

**RESOURCE LOG – January 2018**

Article Title	Detail	Publication	Date	Author
Investors Look to Asia	<p>At this time last year, many investors feared that a trade-skeptical Trump administration would lead to globalization’s demise and crashes in foreign markets. But no such nightmares came true in 2017. In fact, many international equity markets outpaced the U.S. Driven by stabilizing oil prices and low interest rates, the MSCI World ex USA – which tracks developed markets outside the States – rose 24% over the past 12 months, six percentage points better than the S&amp;P 500 over the same period.</p> <p>Many money managers expect the trend to continue in 2018. With U.S. stocks riding at high valuations after nearly nine years of a bull market, the world outside is looking less expensive... “We still see more upside in emerging markets, Europe, and Japan than in the U.S.,” J.P. Morgan Asset Management managing director Paul Quinsee recently told clients.</p>	Fortune Magazine	01/01/2018	Lucinda Shen
Fortune Briefing	<p>The nation’s debt-to-GDP ratio is as high as it’s been since World War II, and many independent experts say it’s poised to grow further under GOP tax plans.</p> <p>As of September 2017, American household debt, for instance, stood at an all-time high, according to the Federal Bank of New York: \$12.96 trillion.</p> <p>Companies have also been leveraging up. Outstanding corporate debt in the U.S. has swelled to \$6.1 trillion, a 39% increase in the past five years and an 85% hike over the decade.</p> <p>“Increasing nominal debt is not necessarily a danger sign...It’s important to think about income and the ability to repay”, says Randy Kroszner, a former Federal Reserve governor who teaches at Chicago’s Booth School of Business.</p> <p>And while experts do see certain vulnerabilities in the system – automobile and student loans, in particular – Kroszner says the data suggest that Americans are recovering and reestablishing their ability to borrow responsibly.</p> <p>According to a Fortune analysis of the largest 1,000 U.S. companies by revenue, the average debt-to-capital ratio has risen steadily from 35% a decade ago to 54% today – its highest level in more than 20 years.</p> <p>This shift has been driven largely by low interest rates, of course; it’s darn cheap to borrow money,...</p> <p>While the rising level of corporate debt is worth monitoring, says Kathy Bostjancic of Oxford Economics, by itself it’s not likely to lead to a recession.</p> <p>Both the IMF and the OECD have sounded the alarm over rising global borrowing.</p> <p>How much is too much? Kroszner says a lot of it comes down to the strength of institutions and the wisdom of the investments. If you’re blowing the money on short-term fixes, it’ll be harder to dig yourself out of that hole.</p>	Fortune Magazine	01/01/2018	Erika Fry
What’s News	<p>◆ The U.S. auto industry suffered its first annual sales drop since the financial crisis, but a streak of strong profits is expected to overshadow a slowdown in dealer traffic.</p>	The Wall Street Journal	01/04/2018	

<p>Dow Hurtles Past 25000 to Record <i>Many Investors Bailed Out Early</i></p>	<p>One of the biggest surprises of the U.S. stock market's relentless rally is how many individual investors have run away from it.</p> <p>Yet throughout the nearly nine-year surge in share prices, small investors have continued to yank money out of funds that own U.S. stocks.</p> <p>The Dow Jones Industrial Average surged past 25000 for the first time Thursday, the index's fastest run to a fresh 1,000-point milestone in history.</p> <p>Faster economic growth around the globe and improving sentiment from consumers and businesses have helped power the rally in recent weeks. Economic data in the first days of the new year continued to suggest steady expansion in the U.S., China and Europe.</p>	<p>The Wall Street Journal</p>	<p>01/05/2018</p>	<p>Michael Wursthorn, Corrie Driebusch and Georgi Kantchev</p>
<p>Four Things to Watch As 2018 Gets Going</p>	<p>Asset managers will proclaim that the impending rise in interest rates means you need bond funds that can hold any kind of debt.</p> <p>Correlations, or the extent to which companies move up or down together, are at their lowest in more than 25 years, according to T. Rowe Price Group Inc.</p> <p>Whenever stocks rise and fall independently like this, portfolio managers say beating the market becomes easier.</p> <p>Bear two things in mine. First, a jump in interest rates is probable, not certain. Second, even if rates do rise, unconstrained portfolios are riskier than those targeting only U.S. government or investment-grade debt.</p> <p>The S&amp;P 500, including dividends, has gone up for 14 months in a row, the longest consecutive run since 1928, according to Bank of America Merrill Lynch. And stocks' recent movements up and down have been smoother than in most periods since 1885, according to William Schwert, a finance professor at the University of Rochester.</p>	<p>The Wall Street Journal</p>	<p>01/06-07/2018</p>	<p>Jason Zweig</p>
