

April 2021

Market Summary and Outlook:

The rapid distribution of COVID-19 vaccines in the United States—now over 3 million shots per day—is bringing us closer to a fully reopened economy. That expected reopening, combined with a massive amount of fiscal stimulus has exceeded earlier expectations, leaving previous economic growth forecasts overly pessimistic.

Since the first vaccine candidate was approved in early December 2020, the United States has administered over 150 million doses and has fully vaccinated 16 percent of the total population, according to data from Johns Hopkins. The current pace of over 3 million shots per day puts herd immunity in the U.S. potentially within reach by early summer.

In addition to the surge in economic activity that is accompanying the reopening, the federal government has passed \$5 trillion in fiscal stimulus packages in 2020 and 2021 to fight COVID-19 and mitigate the pandemic's economic impact. Most recently, President Biden signed a \$1.9 trillion stimulus bill into law last month. Yet, more is on the way in the form of a \$2 trillion infrastructure spending package that will likely be passed over the next four to six months. While it is debatable whether this much additional government spending is prudent, there is no debating that some of that additional spending will boost economic growth.

LPL Financial just increased estimates for global GDP growth by 50 basis points, putting current growth estimates for 2021 at between 5.5 and 6 percent. GDP growth for the U.S. is expected to exceed 6 percent

Along with this letter, please find a Summary of Changes page from my Disclosure Brochure and also a copy of Sierra Financial Advisory's Privacy Policy. These are documents we are required to send to you annually. No action is required on your part, unless you wish to discuss their subject matter.

Thank you for your business.

Sincerely,

Joe Tomkiewicz MS, CFP®

President

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