

IBKRWEBINARS.COM



April 13, 2022

Ned Davis Research

US Market and Sector Outlook

Rob Anderson

CFA, US Sector Strategist
Ned Davis Research

Exchange and Industry Sponsored Webinars are presented by unaffiliated third parties. Interactive Brokers LLC is not responsible for the content of these presentations. You should review the contents of each presentation and make your own judgment as to whether the content is appropriate for you. Interactive Brokers LLC does not provide recommendations or advice. This presentation is not an advertisement or solicitation for new customers. It is intended only as an educational presentation.



Disclosure:

Options involve risk and are not suitable for all investors. For information on the uses and risks of options, you can obtain a copy of the Options Clearing Corporation risk disclosure document titled [Characteristics and Risks of Standardized Options](#) by calling (312) 542-6901.

Futures are not suitable for all investors. The amount you may lose may be greater than your initial investment. Before trading futures, please read the [CFTC Risk Disclosure](#). For a copy visit [interactivebrokers.com](#).

There is a substantial risk of loss in foreign exchange trading. The settlement date of foreign exchange trades can vary due to time zone differences and bank holidays. When trading across foreign exchange markets, this may necessitate borrowing funds to settle foreign exchange trades. The interest rate on borrowed funds must be considered when computing the cost of trades across multiple markets.

The Order types available through Interactive Brokers LLC's Trader Workstation are designed to help you limit your loss and/or lock in a profit. Market conditions and other factors may affect execution. In general, orders guarantee a fill or guarantee a price, but not both. In extreme market conditions, an order may either be executed at a different price than anticipated or may not be filled in the marketplace.

There is a substantial risk of loss in trading futures and options. Past performance is not indicative of future results.

Any stock, options or futures symbols displayed are for illustrative purposes only and are not intended to portray recommendations.

- IRS Circular 230 Notice: These statements are provided for information purposes only, are not intended to constitute tax advice which may be relied upon to avoid penalties under any federal, state, local or other tax statutes or regulations, and do not resolve any tax issues in your favor.
- Interactive Brokers LLC is a member of [NYSE](#) [FINRA](#) [SIPC](#)

2022 U.S. Market and Sector Outlook

Rob Anderson, CFA

U.S. Sector Strategist



NDR
NED DAVIS RESEARCH

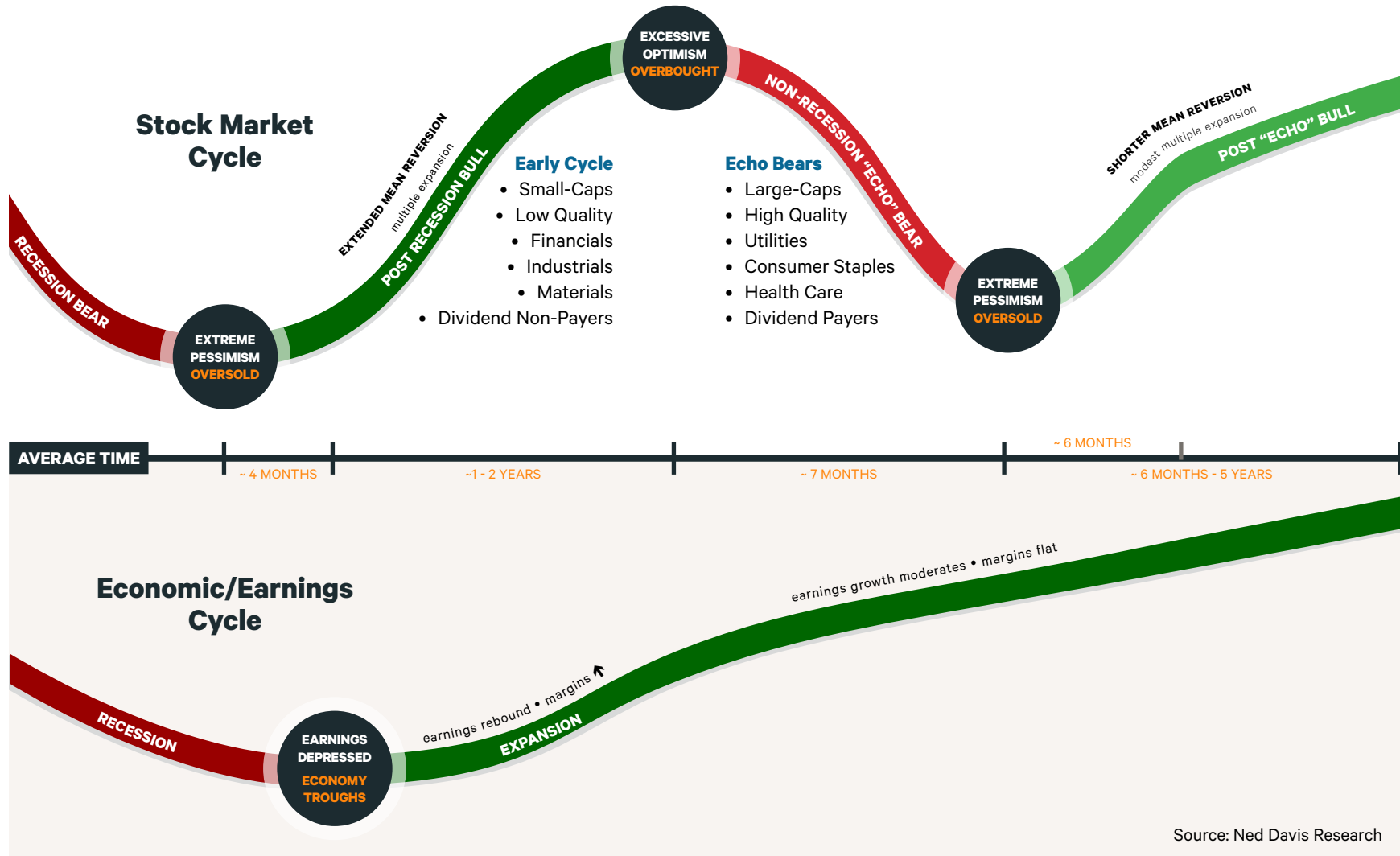
April 2022

Overview

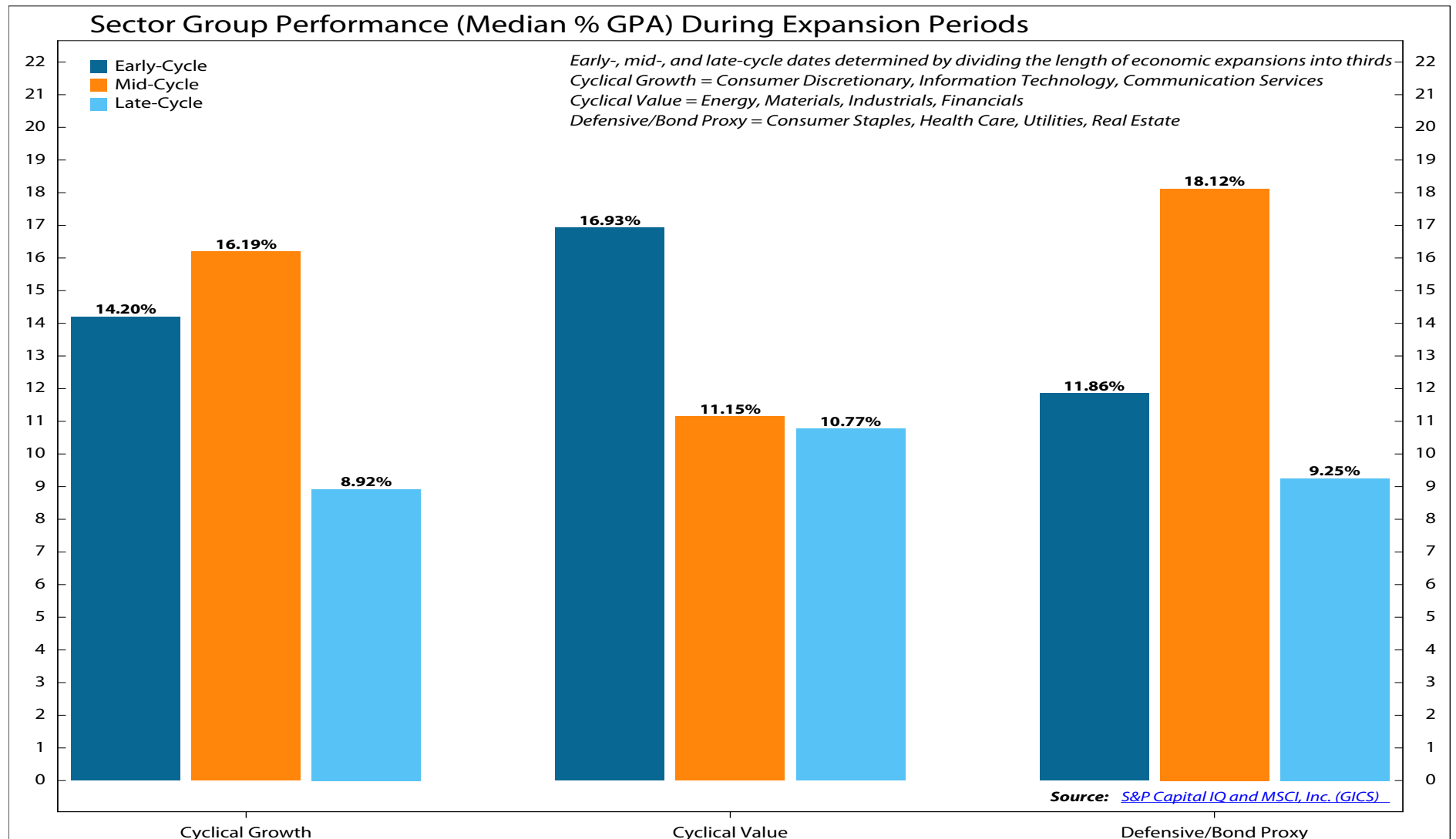
Cycles	1
Fundamentals	3
Macro	7
Sentiment	20
Technicals	21
Models	30
Bottom Line	32
House Views	36

Cycles Stock market in phase when corrections are **more common**.

Stock Market and Economic Cycles



Mid-cycle leadership has favored **Defensive and Growth sectors**.

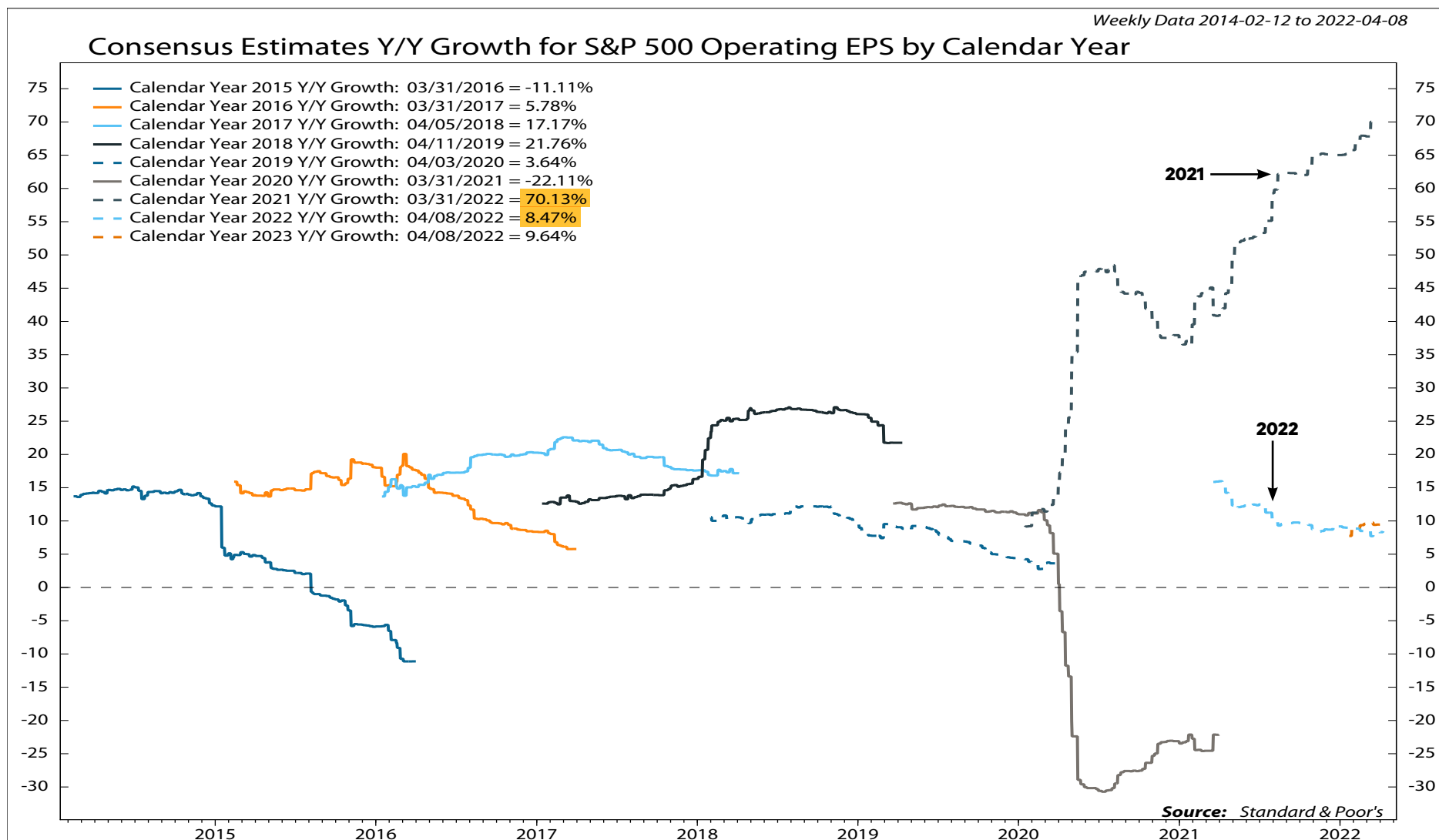


EVT_OA2022_C



© Copyright 2021 NDR, Inc. Further distribution prohibited without prior permission.
 All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html
 For data vendor disclaimers refer to www.ndr.com/vendorinfo/

Fundamentals Earnings growth slowdown was **inevitable**.

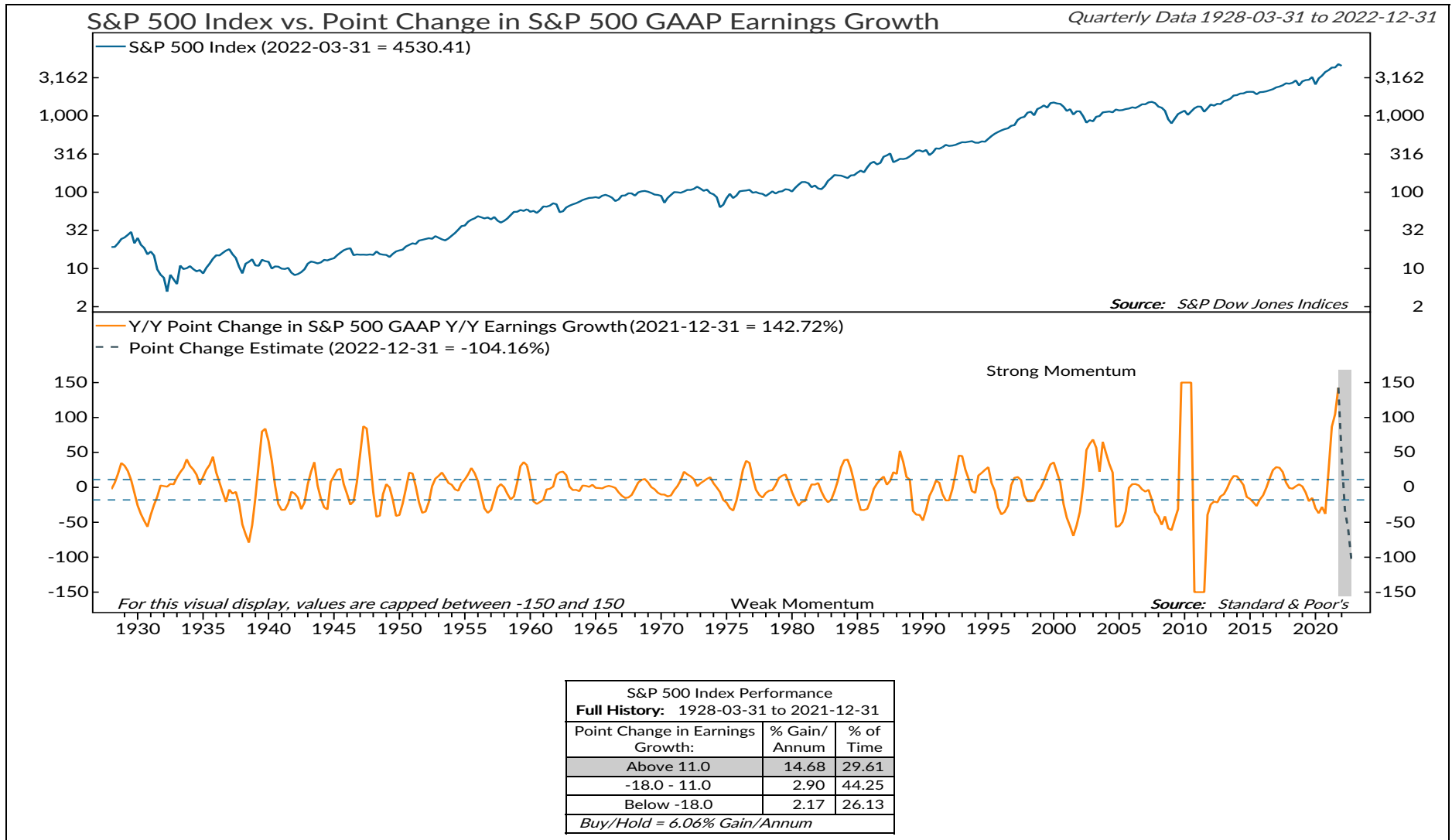


S677D



© Copyright 2022 NDR, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html For data vendor disclaimers refer to www.ndr.com/vendorinfo/

