

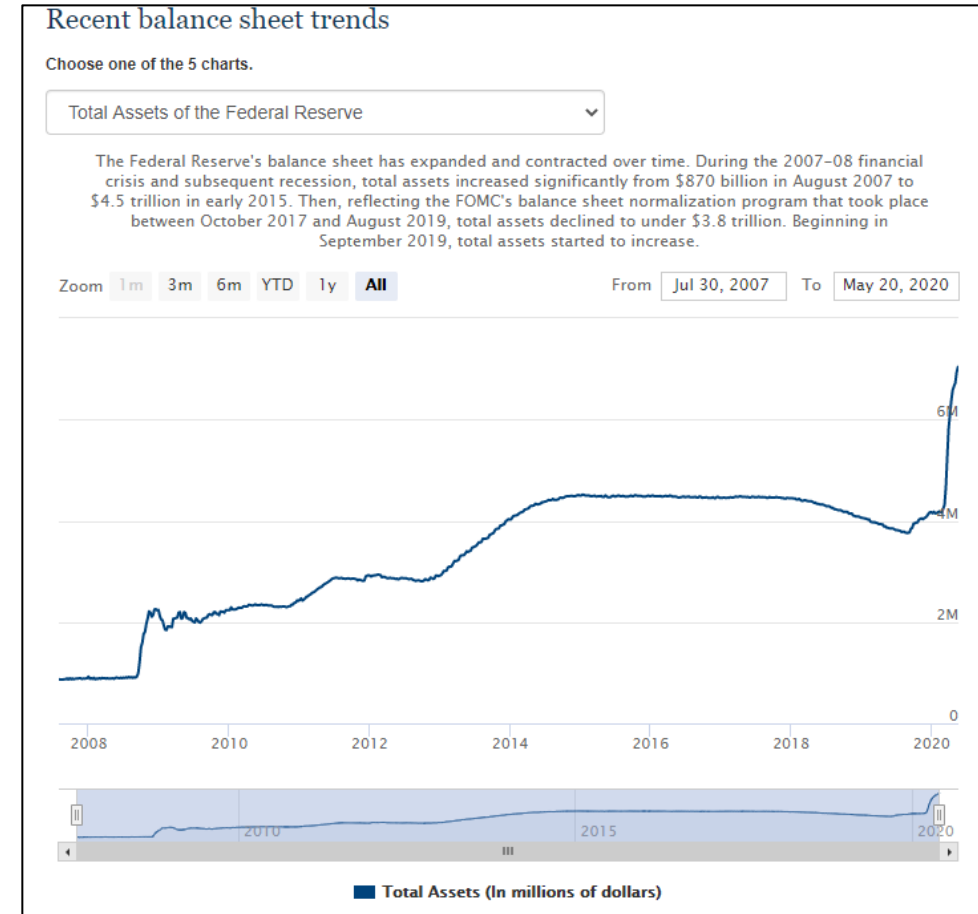
Sevens Report Alpha Webinar:
Which Is More Powerful, Stimulus or Economic
Growth?

