One Bar Ahead®

BY KEITH FITZ-GERALD

FEBRUARY 2024

Why Big Tech

CAN RUN FOR DECADES

One Simple Move

THAT CAN MAKE ANY INVESTMENT "RISK-FREE"

Quantum Computing's "ChatGPT Moment" is on the Horizon

Keith Fitz-Gerald

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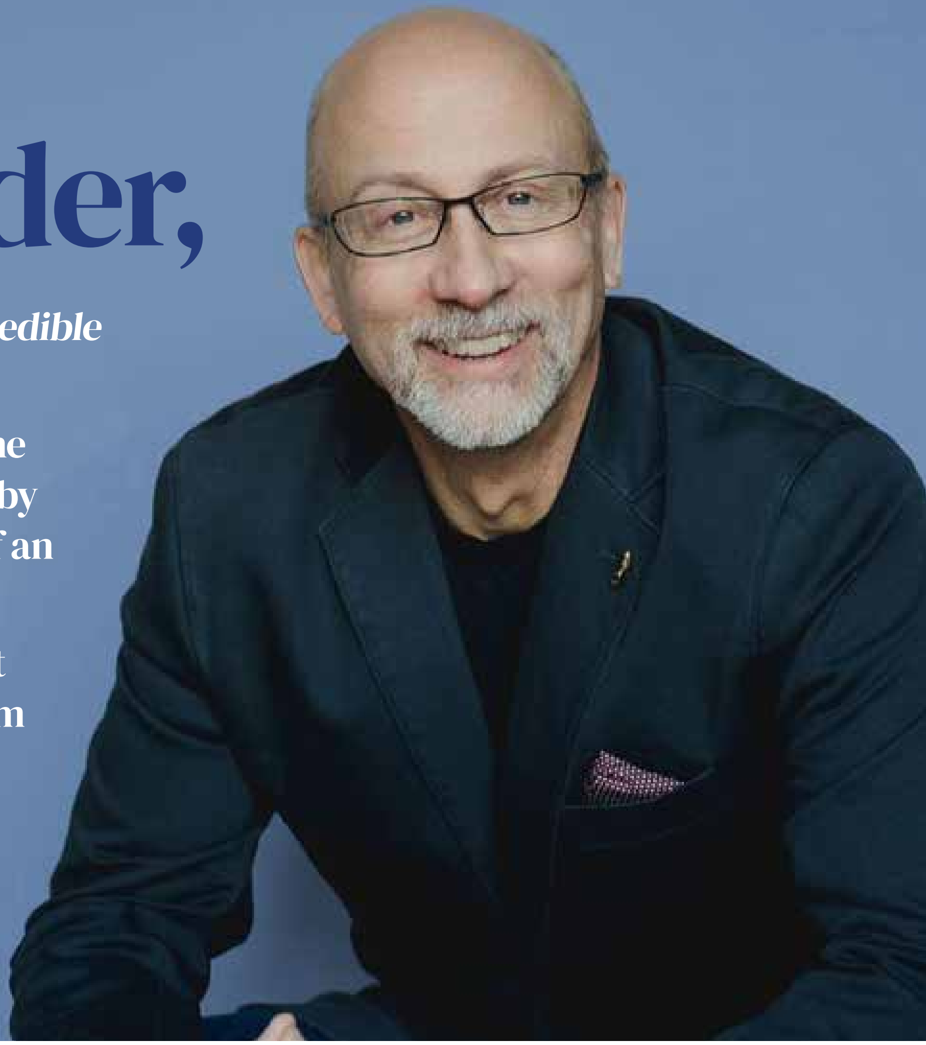
Dear Reader,



My grandfather, John, was an *incredible* steel worker.

The kind of guy who could machine complex metal shapes by eye and by hand. Often within thousandths of an inch.

He was so good at what he did that the US government wouldn't let him fight in WWII, but kept him home to machine high tolerance parts for the B-29 Superfortress, the Beech AT-10s and more in Wichita, Kansas.

I wouldn't even begin to know how to count the hours I spent at his side in his shop every summer. Often from sunup to sundown.

My favourite tool was one of the most dangerous, a super heavy, belt-driven lathe from the 1920s.

Most people who saw it wouldn't dare use it, even back then.

I can't say I blame 'em.

The dang thing was 10 feet long and had no safety gear on it whatsoever. Any one of a dozen different spinning, whirling, or twisting parts could have killed me in an instant!

I loved it anyway.

Every summer, Grandad would teach me something new.

The first step was learning how to turn it on safely. I had to run through the belts, gears, and other moving parts for signs of wear. Then check that all the switches and speed controls were in working order.

Contrary to the flip it on and forget it stuff that exists today, I had to very slowly and gradually warm up the lathe every time I wanted to use it. Temperature was super critical both for the lathe and the materials I intended to use.

There were hundreds of adjustments in tool height, angle, and position to contend with as well as belts, spindles and bearings, any and all of which had to be checked visually.

Most people wouldn't think about it today, but learning to listen was crucial because a lot of times you could hear when something wasn't working properly.

The startup usually took me 30 minutes to an hour.

I foolishly tried to cut corners.

Once.

And Grandad being the man he was, let me proceed until I scared the bejeezus out of myself before stepping in.

I can still hear his voice today.

"You just can't do that, Mr. Keith – that's what he called me – because mistakes'll cost you."

CONTRARY TO WHAT MOST INVESTORS THINK, YOU CAN'T JUST BUY ANY STOCK AND EXPECT REMARKABLE RESULTS...YOU HAVE TO BUY A REMARKABLE STOCK TO GET RESULTS.

- KEITH FITZ-GERALD

I thought at the time that he was talking about my fingers or other body parts, but he was constantly thinking 5 steps ahead.

"Sure, it would stink to lose your hand but think about what that would do to your ability to machine the part you're making. Or the man flying the engine with the rod you've just turned." he said.

That's the way it was in his shop.

I always had the freedom to screw up, but the real goal was to do everything right so that I would stay on track when it came to achieving much bigger, more consistent results over time.

It didn't matter whether we were talking dimensional tolerances, materials, precision instruments or setups.

There was *always* a bigger lesson to be learned.

Investing is the same way.

Contrary to what many investors think, you can't just buy any 'ol stock and expect remarkable results. You've got to buy remarkable stocks to get remarkable results.

Zooming out helps.

The cumulative impact of sweating the small stuff – like making sure we're lined up with the 5Ds and have done our homework when it comes to picking "must have" stocks like AAPL, MSFT, and NVDA just to name a few – allows us to achieve remarkable results over time.

Precision, Grandad would say, leads to excellence.

Investing success isn't a one-time achievement. It's a process.

Getting the results you want is a journey involving continuous improvement and refinement.

A mindset, really.

One that keeps us moving boldly forward while creating the confidence we need to overcome the setbacks, miscues, and missteps that stop other investors in their tracks.

It's also a prescription for financial freedom that goes hand in hand with what I call investing with purpose.

Grandad insisted that I knew what I was making and the results I wanted before I started, then work backwards.

He knew, like we do, that visualizing success helps mitigate anxiety and the fear of failure by shifting your focus from obstacles that would otherwise hold you back to potential outcomes that lead to greater success.

Grandad never used the expression "investing in optimism," but I think he'd recognize the wisdom of using it like we do as a path forward.

Speaking of which, I think the technology is far enough along that quantum computing is going to have a "ChatGPT" moment within the next two years. Perhaps, five at the most.

So, I've scoured the markets for a choice that is best positioned to capitalize on that when it happens. All three of the big cloud players are on board – Microsoft, Google and Amazon.

Then, we'll talk tactics and the FreeTrade. If there's a simpler, more efficient, powerful way to improve your results, I haven't seen it.

I've also got the latest MMI chart pack and a detailed portfolio

INVESTING SUCCESS ISN'T A ONE-TIME ACHIEVEMENT, IT'S A JOURNEY.

review for you.

Admittedly, this issue was one of the most challenging I've put together in years given all the headlines as we went to press while burning what seems like an extraordinary amount of midnight oil in retrospect – I hope you like it!

I talk frequently about why most investors are underestimating the impact of AI but have always struggled to drive that point home visually until now. The data points I've included made my jaw drop, btw!

And finally, quite a few members of the OBA Family have asked me how I stay sharp given the schedule I keep. While I don't claim to have all the answers, I've developed a few tricks of the trade that may help – pun absolutely intended.

As always, thank you for being part of the One Bar Ahead® Family. Noriko and I are thrilled to be together with you on this journey.

Best regards for health and wealth,

Keith Fitz-Gerald

From Startup to Stock Market

seed capital

Earliest investors in a start-up

The business may not even have revenue and be little more than a pipe dream

Typically individual investors

Often family, friends, or angel investors

Wealthy person who invests in infant companies

venture capital

Invests in companies that are scaling

Businesses may have revenue but typically not profitable yet

Groups of investors or VC funds

private equity

Typically invests in companies at venture stage but not yet listed

Individuals, angel investors, and VCs

Lawyers and founders make a pile of $$$

initial public offering (ipo)

Company listed on the stock exchange, public can invest

public market

Keith Fitz-Gerald

Ways to keep in touch

We love hearing from you!

Please drop us an email at subscribers@keithfitz-gerald.com and share what you're up to this fall, which companies you fancy, what tactics you'd like to learn, and, of course, anything else on your mind.

Other ways to keep in touch.

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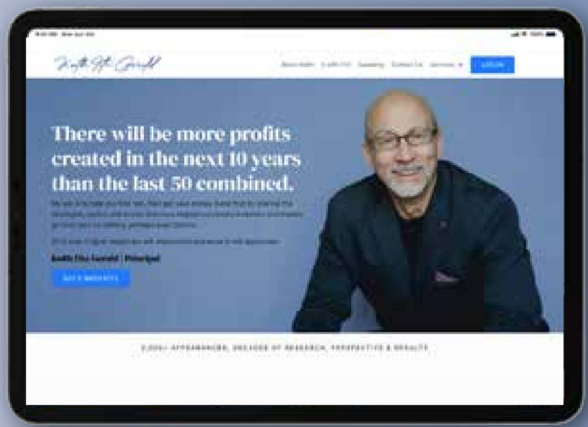

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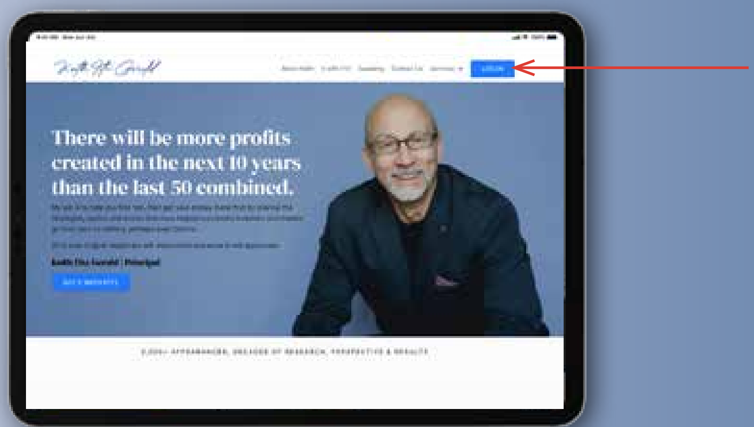

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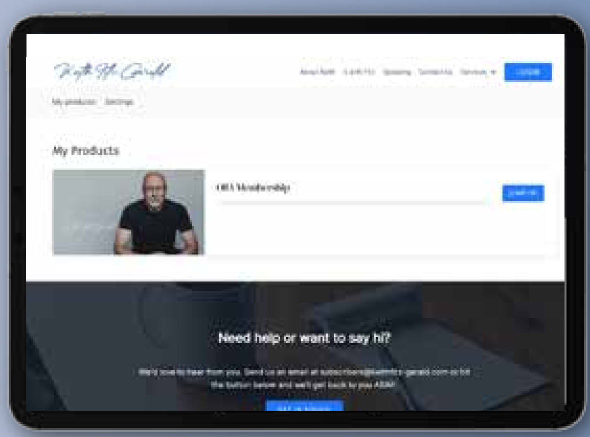
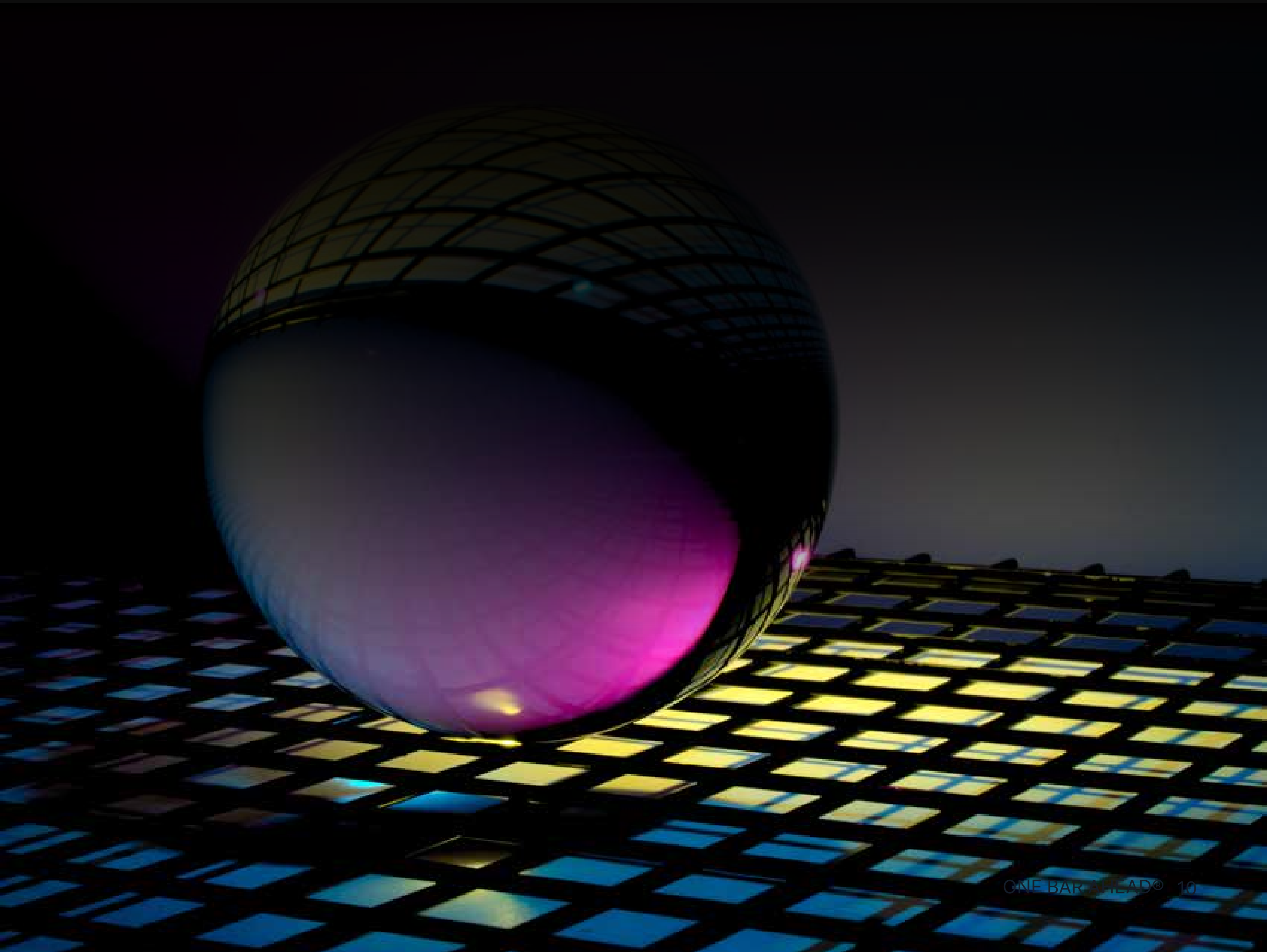


If you try the above steps and that doesn't work, please contact us at **subscribers@keithfitz-gerald.com**

Quantum Computing's "ChatGPT Moment" is on the Horizon



IonQ If you can buy only one…

Quantum computing's "ChatGPT moment" is on the horizon

Let's cut right to the chase with this month's recommendation.
… the industry isn't ready
… the hardware isn't there yet
… there are only a handful of customers
… and there are no practical uses for what this company makes

I want you to buy a few shares anyway.

Here's my thinking.

Quantum computing is a term most investors are passingly familiar with but very few actually understand. So let's A) de-mystify that, B) talk about why I believe the timing is right and C) why I think IonQ Inc. (IONQ) is the company to get us started.

What is Quantum Computing
Unlike traditional computers that break data into two-dimensional 0s and 1s called bits, quantum computers rely on "qubits" - quantum bits – that can be 0s, 1s or any combination of the two at the same time.

Practically speaking, this means they can work faster on certain calculations because they can explore multiple solutions to programming problems at once rather than sequentially as is the case with classic computers.

Why This is a Big Deal
Quantum computers will be able to solve computational challenges that are currently beyond the realm of possibility for conventional computers particularly when large datasets are involved. Examples include cryptography, materials science, medical drug development, finance, logistics and, yes, AI.

Like many breakthrough technologies, chances are good that you will wake up one day and say, "dang"… because your new, personalized designer medicine got to you before you returned home from the doctor's office.

Suddenly your computer begins talking to your car or your refrigerator while it assembles the grocery list you'll need if you happen to drive by Walmart or Costco.

You probably won't even notice advances in cybersecurity, but you will very likely see a drop in the number of times your credit card gets hacked or the volume of calls pitching new car insurance, health care or timeshares.

Home assistants like Siri and "she who shall remain nameless" - which is what we call Alexa in our house – will become dramatically more interactive, interesting and natural.

At the same time, human longevity will increase while the cost of power could drop effectively to zero. Money could "solve" itself and investing will

become radically different as a result.

Quantum computing will have a "ChatGPT" moment within the next 24 months.

Savvy investors will nod knowingly when that happens while everybody else will wonder how the heck they missed it.

Matthew Coble, Chief Digital Advisor at World Wide Technology, a privately held technology powerhouse, doesn't think I'm far off. He expects quantum computing to usher in a new era of technology and business applications. Further, when paired with the advances in artificial intelligence, quantum computing may bring a new era of emergence and general-purpose AI.

