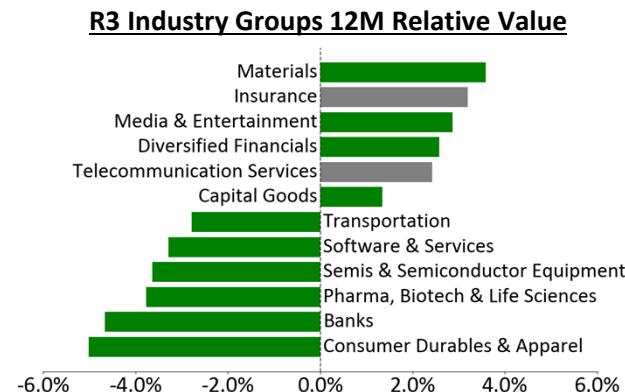
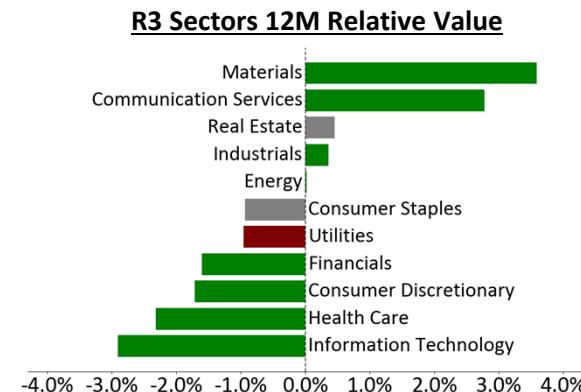
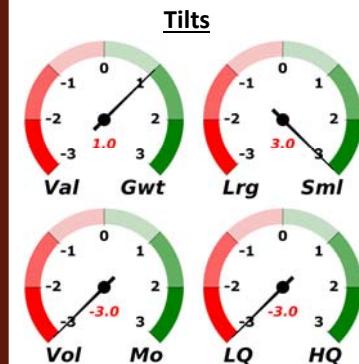


US equities, as measured by the Wilshire 5000 index back to 1971 are the most expensive as a % of 12-month GDP ever, with market cap about 2x trailing 12m GDP. GDP will start to catch-up as we lap COVID data points, but the real question is whether the Wilshire's rate of change out-paces that of GDP and given the double barreled (fiscal and monetary) approach to jump-starting GDP, we believe that stocks will continue to out-pace the effect on the real economy. This data is interesting because statistically, it shows a decent relationship with forward returns. From an economic perspective, or as we call it, the "can I trade it" perspective, it's lousy. It suffers from what most value measure seem to suffer, mainly how expensive is too expensive, and what's the catalyst that flips the switch. It's nice to know but proves to be WAY too premature when used without hindsight bias to be effective.

The yield curve is the steepest we've seen in years, and HY spreads are bouncing along the tightest levels we've seen in a decade. What's most impressive to us is the breakout and relative improvement we're seeing in European banks. They're acting like U.S. banks, which is an important global confirmation signal. If it's the inflation trade, it's not finding its way through gold. We had a trend change to negative a few weeks ago, but for those reluctant to sell, the good news is GLD ETF flows are now in the liquidation zone. We like the relative out-performance of industrial metals to precious metals here and prefer playing any reflation thru those channels.



## Intermediate Term Barometer



Wilshire 5000 Index, 252 B-Day Fwd, based on  
 Wilshire 5000 Mkt Cap / US Gross GDP  
 1970 - 2021

