

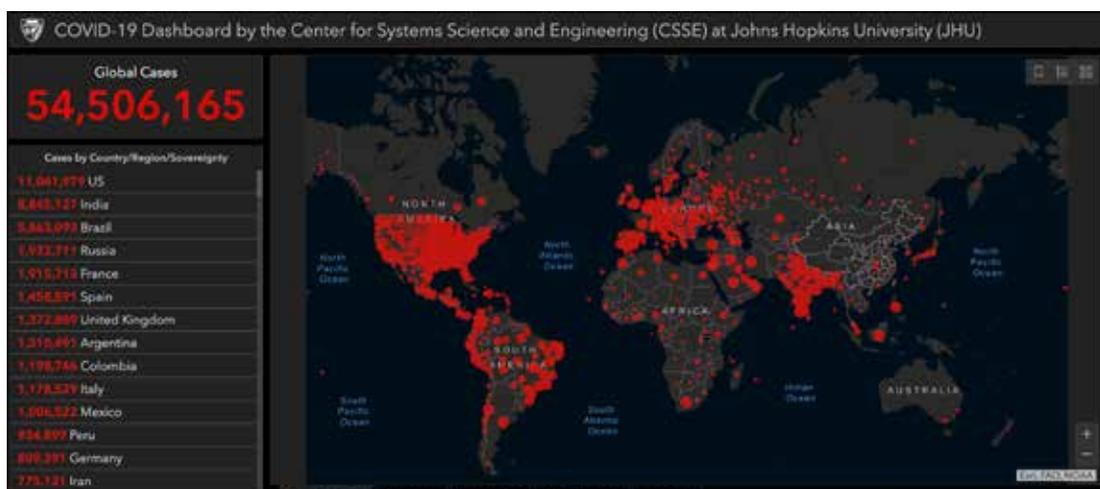


Global equity markets experienced some dispersions as investors piled capital into more traditional industries. In the US, the Dow Jones outperformed the S&P 500 as the tech-heavy Nasdaq Composite declined. Real US Treasury yields (inflation-indexed bonds) climbed as traders felt more optimistic about the long-run path for world growth. Anti-fiat gold prices tumbled.

This occurred as Pfizer announced that its Covid vaccine was over 90% effective in preventing the disease. Crude oil prices gained, also boosted by news that OPEC+ could further delay raising

production into next year. Energy prices are eyeing a key meeting between these oil-producing nations on Tuesday for further insight. Yet, there remain obstacles for economic activity going forward.

Notable economic numbers to watch this week are housing starts on Wednesday and initial jobless claims on Thursday. Another significant event is the ongoing election, the vote recount, and President Trump's refusal to concede.



Source: CSSE / JHU

Covid cases are rising exponentially in the US, with Europe seeing spikes. The US alone has seen 1 million new cases in the past 6 days. A reintroduction of isolated lockdowns could derail global growth prospects, boosting haven-linked currencies like the US Dollar and Japanese Yen. This is as policymakers in the US appear to remain stalled over another fiscal package.

## GAUGE OF THE GRADE



Our tactical model is moved into positive territory as post-election market sentiment turned positive.

### SECTOR RETURNS

|                        | 1 WEEK | 1 MONTH | 3 MONTHS | YTD     | 12 MONTHS |
|------------------------|--------|---------|----------|---------|-----------|
| Basic Materials        | 1.79   | 4.92    | 8.96     | 10.06   | 12.97     |
| Communication Services | 0.92   | 4.80    | 9.20     | 18.13   | 19.40     |
| Consumer Cyclical      | (0.36) | (1.60)  | 8.35     | 31.92   | 38.05     |
| Consumer Defensive     | 3.01   | 0.80    | 5.78     | 9.53    | 12.93     |
| Energy                 | 16.40  | 10.29   | (9.89)   | (43.18) | (40.62)   |
| Financial Services     | 7.12   | 5.93    | 7.02     | (6.87)  | (2.93)    |
| Healthcare             | 1.80   | 3.14    | 6.00     | 12.96   | 21.77     |
| Industrials            | 5.30   | 6.91    | 11.18    | 4.70    | 5.40      |
| Real Estate            | 6.23   | 3.68    | 5.17     | (7.80)  | (6.40)    |
| Technology             | (1.00) | (1.10)  | 7.30     | 34.22   | 42.50     |
| Utilities              | 3.35   | 4.31    | 8.14     | 0.19    | 3.84      |

|  |
|--|
| <b>MONDAY NOVEMBER 16, 2020</b>                    |
| Empire State Mfg Index                             |
| Palo Alto Networks, Baidu and Tyson Foods earnings |
| <b>TUESDAY NOVEMBER 17, 2020</b>                   |
| Retail Sales                                       |
| Industrial Production Index                        |
| Business Inventories                               |
| Aramark, Kohls and Home Depot earnings             |
| <b>WEDNESDAY NOVEMBER 18, 2020</b>                 |
| Housing starts                                     |
| Building Permits                                   |
| Avaya, Nvidia, Target, TJX and Lowes earnings      |
| <b>THURSDAY NOVEMBER 19, 2020</b>                  |
| Initial Jobless claims (weekly)                    |
| Continuing Jobless claims (weekly)                 |
| Existing homes sales                               |
| BJ's Wholesale, Macy's and Workday earnings        |
| <b>FRIDAY NOVEMBER 20, 2020</b>                    |
| Footlocker earnings                                |



Advisory services offered through Sowell Management, a Registered Investment Advisor. The views expressed represent the opinion of Sowell Management. The views are subject to change and are not intended as a forecast or guarantee of future results. This material is for informational purposes only. It does not constitute investment advice and is not intended as an endorsement of any specific investment. Stated information is derived from proprietary and non-proprietary sources that have not been independently verified for accuracy or completeness. While Sowell Management believes the information to be accurate and reliable, we do not claim or have responsibility for its completeness, accuracy, or reliability. Statements of future expectations, estimates, projections, and other forward-looking statements are based on available information and Sowell Management's view as of the time of these statements. Accordingly, such statements are inherently speculative as they are based on assumptions that may involve known and unknown risks and uncertainties. Actual results, performance or events may differ materially from those expressed or implied in such statements. Investing in securities involves risks, including the potential loss of principal. While equities may offer the potential for greater long-term growth than most debt securities, they generally have higher volatility. International investments may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles, or from economic or political instability in other nations. Past performance is not indicative of future results.

5320 Northshore Drive  
North Little Rock, AR 72118  
501-219-2434 Phone  
501-812-6380 FAX  
800-399-2391  
[sowellmanagement.com](http://sowellmanagement.com)