September 2022, Volume 2 | Issue 2

Streetlight Confidential

Inside This Issue:

The Fed's War on Inflation… (and You)
"Don't fight the Fed" is a long held truth among the Wall Street crowd. But what do you do when the Fed isn't fighting in your direction? Find out here…

Buying the Farm
It began at high noon on April 22, 1889. Roughly 50,000 hopeful settlers waited on horseback to charge ahead and claim their futures. Today another "Oklahoma Land Rush" is under way. Here's how to play it…

Romance and Heartbreak
Find out why Unity Software's pass on a $20 billion proposal from a rival software company is actually GOOD news…

The Last Word…
He set out to lay down the law in only 9 minutes. Except Chairman Powell's "transparency strip tease" still didn't reveal the one thing the market really wanted to know…

The Streetlight Confidential Portfolio
"The Mick" would never believe it — and other promising news…

The Fed's War on Inflation… (and You)

How to Buy Stocks When the Fed is Raising Rates

-by Bob Byrne

For years he was a legend on Wall Street. In many ways he revolutionized how investors approach the market.

On Friday October 16, 1987, in the wake of a brutal week for stocks, he appeared on the nationally syndicated business show Wall Street Week and rejected the host's suggestion that stocks were headed into a "bear market." Instead he warned that he was expecting a violent crash… The following Monday the market plunged 23%.

His wisdom about markets was often quoted by investors and traders everywhere. But there's one saying that has become universal and is more important today than it ever has been.

The name Marty Zweig may not ring a bell, but I'm sure you've heard the phrase, "Don't fight the Fed." Marty is credited with coining that phrase in the 1970s. It became the cornerstone of his and countless other money managers' investment philosophies.

In his best selling book Winning on Wall Street he wrote:

> *In the stock market, as with horse racing, money makes the mare go. Monetary conditions exert an enormous influence on stock prices. Indeed, the monetary climate — primarily the trend in interest rates and the Federal Reserve policy — is the dominant factor in determining the stock market's major direction.*

I credit much of my trading success over the past two decades to continually trading in the direction that the Federal Reserve is moving.

In this article I want to dive a little deeper into what that means for you as an investor today…

When the Fed does this, they're trying to reduce the cost of capital (for businesses) and stimulate the economy. And this pulling lower of interest rates tends to result in stock prices being pushed higher.

This correlation between interest rates and stock market direction is the cornerstone behind the don't fight the Fed mantra.

The idea behind "Don't fight the Fed" is pretty straightforward. Investors should be more conservative with their investment decisions when the Federal Reserve is raising rates. And when the Fed is lowering rates, investors should invest more aggressively.

If you want to duck down into the weeds, we can throw factors like quantitative easing (QE) and quantitative tightening (QT) into the mix. But to keep things simple, let's stick with aligning our investment objectives with the direction of interest rates.

We don't need to overcomplicate things by diving into the Fed's stated responsibilities, but it is worth having a surface understanding of how interest rates impact business. The easiest way to think about the Fed's approach to rates and the stock market is a push-pull relationship.

When the Fed pushes rates higher, their intent is to keep the economy from growing too quickly and to prevent inflation from becoming a hindrance. However, the push higher in interest rates typically results in demand for stocks being pulled lower.

The reverse happens when the Fed pulls rates lower.

In the Fed, We Trust?

In this current cycle, the Fed started hiking rates in mid-March. They kicked things off with a 25 basis point (a one-quarter percent) increase.

From there, they hiked rates by another 50 basis points in early May, 75 basis points in mid-June, and another 75 basis points in late July. With no scheduled meeting in August, current expectations are for another rate hike of either 50 basis points or 75 basis points when the Fed meets on September 20th and 21st.

Now, there are two ways we can look at these rate hikes.

The first is that the Fed is doing its job of raising rates to keep inflation in check, or more accurately, to bring inflation down from its multi-decade high. In this scenario, investors must weigh the likelihood of the Fed being able to bring inflation down from near 9% to something closer to 2% or 3% without triggering a hard-landing — which is code for recession.

I think the odds of a recession are relatively high, but that doesn't mean your investments are toast. You just need to pay more attention to sectors you invest in — more on this in a minute.

