



LIGHT AT THE END OF THE TUNNEL

Hosted by:

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EXECUTIVE VICE PRESIDENT

Presented by:

KC MATHEWS, CFA
CHIEF INVESTMENT OFFICER*

LIGHTS
ON THE HORIZON

BLINDING
OBSTRUCTIONS

Q&A

FORECASTING
WHAT'S AHEAD

ACTIONABLE
INVESTMENT IDEAS

LIGHTS ON THE HORIZON:

FINALLY... A VACCINE





BIONTECH

moderna



GILEAD

Roche

AMGEN®



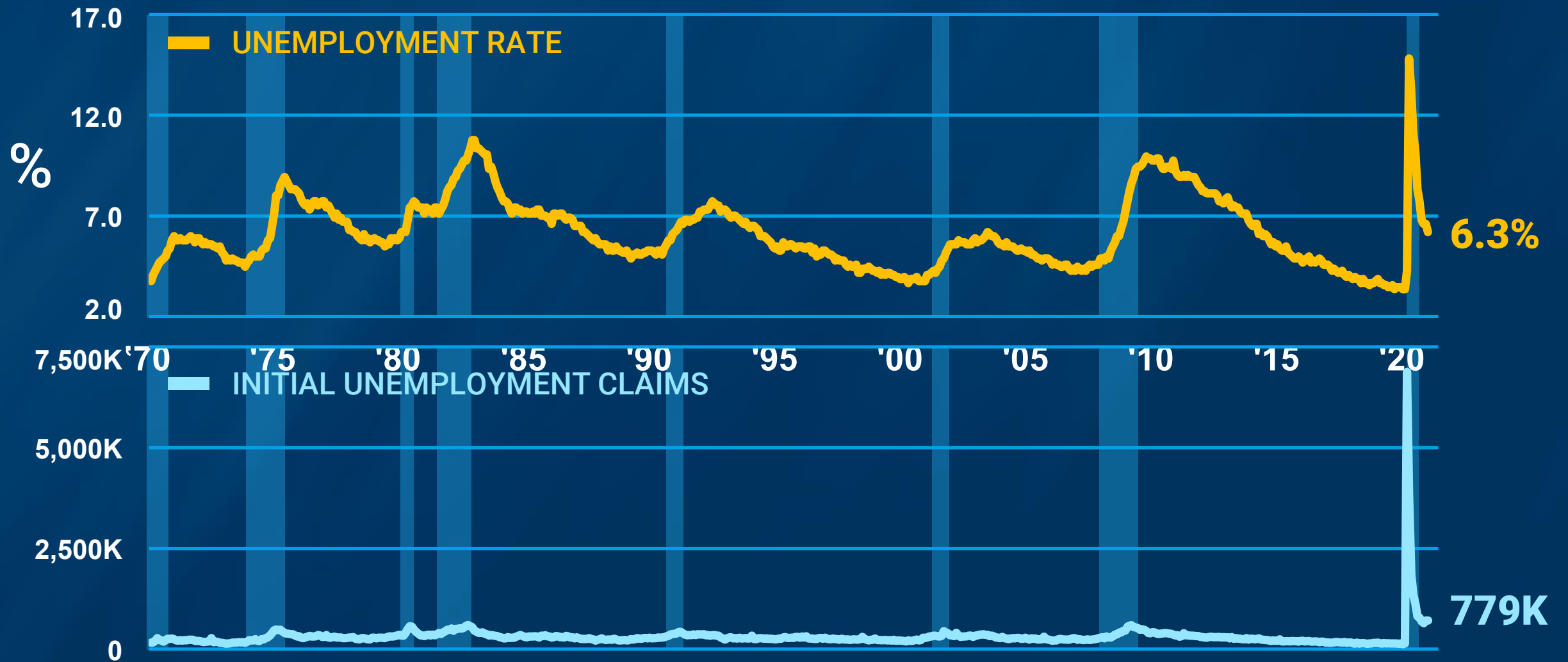
NOVARTIS

LIGHTS ON THE HORIZON:

A BRIGHTER LABOR MARKET



UNEMPLOYMENT RATE AND LABOR FORCE



Recessions

DISPOSABLE INCOME AND WAGES

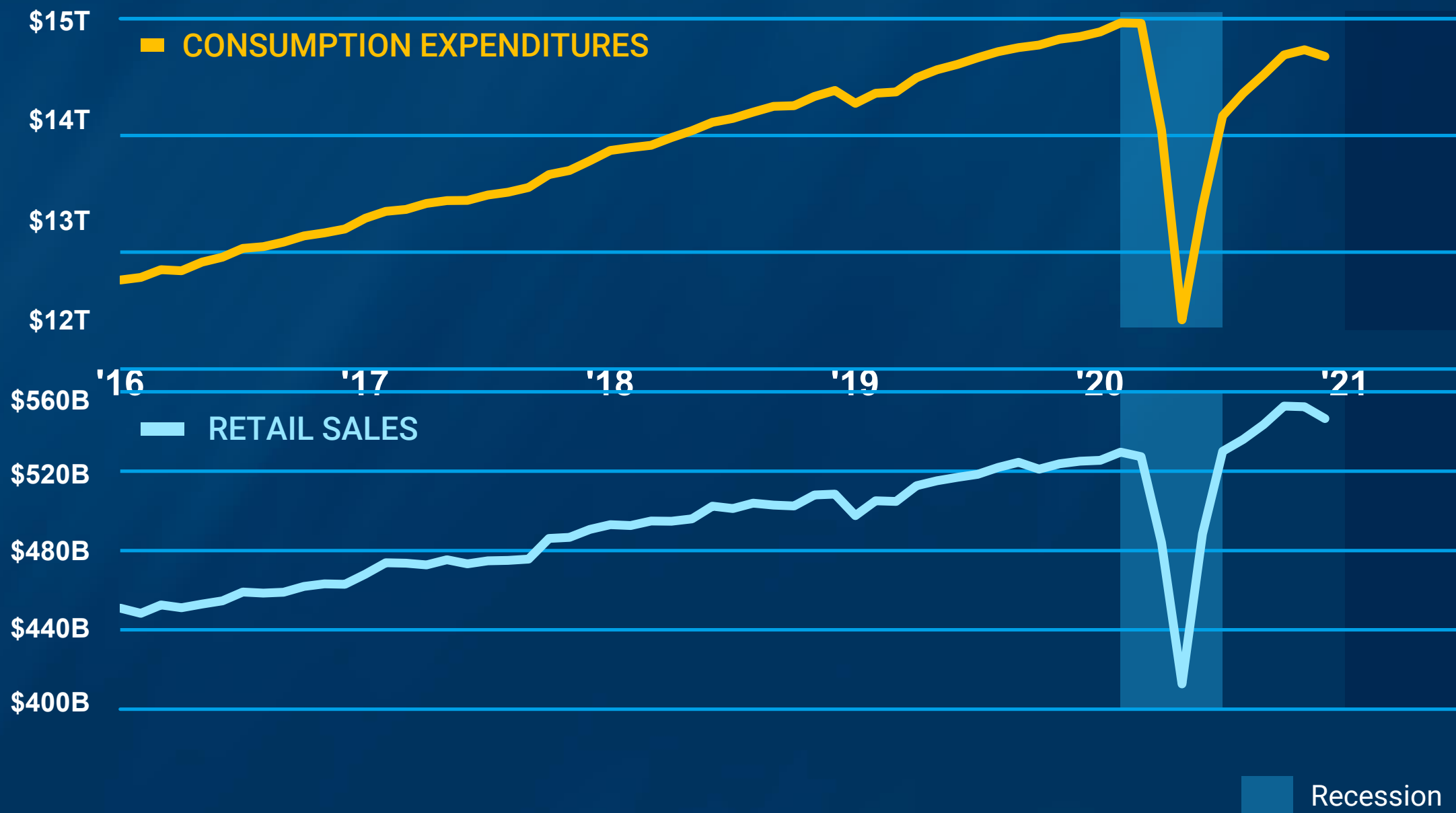


LIGHTS ON THE HORIZON:

A BRIGHT SPOT FOR THE CONSUMER



REAL CONSUMER SPENDING (Annualized)



CONFIDENCE – RAPID REBOUND IN EXPECTATIONS



Recessions



LIGHTS ON THE HORIZON:

A SPARK FOR BUSINESS & MANUFACTURING

NFIB – SMALL BUSINESS OPTIMISM



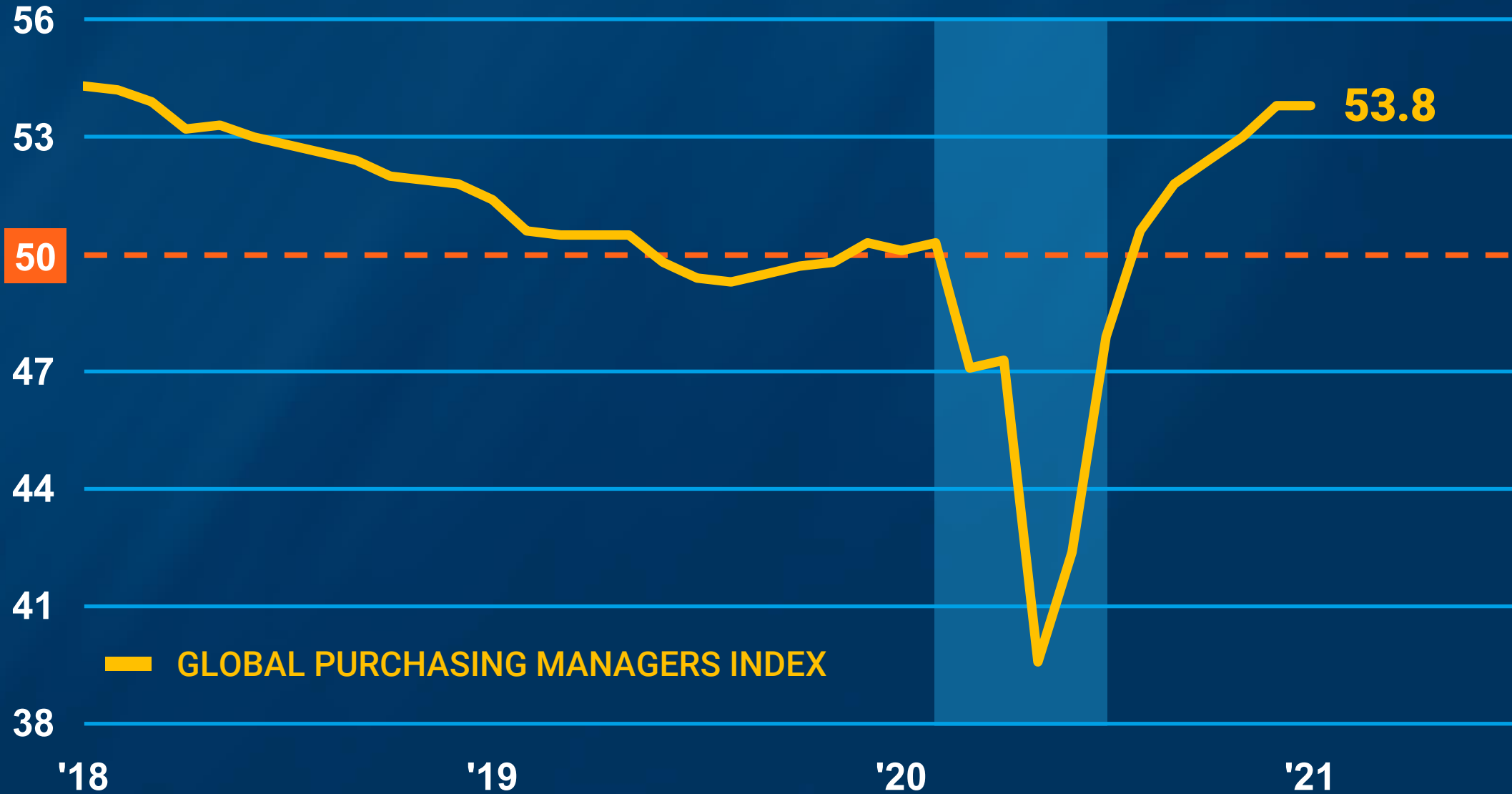
CEO CONFIDENCE – U.S.