Until very recently, the most advanced computing centered on neural networks and other algorithms that process vast volumes of data quickly, but sequentially. Coble notes that with quantum computing, all of that data and all of the possible outcomes will be calculated simultaneously with the best solution emerging immediately.

Where this gets interesting and - I'll admit – a bit scary is that larger more complicated quantum models could potentially set up entirely new connections that are fundamentally different, and which were not possible at a smaller scale using neural networks or other conventional computer processing.

Patent applications have jumped dramatically and in ways that you may find downright incredulous.

AMD, for example, filed a patent in 2021 for teleportation as a way of powering quantum computing by focusing on areas of the chipset that hold qubits before they are processed.

There's a dramatic worker shortage despite rapidly growing knowledge which means that the top players will quickly snap up the talent and in doing so amplify the focus that we talk about frequently as part of the investing process.

Rapid AI development and cloud growth will create a global "use" case while increasing access. And all things being equal, I expect an entirely new wave of acquisitions with key players like Microsoft, Apple, Google, Tesla and others racing to establish early market leadership.

IonQ, Inc reminds me of Palantir

There are a number of companies operating in the quantum computing space, but most are privately held and little more than proof of concept undertakings at the moment.
IonQ, on the other hand, formed up in 2015 and is the brainchild of physicist Christopher Monroe and quantum optics expert Junsang Kim.

QUANTUM TECHNOLOGY IS STILL VERY EARLY DAYS BUT EVOLVING RAPIDLY.

In contrast to competitors that are focused on breakthrough technologies themselves, IonQ has prioritized scalable quantum computing solutions from Day 1 using a mature technology based on naturally identical quantum atomic ion qubits.

According to management, this allows IonQ's version to run at room temperature, be scalable, yet perfectly isolated from environmental influences that would otherwise introduce decoherence. Error correction is orders of magnitude better than comparable approaches.

The company has also determined that connectivity and fidelity are more relevant than other approaches, particularly those based on supercomputers requiring something called *multiple swap gates* which for lack of a better descriptor and in the interest of keeping things simple, are the fundamental building blocks for quantum circuits.

I realize this gets vague quickly, so let's focus on the addressable market's size.

There are four "stacks" for lack of a better term: machine learning, optimization, simulation and cryptography, each of which has sub-segments valued from $1B - $100B+. Examples include tech and advanced search advertising optimization ($50-100B), Pharma drug discovery ($40-80B) and financial market simulation ($20-35B).

IonQ has built key partnerships with a "who's who" of players including Airbus, Quantum Basel,

Goldman Sachs among others. It's also the only quantum hardware available on all three of the big cloud networks: Azure, AWS and Google Cloud. Management is super seasoned, too. Executives have an impressive pedigree that includes prior stints at Amazon, Cisco, Google, Microsoft, PsiQuantum, Sun and more.

IonQ is working with DARPA and the USAF Research Laboratory. You don't exactly get to take part with those two organizations if you're amateur hour.

And finally, I think the company could be a logical takeover candidate as it grows.

There are caveats, of course.

Quantum technology is still very early days and very, very primitive.

It breaks a lot because it's finicky.

Decoherence is a problem. Quantum computers work because qubits exist in what is called a state of supposition. Anything that interferes with that – radiation, vibrations, temperature – can cause 'em to become entangled with the environment or even each other.

There are not many customers because customers can only get at IonQ's machines via the big boys and their cloud computing platforms including Google/Alphabet, Amazon and Microsoft.

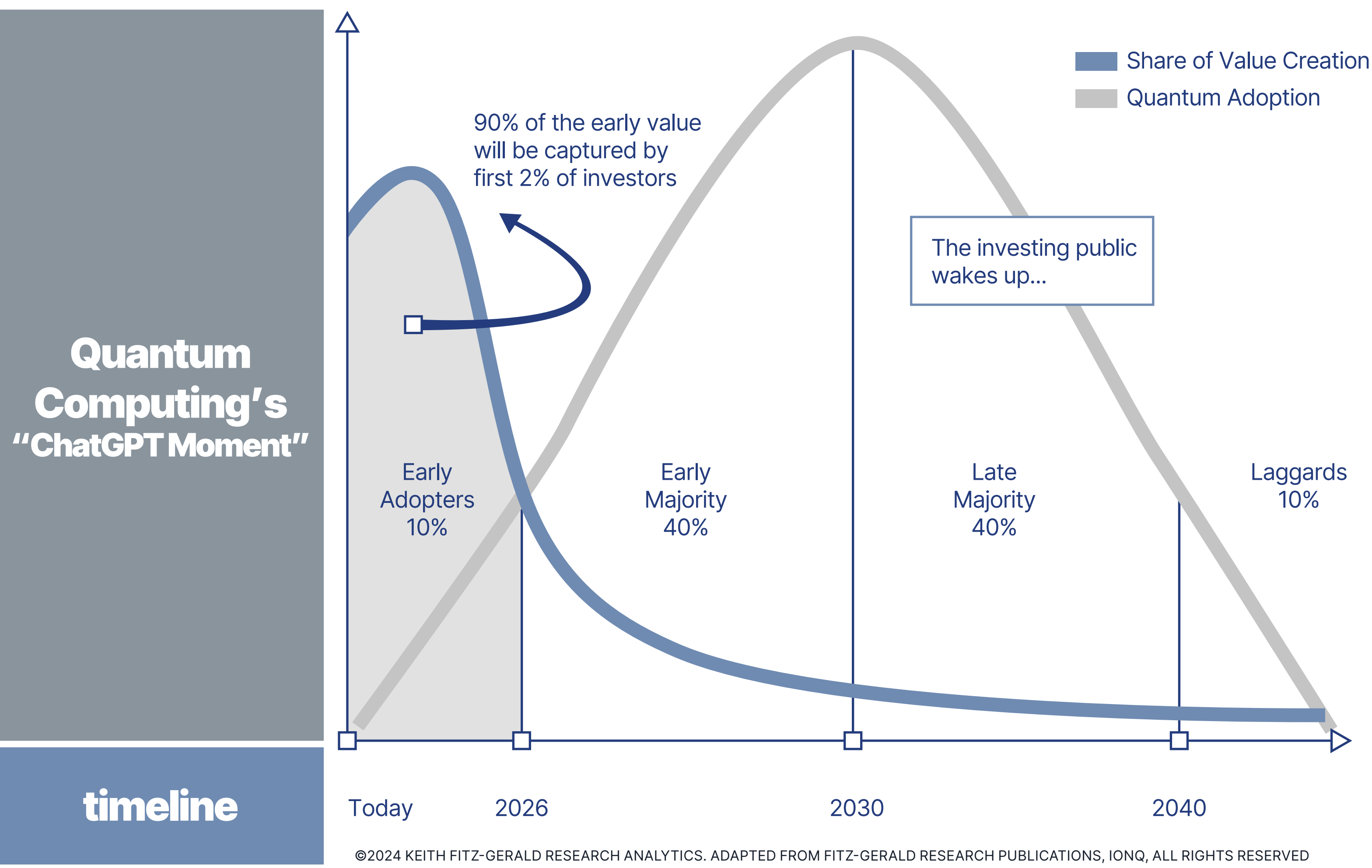
And finally, quantum technology will take piles more money before it's viable.

Action to Take:
Buy a starter position in IonQ (IONQ) at market. Plan on adding shares over time using DCA/VCA to accumulate shares while controlling risk as part of the purchase price. Tuck shares away in the Zingers section of your portfolio – the "10" in the proprietary One Bar Ahead® Model Portfolio.

The stock is cheap enough that I would not recommend using options at present because the volatility that would otherwise be an ally is an enemy. At least for now.

My initial target is $15 but I can easily envision $20+ if quantum computing launches into the public's consciousness.

Please note that this is a speculative recommendation in a speculative industry at a speculative time. Consider passing on this choice if you are not prepared to accept the risk. Check with a financial professional who is familiar with your personal risk tolerance, financial situation, and objectives if you have any questions whatsoever.



One Simple Move Can Make Any Investment "Risk Free" Instantly

There's an old adage.

Cut your losses and let your winners run.

It's bunk.

Constantly harvesting *profits* is the way to go.

Don't believe me?

I understand.

That's the problem with commonly held wisdom. It's often accepted as gospel even when it's wrong.

Millions of people once thought, for example, that the world was flat because that's the way it appeared. The same was true when doctors believed bloodletting, cocaine and drinking radium would fix what ailed you. Whether or not Elvis shops at a mall in Cleveland is apparently still up for debate, though.

Obviously, I'm joshing you to make a point.

Commonly held wisdom is exceptionally dangerous because it seems so obvious that it's never questioned, especially when it comes to investing.

Let's set the record straight.

Learning to take profits consistently is one of the single most important skills any investor can learn.

Here's why.

Taking profits consistently:

•<u>Helps keep your emotions out of the equation</u> by replacing greed with discipline

•<u>Ensures that you are never out of the markets and never left without cash</u> when there's a correction, a pullback, or a squiggle you can use to your advantage

•<u>Forces you to focus on winning</u> rather than a fear of not losing

Still not convinced?

Think about it this way.

I don't know of a single person who has ever gone broke taking profits, but I've heard plenty of stories about those who have gone broke taking losses. Chances are good that you have, too.

That's really the rub when you get right down to it.

Wall Street wants you to fall in love with your stocks, bonds, ETFs… whatever it is they're peddling. That way they can sell you the moon because, after all – wink, wink - that's where prices are going "if you don't sell" is the implication.

This isn't happenstance.

Many brokers and their firms won't say "sell" explicitly because they fear the liability that comes with making actual decisions in your interest, not theirs. This is especially true if those decisions result in a loss. So they focus on buying to avoid the backlash which, not coincidentally, also helps maximize commissions, bonuses, and the like.

I've long wondered why investors don't call 'em out.

The only possible explanation I can come up with is that people love the idea of big winners so much that it's easier to convince 'em that it's foolish to buy "expensive" stocks than it is to convince 'em that it's more foolish not to sell as prices climb.

Did you catch that?

Like most of what you hear on the news and in those pesky email bombs masquerading as financial research, it's the exact opposite of what you should be doing.

Now here comes the good part.

A tactic so simple and so powerful that you'll kick yourself for not having used it or even known about it.

The FreeTrade

I introduced the FreeTrade more than a decade ago to the investing public and it's since been widely copied by the financial newsletter community. With no credit, naturally but that's shame on them time.

I simply got tired of seeing investors let big winners turn into portfolio-killing losers so I did something about it.

The FreeTrade is super simple.

No other tactic or strategy I know of comes close in terms of effectiveness.

How & Why It Works

I recommend that you convert any investment to "FreeTrade" status when you have a 100% winner on the table by selling half of your original position. If you own 100 shares of stock, sell 50. If you've purchased 2 options, sell one and so on.

This accomplishes three things:

1) Selling half of your shares every time you hit 100% allows you to recover the initial cost of

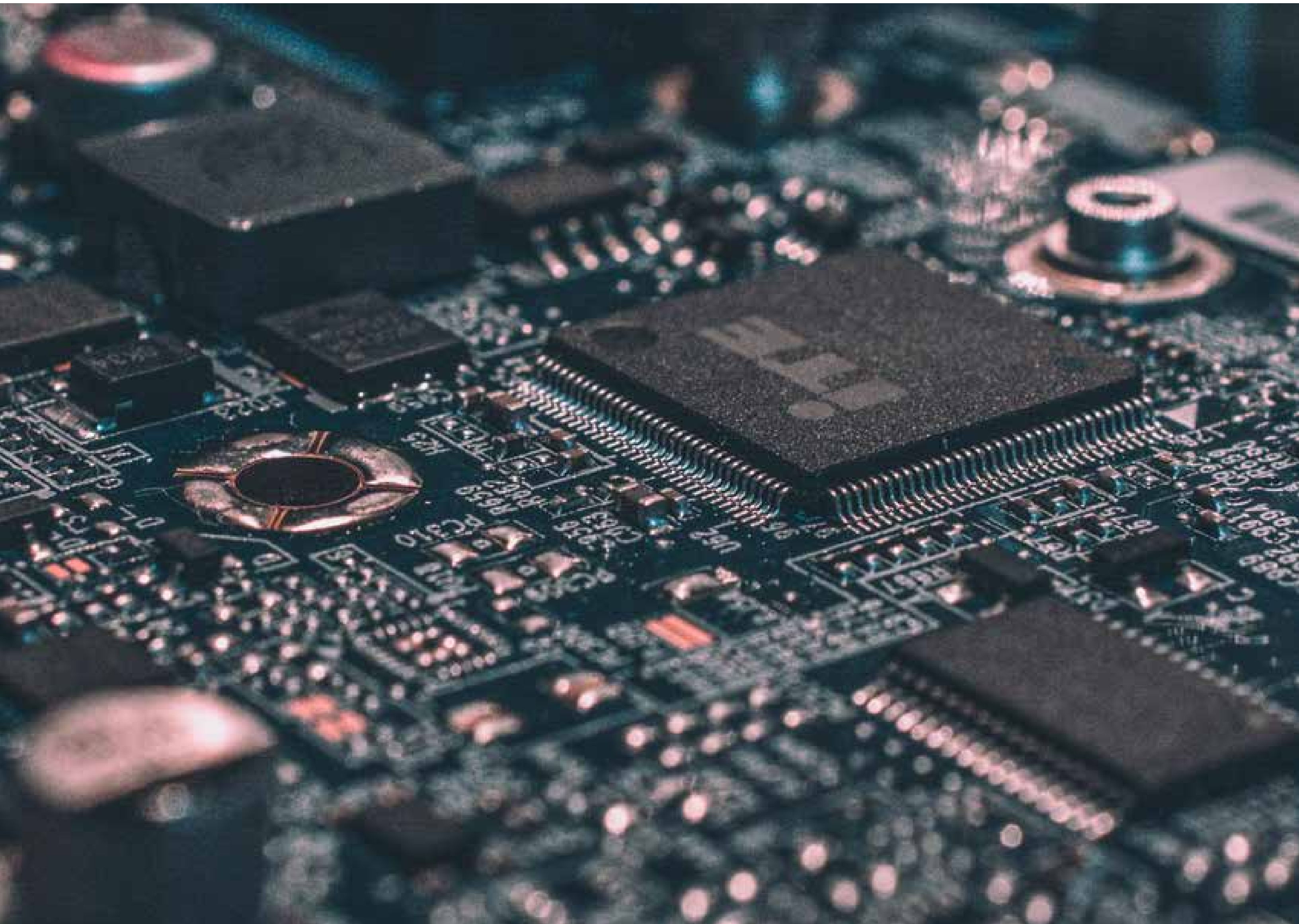
your investment. For example, if you buy XYZ stock for $5, you will sell ½ of your shares at $10. If you buy a $10 stock, you'll sell ½ of your shares at $20. If you're talking about a $200 stock, you'll sell ½ of your shares at $400 and so on.

2) Now you're free to put your profits into other opportunities that, hopefully, allow you to repeat the process and capture yet another 100% winner somewhere down the line. Or, if you'd prefer, you can pocket your winnings, take a vacation, buy your partner or spouse something nice, pick up a snazzy new car or even buy a house – all of which OBAers have told me they've done over the years with money they've harvested thanks to the FreeTrade.

3) And perhaps best of all, you can let the remaining shares run without worrying about what the markets do next because they're a) paid for and b) effectively "risk free" as a result.

Functionally speaking, the FreeTrade helps boost profit potential, reduce risk, and maximize the effectiveness of compounding, particularly if you're doing it with a dividend paying stock or fund.

Translation… a smoother ride, more consistent profit potential and higher risk adjusted returns over time.



My favorite part is this.

The FreeTrade works in all kinds of market conditions, on any investment, and can be set up well in advance. That means you don't have to be an aggressive, caffeine guzzling day-trader to make the most of things.

If nothing else, it's tremendous peace of mind.

Here's a Real-Life Example

I recommended NVDA to the OBA Family on 3/7/22 because it was tied to the massive upswing in AI I saw building at the time as well as the largest of the 5Ds we follow, Digitalization.

NVDA was trading at $213.26 back then.

By June 2023, NVDA passed through $426.52 giving anyone following along as directed the opportunity to capture gains of at least 100%.

I recommended selling ½ the position to capture profits, reduce risk and redeploy the proceeds into other recommendations or even back into NVDA on a pullback.

I also suggested anybody who wanted to do so to consider letting the remaining shares run because they were now effectively paid for... "free."

So How Did the NVDA "FreeTrade" Work Out?

It's still going.

NVDA closed at $627.74 today as I write, having returned 194.35% from my initial recommendation and up 231.41% off 52-week lows.

Anybody DCAing/VCAing into shares – even if they joined OBA after I made my initial recommendation – has had several opportunities to convert shares to FreeTrade status and, in doing so, quickly grow their wealth. If NVDA pulls back, that's a few less shares they have to worry about.

That's really the magic here when you get right down to it.

Imagine how quickly your money can grow if you do this two times, three times or more – *every* time whatever shares you own hit 100%.

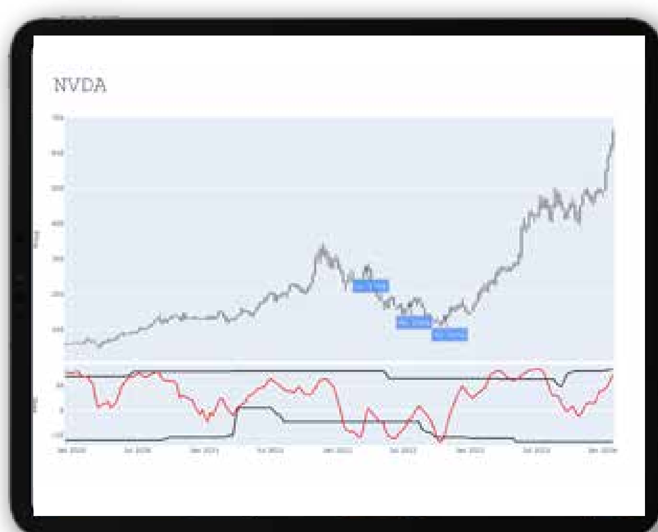
You can constantly play offense without the worry of tripping up like many investors who fail to grasp the significance of what we're talking about.