On the flip side, the Fed is dealing with inflation, which hasn't been seen at current levels since the 1970s. Aside from the more senior members of Wall Street and the trading community, most investors have never navigated this kind of inflationary environment. And by hiking rates in a slowing economy with high inflation, the Fed could be about to drive the economy off a 3000 foot cliff!

"The easiest way to think about the Fed's approach to rates and the stock market is a push-pull relationship."

I'm sure we all remember about a year ago when Fed Chairman Jay Powell stood in front of us on TV and insisted that the Covid-inspired supply issues and wage pressures were transitory. The bad news then was that Jay and his pals at the Fed were dead wrong in their early assessment of inflation.

The bad news today is when it comes to fighting inflation, it nearly always takes longer to get it under control than it does for inflation to spread and drive the prices of everyday goods higher. Especially when we're talking about the levels of inflation we're seeing today.

So, in all likelihood, the Fed is wrong in its assessment of how long it will take them to bring inflation back down toward 2% (not that they've been all that forthcoming about how long they think it will take). That means interest rates will need to move higher and remain at elevated levels for far longer than most investors are anticipating.

Assuming the Fed stays vigilant on interest rates, the don't fight the Fed mantra tells us to avoid adopting a too aggressive stance on investments in the immediate term.

Buying Stocks When Interest Rates are Rising

2022 has been a tough year for investors.
While the Fed didn't start raising rates until mid-March, the S&P 500 is down nearly 13% year-to-date, while the tech-heavy Nasdaq is lower by almost 21%. And these losses are after a substantial rally over the past two months.

The folks at Raymond James put together some research in April that is helpful for investors who are trying to figure out how and where to allocate their money.

According to the research, since 1983, every S&P 500 sector has experienced at least one period of negative returns after an initial Fed rate hike except for infotech, energy, and health care. The worst performing sectors are materials, consumer staples, consumer discretionary, and communication services.

Additionally, following the Fed's first rate hike, large-cap stocks have historically outperformed small-cap stocks, and growth stocks have outperformed value stocks.

This is one reason why seasoned investors often invest in large-cap, growth-oriented tech stocks and not banks or other value stocks during recessionary and low growth periods.

The research provided by Raymond James also indicates that while investors typically associate rate hikes with recessionary periods, stocks (and businesses) tend to perform OK for 12-24 months following an initial rate hike.

According to this research, it often takes as long as two years for rate hikes to slow an economy to a level that a recession becomes a realistic probability.

Research provided by Charles Schwab and the National Bureau of Economic Research (NBER)

supports this idea, showing how long it has historically taken for a recession to start following an initial Fed rate hike.

First Fed rate hikes and recessions		
First Fed rate hike	Recession start	Months to recession start
4/25/1946	Nov. 1948	31
4/15/1955	Aug. 1957	28
9/12/1958	Apr. 1960	19
7/17/1963	NA	NA
11/20/1967	Dec. 1969	25
1/15/1973	Nov. 1973	10
8/31/1977	Jan. 1980	29
9/26/1980	Jul. 1981	10
9/4/1987	Jul. 1990	34
2/4/1994	NA	NA
6/30/1999	Mar. 2001	21
6/30/2004	Dec. 2007	42
12/16/2015	NA	NA
	Median	**27**
	Average	**25**

Source: Charles Schwab, National Bureau of Economic Research (NBER).

Having traded and invested for nearly 25 years, I can tell you that no two economic cycles or recessions unfold the same way.

Today we have soaring inflation for the first time in more than 40 years. On top of that, the Fed is beginning to hike rates into a slowing economy. Add those facts together and I'm confident the next 12 to 24 months will look very different from the rate hike cycles we saw in the mid-1990s and the mid-2000s.

That said, the part of the investing playbook that I believe we can reuse is the one that emphasizes technology, energy, and health care investments over financials and consumer durables.

So, while volatility is likely to remain elevated over the near term, and the odds of a retest of the mid-June lows are high, patient investors should begin accumulating tech, energy, and healthcare-related investments as the S&P 500 and Nasdaq correct toward their early summer lows.