<p>Jobs Notch Another Robust Year</p>	<p>The pace of hiring slowed a bit in the final month of 2017 but remained robust for the year as a whole and the jobless rate held at a 17-year low, signs the broader labor market maintained plenty of momentum going into the new year.</p> <p>The unemployment rate remained at 4.1%, matching the lowest level since December 2000 for the third straight month...</p> <p>Payrolls grew by better than 2.5% annually, on average, during the economic expansions in the 1960s, 1980s and 1990s. Payroll growth has topped 2% for the year only once in the current upturn...</p>	<p>The Wall Street Journal</p>	<p>01/06-07/2018</p>	<p>Eric Morath</p>
<p>The Year's Fund Returns are In. Do They Matter?</p>	<p>It's January, which means it's time for all those performance scoreboards, highlighting the top-performing financial advisers, investment-newsletter editors or mutual funds of the previous year.</p> <p>These scoreboards can provide some worthwhile information. But beware: They also can be hazardous to your wealth.</p>	<p>The Wall Street Journal</p>	<p>01/08/2018</p>	<p>Mark Hulbert</p>

	<p>That is because sooner or later, but probably sooner, these investing kingpins will incur losses so large as to make it almost impossible to ever recover. A far better approach is to focus on those strategies with market-beating records over the long term.</p> <p>Consider the performance of a hypothetical portfolio that each January invested in the recommendations of the investment newsletter at the top of the previous calendar year's performance rankings. According to a study by my company, this portfolio created from each year's winners has lost almost everything – incurring an 18.0% annualized loss since 1991. So, \$100,000 invested in this portfolio back then would today be worth just \$471 today.</p>			
What's News	<p>◆ The 10-year inflation break-even rate settled at 2.027%, its highest level in months, highlighting investors' renewed economic enthusiasm.</p>	The Wall Street Journal	01/08/2018	
Four Ways to Survive a Stock-Market Bubble	<p>The market's story line has changed to one of disruptive, low-inflation growth fueled by easy money.</p> <p>The first few days of 2018 certainly point toward high spirits in the tech sector. The FANG stocks of Facebook Inc., Amazon, com Inc., Netflix Inc. and Google parent Alphabet Inc. all rose more than 5% last week, double the wider market's gains.</p> <p>The American Association of Individual Investors survey of its members shows the most bulls and the fewest bears since the end of 2010. Investors Intelligence's survey of financial newsletters is even more positive, with the highest number of bulls since the start of 1987.</p> <p>It is too soon to call this a bubble. U.S. equities are among the most expensive they have ever been on many measures...</p> <p>Jeremy Grantham, co-founder of Boston fund manager Grantham, Mayo, Van Otterloo &amp; Co.,...</p> <p>Mr. Grantham favors loading up on emerging-market stocks, which are cheaper.</p>	The Wall Street Journal	01/09/2018	James Mackintosh
Signs of Unease on High-Yield Bonds	<p>The high-yield bond market could be in for some turbulence.</p> <p>Among 30 exchange-traded funds analyzed by Goldman Sachs Group Inc., options investors are the most bearish on the high-yield, or junk, sector and the most bullish on oil for 2018.</p> <p>U.S. high-yield bonds earned a 7.5% return in 2017...</p>	The Wall Street Journal	01/09/2018	Gunjan Banerji
What's News	<p>◆ The S&amp;P 500 inched up to a record. The Dow eased 12.87 points to 25283.00.</p>	The Wall Street Journal	01/09/2018	
Investors Drop Shields Against Stock Downturns	<p>Big stock-market gains are leading a number of investors to abandon defensive positions taken to protect against a market downturn, the latest sign that many dobtors are shedding caution as the long rally rolls on.</p>	The Wall Street Journal	01/09/2018	Gunjan Banerji