People often look at me sideways when I say that the markets want to hand 'em money every day.

You've just got to be ready to scoop it up.

With the "FreeTrade," you can.

--Keith



Portfolio Review

A quick note from Keith: You've asked, and we've listened. That's why we're returning to a portfolio breakdown by segment that'll make it easier to read, quicker to access and simpler to follow along: Foundation Stones, Global Growth & Income, Zingers, and of course, Las Vegas Money.

Foundation Stones (50%)

This category contains companies intended to be the base around which all other choices are built and will account for roughly 50% of overall investable capital. The intent is to create stability that gives you the freedom to pursue more aggressive choices in the other two tiers over time.

There will be some turnover here but, odds are, not much over time because the emphasis is on fundamental underpinnings in line with the 5Ds.

Global Growth & Income (40%)

This category houses companies offering a unique twist on one or more of the "5Ds" or which are technically of interest and will represent roughly 40% of overall investable capital. The goal with this segment is appreciation potential AND an income boost so expect to see dividend payers and players here.

Turnover here may be based on a combination of technical and fundamental data and may be slightly higher. Market action could also trigger entries and exits.

Zingers (10%)

This category is home to the most speculative choices and will account for roughly 10% of overall investable capital.

Zingers are fundamentally compelling but are going to be selected based on a higher relative technical analysis weighting using the OBA engine and the MMI specifically.

Expect turnover to be highest in this tier based on technical market action. The probability of losses is highest in this segment.

"Vegas Money"

Vegas Money is exactly like it sounds - it's where we put the stocks that can be heroes or zeros.

Not every stock will be a winner; in fact, quite a few probably won't to be blunt. We'll control risk by position sizing before we buy once we've identified an opportunity that interests us.

This means keeping positions small enough that you don't care if they flame out completely but big enough that you'll feel good if and when they do take off.

0.5%-1.0% each or less at your discretion. Skip entirely if this much risk makes you uneasy.

Hedges

Studies show having between 1-3% in non-correlated investments can help take the sting out of otherwise painful down days by dampening overall portfolio volatility. The tradeoff, of course, is that you give up some upside but that's acceptable to me given current market conditions. 3-5% may be prudent if conditions continue to deteriorate.

SH, PSQ, DOG and RYURX are 1:1 inverse funds which make them perfect for the task. UVXY, though, is a 1.5X hedge designed only for short-term holds at best which is why I advocate using it very opportunistically when the risks of a downdraft are highest.

Position Sizing Guidelines

Foundation Stones	50%
Global Growth and Income	40%
Zingers	10%
Hedges/Inverse	1-3%
Vegas Money	Investor's discretion

**Every OBA reader is encouraged to work with a financial advisor to adjust the suggested percentages as needed to reflect your specific financial situation, risk tolerance and circumstances.*

Portfolio Review

A special note for new subscribers

The One Bar Ahead® Model Portfolio remains in **Accumulate Mode**.

Missing opportunity is the more expensive proposition than trying to avoid risks you cannot control.

If you've just joined us and that statement doesn't make sense, please see **Master Class #1**. It will, particularly when you understand that the markets have a very pronounced upside bias over time.

Profit targets are published as a convenience for those who prefer to use 'em.

The portfolio will return to **Trending Mode** if and when there is an identifiable, sustainable push higher. You'll know because the **Bull/Bear State Indicator** will reflect that. And, of course, I'll remind you. :)

New OBAers: I suggest establishing positions using Dollar Cost Averaging or its lesser-known cousin, Value Cost Averaging. This lowers risk "on the way" into stocks while boosting returns over time and keeping otherwise frayed emotions out of the equation. Reinvest as your share count increases to magnify compounding and profit potential.

Existing OBAers: I suggest "tinkering" with core holdings to rebalance risk and harvest profits. Reinvest dividends to boost income and magnify compounding. Doing so helps lower your tax basis while also boosting profit potential over time. It also keeps emotions at bay.

Foundation Stones (50%)

Apple Inc. (AAPL)

Foundation Stones

Why I Recommend You Own It: Apple has over 2 billion active devices, 1B paying subscribers, and some of the strongest, most intense brand loyalty on the planet. The company is also has moved into finance, virtual reality, and healthcare. Apple is not just an iPhone maker, but an entire ecosphere. We may also see an Apple car in the future. This is the cornerstone around which every other investment in the OBA Model Universe is built. It is also one of the most widely held stocks in the world which means that both liquidity and upside capture are at consistently high levels.

What to Watch: CEO Tim Cook emphasized revenue growth driven by iPhone sales and highlighted an all-time revenue record in Services, along with the milestone of surpassing 2.2 billion active devices, reaching an all-time high across all products and geographic segments. He reiterated Apple's commitment to groundbreaking innovation and customer satisfaction.

CFO Luca Maestri noted that the December quarter's top-line performance, combined with margin expansion, resulted in a record EPS of $2.18, up 16 percent from last year. Additionally, Apple generated nearly $40 billion of operating cash flow during the quarter and returned almost $27 billion to shareholders. He expressed confidence in future growth plans and significant investments across the business.

Apple's board of directors declared a cash dividend of $0.24 per share of the Company's common stock, payable on February 15, 2024, to shareholders of record as of the close of business on February 12, 2024.

And right on cue, Tim Cook mentioned AI but said he didn't want to spill the beans on a major announcement later this year.

Instructions: Continue to accumulate/reinvest.

JPMorgan Chase & Co. (JPM)

Foundation Stones

Why I Recommend You Own It: Banking grows more and more concentrated every day and as the smaller banks fade out of existence, companies like JPMorgan grow stronger. The real future here is digital payments and JPM is very much a pick and shovels choice. I also recommend JPM because it is working consistently behind the scenes on digital currencies which makes the bank safer than the much more high-profile crypto currency funds etc.

What to Watch: JPM has had a relatively quiet month after their earnings announcement, with the stock moving a whopping 0.36%.

CEO Jamie Dimon made headlines from Davos when he said he is cautious about the US economy over the next two years because of a combination of financial and geopolitical risks including military escalation, Fed uncertainty, and wild cards.

I often talk about investing in leadership and this kind of thinking reinforces why we do so; he's spot on. The points he raises are all aligned with our goals and concerns, which reassures me that we have our money in the right company. And with $3.2 trillion in assets, I think others agree.

Instructions: Continue to accumulate/reinvest.

Microsoft Corporation (MSFT)

Foundation Stones

Why I Recommend You Own It: Microsoft is the biggest software company in the AI race and a part of what I call the the AI trifecta. The company will be fusing AI into everything it already puts out while introducing it into every new product it introduces. The company is also leading the charge on things like cloud computing and cybersecurity, which are both posting very strong numbers.

What to Watch: Team Nadella just released what I called the Michelangelo of earnings reports.

Among the highlights… revenue reached $62.0 billion, marking an 18% increase (16% in constant currency). Operating income rose to $27.0 billion, up by 33%, and increased 25% on a non-GAAP basis (23% in constant currency). Net income also saw a 33% increase to $21.9 billion, with a similar rise of 26% on a non-GAAP basis (23% in constant currency). Diluted earnings per share reached $2.93, reflecting a 33% increase (26% non-GAAP, 23% in constant currency). The acquisition of Activision Blizzard, Inc. was finalized on October 13, 2023, and its financial results are included in the More Personal Computing segment.

Satya Nadella, Microsoft's chairman and CEO, highlighted the company's transition from discussing AI to implementing it on a large scale, leading to the attraction of new customers and productivity gains across various sectors.

Amy Hood, Microsoft's executive vice president and CFO, attributed the growth in Microsoft Cloud revenue to $33.7 billion, a 24% increase year-over-year (22% in constant currency), to strong execution by sales teams and partners.

I am particularly excited to see the rollout for Copilot, their homegrown GPT-4 integration continues fabulously in everything from the Office Suite to Edge, the company's "new" browser. Practicality and accessibility will mean increased product "stickiness" and brand loyalty. Each new point of search share gain translates to another $2b of revenue opportunity annually. I like this bet, especially when Google still has 91% of global search traffic and the room for Bing/MSFT to grow is exponential.

Instructions: Continue to buy/accumulate.

PIMCO Strategic Income Fund, Inc. (RCS)

Foundation Stones

Why I Recommend You Own It: We originally bought RCS because of interest rate risks and the speculation that money would come flooding back into bonds despite the feds inclination to raise rates at the time. While it has been challenging in terms of principal, the short to mid-term duration helped inject much welcome stability and income to the portfolio overall.

What to Watch: The Fed will get benched shortly and rate will stabilize. Roughly 55% of the debt matures in the next 1-3 years. Meantime, the low beta and monthly yield are still attractive.
Instructions: Continue to accumulate/reinvest.

VanEck CLO ETF (CLOI)

Foundation Stones

Why I Recommend You Own It: This was another interest rate play and offered stability when rates were rising. Investment-grade-rated tranches are considered to have lower credit risk compared to lower-rated tranches. Investors seeking a balance between risk and return may be attracted to the relatively lower risk associated with investment-grade CLO tranches.

What to Watch: The case for it still exists, particularly if the Fed holds rates higher a bit longer.

Instructions: Continue to accumulate/reinvest.

Global Growth & Income (40%)

AbbVie Inc. (ABBV)

Growth & Income

Why I Recommend You Own It: We own AbbVie because of the company's foyer into tackling age-related diseases and the fact that the company was at a discounted price when we bought it. AbbVie is also a dividend king.

What to Watch: AbbVie reported as we went to press for this issue and shares traded near all-time highs.

AbbVie reported a fourth-quarter profit of $2.79 per share, representing a 22.5% decline from the previous year's quarter. Despite this decrease, revenue also experienced a downturn, decreasing by 5.4% to $14.3 billion. Nevertheless, both figures exceeded analysts' estimates, indicating a positive outcome.

Of particular note are the notable increases in revenue generated by the company's two key immunology drugs, Skyrizi and Rinvoq. Sales of Skyrizi rose by 51.9%, while Rinvoq saw a surge of 62.9%, resulting in a combined revenue of $3.65 billion.

However, revenue was set back by a significant decline of 45.3% in U.S. sales of Humira, the company's once leading drug globally. AbbVie attributes this decline to the emergence of biosimilar alternatives in the market but I am not particularly concerned at the moment.

CEO Richard Gonzalez expressed confidence in AbbVie's ability to withstand the impact of declining Humira sales and achieve modest operational revenue growth in the current fiscal year. Additionally, he anticipates even stronger gains in the future.

During discussions with analysts, the company provided updated sales projections for Skyrizi and Rinvoq, forecasting sales of $27 billion by 2027, a $6 billion increase from previous estimates. This upward revision is based on the impressive revenue growth observed in both drugs, with a combined sales target of $16 billion for the current fiscal year.

Instructions: Continue to accumulate/reinvest.

Advanced Micro Devices, Inc. (AMD)

Growth & Income

Why I Recommend You Own It: AMD is Nvidia's closest competitor and are currently taking steps to expand their production outside of TSMC which I think is a very smart move. If Microsoft is the software side of the trifecta, then AMD is the hardware side. AMD is also the first company to bring an NPU (Neural processing unit) to a PC.

What to Watch: AMD just hit all-time highs amidst the AI hype. While many investors are holding back, the company has a long runway ahead. Remember – investing is a continuum, NOT an on/off switch.

Other earnings highlights as we go to press include... revenue of $6.2 billion, a gross margin of 47%, operating income of $342 million, net income of $667 million, and diluted earnings per share of $0.41. On a non-GAAP(*) basis, the company achieved a gross margin of 51%, operating income of $1.4 billion, net income of $1.2 billion, and diluted earnings per share of $0.77.

For the entire year of 2023, AMD reported revenue totalling $22.7 billion, with a gross margin of 46%, operating income of $401 million, net income of $854 million, and diluted earnings per share of $0.53. On a non-GAAP(*) basis, the company's gross margin was 50%, operating income amounted to $4.9 billion, net income reached $4.3 billion, and diluted earnings per share stood at $2.65.

Dr. Lisa Su, Chair and CEO of AMD, expressed satisfaction with the strong finish to 2023, citing sequential and year-over-year revenue and earnings growth driven by record quarterly sales of AMD Instinct GPUs, EPYC CPUs, and higher AMD Ryzen processor sales. Dr. Su also highlighted the growing demand for the company's high-performance data center product portfolio, which positions AMD for robust annual growth in the midst of an AI-driven transformation in the computing market.

Jean Hu, AMD's EVP, CFO, and Treasurer, commended the company's solid execution throughout 2023 despite a varied demand landscape. She noted year-over-year revenue growth in AMD's Data Center and Embedded segments and the successful launch of AMD Instinct MI300 GPUs, setting the stage for a strong product ramp in 2024.

Instructions: Continue to accumulate/reinvest.

Costco Wholesale Corporation (COST)

Growth & Income

Why I Recommend You Own It: Membership renewals are currently running at roughly 95%. Sales are accelerating by nearly 10% a year while consumers continue to charge through the doors. Every new store the chain opens has an almost immediate impact on the top and bottom lines.

What to Watch: New stores, innovative sales and bullion – all of which are intended to get people through the front door and keep 'em there while catering to big purchase buys.

Instructions: Continue to accumulate/reinvest.

CareTrust REIT, Inc. (CTRE)

Growth & Income

Why I Recommend You Own It: As people get older, they need somewhere to stay and CareTrust is a way to invest in that need. If we are investing on a long-term horizon 2 large generations, Gen X at 19% and Baby Boomers at 20% (about 40% of the current US population) are going to need nursing homes in the next 10- 20 years which matches up perfectly with our long-term thinking. It is also in line with dislocation one of the 5 Ds in which trillions of dollars will be pumped in whether we like it or not. The more of Gen X and Baby Boomers the more senior care facilities will need to be built. CTRE is a perfect way to capitalize off that trend as the REIT pays dividends based on the money that the senior living facilities make as well as the companies value is bolstered by its large real estate portfolio.

What to Watch: CareTrust will report on Feb 13. I'm not expecting anything earth-shattering which is a good thing with a stability/income play like this. Beta is 0.77, roughly 23% less volatile than the S&P 500.

Instructions: Continue to accumulate/reinvest.

Chevron Corporation (CVX)

Growth & Income

Why I Recommend You Own It: Chevron has been making acquisitions building its energy empire with Hess and Pioneer. The need for oil is something that the world cannot kick just yet as we do not have the capabilities or capacity to fully do so. EV and solar power has not killed oil yet. As war looms over a lot of the world the need for energy and specifically oil could spike at any moment. Chevron is one of the biggest players in the field, and pays a handsome dividend yield of 4.10%. It is a low beta stock so it stabilizes our portfolio when wild swings occur while giving us consistent dividends.

What to Watch: Chevron reported as we went to press. The company's top and bottom line numbers were about as expected, or at least as I expected; even so, shareholders made out like bandits.

Chevron distributed $26.3 billion to investors in the form of $11.3 billion in dividends and $14.9 billion in share buybacks last year, despite a 40% decline in profit to $21.4 billion from $35.5 billion in 2022. CEO Michael Wirth noted, "Almost 10% of our market capitalization was returned to shareholders last year," during an interview with CNBC's "Squawk on the Street." Additionally, Chevron's board approved an 8% increase in the quarterly dividend to $1.63, effective from March.

I'm very excited by what I see.

Looking ahead to 2024, Chevron anticipates a production increase of 4% to 7%.

During the quarter, Chevron's capital expenditures surged nearly 16% to $4.4 billion, compared to $3.8 billion in the previous year's period. This rise reflects investments in newly acquired PDC Energy assets and a controlling stake in the hydrogen fuel project developer ACES Delta.

Instructions: Continue to accumulate/reinvest.

Gilead Sciences, Inc. (GILD)

Growth & Income

Why I Recommend You Own It: Gilead is on the forefront of HIV and cancer medicine. The company has its own ADC drug offering which is the latest technique to cure cancer that is less damaging to the body than chemotherapy. What fascinates me about the company is how much its been able to retain its stock price despite most other companies in it's sector losing massive value. Management also makes very good decisions with the revenue, as Gilead recently paid off about 2 billion in debt and has done multiple stock buy backs.

What to Watch: Gilead faced some headwinds this month when it was announced that Trodelvy, one of its best-selling cancer drugs failed to improve survivability in a late-stage trial. While the drug will still be available and applicable for the earlier stage cancer patients, this was admittedly not the result they were looking for.

We're going to keep charging on with Gilead because of its extremely low beta and high yield. They are still the leader in HIV treatments, and they are incorporating their Trodelvy learnings into other cancer treatments as they make further progress in the oncology field. Take this dip as an opportunity to keep building a position and accumulating.

Instructions: Continue to buy/accumulate.

Lockheed Martin Corporation (LMT)

Growth & Income

Why I Recommend You Own it: Lockheed Martin has been very busy and has a huge backlog of contracts that they are working on delivering that will turn into revenue as soon as it is delivered. With geopolitical tensions higher than ever, it is one of the best-in-class companies to own.

What to Watch: Lockheed took a tumble earlier this month after earnings despite coming in 8.8% above analyst estimates, mostly due to the fact that they are projecting less than expected revenue for the rest of the year. This mostly is attributed to ongoing supply chain crunches and logistical difficulties. Ordinarily, this ongoing issue would be cause to question the investment thesis, but I'm willing to hang on simply because in a wartime scenario, companies like LMT are going to have Cart Blanche to do what needs to be done. And, with the world looking the way it is, it is an unfortunate reality we must deal with.

Elsewhere, I'm also keeping a close eye on the Space Segment which posted a 10% growth in profit in addition to research in the Next Generation Interceptor and Fleet Ballistic Missile program.

Instructions: Continue to accumulate/reinvest.

McDonald's Corporation (MCD)

Growth & Income

Why I Recommend You Own It: The company is a tech company that sells burgers and recently they just opened their first 100% employee free restaurant location. The self-serving kiosks that McDonalds has pioneered in a way makes the company a unique offering.

What to Watch: Continue to keep an eye out for digital strategies, especially on their earnings call on Feb 5th. In a recent Investor Day presentation, they announced that they have a whopping 150 million 90-day active users with $20b in sales on their app, and they plan to increase this to 250 million and $45b by 2027. I have no doubt they'll either meet or exceed these seemingly huge numbers.

