



INCISIVE INVESTOR

Randall Fielder, President & CEO

1400 Broadfield Blvd. Suite 200

Houston, TX 77084 713-955-3555

WEEK IN REVIEW MARKETS END UP AFTER A CHOPPY WEEK

Review of the week ended February 23, 2018

- **Dow & S&P 500 hit 3-week highs**
- **US companies are posting high profits**
- **Trump says US could re-think TPP**
- **Companies begin distancing themselves from NRA**
- **EU leaders can't agree on post-Brexit budget**

Dow & S&P 500 hit 3-week highs as stocks post widespread gains

The Dow Jones Industrial Average rose 347.51 points, or 1.4%, to 25,309.99, benefiting from sharp gains in bank stocks which are likely to profit as benchmark yields march higher. The index has been up for two straight weeks, representing its largest two week climb, up 4.6%, since Nov. 18, 2016, according to WSJ Market Data Group. The S&P 500 index added 43.34 points, or 1.6%, to 2,747 for two straight weeks of gains for the equity index, up 2.9% over that period, are its most since Feb. 13, 2015. The tech-laden Nasdaq Composite Index meanwhile, surged 127.30 points, or 1.8%, to end at 7,337.39, snapping a four-session skid, and putting

the index just 2.2% shy of its Jan. 26 peak at 7,505.77. It produced its best two-week stretch, up 6.7%, since Oct. 31, 2014.

For the week, the Dow climbed 0.4%, the S&P 500 logged a weekly climb of 0.6%, while the Nasdaq Composite notched a return of 1.4% over the period. Gold prices posted a weekly loss of 1.7% while the dollar as gauged by the ICE U.S. Dollar Index rose 0.2% to 89.950. Oil prices moved higher after rig-count data was released.

Markets were stronger as investors had their interest-rate concerns eased with a slate of Federal Reserve comments ahead of next week's testimony from new chairman Jerome Powell to the House Financial Services Committee on Tuesday

info@park10financial.com

www.park10financial.com

INCISIVE INVESTOR

morning. The Fed's Monetary Policy Report released Friday showed the Federal Open Market Committee reiterated expectations that continued economic growth will warrant more increases in the federal funds rate, but will "remain, for some time, below the levels that the committee expects to prevail in the longer run." The Fed's summary comes ahead of newly appointed Powell's testimony about the economy before Congress next week.

Powell's testimony arrives ahead of the Fed's key monetary-policy convention next month,

Bond yields pulled lower, with the 10-year rate further backing off the four-year high it reached on Wednesday after the release of the FOMC's meeting minutes from January renewed rate jitters and sent stocks into the red on that day.

On Thursday, bond yields moderated after St. Louis Fed President James Bullard cast doubt on the likelihood of four rate rises this year which dampened expectations of a faster pace of action.

Separately, comments from Treasury Secretary Steven Mnuchin were drawing attention. In an interview with Bloomberg, Mnuchin brushed aside concerns over rising wages, saying these didn't necessarily have to trigger a rise in overall inflation. The Fed policy report appeared

to echo that view.

U.S. companies are posting faster sales growth even before Trump tax cuts

U.S. companies are posting faster sales growth even before Trump tax cuts The big cut in U.S. taxes isn't yet reflected in any of the figures.



Trump says U.S. could join TPP under better terms

President Donald Trump said the U.S. could join the Trans-Pacific Partnership, but under terms that are better for the nation. Speaking at a news conference with Australian Prime Minister Malcolm Turnbull, Trump said "there's a possibility we would go in," but "they would be offering us a much better deal." Nearly half of the Senate's 51 Republicans have urged Trump to revive talks with other countries on the trade pact, which Trump rejected

Information included above as well as individual companies and/or securities mentioned should not be construed as investment advice, recommendation to buy or sell or an indication of trading intent on behalf of anyone associated with Park 10 Financial, LLC. Information contained in this newsletter is based on sources believed to be reliable; however, their accuracy or completeness cannot be guaranteed.

INCISIVE INVESTOR

last year.

US companies distance themselves from NRA as pressure mounts

U.S. companies are taking a closer look at investments, co-branding deals and other ties to the gun industry and its public face, the National Rifle Association, after the latest school massacre. Petitions are circulating online targeting companies that offer discounts to NRA members on its website. #BoycottNRA is trending on Twitter. For a second consecutive day companies listed on the site have cut ties to the NRA as it aggressively resists calls for stricter gun control.



EU leaders can't agree yet on post-Brexit budget

European Union leaders are unlikely to agree this year on a new multiyear budget that will plug a huge funding gap caused by Britain's departure from the bloc. That's what European Council President Donald

Tusk said Friday after a summit of EU leaders minus Britain's prime minister. He says the bloc will spend more on increased defense and stemming illegal migration but there will be fewer lawmakers in the European Parliament.

Major Stock Moves

The day's gains were broad, with all 11 primary S&P 500 sectors ending higher on the day. Technology shares were among the biggest percentage gainers, up 2.2%, while energy rose 2.2%, supported by a 1.2% increase in the price of crude oil. Utilities, energy and information technology all rallied more than 2% with Intel (INTC) rising 4.2% and Microsoft (MSFT) gaining 2.5%. Capital One Financial was among the big gainers, adding 2.5 percent and Vertex Pharmaceuticals led the health care sector's winners by climbing 5.3 percent.

Shares of Blue Buffalo Pet Products Inc. soared 17.2% after General Mills Inc. announced an \$8 billion buyout of the company. Shares of General Mills were off 3.6%. Hewlett-Packard Enterprises Co. (HPE) shares jumped about 10.5% after the enterprise-focused tech group reported a strong fiscal first quarter and raised its estimates for the rest of the year. It also said it would increase its quarterly dividend. Shares of HP Inc. (HPQ) rose 3.5% after the consumer-focused tech company beat earnings expectations and raised its full-year forecast.

INCISIVE INVESTOR

In other company news, Cabot Oil & Gas (COG) rose 2.4% after expanding a share repurchase program as it reported better-than-expected fourth quarter earnings. KBR (KBR) sank 16% after fourth quarter results missed expectations and said it would pay \$355 million to acquire Stinger Ghaffarian Technologies. Retailer Nordstrom (JWN) rose 6.5% after Reuters said the founding family is close to submitting an offer to take the company private.

Foreign Markets

European stocks closed mostly higher Friday. Germany's DAX index rose 0.2 percent, while France's CAC 40 gained 0.2 percent. London's FTSE 100 slid 0.1 percent. While Asian stocks rebounded to mark a second-straight week of gains. Tokyo's Nikkei 225 gained 0.7 percent, Hong Kong's Hang Seng added 1 percent and Seoul's Kospi rose 1.5 percent.

THE WEEK AHEAD - UNITED STATES

Date	Release/Event
• Monday, February 26	St. Louis Federal Reserve Bank President James Bullard Speech , New Home Sales, Dallas Fed Mgf Survey
• Tuesday, February 27	Federal Reserve Chairman Jerome Powell Speech , Durable Goods Orders
• Wednesday, February 28	GDP, Chicago PMI, Pending Home Sales Index, Federal Reserve Chairman Jerome Powell Speech
• Thursday, March 1	Motor Vehicle Sales, Jobless Claims, Bloomberg Consumer Comfort Index, PMI Manufacturing Index
• Friday, March 2	Consumer Sentiment



I will be glad to show you how I have helped many other area residents plan for a more secure future for themselves and their heirs. Have you done enough to determine that your investments allocated properly for you goals, dreams, and legacy? Call today to schedule your personal appointment date and time.

-Randall Fielder
(713-955-3555, randall@park10financial.com)