CONFIDENCE



GLOBAL MANUFACTURING



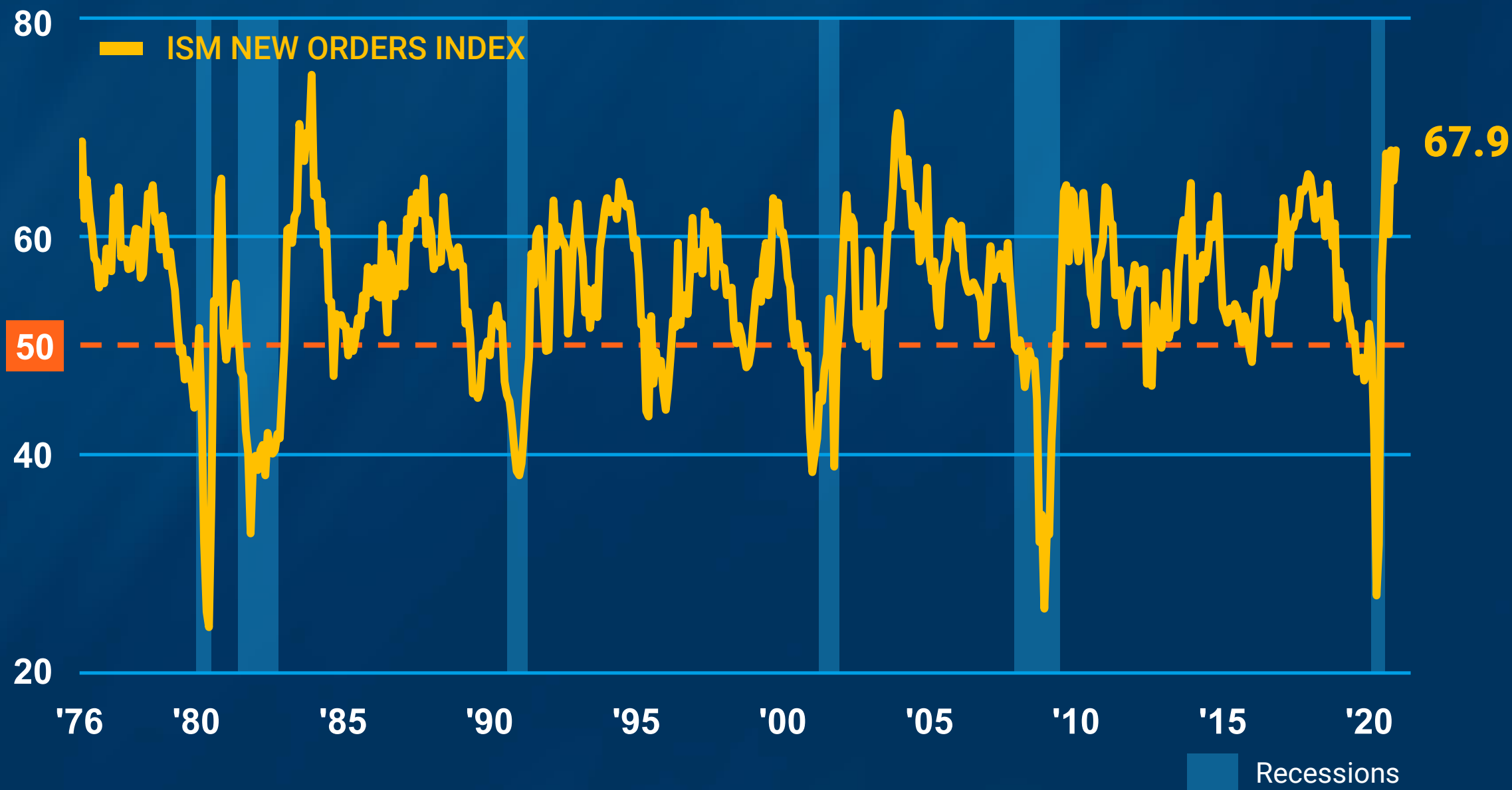
GLOBAL PURCHASING MANAGERS INDEX

Recession

U.S. MANUFACTURING

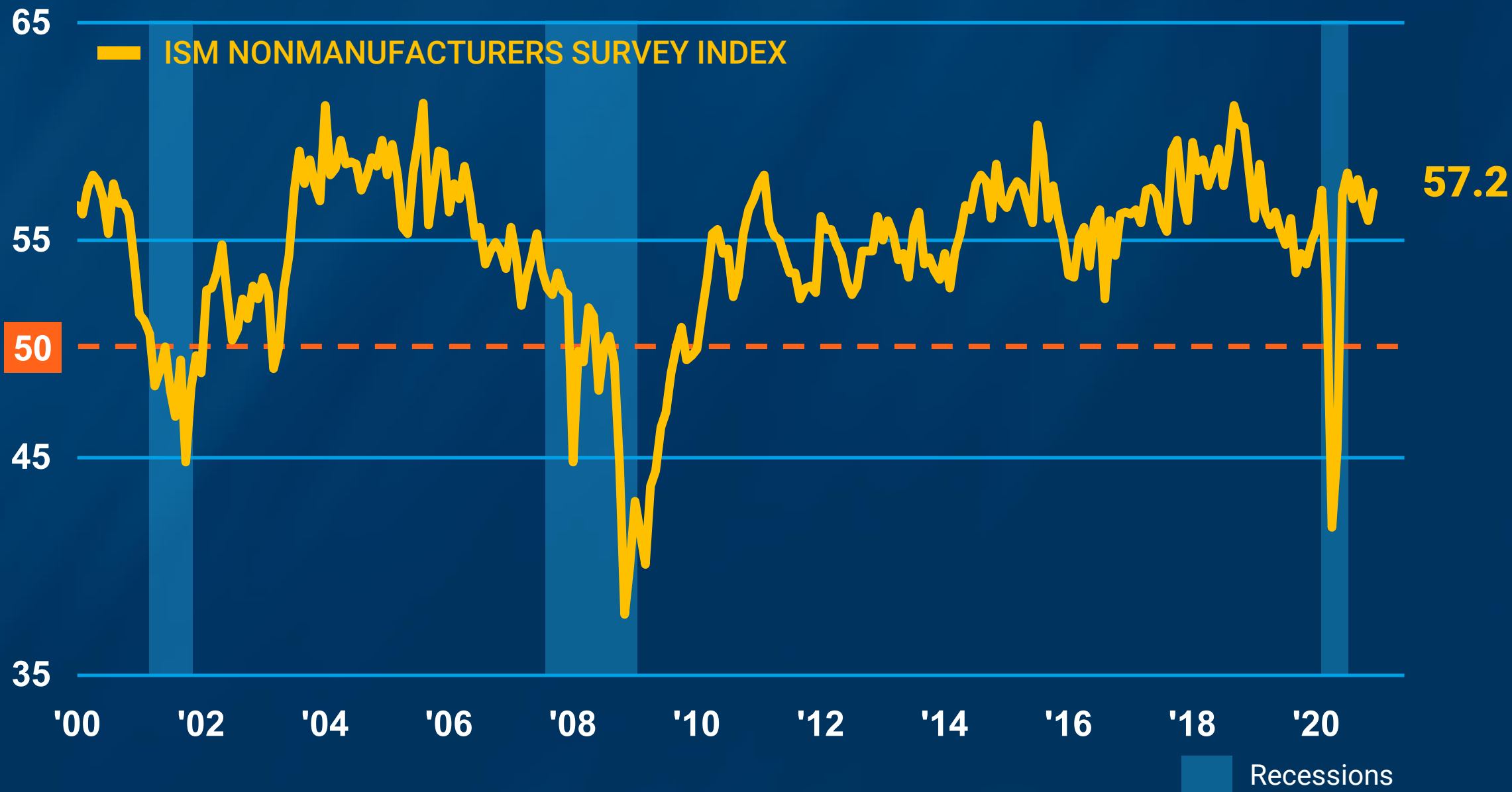


U.S. NEW ORDERS



SOURCE: REFINITIV DATASTREAM; UMB INVESTMENT MANAGEMENT

U.S. SERVICES

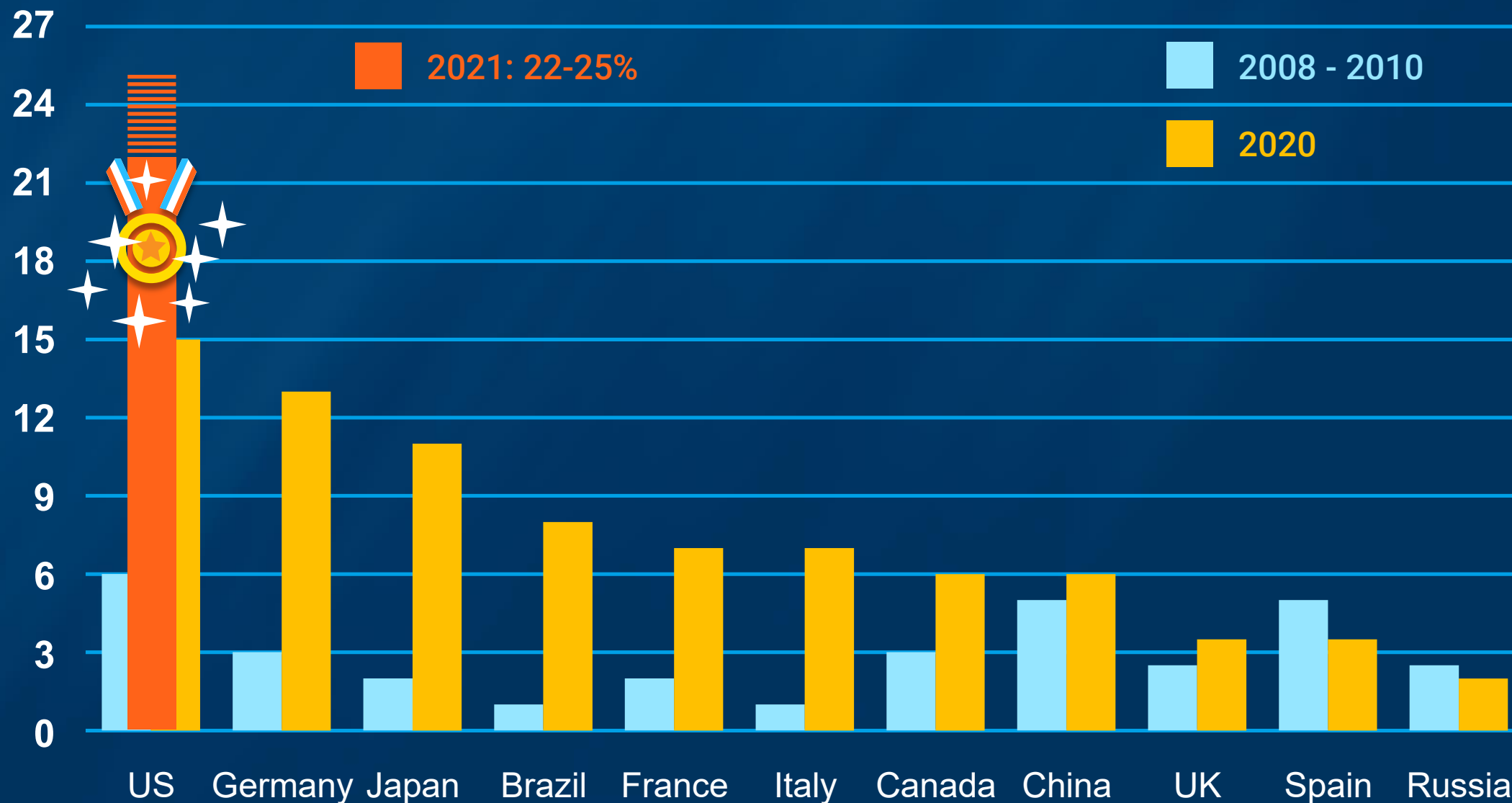


The background is a blue-tinted photograph of the Federal Reserve building. A large, bright spotlight beam originates from the left side of the frame, illuminating the building's facade and creating a strong contrast with the darker blue areas. The building's classical architecture, including its columns and eagle emblem, is visible. On the far left, there are faint, semi-transparent financial data points such as '82.80', '14.240', '4.400', and '80.80'.

LIGHTS ON THE HORIZON:

THE FED IN THE SPOTLIGHT

DEFICIT STIMULUS AS % OF GDP



FINANCIAL CONDITIONS



Recessions

The image features a dark blue background with a central, bright, circular light source that creates a lens flare effect, with rays of light extending outwards. A bright blue, slightly tilted rectangular banner is positioned across the middle of the image. On this banner, the words "ECONOMIC RECOVERY!" are written in a bold, white, sans-serif font. The text is centered horizontally on the banner and has a slight shadow or drop effect, making it stand out against the blue background.

ECONOMIC RECOVERY!



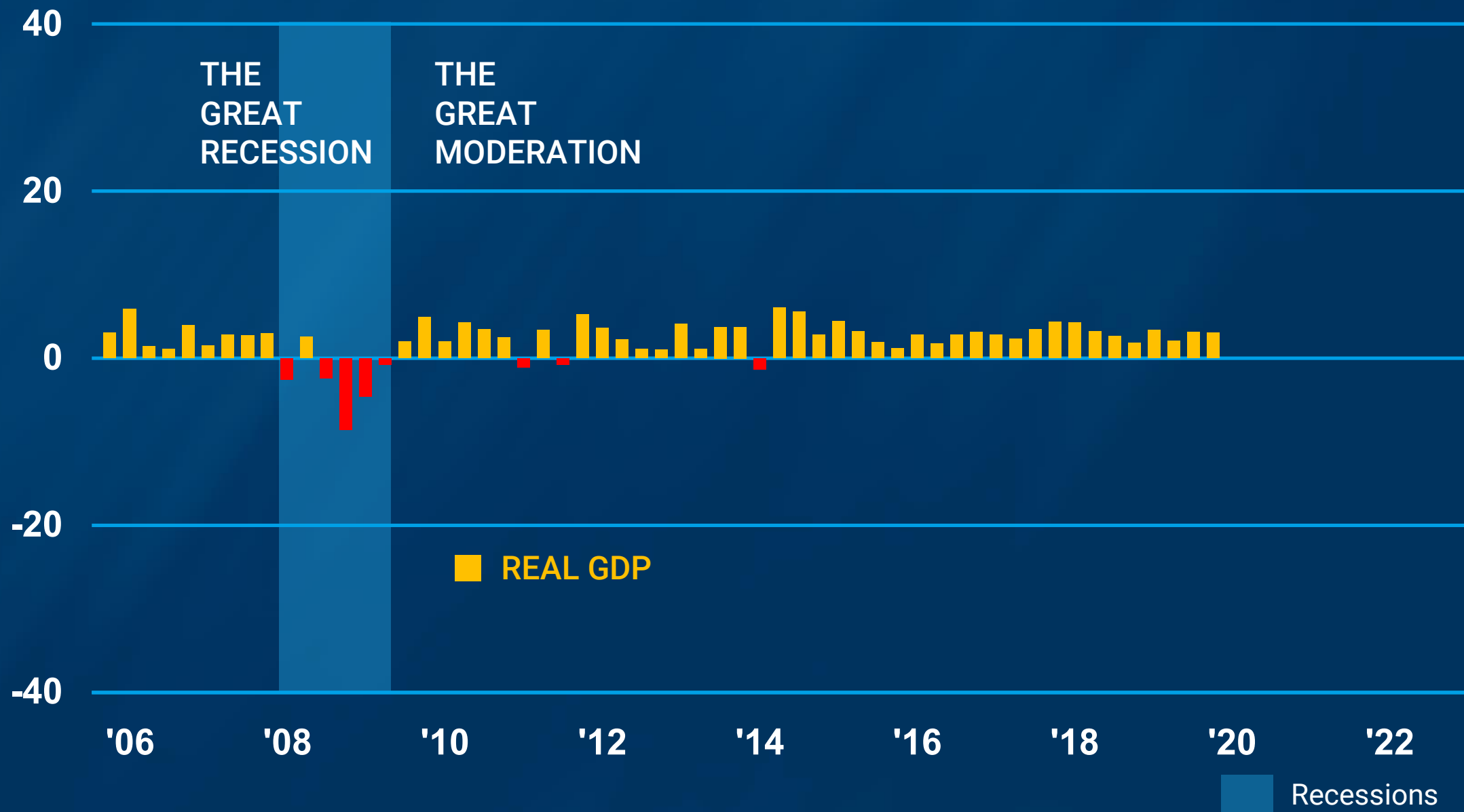
LIGHTS ON THE HORIZON:

GDP SHINES ON

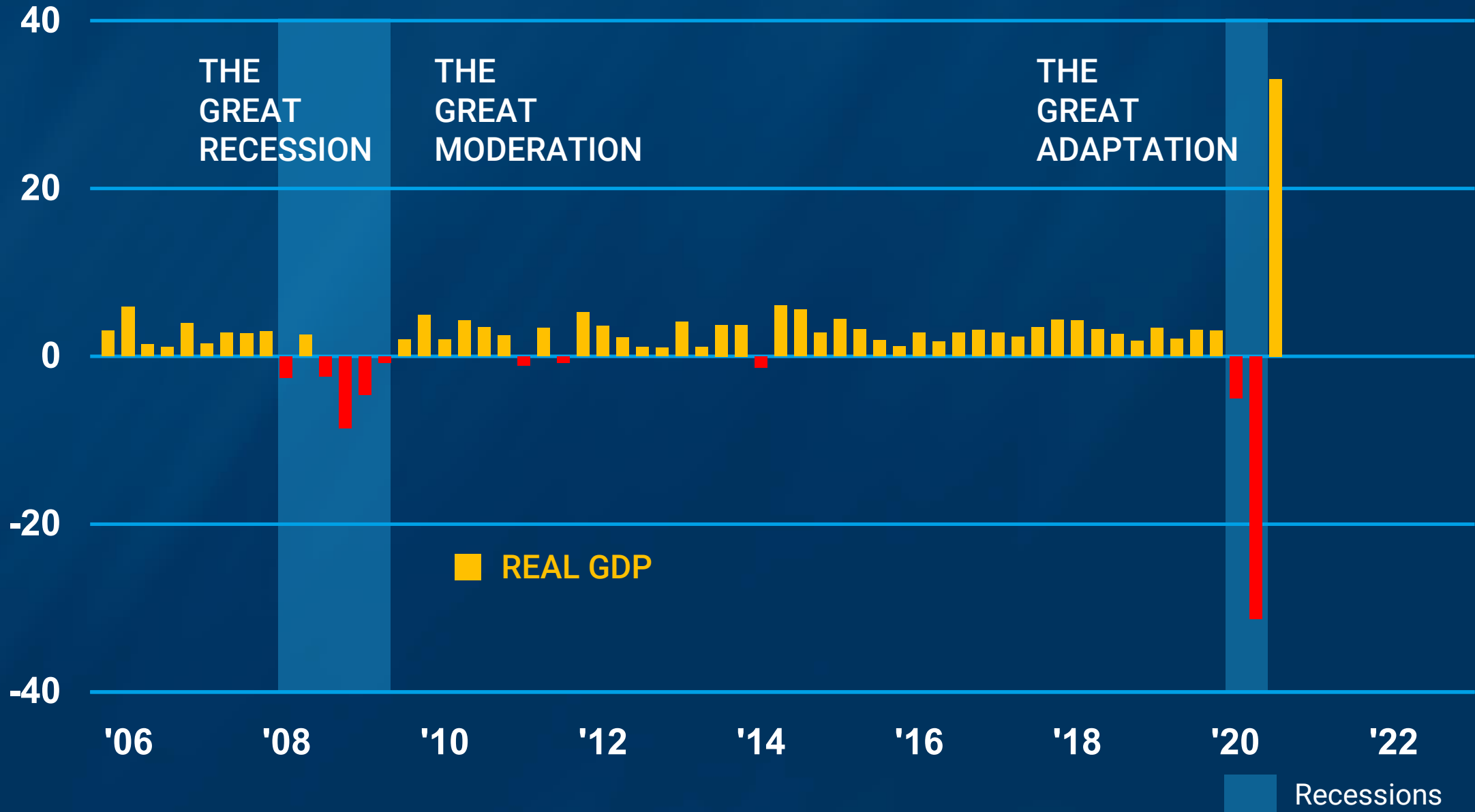
REAL GDP – BIG BOUNCE



REAL GDP – BIG BOUNCE

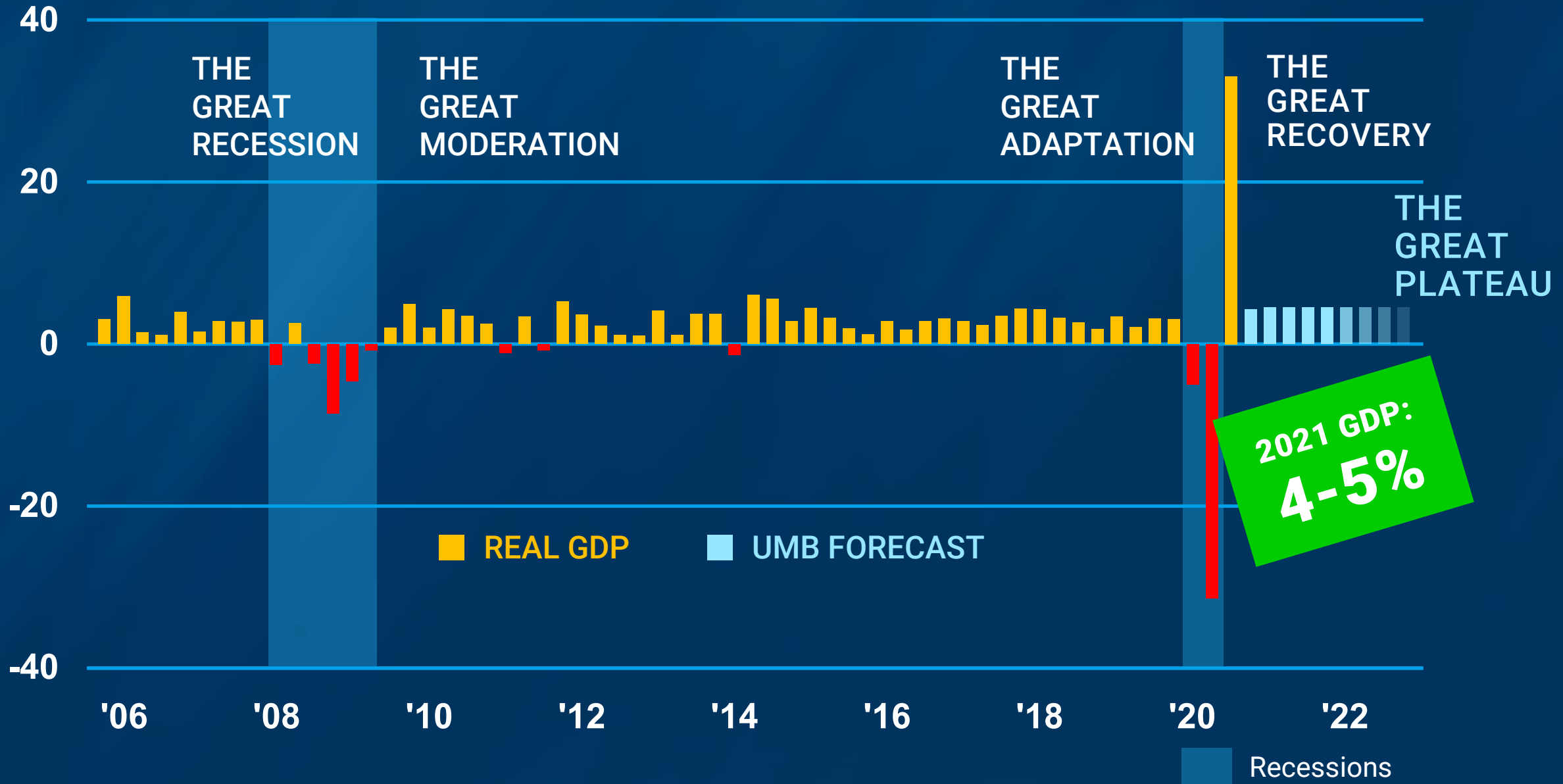


REAL GDP – BIG BOUNCE



SOURCE: REFINITIV DATASTREAM; UMB INVESTMENT MANAGEMENT

REAL GDP – BIG BOUNCE





WHAT ARE THE POLITICAL LIGHTS?