Weak earnings momentum is **headwind for stocks.**

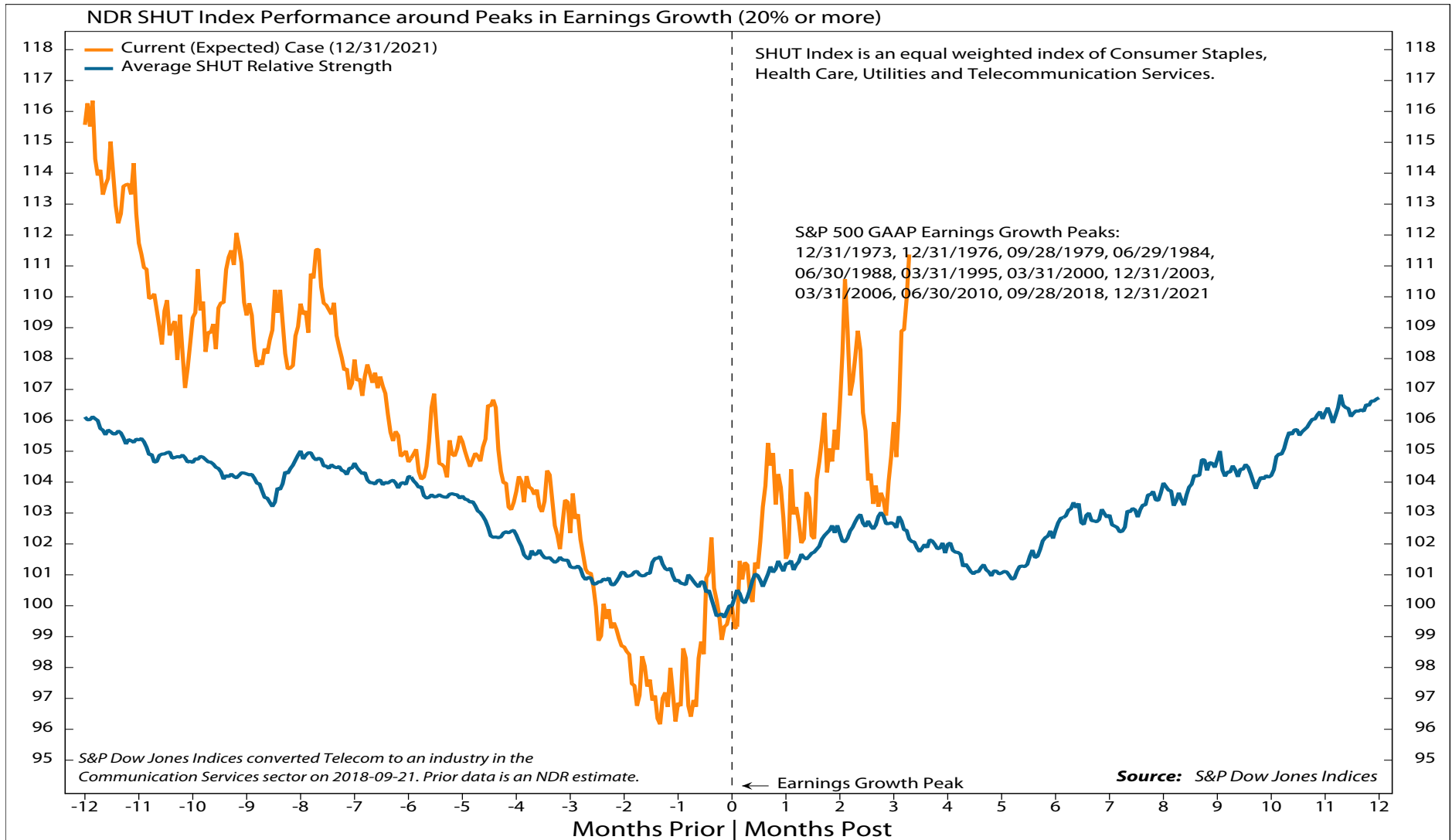


S685B



© Copyright 2022 Ned Davis Research, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html. For data vendor disclaimers refer to www.ndr.com/vendorinfo/

Peaks in earnings growth support defensive sectors.

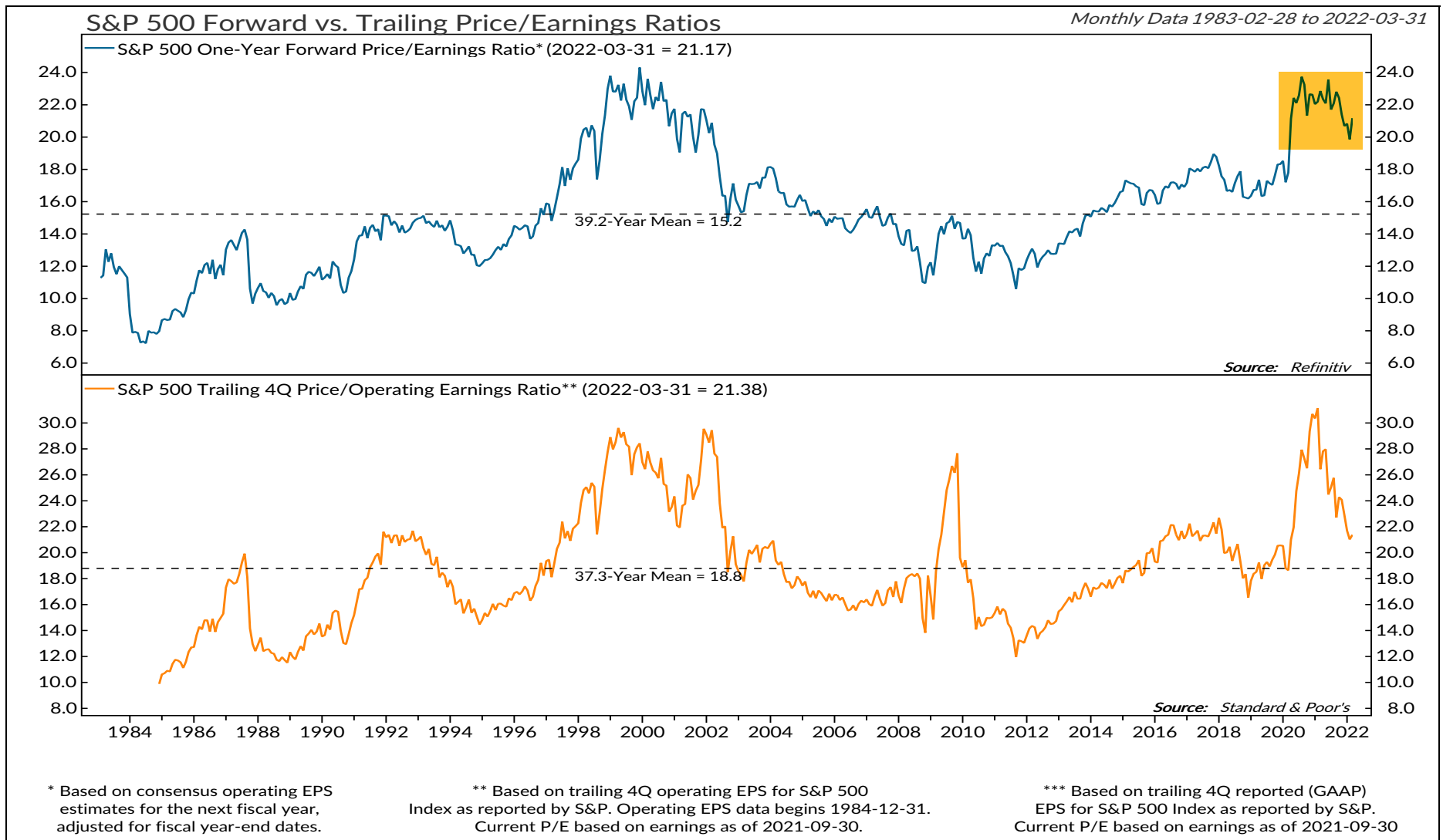


UIP100J



© Copyright 2022 NDR, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html For data vendor disclaimers refer to www.ndr.com/vendorinfo/

Elevated valuations provide **little room for missteps.**

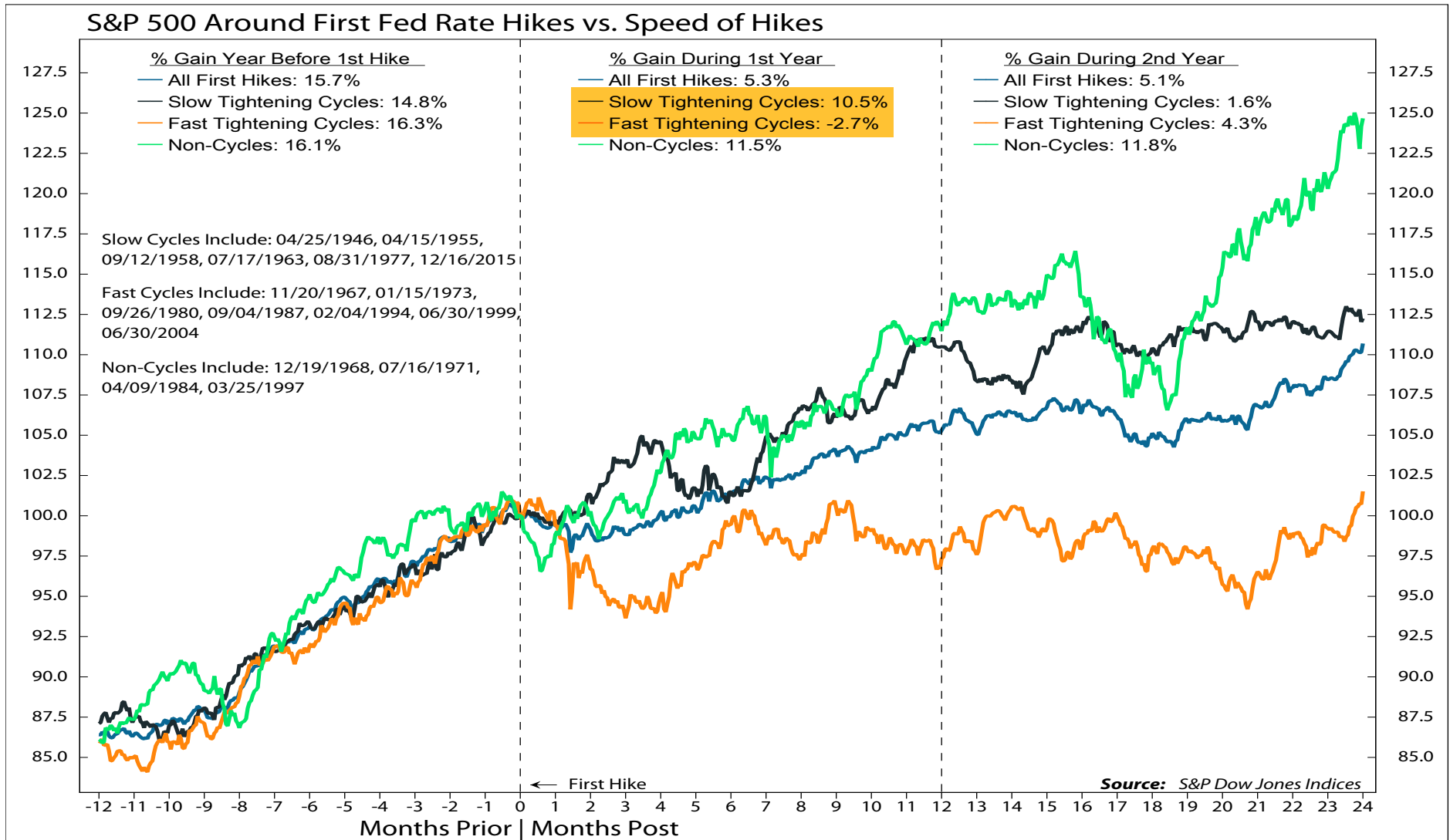


Customized version of [S662](#)



© Copyright 2022 Ned Davis Research, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html. For data vendor disclaimers refer to www.ndr.com/vendorinfo/

Macro For tightening cycles and stocks, **speed matters.**

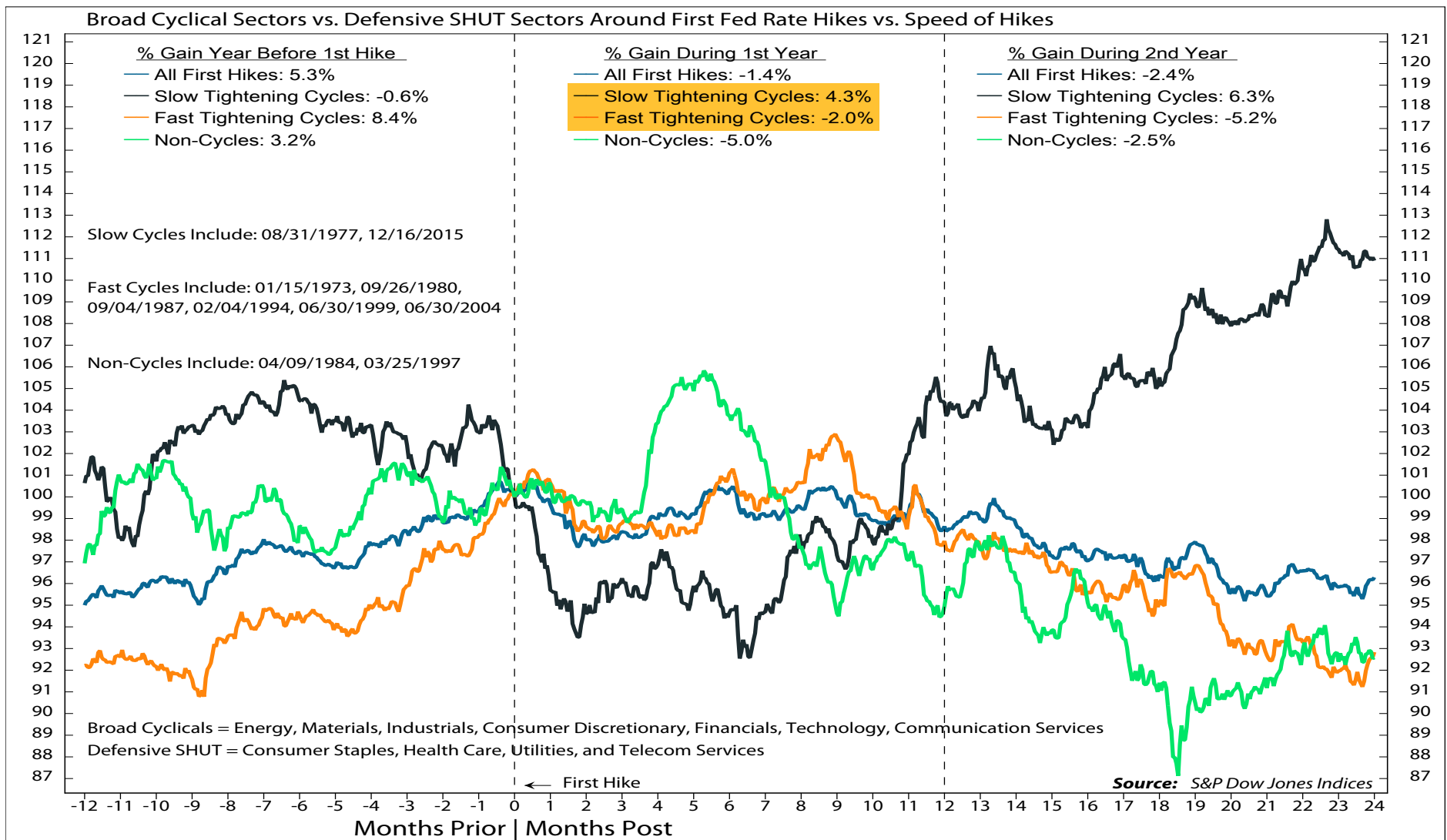


S859



© Copyright 2022 NDR, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html For data vendor disclaimers refer to www.ndr.com/vendorinfo/

Fast cycles consistent with **more defensive leadership**.

