Precious Metals, Anyone? How Christians Can Respond to the Current Financial Trend

The Issachar Fund (LIONX), is about 31% invested in 13 growth stocks as of May 17, 2020 (listen to this blog/podcast). I have been actively managing risk by locking in some recent stock gains and buying new stocks as I seek lower-risk entry points. My preference is to sell stocks when I can and not when I have to. I try to listen to the market and let the market push me out of stocks when it is time to sit on the sidelines. However, the large-cap index has been in a 4% trading range since the end of April, and I believe it may be ready to head higher. Now that earnings season is behind us, I am eager to ramp up to a more fully invested position in leading stocks with sound fundamentals and technicals. Stocks that exhibit two to three consecutive quarters of increasing sales and earnings with double-digit next year estimated earnings are at the top of my buy list. I believe this week could be a good time for us to go “shopping”. (There is no guarantee that any investment will achieve its objectives, generate positive returns or avoid losses.)

The Fed’s balance sheet increased by $212 billion to over $6.7 trillion last week. The prior week saw an increase of “only” $65 billion, so the Fed’s rapid acceleration last week could be telling us that there may be more bad news on the horizon. The good news is some of that “easy” money appears to be finding its way in the stock market, floating many boats higher. I plan to look for opportunities and find stocks that may benefit from this abnormal “new normal” environment we find ourselves in. The “work from home” and “cloud” stocks seem to be attracting a lot of investor interest as many of these theme stocks are trading near all-time highs.

The market is like our parents; we need to listen and not talk back! I believe the market is more right than not because it collectively knows everything knowable, and it is reflected in the price of a stock. We are all entitled to our own opinions, but we are not entitled to our own facts. The fact is the major large-cap index is less than 15% from an all-time high, and it currently appears to be in a short-term uptrend. I attempt to follow trends and not opinions.

The U.S. Treasury plans to issue an unprecedented $1 trillion of debt over the next three to four weeks. Who will buy our debt? If the likes of China and Japan do not show up to buy our debt, interest rates could zoom higher. However, I assume the Fed will “monetize” the debt and be the buyer of last resort with money that it creates out of thin air, keeping rates at historic low levels keeping borrowers happy. The Fed monetizes the debt by purchasing Treasury bonds with money it creates by adding zeros to its balance sheet, and no one seems to care. I believe the Fed may be “pushing on a string” by creating excess liquidity that the banks will not be able to lend due to the lack of creditworthy borrowers thanks to the mandated “lock-down”. It may seem crazy that the Fed can create money out of nothing to buy debt from the Treasury so politicians can spend money we do not have without a way to pay it back but that is “reality”. We do live in interesting times with gold and silver looking very appealing in this America 2.0 New Normal. As long as the dollar remains strong against other currencies, trading less than 4% from an all-time high, Congress is likely to continue spending money until the world says, “Enough!” I do not believe we are there yet, but one day, there will likely be a huge price to pay for all this irresponsible spending with no plans to stop or even slow down. I do not believe this economic crisis was caused by a virus. I believe this economic crisis was caused by politicians spreading fear trying to hurt President Trump’s chances of reelection in November. Hate for another human in one’s heart cannot be a healthy way to live. I believe we were all created by God to receive and share His love.

Bottom line: The trend currently appears up, and I plan to continue buying growth stocks with sound fundamental and technical chart patterns. I believe the Fed has our back and will do what it takes to keep us going in the right direction. It may be time to consider gold and silver as the Fed monetizes more U.S. Treasury debt. Politicians have taken away our freedom in lockdown, and it is time we take it back while we still can. I believe that God is still in control, and He will right the wrongs and never leave us as He walks with us through this fear crisis. I pray you accept God’s grace and peace and put your faith in Jesus!

“There is no fear in love, but perfect love casts out fear, because fear has to do with punishment. Whoever fears is not perfect in love” (1 John 4:18).

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Note: Investors should carefully consider the investment objectives, risks, charges, and expenses of the Issachar Fund. This and other important information about the Fund are contained in the prospectus, which can be obtained by calling 1-866-787-8355 or visiting . The prospectus should be read carefully before investing. The Issachar Fund is distributed by Northern Lights Distributors, LLC., member FINRA/SIPC. Horizon Capital Management Inc., (HCM) is not affiliated with Northern Lights Distributors, LLC. Important Risk Information: Mutual Funds involve risks including the possible loss of principal. An investment in the Fund may not be appropriate for all investors. The Fund may hold cash positions when the Adviser feels that the market is not producing returns greater than the short-term cash investments in which the Fund may invest. There is a risk that the sections of the market in which the Fund invests will begin to rise or fall rapidly and the Fund will not be able to sell stocks quickly enough to *avoid losses or reinvest its cash positions into areas of the advancing market quickly enough to capture the initial returns of changing market conditions. The Adviser's judgment about the attractiveness, value, and potential appreciation of particular asset classes and securities in which the Fund invests may prove to be incorrect and may not produce the desired results. Past performance is no guarantee of future results. For more information on LIONX, please visit . NLD Review Code: 3604-NLD-5/18/2020*