JANUARIUS HOLDINGS INC.

Investment and Research Group

Weekly Brief

July 22, 2021
Source: Bloomberg, Julius Baer, BusinessWorld
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Global Markets

- Coke, Verizon, United, Johnson & Johnson, Chipotle, Texas Instruments—they're among a welter of companies that all charmed investors today with the kind of nuts-and-bolts information that is supposed to underpin share prices. Shares of the S&P 500 firms that topped estimates have seen post-earnings moves 0.4% higher on average than the broader S&P 500. While some of these blowout results were expected, perhaps what wasn't expected are the challenges U.S. companies are facing to continue that growth. *(Bloomberg)*

- Yet, if there's trepidation in corporate America over the delta variant, you wouldn't know it from the earnings season so far. Even as the virulent strain has been sending a shudder through markets, executives are gaining confidence that the rebound in consumer and business spending will continue. Where you will find trepidation is in the outlook for inflation (surprise). About 87% of S&P 500 companies tracked by Bloomberg have mentioned inflation in conference calls so far in July, including some of those mentioned above. *(Bloomberg)*

- Only New Zealand has a frothier housing market than Canada. Yet, after a 25-year bull market, millions of middle-class Canadians have no chance of coming up with a conventional down payment of 20%. Enter the no-money-down mortgage. Sound familiar? One Toronto-area mortgage broker says a U.S.-style mortgage crisis is "just not possible" there. Perhaps. *(Bloomberg)*

- Stocks extended their rebound as earnings took the focus off economic growth wobbles. U.S. futures climbed with shares in Europe. Treasury 10-year yields rose further above 1.2%, though it remains to be seen if the recovery in yields has legs amid lingering concerns about the delta variant. The dollar was little changed, oil rose while gold slipped. *(Bloomberg)*

- More variants are coming but the U.S. isn't ready to track them. For much of the pandemic, sequencing has been piecemeal, spread between academic research labs, hospitals, philanthropist-funded nonprofits, state health departments, and rare commercial participants. The people hunting for mutations want the system fixed urgently. (*Bloomberg)*

ETF Map – 1 Week Ending July 21, 2021

Markets were slightly red after a volatile week, with cyclical and reopening names generally underperforming, but also having the most recovery towards the end of the week.

Philippines

PH 2021 GDP Growth Forecast

Forecast Source	Date	Base
Ave. Last 5 Projections	7/22/21	5.30%
ADB	7/21/21	4.50%
Fitch	7/12/21	5.00%
FocusEconomics	7/8/21	5.60%
S&P	6/25/21	6.00%
IMF	6/17/21	5.40%

- DoF acknowledges downgrade as 'possible,' says all economies hurting *(BusinessWorld)*
- Employment turnover stabilizes in second half of 2020 *(BusinessWorld)*

FOREX	Yesterday's Close	Today's Open	20 Day MA	50 Day MA
USDPHP	50.94	50.16	49.70	48.68
EURPHP	59.46	59.12	58.84	58.40
EURUSD	1.17	1.18	1.18	1.20

JHI WEEKLY QUOTE

Leaders do not prosecute.
Instead, they hear and weigh all sides before making a judgement.

JJ ATENCIO