

RESOURCE LOG – March 2017

Article Title	Detail	Publication	Date	Author
What's News	♦ The S&P 500 rose 3.7% in February, its best month since March. The Dow advanced 4.8% last month.	The Wall Street Journal	03/01/2017	
Dow's 300-Point Day is First in Months <i>Investor optimism following president's speech propels index above 21000</i>	<p>Stocks have soared since November, with the Dow Jones Industrial Average surpassing 19000, 20000 – and now 21000. Investor enthusiasm for President Donald Trump's plans to cut taxes, loosen regulations and ramp up fiscal spending have bolstered shares alongside signs of improvement in the U.S. economy.</p> <p>The Dow rose 303.31 points, or 1.5%, to 21115.55 on Wednesday.</p> <p>Investors ditched U.S. government bonds and bought the dollar. The yield on the 10-year Treasury note climbed to 2.462% from 2.358% Tuesday.</p>	The Wall Street Journal	03/02/2017	Aaron Kuriloff and Christopher Whittall
Stocks Surge as Optimism Rises <i>Dow closes over 21000 for first time as inflation nears target, global outlook brightens</i>	<p>The Dow industrials surged more than 300 points to their first-ever close above 21000, underpinned by the Federal Reserve's growing confidence in the U.S. economic outlook and by investors hopes that President Donald Trump will deliver policies that boost growth.</p> <p>Stocks were powered in part by new signals from the Federal Reserve that officials are growing confident enough in the economic outlook to raise short-term interest rates as early as a meeting later this month...</p> <p>On Wednesday, the yield on the benchmark 10-year Treasury note rose to 2.462% from 2.358% the previous day.</p>	The Wall Street Journal	03/02/2017	Ben Leubsdorf and Aaron Kuriloff
Bond Market Bucks Up for Rate Boost <i>Short-term Treasury yields spike as traders bet Federal Reserve makes a March move</i>	<p>Short-term U.S. interest rates surged to their highest level since the financial crisis, the latest sign that investors expect upbeat economic data to lead the Federal Reserve to tighten policy at its meeting this month.</p> <p>The yield on the three-month U.S. Treasury bill rose to 0.66%, the yield on the six-month bill climbed to 0.83% and the two-year note's yield settled at 1.322%. Those were the highest levels since October 2008, November 2008 and June 2009, respectively.</p> <p>The "real" fed-funds rate, reflecting the policy rate minus realized inflation, was minus-1.75% last month...</p> <p>Negative real rates encourage spending and investment by reducing the returns on cash.</p> <p>Rising expectations of a rate increase also pushed up the value of the dollar again, hurting U.S. exports...</p> <p>The 10-year Treasury yield settled at 2.489% Thursday...</p>	The Wall Street Journal	03/03/2017	Min Zeng
Stocks Fall After Record-Breaking Day	U.S. stocks stumbled a day after posting their biggest gains of the year, while expectations for higher interest rates lifted the dollar and government-bond yields.	The Wall Street Journal	03/03/2017	Riva Gold and Corrie Driebusch

