



COOK CAPITAL MANAGEMENT
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January 2021

Greetings,

The fourth quarter of 2020 was an eventful one. First, although there are some lingering issues, the presidential election was determined. Soon thereafter, Pfizer announced positive results for its coronavirus vaccine. The vaccine was then approved by the FDA and began its distribution in the US. Lastly, after much debate, the second round of fiscal stimulus was approved. The package included \$900 billion in direct payment to citizens, increased unemployment benefits, and aid to small businesses.

Altogether, this was good news for stocks. The S&P 500 stock index was up 11.7% in the fourth quarter and up 16.3% for the full year. The Dow Jones Index was up 10.2% for the quarter and 7.3% for the full year. Finally, the tech-oriented NASDAQ index was up 15.7% for the fourth quarter and 43.6% for the full year. It's best year since 2009.

The stock market continues to chug along as good news related to the pandemic continues to give confidence to investors. The Federal Reserve eased precautionary pandemic-related restrictions on banks and have continued to keep interest rate low to encourage US economic growth. Updates on consumer spending, the largest contributor to the economy, have been positive.

On the other side of the token, employment recovery seems to have stalled and restaurants, hotels, airlines, and other service-related businesses continue to struggle.

As we look to 2021, there are many possible outcomes for the stock market. That outcome will be determined by the performance of the businesses behind each stock. At Cook Capital, we will continue to opportunistically invest in the stocks of businesses that can weather a negative outcome and benefit from a great outcome. Please contact me with any joys or concerns. Here's to a fantastic 2021.

"Behind every stock is a company. Find out what it's doing."

— Peter Lynch

Stay well,

BJ Cook