Thursday, May 28th, 2020

Tom Essaye, President Sevens Report Research

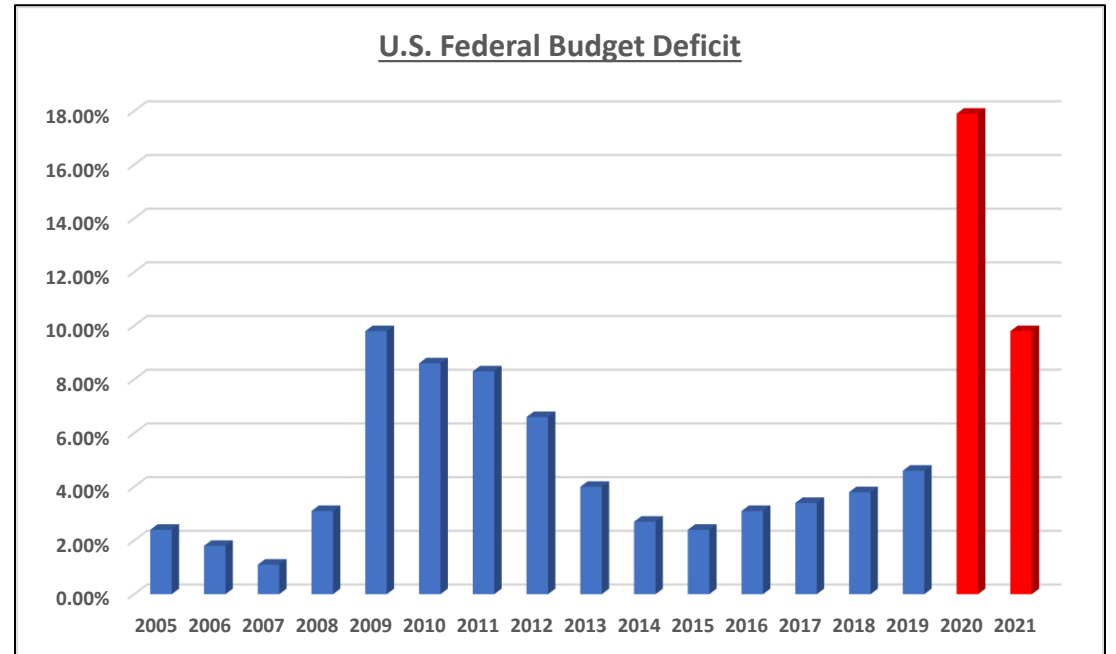
Fed Stimulus

- March 15 – Quantitative Easing \$700 billion over coming months
- March 17 – Creation of Commercial Paper Funding Facility “as high as \$1 trillion”
- March 23 – Corporate loan bailout \$300 billion
- March 26 – Buying of Commercial Mortgage-Backed Securities \$4 billion
- April 6 – Main Street Business Lending \$600 billion, Municipal Liquidity Facility \$500 billion, expanded PMCCF, CMCCF, and TALF \$850 billion



