



Registered Investment Adviser  
Division of Kevin Hart Kornfield & Co. Inc.  
Originally Established 1986

Monday, May 3, 2021

Dear Clients,

During the month of April, most of our client accounts enjoyed strong performance from several of our widely held stocks: Nokia (NOK +17.1%); Albemarle (ALB +11.8%); and, Hess (HES +6.9%). All three of these issues beat the S&P and they benefited from improvements in their respective long-term earnings prospects.

The casual observer might find it to be incredulous that good returns can be made by both dirty energy stocks: (Hess) and clean energy (Albemarle). One of the world's most promising oil discoveries in the waters off Guyana is being developed by Hess (30%) and their two partners ExxonMobil (45%) and CNOOC (25%). Last month Hess reported earnings which showed a much-improved quarterly performance.

On the world stage, Nokia has been fighting to be a player in the drive to make high speed internet available to global populations; and, Nokia is competing to sell new 5G installations. Their earnings report at the end of April exceeded by a wide margin what analysts were estimating.

Albemarle, one of the largest producers of lithium, continues to benefit from continued interest in electric vehicles (EV). In particular, proposals from President Biden include funds to encourage the use and ownership of EV's. Also, automobile companies continue to make available new EV's.

After getting our vaccines, we visited California last month. It was very interesting to observe that they do not appear to have the extensive network of large gas station facilities as we have here in Lancaster. But they do have A LOT of EV charging stations. Drivers develop a good feel of EV range by reading the charge levels, dashboard estimates of miles/range, and their energy usage (speed, A/C, heater, etc.). One's cellphone quickly indicates charging locations. When necessary, they stop for coffee, lunch, or just a nice rest during EV recharging.

In general, stocks are priced very high in relation to their current earnings. Our efforts are to seek out issues like those mentioned above that can grow and offer our clients long term growth. Also, HES and ALB pay dividends. It is reasonable to expect that NOK will reinstate their dividend in the near future.

As always, thanks very much for your business, referrals, and additions to your accounts. Please feel free to call us with any questions or concerns. Let us know if you would like some Lancaster Barnstormer baseball tickets.

Very best regards,

A handwritten signature in blue ink, appearing to be "Kw", is written over the closing text.