Corr: -21%  
 HAC T-St: -2.19



10Yr - 2Yr Spread

Steepest Curve in Years



# New Breakout High in European Banks



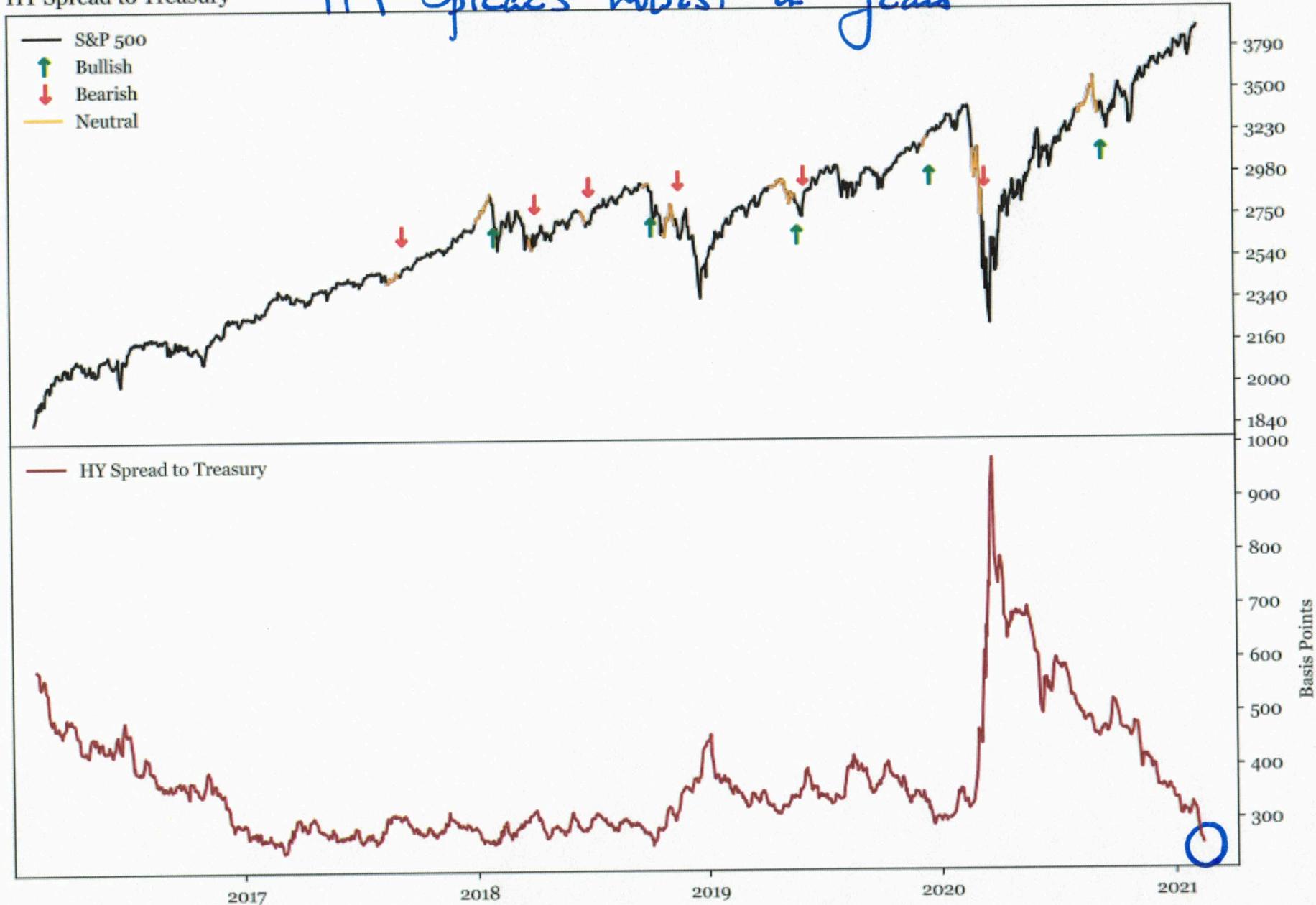
SXZP Index (STOXX Europe 600 Banks Price EUR) Abs, Rel, & Osc Daily 16FEB2018-1