	<p>The Dow Jones Industrial Average shed 112.58 points, its biggest drop since late January, after it surpassed the 21000 mark for the first time on Wednesday.</p> <p>The blue-chip index closed at 21002.97 on Thursday, down 0.5%. The S&P 500 declined 14.04 points, or 0.6%, to 2381.92, weighed down by a retreat in shares of financial companies.</p> <p>1.322% - Yield on the two-year Treasury note, its highest since June 2009.</p>			
What's News	♦ U.S. stocks stumbled, while expectations for higher rates lifted Treasury yields and the dollar. The Dow fell 112.58 to 21002.97.	The Wall Street Journal	03/03/2017	
Fed Sees Rate Rise As Soon As March	<p>If inflation and employment data continue to meet the central bank's expectations, "a further adjustment of the federal-funds rate would likely be appropriate" at this month's gathering, Ms. Yellen said Friday in Chicago.</p> <p>Fed officials don't want to wait too long to move and risk letting the economy overheat...</p>	The Wall Street Journal	03/04-05/2017	Nick Timiraos and Harriet Torry
<p>Asia's Precarious Rise</p> <p><i>The region's many problems have dashed hopes for an 'Asian century' of global prominence and influence. Will Asia's woes now damage the rest of the world?</i></p>	<p>Today, with more than half the world's population living in the region, Asia looms ever larger.</p> <p>But this impressive ascent has not reconfigured world affairs, and it is unlikely to. The region is deeply fractured, threatened by economic stagnation, political upheaval and flashpoints that could trigger new wars. Much of the world's attention in the coming decades will be devoted not just to accommodating Asia's growing power but to managing and mitigating its many serious problems.</p> <p>...the evidence has only accumulated that China has entered a prolonged economic slowdown, marked by a stampede of capital out of the country...</p> <p>Japan continues to search for ways to end 25 years of economic torpor.</p>	The Wall Street Journal	03/04-05/2017	Michael Auslin
Inflation Premises May be, Ahem, Inflated	<p>David Lafferty, chief strategist at Natixis Global Asset Management, which manages about \$900 billion. Inflation is this year's "wild card", Mr. Lafferty said.</p> <p>Investors care a lot, because bond yields broadly track interest rates. They need to predict inflation levels as well as how central banks would react.</p> <p>Arend Kapteyn, chief economist of UBS's investment bank, calculates that 84% of the variation in inflation since 2002 is explained by shifts in oil and food prices.</p> <p>Throughout history, most sudden spikes in inflation were preceded by rising commodity prices.</p>	The Wall Street Journal	03/07/2017	Jon Sindreu
What's News	♦ Stocks fell, with financial shares helping lead the retreat. The Dow shed 51.37 points to 20954.34.	The Wall Street Journal	03/07/2017	
Crude Producers Learn to Coexist	...the Organization of the Petroleum Exporting Countries in November agreed to temporarily curtail production to help rebalance an over-supplied market. That in turn	The Wall Street Journal	03/08/2017	Lynn Cook and Bradley Olson

	<p>gave a shot in the arm to shale producers, which have roared back in recent months as prices have stabilized at more than \$50 a barrel.</p> <p>OPEC nations have been locked in an epic stare-down with American shale companies for more than two years since the resurgent U.S. producers helped create a global oil glut.</p> <p>...the group's members are growing reconciled to the idea that the U.S. will be a major source of oil for years to come, said energy scholar Daniel Yergin...</p>			
What's News	♦ Oil prices plunged 5.4% to \$50.28 a barrel on the Nymex, the biggest drop in over a year, after U.S. data showed a record surplus.	The Wall Street Journal	03/09/2017	
What's News	♦ U.S. stocks slipped as the decline in oil hit energy firms. The Dow lost 69.03 points to 20855.73.	The Wall Street Journal	03/09/2017	
What's News	♦ The S&P 500 was up 250% from its lowest crisis-era close eight years ago after edging up Thursday. The Dow rose 2.46 points.	The Wall Street Journal	03/10/2017	
Oil Glut Worries Resurface, Triggering Market Tumble	<p>Global markets are once again fixating on the price of oil after U.S. crude fell below \$50 a barrel for the first time this year; in the biggest two-day sell-off since June.</p> <p>Now there are signs that another wave of volatility from the oil market could spill over into stocks, bonds and other markets.</p> <p>A large number of energy and mining companies are rated below investment grade, making the junk-bond market sensitive to commodity-price swings.</p>	The Wall Street Journal	03/10/2017	Timothy Puko, Ben Eisen and Erin Ailworth
Company Insiders Send Out Bearish Signals	Executives are buying their own firm's shares at the slowest pace since at least 1988, a sign of uncertainty as the bull market in U.S. stocks enters its ninth year and indexes reach record highs.	The Wall Street Journal	03/10/2017	
Bond Yields Rise, as Draghi Comments on Eurozone Spark Selloff	<p>U.S. government bonds tumbled again Thursday amid further signs that major central banks could be close to turning the page on an era of ultraloose monetary policies.</p> <p>The yield on the 10-year Treasury note settled at 2.596%, its highest close since Dec. 16, compared with 2.552% Wednesday.</p> <p>On Thursday, attention shifted to the European Central Bank, which held key interest rates unchanged and made no changes to its bond-buying program at the conclusion of its latest policy meeting.</p> <p>Thought the Fed ended its bond-purchase program in 2014, it raised interest rates only once in each of the past two years, while its counterparts in Europe and Japan stepped up their stimulus programs, helping to keep a lid on bond yields globally.</p>	The Wall Street Journal	03/10/2017	Sam Goldfarb
When Should Bulls Pivot Into Bears?	Bank of America Merrill Lynch recently upgraded its forecast for the S&P 500 at the end of this year to 2450, after the index powered through its previous prediction of 2300. Strategist Dan Suzuki said that valuations look high, but noted the upgrade was driven by increasing investors optimism.	The Wall Street Journal	03/10/2017	James Mackintosh