EXPECTATIONS OF A NEW ADMINISTRATION

STIMULUS

\$1.9 trillion
HEROES Act

TAX POLICY

Individual Rates
Corporate Rates

CLIMATE POLICY

Subsidies for green
energy, electric
vehicles and
renewable energy

EXPECTATIONS OF A NEW ADMINISTRATION

INFRASTRUCTURE SPENDING

Focused on infrastructure,
schools and housing

HEALTH CARE

Expansion of the
Affordable Care Act

A black and white photograph of a train tunnel. The tracks recede into the distance, leading towards a bright light at the end of the tunnel. The structure of the bridge or tunnel is visible on both sides, creating a sense of depth and perspective. The light at the end of the tunnel is very bright, creating a lens flare effect.

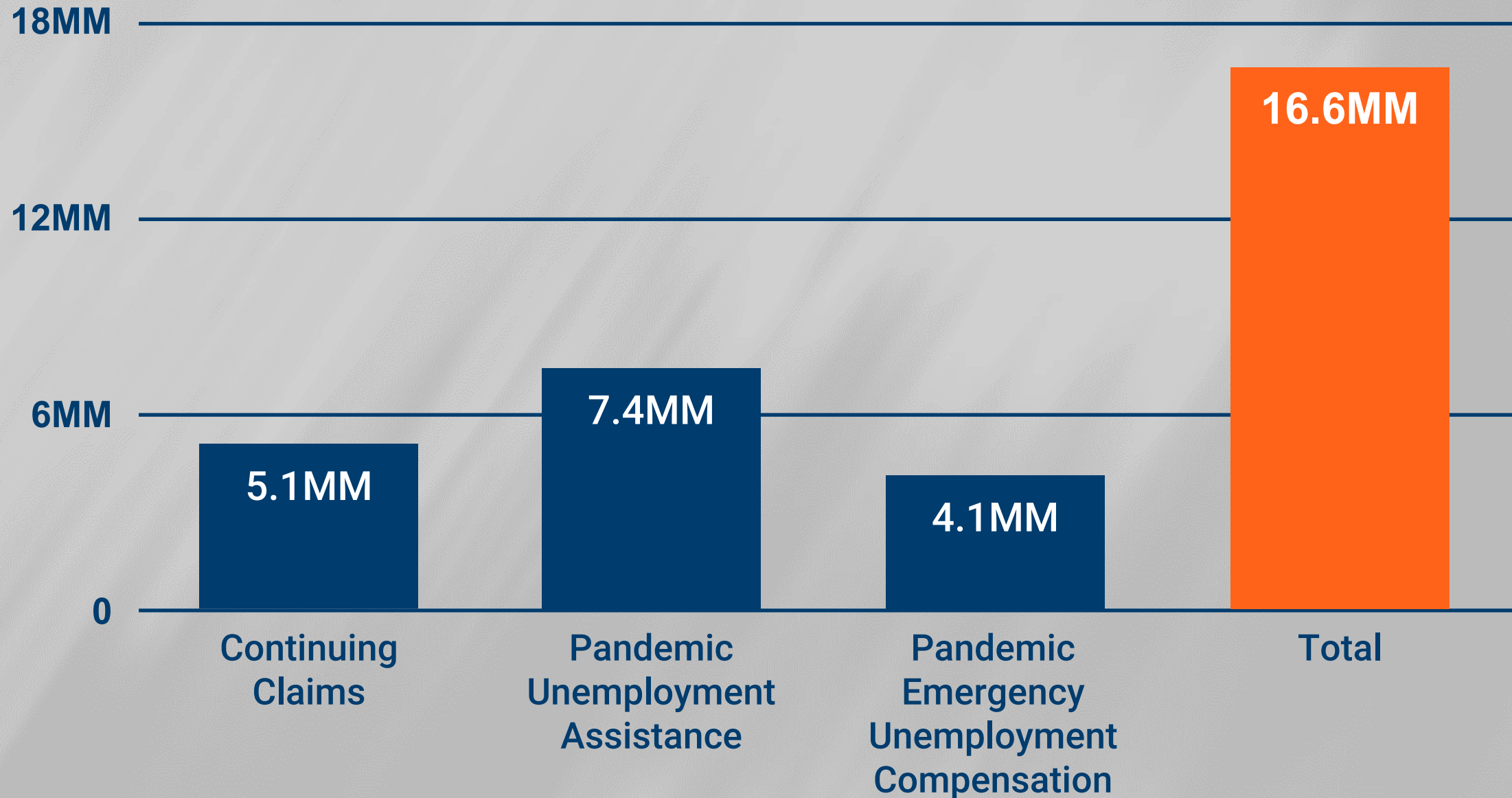
WHAT ARE THE BLINDING LIGHTS?

BLINDING LIGHTS:

PAINS IN THE LABOR MARKET



Total in US Receiving Jobless Assistance

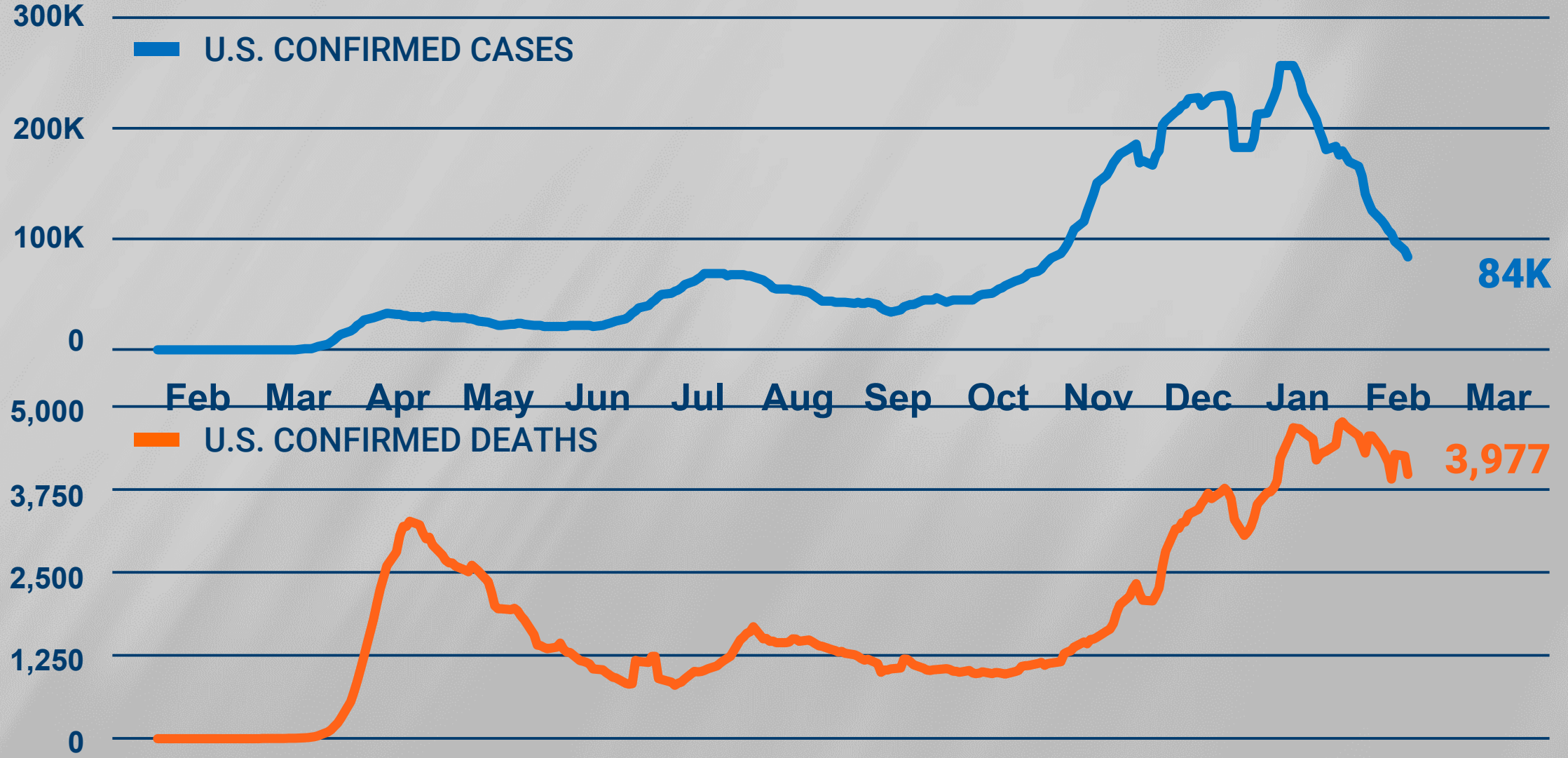


BLINDING LIGHTS:

VACCINATION REJECTION (and other issues)



Coronavirus (2019-nCoV)



“
**I don't like the role of
government and politics in the
development of vaccines.**
”