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15-Feb-2021 13:28:08

HY Spread to Treasury

HY Spreads lowest in years



# Industrial Metals Better than Precious



## Gold ETF Flows and GDX US Equity

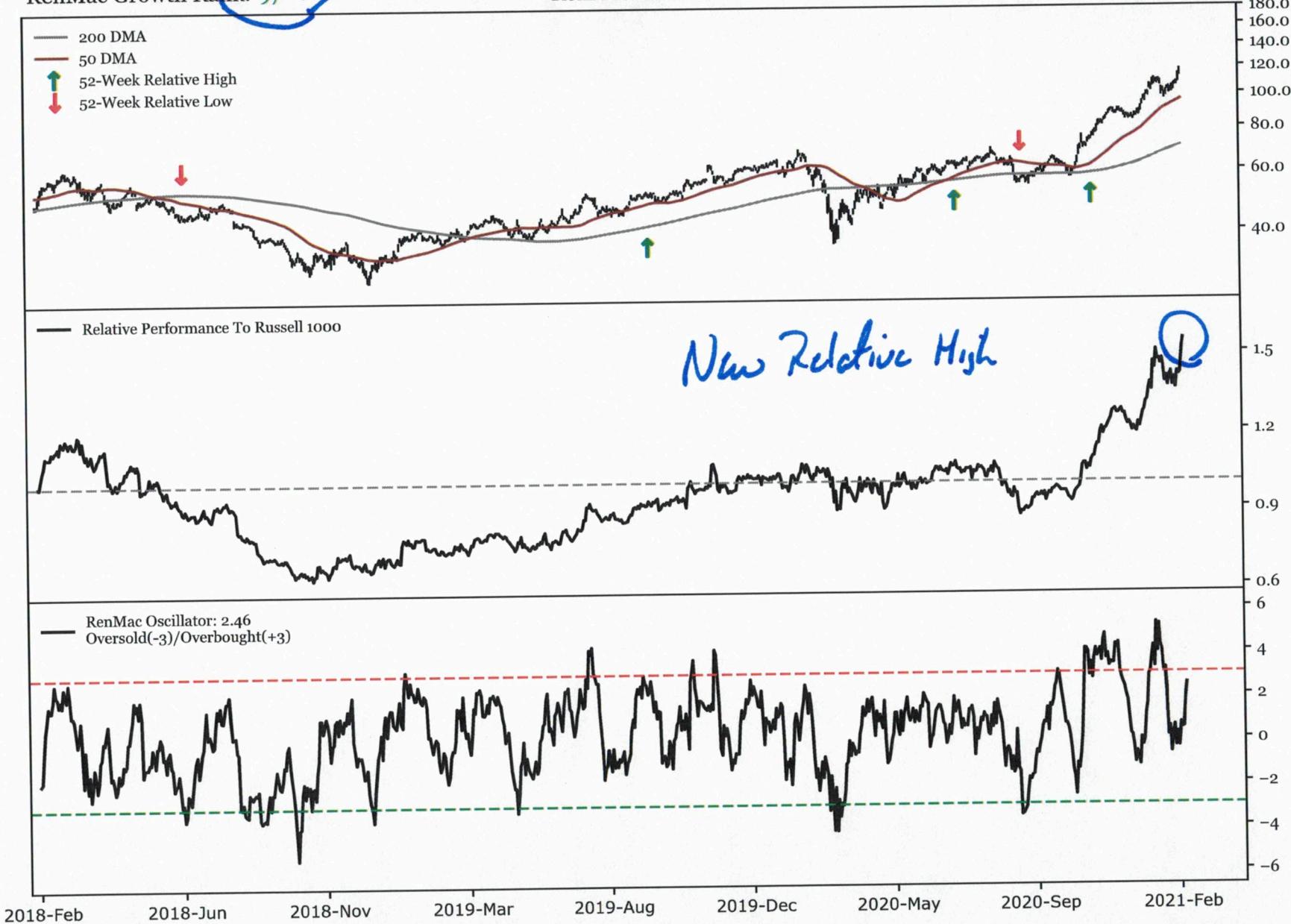


RenMac Momentum Rank: 90  
RenMac Value Rank: 83  