	<p>Put another way: The market's not really worth more, but exuberant buyers will chase shares higher anyway.</p> <p>The reason for caution is the high valuation of every dollar of earnings, even as profit margins are high compared with history and companies have a lot of leverage.</p>			
Job Growth Clears the Way for Fed	<p>The U.S. economic expansion is now the third-longest on record and showed no signs of letting up in February, with robust hiring, falling unemployment and firmer wage growth opening the way for the Federal Reserve to raise short-term interest rates.</p> <p>Meantime, there is little sign of acceleration in overall economic activity during the early months of 2017; many forecasters expect another quarter of sub-2% growth due to a wider trade deficit and moderate consumer spending.</p> <p>For the Fed, a key signal in Friday's report was wage growth, which was stuck at 2% for years following the end of the 2007-2009 recession, partly due to slack in the labor market.</p> <p>At 2.8%, February's annual growth for private-sector hourly earnings matched the second-highest reading of the current expansion.</p>	The Wall Street Journal	03/11-12/2017	Ben Leubsdorf
Week of Crucial Events Looms for Markets	<p>The powerful surge in global stocks and commodities in 2017 faces another hurdle this week as a quick succession of potentially market-moving events challenges investors to place their bets on the next direction for leading asset classes.</p> <p>Traders are bracing for an expected Federal Reserve rate increase, Dutch elections and a potential step by the U.K. toward exiting the European Union to plan out amid markets that appear vulnerable to sudden reversals.</p>	The Wall Street Journal	03/13/2017	Alison Sider, Corrie Driebusch and Stephanie Yang
What's News	◆ Investors left junk-bond funds at the fastest pace in four month, with \$2.7 billion exiting last week.	The Wall Street Journal	03/13/2017	
European Bond Yields Likely Head Higher <i>Political risks aside, solid growth, higher inflation are expected to push up rates</i>	<p>Investors increasingly say that no matter what comes out of Europe's fraught political calendar, the region's bond yield are going higher.</p> <p>Yields have risen sharply this year as anti-euro political candidates, like France's Marine Le Pen, gain in polls. But even if Ms. Le Pen rails in the spring presidential election, yields will continue rising, some investors say, given solid economic growth, rising inflation and the expectation that the European Central Bank will rein in its massive stimulus.</p>	The Wall Street Journal	03/13/2017	Mike Bird
The Economic Winds Are at Europe's Bank	<p>Europe has already experienced two recessions in the past eight years, and it would be unlikely for lightning to strike thrice at the same spot.</p> <p>The political chatter obscures the bigger story, which is that Europe's economy is no longer sputtering. Initial figures suggest that last year, for the first time since the global financial crisis ended, Western Europe grew at a slightly faster pace than America. Economic growth of 1.7% might sound lousy, but keep in mind that Europe's potential is severely restrained by a shrinking working-age population in countries like Italy and Germany.</p>	The Wall Street Journal	03/13/2017	Ruchir Sharma

