

# Disclaimer

- Today's webinar is for educational purposes only.
- Nothing in today's presentation should be considered a recommendation to buy or sell any security.
- All stocks and options shown are examples only
- Any pricing or potential profitability shown does not take into account your trade size, brokerage commissions or taxes which will affect actual investment returns.
- Stocks and options involve risk and are not suitable for all investors and investing in options carries substantial risk.
- Past stock or option performance is no guarantee of future price appreciation or depreciation.
- Prior to buying or selling options, a person must receive a copy of Characteristics and Risks of Standardized Options available at: <http://www.cboe.com/Resources/Intro.aspx>.

# *InvestorsObserver* Workshop

# InvestorsObserver Workshop

- Charts
- What Else is Happening?
- Hot Right Now
- Member-driven content: Questions, site demonstrations, etc.
  - Can prepare slides for questions submitted ahead of time: Mention “workshop”

# S&P 500



S&P 500  
One Year

# S&P 500



Three Years  
Weekly candle

# NASDAQ



Nasdaq  
One Year

# NASDAQ



Three Years  
Weekly candle

# Russell 2000



Russell 2000  
One Year



# Russell 2000



Three Years  
Weekly candle

# S&P 500 vs. S&P 500 EW

S&P 500 vs. S&P 500 Equal Weight  
One Year



# Growth vs. Value

VTV vs. VUG one year



# Russia/Ukraine

FRED

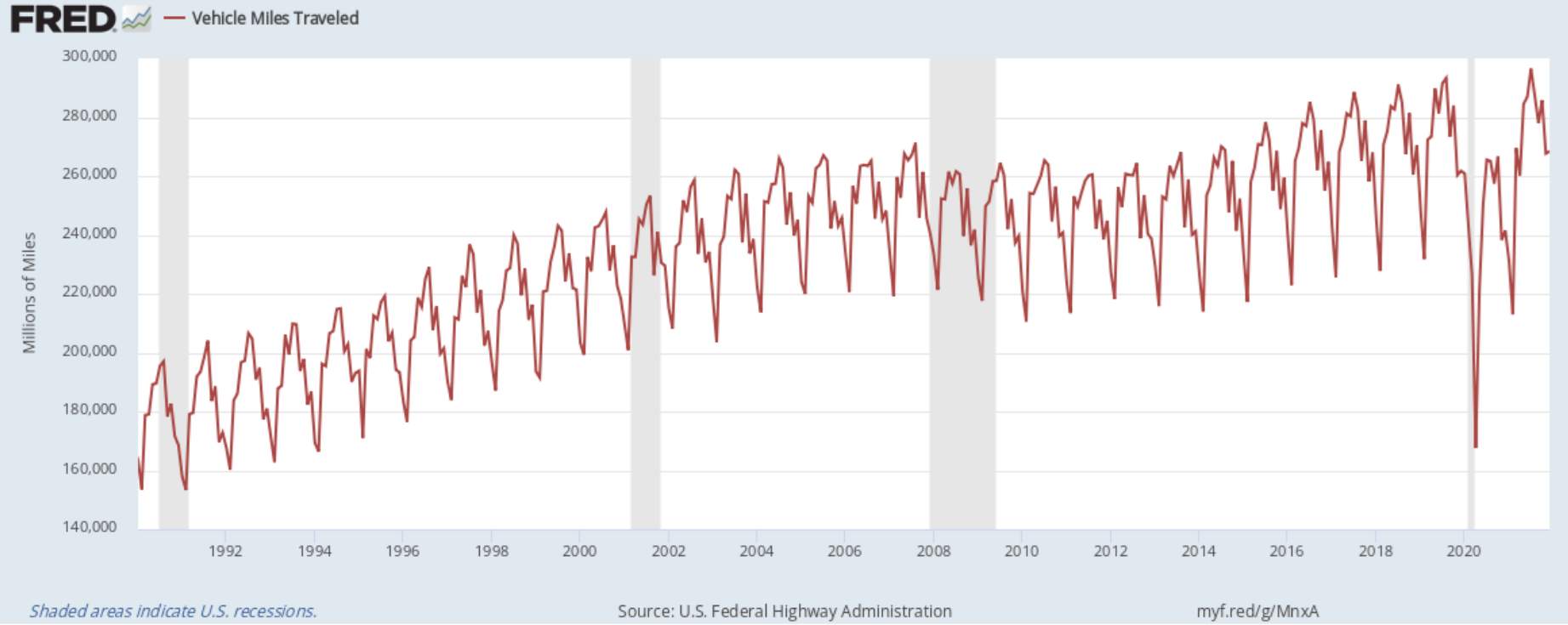
— Crude Oil Prices: Brent - Europe



Source: U.S. Energy Information Administration

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# One Note on Gas Prices



# What Else is Going On?

- Federal Reserve/Inflation big drivers of stocks
  - Ukraine obviously plays in here, but direct effect from Ukraine are hard to figure/calculate
    - Russia/Ukraine are big commodity producers
      - Prolonged conflict/sanctions could lead to higher commodity prices
      - That looks like more inflation, but higher interest rates won't help
  - Data likely to be noisy for a while
    - Covid, Weather, other “outside” factors make a “clean” report difficult
  - Inflation isn't just a U.S. story. Also running hot in Europe and some Asian economies
    - The Fed isn't going to be able to fix all of it
- Earnings
  - Generally pretty good
  - Some compression of margins due to higher costs
  - Also, companies that feel like they can are raising prices and not seeing much effect on demand
  - Guidance, as a concept, seems to be fading

# Hot Right Now

- Energy
  - Thermal Coal
  - Oil & Gas Integrated
  - Oil & Gas E&P
- Utilities
  - Electric
  - Gas
  - Independent Power Producers
- Real Estate
  - REIT - Residential
  - REIT - Industrial
  - REIT - Retail
- Financial Services
  - Banks - Regional
  - Financial Data & Stock Exchanges
  - Banks - Diversified
- Industrials
  - Marine Shipping
  - Rental & Leasing Services
  - Integrated Freight and Logistics

# Questions?

*I have a rather large portfolio almost all in stocks. I would like to know what to do to protect as best I can from a market downturn. The talking heads all say that one is coming.*

--Kim

- “Talking Heads” get picked to say things that are interesting.
  - “Stocks tend to go up over time, but there are periods of volatility that are hard to predict” doesn’t get bookers calling you on TV
  - Some of these people have been bearish since 2008...
    - Do you think they’ve been short stocks this whole time?
- You don’t buy insurance when you think you’re going to need it
  - Periodic rebalancing is important part of portfolio management
    - This is because no one knows when a crash, or big rally, is coming.
- If you have a lot of wealth tied up in stocks that you can’t afford to lose, take some profits.
- If you have a long time horizon and aren’t worried about daily changes in your account value, trying to time the market is more likely to be harmful than helpful.