RenMac Growth Rank: 97 ↑

Trifecta

(AMAT) Applied Materials Inc  
RenMac Rank: 1

Market Cap: 107.09B  
Semiconductor Equipment  
Close: 116.7



RenMac Momentum Rank: 96  
RenMac Value Rank: 81  
RenMac Growth Rank: 96 ↑

Trifecta

(HZNP) Horizon Therapeutics Plc  
RenMac Rank: 2

Market Cap: 19.98B  
Pharmaceuticals  
Close: 90.53



RenMac Momentum Rank: 93  
RenMac Value Rank: 100  
RenMac Growth Rank: 99

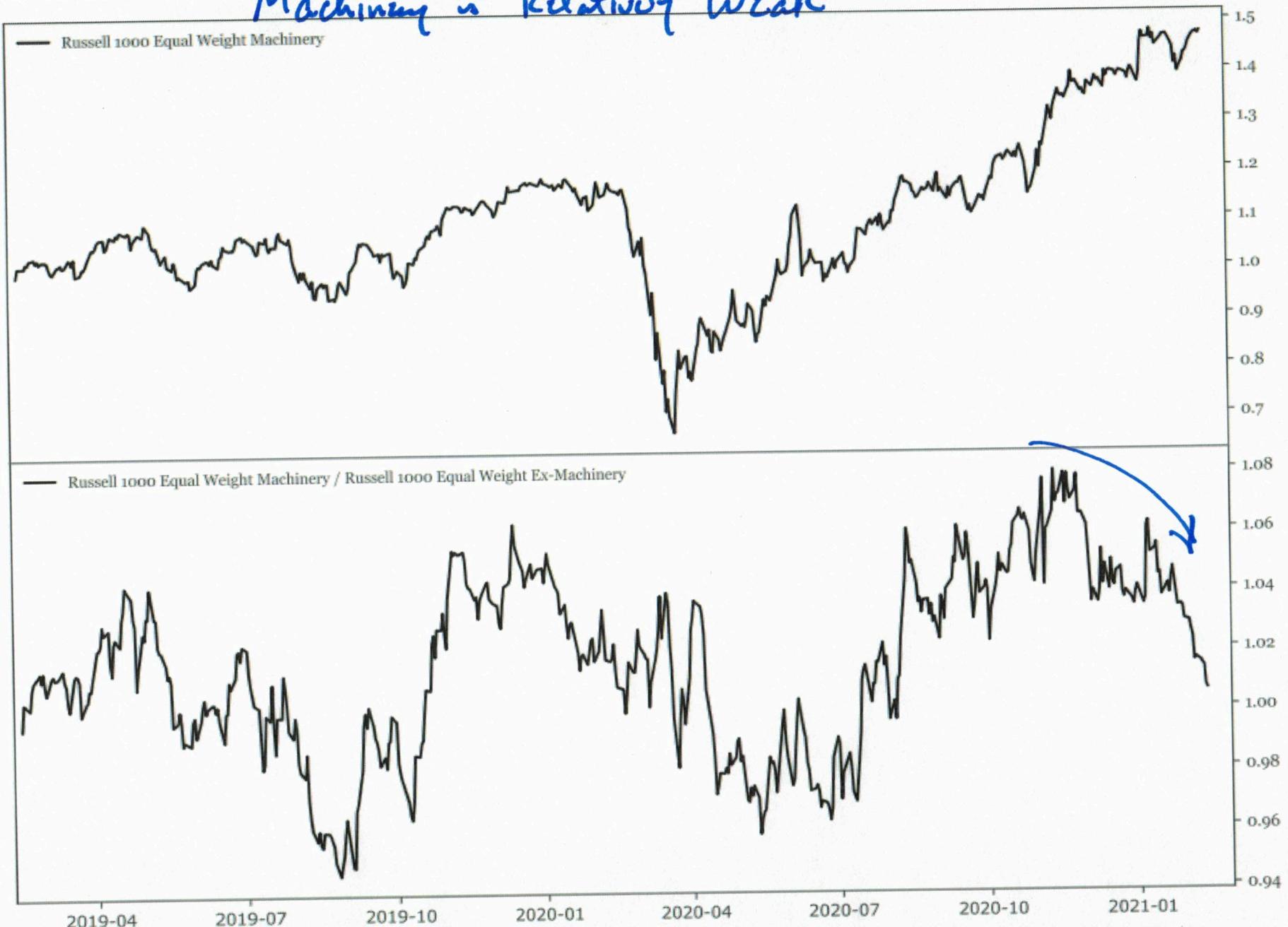
# Trifecta

(BIO) Bio-Rad Laboratories Inc  
RenMac Rank: 1

Market Cap: 19.77B  
Life Sciences Tools & Services  
Close: 662.35



