



Preparing for the Future of Everything December 2021 Report

Presented By
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NPB Financial Group LLC

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Keys to Surviving and Thriving in Post - COVID-19 and Beyond

- "Self-sufficiency"
- "Assets and Liquidity"
- "Automation"
- "Virtualization"
- "Decentralization"
- "Analytics"
- "Exponential Thinking"



Macro Economic and Market Trends at A Glance

- **Strong Projected '4Q'21 Growth**
- **Strong Holiday Retail Sales**
- **Strong Housing Market Continues**
- **Robust Corporate Revenues and Profits**
- **Inflation is Increasingly Systemic**
- **Omicron Slowing Projected '1Q'22 Growth**
- **Supply Chain Disruption Continues**
- **Fed Tapering Accelerating (QT)**
- **\$2T Build Back Better Plan Stalled?**

The Economy at A Glance

Economic Metrics	
GDPNow ('4Q'21 Estimate)	7.6% 12/23/21 (Atlanta FRED)
Unemployment Rate	4.2% (BLS – Nov'21)
Employment Compensation	4.3% Y-O-Y (Atlanta FRED – Nov'21)
Productivity	-5.2% (BLS – '3Q'21)
CPI	6.8% Annual Rate (BLS) (Nov'21)
10-yr US Treasury Interest Rate	1.479% (WSJ -12/27/21)
Total Federal Debt	28.4T (FRED – '3Q'21)
Holiday Retail Sales (Y-O-Y)	8.5% (Barron's – 12/26/21)
Real Personal Consumption Expenditures	5.7% est. '4Q'21 Y-O-Y (Atlanta FRED)
Crude Oil Futures	\$75.81 (WSJ – 12/27/21)
Case-Shiller National Home Price Index	18.6% Y-O-Y (WSJ- Oct'21)
Real Gross Private Domestic Investment	16.9% est. '4Q'21 Y-O-Y (Atlanta FRED)
Gold Futures	\$1813 (WSJ – 12/27/21)
Copper Futures	\$4.46 (WSJ – 12/27/21)
US Dollar Index	96.08 (WSJ -12/27/21)
ISM Purchasing Managers Index	61.1% (ISM – November'21)