Treasury Yields Climb for Fifth Day	<p>U.S. Treasurys sold off again on Wednesday, raising expectations that higher bond yields will affect everything from asset prices to mortgage rates.</p>	The Wall Street Journal	01/11/2018	Daniel Kruger

	<p>The yield on the benchmark 10-year U.S. treasury note, which rises as bond prices fall, approached its 52-week closing high of 2.609%... Bank stocks soared, as rising yields tend to boost lenders' profits, while high-dividend stocks fell as their payouts faced greater competition from bonds.</p> <p>If inflation is behind the rise in yields, "it could change the relationship between stocks and bonds", said James Bianco, head of the Chicago-based advisory firm Bianco Research.</p> <p>Concern about foreign demand for Treasuries spurred the latest bout of selling, as central banks from Europe to Asia signal that they may be preparing to scale back stimulus.</p>			
Foreign Car Makers To Take U.S. Lead	<p>Toyota Motor Corp.'s announcement Wednesday of Alabama as the home for a shared factory with Mazda Motor Corp. highlights a major shift in U.S. vehicle manufacturing: Foreign auto companies soon will build more cars and trucks in America than the Detroit giants.</p> <p>Already, the Big 3 are being outsold by non-U.S. rivals, as their share of American sales dwindled to 44% in 2017.</p>	The Wall Street Journal	01/11/2018	Adrienne Roberts and John D. Stoll
Forecasts of \$80 Oil Are Spreading	<p>Oil prices have been grinding higher, spurring forecasters to predict they could hit \$80 a barrel this year.</p> <p>Oil is already trading at its highest levels in three years after a 20% gain for U.S. crude futures over the past 12 months...</p> <p>Still, others remain skeptical. Analysts at Commerzbank said Wednesday that market participants are ignoring the risks of an onslaught of new production from U.S. shale – something that looks increasingly likely at these high prices.</p>	The Wall Street Journal	01/12/2018	Alison Sider
Tax Reform Has Released the Bulls	<p>By traditional measures of value, stocks do seem expensive right now. But those metrics have flaws, the worst of which is a tendency to look at the past rather than the future. Markets, by their nature, do the opposite.</p> <p>Only 15 market days have passed since the Senate passed the tax bill, ensuring it would become law, and Wall Street analysts have already upgraded their consensus forward earnings for the S&amp;P 500 by an unprecedented 4.6%. Is it any wonder that stocks have rallied?</p> <p>But my rough-and-ready estimate is that the lower corporate rates ought to raise after-tax-earnings on business already being conducted by about 10% overall.</p> <p>Once again, it's policy, not valuations, that is determining stock prices. If Mr. Trump's corporate tax cuts turn out to be as powerful as I think they will be, expect a new bull market, no matter what the P/E ratios say.</p>	The Wall Street Journal	01/12/2018	Donald L. Luskin
Stocks Are Expensive But Better Than Bonds	<p>The question comes down to one of reward for risk. Earnings are uncertain, so shareholders should get an extra reward for the risk of holding stocks compared with the certainty offered by Treasuries. That reward, known as the equity risk premium, shrinks if bond yields rise faster than the outlook for profit.</p>	The Wall Street Journal	01/12/2018	James Mackintosh

	<p>Bullish investors may argue that the equity risk premium was a lot lower during optimistic periods in the past. Bulls can also point to soaring earnings last year, and the synchronized global recovery ought to boost global earnings further if it continues.</p> <p>Meanwhile, bears worry that the U.S. economy is close to or at full capacity, crimping the prospect of low-inflation growth continuing, that companies are investing far too little to maintain the rate of earnings growth and that profit margins are unsustainable.</p> <p>Former Pimco “bond king” Bill Gross, now managing funds at Janus Henderson Investors, said this week that the break of a quarter-century downtrend in yields confirmed bonds are in a bear market.</p> <p>Perhaps the most powerful case for higher bond yields is that central banks are pulling away support.</p>			
