Biblical Stock Market Update: Don't Throw Caution to the Wind

The Issachar Fund (LIONX, BRI & ESG) is 65% invested in 33 growth stocks on Sunday, Nov. 15, 2020. I did some buying and selling last week, trying to stay in sync with the stock leadership changes I see in the market. There appears to be some rotation out of recent leading "stay at home" growth stocks into value stocks that may benefit from a COVID-19 recovery. I have a long list of stocks that appear to be under institutional accumulation in the medical, software and chip sectors, and I expect to do more buying this week as I find proper buy points. (There is no guarantee that any investment will achieve its objectives, generate positive returns or avoid losses.)

The S&P 500 Index is trading slightly past an all-time high! The NASDAQ 100 Index is about 4% below its high. Stock leadership may be changing, and I plan to follow the leaders. There was a lot of volatility and shakeouts last week, where many recent leaders were hit with waves of selling from institutions and short selling. Many laggard stocks have come alive and appear to want to lead, so that is where I am focused. I followed my discipline as sell signals were triggered, and I purchased stocks with accelerating earnings and sales displaying sound chart patterns. I believe the market is getting ready to break out of its trading range since Sept. 2 and resume its bull market advance, but the market is looking for a catalyst.

The Fed's balance sheet is growing with over 14% annualized since Sept. 30; it currently sits at an all-time high of over $7.2 trillion. It was about $3.2 trillion on March 2, so the Fed has more than doubled its balance sheet, flooding the market with lots of liquidity, hoping to shift our attention away from the problem. I believe the Fed is still on our side, and they will do everything they can to keep rates low, seeking to keep the economy and the stock market humming along. However, our national debt is now over $27 trillion and growing faster than ever, so we should not throw caution to the wind. Higher interest rates would cost us even more to finance our irresponsible spending. We already have a $3.2 trillion federal budget deficit this year, so higher interest payments to finance $27 trillion of debt would add fuel to the fire of debt expansion. Check out this U.S. debt clock if you want to see a real taste of reality. God only knows how this ends, and it will likely produce life-changing losses, which is why I do not subscribe to a buy and hold philosophy. I plan to manage risk and do my best to avoid life-changing losses for all LIONX shareholders. God help us if and when rates start to rise at a faster clip. Nevertheless, I believe we are good for now, but I believe there will be a price to pay for all this irresponsible spending at some point. It is never too late to pray for wisdom.

Bottom Line: We had a bit of a shakeout last week as money shifted from growth to value stocks. The indexes are trading near their highs, and the Fed appears to be on our side, so all appears well for now. I believe there will be a price to pay for all this deficit spending, but the market does not seem to care at this point. If the dollar falls another % breaking its support line, we could see a wave of selling hit the market, but I believe the market will shrug it off. Nevertheless, I have one foot on the gas, and I could easily tap the brakes if needed. I rest in knowing God is still on the throne, and He is sovereign above all. May God’s grace and peace be with you and your loved ones. Amen!

“If any of you lacks wisdom, let him ask of God, who gives to all men liberally and without criticism, and it will be given to him” (James 1:5).

Read the 3rd Quarter LIONX fact sheet here and listen to the *Biblical Stock Market Updates* podcast on the Charisma Podcast Network here.

LIONX *is a BRI/ESG, tactical, alternative, mutual fund actively managed like a hedge fund.*

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 incorrect and may not produce the desired results. Past performance is no guarantee of future results. Ratings are only one form of Fund performance and should not be used as the sole consideration in making an investment decision. For more information regarding the fund, including current performance, please visit . For more information on LIONX, please visit . NLD Review Code: 8154-NLD-11/16/2020.*