Inflation at A Glance

Table 2: %yoy CPI heatmap

%yoy core CPI further accelerated to 4.9% yoy — the strongest since 1991

Oct-21 weight	Component	Nov- 21	Oct-21	Sep-21	Aug- 21	Jul-21	Jun-21	May- 21	Apr-21	Mar-21	Feb-21	Jan-21	Dec-20
100.0	Headline CPI	6.81%	6.22%	5.39%	5.25%	5.37%	5.39%	4.99%	4.16%	2.62%	1.68%	1.40%	1.36%
	2yr annualized rate	3.97%	3.69%	3.37%	3.25%	3.14%	3.00%	2.55%	2.23%	2.07%	1.99%	1.92%	1.78%
14.0	Food	6.11%	5.33%	4.59%	3.74%	3.45%	2.39%	2.15%	2.37%	3.47%	3.62%	3.78%	3.93%
7.5	Energy	33.29%	29.97%	24.83%	24.97%	23.85%	24.48%	28.55%	25.14%	13.17%	2.36%	-3.65%	-6.96%
78.5	Core CPI	4.93%	4.56%	4.03%	4.00%	4.27%	4.47%	3.80%	2.96%	1.65%	1.28%	1.41%	1.62%
	2yr annualized rate	3.29%	3.10%	2.87%	2.83%	2.89%	2.82%	2.51%	2.20%	1.87%	1.82%	1.83%	1.92%
3.8	Household Furnishings and Supplies	6.00%	6.11%	4.76%	3.26%	3.02%	3.36%	3.69%	3.15%	2.83%	2.26%	2.44%	2.94%
2.7	Apparel	4.96%	4.32%	3.39%	4.21%	4.21%	4.87%	5.56%	1.91%	-2.48%	-3.57%	-2.54%	-3.93%
7.9	Motor Vehicles & Parts	19.17%	16.47%	14.95%	17.21%	19.82%	20.29%	13.32%	9.24%	4.46%	4.18%	4.60%	4.95%
3.9	New Vehicles	11.11%	9.85%	8.74%	7.62%	6.36%	5.26%	3.34%	1.96%	1.49%	1.16%	1.44%	1.96%
3.4	Used Cars and Trucks	31.44%	26.45%	24.41%	31.90%	41.65%	45.24%	29.74%	20.97%	9.37%	9.29%	9.99%	10.04%
1.5	Medical Care Commodities	0.18%	-0.36%	-1.62%	-2.52%	-2.10%	-2.23%	-1.85%	-1.73%	-2.44%	-2.55%	-2.27%	-2.48%
2.0	Recreation Commodities	3.95%	3.98%	3.48%	3.29%	3.17%	3.23%	3.54%	2.86%	0.76%	0.26%	-0.20%	-0.24%
0.5	Education and Communication Commodities	0.94%	2.53%	2.58%	-0.46%	-0.18%	-1.15%	-1.43%	-2.21%	-4.93%	-2.74%	-1.90%	-2.49%
1.0	Alcoholic Beverages	1.91%	2.24%	2.81%	2.58%	2.44%	1.89%	1.55%	1.89%	1.95%	2.03%	2.43%	2.79%
1.5	Other Goods	4.31%	4.46%	3.39%	3.40%	2.67%	2.54%	2.53%	2.32%	1.89%	2.05%	2.24%	1.84%
32.4	Shelter	3.84%	3.48%	3.16%	2.84%	2.83%	2.58%	2.21%	2.11%	1.70%	1.47%	1.62%	1.84%
23.5	Owners' Equivalent Rent of Residences	3.53%	3.13%	2.89%	2.55%	2.43%	2.34%	2.11%	2.04%	2.01%	2.03%	2.01%	2.17%
7.6	Rent of Primary Residence	3.05%	2.70%	2.43%	2.12%	1.91%	1.92%	1.82%	1.80%	1.83%	1.96%	2.05%	2.28%
1.0	Lodging Away From Home	22.16%	22.25%	17.54%	17.43%	21.47%	15.08%	9.00%	7.37%	-6.41%	-14.94%	-11.40%	-9.52%
1.1	Water & Sewer & Trash Collection Services	3.49%	3.73%	3.73%	3.48%	3.69%	3.57%	3.44%	3.55%	3.53%	3.61%	3.57%	3.59%
0.9	Household Operations	8.44%	6.85%	6.63%	7.28%	6.99%	7.16%	8.26%	4.92%	4.34%	4.32%	4.73%	4.12%
7.0	Medical Care Services	2.08%	1.68%	0.89%	1.01%	0.82%	1.02%	1.52%	2.16%	2.71%	3.02%	2.91%	2.75%
5.0	Transportation Services	3.86%	4.50%	4.39%	4.57%	6.38%	10.40%	11.18%	5.62%	-1.64%	-4.37%	-4.06%	-3.47%
0.6	Airline Fares	-3.67%	-4.63%	0.79%	6.71%	18.96%	24.56%	24.08%	9.64%	-15.07%	-25.62%	-21.31%	-18.26%
3.7	Recreation Services	2.80%	3.78%	3.48%	3.48%	3.72%	1.90%	0.62%	1.76%	1.23%	1.06%	0.30%	1.58%
6.0	Education and Communication Services	1.72%	1.71%	1.66%	1.33%	1.24%	2.36%	2.19%	2.02%	2.04%	2.11%	2.04%	2.32%
1.6	Other Personal Services	4.50%	4.05%	3.45%	3.59%	3.08%	2.48%	2.78%	3.01%	2.87%	2.18%	1.99%	2.90%

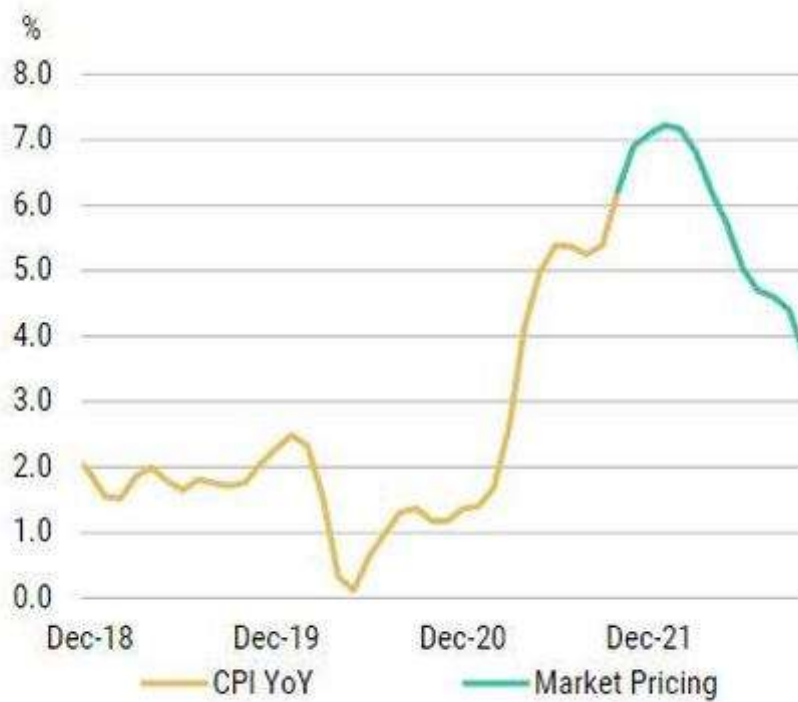
Source: BofA Global Research, Bureau of Labor Statistics