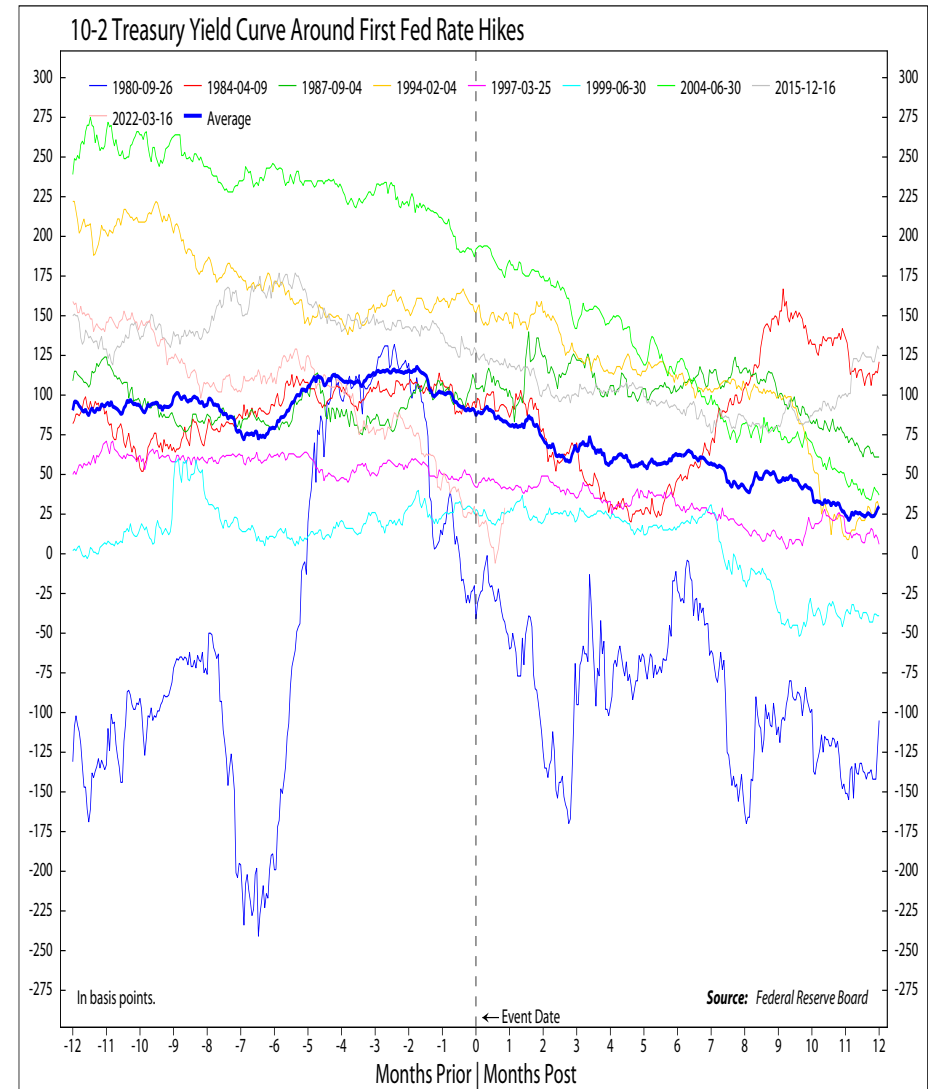
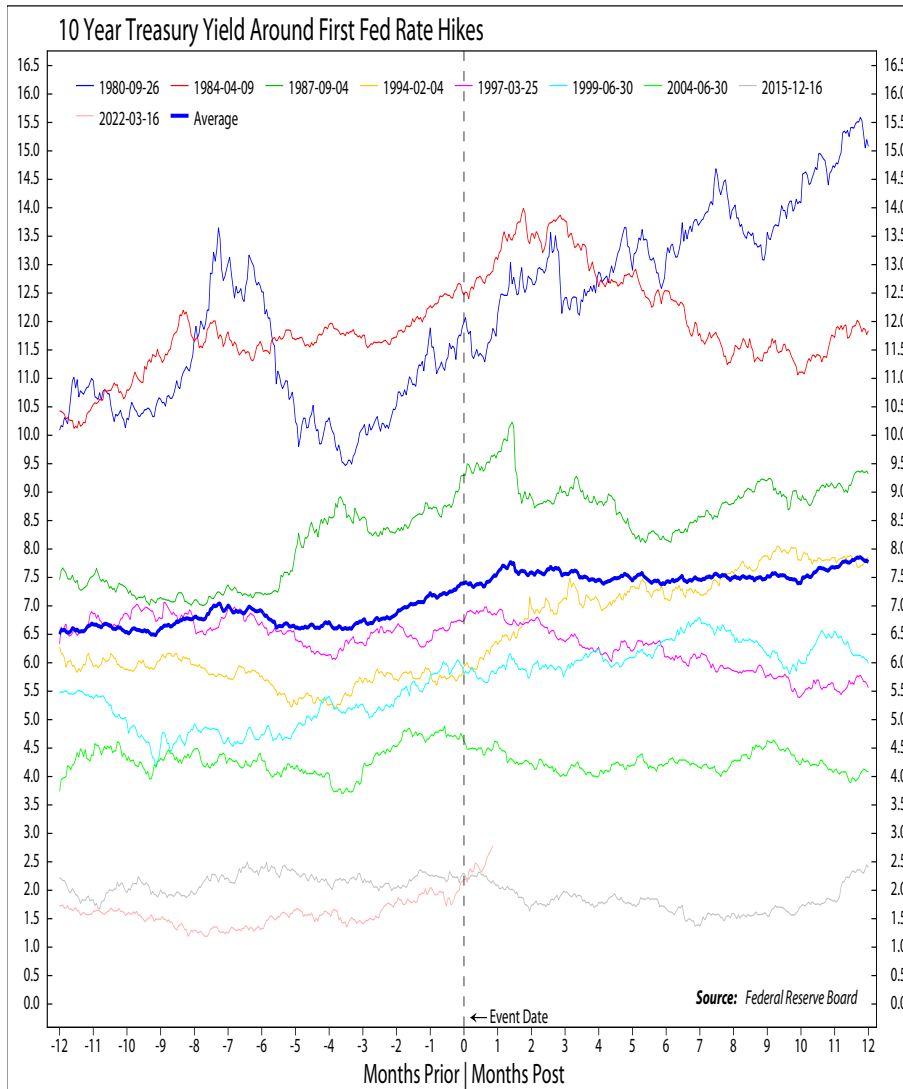


UIP509Y



© Copyright 2022 NDR, Inc. Further distribution prohibited without prior permission.
 All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html
 For data vendor disclaimers refer to www.ndr.com/vendorinfo/

So far, interest rate movements this cycle have **looked typical**.



B599K



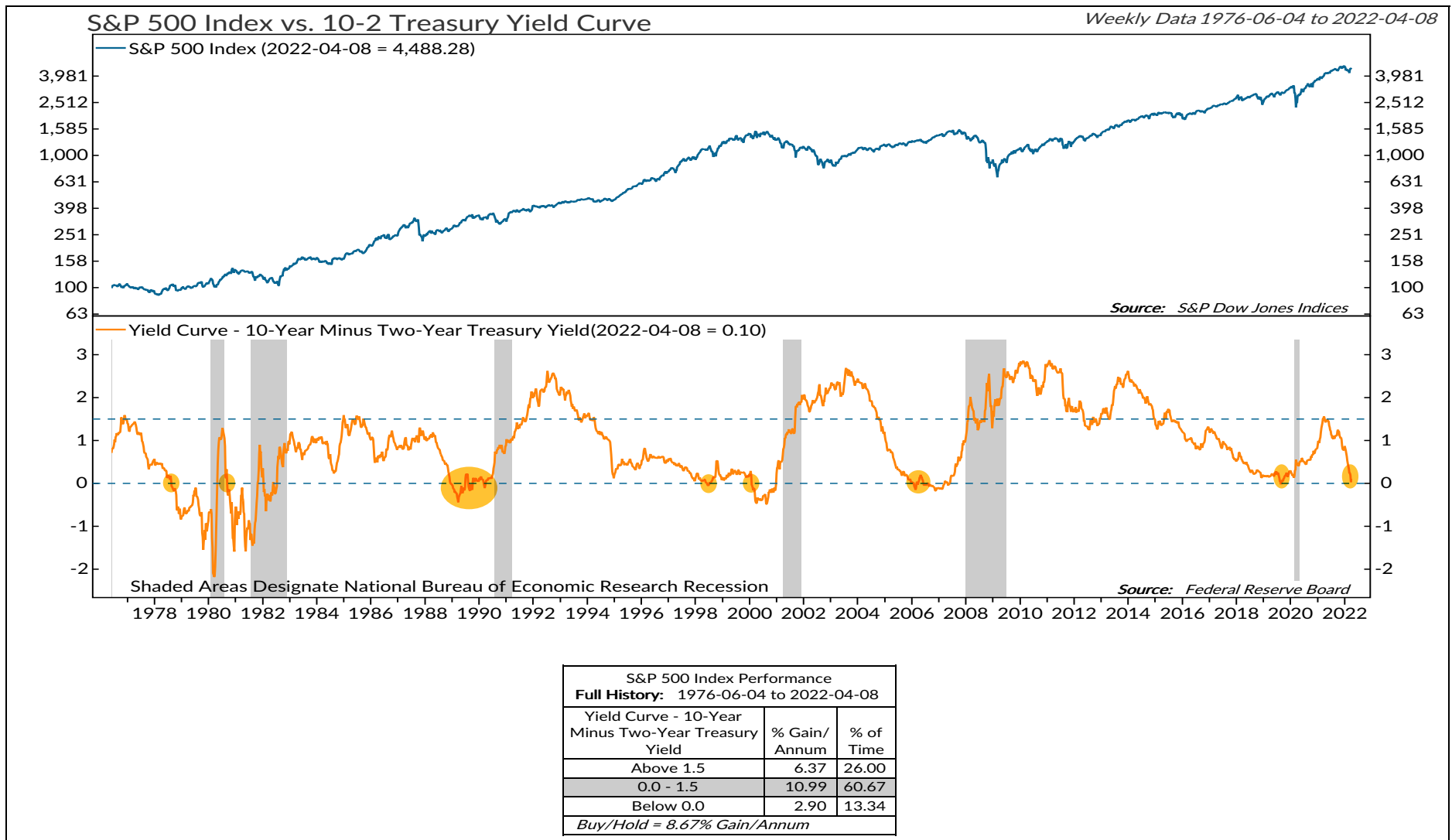
© Copyright 2022 NDR, Inc. Further distribution prohibited without prior permission.
All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html
For data vendor disclaimers refer to www.ndr.com/vendorinfo/

B599L



© Copyright 2022 NDR, Inc. Further distribution prohibited without prior permission.
All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html
For data vendor disclaimers refer to www.ndr.com/vendorinfo/

Yield curve inversions have led most recessions, **but lead times vary.**

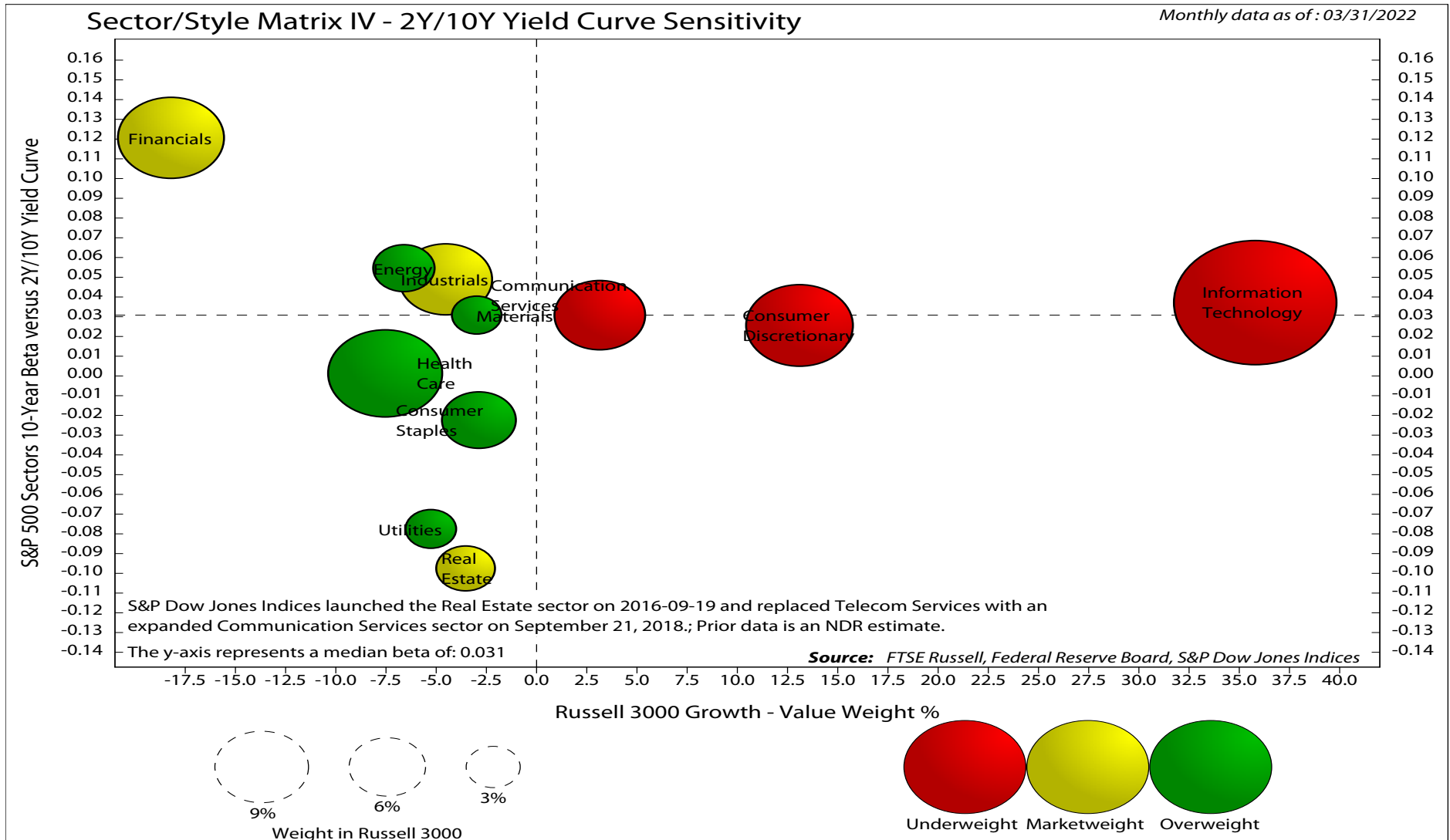


5894



© Copyright 2022 Ned Davis Research, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html. For data vendor disclaimers refer to www.ndr.com/vendorinfo/

Flattening curve most bearish for Financials.