	<p>There is evidence that the European welfare state has peaked.</p> <p>The banks at the center of the Greek crisis look much healthier. In the past five years, European banks have reduced their debts significantly and rebuilt capital reserves.</p> <p>Unemployment in the euro-zone as a whole has been falling by nearly a percentage point a year since 2013. It finally dipped below 10% in August. Pent-up demand is being released.</p> <p>The continent is poised for at least a cyclical comeback, not doomed to permanent crisis.</p>			
<p>Treasury Yield Hits 2-Year High</p> <p><i>Anticipated rate rise at this week's Fed meeting has investors repositioning in bonds</i></p>	<p>The yield on the benchmark 10-year Treasury note closed Monday at the highest level in more than two years, extending its rise this month as investors expect that the Federal Reserve will raise short-term interest rates later this week.</p> <p>The yield on the 10-year note settled at 2.609%, compared with 2.582% Friday.</p>	The Wall Street Journal	03/14/2017	Min Zeng
What's News	<p>♦ Ten-year Treasury yields settled at 2.609%, the highest level in over two years, amid expectations the Fed will raise rates later this week.</p>	The Wall Street Journal	03/14/2017	
Fed Is No Threat to Emerging Markets	<p>The U.S. interest-rate cycle finally seems to be getting going in earnest. One traditional fear for investors is that higher U.S. rates and a stronger dollar might unsettle emerging markets. But the bigger issue is the state of growth in emerging markets themselves.</p> <p>Now, however, emerging-market growth is accelerating again, with the 2017 gap compared with developed-markets growth forecast at 2.8 percentage points, the widest since 2013.</p> <p>So far this year, stocks and bonds in emerging markets are beating their developed-market peers.</p> <p>China is key, since it has become the global growth engine.</p>	The Wall Street Journal	03/15/2017	Richard Barley
What's News	<p>♦ A flood of U.S. natural gas is turning into a world glut, sinking prices and dimming hopes of American producers to export their way out of an oversupplied market.</p>	The Wall Street Journal	03/15/2017	
What's News	<p>♦ Oil prices dropped to a three-month low on doubts about Saudi Arabia's commitment to cut output.</p>	The Wall Street Journal	03/15/2017	
What's News	<p>♦ U.S. stocks and Treasury yields fell as oil prices declined. The Dow lost 44.11 points to 20837.37.</p>	The Wall Street Journal	03/15/2017	
Free Trade Can't Get a Break	<p>...Fed Ex founder and CEO Fred Smith. Smith worries that the new nativist approach backed by Trump threatens to make the U.S. the equivalent of Argentina or Brazil: "Trade has been a big part of U.S. growth and success, and what we need to be doing is leaning into more trade, not less".</p>	Fortune Magazine	03/15/2017	Alan Murray

That 'Huge' Tax Cut May Take a While <i>Passing tax reform is hard enough. More Challenging? The GOP isn't sure what it should look like.</i>	Don't tell the stock market, but prospects for quick action on a tax code overhaul aren't looking great. The legislative hurdles are significant, sure, but a more pressing problem might be that the GOP is still split on fundamentals.	Fortune Magazine	03/15/2017	Tory Newmyer
Fed Raises Rates, Signals Gradual Increases Ahead	The Federal Reserve said Wednesday it would raise short-term interest rates and keep lifting them this year, moving the central bank into a new, more aggressive phase of draining easy money from the financial system as the economy improves. Officials said they would raise their benchmark federal-funds rate by a quarter percentage point to a range between 0.75% and 1%, and penciled in two more increases this year.	The Wall Street Journal	03/16/2017	Nick Timiraos and Kate Davidson
Markets Bet on Growth as Rates Rise	Central banks around the world are signaling a move away from ultra-easy money, but financial markets are responding as if the low-interest-rate party isn't stopping. Markets sometimes shudder at the prospect of higher borrowing costs, but that isn't happening. Following Wednesday's Fed meeting, U.S. stocks climbed, benchmark bond yields sank and the dollar slid. The Dow Jones Global Index, which tracks 47 developed and emerging countries, has gained 9.7% since mid-September. The reaction can be seen as a sign of growing confidence that global growth is picking up, lessening the need for central banks to prop up spending and investing with low rates. China raised several short-term interest rates for the second time this year, just hours after the Federal Reserve's latest monetary tightening. The nearly simultaneous rate increase showed Beijing's desire to prevent capital from flowing outside the country toward places like the U.S. Interest rates remain low by historical standards, but this week's rate increase moved the U.S. central bank into a new, more aggressive phase of withdrawing easy money from the financial system as the economy improves.	The Wall Street Journal	03/17/2017	Harriet Torry, Jason Douglas and Shen Hong
What's News	♦ OPEC members have "a strong willingness" to extend output cuts when they meet in May, the Saudi energy minister said.	The Wall Street Journal	03/17/2017	
Equipment Companies on Edge	Optimism is giving way to impatience among makers of excavators and heavy machinery that hope their businesses will benefit from President Donald Trump's pledge to pump \$1 trillion into infrastructure. A big infrastructure build would benefit the entire economy. When respondents to The Wall Street Journal's survey of economists raised their average forecasts for growth in 2018 to 2.5% from 2% before the election, many cited the lift an infrastructure package could provide.	The Wall Street Journal	03/17/2017	Andrew Tangel and Josh Zumbrun

