

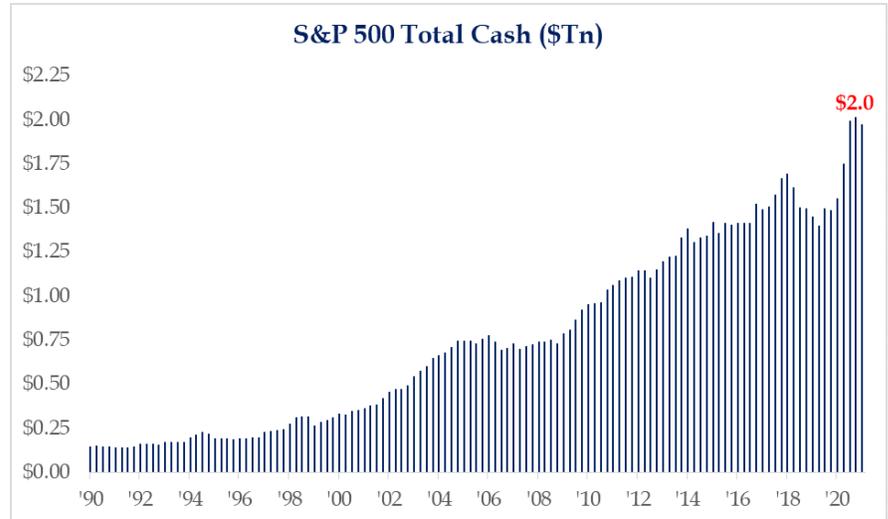
Strategas Daily Macro Brief

Prepared by Strategas Securities, a Baird Company

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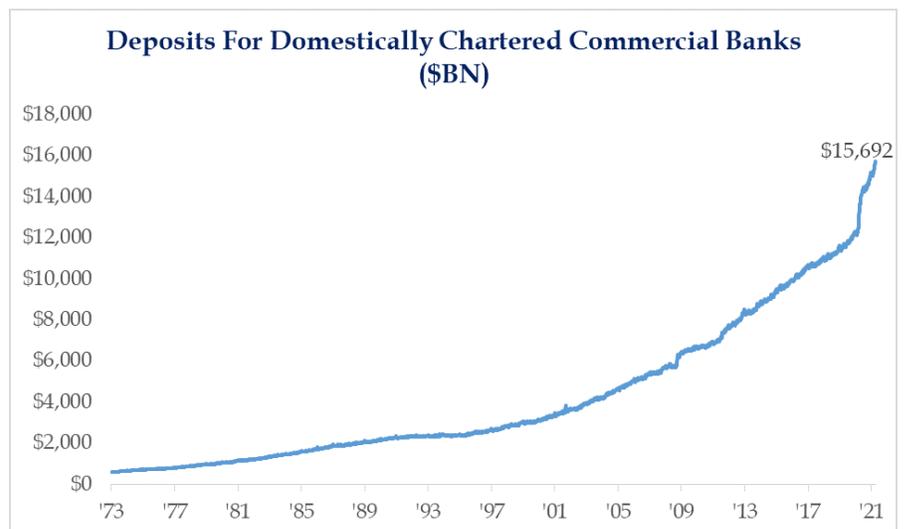
CASH ON BALANCE SHEETS STILL \$2 TRILLION

Total cash on the balance sheets of S&P 500 companies remains near \$2 trillion. However, the most recent data point is just off of the highs that was seen during the fourth quarter. We would not be surprised to see this decline some as company's buyback stock, pay down debt, or invest for future growth as the economy reopens and vaccination provides a path toward normalcy.