A Market on the Mend

Stocks have bounced sharply since their mid-June lows, but the bullish behavior had nothing to do with improving business conditions.

The truth is, hedge funds, professional money managers, and even the average Joey Baggadonuts investor became way too bearish during the first couple weeks of June. That increase in bearish sentiment led to extreme levels of bearish sentiment overall.

When you look at where inflation is today, around 8.5%, and where the Federal Reserve claims to want it, closer to 2% or 3%, it's nearly impossible to justify overpaying for stocks with interest rates likely to rise while corporate earnings are almost certainly headed lower.

Now for the silver lining to this ugly cloud.

While the S&P 500 is "only" down around 14.5% for the year, most technology stocks are off by 30% to 60%. Put another way, an increasing number of tech stocks have already priced in a severe recession.

It's well known that September and October often trigger nasty surprises in the stock market. Oddly enough, most investors are scared to be long in October because of past stock market crashes, but on average, the S&P 500 has gained nearly 1% in October over the past 40 years.

My plan heading into the fall is simple.

I don't want to chase tech or energy stocks on strength, but I'm very interested in either selling puts to acquire shares at lower prices or simply buying shares on broad market declines.

S&P 500 SPDR ETF (SPY)

Source: Barchart.com

Looking at the S&P 500, it's easy to see how sharp the rebound has been over the past two-plus months. However, it's also easy to see how quickly the buying dried up as prices tested the important 40-week (200-day) moving average.

As we head into September, swing traders will want to monitor the 10-week or 50-day moving average. This level currently sits at around $397. If the SPY is going to avoid a retest of the June lows near $362, we shouldn't see a weekly close under the mid-$390s.

As you know, the only surprise that came out of the Jackson Hole Symposium in late August was that the stock market was surprised by Fed Chair Powell's determination to keep interest rates elevated.

Frankly, it doesn't make much sense. Anyone that's studied economics or stock market history should know that it takes longer than a few weeks or months to break the grip of inflation.

For whatever reason, investors were surprised to discover that Powell has no intention of pausing the committee's interest rate hikes.

Oh, and the odds of the Fed lowering rates in 2023 are somewhere between slim and none…

…And slim just left town.

Buying the Farm

The Coming Food Crisis is Turning Farmland to Gold… Here's How Get In

-by Bob Byrne

It began on April 22, 1889 as the clock struck high noon. Roughly 50,000 hopeful settlers — "boomers" as they were known — waited on horseback to charge ahead and claim their futures.

All a man (or woman) had to do was to be the first to stake a claim on one of the 11,875 marked parcels of 160 acres. If they developed the land, five years later it was theirs.

The first was so successful, the Oklahoma Land Rush had sequels in 1891, 1893, 1895 (followed by slightly more organized distributions including the Land Lottery of 1901 and Land Auction of 1906.)

By 1907, the state of Oklahoma had been settled.

Today, a new "Oklahoma Land Rush" is upon us.

This time, it's not because we are broadening our reach across an expanding continent, but rather because the world around us is *shrinking*. The amount of arable land, land on which we can grow food, is getting smaller by the day. While at the same time, the demand for food continues to grow.

According to the Harvard Business review the demand for food will roughly double by 2050. Current crop production simply won't meet that need. It doesn't help that farmland acreage has decreased by nearly 2 million acres per year over the past decade. Rising prices, whether through demand or inflation, result in higher farmland valuations.

That means investing in farmland has become a logical opportunity.

But that leads to other questions…

Where do you even start? What crops do you plant? Where should you plant them? How much should you plant? And so on.

Did you know that approximately 80% of farmland is owned by investors that don't farm themselves? These non-farmers rent their lands back to family owned farms who work the land and produce the crops.

However, until recently buying farmland for the average investor remained impractical. And managing farmland for the average person is even harder.

The new land rush is on and, I hate to say it, you're already well behind billionaires like Jeff Bezos, Rupert Murdoch, Ted Turner, and most notably Bill Gates, now the largest farmland owner in America.

Fortunately, you don't have to try to outbid them to jump into the race. But you will want to act sooner rather than later so you aren't left behind.

Making Farmland Investing Simple

And that's where Farmland Partners (FPI) enters the picture.

