

## Markets Remain at All-Time Highs

U.S. equity markets continue to make (or hold near) all-time highs. Despite COVID-19 again running out of control throughout the country, investors look ahead to several proven vaccines in the process of being approved and distributed. It appears that will happen within a matter of weeks, if not days. We also anticipate some type of interim stimulus plan that will be incorporated into a more comprehensive government funding bill this month. As we have pointed out several times, people are ready to live again and the feeling of pent-up demand is palpable. If we can get to the point of mass inoculations, coupled with some semblance of political cooperation, I believe the economy will explode forward in growth. The daily, weekly and monthly charts of the broad indices are all bullish. Short-term daily signals are prone to whipsaws, as are weekly signals, but to a lesser extent. Monthly signals are much more reliable, especially when they follow short- and medium-term signals sequentially. That is the case now.

Let me preface the following by pointing out that I am not a particularly political person. I have always deemed the individual components of our system less important than the whole. With that said, make no mistake, it is evident investors are pleased that President Trump has been shown the door of the Oval Office. In the weeks leading up to the election, I spoke with many advisor partners who were convinced that a Biden election would immediately result in the demise of equity markets. That was no more a reality than when the same argument was made when Trump beat Clinton four years ago. In both instances, markets knew better. Markets generally like gridlock, which results in certainty. A Biden controlled White House and a Republican controlled Senate accomplishes that. I suspect that President Trump just became too much for institutional investors to handle. The novel perspective and entertainment value became outweighed by the uncertainty and conflict.

No matter which side of the aisle you are on, the Trump presidency has shown that an outsider can step in and get elected. He rallied millions of people who have been ignored and feel left behind by the political machine that is Washington D.C. I think President Trump's election will ultimately result in greater numbers of unique and passionate people taking part in governance at the highest levels. For now, we as a country need to pull together for a few short months and watch America take flight.

Last week's commentary can be found [here](#).



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