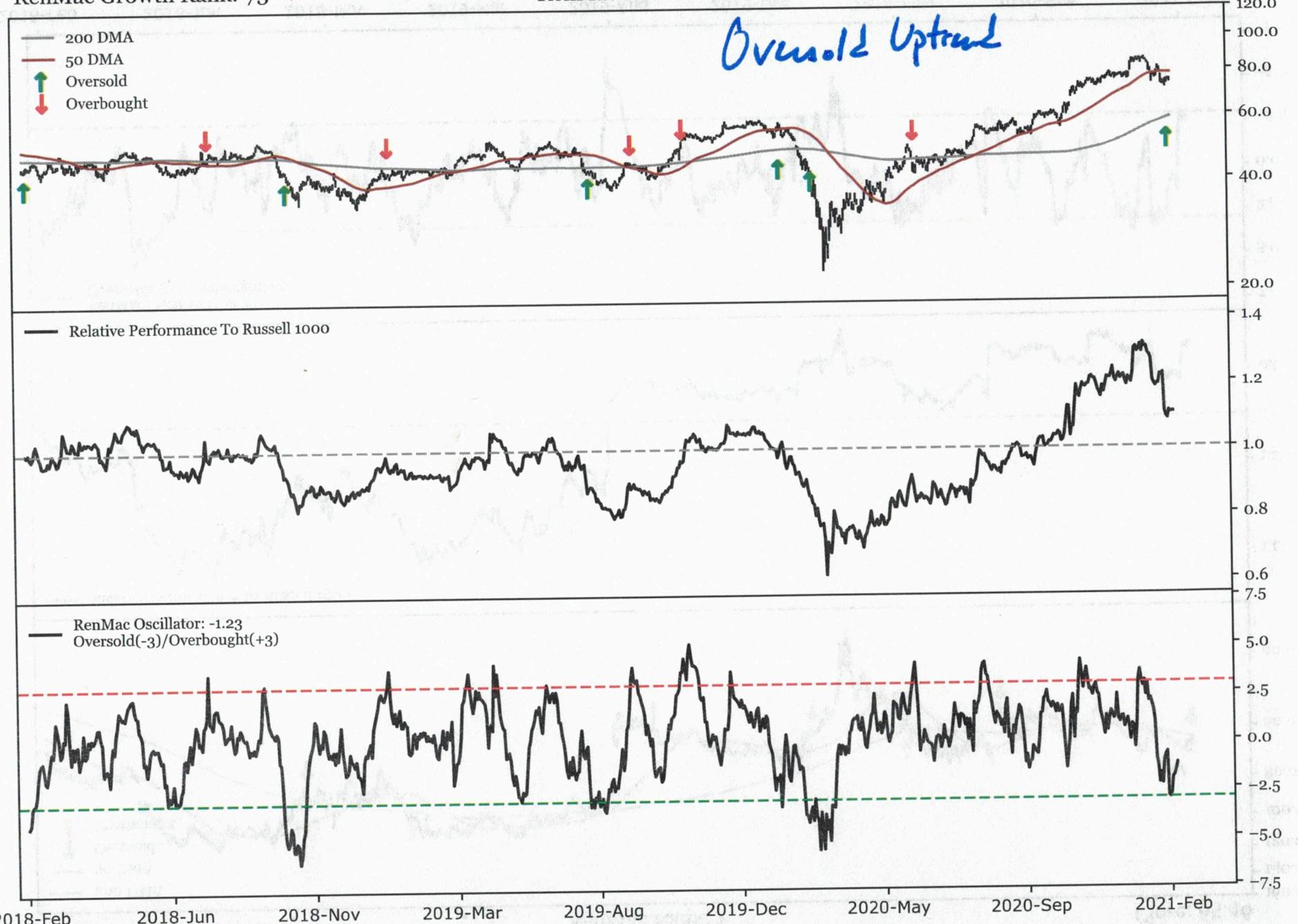
Machinery is Relatively Weak



RenMac Momentum Rank: 77  
RenMac Value Rank: 92  
RenMac Growth Rank: 73 ↓

(TKR) Timken Co/The  
RenMac Rank: 2

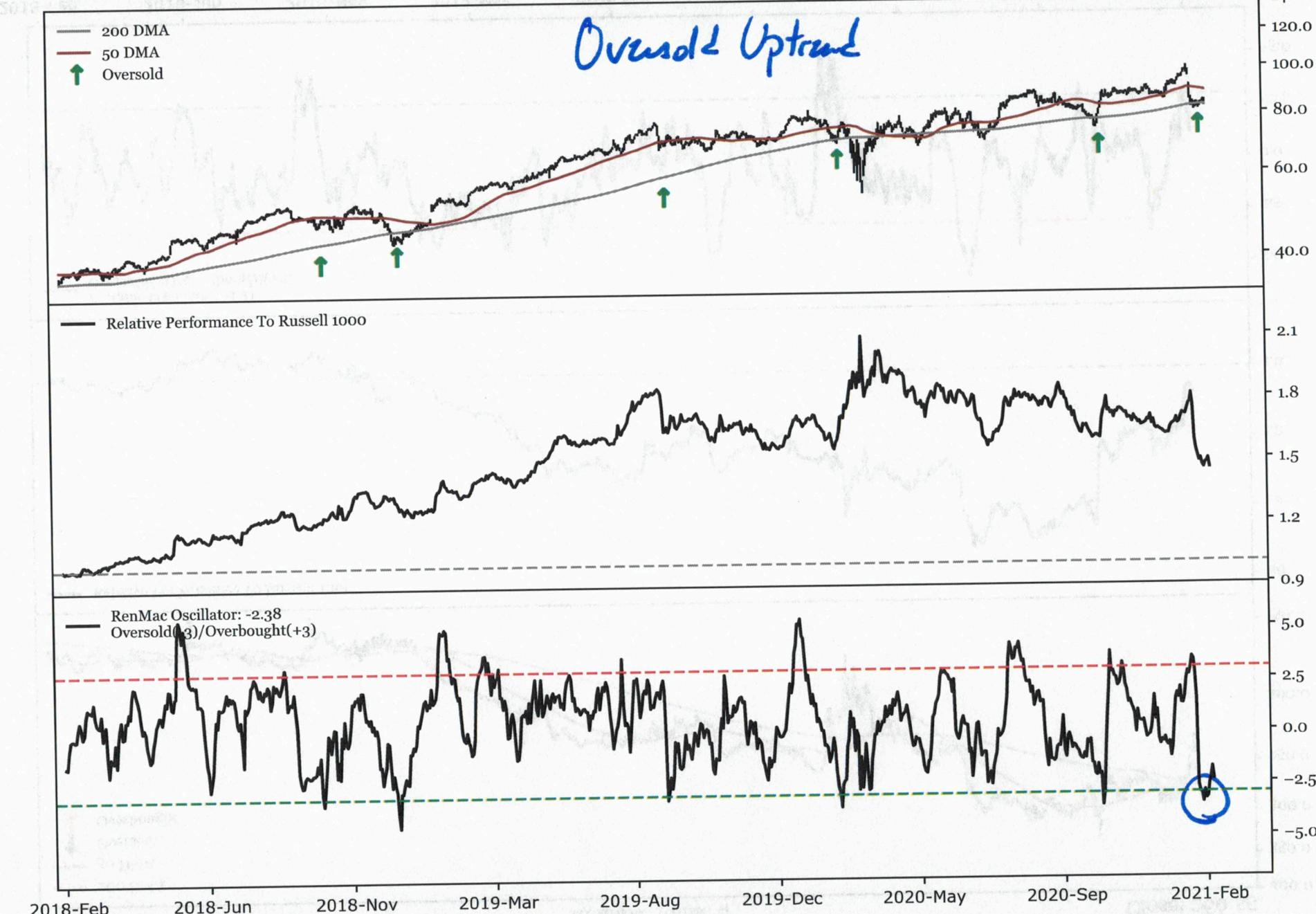
Market Cap: 5.64B  
Industrial Machinery  
Close: 74.84