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U.S. Bureau of Labor Statistics

Inflation Implied Path at A Glance

Exhibit 6: Market implied path for CPI over the next twelve months



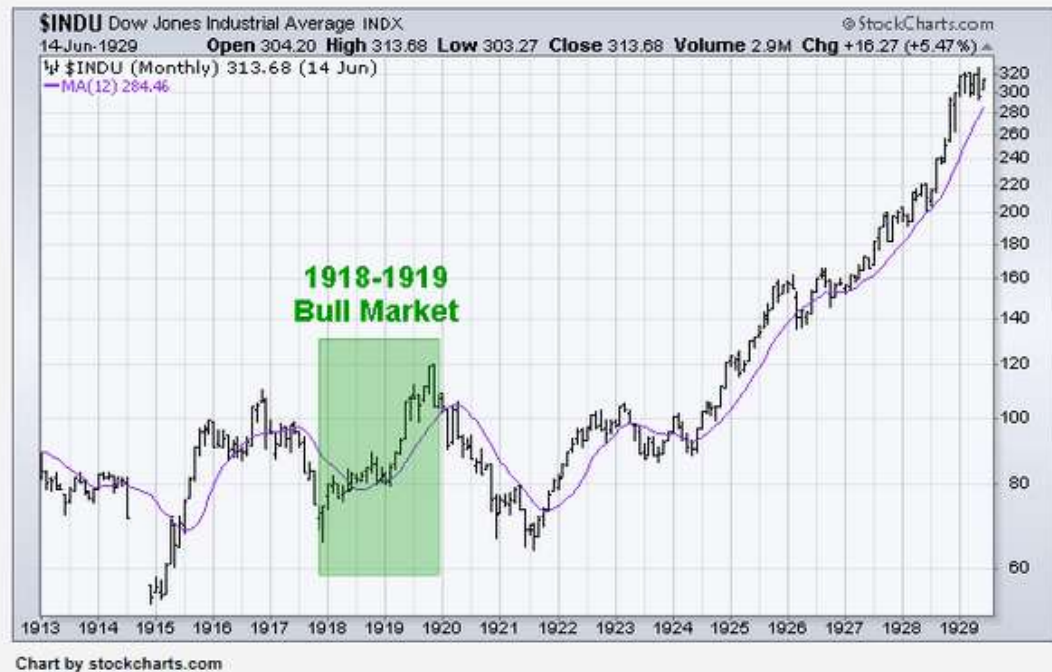
Source: Bloomberg, Morgan Stanley Research