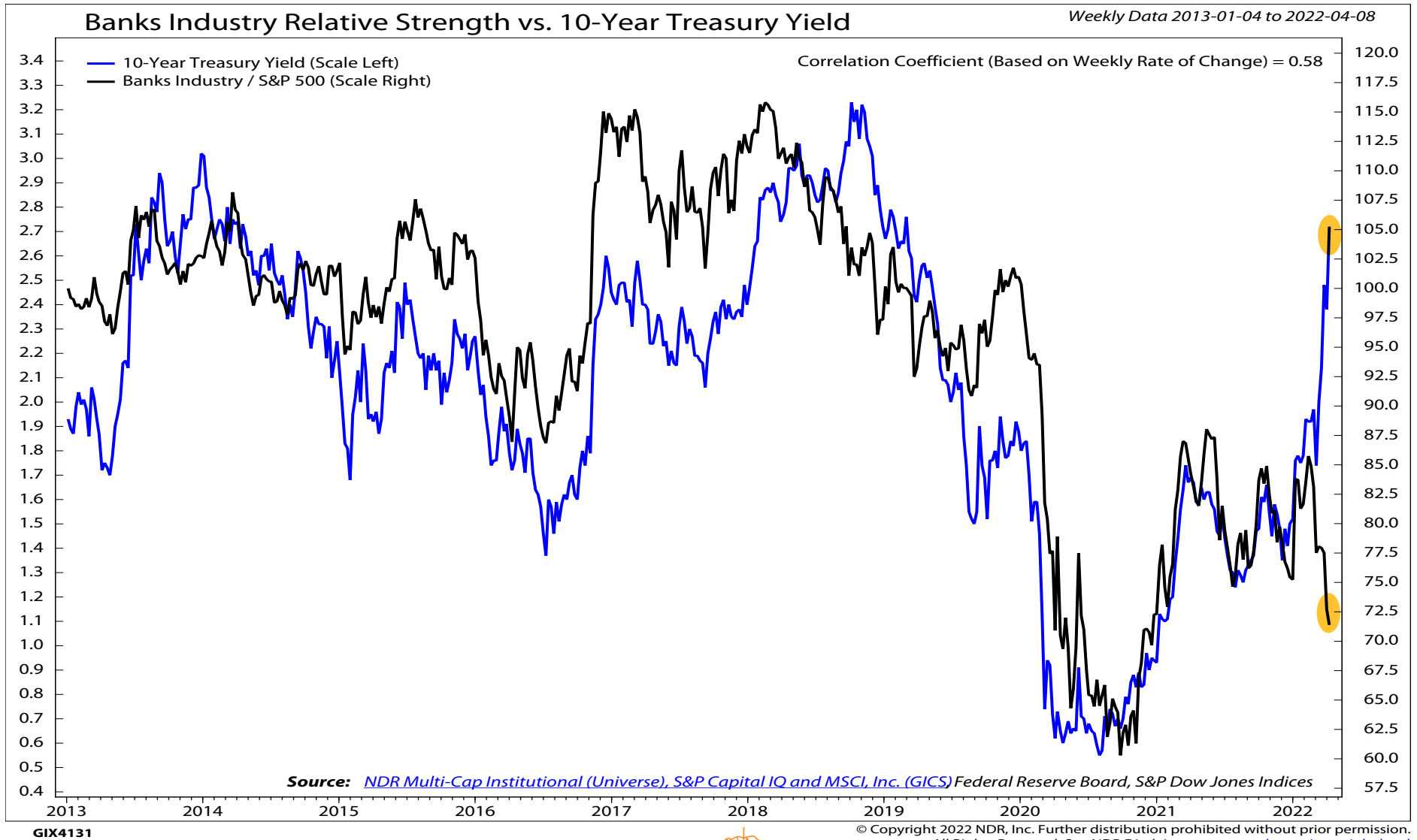


BA3023



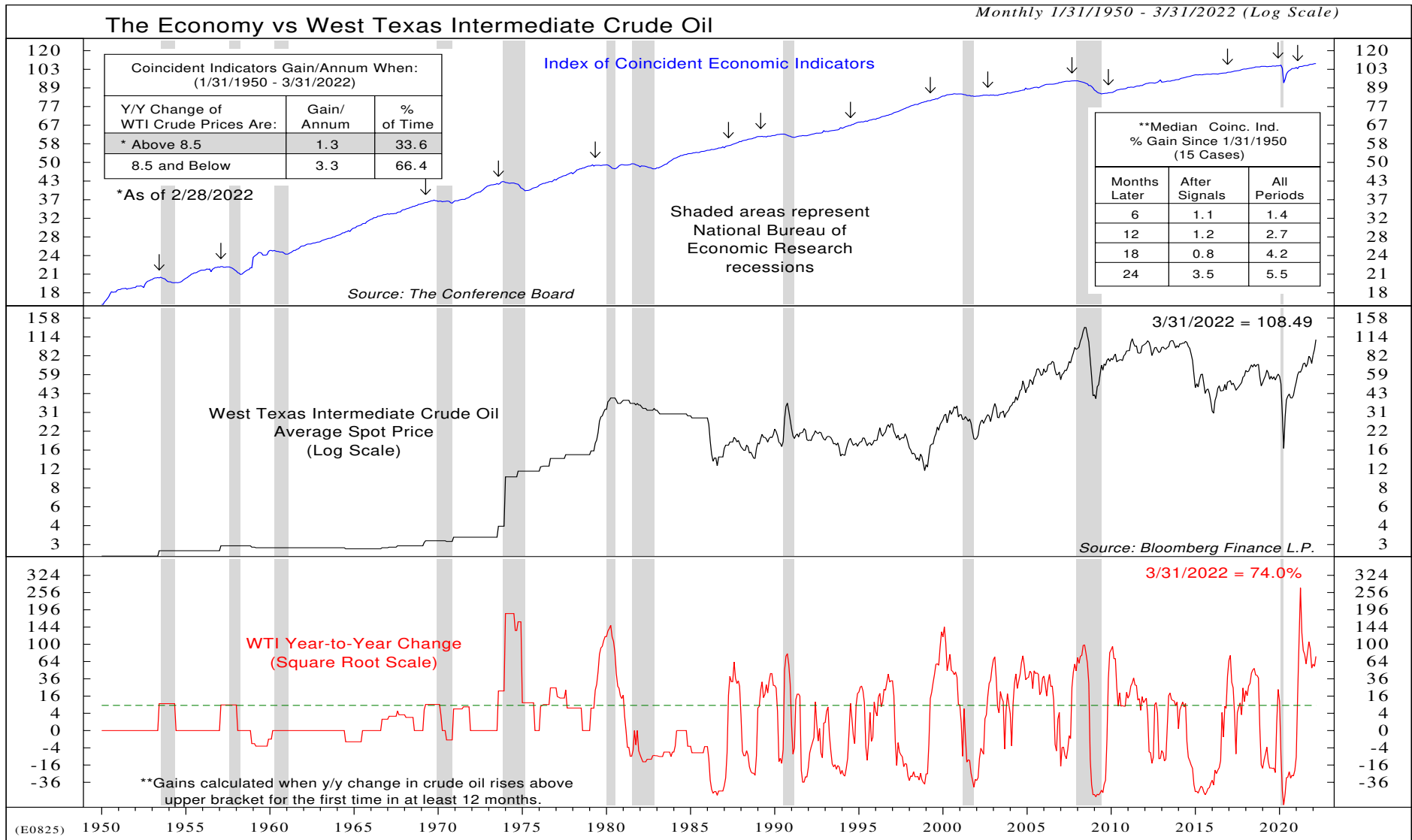
© Copyright 2022 NDR, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html For data vendor disclaimers refer to www.ndr.com/vendorinfo/

Banks **diverging** with yields.



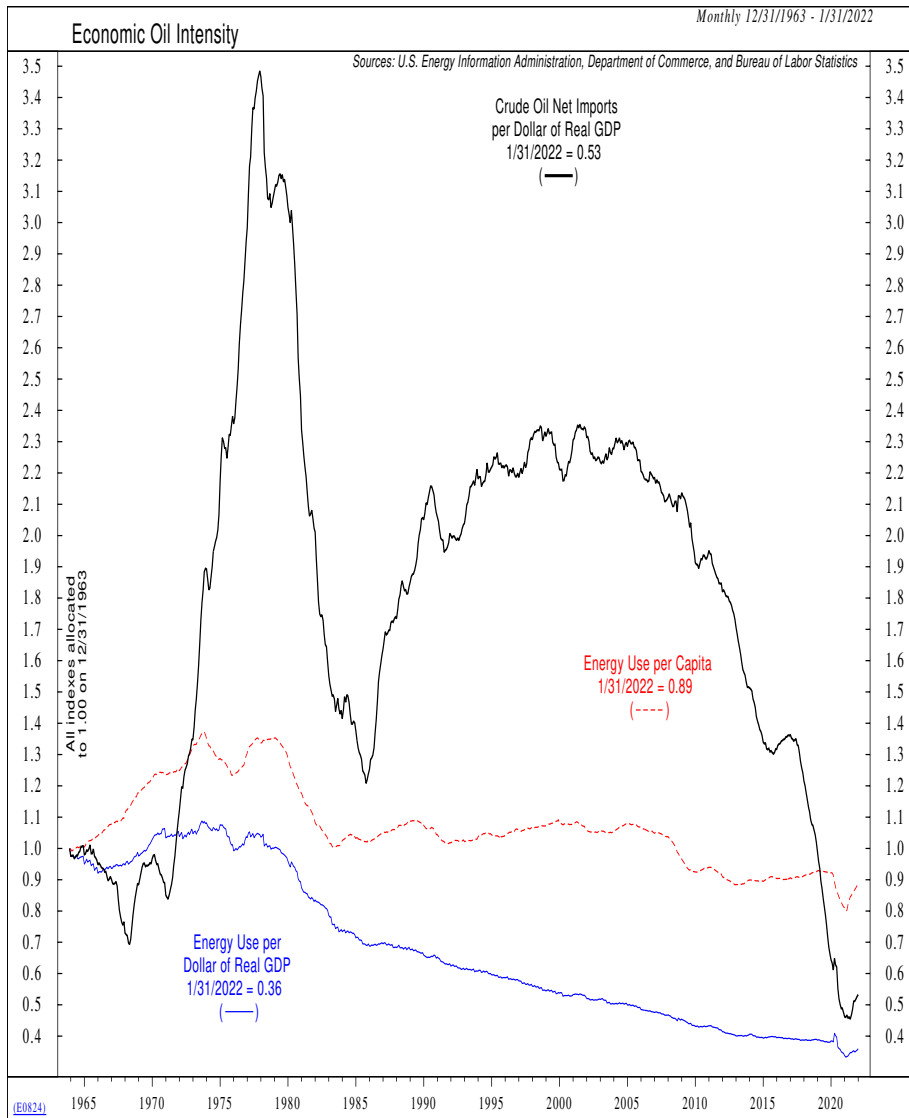
© Copyright 2022 NDR, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html For data vendor disclaimers refer to www.ndr.com/vendorinfo/

Oil spikes have slowed growth and led most recessions, but not a perfect indicator.

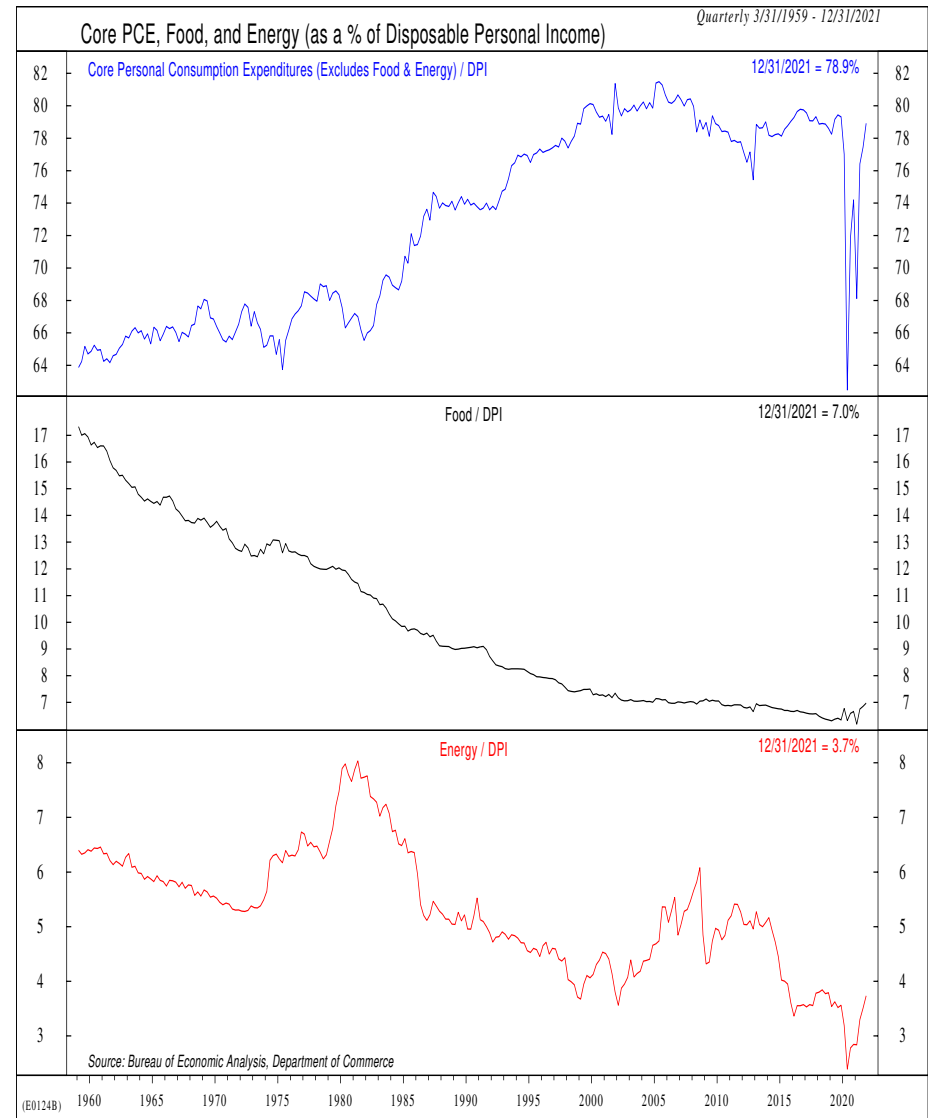


© Copyright 2022 Ned Davis Research, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html. For data vendor disclaimers refer to www.ndr.com/vendorinfo/.

U.S. economy and consumer **less dependent on oil.**

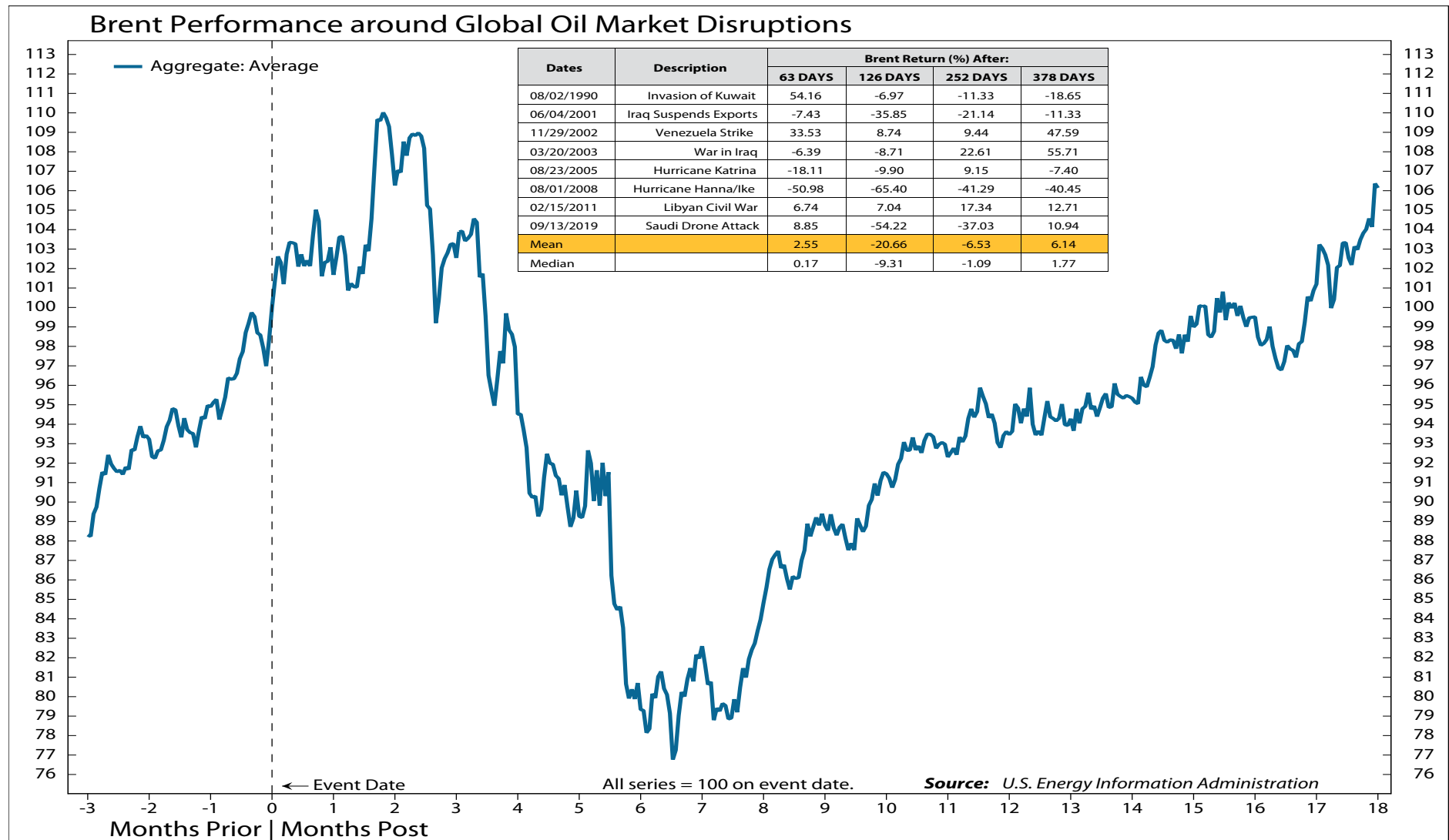


© Copyright 2022 Ned Davis Research, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html. For data vendor disclaimers refer to www.ndr.com/vendorinfo/.



© Copyright 2022 Ned Davis Research, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html. For data vendor disclaimers refer to www.ndr.com/vendorinfo/.

Price spikes from supply shocks often prove **short-lived**.

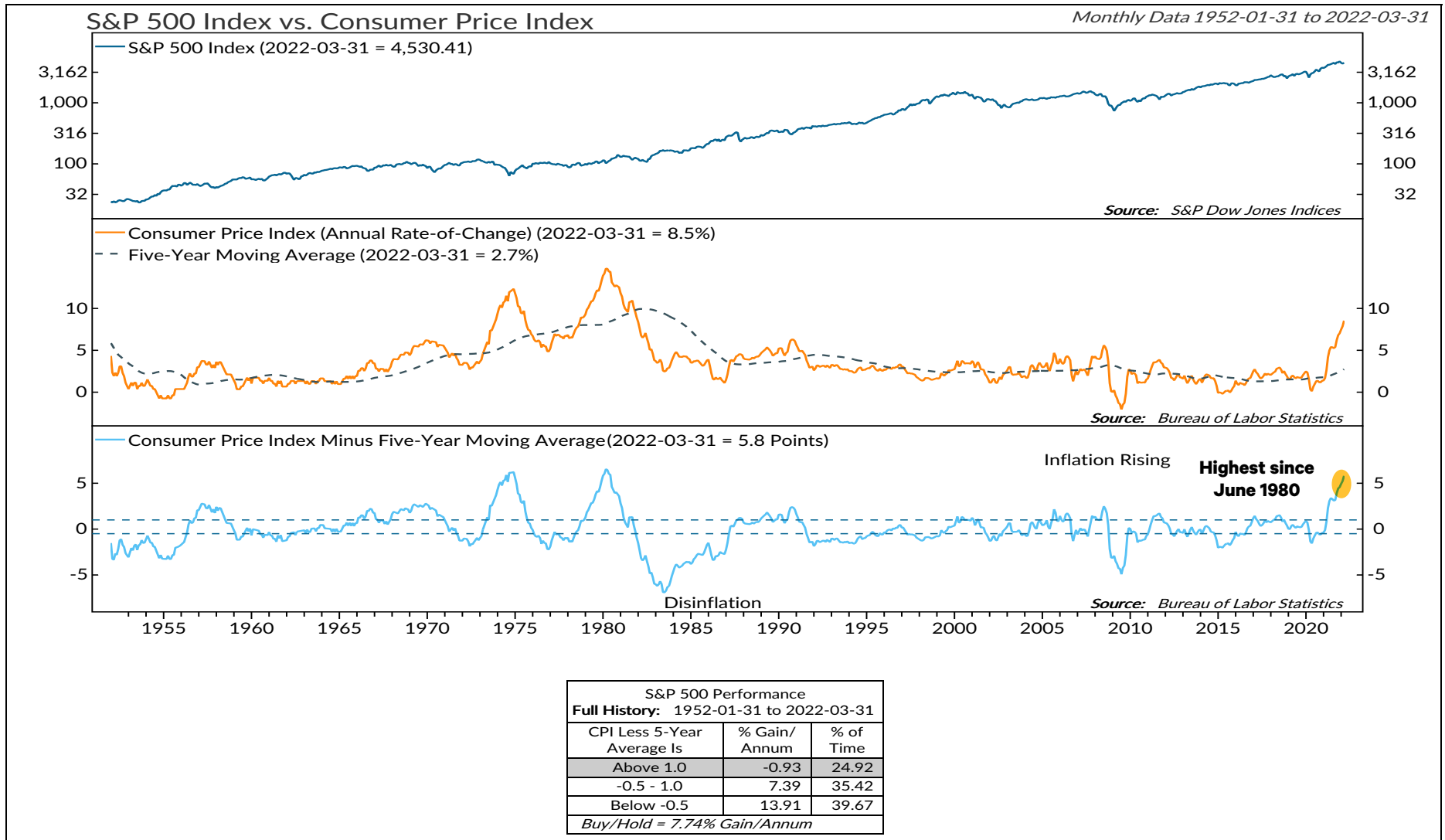


IF22_08A_C



© Copyright 2022 NDR, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html For data vendor disclaimers refer to www.ndr.com/vendorinfo/

Even temporary inflation spikes can be **headwind for stocks**.



[S1086](#)



© Copyright 2022 Ned Davis Research, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html. For data vendor disclaimers refer to www.ndr.com/vendorinfo/

For sectors, high inflation has **supported defensive leadership**.

