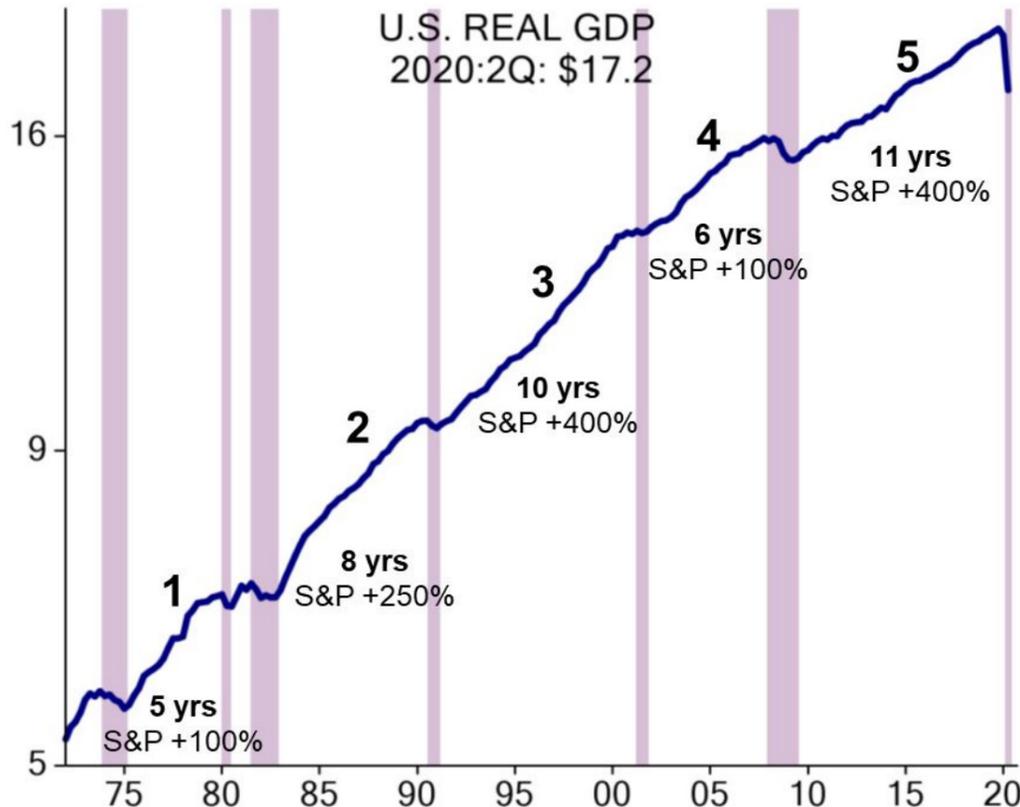


Top of the 1st Inning: Starting a New Expansion



- Incoming data continues to point to a sharp recovery, further solidifying that April was in fact the low of the cycle. ***If April was the low, then we are at the very beginning of a new economic cycle.*** And as Ed Hyman (ISI) reminds us in the chart above, cycles on average last 8 years and see the S&P increase +250%.
- It's always difficult to envision longer-term growth prospects when you are only a few months removed from the depths of a recession, let alone a mini-Depression as some have labeled 2020. However, the chart above offers a great perspective given where we are in the economic cycle.
- We continue to believe that we are in the middle of a longer-term secular bull market. (See our White Paper '[The Case for the S&P Doubling and a Global Bull Market](#)') Like the great bull markets of the 1950's-60's and 1980's-90's, sharp cyclical bear markets are common occurrences. We would expect performance to broaden out in the second leg of this bull market as International markets break out and US markets become less driven by the Top 10 largest names.

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