Congressional Stimulus

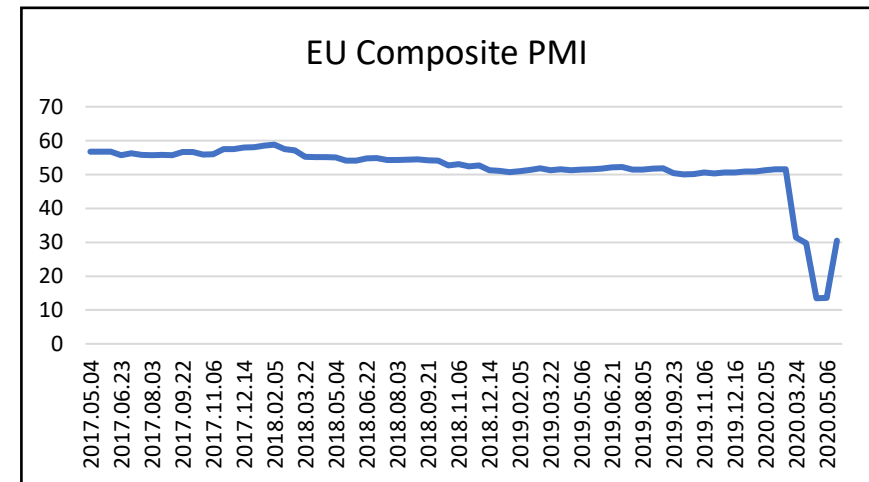
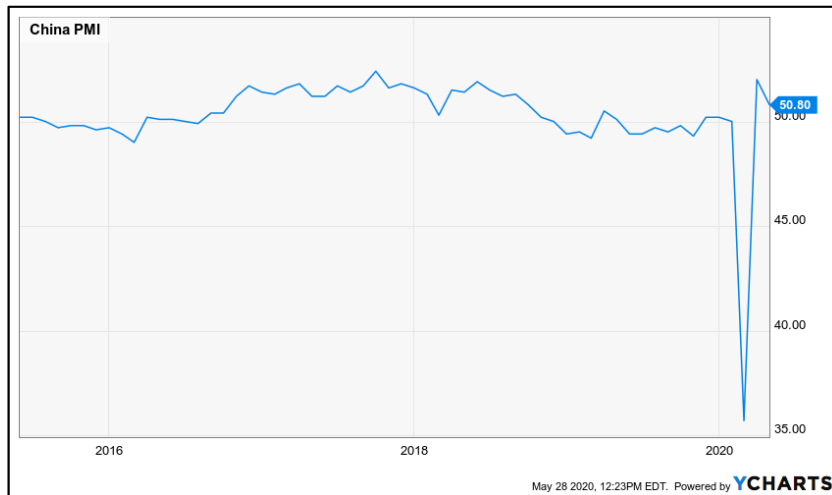
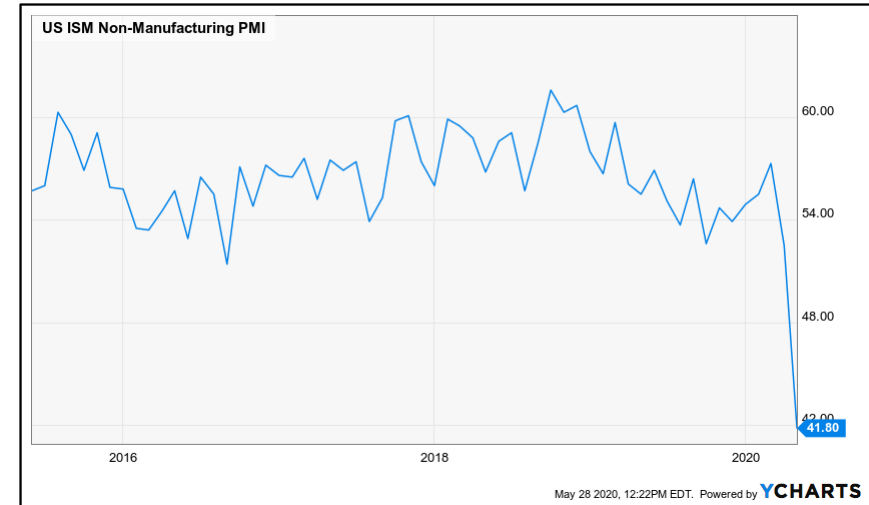
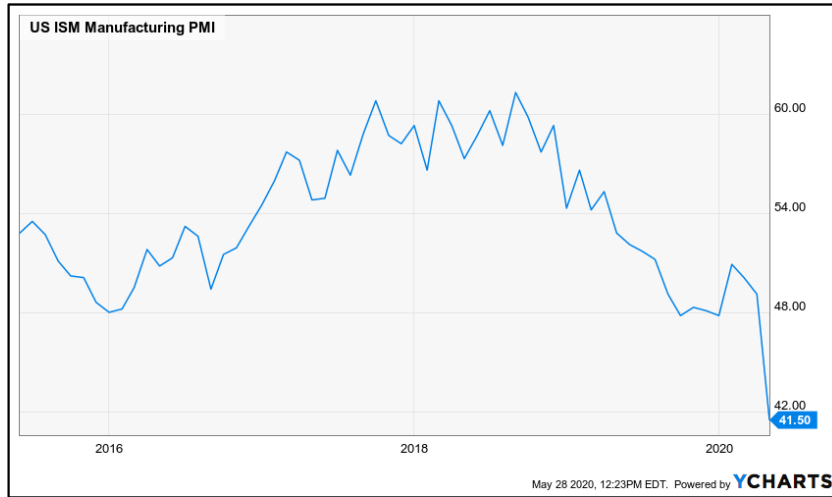
- March 6: Coronavirus Preparedness and Response Supplemental Appropriations Act \$8.3 billion
- March 18: Families First Coronavirus Response Act \$104 billion
- March 25: CARES Act \$2 trillion
- April 24: Paycheck Protection Program replenishment and Health Care Enhancement Act \$480 billion