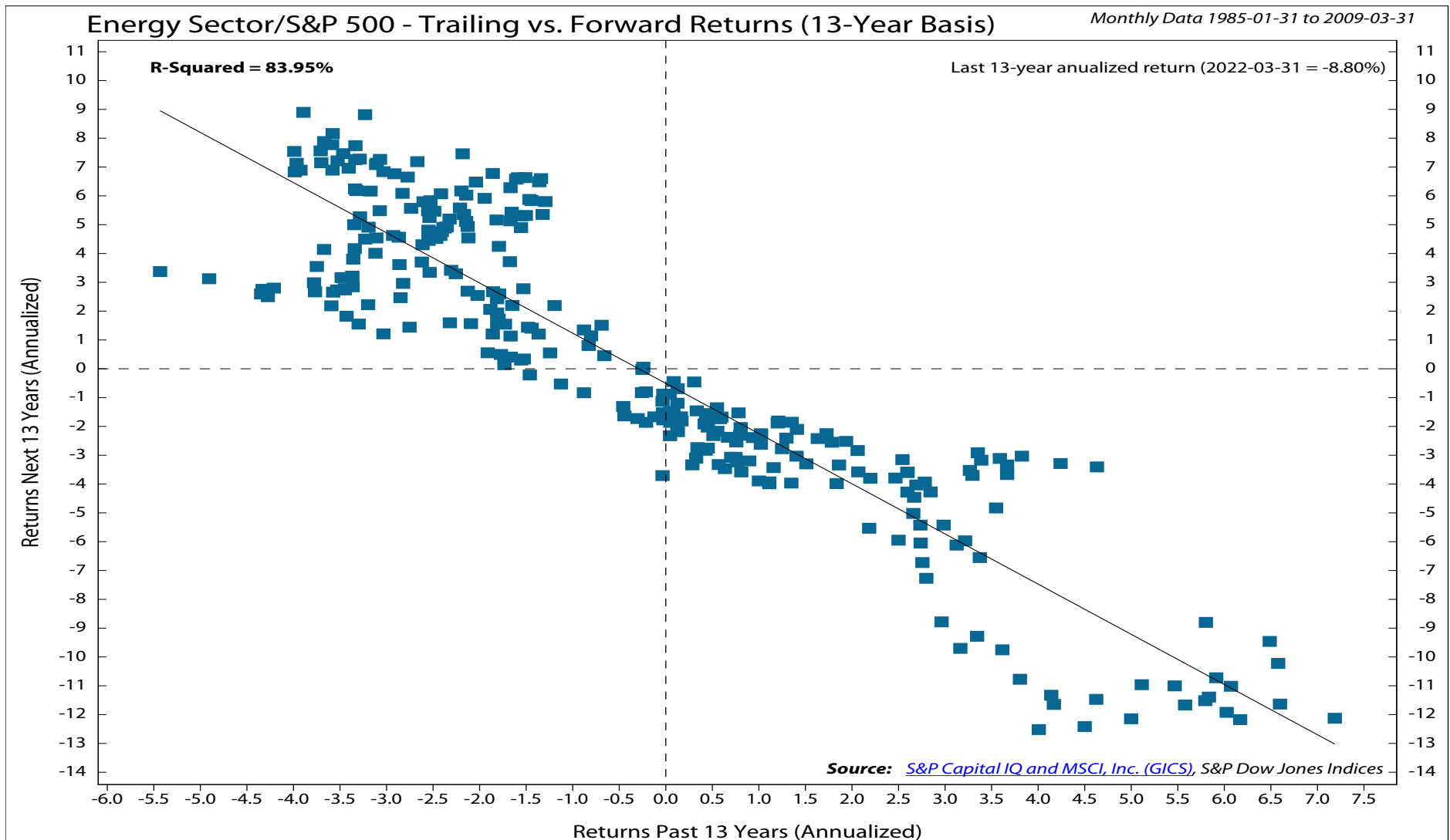
Sector Returns Relative to S&P 500 vs. Inflation Level			
Relative GPA when Y/Y CPI is:			
Sector	2.5% and Below	Between 2.5% and 4.0%	Above 4.0%
Consumer Staples	-4.5	3.3	5.3
Health Care	-1.1	3.3	2.9
Energy	-5.8	1.6	2.1
Communication Services	3.0	-4.1	0.4
Utilities	-7.7	-2.8	-0.9
Industrials	-1.6	1.5	-1.8
Materials	0.7	-2.4	-2.1
Financials	-2.9	-1.4	-2.6
Technology	6.1	0.1	-3.3
Consumer Discretionary	3.4	0.8	-3.6
% of Time	32.5	32.6	34.8
Median Cyclical Growth	3.4	0.1	-3.3
Median Cyclical Value	-2.2	0.1	-1.9
Median Defensive	-4.5	3.3	2.9

Returns are relative to the S&P 500. Real Estate excluded due to lack of history. Return statistics from 1/31/1972 to 3/8/2022. Source: S&P Dow Jones Indices.

Ned Davis Research

T_IF22_10.1

Energy could have **room to run**.

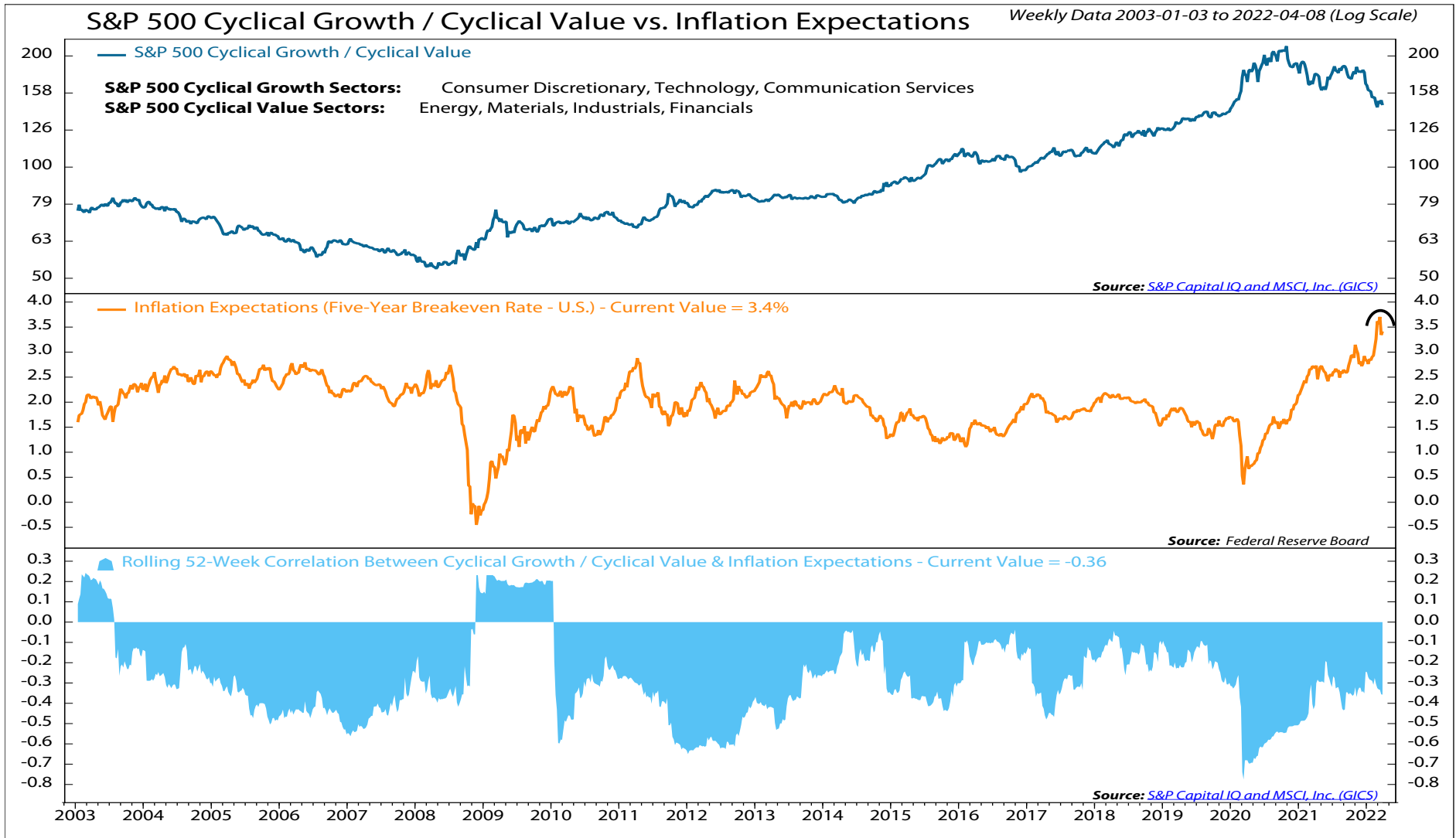


COM3900C



© Copyright 2022 NDR, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html For data vendor disclaimers refer to www.ndr.com/vendorinfo/

Inflation expectations have **fallen from peak**.

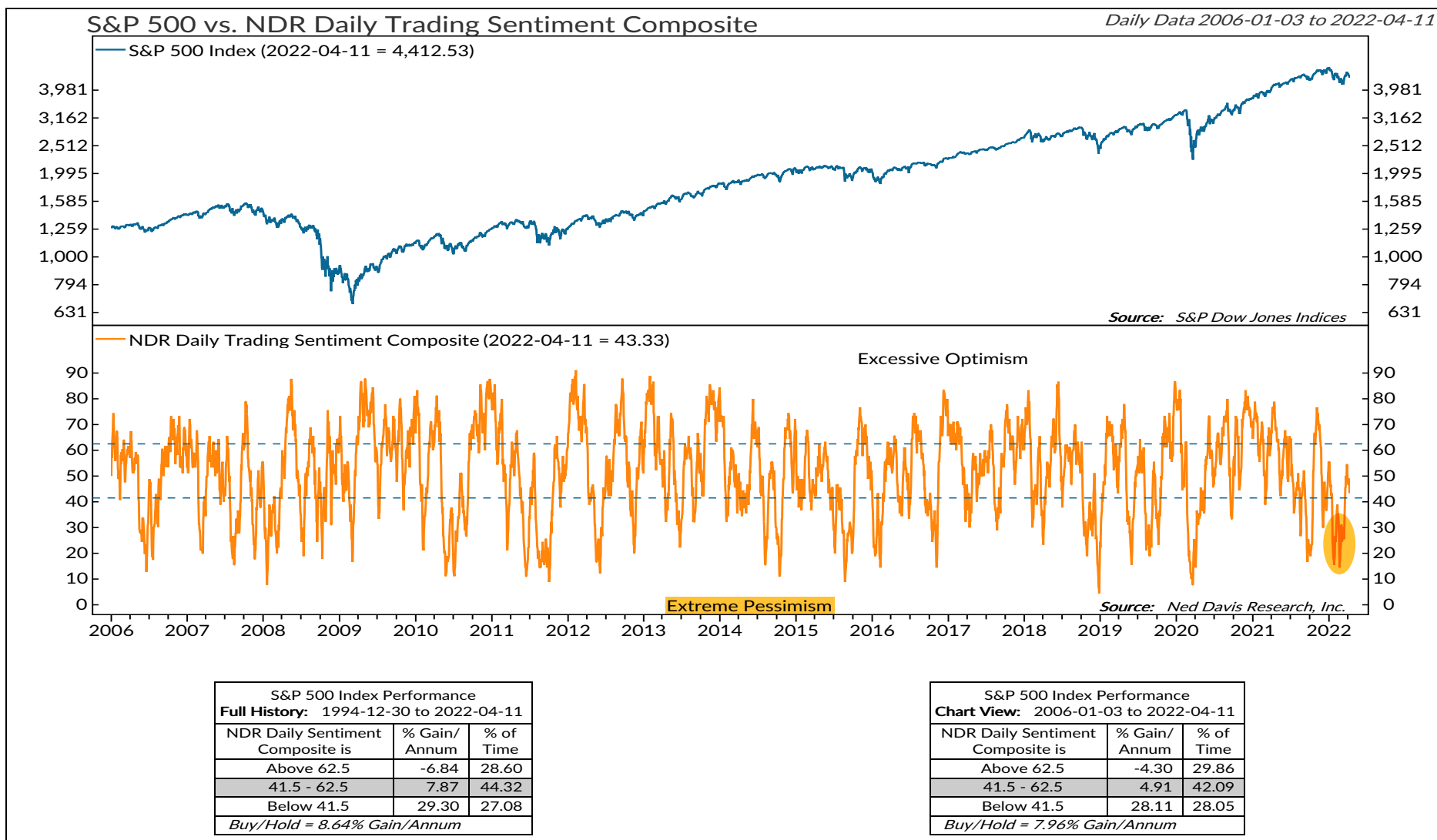


UIP517



© Copyright 2022 NDR, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html. For data vendor disclaimers refer to www.ndr.com/vendorinfo/

Sentiment Short-term sentiment reversing from extreme pessimism.

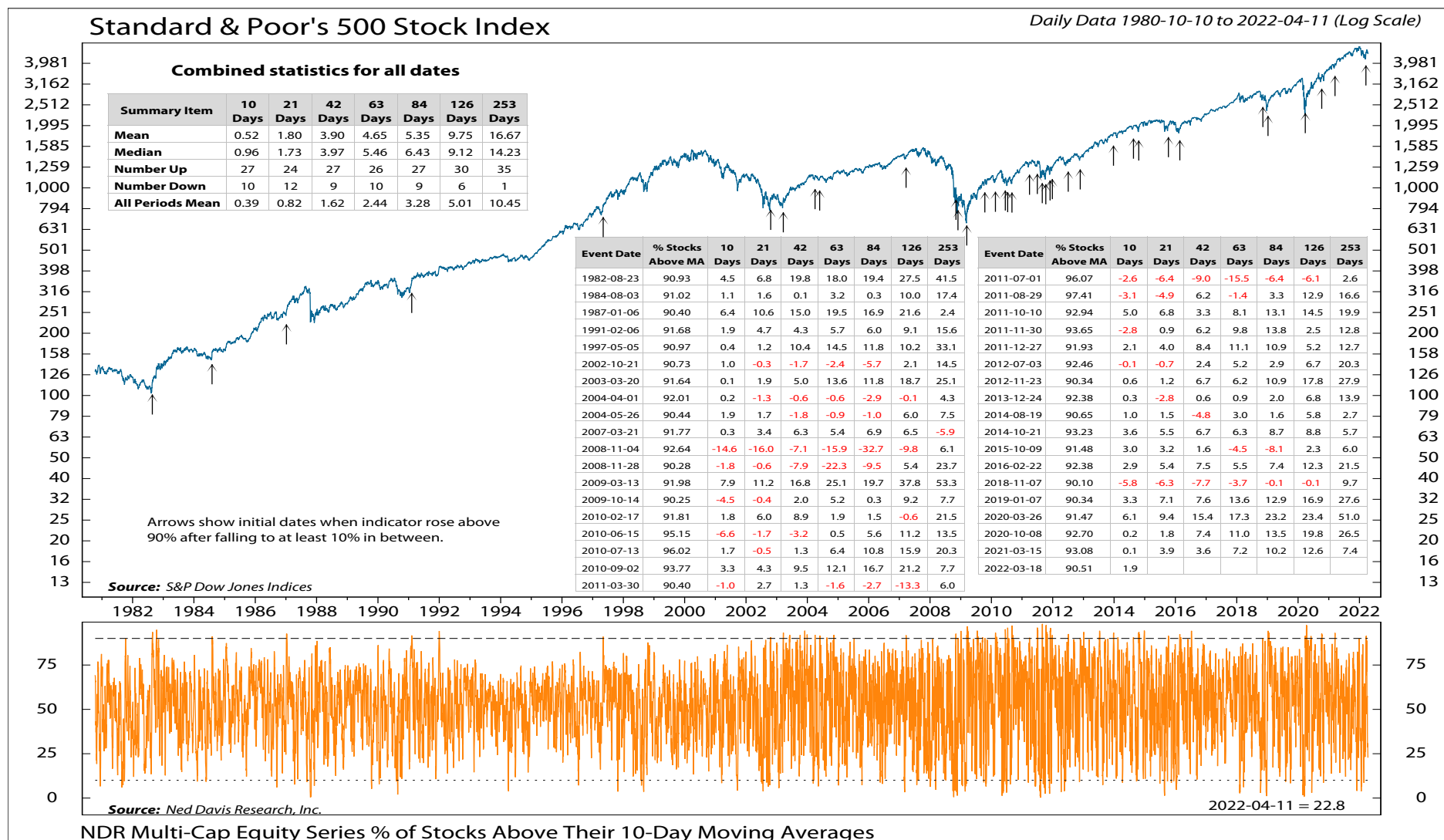


DAVIS265



© Copyright 2022 Ned Davis Research, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html. For data vendor disclaimers refer to www.ndr.com/vendorinfo/

Technical Rally triggered first **breadth thrusts** in a year.

