



Safety Harbor Capital
The Compass Weekly Update
For September 6th 2022
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How to read this journal: many subscribers just go to their favorite section. Our journal has five parts: **Economic and Market Overviews** are for cocktail party conversation to make your friends question their own knowledge base and to terrify them with the truth. **Market Technicals and Current Forecast** are for trading the S&P index. **Stocks of Interest** are for people who want to double the S&P index trading five to ten stocks a month. Double. **Important Market Information** is what the regulators suggest and makes great sleeping material.

So, pick your poison and enjoy. We'll be posting our monthly journals with weekly updates on the first of each month and before the open on Monday, respectively. You will get to login to view.

We have two ways to invest: we do it for you in our Hedge Fund or you do it yourself with our Monthly Investment Journal which gives you five stocks each month to consider. Email inquiries@safetyharborcapital.com to receive our performance report.

Market Overview

Ya know the stock market is rigged. It's manipulated. This would be a long paper but we will just touch on a few points and elaborate in the coming months. We will touch on the indexes, Wall Street firms, individual stocks, policy and law – like we said, a long paper.

Let's start with stocks. Let's compare individual stock levels to the market and see where we may be headed. Remember the FANG stocks? Facebook, Apple, Amazon, Netflix and Google. As long as there was Q/E by the Fed, these stocks never went down. The market would go down and these stocks would go up and support the market itself. In fact we had periods where most stocks were down, but the FANG stocks made it look like the market was up. These FANG stocks account for approx. 12% of the S&P market cap.

So we have the S&P index at 3900 and the pandemic lows were 2300. That's 40% lower. So the market is not even close to pandemic lows – yet. Let's take a look. Facebook (META) is at its pandemic low already at \$155. AAPL is at \$155 (the Apple chart looks terrible – sell!) and it's pandemic low was \$60. AMZN was at \$85 during the pandemic and it's at \$125 now coming off

of \$100. Netflix is already well below pandemic lows. Google is at \$108 and we hear a lot of big hedge funds are buying here – do not follow them! Google looks terrible and pandemic lows are at \$55.

The point? We are looking at a lot of stocks at or near pandemic lows while the market is not – yet! The market may follow these stocks to pandemic lows in the coming months. We will keep you posted.

Market Technicals

Looking at a 1 year daily chart of the S&P index, we can see a major trend line in jeopardy of failing resulting in continued downside action for the S&P index.

The first chart (a one year) shows the trend line and the possible trend breakdown with the expected result – S&P 3640.

The second chart (a 2 year) shows what happens if support at 3640 fails – S&P 3240. We will keep you posted.





Current Forecast

We are currently tracking a signal that has just developed through our market forecasting system that indicates the S&P index fails current trend and sells down to 3640 in the coming 2-3 weeks. We will keep you posted.

Stocks of Interest

Our monthly journal stocks are down -1.45% for the year while the market is down -18%. At the open Tuesday, consider a stop on ETF ticker QID at \$21, consider a stop on ETF ticker BITO at \$11.90 (from our Sister Journal, The First Bitcoin Journal), consider a stop on stock ticker AEO of \$10.80, consider a stop on stock ticker MMM at \$121 and consider a stop on stock ticker ZM at 75.

That leaves us 100% invested in this portfolio with 20% into each position. Updates to follow.

A new Monthly Forecast will come out on the first as usual. When our website is complete, we will be posting to our website and you will login and get the picks and forecasts. The idea here is to invest 20% of your total portfolio into each stock. Stop orders should be placed as Conditional Orders so market makers can't see your prices. Updates to follow.

Important Market Information

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