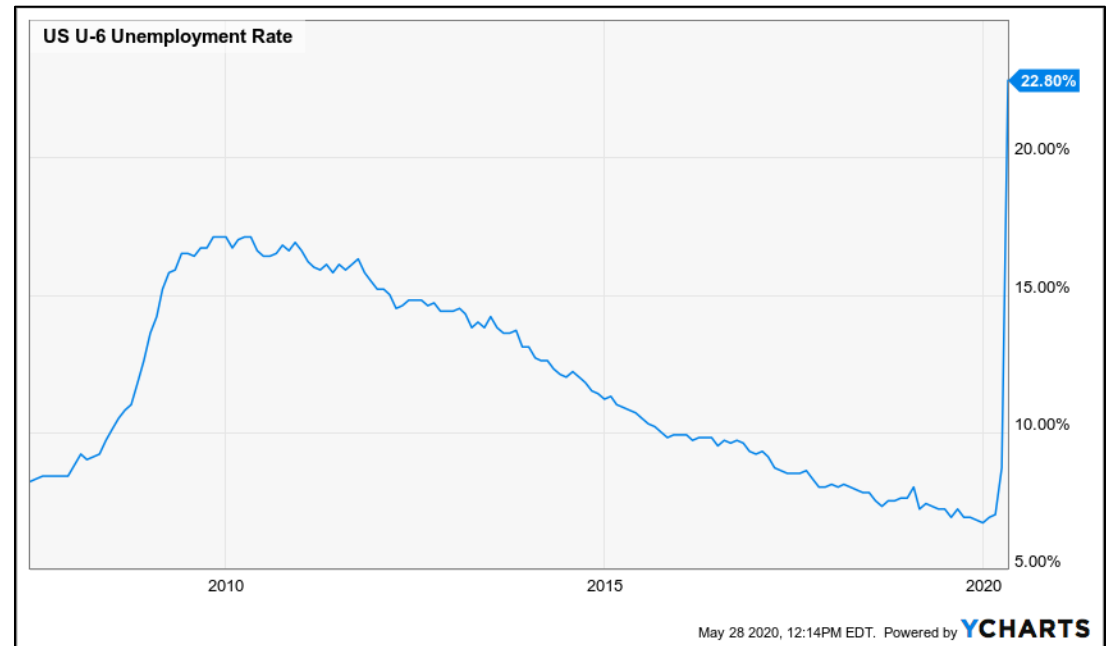
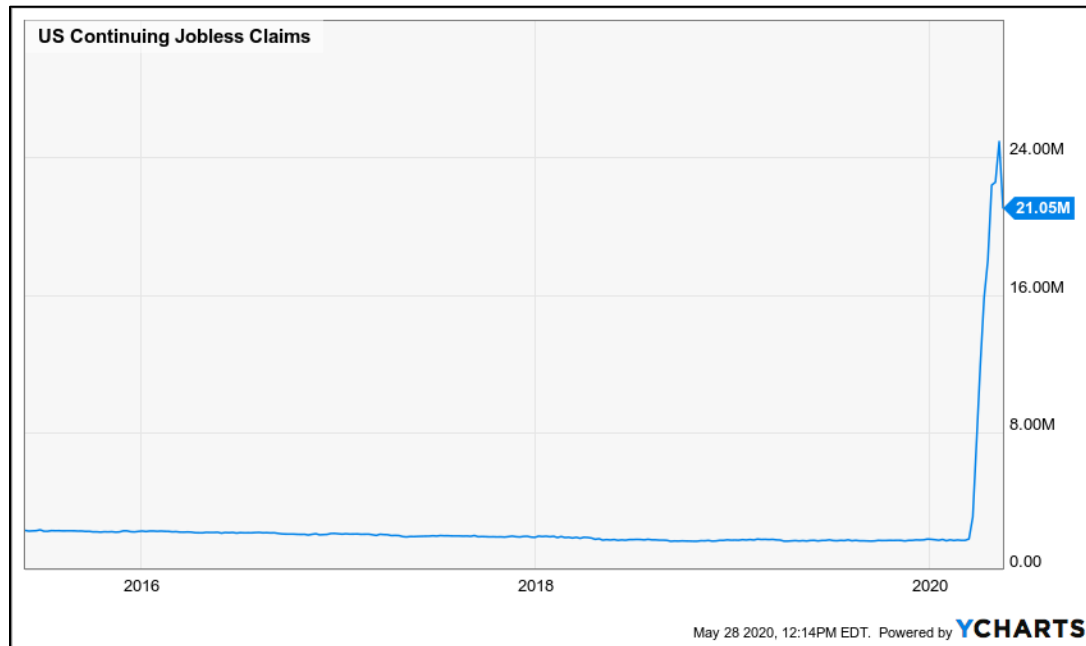
Foreign Stimulus

- Japan
 - April 7: Emergency Economic Package Against COVID-19 \$997 billion, April 27 Corporate Bond Buying \$186 billion
- EU
 - April 23: €540 billion package for workers, firms, and euro area states, €750 billion in asset purchases
- Germany
 - March 25: €750 billion package for health care, workers, and firms