MCD is also experiencing some headwinds due to the ongoing conflict in Gaza, but I don't expect those to materially impact the bottom line.

Instructions: Continue to accumulate/reinvest.

PepsiCo, Inc. (PEP)

Growth & Income

Why I Recommend You Own It: Pepsi has a world-class brand portfolio of edibles, including Fritos, Ruffles, and Cheetos, to name a few. There are very few companies so embedded in people's lives as is the case with Pepsi.

Estimates vary, but the company's got several billion-dollar brands, the sum total of which are consumed over a billion times a day in 200+ countries around the world. The company is currently 15% below the 52 week high and has much room to grow.

What to Watch: With earnings coming up on Feb 9th, I'm expecting Pepsi to do fine. Nothing crazy, but steady growth in the low double digits. The important thing to note with "steady Eddy" stocks like this is consistency. Don't do anything irrational because time is your best friend with steady growth, low beta, and high dividends.

Instructions: Continue to accumulate/reinvest.

Pfizer Inc. (PFE)

Growth & Income

Why I Recommend You Own It: The stock price just does NOT match the true value of the company, and anyone stuck on the current stock performance stands to lose out on potentially jaw dropping returns. I believe this for 3 key reasons.

First, different sectors fall in and out of favor at different times. This is EXACTLY where tech was just about a year ago.

The second reason I believe this is the buy of the year is that Pfizer has 300+ drugs in the pipeline, meaning 300+ ways to bring in future revenue.

The 3rd reason I think Pfizer is the buy of the year is because of the cost-cutting measures being implemented by the company. Pfizer outlined a multi-year cost reduction program to achieve at least $3.5 billion in net cost savings by the end of 2024.

What to Watch: It's going to take a while to reflect, but the heavy R&D that Pfizer is spending on right now is not going to go unnoticed. With nearly $43b spent to acquire Seagen, a leader in Antibody-Drug Conjugate tech, I see the expansion into oncology going very well.

Instructions: Continue to accumulate/reinvest.

Palantir Technologies Inc. (PLTR)

Growth & Income

Why I Recommend You Own It: We own Palantir because digitalization is the single largest investment opportunity in mankind's history and there's only one company that's written the big data engine needed to process it. The company's software is the de facto operating system for the entire United States and Allied Defence Network as well as the infrastructure backbone for the United States healthcare system. At the time of purchase, growth was expanding rapidly in terms of revenue and new clients.

What to Watch: I talk about this stock frequently enough that there really isn't anything new to report, other than the fact that earnings come out on Feb 05 as we go to press. I expect a lot of it to be centred around AI-related topics, given their recent success and growth in Palantir AIP for both defence and enterprise applications.

This is, bar none, the single most underrated stock in AI imho.

Instructions: Continue to accumulate/reinvest.

RTX Corporation (RTX)

Growth & Income

Why I Recommend You Own It: Raytheon is the other major player we're invested into tap into the ongoing need for defence. With their fingers in everything from space, aircraft engines, and military technology, it's hard to ignore.

What to Watch: RTX smashed earnings, with adjusted sales increasing 11% organically and operating income up 18%. They also received a staggering $51b in new awards for defence products, which adds to their $196b backlog. Pratt and Whitney, their engines and systems branch, is also reporting excellent growth with an almost 26% growth in adjusted operating profit. Repairs continue to impact profitability but are proceeding ahead of schedule.

Instructions: Continue to accumulate/reinvest.

Tesla, Inc. (TSLA)

Growth & Income

Why I Recommend You Own It: Tesla is the single best-selling EV in the world and enjoys a 50% market share, give or take and the charging networks is valued at about $100 billion dollars. The company is very much an energy company as well as an EV company and is already trading energy in Europe.

What to Watch: Tesla faces headwinds from the EV crowd as the general public realizes that gas cars are here to stay for the foreseeable future, despite their best hopes. This is reflected in their latest earnings announcement where they came under fire for significantly margins as a result of drastic cost cutting across the globe.

Like many investors, I am very concerned about the recent Wall Street Journal article alledging drug use, conflicts of interest, and more. I will keep a very close eye on this as you can imagine.

Instructions: Continue to accumulate/reinvest.

Waste Management, Inc. (WM)

Growth & Income

Why I Recommend You Own It: Waste Management's thesis is beautifully simple: Trash to Cash. Their truck fleets are transitioning to running on natural gas (which I'll get to in a moment), and they're expanding into new markets every day.

What to Watch: Truth be told, I haven't been this excited about trash in a while. WM is in the process of investing huge amounts of money to turn the landfill gasses from their landfills into renewable natural gas (RNG). In their own words, this could add $450m in free cash flow to their bottom line by 2026. This is a result of the increasing demand nationwide for clean energy as well as their aforementioned shift away from diesel, thereby decreasing its dependence on the global oil market. I can easily see the stock hitting $200-$210 in the next 12 months, maybe more. All the while, the company is continuously increasing their dividend and has a low beta.

Instructions: Continue to accumulate/reinvest.

Zingers (10%)

CrowdStrike Holdings, Inc. (CRWD)

Zingers

Why I Recommend You Own It: Digital security spending will continue to increase in conjunction with AI and the ongoing jump in all things digital. I think growth tops 35%-40% year for the simple reason that executives cannot afford not to spend on digital security. The company is the undisputed leader in endpoint protection when to comes to cloud security, identity protection, and threat intelligence.

What to Watch: CRWD recently hit a whopping $300, which means it's approximately 230% off of its lows early last year. It's not hard to see why. They offer best-in-class cybersecurity when the world most needs it, beating earnings hand over fist, and is coming into a potentially decreasing interest rate environment. The investment thesis is stronger than ever, but as with AMD and NVDA, don't let FOMO dictate your decisions. Instead, focus on building a position through tactics like Lowballs/VCA/DCA, not chasing.

Instructions: Continue to accumulate/reinvest.

NVIDIA Corporation (NVDA)

Zingers

Why I Recommend You Own It: Nvidia is in first place when it comes to supplying the world with GPUs and is the standard when it comes to GPUs. The chips are so sought after that in China where the US put an import ban on the chips, a black market has sprung up where people and companies are doing whatever they can to get their hands on them.

What to Watch: NVDA has undoubtedly been the poster child in our portfolio as of late, taking full advantage of the AI boom. Even Representative Nancy Pelosi bought deep-in-the-money calls in December '23 right before announcing the fact that NVDA will be a leading partner in a government pilot program for AI research. Shares are extremely hot right now, so focus on building a position, not chasing the chart.

Instructions: Continue to accumulate/reinvest.

Rocket Lab USA, Inc. (RKLB)

Zingers

Why I Recommend You Own It: Rocket Lab is an upcoming leader in the growing small launch business and are working on providing end-to-end services/components for everything space and satellites. They are also involved in the DOD hypersonic missile program meaning they have the capacity to and are currently pulling in government contracts. While it may take a while for the company to bloom, I'm not especially worried with the small launch industry growing at nearly 15% CAGR and their already-impressive client list that includes DARPA and Space Force.

What to Watch: The company recently won a $515 million contract with an un-named – translation, Top Secret – government client to develop, deliver, and operate 18 space vehicles through 2030 with an option to extend to 2033. There's also the Neutron reusable rocket which is a viable SpaceX competitor.

Instructions: Continue to accumulate/reinvest.

PIMCO 25+ Year Zero Coupon US Treasury Index ETF Trust (ZROZ)

Zingers

Why I Recommend You Own It: The Fed will get benched at some point and when it does, zero coupon bonds could shoot sharply higher.

What to Watch: Animal Planet. The Fed continued to hold rates higher after having gotten burned in 2021 and 2022 by the whole transitory thing. Now it risks making the same mistake again, just in reverse.

Instructions: Continue to accumulate/reinvest.

YieldMax TSLA Option Income Strategy ETF (TSLY)

Zingers

Why I Recommend You Own It: TSLY owns shares of Tesla as well as sells covered call options on Tesla in order to pay out a hefty dividend to owners of the ETF when things are going well. The dividend yield is currently 77.92%, meaning that is the percentage of profits the company pays out to holders of the ETF. This is strictly an income play and we are not looking for much stock price appreciation because that is not where we are making our money with the holding.

What to Watch: Tesla stock has gotten hit hard in recent weeks but this isn't anything unusual in the scheme of things. *Still, this is an exceptionally speculative and specialized choice so do NOT buy it if that makes you nervous you are not comfortable with the risk involved.*

Vegas Money (0.5%-1%)

Nio Inc. (NIO)

Vegas Money

Why I Recommend You Own It: I recommend Nio because they are a Chinese car company following Toyota's playbook from the late 1960s. The company is closer to being a fledgling than a veteran, but they are massive strides and putting real competitive pressure on Tesla. At the time of recommendation, they were also breaking records in terms of deliveries. In way of that, the company just live-streamed a test of the new battery and was able to drive 1,000 kilometres without stopping to charge up.

What to Watch: The CCP has announced that they're going to be moving to support the yuan by tightening liquidity in offshore exchange markets while selling US dollars. While this doesn't really affect the business prospectives of NIO and XPEV which are largely domestic at the moment, it can/ will lead to more share price volatility.

Instructions: Continue to accumulate/reinvest.

XPeng Inc. (XPEV)

Vegas Money

Why I Recommend You Own It: Xpeng is rapidly becoming a contender in China and making tremendous headway with self-driving capabilities. We originally recommended it because it was 1 of the only 2 companies with a potential to give Tesla a run for their money. It is a bet on China's ability to innovate and create change in a stagnant landscape that underestimates its abilities. For XPeng specifically I was fascinated by the fact that they had original ideas, grew 300% in 4 short years, and planned to sell 50% of their cars outside of the country. The company also received hundreds of million in financial support from China.

What to Watch: The CCP has announced that they're going to be moving to support the yuan by tightening liquidity in offshore exchange markets while selling US dollars. While this doesn't really affect the business prospectives of NIO and XPEV which are largely domestic at the moment, it can/ will lead to more share price volatility. As of recent updates the company has launched an all-new offering in the form of the X9 Ultra Smart large 7-seater. The company also revealed a flying car concept. It is safe to say that Xpeng is still innovating.

Instructions: Continue to accumulate/reinvest.

Cash Alternatives

iShares 1–3 Year Treasury Bond ETF (SGOV)

Cash Alternatives

I suggested SGOV because it's convenient, easy to own, and a great cash alternative with the US10YR still near 4%. For now. The Fed's last hurrah may obviate the need to own it a few weeks from now.

Instructions: Stash your extra cash.

Hedges (as needed/ desired)

ProShares Short S&P500 (SH)

ProShares Short QQQ (PSQ)

ProShares Short Dow30 (DOG)

Portfolio Details

PORTFOLIO DETAILS

2/4/2024	STOCK	REC DATE	ENTRY $	CURRENT	BETA	YIELD	Profit/Loss	12-24mo Target	Last Instruction
FOUNDATION STONES	AAPL	1/8/2021	$ 129.76	$ 185.85	1.29	0.52%	43.2%	$ 275.00	Buy/Accumulate
	CLOI	10/7/2022	$ 47.21	$ 52.35	0.00	5.61%	10.9%	$ 52.00	Buy/Accumulate
	JPM	3/7/2022	$ 121.61	$ 174.73	1.11	2.40%	43.7%	$ 175.00	Buy/Accumulate
	MSFT	3/7/2022	$ 274.46	$ 411.22	0.88	0.73%	49.8%	$ 500.00	Buy/Accumulate
	RCS	10/1/2021	$ 5.37	$ 6.08	0.97	10.07%	13.3%	$ 8.25	Buy/Accumulate
Global Growth	ABBV	2/3/2023	$ 139.56	$ 168.67	0.47	3.68%	17.8%	$ 180.00	Buy/Accumulate
	AMD	8/4/2022	$ 103.91	$ 177.66	1.70	0.00%	71.0%	$ 187.31	Buy/Accumulate
	COST	8/6/2021	$ 422.48	$ 709.48	0.75	0.58%	67.9%	$ 725.00	Buy/Accumulate
	CTRE	6/6/2022	$ 16.29	$ 20.41	1.11	5.49%	25.3%	$ 25.00	Buy/Accumulate
	CVX	9/3/2021	$ 89.51	$ 152.24	1.11	4.05%	70.1%	$ 219.00	Buy/Accumulate
	GILD	3/7/2022	$ 55.49	$ 76.96	0.25	3.90%	38.7%	$ 107.90	Buy/Accumulate
	LMT	11/5/2021	$ 319.80	$ 425.97	0.52	2.96%	33.2%	$ 502.02	Buy/Accumulate
	MCD	7/17/2023	$ 291.36	$ 297.05	0.71	2.25%	2.0%	$ 364.44	Buy/Accumulate
	PEP	11/3/2023	$ 165.53	$ 170.97	0.54	2.89%	3.3%	$ 170.00	Buy/Accumulate
	PFE	3/4/2022	$ 44.74	$ 26.93	0.55	6.24%	-39.8%	$ 70.00	Buy/Accumulate
	PLTR	1/8/2021	$ 25.20	$ 17.02	2.66	0.00%	-32.5%	$ 50.00	Buy/Accumulate
	RTX	6/13/2022	$ 88.56	$ 91.98	0.65	2.57%	3.9%	$ 110.00	Buy/Accumulate
	TSLA	7/25/2022	$ 268.43	$ 187.91	2.32	0.00%	-30.0%	$ 300.00	Buy/Accumulate
	WM	10/31/2022	$ 155.00	$ 188.21	0.72	1.49%	21.4%	$ 180.38	Buy/Accumulate
Zingers	CRWD	1/6/2022	$ 187.49	$ 303.57	1.05	0.00%	61.9%	$ 300.00	Buy/Accumulate
	CRBU	1/5/2024	$ 4.82	$ 6.73	2.49	0.00%	39.6%	$ 15.00	Buy/Accumulate
	NVDA	3/7/2022	$ 213.26	$ 661.60	1.64	0.02%	210.2%	$ 700.00	Buy/Accumulate
	RKLB	12/2/2021	$ 14.81	$ 3.98	1.26	0.00%	-73.2%	$ 17.00	Buy/Accumulate
	TSLY	9/1/2023	$ 11.42	$ 9.01	0.00	0.00%	-21.1%		Buy/Accumulate
	ZROZ	12/1/2023	$ 77.27	$ 80.82	3.12	0.00%	4.6%	$ 100.00	Buy/Accumulate
Vegas Money	NIO	2/4/2022	$ 23.96	$ 5.54	2.01	0.00%	-76.9%		Buy/Accumulate
	XPEV	2/4/2022	$ 37.25	$ 8.19	3.02	0.00%	-78.0%		Buy/Accumulate
Cash Alternatives	SGOV	10/6/2023	$ 99.04	$ 100.32	0.00	0.00%	1.3%	$ 100.00	Buy/Accumulate

	TICKER	NAME	YIELD	Trailing 12 Months	Last Instruction
Hedges	SH	ProShares Short S&P500	5.37%	-14.82%	As needed/desired
	PSQ	ProShares Short QQQ	6.01%	-32.06%	As needed/desired
	DOG	ProShares Short Dow30	4.54%	-7.02%	As needed/desired

OBA 50

Ticker	Name	Ticker	Name	Ticker	Name
AAPL	Apple Inc	GD	General Dynamics Co	PEP	PepsiCo, Inc
ABBV	AbbVie Inc.	GILD	Gilead Sciences Inc	PFE	Pfizer Inc
ABT	Abbott Laboratories	GIS	General Mills Inc	PG	Procter & Gamble Co.
ADBE	Adobe Inc	GOOGL	Alphabet Inc	PLTR	Palantir Technologies Inc
AMAT	Applied Materials Inc	HCA	HCA Healthcare Inc	QCOM	Qualcomm Inc
AMD	Advanced Micro Devi	INTC	Intel Corp	REGN	Regeneron Pharma Inc
AMZN	Amazon Com Inc	JNJ	Johnson & Johnson	RTX	Raytheon Technologies Inc
CAT	Caterpillar Inc	JPM	JPMorgan Chase & Co	SBUX	Starbucks Corporation
CME	CME Group	LMT	Lockheed Martin Corp	TMUS	T-Mobile US Inc
COST	Costco Wholesale Co	LNG	Cheniere Energy Inc	TSLA	Tesla Inc
CRBU	Caribou Biosciences	LOW	Lowes Companies Inc	UNH	United Healthgroup Inc
CRWD	CrowdStrike Holdings	LRCX	Lam Research Corp	UNP	Union Pacific
CTRE	Caretrust REIT	MCD	McDonald's Corp	V	Visa Inc
CVX	Chevron Corporation	MRNA	Moderna Inc	WM	Waste Management Inc
DE	Deere & Co	MSFT	Microsoft Corp	WMT	Walmart Inc
F	Ford Motor Company	NET	Cloudflare Inc	ZTS	Zoetis Inc
FTNT	Fortinet Inc	NVDA	Nvidia Corp		

Master Market Indicator®

Master Market Indicator®

Bull/Bear State Indicator

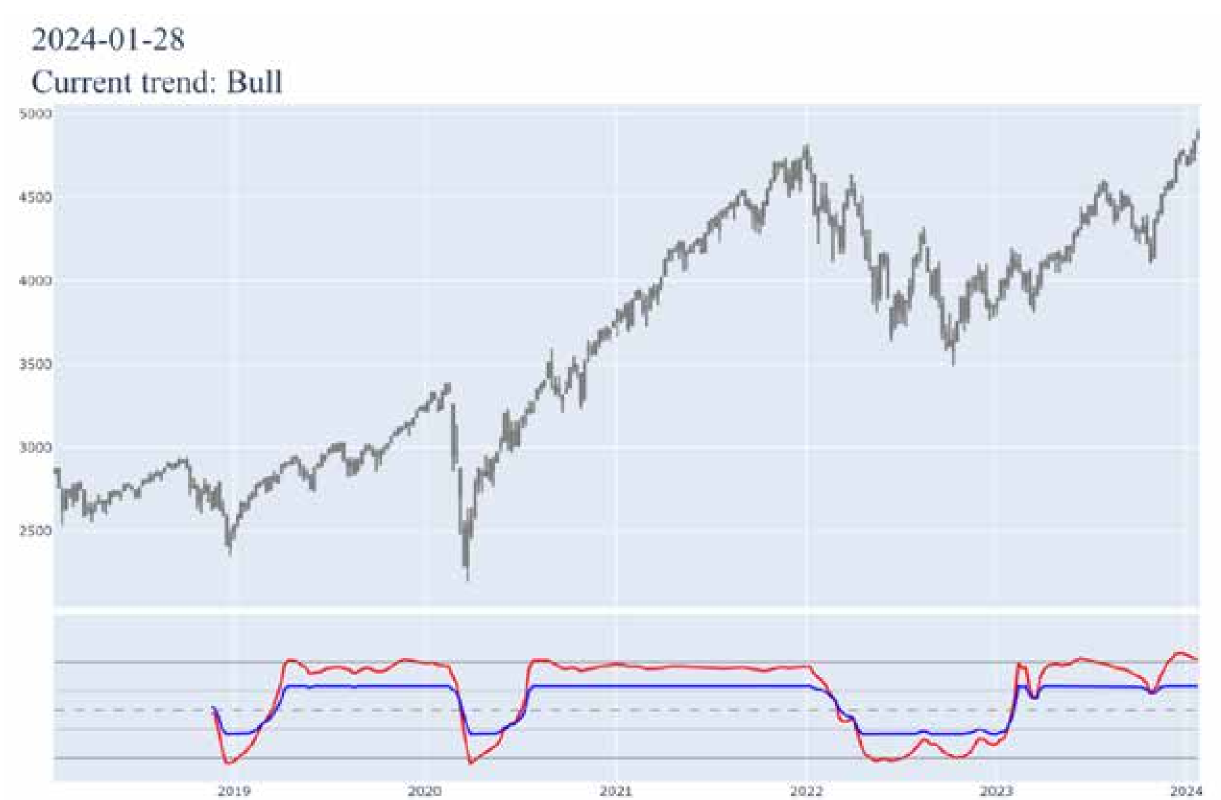
Bull/Bear State Indicator Understanding the "state" of the markets is key when it comes to investing. Traditionally, investors have used the 200-day simple moving average (SMA) to gauge bullish or bearish conditions. But because today's markets move so quickly, the 200-day SMA has become too unwieldy and sluggish.

