths	534,476	572	-31% →
Hospitalized		43,254	-23% →

Day with reporting anomaly. Hospitalization data from the U.S. Department of Health and Human Services; 14-day change trends use 7-day averages.

- ✓ New cases of COVID-19 are declining. This is allowing lockdowns to end and economies to slowly re-open.
- ✓ Governments are now outlining routes back to normalcy in the near future.

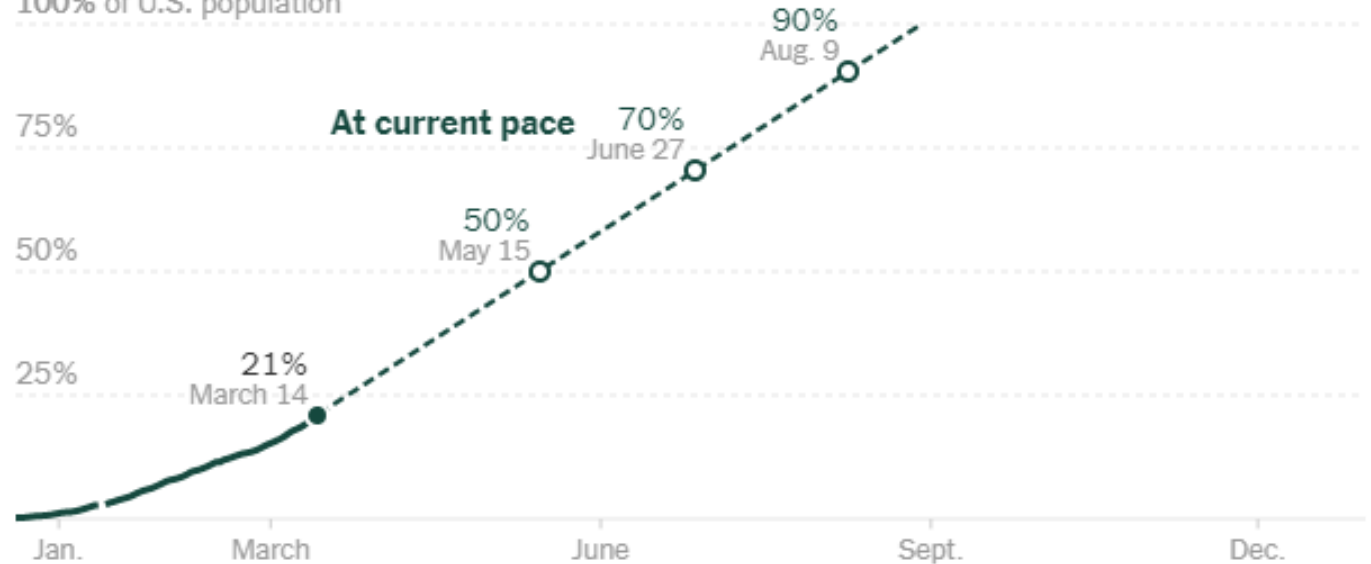
WHEN THE US POPULATION MIGHT BE AT LEAST PARTIALLY VACCINATED

(Significant improvement as US
aims for return to a kind of
normality by the Fourth of July)

Vaccine Forecasts Are Positive

7-day average: 1.56 million newly vaccinated people

100% of U.S. population



Source: Centers for Disease Control and Prevention | Note: Data from Dec. 20 to Jan. 12 are for all doses administered. Data for Jan. 13 is unavailable. Projections could change if additional vaccines are authorized.

- ✓ A return to normality is in sight throughout the developed world, with vaccine rollouts increasing rapidly.
- ✓ This will increase confidence, meaning consumers are more likely to spend than save which will further boost economic data.