Inflation Debt at A Glance



Inflation- Debt and Market at A Glance

Chart 2. Dow Industrials Monthly Chart



Inflation- Debt and Market at A Glance

Chart 2. Dow Industrials Monthly Chart

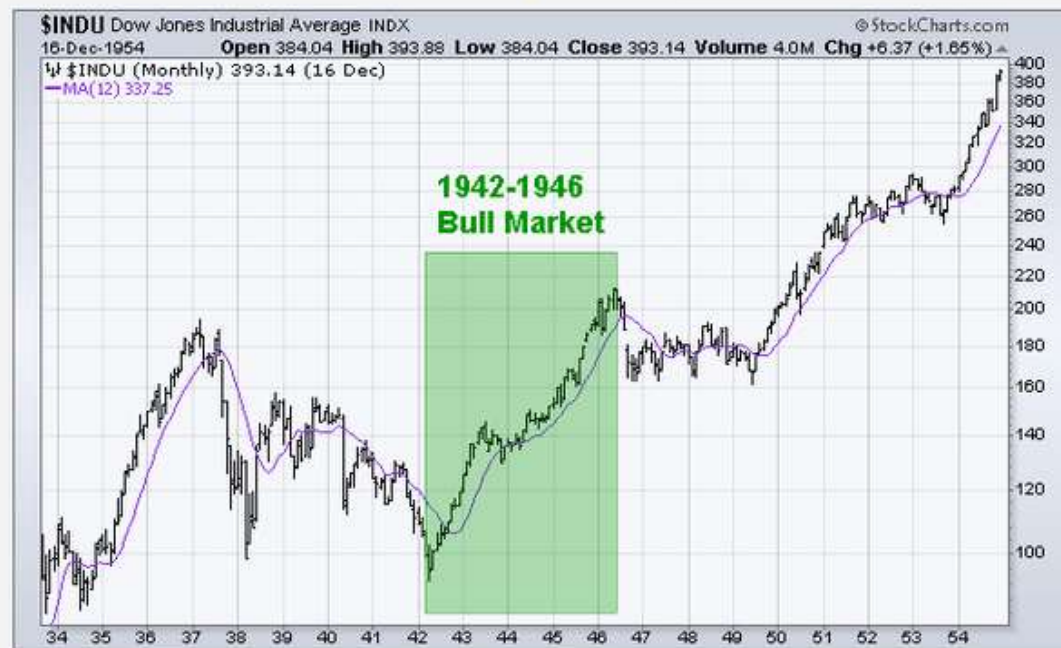


Chart by stockcharts.com

The Market at A Glance

Market Metrics	
DJIA	36,302 +18.61% YTD (WSJ – 12/27/21)
S&P 500	4,791 +27.56% YTD (WSJ – 12/27/21)
Nasdaq	15,871 +23.14% YTD (WSJ – 12/27/21)
S&P 500 Forward P/E	21.2 (S&P FactSet – 12/17/21)
S&P 400 Forward P/E	16.2 (Yardeni Research – 12/24/21)
Current Est. '4Q'21 S&P 500 EPS	21.3% Y-O-Y (S&P FactSet – 12/17/21)
Current Est. '4Q'21 S&P 500 Rev. Growth	15.8% Y-O-Y (S&P FactSet – 12/17/21)
Current Est. '4Q'21 S&P Profit Margin	11.8% Blended (S&P FactSet – 12/17/21)
Current Est. Industrials '4Q'21 EPS Growth	107.5% Y-O-Y (S&P FactSet – 12/17/21)
Current Est. Materials '4Q'21 EPS Growth	62.1% Y-O-Y (S&P FactSet – 12/17/21)
Current Est. Energy '4Q'21 Revenue Growth	67.1% Y-O-Y (S&P FactSet – 12/17/21)

U.S. Equities at A Glance

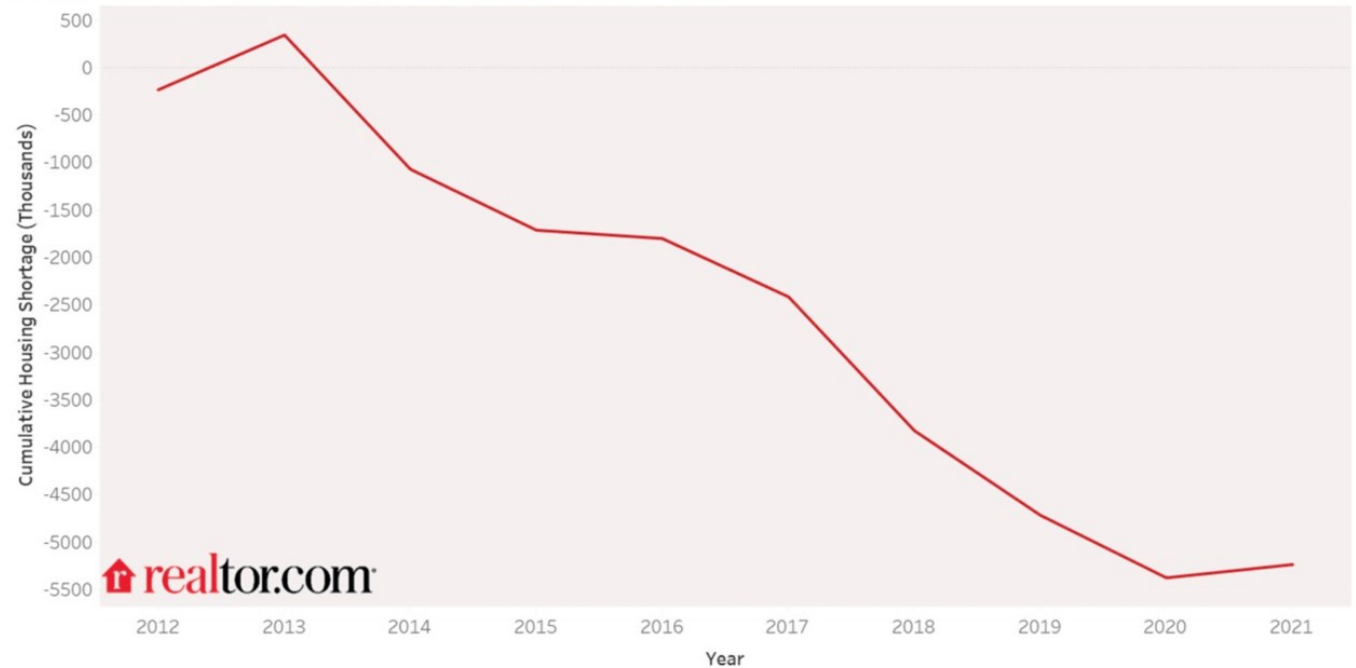
U.S. Sectors (12/27/21)