In Treasury Market, There Are Reasons to Expect Trouble	<p>If you untangle the forces driving the market, it is reasonable to see 10-year Treasury yields at 3.5% at the end of the year.</p> <p>Among the factors that have hit the Treasury market this year, two stand out. First, Treasury inflation-protected securities suggest that about half the move higher in yields is due to worries about rising inflation. Increasing oil prices and a wave of raises and bonuses paid by companies in celebration of the tax cut would push yields even higher.</p> <p>Second is markets’ skittish reaction to dubious reports that China would buy fewer Treasuries and the Bank of Japan would buy fewer long-term Japanese government bonds. Purchases by foreign central banks have helped keep yields low, so the worries make sense.</p>	The Wall Street Journal	01/16/2018	Justin Lahart
What’s News	<p>◆ The dollar hit its lowest level in more than three years, as economic growth accelerates overseas.</p>	The Wall Street Journal	01/16/2018	
What’s News	<p>◆ Oil prices have surged more than 50% since the summer, as investors reassess the threat from U.S. shale producers.</p>	The Wall Street Journal	01/16/2018	
The Tax-Reform Stock Rally	<p>We’ve been hosting an op-ed debate on stock prices, and last week financial consultant Donald Luskin made his case for the running of the bulls as expected corporate earnings are adjusted upward due to tax reform. Harvard economist Martin Feldstein makes the case for caution nearby, arguing that equity prices are fated to fall as the Federal Reserve reverses its long period of asset purchases and low interest rates, and inflation makes a comeback.</p> <p>The bullish case is based on expectations of capitalized profits, which have risen smartly with the cut in corporate tax rates.</p> <p>The harder question is whether rising stocks are also a harbinger of faster growth in the real economy.</p> <p>...students of financial history know that sooner or later rising interest rates will weigh on stock prices.</p>	The Wall Street Journal	01/17/2018	Opinion – Review & Outlook

Citi Takes \$22 Billion Tax-Law Hit <i>Quarterly earnings are erased but stock rises as investors expect measure to be boon</i>	Specifically, Citigroup increased one of its key profitability goals in response to the tax changes and said it was still on track to return capital to shareholders according to a plan it laid out in July.	The Wall Street Journal	01/17/2018	Christina Rexrode
What's News	◆ Apple said it would pay a one-time tax of \$38 billion on its overseas cash holdings and ramp up its spending in the U.S.	The Wall Street Journal	01/18/2018	
What's News	◆ Bank of America's profit fell 48% due to a tax-law charge, but executives said 2018's outlook is bright.	The Wall Street Journal	01/18/2018	
What's News	◆ The Dow closed above 26000 for the first time, rising 322.79 points to 26115.65, amid a hunger for stocks by once-wary investors.	The Wall Street Journal	01/18/2018	
Treasury Yield Hits 3-Year High	A continued slide in U.S. government-bond prices pushed the yield on the 10-year Treasury note above 2.6% Thursday to its highest closing level in more than three years, a fresh milestone spurred by investors' growing confidence in the global economy.  Tepid economic growth and muted inflation tend to be good for Treasurys because inflation erodes the fixed payments of the government bonds.  They have also helped boost stocks by making them look more attractive to yield-seeking investors while spurring record bond issuance by U.S. companies.	The Wall Street Journal	01/19/2018	Sam Goldfarb
'Value' Stocks Remain In a Holding Pattern	Market watchers have called for the ascendance of "value" stocks for what seems like forever.  Hopes were high heading into 2018 that improving global economic conditions and sturdy earnings growth might buoy value stocks, those with below-market valuations, to the top of the market. That is because, when earnings are scarce, investors are willing to pay up for the go-go "growth" stocks that are often found in tech and similar sectors.  When economic growth is in high gear, value often shines.  And yet, after lagging behind both the broader market and growth stocks last year, value is off to a sluggish start again in 2018...  But value indexes also are laden with "defensive stocks", such as utilities and consumer staples.  This camp pays big dividends and in turn tends to be more vulnerable to rising interest rates.	The Wall Street Journal	01/20-21-2018	Chris Dieterich
What's News	◆ Americans' satisfaction with the economy hit a 17-year high and support for the tax law rose, a poll found.	The Wall Street Journal	01/20-21/2018	

What's News	◆ U.S. crude-oil output this year is expected to surpass Saudi Arabia's and rival that of Russia, the IEA said.	The Wall Street Journal	01/20-21/2018	