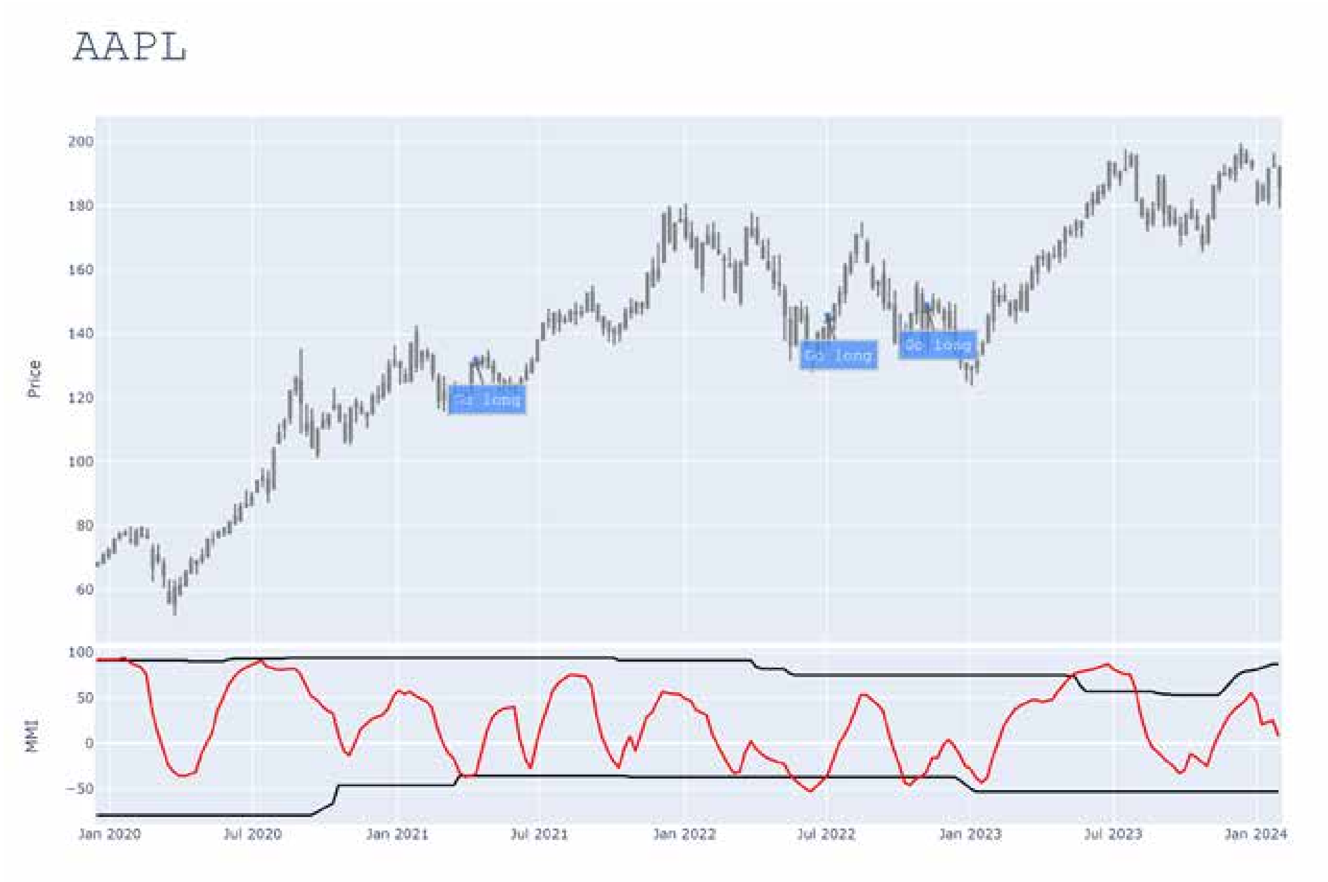
That's why I created the Bull/Bear State Indicator® (BBSI). Reading the BBSI is very simple:

- The markets are bullish when the red line is above the blue line.
- The markets are bearish when the red line is below the blue line.

You'll notice that the BBSI tends to spike higher and lower very quickly, and that's by design. Institutional interest, liquidity, and volatility tend to cluster at or near key market turning points. You cannot see those things using the 200-day SMA, but you can very clearly see 'ern using the Bull/ Bear State Indicator. And in doing so, invest accordingly. When conditions shift, you will see that the red line crosses above the blue ushering in the promise of more sustainable momentum and a normal statistical range.

Current Reading = Bullish (as of 4/28/23)




AAPL
Price
MMI
Go long
Go long
Go long
Jan 2020
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Jul 2022
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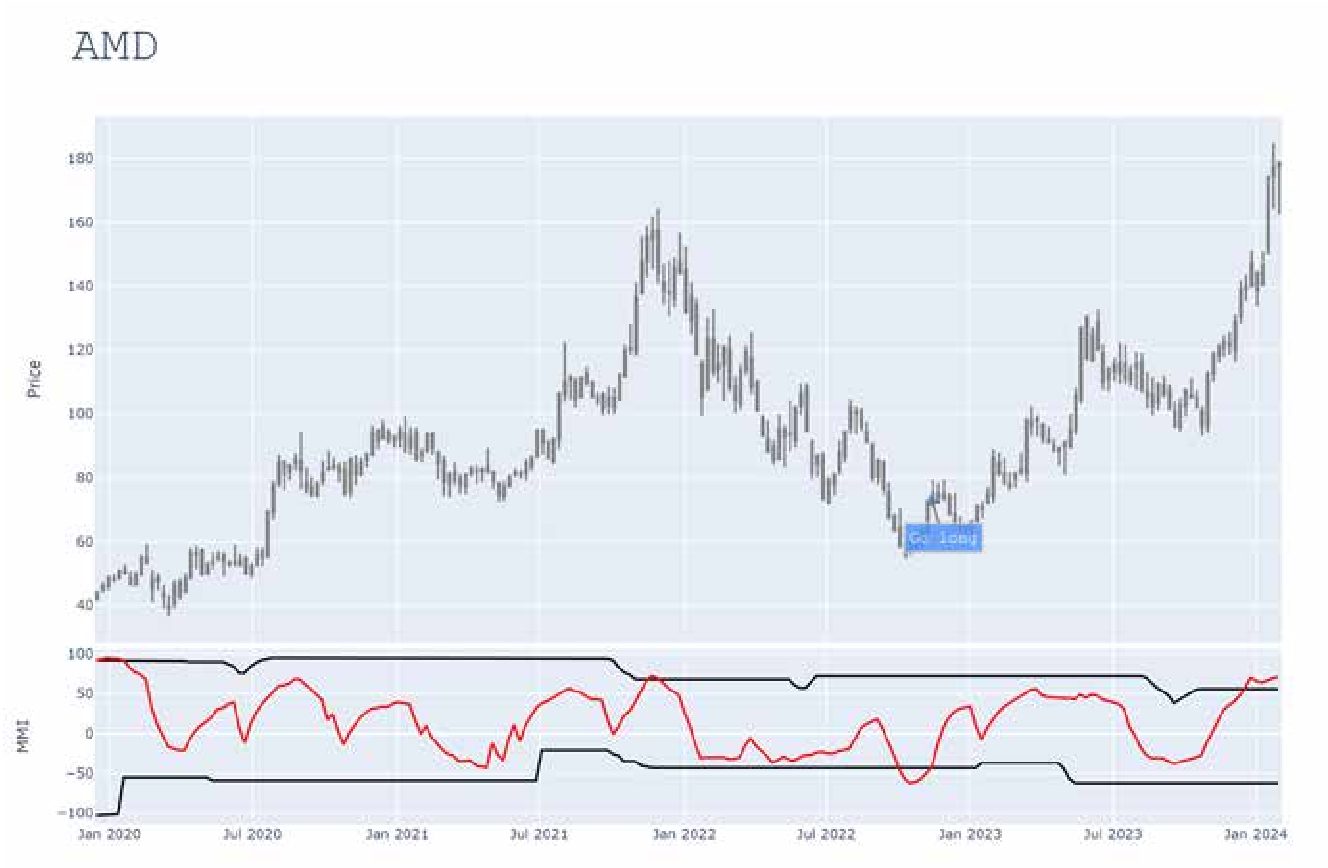
Jan 2024


AMD
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MMI
Go long
Jan 2020
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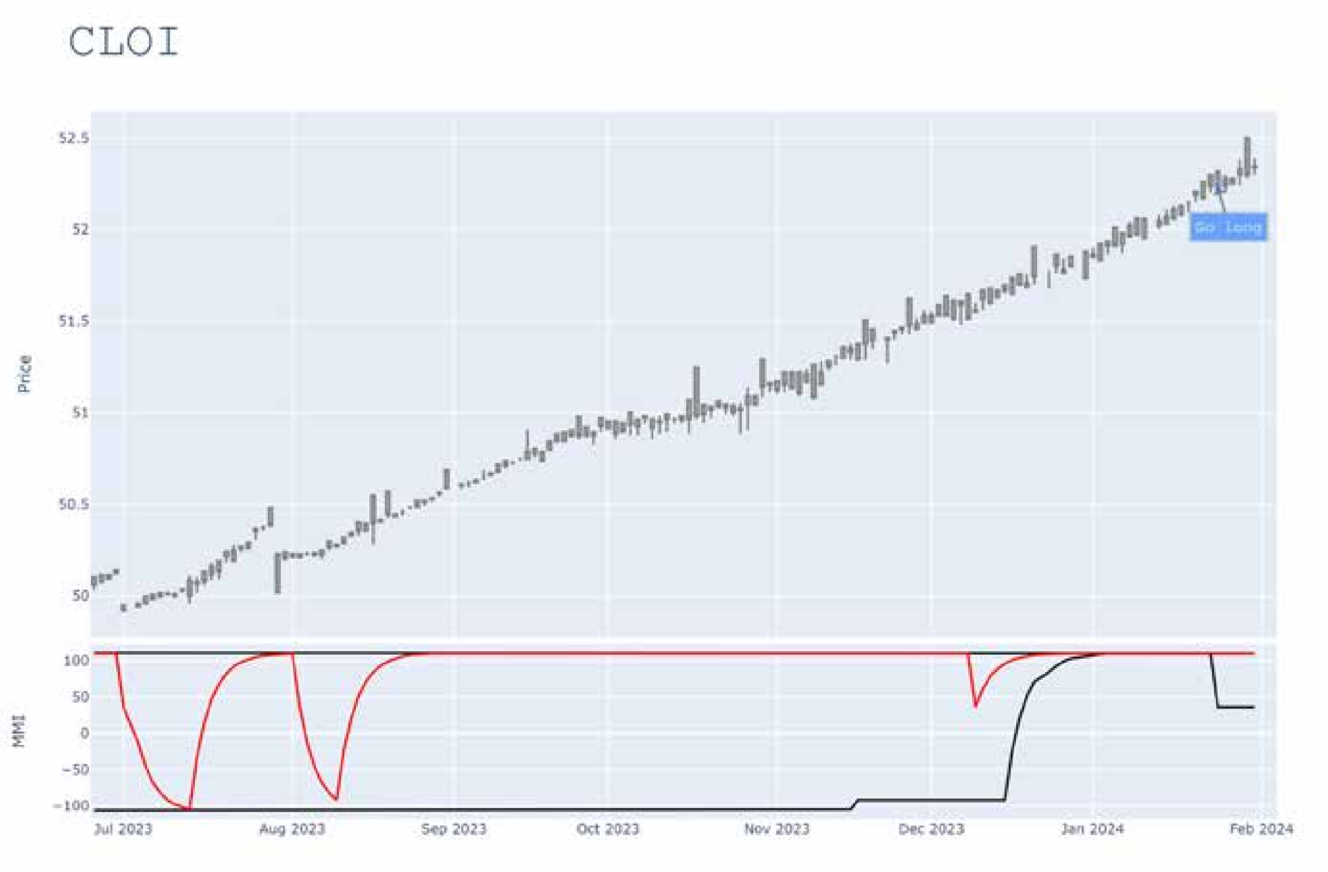
Jul 2021
Jan 2022
Jul 2022
Jan 2023
Jul 2023
Jan 2024


CLOI
Price
52.5
52
51.5
51
50.5
50
Go long
MMI
100
50
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−50
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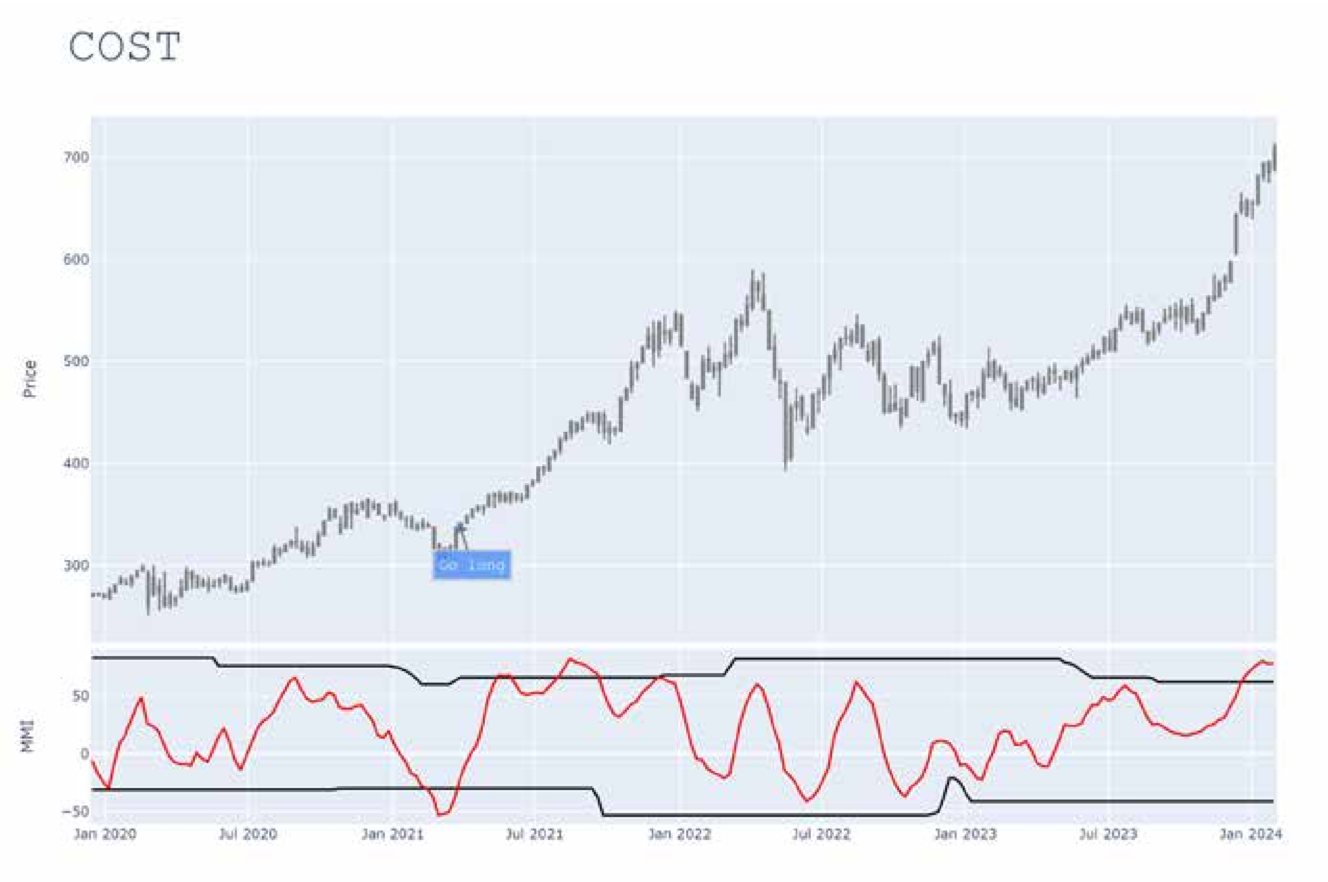
Nov 2023
Dec 2023
Jan 2024
Feb 2024