Farmland Partners is a vertically integrated farm real estate investment trust (REIT). The company owns and leases farmland, brokers farmland sales, runs auctions, and farms portions of its own land.

No publicly traded company holds more farmland than Farmland Partners.

Currently, Farmland's holdings spread across 19 states with a total of 186,000 acres, and not one of those acres is vacant. There are over 100 tenants harvesting 26 different crop types. Diversifying both crop type and geography lowers the overall risk associated with farming, especially when it comes to weather and limited water supply.

One of the biggest risks that threaten certain farmers is that of local or federal governments halting the water supply in drought-prone regions. Farmland west of Omaha, Nebraska holds the most drought risk, while farms to the east have more water than they need. (In the east, drainage trumps everything given the excess water.)

Fortunately, Farmland Partners is positioned to grow regardless of its water needs. Currently 19 of its farms reside in California, while another 43 are in Colorado. Those face the highest risk of drought. But their acquisition cost reflected that risk with Farmland paying only one-eighth the price per acre of Midwest farms.

If drought results in a loss of water access for any of those farms, Farmland could convert them to solar farms, wind farms, or even residential neighborhoods. They could also implement dryland farming. Value remains even if the water runs dry. This versatility is a huge advantage compared to residential or traditional commercial property.

A Huge Portfolio and Substantial Growth

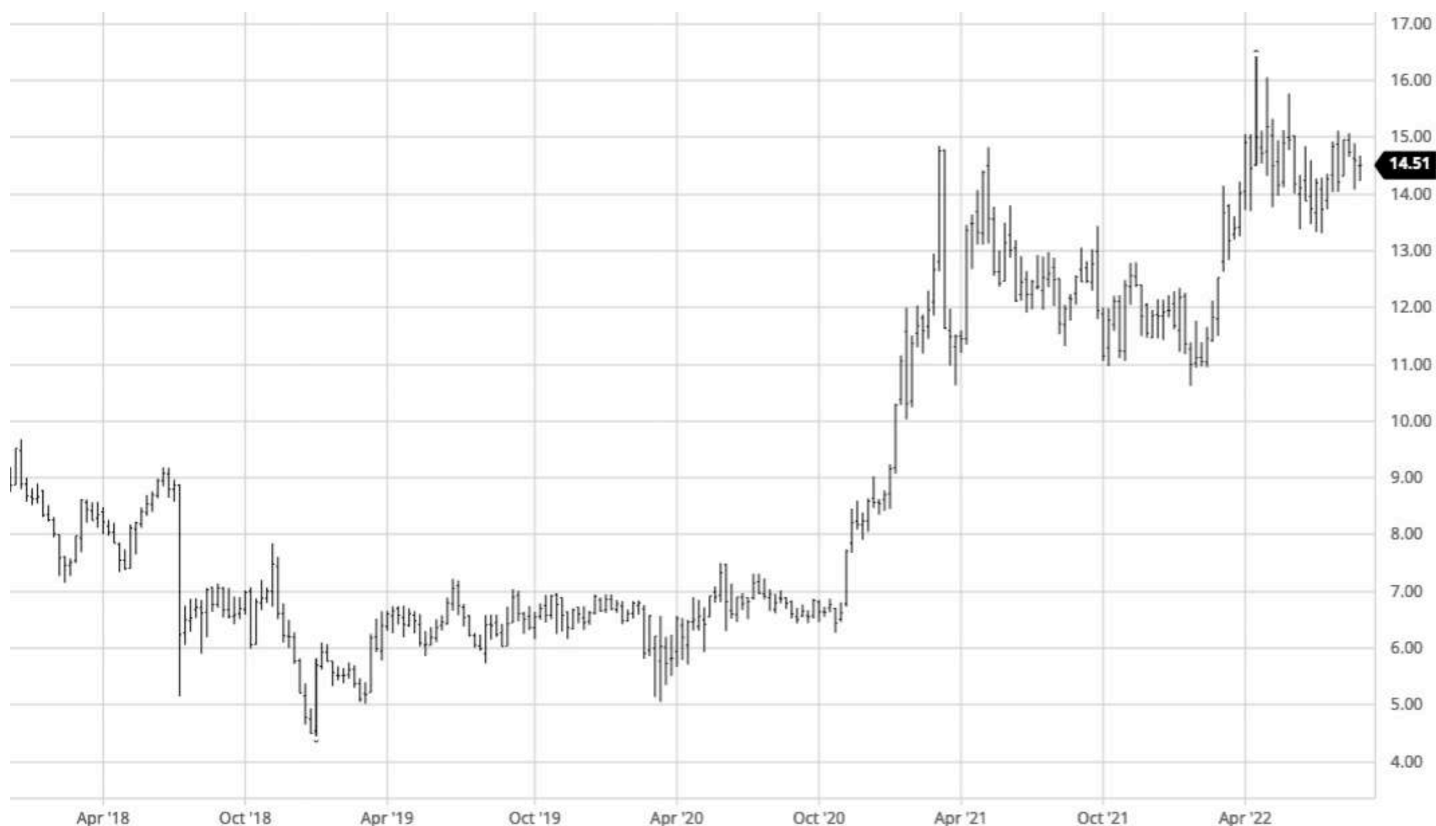
Most of the company's property centers in the Corn Belt of the midwestern United States with 212 properties. Another 64 farms sit in the Delta and Southeast.