What's News	◆ The S&P 500 set a record as investors focused on earnings. The Dow rose 53.91 points to 26071.72.	The Wall Street Journal	01/20-21/2018	
Strong economy may mean more interest rate hikes are coming	San Francisco Federal Reserve President John Williams says significant risks to the economy have faded for the first time since the recession and stronger growth could force the Fed to raise interest rates more rapidly than anticipated.  "There is some potential the economy is going to outperform my forecast", he said. "I'm not really worried about the economy stalling, which was a concern a few years ago."	USA Today	01/22/2018	Paul Davidson
401(k) balances in Trump's first year: Up, up, up <i>Only 2 presidents have had better stock gains</i>	Stocks have risen sharply since Trump took office on Jan. 20, 2017. The U.S. stock market, according to Wilshire, has posted a paper gain of \$5.9 trillion.	USA Today	01/22/2018	Adam Shell
Stocks Ready to Notch Another Kind of Record	Barring a massive shock before the closing bell on Monday, the S&P 500 will have had 395 trading days without a decline of 5% or more from a record high, according to The Wall Street Journal's Market Data Group. That would make it the longest stretch ever without such a decline, passing a 394-day streak in the mid 1990s.	The Wall Street Journal	01/22/2018	Erik Holm
January Proves Harsh Month for Treasuries <i>Seasonal pattern shows government bond prices falling at beginning of year</i>	A wall Street adage holds investors should sell stocks in May and go away to avoid a summer market slump. For bondholders, that month could be January.  It is the type of seasonal pattern watched closely by some investors who use the market's perceived tendency toward higher yields in the first part of the year to guide their trading strategies.  The debate holds particular significance now, after the yield on the 10-year Treasury last week hit its highest level since 2014.  The benchmark 10-year Treasury note yield ended 2017 at 2.409%, little changed from the end of 2016...  The most potent factor pushing yields higher is likely to be global central banks...  In addition to its rate increases, the Fed is also scaling back on its reinvestment of maturing securities from its \$4.2 trillion bond portfolio.  Economists in a Wall Street Journal survey are predicting the 10-year yield will rise to 2.74% by June 30 and 2.98% by year-end.	The Wall Street Journal	01/22/2018	Daniel Kruger
Bitcoin crash would hit investors, not economy	Fears of a crash are growing amid an early year plunge that has wiped out 50% of the digital currency's value since its December peak of \$19,500 per coin.	USA Today	01/23/2018	Adam Shell

	<p>History is filled with examples of big busts after gargantuan gains. The Nasdaq fell nearly 80% after the dot-com stock bubble burst in 2000. The Dow tumbled 86% following the 1929 stock market crash.</p> <p>The bubble crowd isn't buying the optimistic spin. "Bitcoin is a bubble", Vicky Redwood, a global economist at Capital Economics, noted in a report.</p> <p>But massive bitcoin losses, which could be triggered by a government crackdown, a major hacking event or it being usurped by one of the nearly 1,500 other cryptocurrencies, won't cause a financial meltdown, Redwood says. The reason: Bitcoin's overall market value, when compared with stocks, bonds and gold, is so tiny a total collapse wouldn't cause major harm to the economy or financial system.</p>																			
<p>Stocks Power to Another Record <i>Nine of the 11 sectors in the S&amp;P 500 gain; biotechnology shares boosted by deal reports</i></p>	<p>Economic growth around the world has been solid...</p> <p>Investors also have largely bet that the Federal Reserve will stick to a gradual course of interest-rate increases in 2018-something they say should help stocks trading near records continue their ascent.</p> <p>Gains were broad, with nine of the S&amp;P 500's 11 sectors advancing. Shares of energy companies in the S&amp;P 500 rose 2.1%, following U.S. crude-oil prices higher.</p>	The Wall Street Journal	01/23/2018	Akane Otani and Riva Gold																
What's News	<p>◆ U.S. stocks set records on a deal to end the government shutdown. The Dow climbed 142.88 points to 26214.60.</p>	The Wall Street Journal	01/23/2018																	
What's News	<p>◆ The IMF forecast strong growth in the global economy in 2018, due in part to the U.S. tax overhaul.</p>	The Wall Street Journal	01/23/2018																	
