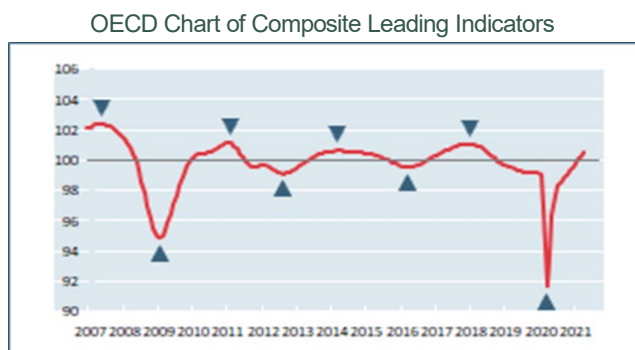


Macro View – Leading Indicators

There is significant discussion in terms of changes in recovery out of Covid and a transition into expansion of the economy. The chart from the OECD shows the Composite Leading Indicators (CLI). The chart depicts a sharp Covid contraction and recovery. As the red line passes 100, expansion is noted. The US, Japan, Canada, Germany, and Italy are all above trend. The UK and France remain below trend (OECD). Among emerging economies, Russia and China demonstrate steady growth in the CLI, while India demonstrates moderate CLI growth, and Brazil shows slowing growth. Vaccines and containment of the virus are largely attributed to the recovery and expansion. The CLIs are designed to show trends leading by 6 to 9 months, such as orders and inventory changes and business confidence surveys. The OECD is calculated monthly on OECD countries and non-OECD countries.



Taking Stock – Meme Stocks

Meme stocks are stocks driven by social media coverage and retail investor momentum, marked by unusual trading volume. Meme stocks came into the consciousness of the broad public through the notable volatility in Gamestop. Recently, AMC Entertainment and Blackberry have filled in where Gamestop left off. Meme stocks are often fueled by a short squeeze. Investors use social media to coordinate concentrated buying efforts, forcing short sellers to close their positions, resulting in further upward price pressure. The chart depicts both Gamestop in blue and AMC in Green YTD as of June 27, 2021. Game stop is up 1402% YTD while AMC is up 1845% YTD. Blackberry has become another Meme stock darling, up 82% YTD for the same time period. Gamestop continued to see upward price pressure as it was added to the Russell 1000 index as a result of its meteoric rise in market capitalization.