The current gross real estate book value sits at $1.1 billion, while Farmland Partners' market cap sits closer to $800 million. That means we have the opportunity to purchase shares at a 27% discount to the net asset value (NAV).

On average, REITS are currently trading at a discount closer to 5% compared to the NAV. That creates potential upside even if Farmland Partners simply sees its current discount move in line with the industry average.

Recently, Farmland Partners acquired Murray Wise Associates, a farmland brokerage that handles farmland and farm management.

Farmland Partners, Inc. (FPI)



Source: Barchart.com

This move expanded the company's revenue model and created an operating arm of the business. That means growth; and growth equals capital appreciation potential. With management fees from its added operating arm, it will add transaction income to its books. This creates a low overhead business with high margins.

That's an attractive combination.

Farmland Partners' most recent quarterly results showed impressive revenue growth of 32% from the prior year. This growth came without the full benefit from the Murray Wise acquisition. During the same time, profit margins increased from 14% to 25% and net income doubled.

Management used free cash flow to reduce total debt from $502 million to $424 million over the past year. That's a 15% reduction.

During the first half of the year, Farmland Partners renewed one-third of the leases expiring in 2022 with an average rent increase of 15%. Management also sold five properties, pulling in $4 million overall. That means more revenue going straight to the bottom line.

Based on our own analysis and management's projection, the near-term projected growth rate of 25–30% is significantly higher than its peers.

Once we consider its heavy discount to NAV, the addition of an operating arm, and the strong growth potential for farmland, we see Farmland Partners as a buy.

Action to take: Buy shares of Farmland Partners (FPI) up to $18 per share.

Industry Update: Romance and Heartbreak

Why Unity's Pass on a $20 Billion Proposal is Really GOOD News

-by Bob Byrne

As far as we know, despite all the carnage caused by inflation and interest rates, internet technology is still a thing. And that means, despite what would appear to be rivers of blood transporting the remains of once high flying growth giants (like Peloton) to a sea of obscurity, tech stocks aren't dead yet.

In fact, the downturn has made for some interesting merger opportunities in the niche. There are still deals being made by very viable companies in the tech sector.

One of our portfolio picks, **Unity Software (U)**, has been one of those keeping busy under the radar.

Recently they've made some news that we take as very positive…

A Budding Tech Romance

We began adding Unity to our portfolio back in February 2022. (Our scale-in buy strategy priced us in at an average of $77.27.) We called it "the little known software company poised to dominate the metaverse."

Unity's immense appeal is that it's a "picks and shovels" type of company. They don't create web content. Instead what they do is create *the tools* that create the web content. Up to now, upwards of 47% of game developers use Unity's development platform rather than building from scratch.
We believe many of the players looking to stake their claims in the next evolution of the web will be knocking at Unity's door as well.

Despite their sinking with the falling tide, Unity has been busy looking for ways to increase their value.

This past July, they announced that they had found one.

