

STRATEGY FOR week commencing 1 March.

Last week saw gyrations beyond the extreme as hopes for an easy end to the month of February for profits accumulated were thwarted. Volatile exasperation was the order of the day last week as markets showed their brutal side with correction a major theme of last week. One must always try to expect the unexpected yet be realistic to the fact that market retracement is a sign of a healthy and vibrant market. The reasons for the triggering of market correction is open to interpretation yet macro-economic factors may well have come into play. Talk of increased interest rates, explosive levels of unemployment, a move into bonds and the approval of president's Bidens \$1.9BN stimulus all have contributed to last week's volatility. The approved stimulus looks certain to stabilise the markets or fuel petrol into the fire, yet one must bear in mind that March which empirically sees rises for the first three weeks and then falls back in the final week may be a guide. As a warning, the last week of March has historically been one of the weakest weeks for the market in the whole year, so you have been warned. Domestically in the UK its budget week so prepare for a rollercoaster ride of financial emotions on the outcome. So what's in store one wonders? The unprecedented level of UK Government support in recent times where Keynesian economics has become the order of the day, has become a revitalised policy directive. There's no escaping the fact that all this unrivalled support will need to be paid for. This week's Budget, will in contrast to previous budgets play a pivotal role in equity redistribution where tax increases and restructuring will I submit be a core theme. Capital, Land and personal taxes will all be up for grabs so expect continued market volatility in the UK around Budget day. Sector reallocation may be the approach to use in these uncertain times with the shift to the defensives. Resource stocks have become topical as of late, and as recovery in world economies start to regain their composure safer havens they may become. The weakening of the \$ may be just a temporary phenomenon as the kick in of Biden's \$1.9 stimulus package starts to take effect.

The volatility of last week had a significant impact of the portfolio which saw a decline of -13.3% whipping off the majority of February gains. February had until last week stood at +16% increase. Despite last week's significant market correction, the portfolio ended the month in the ascendancy. Diversification is always such an important ingredient in time of market correction. Unrelated correlated stocks helps to hedge against the unexpected. Despite last week's tempestuous market reaction, I kept positions on hold reframing from disposal not influenced by the herd like behaviour of the many. In doing this I have seen several share breach stop loss and lower threshold levels. Continued negativity may lead me to force sell several positions at a disturbing loss, which may become necessary depending on market trajectory and sentiment. Significant downside to portfolio share prices was last week's theme as every share saw losses. Significant in particular were Marathon Patent -29.9% , RIOT -36.9%, Fulgent Diagnostics -24.1%, Co Diagnostics -12.6%, Ameresco -10.8%. Best of the bunch were Redrow Plc -1.9% and Qorvo -2.0%. The volatility in crypto stocks MARA, RIOT proves the point that one has to be comfortable with risk on situations for without risk there's no real return. Despite the fluidity of MARA and RIOT volatility, they add a spice of life to the portfolio, acknowledging that price points for disposal for restricted losses or acceptable gains is the new strategy adopted for this sector. Observant to the uncorrelated may have an effect on this arena. [CLICK HERE Bitcoin inventor satoshi nakamoto returns](#). The disappointing performance of both FLGT and CODX shows that my patience is wearing thin. As a long term performance seeker I have to accept that on occasions there times that one needs to take market corrections on the chin. This week I will again monitor and review particularly observant of the impact of this week's budget especially to the UK housing sector which will I expect, respond with elasticity. Until Next Time.

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