Summer Market Update

Your Money in Indian Country

Webinar Series

Monday, August 9th, 2021
Your Hosts

Shawn Spruce

Autumn Romero
The U.S. was in a recession until 2021.

- Yes
- No
- Maybe
Which of the following companies has lost money on its COVID-19 vaccine?

- Pfizer
- Moderna
- AstraZeneca
- None of the above
Which of the following fintech companies is currently trading below its IPO price.

- Coinbase
- Robinhood
- Affirm
- All of the above
Which of the following stocks is struggling this year?

- Marathon Oil
- L Brands
- Devon Energy
- Ford Motor Company
- Netflix
Today’s Topics

• Market Factoids

• Good News/Bad News

• Trends

• Key Takeaways
U.S. Gross Domestic Product (GDP)
U.S. Gross Domestic Product

Annual Growth

Source: U.S. Bureau of Economic Analysis
Recessions 1969 to Present

- 1969-1970: 11 months
- 1970-1975: 16 months
- 1980: 11 months
- 1981-1982: 16 months
- 1990-1991: 8 months
- 2001: 8 months
- 2007-2009: 18 months
- 2020: 2 months

Source: Wall Street Journal
S&P 500
Year to Date

Source: MarketWatch
S&P 500 Sector Performance
YTD as of July 30th, 2021

Health Care 20%
Consumer Discretionary 10%
Consumer Staples 15%
Energy 30%
Financials 25%
Industrials 20%
Information Technology 15%
Materials 10%
Real Estate 35%
Communication Services 30%
Utilities 5%

Source: Fidelity
FAANG Stocks
YTD as of July 30th, 2021

Source: Yahoo Finance
Top Five S&P 500 Stocks
YTD as of August 6\textsuperscript{th}, 2021

\begin{figure}
\centering
\begin{tikzpicture}
\begin{axis}[
    ybar, 
    bar width=10mm, 
    ymajorgrids, 
    width=\textwidth, 
    height=8cm, 
    enlarge y limits=0.2, 
    legend style={at={(0.5,0.9)}, anchor=north, legend columns=-1}, 
    symbolic x coords={Generac Holdings, Fortinet, Gartner, Nucor Corp, Moderna}, 
    xtick=data, 
    ymin=0, ymax=300, 
]
\addplot coordinates {
(Generac Holdings, 75) 
(Fortinet, 120) 
(Gartner, 90) 
(Nucor Corp, 100) 
(Moderna, 280)
};
\end{axis}
\end{tikzpicture}
\caption{Top Five S&P 500 Stocks YTD as of August 6\textsuperscript{th}, 2021}
\end{figure}

Source: Slickcharts
10 Year Treasury Yield

Year to Date

Source: Yahoo Finance

Higher Bond Prices = Lower Yields

Lower Bond Prices = Higher Yields

Yield = Coupon/Price

Source: Yahoo Finance
Monthly Inflation
Highest Annualized Rate

Source: usinflationcalculator.com
12 Month Inflation Rate
As of June 2021

- Inflation - all items: 5.4%
- Food: 2.4%
- Energy: 24.5%
- Core Inflation - all items less food and energy: 4.5%

Source: usinflationcalculator.com
Bad News

• Going through the Big D

• Stimulus benefits are expiring

• Rising inflation

• Stimmy money has created supply and demand mismatch

• Goods vs services

• The U.S. has borrowed heavily to fund stimulus
Good News

• Economic growth is back
• Higher employment
• Increased savings
• Less consumer debt
• Pandemic adapted
Kinda Sorta

• Housing demand

• Infrastructure and taxes

• Low interest rates
Winners

- Services
- Restaurants
- Bars
- Clothing/accessories
- Energy
- Real Estate
- Communications
Losers

- Some durable goods
- Furniture
- Building supplies
- Sporting goods
- Consumer staples
- Utilities
Key Takeaways

• Economy is strong but uncertain
• Services vs Goods
• The virus still poses huge risks here and abroad
• Less stimulus
• Interest rates
• Businesses have lots of credit
Investor Tools @ FINRA.org/Investors

- Fund Analyzer
- Professional Designations Database
- 401K Save the Max Calculator
- Retirement Calculator
- Risk & Scam Meter
- Investor Knowledge Quiz
More Resources from FINRA

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- August 23rd-25th, 2021

- 10 am to 2 pm (MST) Daily

- Register at firstnations.org
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