Unity had quietly been in talks with a company called **ironSource (IS)** — a software company that focuses on developing technologies for app monetization and distribution.

If not a match made in heaven, it was certainly a great match made for the latest stage of the budding Web-3 evolution. ironSource was an ideal complement to what Unity was creating.

Unity offered an all stock deal that would value ironSource at $4.4 billion. In July, the two companies announced they were making it official.

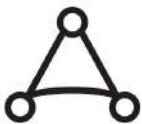
In their announcement, Unity made it clear why they felt this was such a momentous merger:

> *Advertising has long been and we believe will continue to be the economic engine for mobile games, driving players into their games and driving revenue at scale.*

Although advertising is facing some temporary challenges right now due to macroeconomic factors, this is a business that has proven itself resilient despite the many ups and downs of economic cycles and regulatory changes. … Unity and ironSource's complementary data and product capabilities will give creators access to better funding for user acquisition (UA) and monetization to successfully scale their games and accelerate their economic performance.

What's a Romance Drama Without a Rival?

Enter **AppLovin (APP)**.



AppLovin is another software developer who "provide advanced tools for mobile application (app) developers to develop their businesses by automating and optimizing the marketing and monetization of their apps. Its key elements of its solutions are delivered through the AppLovin Core Technologies and AppLovin Software Platform."

And apparently they had been eyeing up Unity to bolster their own market position.

In early August (just after the Unity/ironSource announcement) AppLovin made a bid for Unity in an all stock deal valued between $17 and $20 billion.

The bid would value Unity at roughly $55 per share — nearly 28% above where they are as I'm writing this. There was however a catch.

Unity would have to give up ironSource.

Unity's board rejected the deal.

Unity Software (U)

Source: Barchart.com

We Consider This Good News

It's hard for a company to turn down an instant boost in valuation. But I believe this is good news. Why?

A lot of high flyers just one year ago have all given up huge amounts of value — Unity included. But these drains are actually good things — they wash out all the wannabe startups that jumped in on the initial speculative explosion and leave the companies that have the real promise.

Turning down Applovin's multi-billion dollar bid so they could proceed with their original plans, tells me both Unity and ironSource are still positioned for great success down the road.

Every tech stock is still under pressure thanks to the Fed's big game inflation hunt. But the bottom line where all this goes is… If you think the Metaverse will continue to grow as the future of the web (and we still do) Unity (partnered with ironSource) will be the backbone of that evolution.

The Last Word…

The Fed's Show of Force Was Missing One Thing…

-by Bob Byrne

They allotted him 30 minutes at the podium. But in the spirit of fighting inflation, he only took nine.

Maybe the brevity was meant to drive home a point — that the Fed means business where inflation goes. Maybe he just couldn't think of anything more to say on the subject. Maybe the complimentary breakfast bar at the resort closed down at 8:30 AM — who knows.

But listening to Jay Powell address the crowd in Jackson Hole last week was downright refreshing. In very un-Fed-like fashion, the unassuming Chairman stepped to the mic and, in no uncertain terms, reaffirmed the Fed's commitment to beat back inflation. And deliver some uncomfortable truth to the market. (All emphases are mine.)

> *The Federal Open Market Committee's overarching focus right now is* ***to bring inflation back down to our 2 percent goal****.*

Not much room for mis-interpretation there.

He spent the rest of his nine minutes explaining what the board's hawkishness actually meant. He told the market that…

> *Price stability is the responsibility of the Federal Reserve and serves as the bedrock of our economy.* ***Without price stability, the economy does not work for anyone****. In particular, without price stability, we will not achieve a sustained period of strong labor market conditions that benefit all.*

Then he added some truth about what the economy could expect as a result…

> *Restoring price stability will take some time and requires using our tools forcefully to bring demand and supply into better balance. Reducing inflation* ***is likely to require a sustained period of below-trend growth****. Moreover, there will very likely be some softening of labor market conditions.*

Then he delivered some really ugly truth…

> *While higher interest rates, slower growth, and softer labor market conditions will bring down inflation,* ***they will also bring some pain to households and businesses****. These are the unfortunate costs of reducing inflation.*

So it's price stability or bust Mr. and Mrs. American investor — get ready for some tough times.

