

## OUR FUNDAMENTAL VIEW

US Economic data remained scalding hot in April, seeing ‘giant beats’ in retail sales, new jobless claims and CPI. All coming after the best ever PMI number reported April 5<sup>th</sup>. We remain optimistic this trend will continue, and that the current recovery has the chance to rival that of the post-war 1950’s.

Also noteworthy, is that CDC Director Rochelle Walensky eased mask wearing guidance April 27<sup>th</sup>. A huge walk-back from (in our view) her irresponsibly chilling warning of “Impending Doom”, but one short month earlier. Regardless, this is great news for our nation and our long overdue path back to normalcy.

We continue to believe the main risk to a strong economic recovery is political, and the potential for massive amounts of public debt associated with programs such as the ‘green new deal’ – should these programs ultimately pass.

## OUR TECHNICAL VIEW

Technically speaking, stocks continue to form a pattern of ‘higher highs and higher lows’, which is the definition of a Bull Market. We believe this is a particularly strong one, based on internal measures such as breadth and leadership.

Also enjoying a strong uptrend, is copper. More than doubling since its COVID low, copper hit the highest level in 10 years last week. It is widely believed that ‘Dr. Copper’ is the best real time gauge of economic activity available. Clearly the diagnosis is ‘healthy’!

Finally, also great news for the bulls is that the Chinese stock market continues to hold its 40-wk avg. Both the MCHI & ASHR ETFs led the global equity rally last summer, and we believe they will likely remain ‘key canaries’ going forward.

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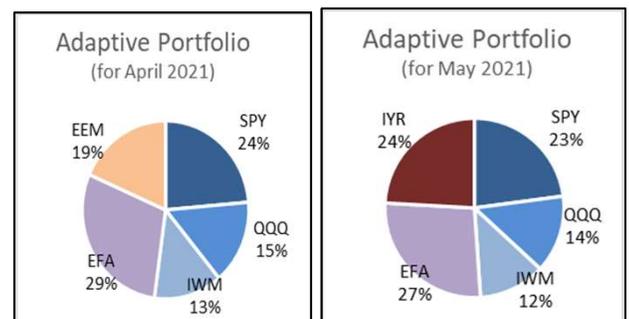


Charts courtesy of TradeStation, as of April 30, 2021

## ADAPTIVE MODEL UPDATE

As you can see to the right, our Adaptive Asset Allocation model shifted out of emerging markets last month (EEM), in favor of a larger exposure to REITs (IYR). It continues to maintain a bullish posture toward the markets, and heavily weighted toward equities.

Please feel free to contact if you have any questions on this, or any of our other strategies.



## ABOUT NEXBANK WEALTH MANAGEMENT

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