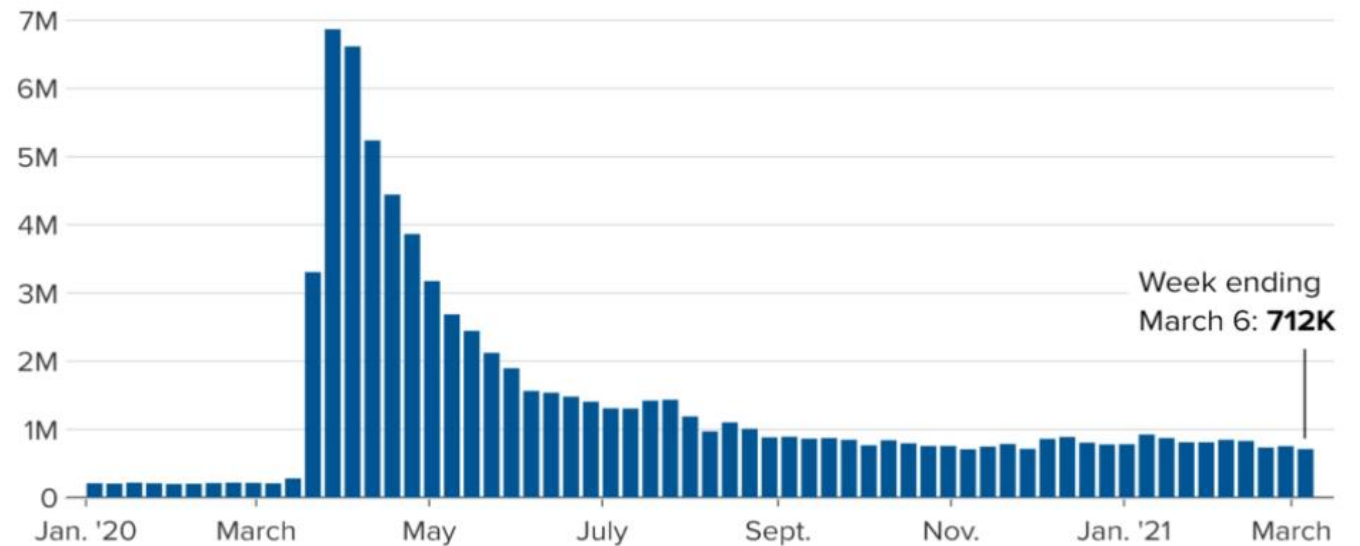
WEEKLY JOBLESS CLAIMS ROSE LESS THAN EXPECTED MARCH 6, 2021

(US Economy is improving)

Jobless Claims Are Slowing

Initial claims for unemployment insurance

Weekly since the start of 2020, seasonally adjusted



SOURCE: Dept. of Labor. Data is seasonally adjusted and through Mar. 6, 2021. The DOL began using a new seasonal adjustment methodology the week of August 29.



- ✓ Jobless claims are slowly falling, showing an economy slowly recovering.
- ✓ As more people are vaccinated and the flu season passes this will only improve with more jobs being made available as economies reopen.