ETF or ETN	Today	1 Mths	1 Yr	YTD
Energy XLE	2.2%	-4.3%	43.3%	44.9%
Real Estate XLRE	2.0%	3.0%	40.4%	36.5%
Technology XLK	2.1%	2.3%	34.9%	33.0%
Financial Services XLF	1.0%	-3.4%	34.3%	31.7%
Consumer Discretionary XLY	1.0%	-2.9%	29.0%	26.4%
Healthcare XLV	1.1%	5.1%	25.3%	22.8%
Basic Materials XLB	1.5%	-0.3%	24.2%	22.0%
Industrial XLI	1.1%	-2.1%	18.1%	17.4%
Communication Services XLC	1.0%	-0.5%	18.0%	15.8%
Utilities XLU	0.5%	2.9%	14.7%	11.2%
Consumer Staples XLP	1.1%	2.9%	13.3%	11.6%

Source: Seeking Alpha

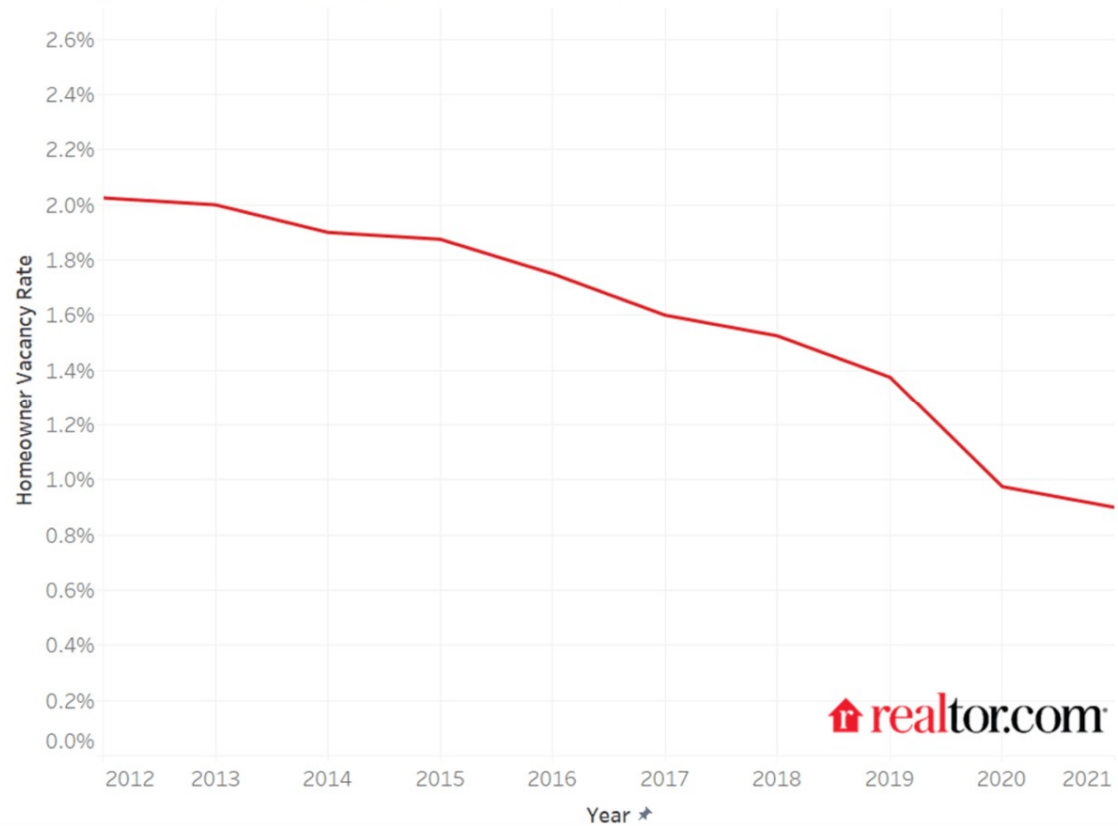
U.S. Housing at A Glance

Cumulative Shortage of New Home Supply Since 2012
(Running Sum of Single-Family Housing Starts - Running Sum of Households Formed)