COST
Price
700
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300
Go long
MMI
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Jan 2020
Jul 2020
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CRBU


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CRWD


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Price
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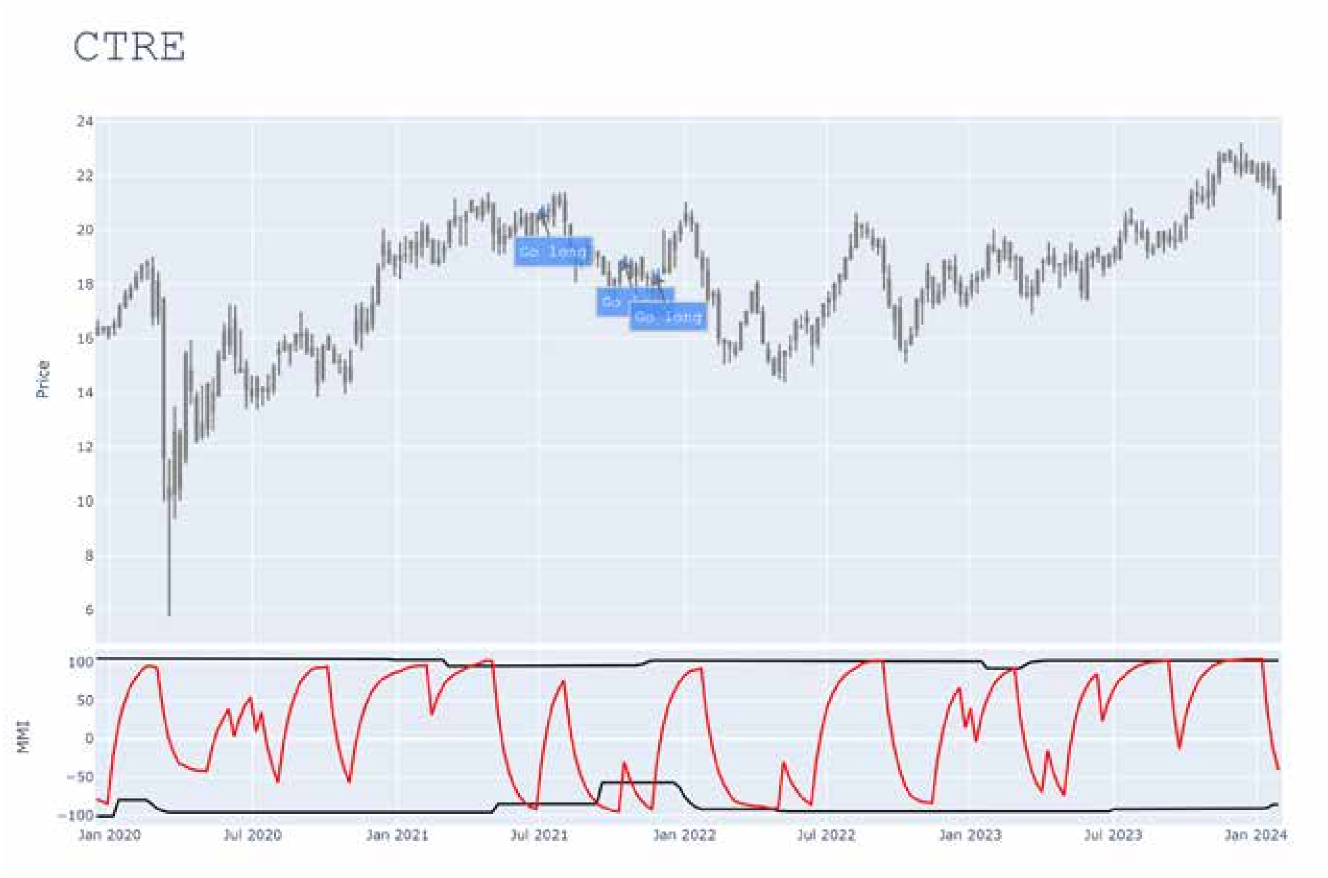
CTRE
Price
24
22
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18
16
14
12
10
8
6
Go long
Go long
MMI
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50
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Jan 2020
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Jul 2022
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Jul 2023
Jan 2024


CVX
Price
180
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140
120
100
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60
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Go long
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MMI
50
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Jan 2020
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GILD


90
85
80
75
70
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Price
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GIS


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JPM
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LMT


Price
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Jul 2020
Jan 2021
Jul 2021
Jan 2022
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Jul 2023
Jan 2024

MCD


Price
MMI
Go long
Go long
Go long
Jan 2020
Jul 2020
Jan 2021
Jul 2021
Jan 2022
Jul 2022
Jan 2023
Jul 2023
Jan 2024

MSFT


Price
MMI
Go long
Go long
Go long
Jan 2020
Jul 2020
Jan 2021
Jul 2021
Jan 2022
Jul 2022
Jan 2023
Jul 2023
Jan 2024

Nasdaq


Price
MMI
Go long
Jan 2020
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Jan 2021
Jul 2021
Jan 2022
Jul 2022
Jan 2023
Jul 2023
Jan 2024


NIO
Price
MMI
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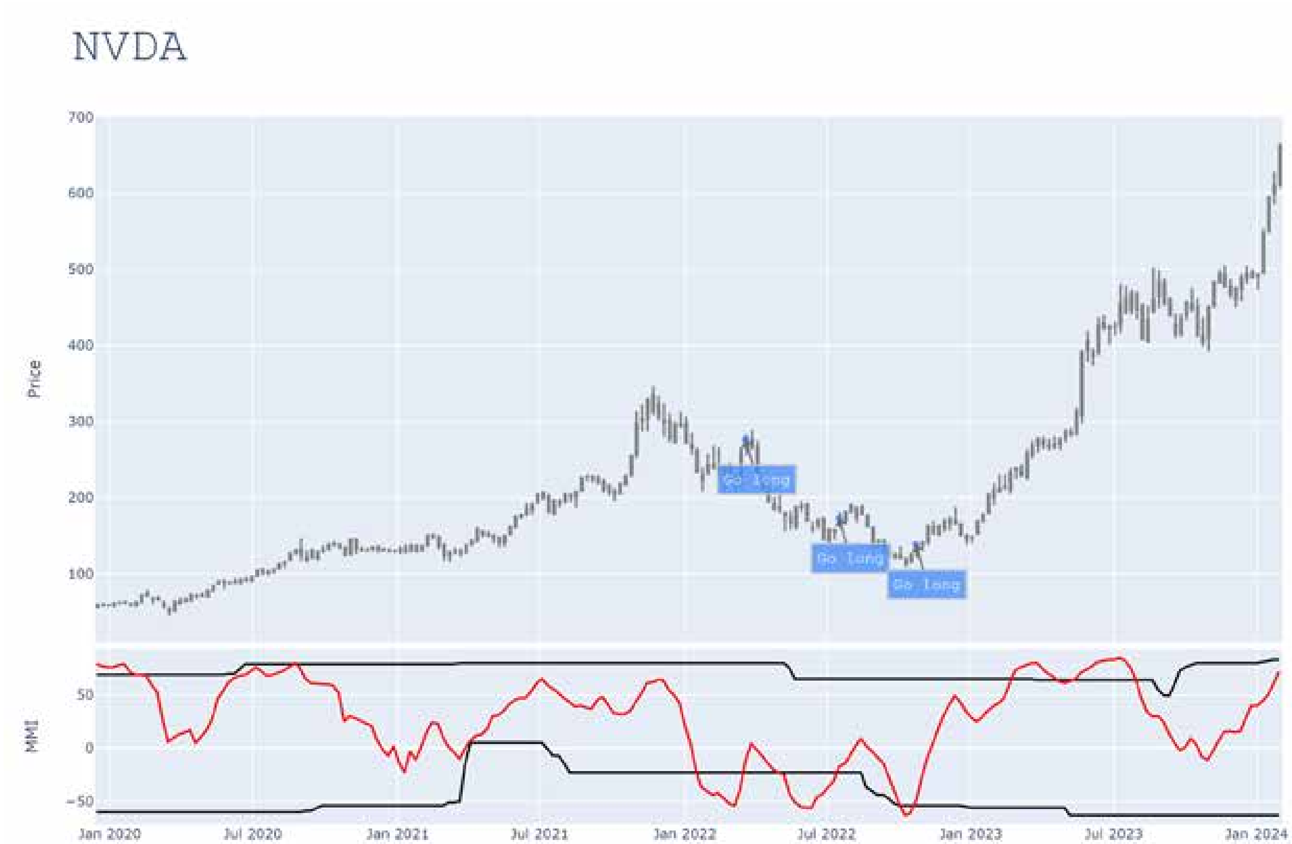
Jan 2024


NVDA
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MMI
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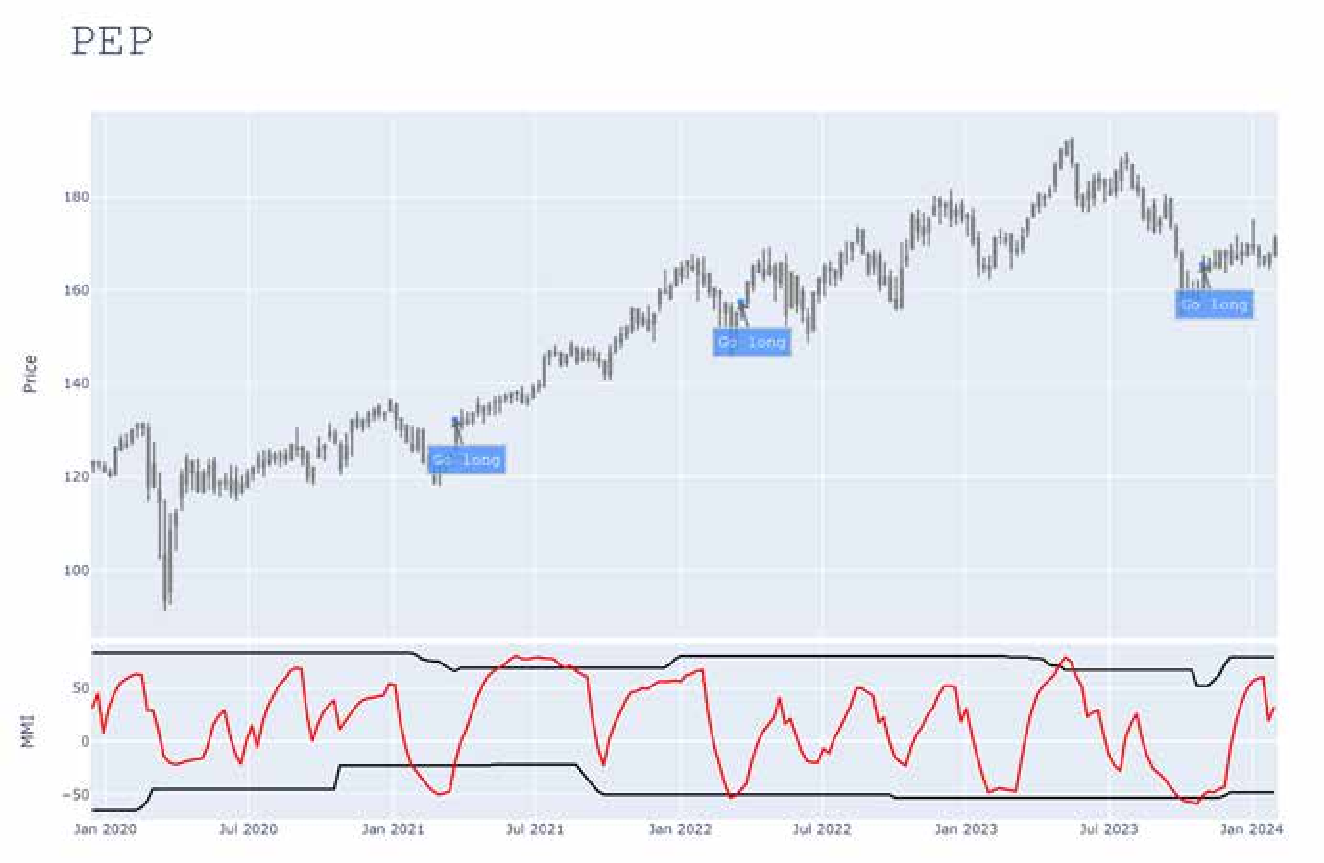
PEP
Price
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Jan 2020
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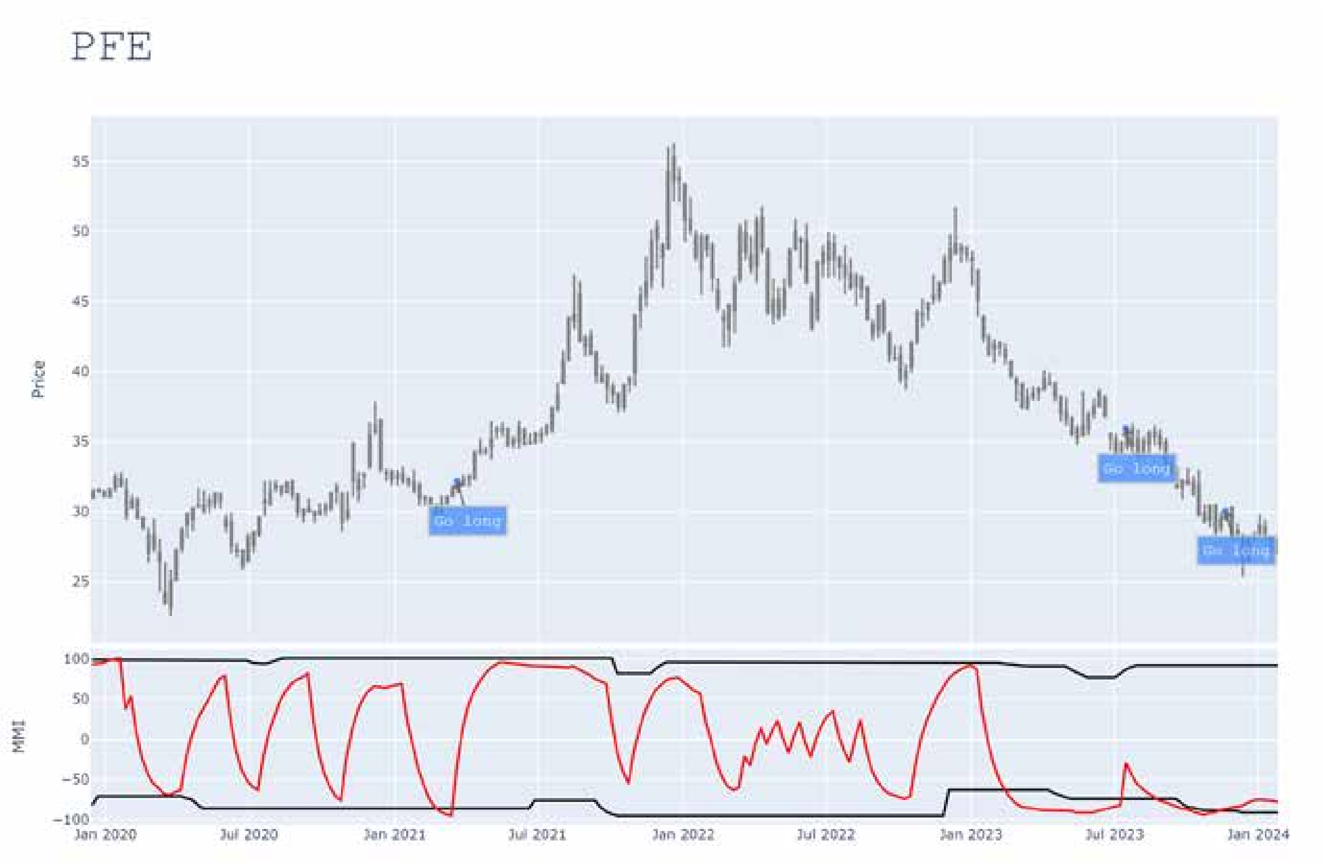
PFE
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PLTR
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RCS
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RKLB