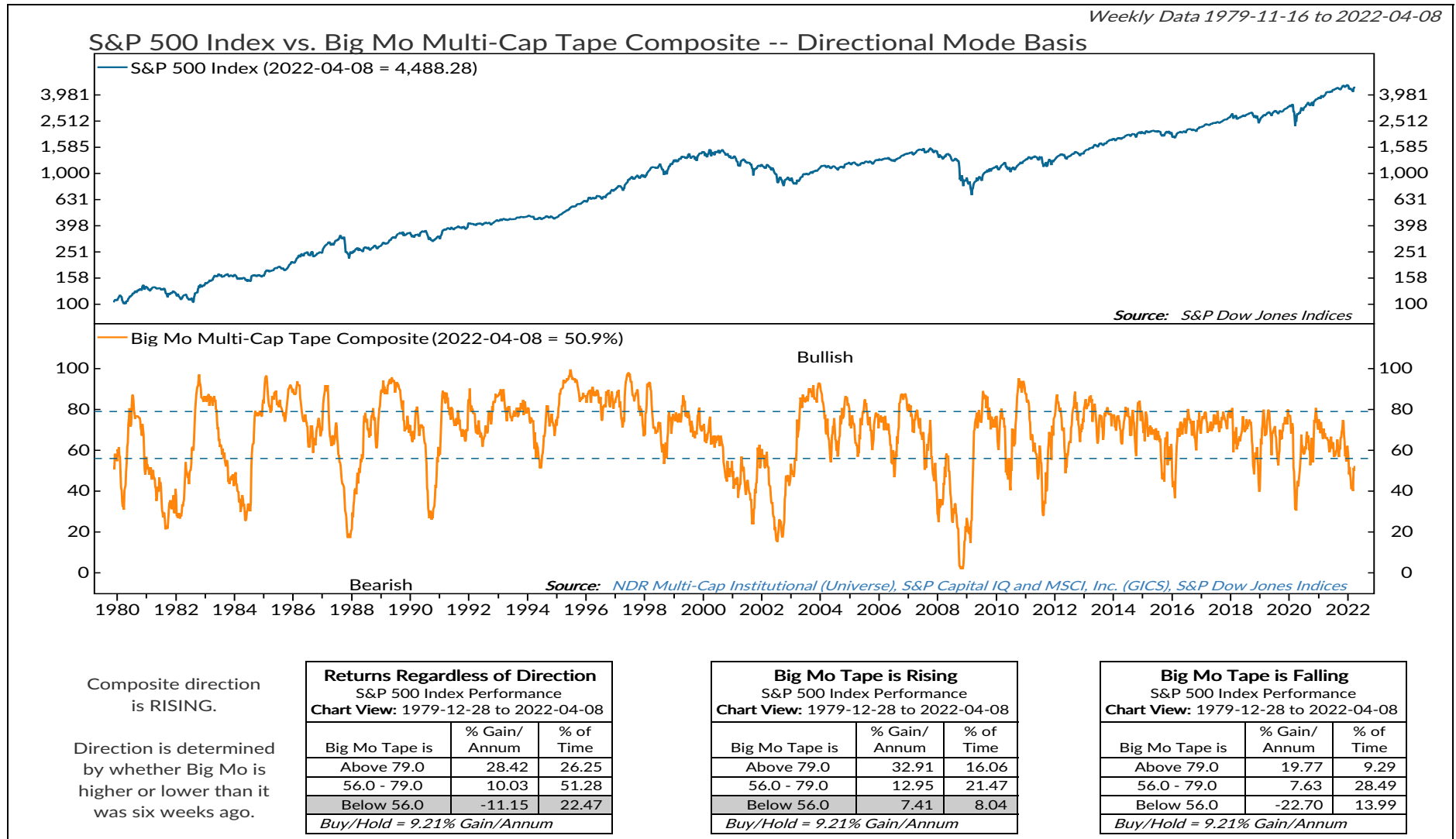


S45



© Copyright 2022 NDR, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html. For data vendor disclaimers refer to www.ndr.com/vendorinfo/

For **confirmation**, watch intermediate-term and long-term breadth.

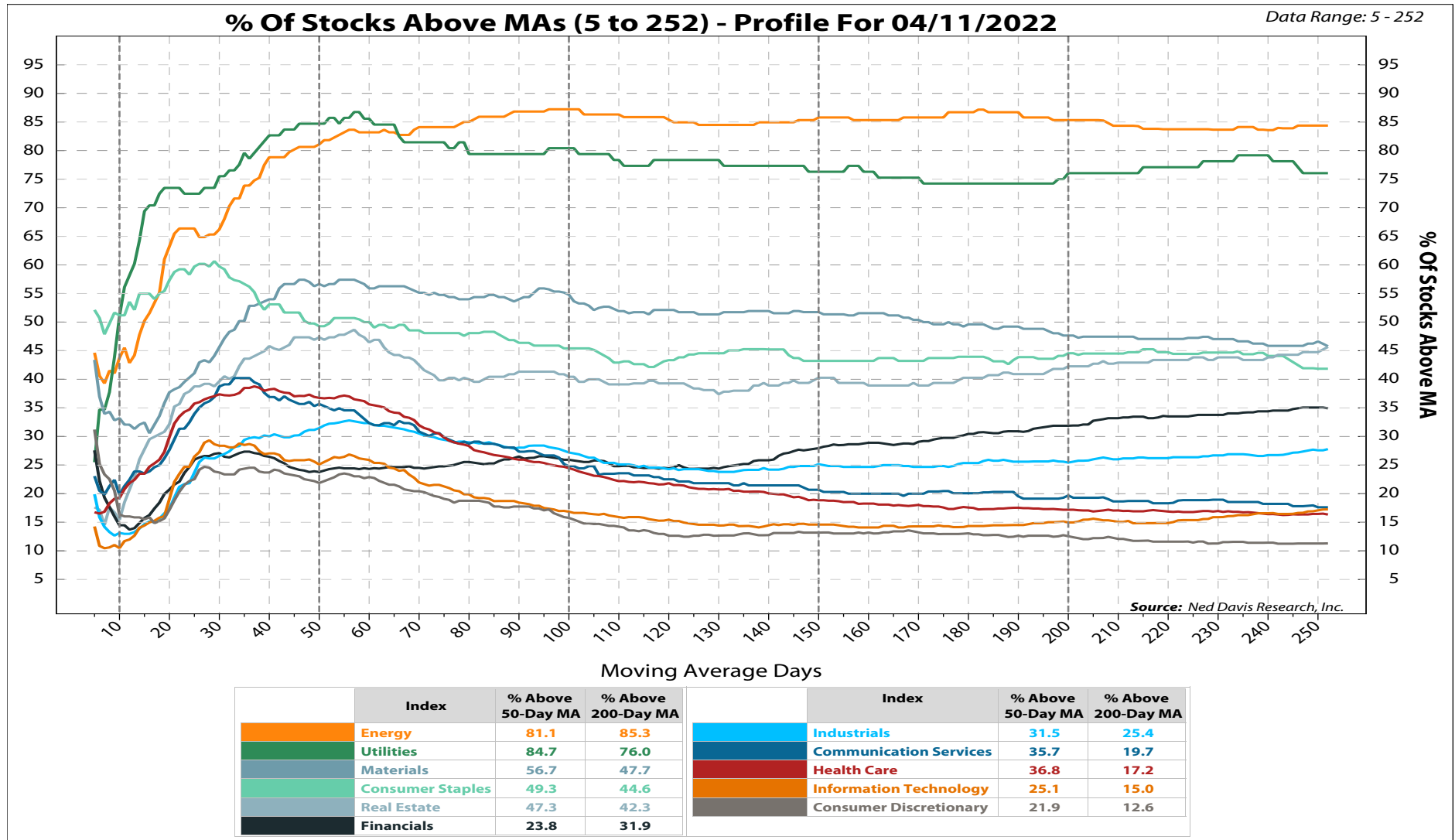


DAVIS250



© Copyright 2022 Ned Davis Research, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html. For data vendor disclaimers refer to www.ndr.com/vendorinfo/

Long-term breadth readings stronger for **Value sectors**.

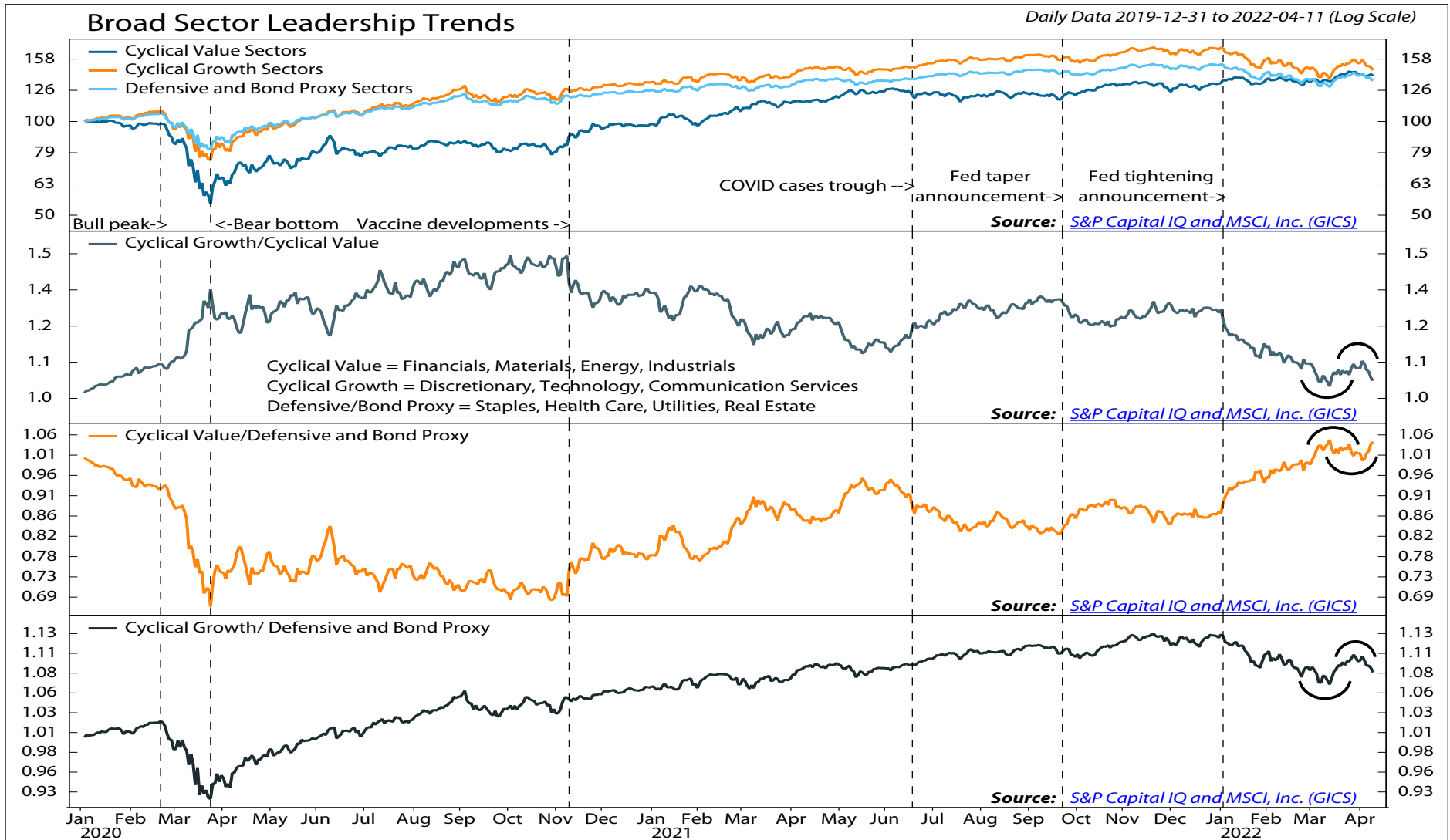


DAVIS275A



© Copyright 2022 NDR, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html For data vendor disclaimers refer to www.ndr.com/vendorinfo/

Watching sector leadership trends.

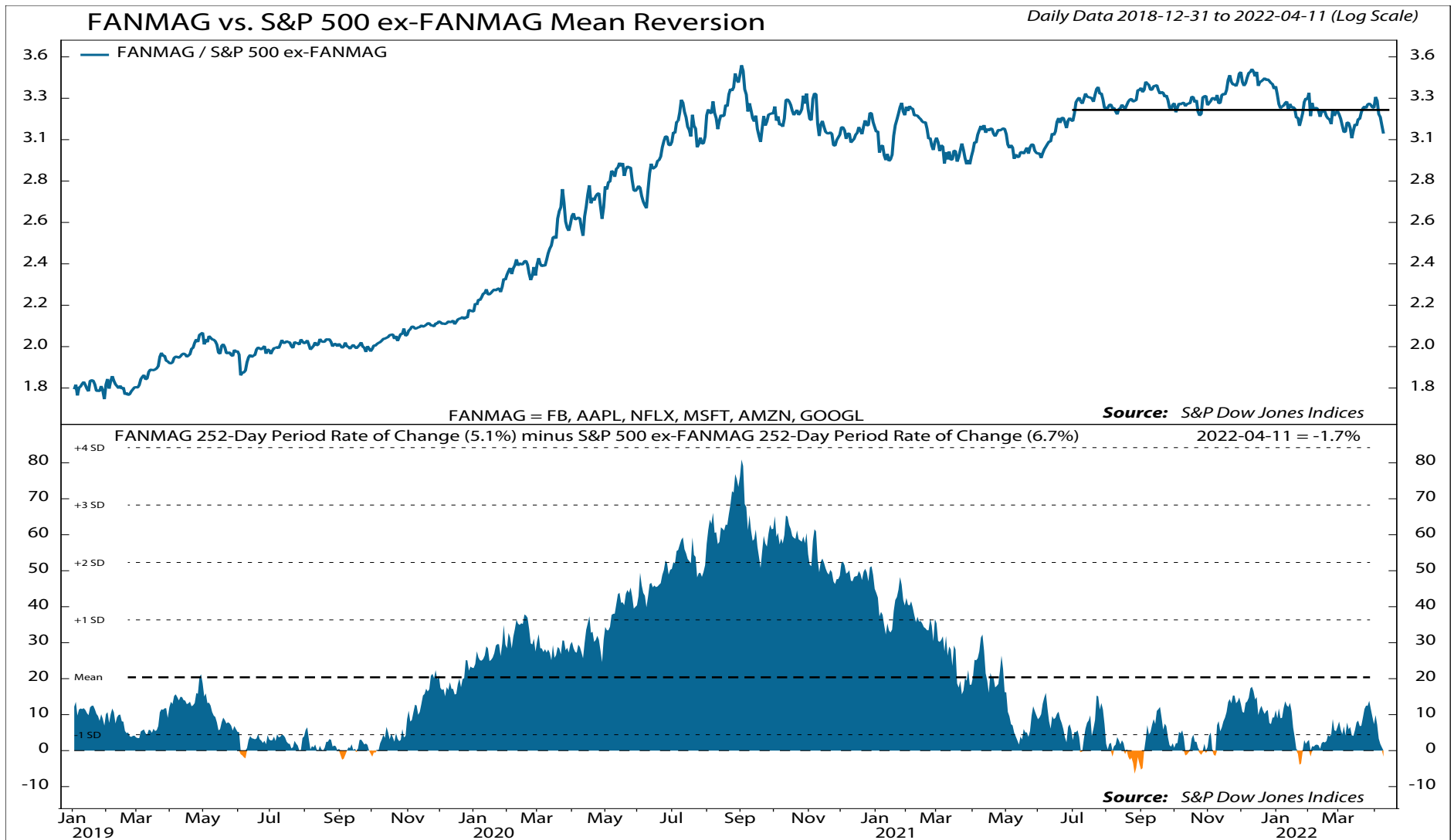


UIP518



© Copyright 2022 NDR, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html For data vendor disclaimers refer to www.ndr.com/vendorinfo/

FANMAG breakout or breakdown?



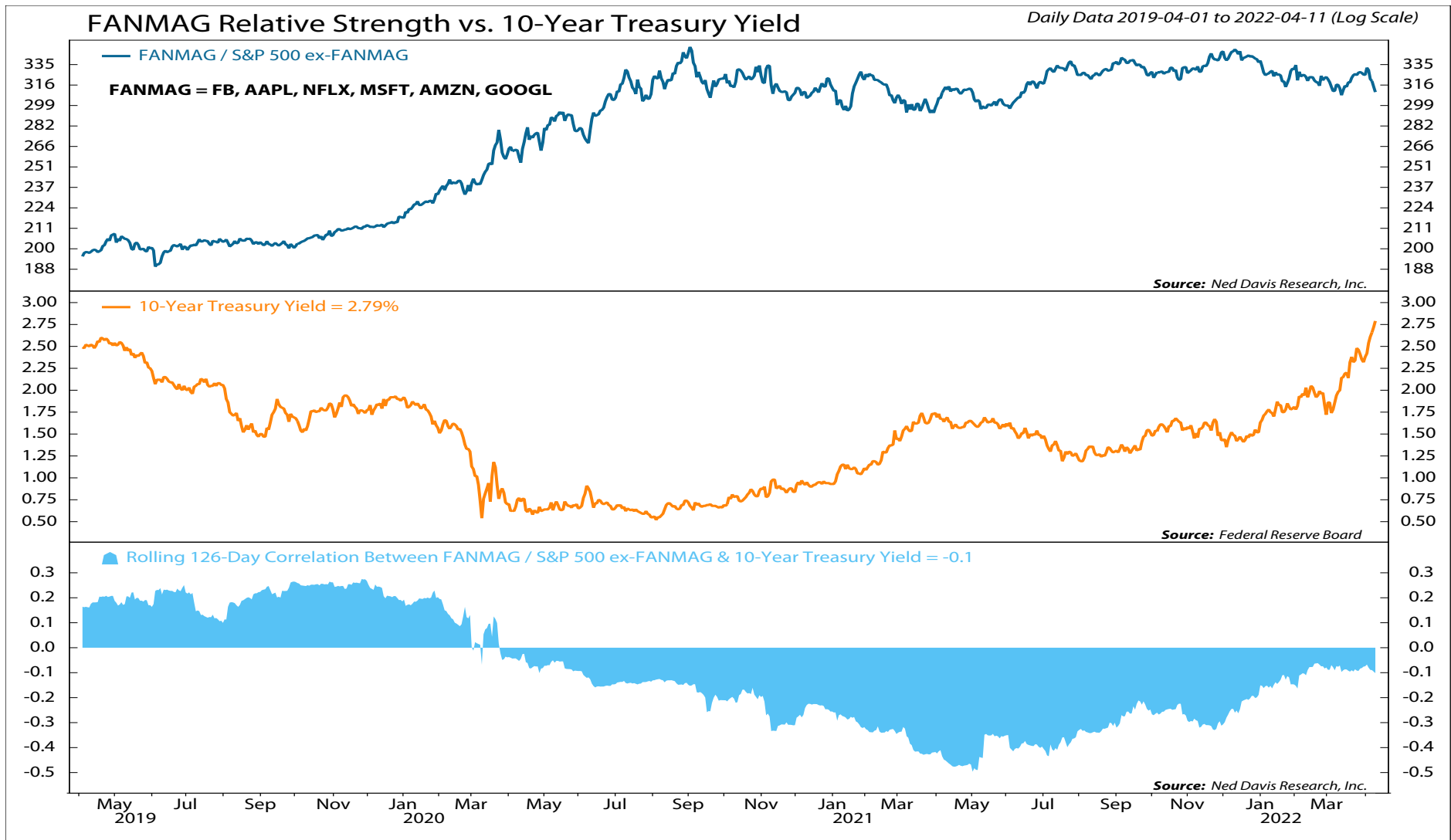
UIP5040E



© Copyright 2022 NDR, Inc. Further distribution prohibited without prior permission.
 All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html
 For data vendor disclaimers refer to www.ndr.com/vendorinfo/

Any trading symbols, entities or investment products displayed are for illustrative purposes only and are not intended to portray recommendations. Past performance is not necessarily indicative of future results.