A Transparency Strip Tease

But while he didn't hold back bracing the market for the worst, he didn't quite go "full Monty" when it came to revealing everything the market was looking for. For example…

> *Restoring price stability will likely require* ***maintaining a restrictive policy stance for***

> ***some time****. The historical record cautions strongly against prematurely loosening policy.*

And…

> *While the lower inflation readings for July are welcome,* ***a single month's improvement falls far short of what the Committee will need to see*** *before we are confident that inflation is moving down.*

And…

> *Our decision at the September meeting will depend on* ***the totality of the incoming data and the evolving outlook.*** *At some point, as the stance of monetary policy tightens further, it likely will become appropriate to slow the pace of increases.*

In other words, he gave little to no guidance on what might actually convince them that inflation is moving down or how long it might take to get to that point.

Note: the Fed recently opted out of giving "guidance" — a guesstimate of their long term expectations in the economy — to the market (except when they opt to give guidance to the market). Probably a smart move given their recent track record of projecting past their next meeting.

They can't talk about what they have no clue about. And, as I mentioned in my opening article, "…when it comes to fighting inflation, it nearly always takes longer to get it under control than it does for inflation to spread and drive the prices of everyday goods higher."

Powell suggested the Fed plans to stand firm until progress against inflation is made. But he didn't say anything about what that progress might look like. A statement along the lines of "Well, don't hold us to it, but a pullback in headline inflation to say, 5.5% with unemployment holding at under 4.5% would probably be enough for us to dial back to defcon 3…" would go a long way to calm the market down a bunch.

What's It All Mean for Stocks and the Economy?

If the Chairman means what he says, the Fed is going to keep its foot squarely on the gas where rate hikes are concerned — bad news for assets like stocks. (Again, see my lead article this month.)

Still, his vagueness when it comes to "what the committee will need to see" leaves the door cracked for them to change course if need be. However, judging from the tone of the rest of his speech, the market might have to crash another 20%-30% in short order for them to reverse course, step in and backstop it.

The market acknowledged that and immediately indicated its disapproval with the S&P 500 giving up 3.5% and the Nasdaq Composite dumping 4%.

But for now, there still appears to be an ingrained sense of hope in the market. A hope that believes the Fed will see the light and return to the good old days of of zero interest rates

You can expect to see that hope to spring eternal in the stock market — until it doesn't anymore.

That means rallies from here on out will be driven by the hope of an imminent Fed pivot on any good news. Which will likely be followed by further declines as economic reality dumps cold water on the market. The more disappointed the market becomes, the lower it will go…

So what broken inflation actually looks like — and how long it might take — they'll decide as they go.

One thing we do know for sure… they'll "keep at it until [they] are confident the job is done."

The Streetlight Confidential Portfolio

"The Mick" Would Never Believe It!

Well that didn't take long!

Last month we led off with a Reg CF opportunity (a private investment open to non-accredited investors) in the collectibles market.

I explained I thought the opportunity was great because the collectibles market was enjoying a huge comeback in popularity exploding to a $33 billion market — with a lot more room to grow.

Well just this past week, the collectibles industry was in the news!

In his rookie year in 1951, Mickey Mantle earned a modest $5,000. By 1957, his salary had jumped from $32,000 to $60,000. Mantle said of his new contract, *"It was more money than I thought existed. It was almost too much."*

By 1963 he was being paid $100,000. He never renegotiated for more money until he retired after the 1968 season.

Over the course of his 18 year career, Mantle earned just over $1.1 million. Adjust that $1.1 million to 2022 dollars and it comes to just over $9 million.

Well, history was made last weekend…

> *A mint condition Mickey Mantle baseball card* ***sold for $12.6 million Sunday - making it the most expensive piece of sports memorabilia in history****.*

More than The Mick earned over his entire career (adjusted for inflation!)

I wonder what he'd think of that…

And now on to our portfolio.

The market as we've noted has been throwing a tantrum over the Fed's firm hand, and while much of our portfolio is still in the red, there were, as usual, a couple bright spots.

In addition to Unity Software (U), Vision Marine Technologies (VMAR) also saw a solid move higher after last month's announcement of its partnership with Groupe Beneteau.