CEOs See Economy as Beneficiary of Trump Policies	<p>Economic growth will remain robust over the coming year, sustained by pro-business policies around the world, a possible surge in investment and bullishness about major economies such as China and India, according to chief executives gathered at the World Economic Forum.</p> <p>Roger Crandall, chairman and CEO of Massachusetts Mutual Life Insurance Co., or MassMutual, underscored the change in regulatory conditions under Mr. Trump, calling it a huge plus for U.S. business.</p> <p>Axel Weber, chairman of Swiss banking giant UBS Group AG...</p> <p>..."Inflation could come back as a surprise this year."</p> <p>Some political and geopolitical worries also loom.</p> <p>And the current exuberance in markets – many at record highs – is excessive, some said. Massive liquidity is driving yields down so far that "no one is getting the risk assessment they deserve," Mr. Weber said. "That cannot go on. Eventually it will stop."</p>	The Wall Street Journal	01/24/2018	Deborah Ball and Jamie Heller																
Average CD yields	<table border="1"> <thead> <tr> <th></th> <th>This Week</th> <th>Last Week</th> <th>Year Ago</th> </tr> </thead> <tbody> <tr> <td>6-month</td> <td>0.25%</td> <td>0.25%</td> <td>.019%</td> </tr> <tr> <td>1-year</td> <td>0.44%</td> <td>0.44%</td> <td>0.33%</td> </tr> <tr> <td>2 1/2 -year</td> <td>0.64%</td> <td>0.63%</td> <td>0.51%</td> </tr> </tbody> </table>		This Week	Last Week	Year Ago	6-month	0.25%	0.25%	.019%	1-year	0.44%	0.44%	0.33%	2 1/2 -year	0.64%	0.63%	0.51%	USA Today	01/25/2018	USA Snapshots Source: Bankrate.com
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	5-year	1.03%	1.03%	0.86%			
Stocks' Rising Tide Buoy Junk Bonds	<p>The extra yield that investors demand to hold junk-rated corporate bonds has shrunk to its lowest level in more than a decade, marking another milestone in the U.S. economy's recovery from the financial crisis.</p> <p>The average gap in yield between junk-rated corporate bonds and U.S. Treasuries, adjusted for the option that companies have to redeem bonds earlier than their maturity date, hit 3.16 percentage points on Monday, its lowest level since July 2007, according to Bloomberg Barclays data.</p> <p>It is a sign that investors believe the economic expansion will continue at a robust enough pace for these companies to make good on their debt, a view that has also been pushing stock prices to record highs.</p> <p>Unlike stocks, there is a limit to how much corporate bonds can rally. Though yields fall when bond prices rise, analysts said investors will always demand some extra payment above prevailing Treasury yields to be compensated for the risk that companies will default.</p>				The Wall Street Journal	01/25/2018	Sam Goldfarb and Ben Eisen
What's News	♦ The Dow edged up 41.31 points to 26252.12, as concerns about trade tensions weighed on the index.				The Wall Street Journal	01/25/2018	
The Global Economy Is Great. Be Afraid	<p>Geopolitics and trade are the fears most often aired at the World Economic Forum this week, while an end to the easy money from central banks has a few concerned.</p> <p>"The consensus here is very, very upbeat," said Michael Sabia, who runs \$300 billion as CEO of Caisse de dépôt et placement du Québec. "This is a great period we're in, but enjoy it while it lasts. I don't think it will go away in a hurry, but over the long term the laws of gravity will come back."</p> <p>The twin questions are how far equities could rise before falling back, and when it might happen.</p>				The Wall Street Journal	01/26/2018	James Mackintosh
What's News	♦ The Dow closed up 140.67 points at a record 26392.79, after Trump's remarks on the dollar pared gains.				The Wall Street Journal	01/26/2018	
Energy Stocks Start to Reflect Oil Surge <i>Oil and gas companies' shares benefit as demand is spurred by global growth; investors are bullish about firms' focus on profits over volume</i>	Energy stocks are finally catching up to the rally in crude prices, a sign that investors are increasingly positive about the long-term prospects of oil companies.				The Wall Street Journal	01/27-28/2018	Jon Sindreu and Georgi Kantchev
Economy Picks Up As Firms Plan New Spending	Business executives have reported solid earnings in recent weeks and pointed optimistically to investment and hiring plans for 2018,...				The Wall Street Journal	01/27-28/2018	Josh Mitchell

	...Friday the Commerce Department reported that U.S. economic output remained on an above-trend path in the final three months of last year.			