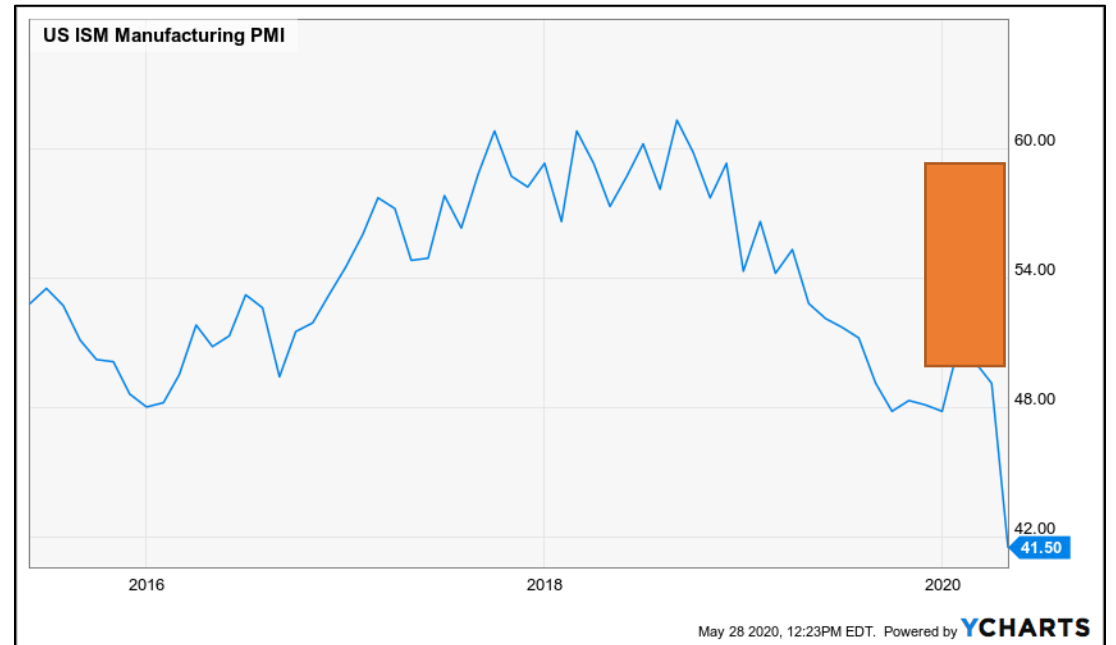
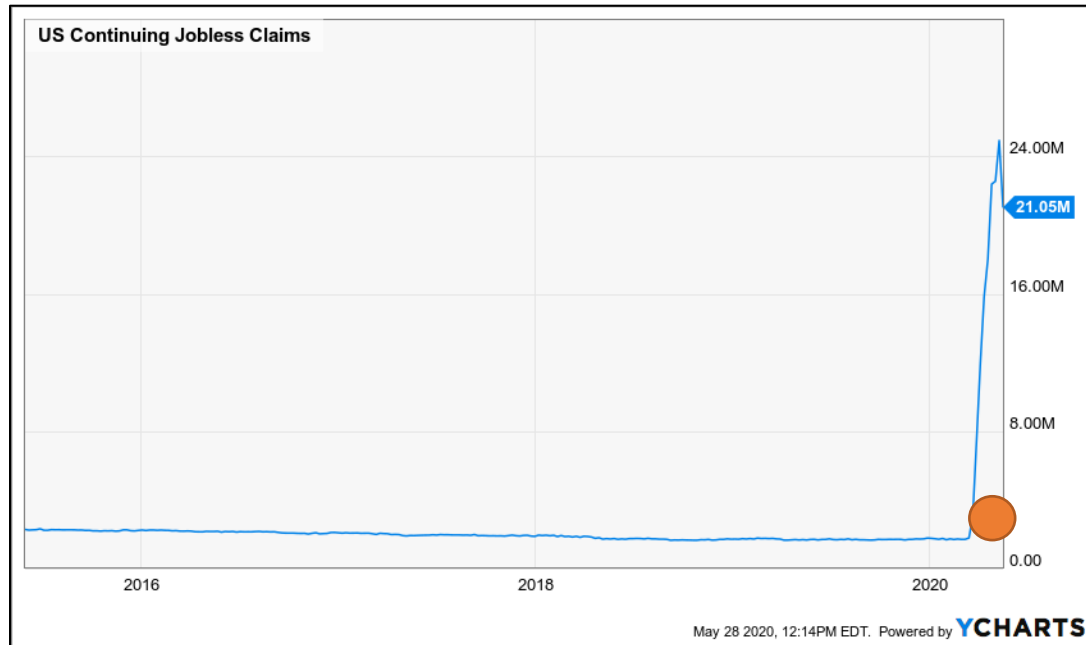
Economic Growth