BANK DEPOSITS CONTINUE TO CLIMB

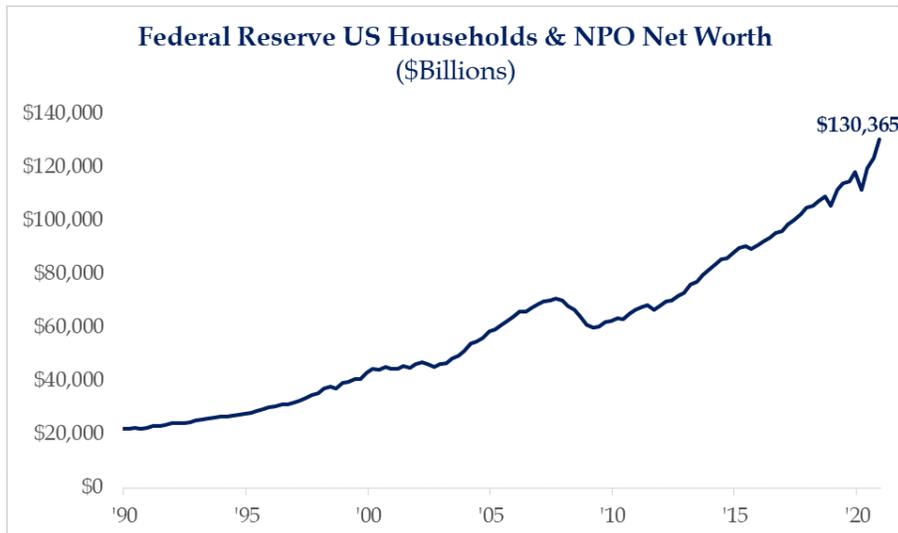
Largely a function of the fiscal stimulus that is being distributed from the government, deposits at commercial banks have steadily risen, reaching \$15.7 trillion. One noteworthy takeaway from earnings calls last week is that despite the rise in deposits, loan growth remains lackluster.



Please see the Appendix on page 3 for important disclosures.

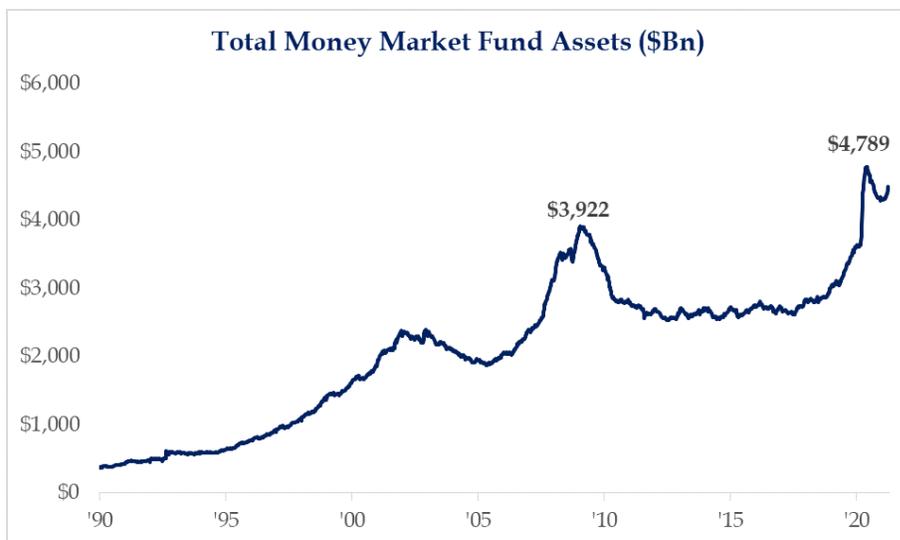
HOUSEHOLD NET WORTH AT THE HIGHS

Consumer net worth was, remarkably, up 10% in 2020 and is now at an all-time high at \$130 trillion. With the equity markets continuing to move higher in 2021, we would expect this to rise further when the 1Q data is released. In aggregate, household balance sheets appear to be in good standing despite a major recession, although this may not be true for all.



MONEY MARKET FUNDS REMAIN HIGHER THAN PRE-COVID

Assets in money market funds remain well above the pre-covid levels and while they had been showing signs of moving lower, they have since turned back up. It is worth noting institutional money market funds are the reason for this latest rise, while retail money market funds have continued to slide.



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