Price
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Jan 2024

RTX


Price
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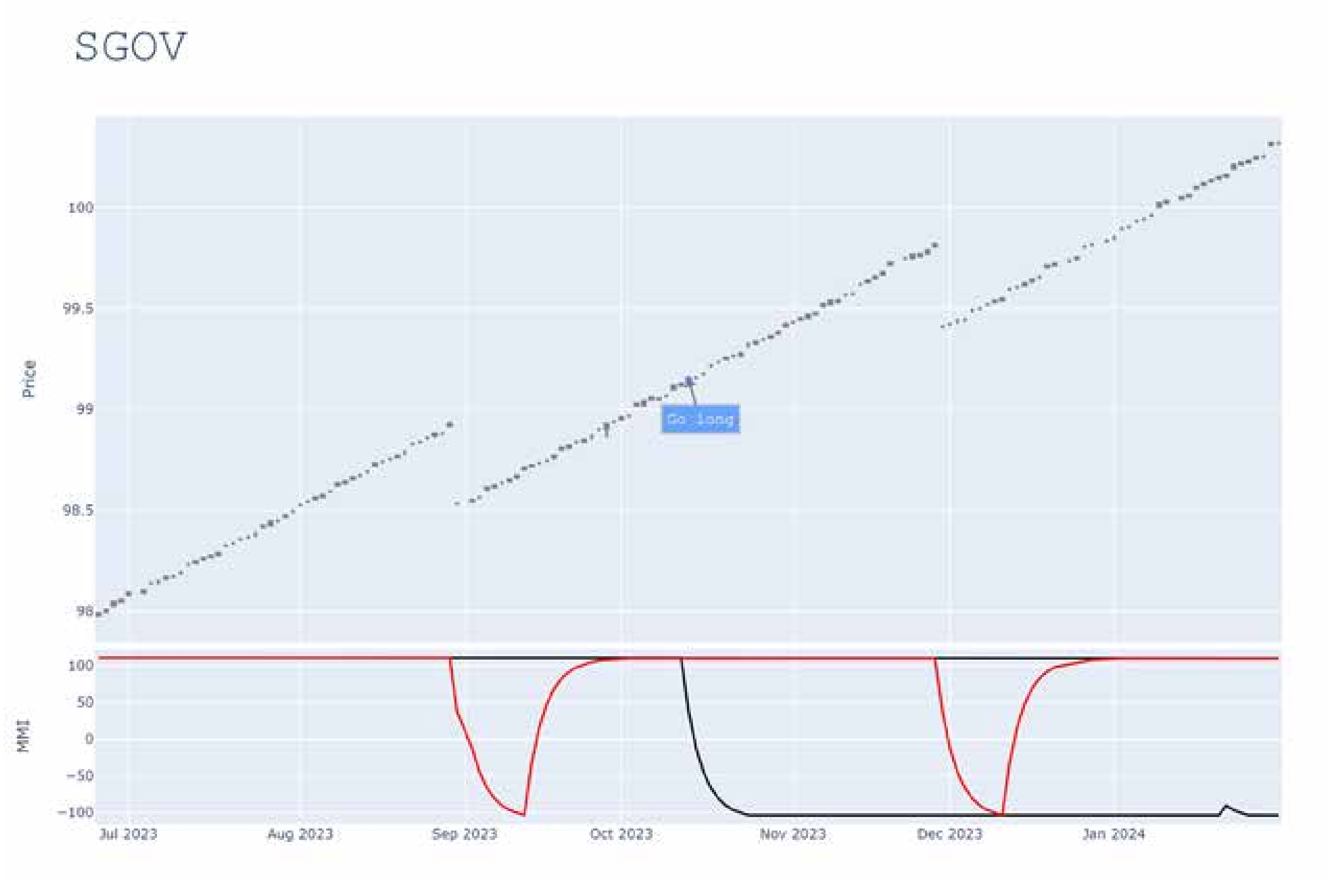
SGOV
Price
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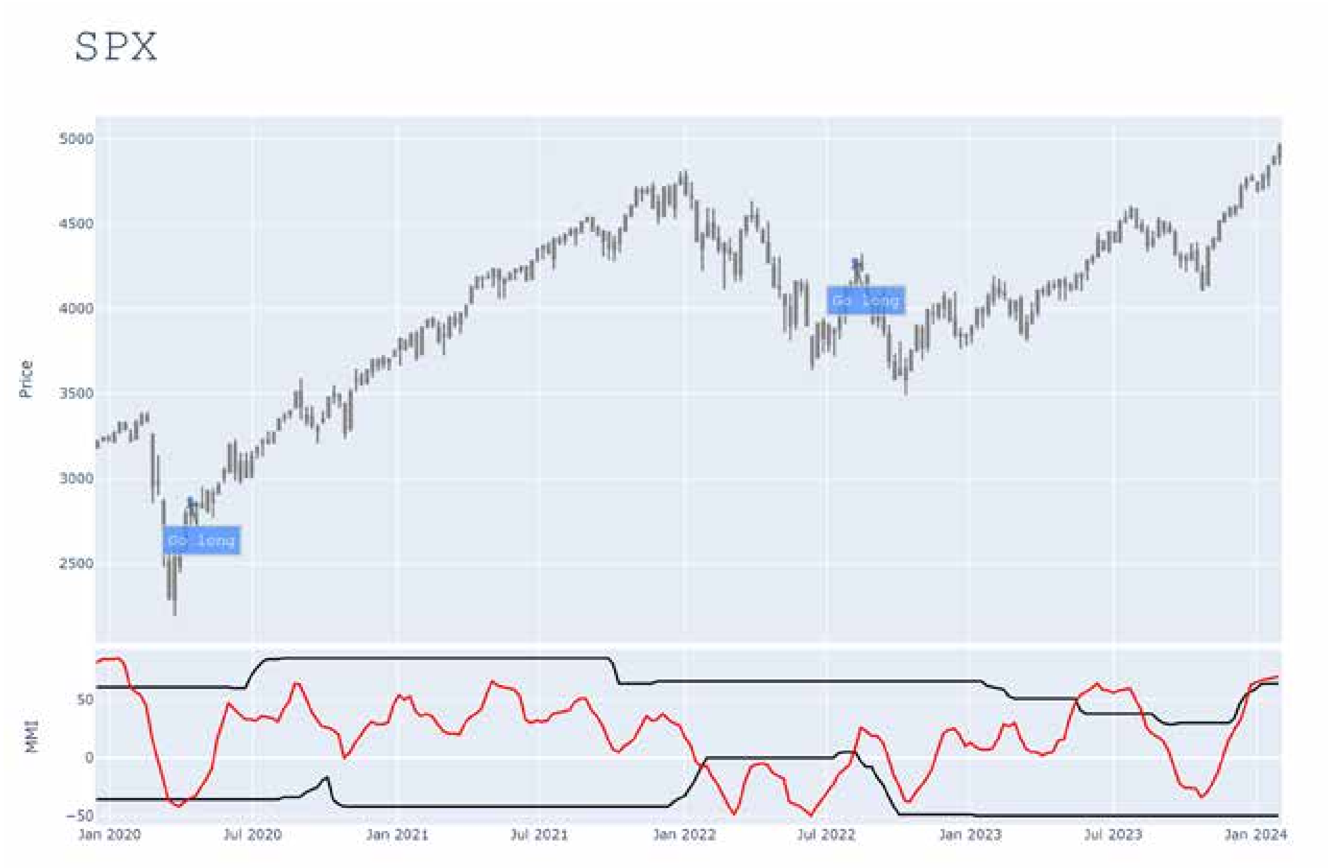
SPX
Price
5000
4500
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Go long
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Jan 2020
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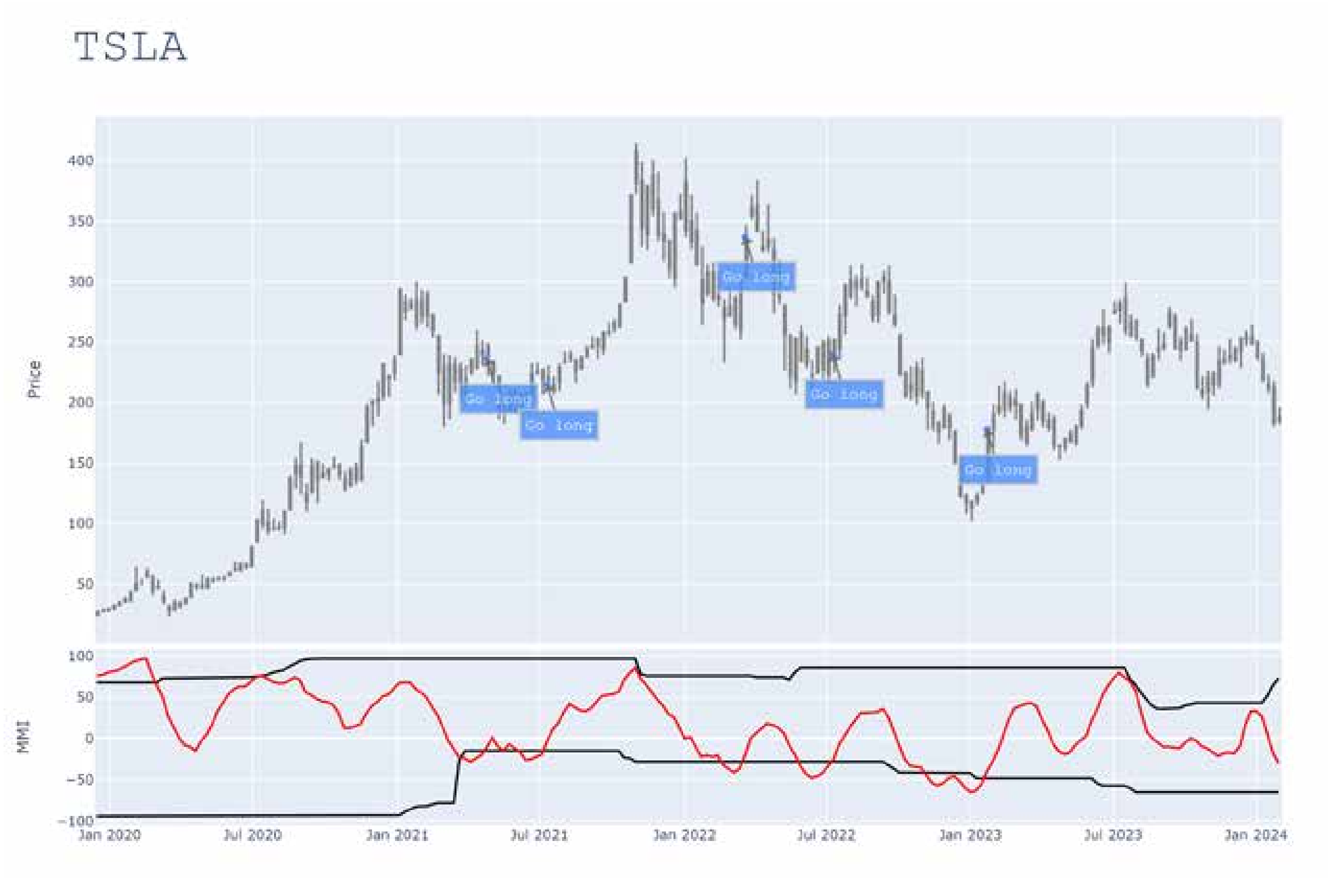
TSLA
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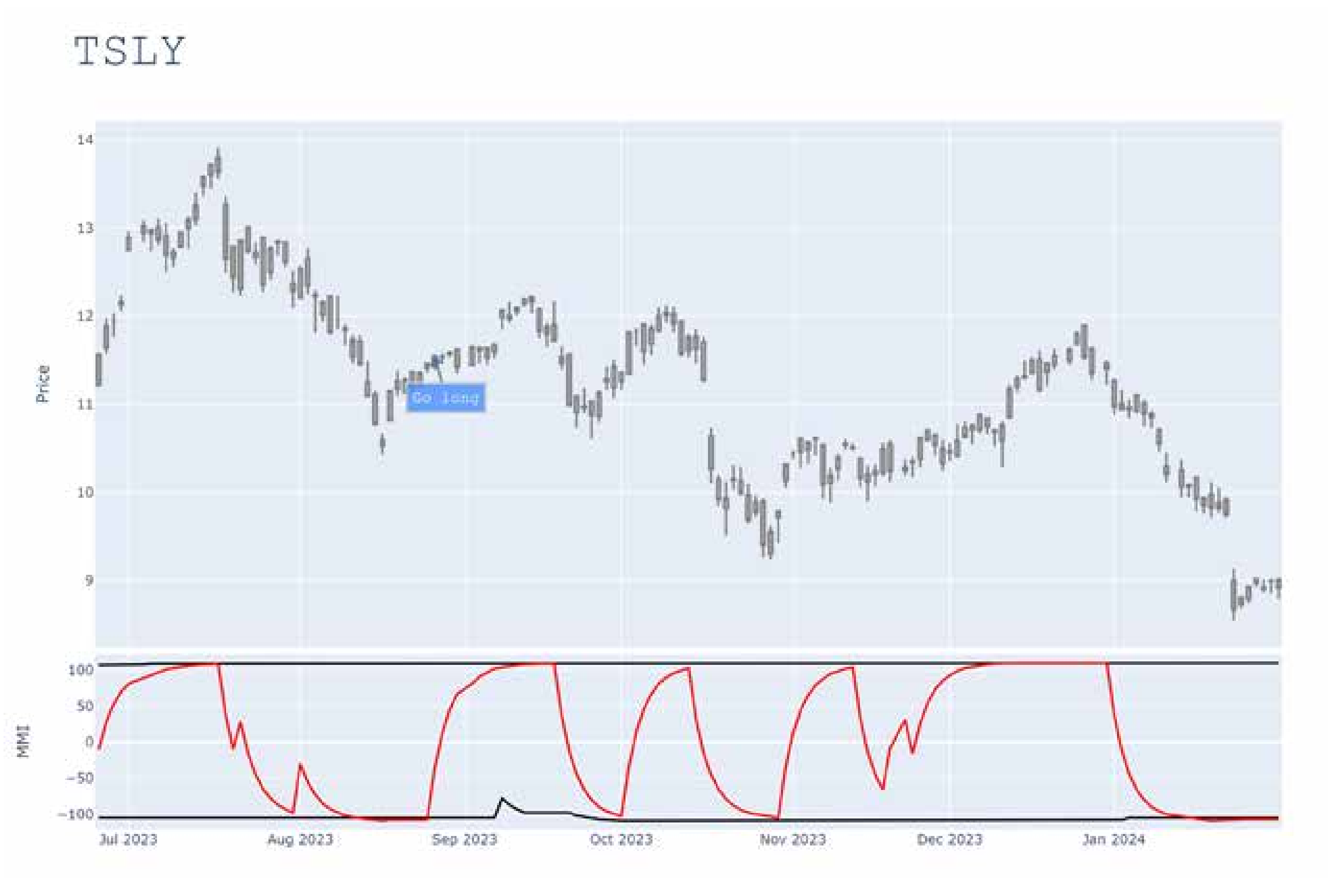
Jan 2024


