

## STRATEGY FOR week commencing 8 February

Last week, markets continued to motor ahead with the US seeing elevated highs in both the NASDAQ and S&P. U.S. stocks rose last Friday [5 Feb] with the S&P 500 and Nasdaq hitting record highs and posting their best weekly gains since early November as a smaller than expected rebound in the labour market highlighted the need for more government aid. As the trump era begins to fade one must retain attention on the upcoming impeachment trial which holds if anything entertainment value. Whether this will have a knock on effect on the market answers on a postcard! US earnings season always holds interest for the optimist looking to capitalise on the movers and shakers. In the UK, the pandemic tempers its market enthusiasm as the death toll of 110,000 continues to ravage the nation's health.

The first week of February has gone according to plan with shares trading strongly in the first trading week, then trade flat for a couple of weeks before gaining strongly in the middle of the month and finally drifting off slightly to month end. Market focus this week has shifted towards the crypto world as billionaire investor Musk helps crypto value motor to record highs. [CLICK HERE musk helps crypto market value climb to record in volatile week?](#) For veterans on the markets, I hear, Bubble, Bubble, Bubble long overdue. Each to one's own one could reply but a careful observation would suggest the maturity of the current market and the possible over extension that now exists. But hey make hay while the sun shines as markets can remain more irrational than one has deep pockets. Detecting the time for liquid retention always a difficult decision for the fear of missing out. Yet one must always be on top of potential changes. President Biden has voiced his intention of adding more stimulus so as to help the pandemic fallout, so perhaps the show may go on for now. [CLICK HERE Bidens immense economic challenge](#) In the UK March's budget may prove to provide a catalyst in domestic fiscal and monetary policy. Government's announcements will affect some sectors more than others. With housing, the stamp duty holiday ending soon and last week's news that houses prices have begun to slow, shows that this sector may be vulnerable to March's budget. Countering this though is possibility of negative interest rates on the horizon which will again do nothing for savers. With potential changes to taxes in store, whatever the outcome, March is and could well be a month for correction so be warned.

The portfolio saw a +11.14% weekly increase [the best ever]. Last week's comment that I would scout for something new and may even look to something different lead me to acquire two trades for a NASDAQ listed Marathon Patent a Crypto miner. MARA is a junior crypto miner that will shadow the crypto market and I include as an experiment that could go right or could go wrong. Only time will tell. Despite its \$2.11 market capitalisation, by definition, MARA is speculative, risky and may not be suitable for the reader. Diversifying the portfolio with different kinds of assets with significant potential is this year's aim. I have purposely decided to weed out the non performers such as last week's disposal of Orthofix medical which did little to add value, with the aim of capturing better share opportunities. Last week I further added to a position in Fulgent Genetics which saw a 25% weekly increase. This share continues to provide incredible resilience and has helped the portfolio despite the volatile electricity of the share. I have again sold out of the position in Digital Turbines following robust quarterly results as a profitable trade. Recent trade disposals have helped boost the portfolios performance and I look to re-enter into a position in Digital Turbines if considered appropriate depending on next week's market conditions. Capturing profits early will assist for the future when the undoubted reversion to the mean that may take place in March. Until then I may look to take profits again this week if Bellway continues to rebound as the housing sectors dysfunction could well see a recalibration as a result of the March's Budget but hey that just by assessment. Until next time.

[STRATEGY FOR week commencing 1 February](#) [25 January](#) [18 January](#) [11 January](#) [4 January](#) [28 December](#) [21 December](#) [14 Dec](#) [9 Nov](#) [2 Nov](#) [26 Oct](#) [19 October](#) [12 October](#) [5 October](#) [28 September](#) [21 September](#) [14 Sept](#) [7 Sept](#) [31 Aug](#) [24 Aug](#) [17-10 Aug](#) [3 Aug](#) [27 July](#) [20 July](#)