And Genius Sports Group (GENI) saw its price nearly double before pulling back slightly. There's still a ways to go to get back above water, but a hop from $2.49 to nearly $4.85, is worth noting.

And, of course, the rest of our portfolio…

Symbol	Name	Comments	Entry Date	Entry Price	Current Price	Annual Dividend	Percent Gain
FPI	Farmland Partners, Inc	Buy shares of Farmland Partners (FPI) up to $18 per share	9/2/2022	NEW	NEW	1.68%	NEW
VOO	The Vanguard S&P 500 ETF	Bear market portfolio: 20% position per the July 2022 Issue	7/5/2022	$351.06	$364.27	1.60%	3.8%
IJR	iShares Core S&P Small-Cap ETF	Bear market portfolio: 20% position per the July 2022 Issue	7/5/2022	$93.35	$96.04	1.89%	2.9%
VTV	The Vanguard Value ETF	Bear market portfolio: 20% position per the July 2022 Issue	7/5/2022	$131.74	$135.45	2.48%	2.8%
IJS	iShares S&P Small-Cap 600 Value ETF	Bear market portfolio: 20% position per the July 2022 Issue	7/5/2022	$89.52	$91.51	1.79%	2.2%
SCZ	iShares MSCI EAFE Small-Cap Index ETF	Bear market portfolio: 10% position per the July 2022 Issue	7/5/2022	$53.43	$53.83	4.72%	0.7%
VEA	The Vanguard FTSE Developed Markets ETF	Bear market portfolio: 10% position per the July 2022 Issue	7/5/2022	$40.01	$39.92	3.89%	-0.2%
DOCN	DigitalOcean Holdings Inc.	Buy a half position up to $60, reserving capital to purchase the remainder of your position on a dip.	6/2/2022	$49.31	$38.33	N/A	-22.3%
ONDS	Ondas Holdings Inc.	Buy a full position up to $8.75	6/2/2022	$7.55	$4.61	N/A	-38.9%
WONDF	Wonderfi Technologies Inc.	Buy a half position up to $0.60, reserving capital to add to the position on a pullback.	6/2/2022	$0.45	$0.38	N/A	-15.6%
VMAR	Vision Marine Technologies Inc.	Buy shares of VMAR up to $5.45 as a speculative investment in the growth of electric powertrains in the boating industry. UPDATE August 2022: Buy up to price was raised to $6.50.	5/2/2022	$4.27	$6.74	N/A	57.8%
U	Unity Software	Buy a 25% starter position between $95 and $99. Then scale into the remainder of the position adding another 25% every 15% to 20% down. †	2/3/2022	$77.27	$41.27	N/A	-46.6%
EPD	Enterprise Products Partners, L.P.	Buy shares of EPD up to $23.00 as an income-generating investment.	12/1/2021	$21.20	$26.17	$1.86	23.4%
ARKX	ARK Space Exploration & Innovation ETF	Buy shares of ARKX up to $22.00	11/1/2021	$20.48	$13.99	N/A	-31.7%
MSOS	AdvisorShares Pure US Cannabis ETF	Buy shares of MSOS at market up to $33. Be prepared to add to your position on a dip to $27 ††	10/5/2021	$28.95	$12.74	N/A	-56.0%
GENI	Genius Sports Group	Buy shares of GENI up to $22.50	10/5/2021	$16.99	$4.10	N/A	-75.9%
JD	JD.Com	Buy shares of JD.com (JD) up to $80 per share	8/30/2021	$76.69	$63.11	N/A	-17.7%
CZR	Cesars Entertainment	Buy shares of CZR up to $101.75	8/6/2021	$90.50	$42.50	N/A	-53.0%
	Current Prices as of 09/01/2022	**Price Notes:**					
		Entry prices are closing prices the day the issue is published.					
		† Per our entry instructions a 25% position was initially purchased at $96.99 on 2/3, then another on 3/7 at $82.45, another on 4/27 at $71.10, and a final on 5/6 at $59.55 giving us an average entry price of $77.27.					
		†† Adding an equal weight positon at $27 on 10/27 gives us an average engtry price of $28.95					