

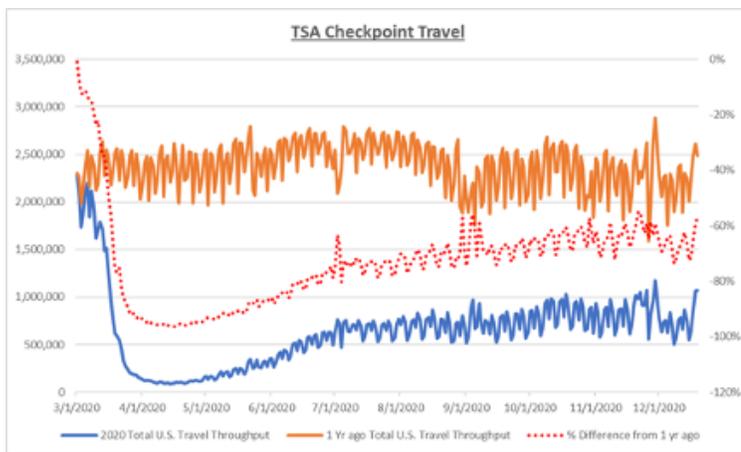


As new hope arises from administering the coronavirus vaccines (that began on December 14th) and forming a new government with President-elect Joe Biden sworn into office in just 30 days, equity markets gained 1.25%, reaching record levels yet again. Potential effects from record surges in coronavirus infections were quelled by last month's 0.6% positive gains reported by the Conference Board's leading economic indicators fueled by a post-pandemic increase in manufacturing orders. The rollout of the initial vaccine and soon multiple vaccines, despite the ongoing surges, provides investors hope to think about restoration to normalcy if Congress can offer an olive-

branch delivering the much-needed economic support. Early signs of a recovery have already presented itself with value and small-cap stocks outperforming growth and large-cap stocks for the last two months. As the recovery attributes gain more solid footing, Sowell will complement that recovery with a rotation in its asset allocation where applicable.

As 2020 comes to a close (the year the elbow bump came of age), we gratefully wish you a joyous holiday season and a New Year filled with peace and happiness!

As the economy fights to recover through the height of the pandemic, families are faced with unprecedented decisions on how to celebrate the holiday season with many states faced with stricter stay home orders. The updated TSA checkpoint travel chart is a gauge illustrating the state of domestic air travel since the catastrophic decline and its direct impact on spending and consumption.



Source: TSA.gov

SECTOR RETURNS

	1 WEEK	1 MONTH	3 MONTHS	YTD	12 MONTHS
Basic Materials	1.93	4.91	11.42	16.10	18.05
Communication Services	0.21	6.29	17.92	25.48	27.57
Consumer Cyclical	4.10	8.97	18.15	46.99	49.08
Consumer Defensive	0.91	2.17	8.09	11.13	12.32
Energy	(4.16)	11.21	18.01	(34.25)	(33.03)
Financial Services	1.16	4.92	15.75	(1.38)	(1.12)
Healthcare	1.37	4.68	9.30	15.16	16.23
Industrials	0.35	2.40	14.59	9.13	9.94
Real Estate	0.66	(0.18)	5.32	(8.84)	(6.94)
Technology	(0.97)	4.34	13.54	40.04	45.96
Utilities	0.07	(2.83)	7.57	(5.27)	(4.71)

MONDAY DECEMBER 21, 2020
Chicago Fed National Activity Index
Factset Research earnings
TUESDAY DECEMBER 22, 2020
Existing Home Sales
CarMax and Cintas earnings
WEDNESDAY DECEMBER 23, 2020
Consumer spending
Personal Income
U Michigan Consumer Sentiment index
Paychex earnings
Herman Miller, Lennar and Toro earnings
THURSDAY DECEMBER 24, 2020
Initial jobless claims (weekly)
Continuing jobless claims (weekly)
Durable goods orders
FRIDAY DECEMBER 25, 2020
Christmas Day holiday
Major markets closed for trading

Our tactical model remains in positive territory.

GAUGE OF THE GRADE



BEARISH

NEUTRAL



BULLISH





SOWELL'S WEEK AHEAD

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5320 Northshore Drive
North Little Rock, AR 72118
501-219-2434 Phone
501-812-6380 FAX
800-399-2391
sowellmanagement.com