	A \$1 trillion stimulus program, spread over a decade, would employ over 800,000 workers for five years, according to Moody's Analytics, but it would take two years before it reached that scale and then would taper off in later years.			
Bond Yields Signal Shift <i>Treasury rates exceed dividend measure, could spark rethinking of stock investments</i>	<p>U.S. bond yields are topping a key measure of the dividends that large U.S. companies pay...</p> <p>At 2.50%, the yield on the 10-year U.S. Treasury note on Friday exceeded the 1.91% dividend yield on the S&P 500, according to FactSet.</p> <p>It is a change with real ramifications. Just a year ago, when U.S. bond yields hit record lows, many investors were buying bonds for asset appreciation and stocks for yield...</p> <p>"Low Treasury yields are the foundation of current high valuation of financial assets," said Zhiwei Ren, portfolio manager at Penn Mutual Asset Management Inc. A 3% yield on the 10-year Treasury note "will start to spook the stock market," he said.</p>	The Wall Street Journal	03/20/2017	Aaron Kuriloff and Min Zeng
Investors Yank Cash From Junk-Bond Funds	<p>Investors pulled the most money from junk-bond funds in more than two years, the latest sign that falling energy prices are rippling through financial markets.</p> <p>Junk bonds, a popular type of financing for energy companies, are particularly sensitive to the price of oil, which has been falling this month.</p> <p>Falling junk-bond prices have lifted the yield premium over supersafe Treasuries that investors demand to own the riskier debt. That yield premium climbed from 3.55 percentage points on March 2 to 4.05 percentage points on Tuesday,...</p>	The Wall Street Journal	03/21/2017	Ben Eisen
What's News	♦ Britain on March 29 will formally trigger negotiations to remove itself from the EU, opening a two-year window for talks set to disentangle decades of close ties.	The Wall Street Journal	03/21/2017	
Bond Rally Muddies Inflation Outlook <i>Prices have climbed in recent months, but investors remain wary pace will continue</i>	<p>A rise in U.S. government-bond prices since the Federal Reserve's latest rate increase underscores investors' continuing skepticism about inflation.</p> <p>The yield on the 10-year Treasury note fell to 2.472% Monday, extending a decline since the Fed move last Wednesday, when yields were near their highest level in more than two years at 2.6%. Bond yields fall when prices rise.</p> <p>Higher inflation chips away at investors' real purchasing power, reducing the appeal of fixed-rate bond investments.</p> <p>Yet a survey-based gauge of U.S. consumer inflation expectations over the next five to 10 years hit a record low this month, according to a release from the University of Michigan...</p> <p>U.S. consumer prices rose by an annualized pace of 2.7% in February, well above the Fed's 2% target.</p> <p>Yet the Fed's preferred inflation gauge – the personal-consumption expenditures price index – has risen at a more subdued pace. The index was up 1.9% over the past 12 months in January.</p>	The Wall Street Journal	03/21/2017	Min Zeng