FANMAG correlation with yields moving toward pre-COVID levels.



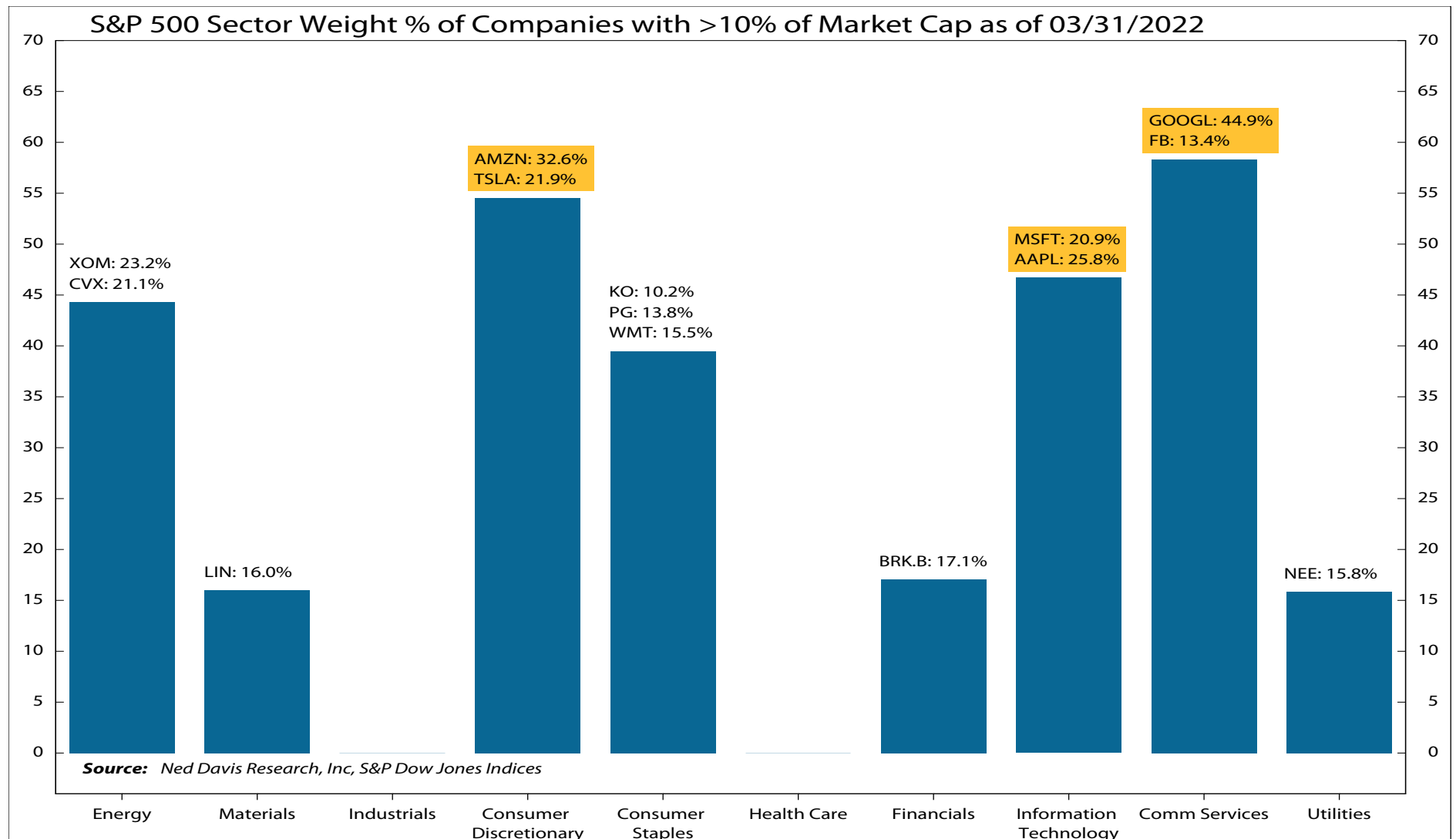
IF22_13A_C



© Copyright 2022 NDR, Inc. Further distribution prohibited without prior permission.
 All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html
 For data vendor disclaimers refer to www.ndr.com/vendorinfo/

Any trading symbols, entities or investment products displayed are for illustrative purposes only and are not intended to portray recommendations. Past performance is not necessarily indicative of future results.

Mega-caps **drive** cyclical Growth sector performance.

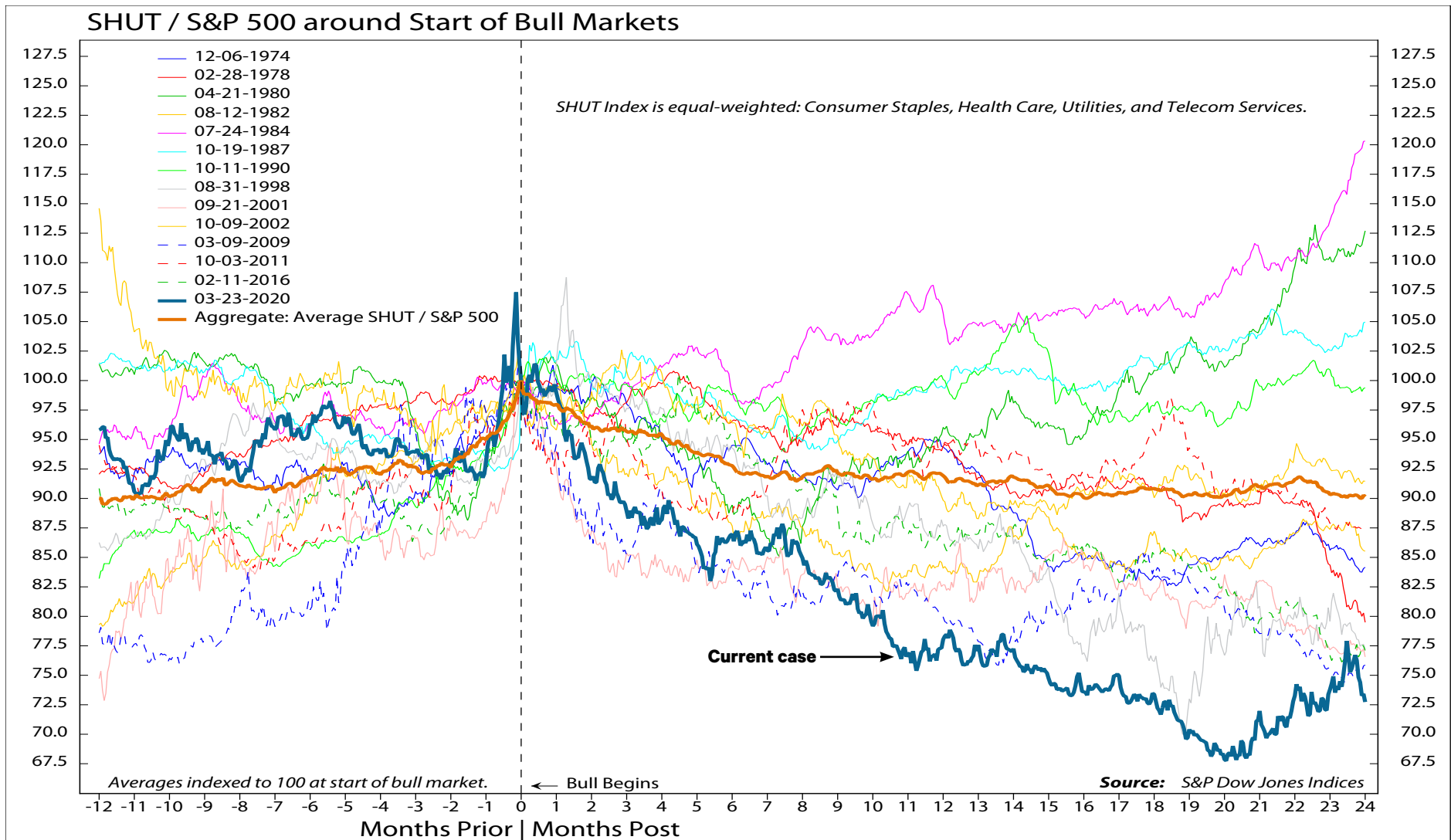


SP20211109J_C



© Copyright 2022 NDR, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html For data vendor disclaimers refer to www.ndr.com/vendorinfo/

Most defensive underperformance to start a bull market on record.

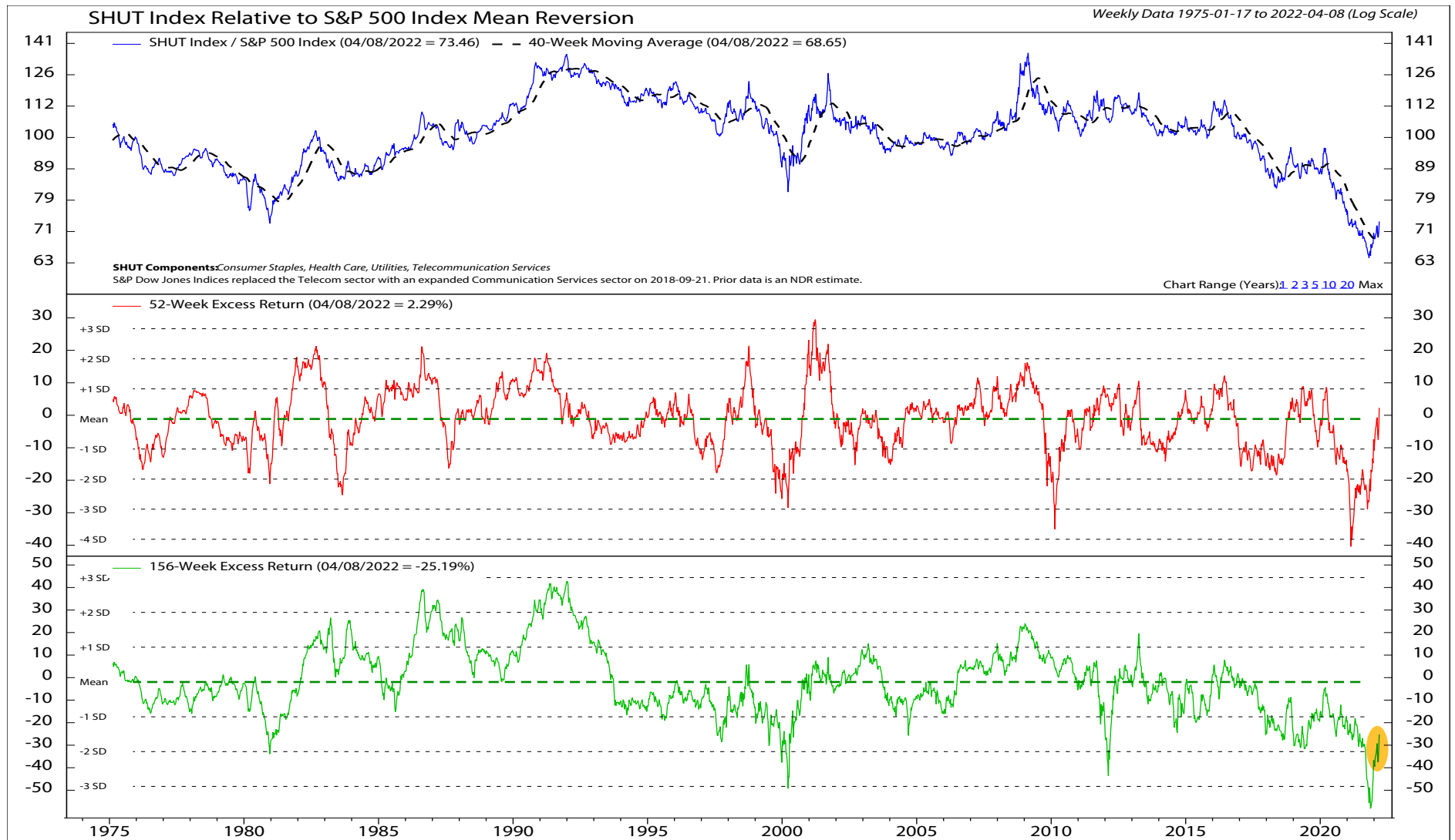


UIP8020



© Copyright 2022 NDR, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html For data vendor disclaimers refer to www.ndr.com/vendorinfo/

Defensive group remains almost 2.0 SD **oversold** on LT basis.

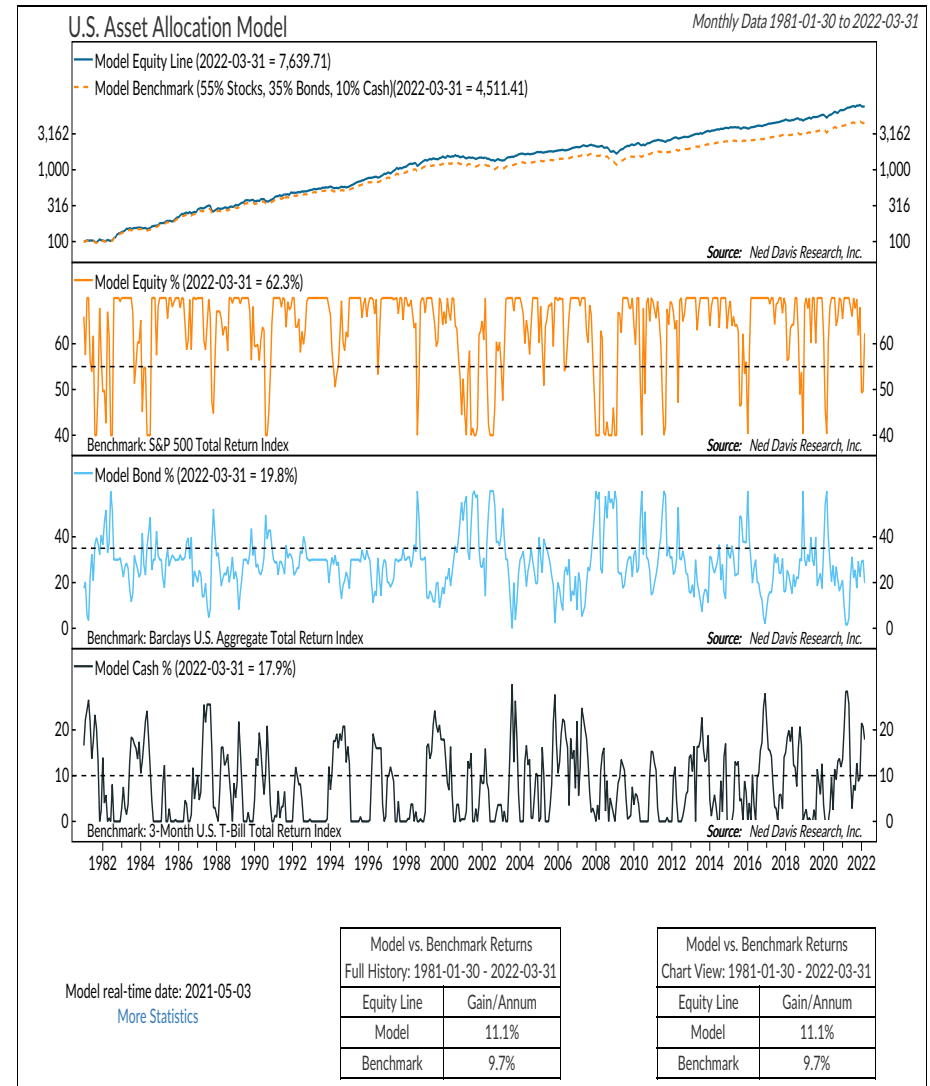
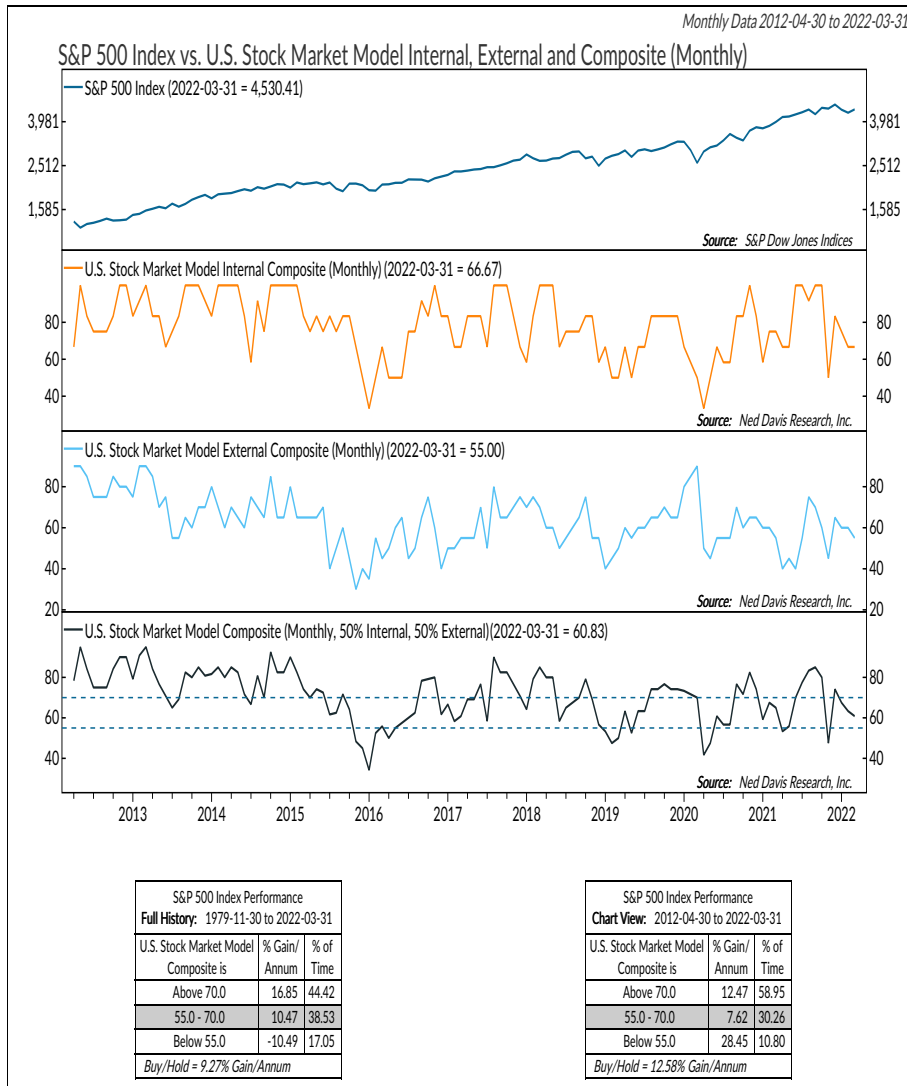


UIP501C



© Copyright 2022 NDR, Inc. Further distribution prohibited without prior permission.
 All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html
 For data vendor disclaimers refer to www.ndr.com/vendorinfo/

Models We are marketweight stocks on absolute basis and relative to bonds and cash.