Gold Surge Accelerates as Dollar Falls <i>Bullion hits highest level since 2016, prodded by concerns about trade friction</i>	<p>Front-month gold has risen 9.1% from its December lows to \$1,351.60 a troy ounce, with investors betting that the dollar will fall as global growth picks up and major central banks around the world shift away from their ultra-easy monetary policies. A weaker dollar makes gold and other dollar-denominated commodities cheaper for overseas buyers.</p> <p>The WSJ Dollar Index, which tracks the U.S. currency against a basket of 16 others, dropped to its lowest level in roughly three years.</p> <p>Other possible geopolitical tensions helped drive gold last year to its best year since 2010, including the heightened rhetoric between the U.S. and North Korea and protests in Iran.</p> <p>Investors seeking protection against an unexpected pickup in consumer prices also have recently favored gold, which is commonly used as an inflation hedge.</p> <p>For now, however, some are eyeing a \$1,400 gold price – a level not seen since 2013.</p>	The Wall Street Journal	01/29/2018	Amrith Ramkumar
Global Stocks Start the Year With a Sizzle	<p>Stocks around the world have staged one of the best-ever beginnings to a year, a synchronized rally that has only gathered momentum after 2017's sharp gains.</p> <p>In the U.S., the S&amp;P 500's 7.5% rise so far in January is its biggest since 1987. In Asia, the Shanghai Composite has already surged 7.6%, surpassing last year's gain. Hong Kong's Hang Seng Index is up 11%, rising on all but two days this month. And in Europe, the German DAX and France's CAC 40 are up 3.3% and 4.1%, respectively.</p> <p>Strong corporate earnings and improving economic growth world-wide have fueled the gains, with the new U.S. tax law, which cuts corporate rates to 21% from 35%, bolstering optimism. The weaker U.S. dollar has been a boon to emerging markets while the recent pickup in Treasury yields has prompted a rotation by investors out of bonds and into stocks, further propelling equity markets, investors say.</p>	The Wall Street Journal	01/29/2015	Steven Russolillo
Long Bonds Signal Unease on Outlook <i>Strength of 30-year Treasurys suggests a different view on growth and inflation</i>	<p>A recent climb in the yield on the 10-year Treasury note has prompted some investors to declare an end to a more-than-three-decades bull market in bonds. But the longest-dated Treasurys suggest those calls may be premature.</p> <p>While the yield on the 10-year note rose above 2.70% during Monday's session, the highest it has been since April 2014, the 30-year yield closed at 2.940% - still well below its 2017 high of 3.194%.</p>	The Wall Street Journal	01/30/2018	Daniel Kruger
What's News	◆ The U.S. household saving rate fell in December to its lowest level since September 2005 amid a spending spree sparked by soaring stock prices and improving job prospects.	The Wall Street Journal	01/30/2018	
What's News	◆ Government-bond sales intensified around the world. The 10-year Treasury yield settled at its highest level since April 2014.	The Wall Street Journal	01/30/2018	

What's News	◆ U.S. stocks retreated as utilities and real estate shares declined. The Dow fell 177.23 points to 26439.48.	The Wall Street Journal	01/30/2018	
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"Leverage enters the market leisurely but exits quickly and violently." Barrons

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