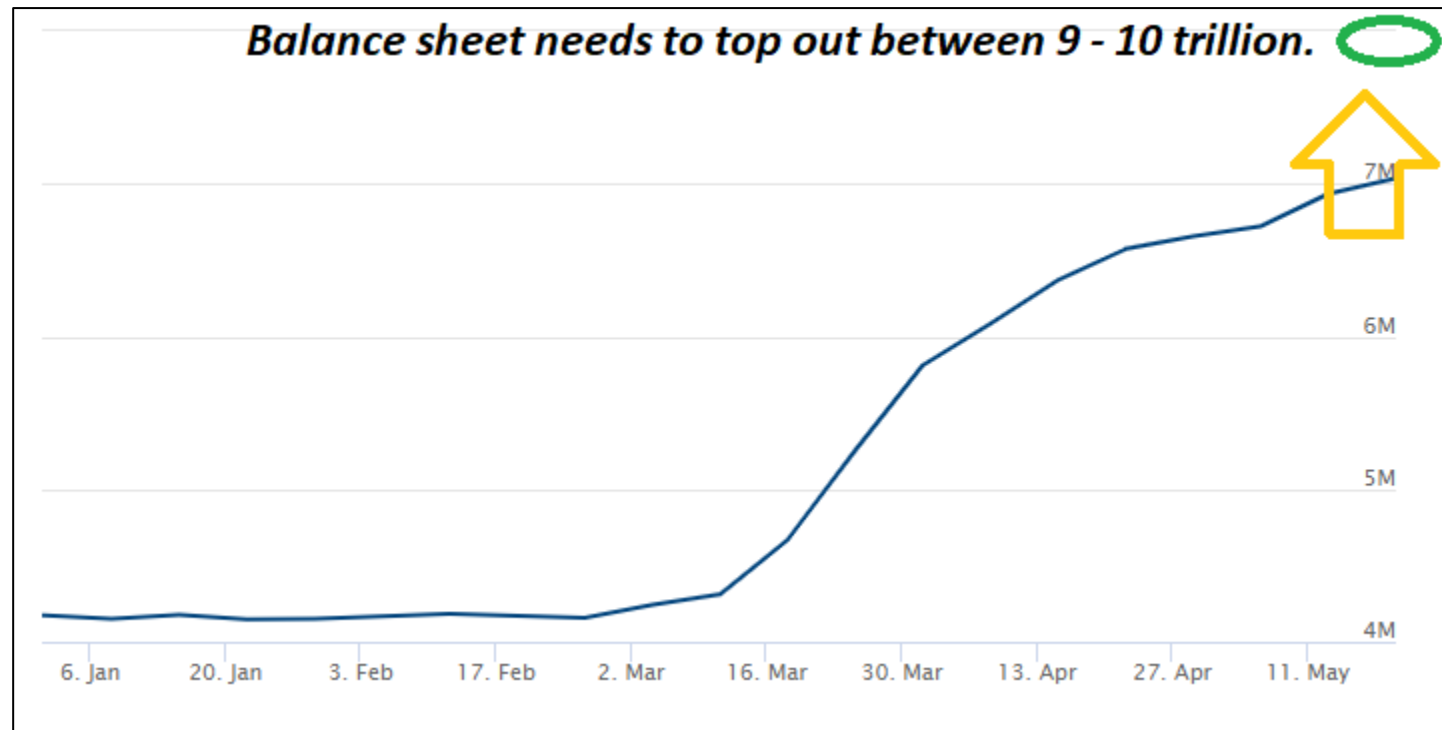
Unemployment



Key Indicators: We Need Stable Growth



Key Indicators: And Continued Stimulus



Scenario Playbooks

• Stimulus Wins

- Stay At Home Stocks (XITK). Issue 4.7.2020.
- A Better Tech ETF (IGV). Issue 9.24.2020.
- Alpha Opportunities in Healthcare (IHI/XBI/IHF). 5.7.2020.
- Content Is King & Cord Cutting (XLC/JHCS/DIS). Various Issue Dates.
- Gold (GLD/SGOL/GDX). Issue 7.2.2019.

• 30's Style Perma-Recession

- Dollar Stores/Fast Food (DG/DLTR/MCD), Consumer Staples (RHS). Issue 5.5.2020.
- Cash Management (FPNIX/MINT/BBBIX). Issue 12.17.2019.
- Utilities (VPU). Issue 2.12.2019
- Hedged Equity ETFs (DMRL/CCOR/JHEQX). Issue 3.10.2020.
- Long End of the Curve (PTCIX). Issue 9.10.2019.

Wild Card to Watch: Inflation.