575A



© Copyright 2022 Ned Davis Research, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html. For data vendor disclaimers refer to www.ndr.com/vendorinfo/

AA3000



© Copyright 2022 Ned Davis Research, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html. For data vendor disclaimers refer to www.ndr.com/vendorinfo/












Currently favor Value over Growth sectors.



NDR U.S. Sector Model

- Report: ES_6000.RPT
- Run Date: 2022-04-06
- Data Updated Through: 2022-04-05

Source: Ned Davis Research

U.S. Sector Model Weights				
Sector	Model Weight vs. Benchmark Weight*	Month-End Readings		
		2022-03-31	2022-02-28	2022-01-31
Energy %	 2.9	4.5	5.8	6.0
Materials %	 2.5	4.9	4.5	4.3
Industrials %	 8.1	8.5	8.7	11.6
Consumer Discretionary %	 13.0	14.6	6.6	5.9
Consumer Staples %	 6.4	6.0	8.7	8.0
Health Care %	 12.9	16.5	20.1	18.3
Financials %	 10.9	10.1	10.9	10.2
Information Technology %	 27.5	21.5	22.2	23.3
Communication Services %	 10.8	6.1	6.6	5.5
Utilities %	 2.4	4.7	3.6	4.8
Real Estate %	 2.6	2.8	2.3	2.1

Bottom Line

- War in Ukraine has added uncertainty to what already was going to be a challenging year for stocks.
- Technical improvement should be bullish over short term, but longer-term risks remain.
- Currently neutral on equities on both absolute and relative basis and favor Value over Growth sectors.

NDR Investments Conference 2022: At A Glance

Join us at the NDR Investments Conference 2022: Reversals and Transitions The State Room, Boston, June 14-15

Panel discussions will cover the global economy, global asset allocation, equities, fixed income, credit, emerging markets, geopolitics, US politics, thematic investing and ETF investing

Conference includes networking opportunities during breakfast, lunch and dinner with NDR's Chief Strategists

Network with attending asset & wealth managers (Founders, CIOs, Private Investors)

In person pass: \$699

Virtual passes available for international participants

Register: www.ndr.com/events



Agenda: NDR Investments Conference 2022, June 14, The State Room, Boston

8:00-9:00 AM	Breakfast Sponsored by Sector SPDRs		
9:00-9:15 AM	Opening remarks Fran Cashman, Divisional CEO, Asset Management	2:30-3:30 PM	The Fed's Difficult Juggling Act: What's Ahead for Fixed Income and Credit? Michael Santoli, Senior Markets Commentator, CNBC Joe Kalish, Chief Macro Strategist, NDR Tony Crescenzi, Portfolio Manager, Macro Strategist, PIMCO Nate Molinari, Investment Office, Aegis Insurance Service
9:15-10:00 AM	Global Macroeconomic Outlook: What Reversals and Transitions Might We Anticipate? Alejandra Grindal, Chief Economist, NDR Veneta Dimitrova, Senior U.S. Economist, NDR		
10:00-11:00 AM	Global Asset Allocation: Investment Opportunities and Risks. Recommendations for Multi-Asset Portfolios Michael Santoli, Senior Markets Commentator, CNBC Tim Hayes, Chief Global Investment Strategist, NDR Markus Kalina, Managing Director, Atalo Capital	3:30-3:45 PM	Coffee Break
11:00-11:30 PM	Coffee Break	3:45-4:45 PM	Emerging Markets and Geopolitical Affairs: U.S. – Russia, U.S.-China, BRIC & G& Alejandra Grindal, Chief Economist, NDR Matt Gertken, US Political Strategist, BCA Research Shayne McGuire, Portfolio Manager, Emerging Markets & Gold Fund, Teacher's Retirement System of Texas
11:30-12:30 PM	Capital Flows into Equities Michael Santoli, Senior Markets Commentator, CNBC Ed Clissold, Chief U.S. Strategist, NDR Rob Anderson, U.S. Sector Strategist, NDR Howard Hodel, Deputy CIO, Hawaii Employees' Retirement System	3:45-4:45 PM	Breakout Session: Using AI / NLP to Tackle Thematic Investing Kiersten Engel, Senior Research Analyst, NDR Lisa Michalski, Director, Custom Research Solutions, NDR Pat Tschosik, Senior Portfolio Strategist, NDR
12:30-1:30 PM	Lunch	4:45-5:00 PM	Closing Remarks Paul Jakubowicz, Managing Director, NDR
1:30-2:30 PM	US Midterm Elections & Impact on Investments: Congressional Gridlock, Executive Action, Peak Polarization Matt Gertken, US Political Strategist, BCA Research E. Dryden Pence, CIO Pence Wealth Management	5:00-5:30 PM	Drinks Reception
		6:00-8:00 PM	Small Dinners with NDR Strategists and Sponsors

Agenda: NDR Investments Conference 2022, June 15, The State Room, Boston

8:00-9:00 AM **Breakfast sponsored by RavenPack**

9:00-9:05 AM **Welcome**
Paul Jakubowicz, Managing Director, NDR

9:05-10:00 AM **NDR Investment Strategy: Mid-Year Outlook and Beyond**
Tim Hayes, Chief Global Investment Strategist, NDR
Joe Kalish, Chief Macro Strategist, NDR
Ed Clissold, Chief US Strategist, NDR
Saumen Chattopadhyay, CIO, One Digital Retirement & Wealth

10:00-10:45 AM **Fireside Chat with Captains of Industry**
Ned Davis, NDR Fonder, Senior Investment Strategist
Bob Haber, Founder, Partner & CIO, Proficio Capital

10:45-11:45 AM **Thematic Opportunities and Disruptive Innovations:
Clean Energy, Commodities, and Crypto**
Pat Tschosik, Senior Portfolio Strategist, NDR
John LaForge, Head of Real Asset Strategy, Wells Fargo

11:45-12:45 AM **The Evolving Landscape of ESG: ESG ETFs, Data Monitoring,
Technology Solutions & Regulator Changes**
Matt Bauer, ETF Strategist, NDR
Pat Tschosik, Senior Portfolio Strategist, NDR

11:45-12:45 AM Breakout Session: Navigating the Modern Investments
Landscape and Investments Processes
Donald L. Hagan, Partner, Co-Founder, Day Hagan Asset
Management
Brian Sanborn, Head of Investment Solutions, NDR

12:45-1:00 PM **Closing Remarks**
Paul Jakubowicz, Managing Director, NDR

1:00-2:00 PM **Lunch**

For global asset allocation, NDR recommends overweight allocation to cash, marketweight allocation to stocks and underweight allocation to bonds. Equities remain in the secular bull market started in 2009. But we have been expecting increased volatility and recognize the possibility of a cyclical bear market.

Equity Allocation

U.S. | Our intermediate-term outlook for U.S. equities is neutral. On an asset allocation basis, we are overweight cash and underweight bonds. We favor large-caps over small-caps and are neutral on Growth versus Value.

INTERNATIONAL | We are overweight Japan and Canada, underweight Europe ex. U.K. and Emerging Markets, and marketweight on all other regions.

Macro

ECONOMY | The global economy is poised for slower, but still strong growth in 2022, as high savings and wealth, pent-up demand, and the broadening of vaccines globally support growth. The COVID pandemic, supply chain issues, elevated inflation, and tighter global monetary policy present risks to the outlook.

FIXED INCOME | We are 90% of benchmark duration and expect the yield curve to flatten. We are overweight CMBS, ABS, and HY corporates, and marketweight everything else.

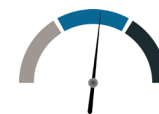
GOLD | Long-term uptrend intact. We are bullish.

DOLLAR | Our long-term technical composite is positive. We are neutral, also recognizing real interest rate differentials.

Economic Summary

April 11, 2022

Near term activity: ● Accelerating ● Neutral ● Decelerating



Global Economy
(4.3%)



U.S. Economy
(3.0%-3.5%)



U.S. Inflation
(4.0%-4.5%)

Economic gauges reflect changes in near-term economic activity. Numbers in parenthesis refer to NDR 2022 forecasts.

Global Asset Allocation

● Overweight ● Marketweight ● Underweight

- Cash (15%)
- Stocks (55%)
- Bonds (30%)

Benchmark: Stocks (55%), Bonds (35%), Cash (10%)

Equities — Regional Relative Allocation

- Japan (8%) | Canada (6%)
- U.S. (62%) | U.K. (4%) | Pacific ex. Japan (2%)
- Europe ex. U.K. (9%) | Emerging Markets (9%)

Benchmark – U.S. (60.1%), Europe ex. U.K. (12.6%), Emerging Markets (11.9%), Japan (5.8%), U.K. (3.7%), Pacific ex. Japan (2.9%), Canada 2.9%)

Global Bond Allocation

- Japan (20%) | U.K. (10%)
- Europe (25%)
- U.S. (45%)

Benchmark: U.S. (53%), Europe (27%), Japan (15%), U.K. (5%)

U.S. Allocation

- Cash (15%) | Large-Cap
- Stocks (55%) | Growth | Value | Mid-Cap
- Bonds (30%) | Small-Cap

Benchmark: Stocks (55%), Bonds (35%), Cash (10%)

Sectors

- Energy (5%) | Materials (4%) | Consumer Staples (9%) | Health Care (16%) | Utilities (4%)
- Consumer Discretionary (10%) | Communication Services (8%) | Technology (23%)

Benchmark: Technology (27.4%), Health Care (12.9%), Financials (10.9%), Communication Services (10.9%), Consumer Discretionary (13.1%), Consumer Staples (6.4%), Industrials (8.2%), Energy (2.8%), Utilities (2.4%), Real Estate (2.5%), Materials (2.5%)

U.S. Bonds — 90% of Benchmark Duration



Rob Anderson, CFA

U.S. Sector Strategist

Rob Anderson, CFA is NDR's U.S. Sector Strategist. He is responsible for U.S. sector analysis as well as sector allocation, recommending sector weights across all 11 GICS sectors. Rob authors weekly **Sector Focus** and monthly **Sector Update** publications.

Prior to joining NDR in 2018, Rob was a Derivative Valuation Consultant at Northern Trust in Chicago, IL. He was responsible for creating and maintaining valuation models for OTC derivative products that were used to value client portfolios. Prior to Northern Trust, Rob worked as a Securities Operation Service Specialist for Wells Fargo Advisors in St. Louis, MO.

Rob earned his Bachelor of Science degree in Banking and Finance from the University of Missouri and received a Master of Business Administration degree from Webster University in St Louis, MO. Rob is a CFA charterholder and a member of the CFA Institute.



NDR
NED DAVIS RESEARCH

NED DAVIS RESEARCH

NDRsales@ndr.com
www.ndr.com
(800) 241-0621

NOKOMIS

2520 North Tamiami Trail
Nokomis, FL 34275
(941) 412-2300

NEW YORK

1120 Avenue of the Americas
6th Floor
New York, NY 10036
(646) 810-7270

MONTREAL

1001 de Maisonneuve Boulevard W.
Suite 1510
Montreal, QC, Canada H3A 1X8

LONDON

8 Bouverie Street
Temple, London
EC4Y 8AX
+44 (0) 20 7779-8682

HONG KONG

12/F, V-Point, 18 Tang Lung Street,
Causeway Bay
Hong Kong
+852 3416 6676

AUSTRALIA

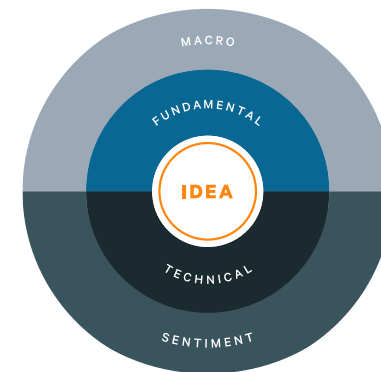
19/1 O'Connell Street
Sydney, Australia
+61282491867



NDR
NED DAVIS RESEARCH

See the signals.™

Founded in 1980, Ned Davis Research Group is a leading independent research firm with clients around the globe. With a range of products and services utilizing a 360° methodology, we deliver award-winning solutions to the world's leading investment management companies. Our clients include professionals from global investment firms, banks, insurance companies, mutual funds, hedge funds, pension and endowment funds, and registered investment advisors.



Important Information and Disclaimers

Ned Davis Research, Inc. (NDR), any NDR affiliates or employees, or any third-party data provider, shall not have any liability for any loss sustained by anyone who has relied on the information contained in any NDR publication. In no event shall NDR, any NDR affiliates or employees, or any third-party data provider, be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of the information contained in this document even if advised of the possibility of such damages.

The data and analysis contained in NDR's publications are provided "as is" and without warranty of any kind, either expressed or implied. The information is based on data believed to be reliable, but it is not guaranteed. **NDR DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE.**

NDR's reports reflect opinions of our analysts as of the date of each report, and they will not necessarily be updated as views or information change. All opinions expressed therein are subject to change without notice, and you should always obtain current information and perform due diligence before trading. NDR or its affiliated companies or their respective shareholders, directors, officers and/or employees, may have long or short positions in the securities discussed in NDR's publications and may purchase or sell such securities without notice.

NDR uses and has historically used various methods to evaluate investments which may, at times, produce contradictory recommendations with respect to the same securities. When evaluating the results of prior NDR recommendations or NDR performance rankings, one should also consider that **NDR may modify the methods it uses to evaluate investment opportunities from time to time, that model results do not impute or show the compounded adverse effect of transaction costs or management fees or reflect actual investment results, that other less successful recommendations made by NDR are not included with these model performance reports, that some model results do not reflect actual historical recommendations, and that investment models are necessarily constructed with the benefit of hindsight. Unless specifically noted on a chart, report, or other device, all performance measures are purely hypothetical, and are the results of back-tested methodologies using data and analysis over time periods that pre-dated the creation of the analysis and do not reflect tax consequences, execution, commissions, and other trading costs. For these and for many other reasons, the performance of NDR's past recommendations and model results are not a guarantee of future results.**

Using any graph, chart, formula, model, or other device to assist in deciding which securities to trade or when to trade them presents many difficulties and their effectiveness has significant limitations, including that prior patterns may not repeat themselves continuously or on any particular occasion. In addition, market participants using such devices can impact the market in a way that changes the effectiveness of such devices. NDR believes no individual graph, chart, formula, model, or other device should be used as the sole basis for any investment decision and suggests that all market participants consider differing viewpoints and use a weight of the evidence approach that fits their investment needs. Any particular piece of content or commentary may or may not be representative of the NDR House View, and may not align with any of the other content or commentary that is provided in the service. Performance measures on any chart or report are not intended to represent the performance of an investment account or portfolio, as some formulas or models may have superior or inferior results over differing time periods based upon macro-economic or investment market regimes. NDR generally provides a full history of a formula or model's hypothetical performance, which often reflects an "all in" investment of the represented market or security during "buy", "bullish", or similar recommendations. This approach is not indicative of the intended usage of the recommendation in a client's portfolio, and for this reason NDR does not typically display returns as would be commonly stated when reporting portfolio performance. Clients seeking the usage of any NDR content in a simulated portfolio back-test should contact their account representative to discuss testing that NDR can perform using the client's specific risk tolerances, fees, and other constraints.

NDR's reports are not intended to be the primary basis for investment decisions and are not designed to meet the particular investment needs of any investor. The reports do not address the suitability of any particular investment for any particular investor. The reports do not address the tax consequences of securities, investments, or strategies, and investors should consult their tax advisors before making investment decisions. Investors should seek professional advice before making investment decisions. The reports are not an offer or the solicitation of an offer to buy or to sell a security.

Further distribution prohibited without prior permission. Full terms of service, including copyrights, terms of use, and disclaimers are available at <https://www.ndr.com/web/ndr/terms-of-service>. For data vendor disclaimers, refer to www.ndr.com/vendorinfo.

Copyright 2022 (c) Ned Davis Research, Inc. All rights reserved.