Oil Falls On Jump In U.S. Stockpile	Oil prices edged lower Wednesday after weekly data showed U.S. crude stockpiles surged to a record.	The Wall Street Journal	03/23/2017	Allison Sider and Neanda Salvaterra																								
Average CD Yields <i>As of Wednesday</i>	<div>6 - month:<table><tr><td>This week</td><td>Last week</td><td>Year ago</td></tr><tr><td>0.21%</td><td>0.20%</td><td>0.17%</td></tr></table></div> <div>1 - year:<table><tr><td>This week</td><td>Last week</td><td>Year ago</td></tr><tr><td>0.34%</td><td>0.33%</td><td>0.28%</td></tr></table></div> <div>2 ½ - year:<table><tr><td>This week</td><td>Last week</td><td>Year ago</td></tr><tr><td>0.54%</td><td>0.52%</td><td>0.46%</td></tr></table></div> <div>5 – year:<table><tr><td>This week</td><td>Last week</td><td>Year ago</td></tr><tr><td>0.90%</td><td>0.89%</td><td>0.84%</td></tr></table></div>	This week	Last week	Year ago	0.21%	0.20%	0.17%	This week	Last week	Year ago	0.34%	0.33%	0.28%	This week	Last week	Year ago	0.54%	0.52%	0.46%	This week	Last week	Year ago	0.90%	0.89%	0.84%	USA Today	03/23/2017	Jae Yang and Veronica Bravo
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What to Watch <i>Small stocks lack bounce as gains cool</i>	<p>The broader stock market bounced back Wednesday from its worst drubbing of the year. But small-company stocks stayed down.</p> <p>The pause in the stock rally has hit small shares the most, a sign that investors are pulling back on risk. Since the March 1 peak, the Russell 2000 has given back nearly 5% of its post-election gains, vs. a 2% drop for the S&P 500.</p>	USA Today	03/23/2017	Adam Shell																								
America First? Not For Stocks <i>Overseas can be fertile ground for savvy investors</i>	U.S. stocks have done far better than emerging market equities and global stocks in developed nations since the bull market began in March 2009. Domestic stocks have jumped nearly 250%, while their global counterparts have risen almost 100%, according to Bespoke Investment Group, a Wall Street research firm.	USA Today	03/24/2017	Adam Shell																								
Foreign Stock Returns	<p>Foreign stock indexes are posting better returns than the US. Market in 2017 after lagging badly since 2009.</p> <p>How they performed: Year To Date</p> <table><tr><td>USA / Morgan Stanley Capital International (MSCI) index USA Only</td><td>5.0%</td></tr><tr><td>Emerging Markets / MSCI Emerging Markets</td><td>12.1%</td></tr><tr><td>Developed Markets / MSCI World</td><td>5.5%</td></tr></table>	USA / Morgan Stanley Capital International (MSCI) index USA Only	5.0%	Emerging Markets / MSCI Emerging Markets	12.1%	Developed Markets / MSCI World	5.5%	USA Today	03/24/2017	Bespoke Investment Group George Petras, USA Today																		
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Stocks' Weekly Fall Is Biggest in Months <i>Political uncertainty, stretched valuations drive declines amid health-care-bill fight</i>	<p>The stock-market rally that has lifted major indexes to new highs in 2017 has hit its choppiest patch, reflecting both uncertainty over the fate of the pro-business Trump economic agenda and stocks' vulnerability to reversals at a time of above-average valuations.</p> <p>The S&P500 fell 1.4% in the past week, its biggest loss since the week ended Nov. 4...</p> <p>The Doe Jones Industrial Average fell 59.86 points Friday, or 0.3%, to 20596.72, putting it 2.5% below its record close on March 1.</p>	The Wall Street Journal	03/25-26/2017	Chris Dieterich and Corrie Driebusch																								

