

NEXPOINT

Market Minute

Monday, July 12, 2021

Mike Hurley, CMT
Chief Market Strategist

775-750-8921

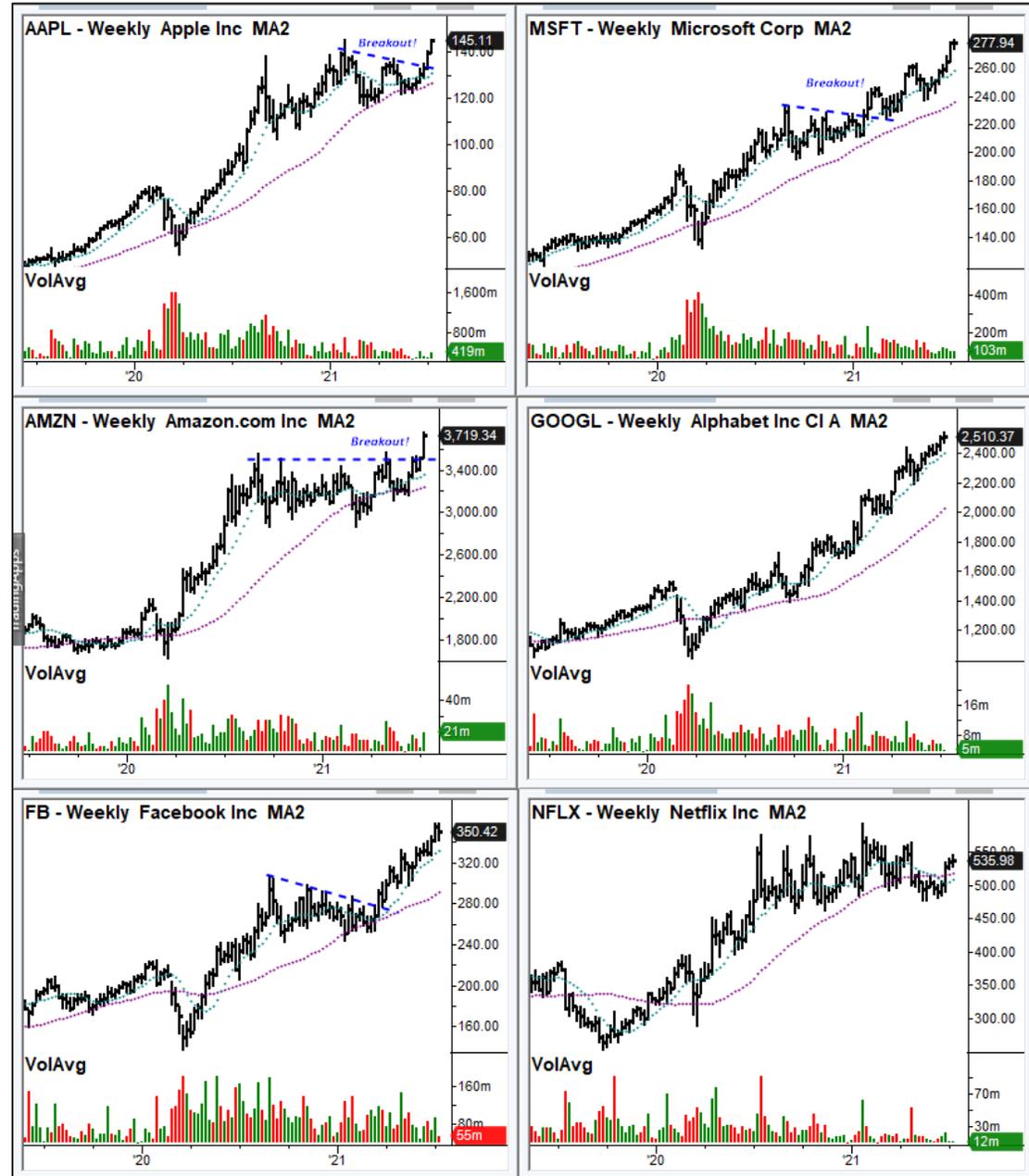
mhurley@nexpoint.com

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Important Last Week

‘FANG Rally’:

- Have been noting ‘FANG’ rally – can ‘see it’ to the right
 - New highs in 4 of 6 last week
 - Strong move in AMZN
 - AAPL strong last 2 weeks
- Creating divergence in market
- Highest risk of cycle for consolidation or correction
- Still healthy longer term – bull market



Big Picture

Commodities / US\$:

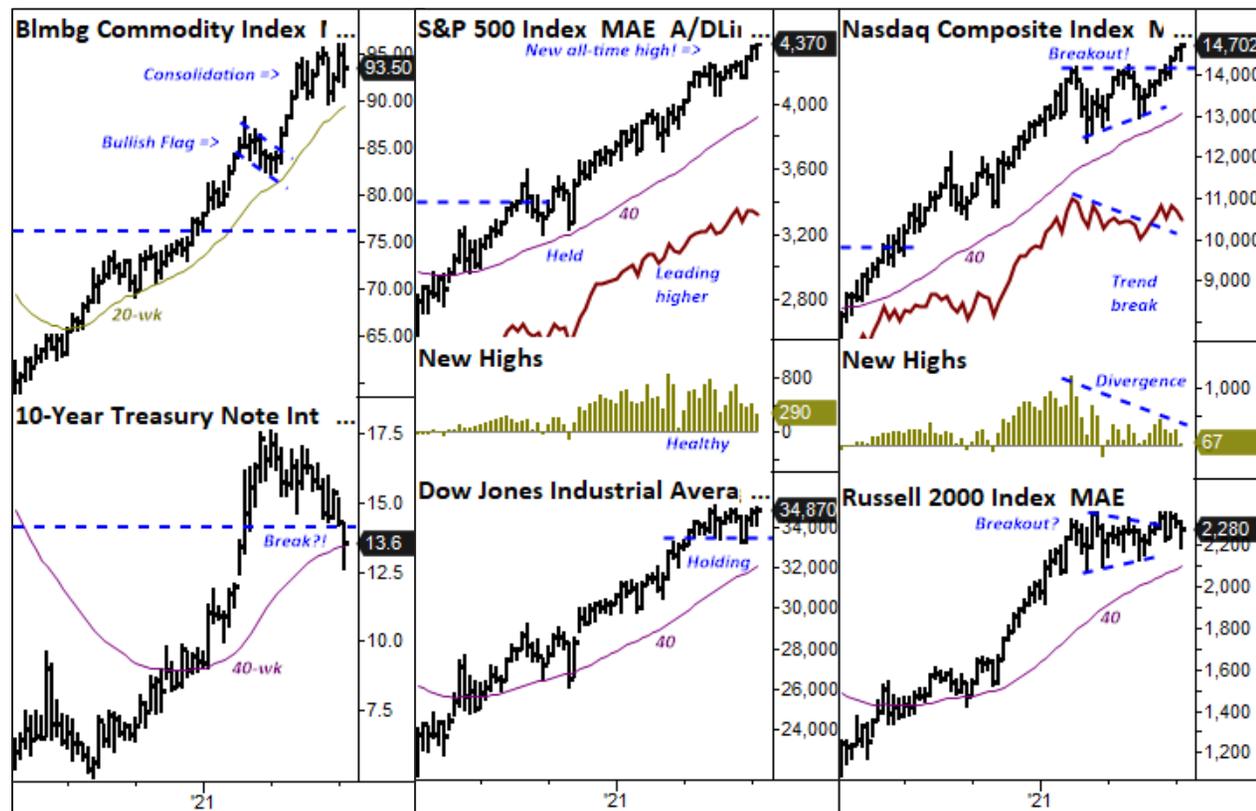
- BCOM in strong up trend
- Now seeing consolidation

Yields / Credit:

- Rates in new 'Bull Market'
- **Potential break-down in rates**
- Can confirm global growth

Stocks:

- Continues to look like a strong cyclical 'Bull Market'
- **Now seeing several divergences**
- **Risk of consolidation or correction**
- Calendar & politics the main risks



Trends	LT	Notes
Commodities	▲	Clearly seeing 'reflation', which suggests healthy economic activity globally.
Bonds/Rates	▼ / ▲	Have been confirming 'reflation', with their strength – now at risk of breaking.
Stocks	▲	Enjoying a broad, strong, healthy, cyclical advance – NASDAQ now 'breaking out'



About Mike

Mike Hurley, CMT serves as Chief Market Strategist and Portfolio Manager and for Nexpoint. He joined the firm in 2011 as a sub-advisor and prior to that served as a Portfolio Manager of the Fusion Global Long/Short Fund (FGLSX) from its inception in September 2007 to November 2008. That fund posted a positive return in 2008 and won the Lipper Performance Achievement Award in the Long/Short category (ranked #1 of 90). Prior to launching FGLSX he served as Chief Technical Strategist for several boutique research firms, including: M.S. Howells & Co., SoundView Technology Group and E*Offering (The Investment Bank of E*TRADE). From 1986 to 1994 he served as a commissioned officer in the United States Navy, where he flew over 50 combat missions during Operation Desert Storm, earning two Air Medals. Mr. Hurley is a graduate of the University of California, Santa Barbara where he received B.A. degrees in both Business Economics and Chemistry. He is Series 7 & 63 licensed and is a Chartered Market Technician (CMT).

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