RenMac Momentum Rank: 65 ↓  
RenMac Value Rank: 80 ↑  
RenMac Growth Rank: 87

(BAH) Booz Allen Hamilton Holding Corp  
RenMac Rank: 2

Market Cap: 11.37B  
IT Consulting & Other Services  
Close: 82.59

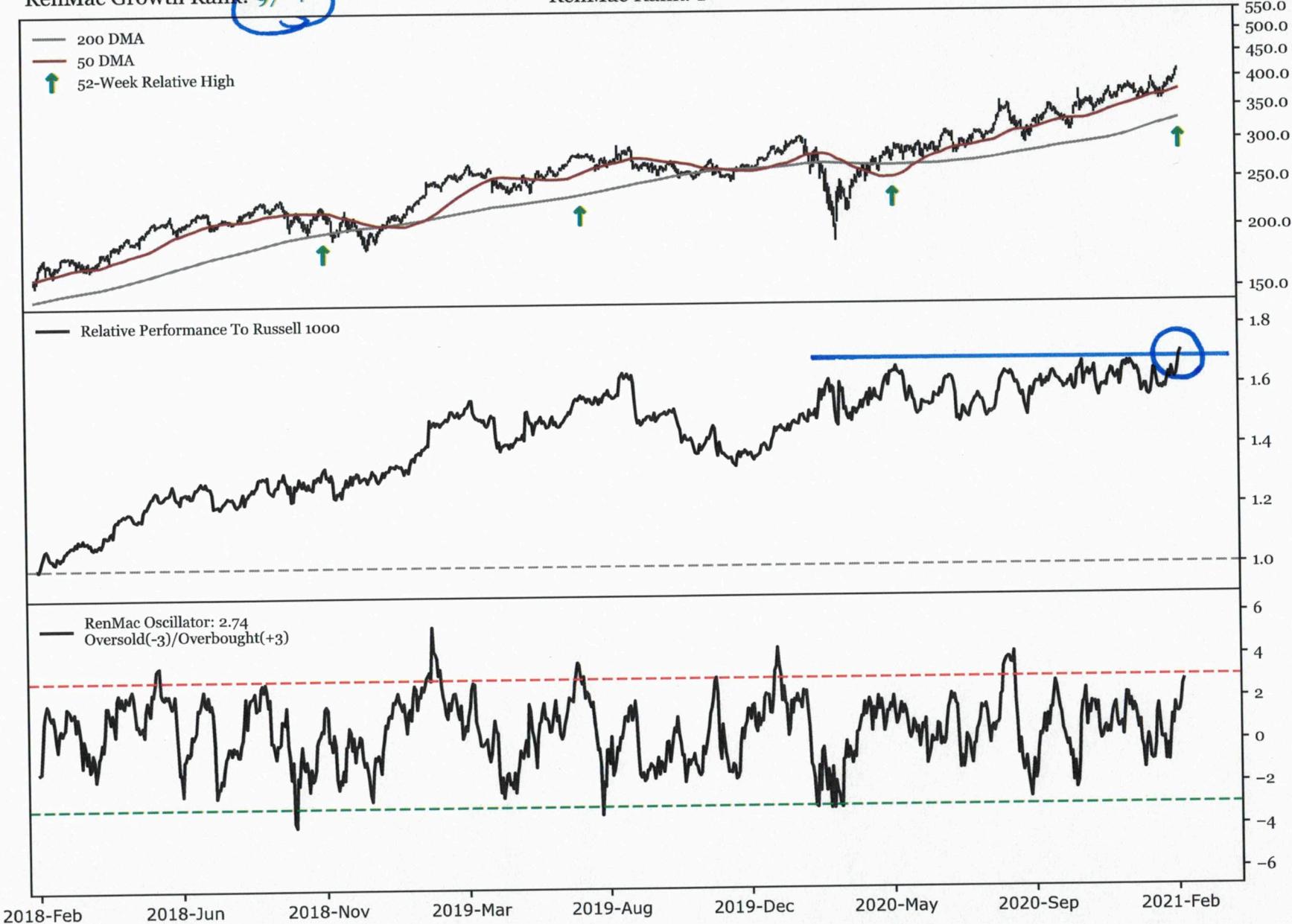


RenMac Momentum Rank: 81  
RenMac Value Rank: 39  
RenMac Growth Rank: 97 ↑

# Relative Breakout

(INTU) Intuit Inc  
RenMac Rank: 1

Market Cap: 108.77B  
Application Software  
Close: 413.99

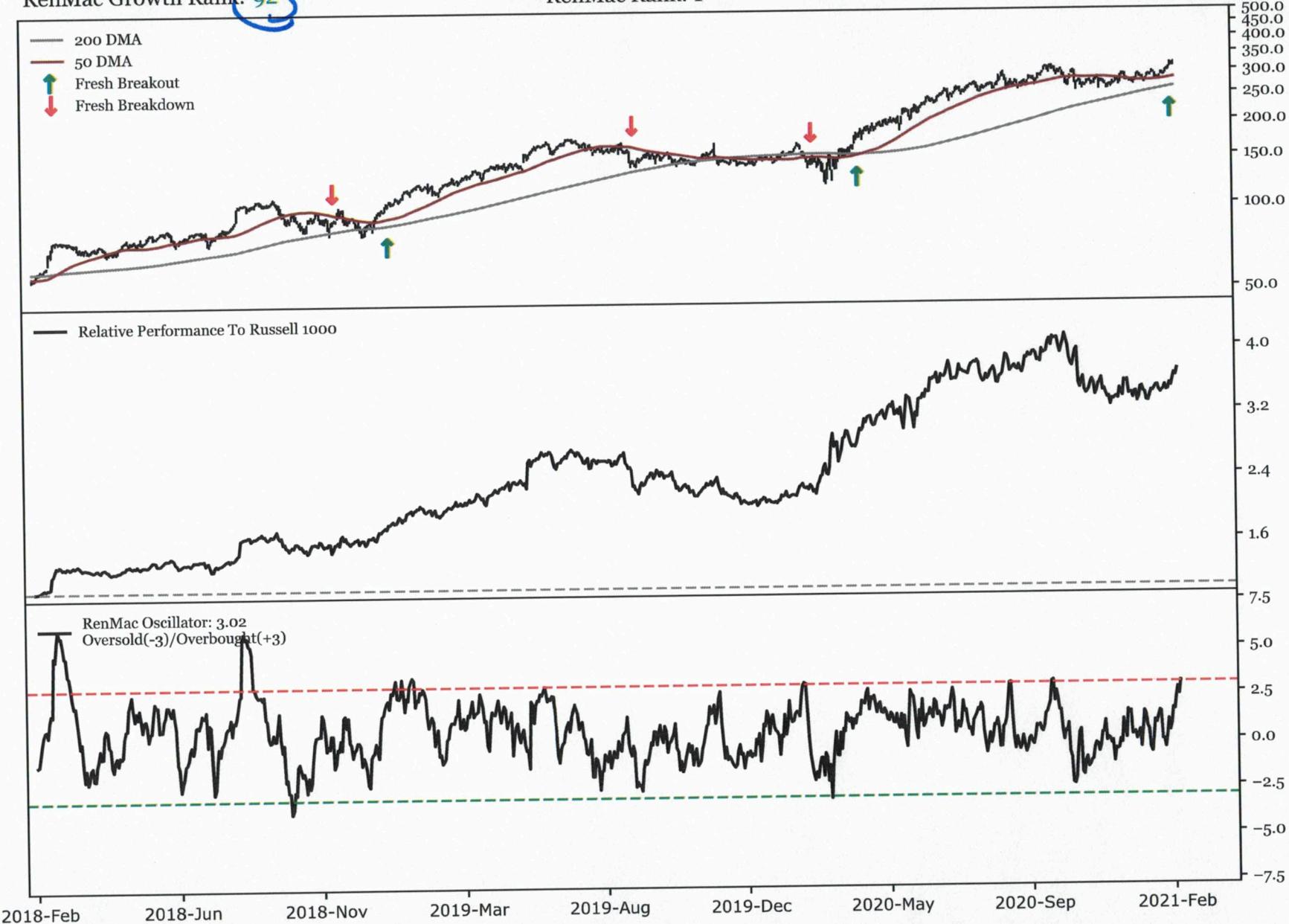


RenMac Momentum Rank: 98  
RenMac Value Rank: 17  
RenMac Growth Rank: 92

# Fresh Breakout

(VEEV) Veeva Systems Inc  
RenMac Rank: 1

Market Cap: 48.17B  
Health Care Technology  
Close: 318.03



RenMac Momentum Rank: 98  
RenMac Value Rank: 31  
RenMac Growth Rank: 81

Fresh Breakout

(NVDA) NVIDIA Corp  
RenMac Rank: 1

Market Cap: 370.44B  
Semiconductors  
Close: 598.45



RenMac Momentum Rank: 65  
RenMac Value Rank: 87  
RenMac Growth Rank: 89

Relative Strength High

(EXP) Eagle Materials Inc  
RenMac Rank: 1

Market Cap: 5.16B  
Construction Materials  
Close: 122.87



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