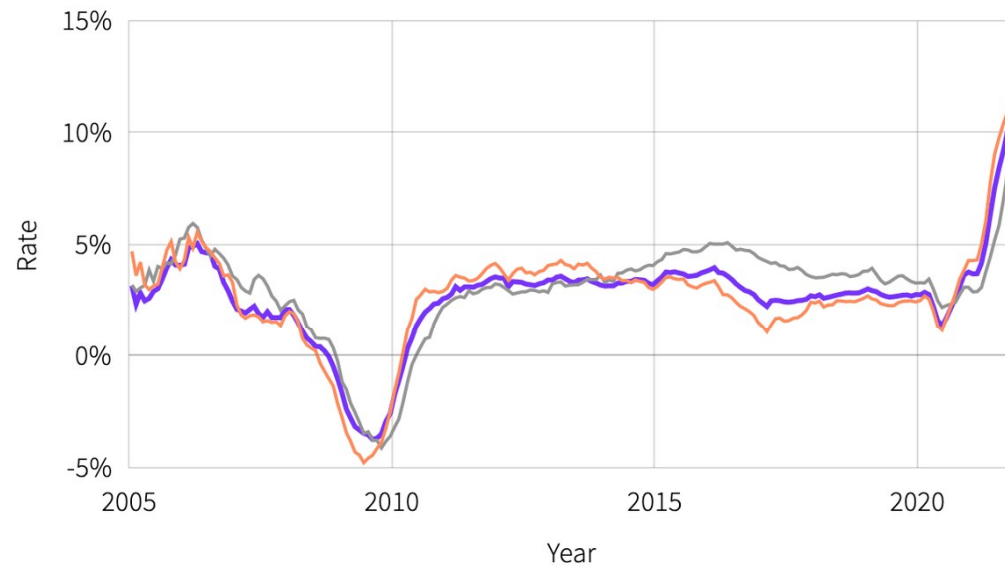
U.S. Housing at A Glance

Vacancy Rate Decreases to Less Than 1% in 2021



Real Estate Rents at A Glance

**Figure 1: National Single-Family Rent Index
Year-Over-Year Percent Change By Price Tier**



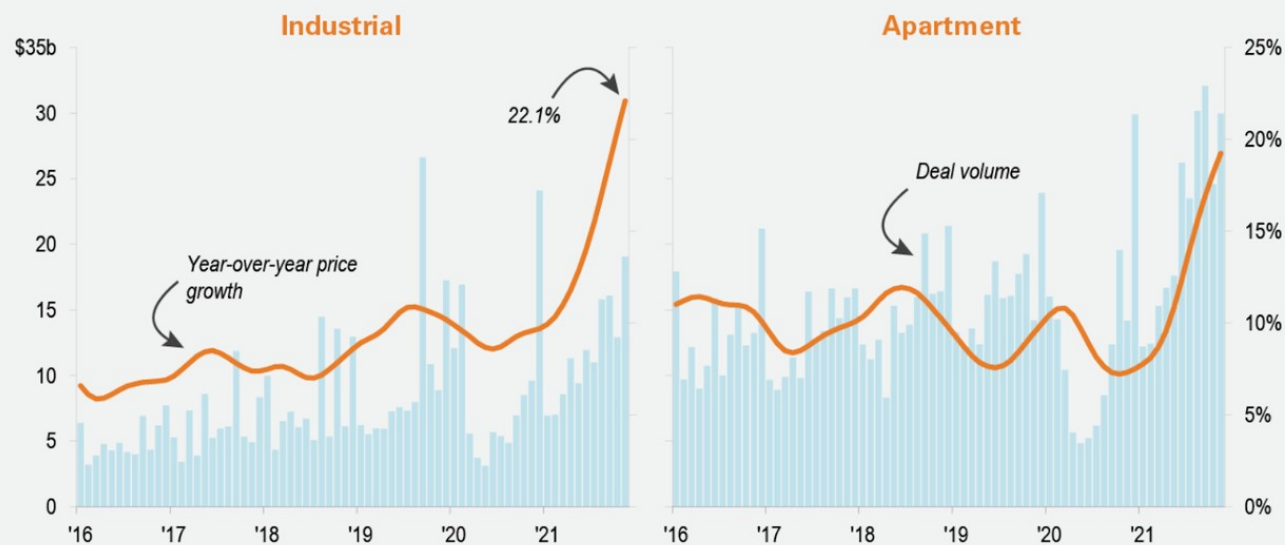
Source: CoreLogic Single-Family Rent Index, October 2021

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SFRI 10.9% **Low Tier** 9.5% **High Tier** 11.4%