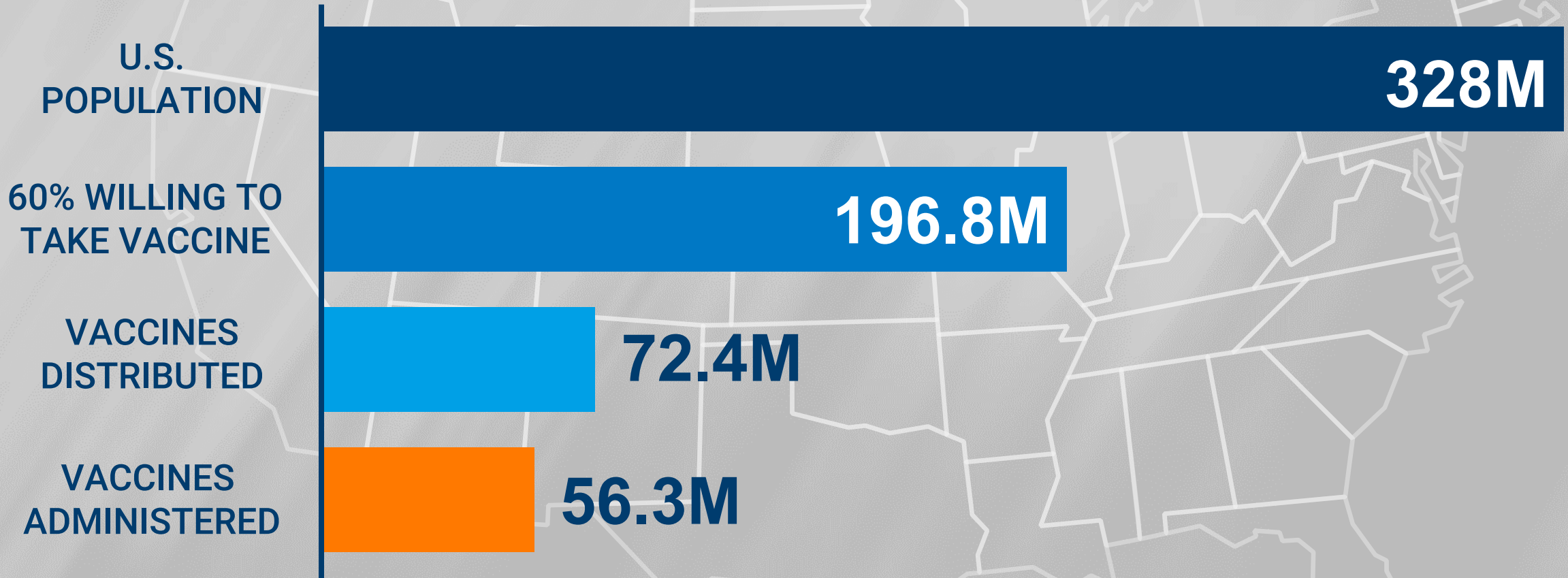
“
**The dangers of COVID-19
have been exaggerated.**
”

“
**Not convinced it's safe...
the risks are unknown.**
”

“
**They fast tracked this,
I'll wait until they get it right.**
”

“
Afraid of getting it.
”

COVID Vaccinations in the U.S.



COVID Vaccinations in the U.S.

U.S.
POPULATION

THE RISK IS NOW:

328M

60% WILLING TO
TAKE VACCINE

PROCUREMENT

VACCINES
DISTRIBUTED

DEPLOYMENT

VACCINES
ADMINISTERED

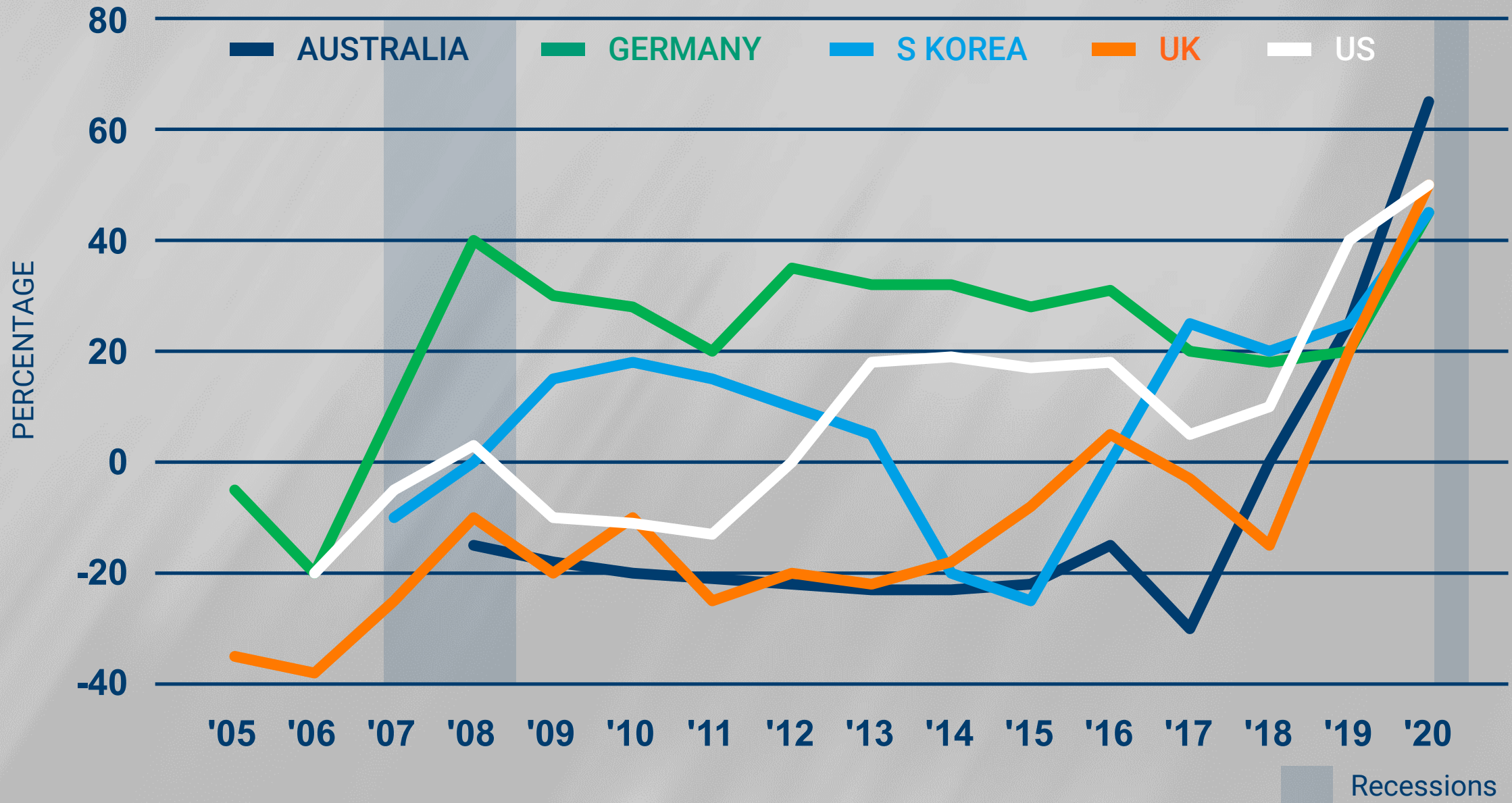
EFFECTIVENESS

BLINDING LIGHTS:

TRADE TENSIONS



Broadening Distrust of China

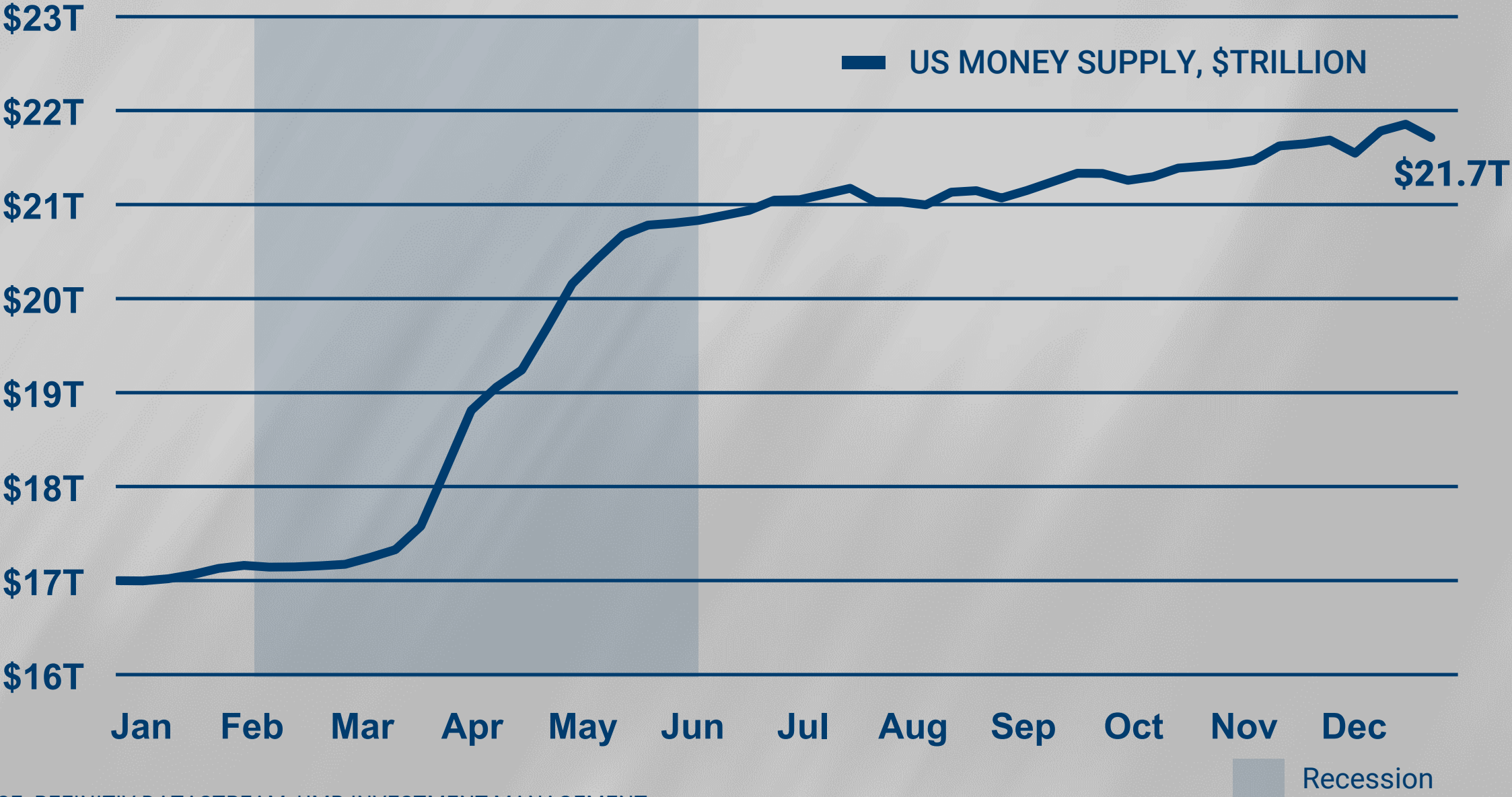


BLINDING LIGHTS:

IGNITING INFLATION



MZM – Rapid Growth



SOURCE: REFINITIV DATASTREAM; UMB INVESTMENT MANAGEMENT

Inflation Expectations Rising



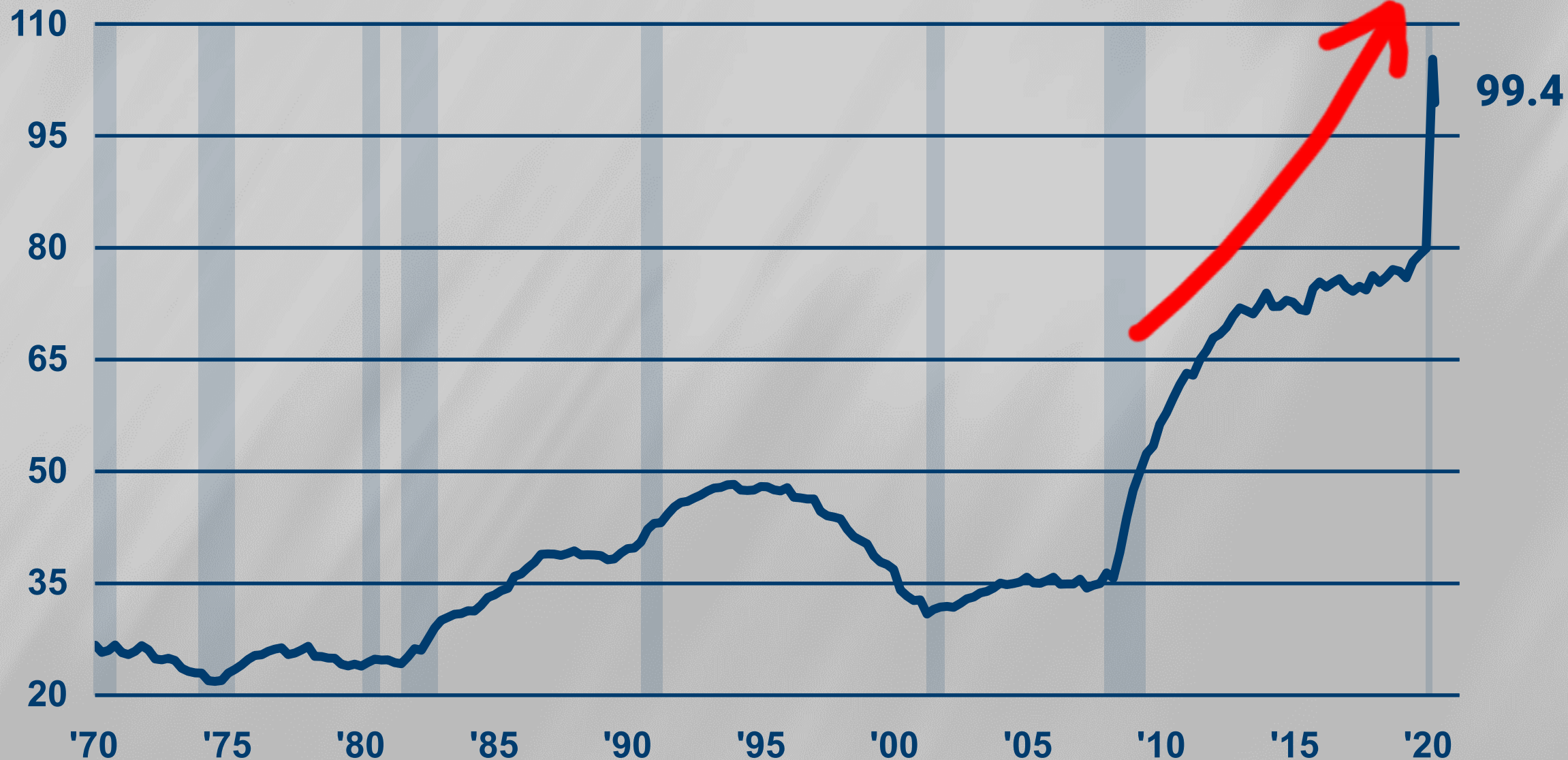
Recession

BLINDING LIGHTS:

DEBILITATING DEBT

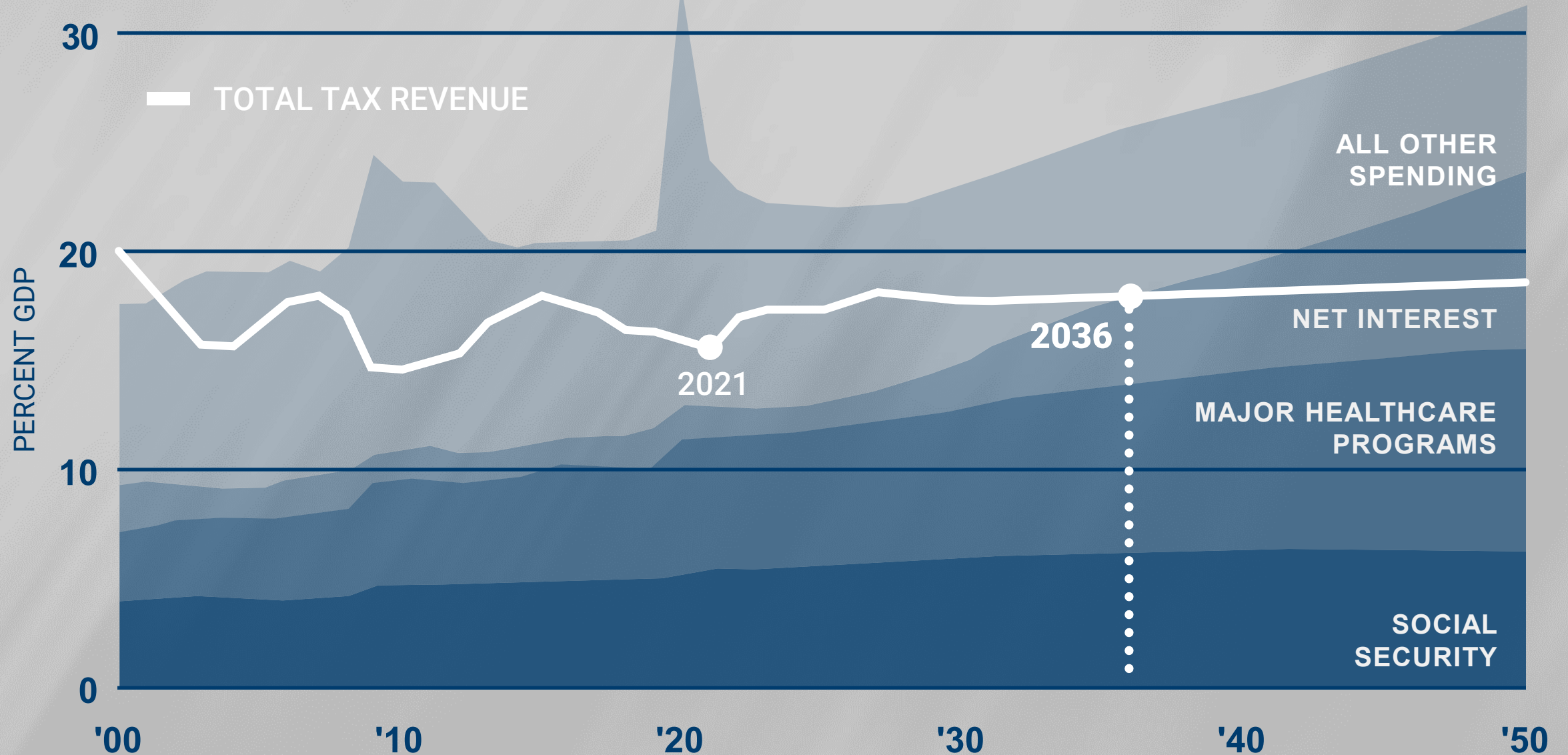


U.S. DEBT to GDP %



Recessions

What Is Devouring Our Taxes?