TSLY
Price
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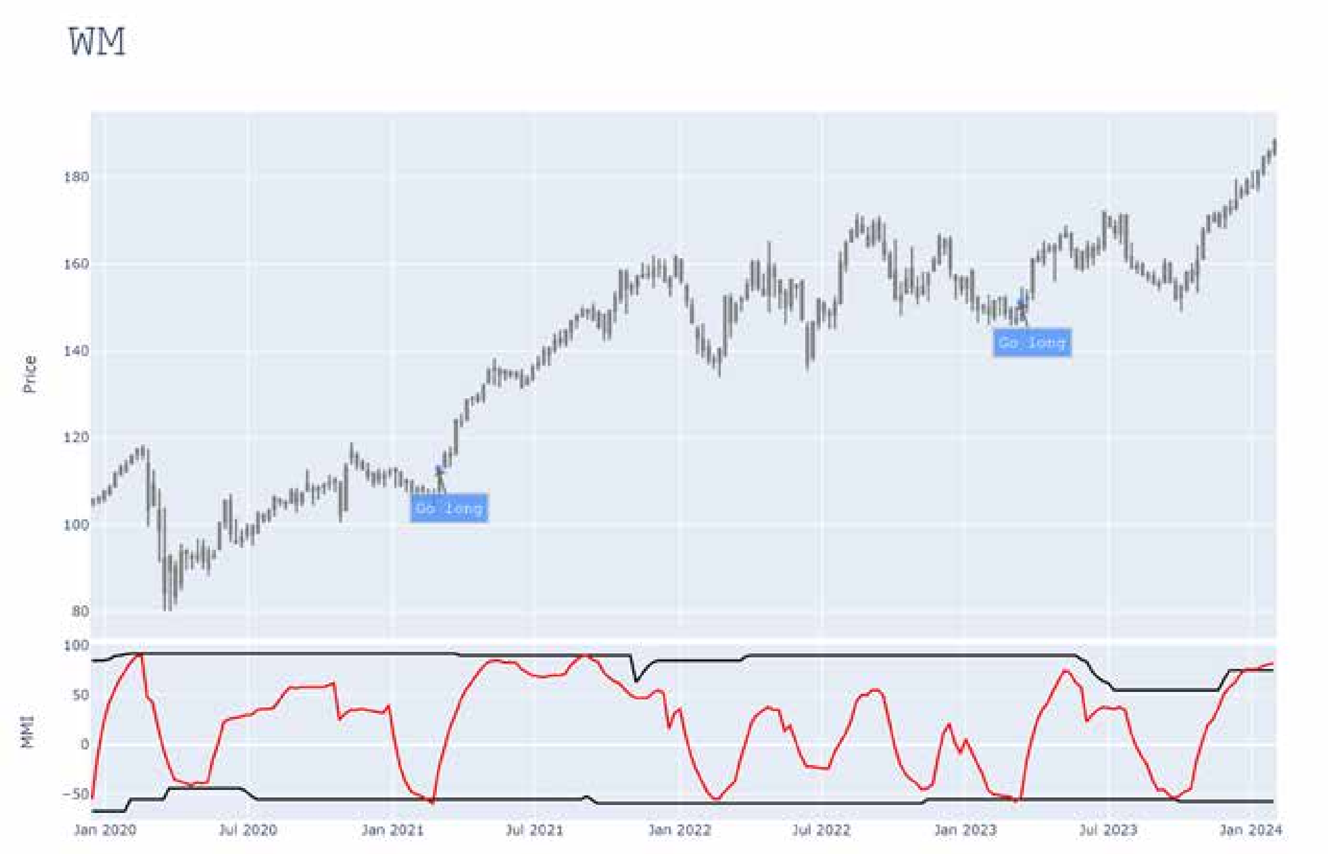
WM
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XPEV
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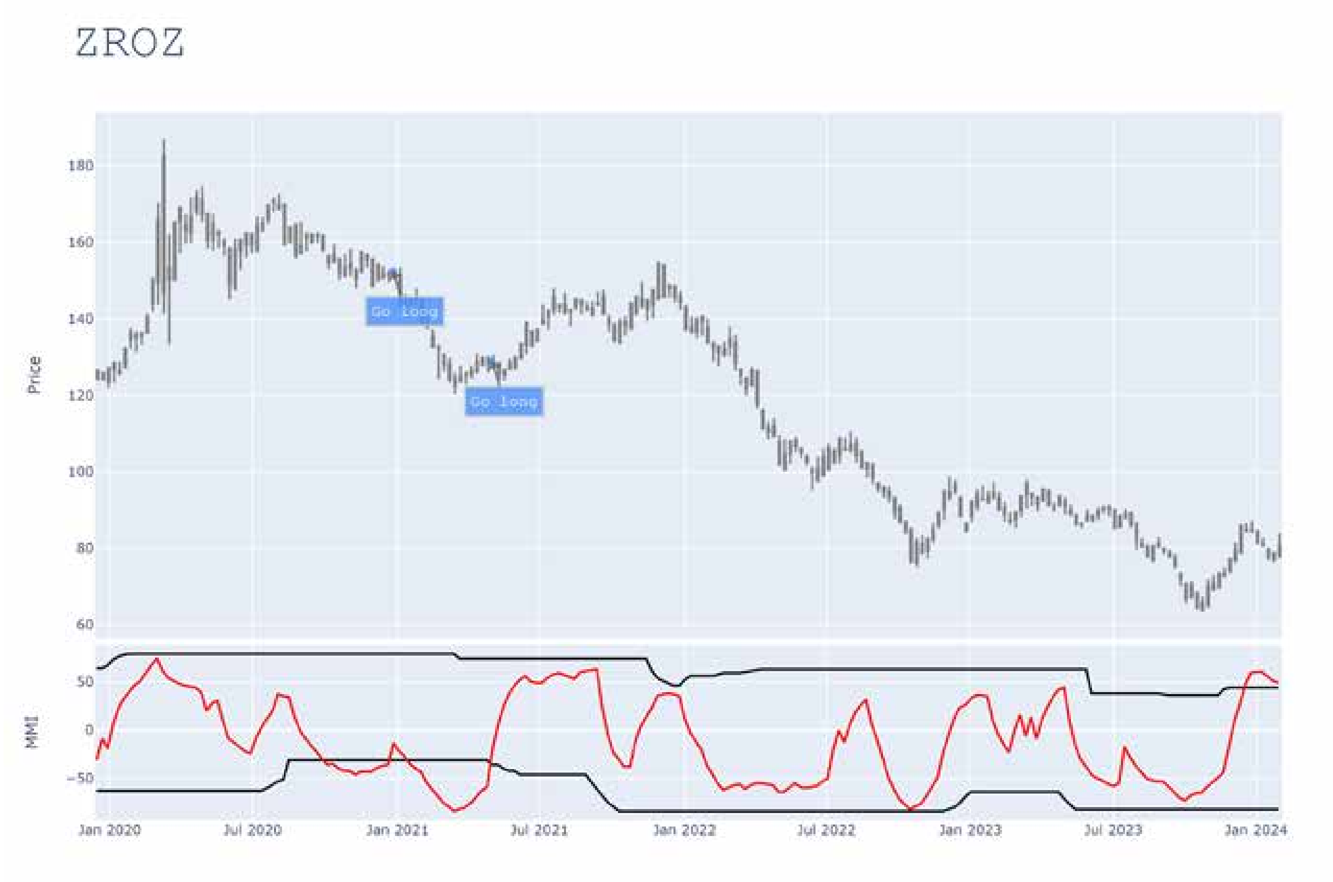
ZROZ
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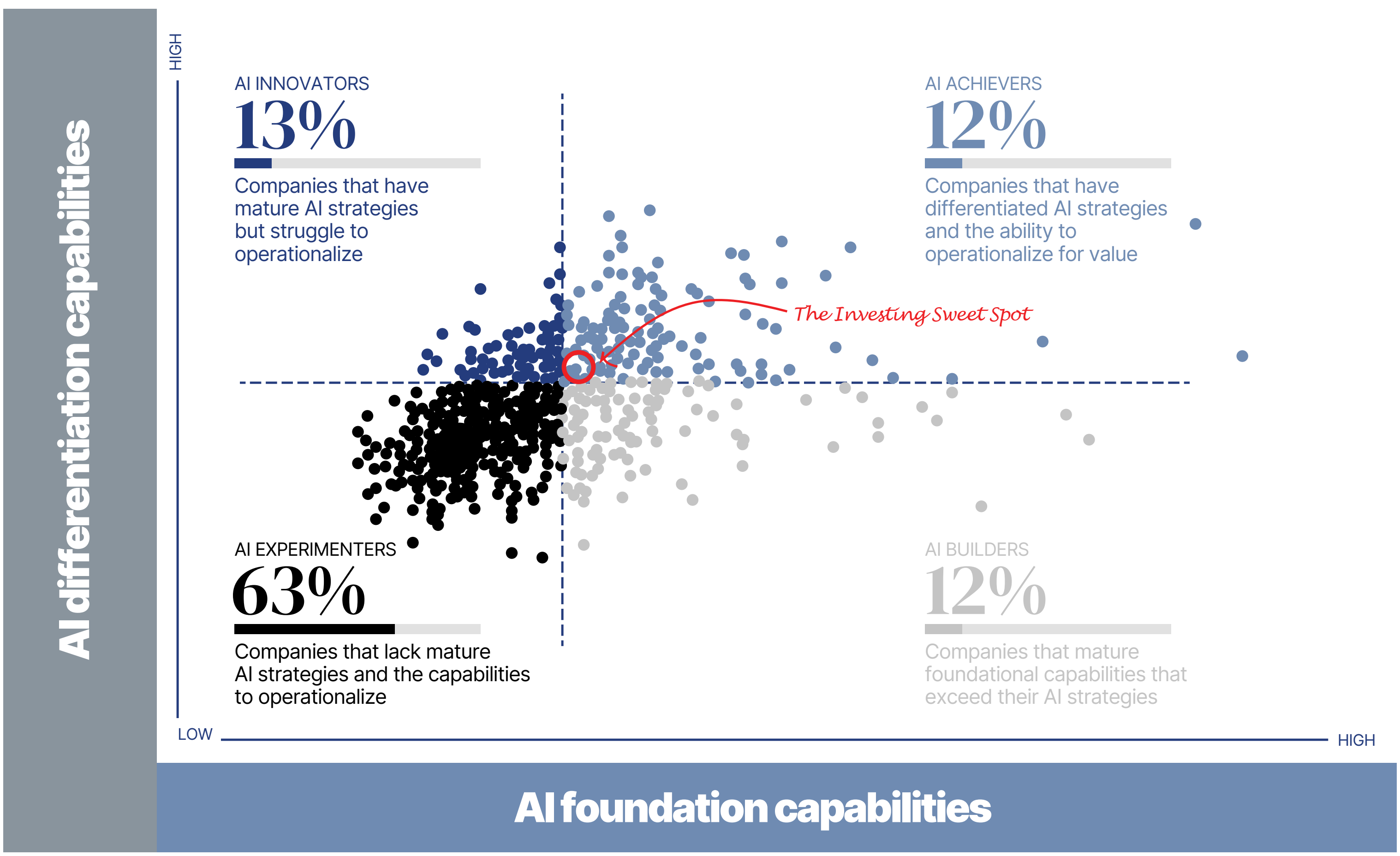

AI differentiation capabilities
HIGH
LOW
HIGH
AI INNOVATORS
13%
Companies that have mature AI strategies but struggle to operationalize
AI ACHIEVERS
12%
Companies that have differentiated AI strategies and the ability to operationalize for value
The Investing Sweet Spot
AI EXPERIMENTERS
63%
Companies that lack mature AI strategies and the capabilities to operationalize
AI BUILDERS
12%
Companies that mature foundational capabilities that exceed their AI strategies
AI foundation capabilities

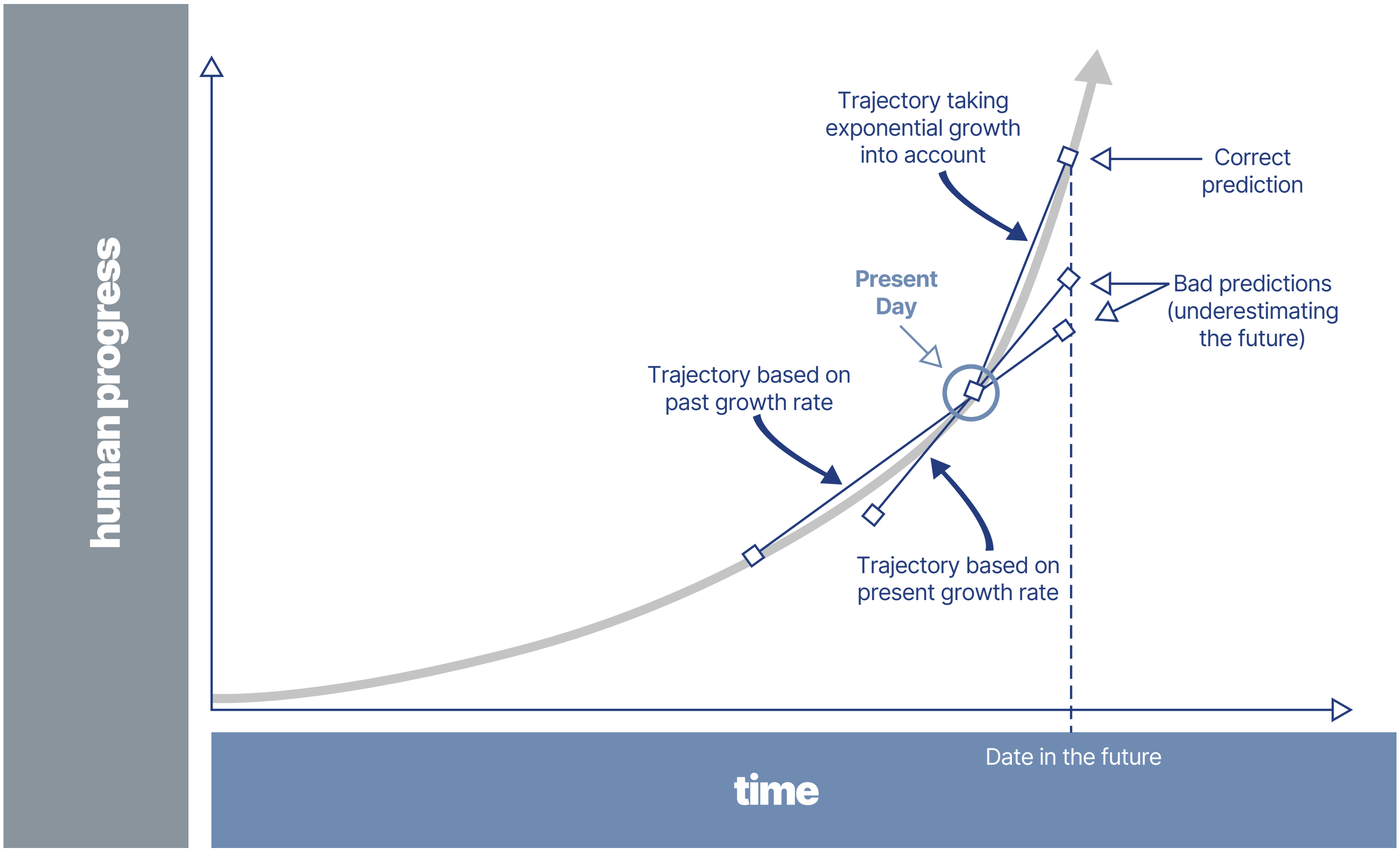
Big Tech Can Run for Decades

Data Points That Will Blow Your Mind!

Generative AI

Generative AI exploded onto the scene in 2023 but what most investors fail to realize is that it's been decades in the making. The disconnect couldn't be bigger or potentially more profitable. AI may represent the greatest single investable opportunity in recorded human history.

Investing now could secure your financial future.



83% of companies consider AI to be a high priority when it comes to strategy

100M+ people will work in AI by 2025

62% of consumers are willing to submit their data to AI if it helps

80% of employees say AI improves productivity

50%+ of the world's companies are already using some form of conversational AI

9 of 10 businesses have ongoing AI investments

4 in 5 companies regard AI a top strategy priority

AI technology will increase help companies generate **$15T+ in revenue** within the next 10 years

DATA FROM VARIOUS SOURCES: MCKINSEY, BLOOMBERG, ACCENTURE, MIT, FORBES

4 Simple Ways to Stay Sharp Daily

I keep a schedule that would kill most people – or so I'm told. It's not uncommon for me to get up at 0300 and work well into the evening.

Not all at once, mind you.

In spurts.

There are days when I wish that I had something resembling a "normal" schedule but, honestly, I wouldn't have it any other way. I love what I do and the people I do it with – YOU!

I'll often roll right from a conference call in London to a TV appearance in Dubai, the gym, a walk with my bride and back to the markets without blinking.

Staying sharp can be a real challenge, particularly if I've been at it for a few weeks or the markets are pitching a fit and I've got to concentrate for extended periods of time.

People say "I can't" all the time but, like investing, imagine how much the world changes when you start thinking, "I've got this" and you do.

I've developed a few simple tricks over the years that help me stay sharp.

#1: Don't touch technology for at least 30 minutes after waking up.

Our brains are typically relaxed and ready for focused input when we wake up. Technology will blow that right out the window because it's based on distractive input. So, I make it a point of not touching anything even remotely "smarter than I am" for at least 30 minutes.

Instead, I engage in a short, quick round of very specific stretches that are designed to open up my upper body, push oxygen into my system and prime muscles I'll need all day.

While I'm doing that, I borrow a tactic from the USN SEALs who emphasize visualization as a way of overcoming obstacles and challenges that would otherwise hold 'em

back. Doing so helps build confidence and increases my chances of success, both in life and in the financial markets.

#2: Lunchtime is break time.

Many people think work is a proxy for playtime but that doesn't fly in our office. My team and I go full-tilt-boogie from the moment we get to the office to the moment we leave.

Except for lunch.

That's when I kick everyone out to grab some grub. The last thing I want is people working when they're chowing down, laughing, and otherwise carrying on.

Taking a real break allows you to engage your parasympathetic nervous system, the part that helps us rest. Eating while you're working keeps the sympathetic nervous system in play which means you're constantly in fight or flight mode.

#3: Exercise like you mean it.

Many people go to the gym "when they can" or if they "feel like it" but I learned a long time ago that doesn't fly. I prefer a killer, time efficient workout *every time*.

It doesn't matter where I am… in my office, in the driveway, on a boat, in an airport lounge… I know I can get more done in 15 minutes than most people do all day. That's why I'll often drop what I'm doing when I feel my brain wandering to do some PT.

People say "I can't" all the time but, like investing, imagine how much the world changes when you start thinking, "I've got this" and you do. We can't control a lot of things in our lives but we can absolutely control the effort we put into it.

It's not the body that makes the mind but the mind that makes the body.

— ARNOLD SCHWARZENEGGER

The legendary Arnold Schwarzenegger told me years ago that, “it’s not the body that makes the mind but the mind that makes the body.” And now that I have a few years under my belt, I finally understand.

#4: Read fiction before you go to sleep.

Navigating today’s complicated financial markets takes a remarkable amount of mental horsepower so the last thing I need at night is a dose of reality that engages my finance-brain.

Reading fiction helps me disengage and disconnect while also boosting my problem-solving skills by weaving together information requiring my imagination, not analysis.

Scientists point out that reading fiction improves your memory capacity because having to remember various character arcs, plotlines and sub stories helps you retain information more effectively, efficiently and for longer.

Plus, not for nothing, but reading great fiction can introduce you to new vocabulary that allows you to express yourself more eloquently. And that’s always, a plus in my book – pun absolutely intended.

Keith

Additional Resources:

Eugene AR, Masiak J. The Neuroprotective Aspects of Sleep. MEDtube Sci. 2015 Mar;3(1):35-40. PMID: 26594659; PMCID: PMC4651462.

Ranganathan VK, Siemionow V, Liu JZ, Sahgal V, Yue GH. From mental power to muscle power--gaining strength by using the mind. Neuropsychologia. 2004;42(7):944-56. doi: 10.1016/j.neuropsychologia.2003.11.018. PMID: 14998709.

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https://boonecenter.pepperdine.edu/relationship-iq/blog/posts/technology_effects_on_our_brains_and_bodies.htm

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https://wexnermedical.osu.edu/blog/how-internet-affects-your-brain

2024 investment account cheat-sheet

Traditional 401(k) / 403(b)
$23,000 limit
Contributions are tax deductible

Roth 401(k) / 403(b)
$23,000 limit
Growth is tax free

Traditional IRA
$7,000 limit
Contributions are tax deductible

Roth IRA
$7,000 limit
Growth is tax free

HSA
$4,150 limit
Contributions are tax deductible

Brokerage account
No limit
No tax benefits

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You can catch Keith on many of the top-rated, prime time financial TV shows including *Varney & Co., Making Money With Charles Payne, The Claman Countdown*, CNBC's *Powerlunch*, *DubaiOne*, and more.

Keith and Noriko will also be launching a new podcast shortly.

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Often described as the next best thing to sitting next to him when the opening bell rings, some readers even go as far as saying it's the best part of their morning!

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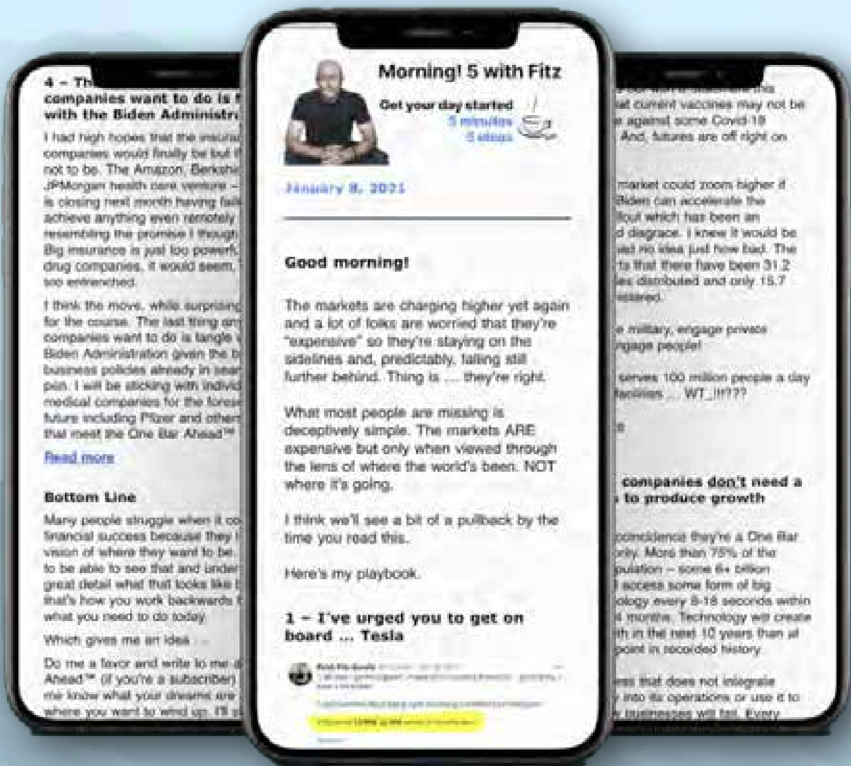
www.KeithFitz-Gerald.com



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Keith Fitz-Gerald