Real Estate at A Glance

Apartment, Industrial Push US Market to New Highs

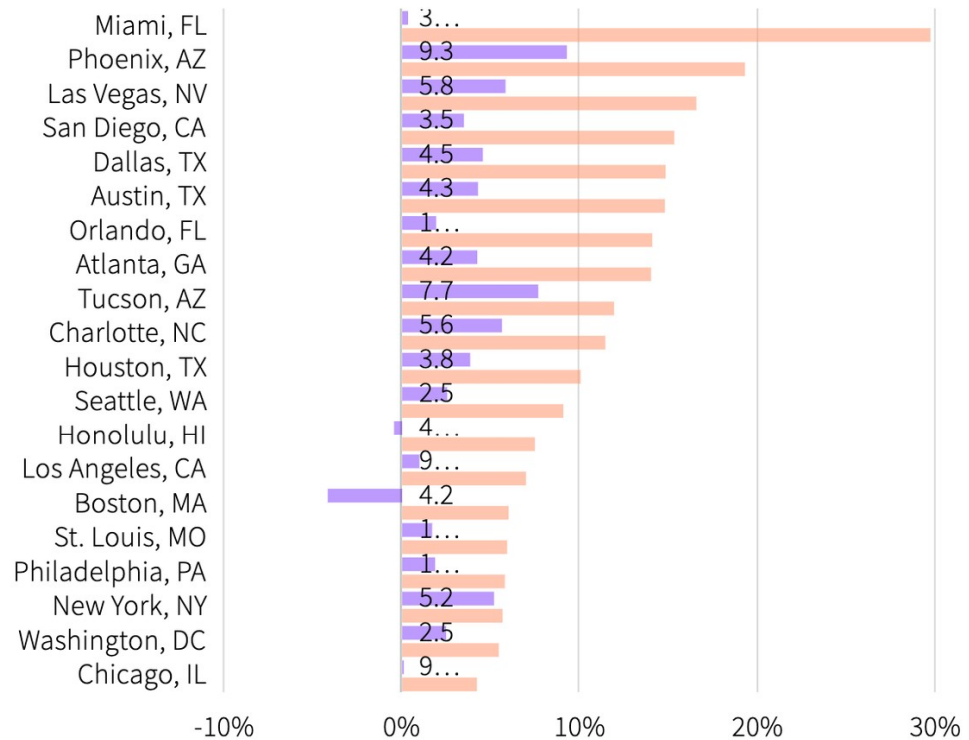


RCA CPPI and deal volume data at Dec. 21, 2021
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Real Estate Rents at A Glance



Source: CoreLogic Single-Family Rent Index, October 2021
Note: New York, NY excludes Manhattan

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1-October-20 1-October-21

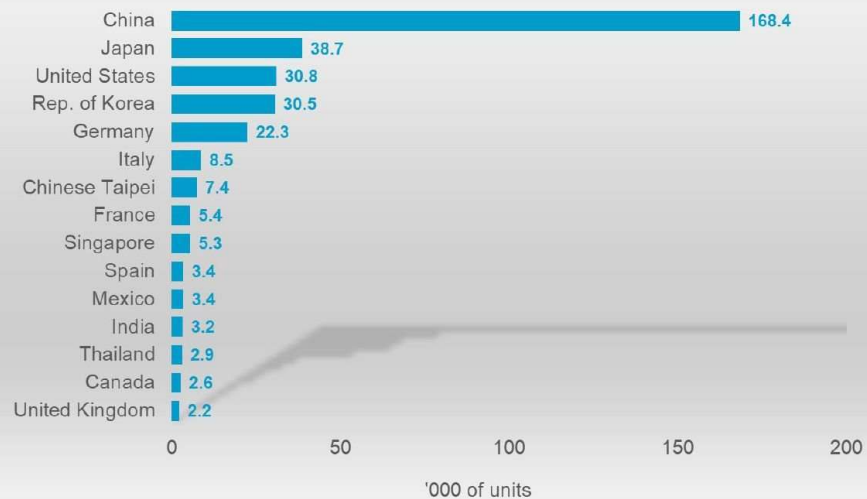
Robotics at A Glance

- Global robot installations are expected to rebound strongly and grow by 13% to 435,000 units in 2021
- Installations in North America are expected to increase by 17% to almost 43,000 units.
- **North America Robotic Sales are on pace to set a new record in 2021**
- The USA is the largest industrial robot user in the Americas, with a share of 79% of the region's total installations. It is followed by Mexico with 9% and Canada with 7%.
- Asia remains the world's largest market for industrial robots. 71% of all newly deployed robots in 2020 were installed in Asia (2019: 67%). Installations for the region's largest adopter China grew strongly by 20% with 168,400 units shipped. This is the highest value ever recorded for a single country. The operational stock reached 943,223 units (+21%). The 1-million-unit mark will be broken in 2021. This high growth rate indicates the rapid speed of robotization in China.