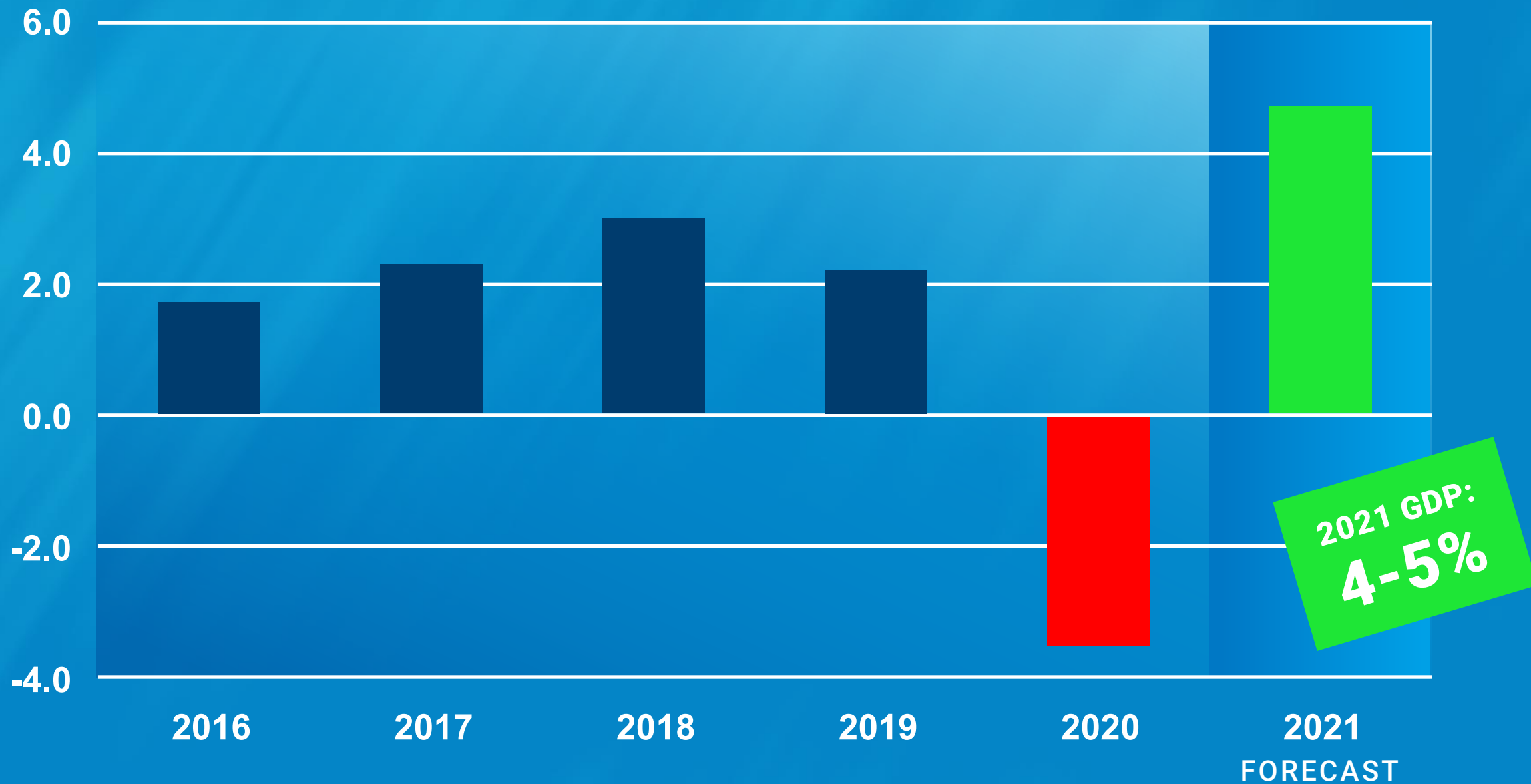


RUNAWAY TRAIN!

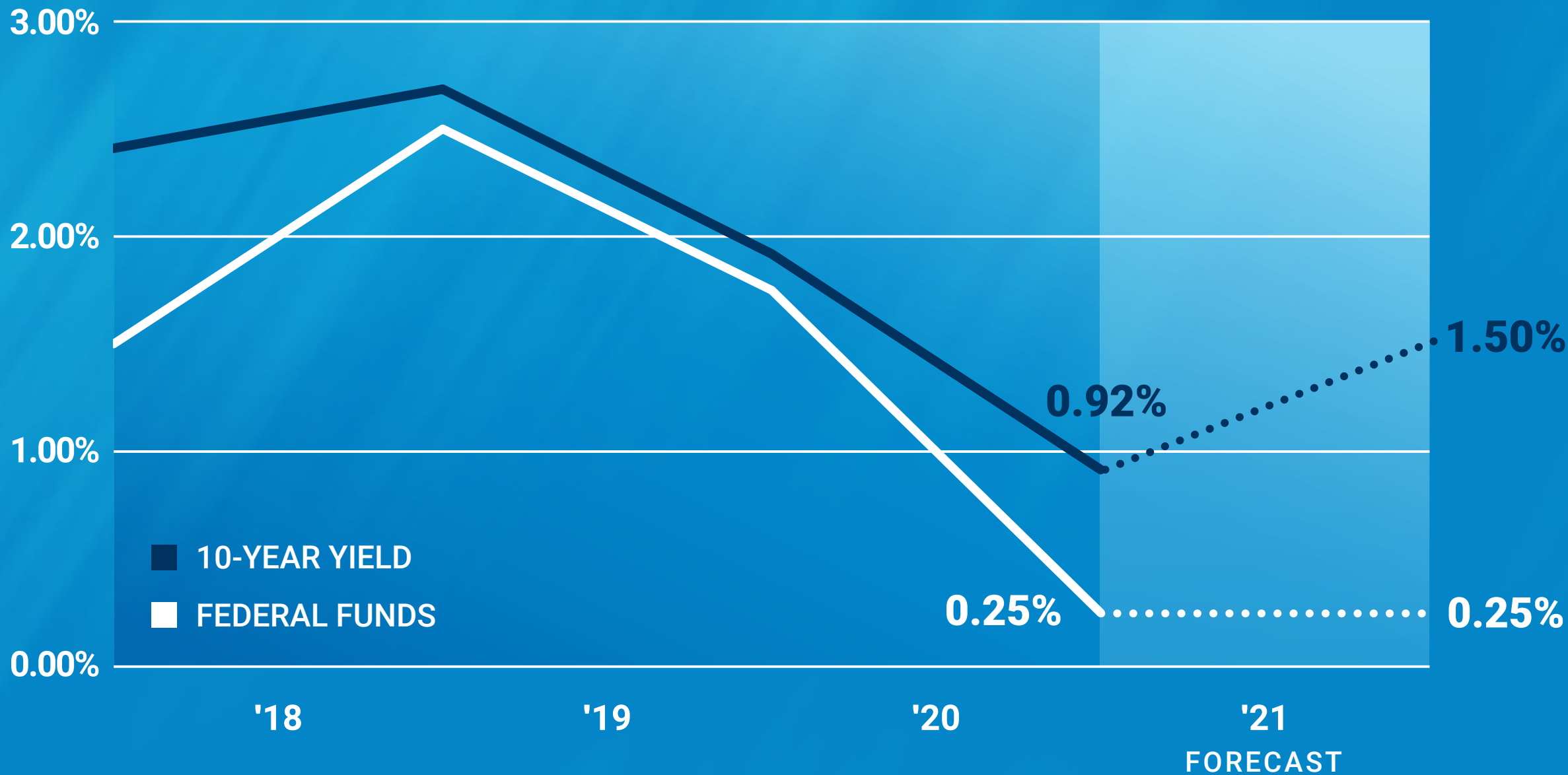


OUR FORECAST

Annual GDP Growth



Bond Market Forecast



Stock Market Forecast



SOURCE: REFINITIV DATASTREAM; UMB INVESTMENT MANAGEMENT

2021 UMB Forecast Summary

	2020	2021
S&P 500	18.4%	7-9%
GDP	-3.50%	4.70%
10-YEAR TREASURY	0.92%	1.50%
FED FUNDS RATE	0.25%	0.25%



QUESTIONS & ANSWERS

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