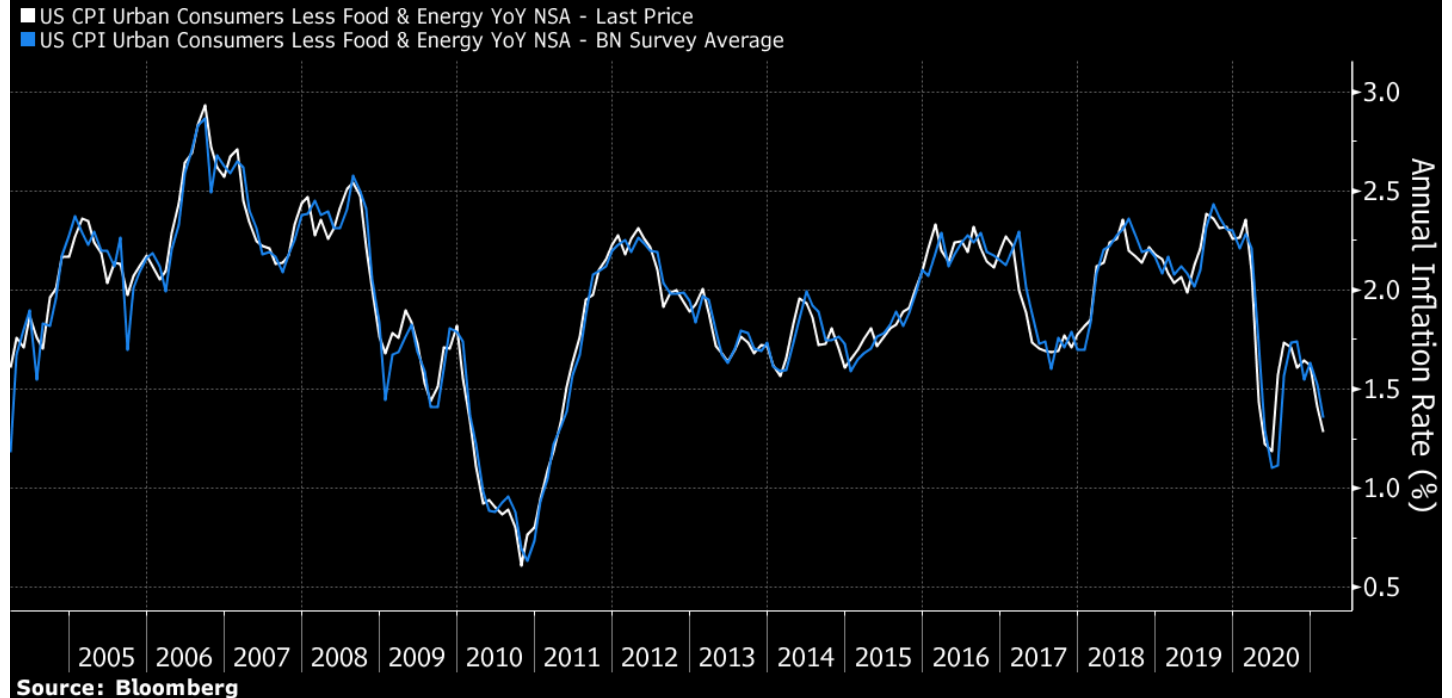
CORE US CONSUMER PRICES (EXCLUDING FUEL AND FOOD) WERE LOWER THAN EXPECTED

(Positive yield curve indicates
improving economic growth within the
US Economy)

Inflation Is Necessary

Inflation? What Inflation?

Core U.S. inflation remains under control and surprisingly low



- ✓ Inflation is important for economic growth, encouraging people to spend what they have now instead of waiting for things to decrease/increase in price.

Real Yield Is Still Negative

REAL YIELD. THIS IS
NOT A SERIOUS
TIGHTENING OF
FINANCIAL
CONDITIONS

(Media headlines)



- ✓ Real yield is still negative meaning there is no real return in owning bonds.

GROWTH STOCKS REBOUND, ETF'S PASS \$16BN

(Net weekly inflows for all US-listed ETFs saw inflows of \$16.5 billion, pushing year-to-date inflows up to \$181.5 billion vs \$89.5 billion at this time a year ago)

Inflows Into Equities Continue To Be Strong

ETF Weekly Flows By Asset Class

	Net Flows (\$, mm)	AUM (\$, mm)	% of AUM
U.S. Equity	15,826.25	3,362,904.26	0.47%
International Equity	3,500.90	1,154,995.09	0.30%
U.S. Fixed Income	-1,241.76	970,781.84	-0.13%
International Fixed Income	-529.01	127,462.37	-0.42%
Commodities	-1,504.35	131,994.96	-1.14%
Currency	-48.13	1,909.35	-2.52%
Leveraged	559.30	51,511.83	1.09%
Inverse	191.22	11,923.48	1.60%
Asset Allocation	54.19	14,240.50	0.38%
Alternatives	-259.73	6,148.47	-4.22%
Total:	16,548.87	5,833,872.15	0.28%

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

US INTEREST
RATES AND MOST
DEVELOPED
MARKET INTEREST
RATES ARE STILL
INCREDIBLY LOW

Interest Rates Remain Low



- ✓ Interest rates remain low and are unlikely to change in the coming months and years.
- ✓ Holding cash has no real return, equities remain the only opportunity to make returns on investments.

Equities Are The Only Option

CONTINUE TO BUY
US EQUITIES



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