Robotics Installations at A Glance

China increases its lead

Annual installations of industrial robots
15 largest markets 2020



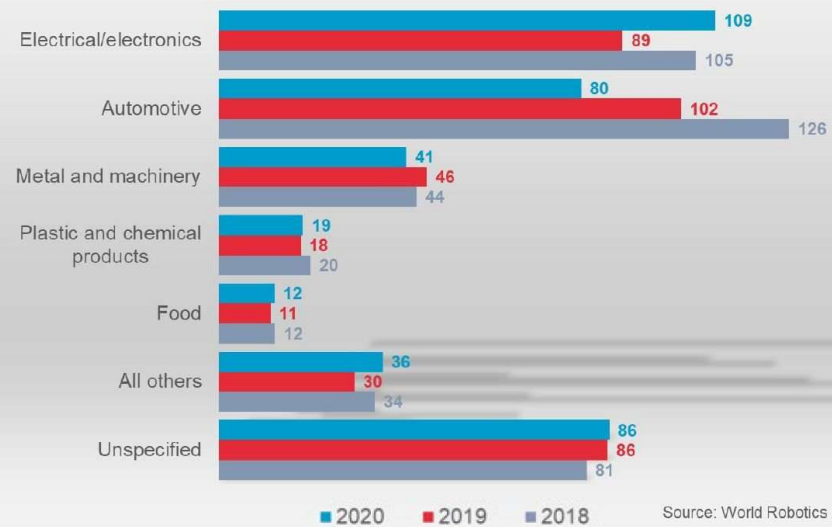
Source: World Robotics 2021

Robotics Installations at A Glance

Electronics now major customer of industrial robots

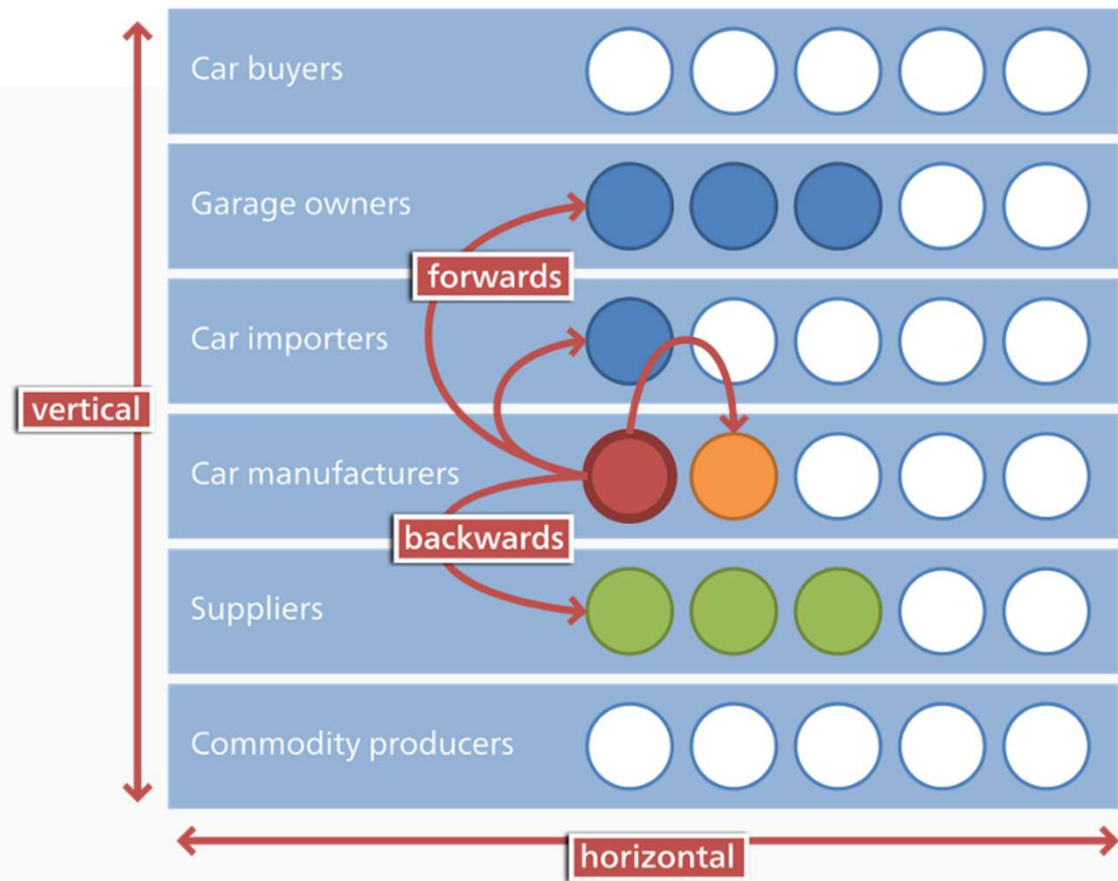
Annual installations of industrial robots by customer industry - World

1,000 units



Source: World Robotics 2021

Verticalization Horizontalization at A Glance



We help clients build sustainable wealth with more certainty

- By creating sustainable financial plans
- Through building more sustainable wealth accumulation and distribution
- To achieve financial security and peace of mind

We utilize a thoughtful but practical approach

- Using a proven 360° financial planning-wealth management process
- Employing 60 years combined professional experience
- To achieve client financial goals with more certainty and with less risk



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A Proven Process for Building Sustainable Wealth with More Certainty

Our purpose of investing is to *“Grow savings at a rate which maintains the same purchasing power parity in the future and provides a stream of living income.”*



“Planning Today for Tomorrow’s Changes”

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