

Market Indices:

Index Returns* (%)

	02/17/17	1 Week	02/10/17	Quarter-to-Date	Year-to-Date	2016 Annual Return
S&P 500	2,351.16	1.60%	2,316.10	5.32%	5.32%	11.95%
DJIA	20,624.05	1.88%	20,269.37	4.77%	4.77%	16.50%
NASDAQ	5,838.58	1.88%	5,734.13	8.65%	8.65%	8.97%
MSCI EAFE	1754.94	0.87%	1741.28	4.38%	4.38%	1.59%
MSCI EEM	38.39	0.44%	38.22	9.65%	9.65%	10.87%
10 Yr Treasury	2.42%	0.33%	2.41%	0.02%	0.62%	-7.71%
Oil (WTI)	53.40	-0.85%	53.86	1.25%	1.25%	45.03%
Gold	1,234.95	0.11%	1,233.65	6.66%	6.66%	8.56%
Euro	1.062	-0.25%	1.064	0.15%	0.15%	-3.18%
Yen	112.84	-0.34%	113.22	-2.79%	-2.79%	-2.71%
Unemp. Rate	4.80%	2.13%	4.70%	0.00%	0.00%	4.70%
Wilshire US Reit	279.86	0.02%	279.80	0.56%	0.56%	3.17%



Fact of the Week

Martin Van Buren was the first president to be born as a citizen of the United States. The presidents before him were born as British subjects.

Market Insights:

Past Week Headlines:

After a string of strong economic reports, markets expect the US Federal Reserve to hike rates in the first half of 2017, perhaps as soon as next month's meeting of the Fed's rate-setting committee. In congressional testimony this week, Chair Janet Yellen said that it would be risky to wait too long to raise interest rates and that the committee would consider hiking rates in coming meetings. Yellen holds press conferences once per quarter, and the two rate hikes this cycle have both come at meetings that were followed by press briefings. Her next press conference is scheduled for 15 March, with another on 14 June.

US president Donald Trump's pick for treasury secretary, Steven Mnuchin, was confirmed by the US Senate this week and sworn into office shortly thereafter. Tax reform is expected to be Mnuchin's early focus with Trump unveiling his tax reform package in the next few weeks.

With 75% of S&P 500 companies having reported (as of 15 February), aggregate earnings are up 5.2% year over year while revenues have grown 4.3%. According to Hedgeye Risk Management, if these trends hold up, the fourth quarter of 2016 will be the first time in two years that companies will have generated positive earnings for two straight quarters.

Economic Data Calendar:

Week of 2/20/2016	Event	Survey	Prior
02/21/2017	Markit US Manufacturing PMI	54.60	55.00
02/21/2017	Markit US Services PMI	55.50	55.60
02/21/2017	Markit US Composite PMI	--	55.80
02/22/2017	MBA Mortgage Applications	--	-3.70%
02/22/2017	Existing Home Sales	5.55m	5.49m

The Week Ahead Key Events:

- China reports trade data on Tuesday, 21 February
- Eurozone consumer price data is reported on Wednesday, 22 February
- UK Q4 gross domestic product are reported on Wednesday, 22 February

*All returns are calculated using total return (price change + income received). This Market Review provides data and commentary on global markets and is a resource to help clients understand the markets. It explores the implications of current economic data and changing market conditions. All data included in this review is sourced from readily available public resources. The views contained herein are not to be taken as an advice or recommendation to buy or sell any investment in any jurisdiction. This material should not be relied upon by you in evaluating the merits of investing in any securities or products. Any forecasts, figures, opinions or investment techniques and strategies set out are for information purposes only, based on certain assumptions and current market conditions and are subject to change without prior notice. All information presented herein is considered to be accurate at the time of writing, but no warranty of accuracy is given and no liability in respect of any error or omission is accepted. Investors should ensure that they obtain all available relevant information before making any investment. Diversification does not guarantee investment returns and does not eliminate the risk of loss, past performance is no guarantee of future results.