	<p>The scale of the weeks' retreat highlighted a longstanding concern in the market, that stock valuations have become so lofty after a nearly uninterrupted eight-year bull market that even the slightest decline in sentiment can spur significant selling.</p> <p>The S&P 500's price compared with analysts' expectations for profit over the next year, dubbed the forward price-earnings ratio, is near the highest since 2014.</p>			
<p>Bond Buying Makes a Comeback</p> <p><i>The undoing of the 'Trump trade' brings investors back to the safety of Treasuries</i></p>	<p>The yield on the 10-year Treasury note tumbled to 2.373% Monday from a two-year high of 2.609% on March 13 and 2.446% at the end of last year. Yields fall as bond prices rise.</p> <p>The Dow Jones Industrial Average fell 45.74% points Monday to 20551, its 10th decline in 11 sessions.</p> <p>The bond buying reflects concerns about the timing of a fiscal stimulus and tax-cut plans after the political demise last week of a Republican bill to replace Obamacare, as well as the relative attractiveness of bonds featuring higher yields.</p>	The Wall Street Journal	03/28/2017	Miin Zeng
<p>Fed Officials: 3 Boosts Likely in '17</p>	<p>Federal Reserve Bank of Chicago President Charles Evans said the U.S. central bank could raise short-term interest rates four times this year if inflation picks up, but suggested three increases remain more plausible.</p> <p>Mr. Evans said long-term inflation expectations in the U.S. are running below the central bank's 2% target, even though short-term prices are nearing that objective.</p>	The Wall Street Journal	03/28/2017	Jeannette Neumann and Michael S. Derby
<p>Eurozone Stocks Beat U.S.</p> <p><i>Dissipating political risk lifts European shares as their peers across the ocean falter</i></p>	<p>Stocks in the Eurozone are now outperforming their U.S. peers this year as local growth picks up and political concerns shift from Europe to the other side of the Atlantic.</p> <p>Despite a slower start to 2017, the Euro Stoxx index has risen by 4.7% this year to date. The S&P 500 is now up by 4%...</p> <p>Meanwhile, economic data and surveys in the eurozone are looking their healthiest in a long time and that is expected to help the region's battered banks outperform U.S. lenders.</p> <p>Businesses in the Eurozone reported their strongest economic conditions in six years in the latest HIS Markit purchasing managers index in March.</p> <p>Analysts at J.P. Morgan Chase also believe that Eurozone banks look like a better bet than those in the U.S.</p>	The Wall Street Journal	03/28/2017	Mike Bird
<p>Consumer confidence leaps to 16-year high</p> <p><i>Economy, labor market have Americans feeling a 'renewed optimism'</i></p>	<p>Consumer confidence surged to 16-year high in March, fueled by strong job and wage growth, lofty stock prices and cheap gasoline.</p> <p>Employers added a healthy 235,000 jobs in February, which followed 238,000 gains in January. Stock prices are still near their all-time highs.....</p>	USA Today	03/29/2017	Paul Davidson
<p>What's News</p>	<p>♦ May began the U.K.'s path out of the EU, as she started the clock on negotiations that will challenge ties between Britain and some of its closest allies.</p>	The Wall Street Journal	03/30/2017	

China's Falling Output Tests Investors <i>Expectations of lower production of goods from aluminum to coal trigger price swings</i> <i>Gold Advances on Dollar Strength; Metal Up 9% in 2017</i>	<p>Chinese demand has long been the driving force in many global commodity markets. Now, expectations of falling production of goods from aluminum to coal are moving prices and getting more attention from investors.</p> <p>Given China's outsize role as a producer, such volatility could spread to other commodities. The country ranks among the top three producers of commodities ranging from aluminum to zinc. It supplies 50% of the world's lead, compared with 19% 15 years ago, and about 48% of the world's coal, up from 32%.</p> <p>Supple news from China has become a swing factor in how investors view commodity prices.</p> <p>Aluminum prices could rise to \$2,000 a ton this year from less than \$1,700 at the start of 2017, according to analysts at Goldman Sachs Group Inc....</p>	The Wall Street Journal	03/30/2017	Rhiannon Hoyle
What's News	♦ U.S. corporate profits extended their rebound in late 2016 as the economy stayed on a trajectory of steady, modest growth.	The Wall Street Journal	03/31/2017	
Factory Activity Near A Five-Year High	<p>An official gauge of Chinese factory activity hit a near five-year high in March as government stimulus spending and rising prices for factory goods bolstered the economy.</p> <p>China's official manufacturing purchasing managers' index edged up to 51.8 in March from 51.6 in February, the National Bureau of Statistic said Friday.</p>	The Wall Street Journal	03/31/2017	Mark Magnier
'Trump Trade' Mojo Has Lost Its Charm	<p>U.S. growth. The idea that the U.S. would power ahead of the rest of the world was reflected in sharp U.S. stock-market outperformance, as well as the stronger dollar. No longer. U.S. share performance since the election is now merely in line with the rest of the world and slightly behind Europe, in constant currency terms, while the dollar has given back about half its postelection gains.</p> <p>Alternative measures such as the shares of smaller companies, which tend to be more domestic and so have fewer opportunities to dodge taxes via complex offshore transactions, have also been underperforming since mid-December as tax-cut hopes fade.</p>	The Wall Street Journal	03/31/2017	James Mackintosh

"I predict future happiness for Americans if they can prevent the government from wasting the labors of the people under the pretense of taking care of them." Thomas Jefferson

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Prepared by James M. Juengling.
Juengling & Associates