



Market in a Minute
February 12, 2019

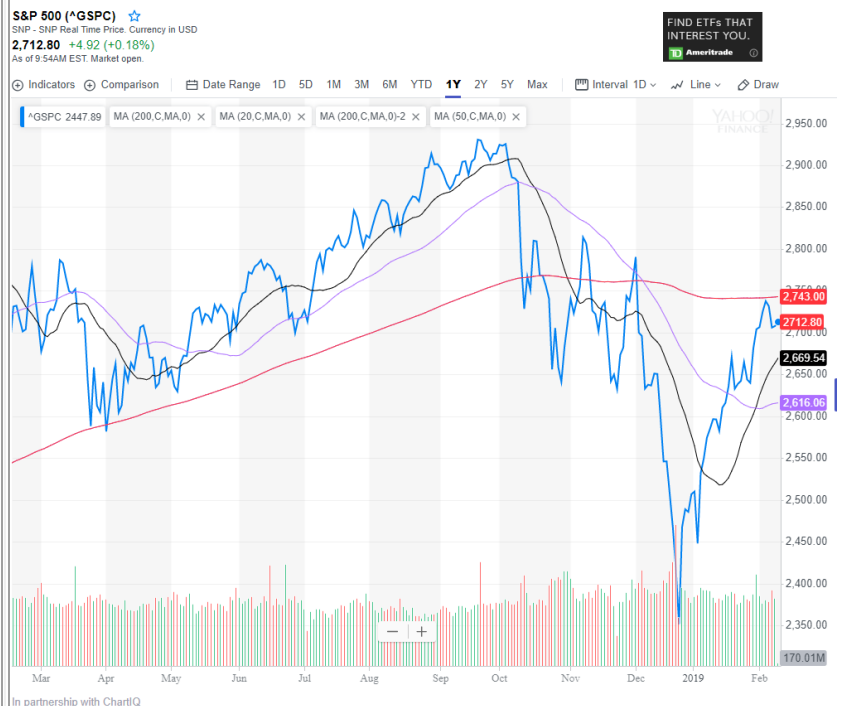
Index Performance: As of Feb. 08, 2019

Index	Price	Last Week	YTD
Dow Jones 30	25106.33	0.2%	7.6%
S&P 500	2707.88	0.0%	8.0%
NASDAQ	7298.2	0.5%	10.0%
Russell 2000	7515.44	0.3%	11.8%
Russell 2000 Growth	6762.74	0.4%	12.2%
Russell 2000 Value	11242.99	0.2%	11.4%
Russell 1000 Growth	1407.75	0.7%	9.7%
Russell 1000 Value	1533.96	-0.4%	7.8%
Shanghai SE Index	2741.84	0.0%	5.0%
SPDR Gold Shares	124.21	-0.2%	2.4%
GS Crude Oil Total Return	5.83	-6.0%	21.7%
Powershares US \$ Index	25.72	1.3%	1.1%
Ishares EAFE Index	62.02	-1.0%	5.5%
iShares Barclays 20+ Yr Treasury Bond	122.35	1.1%	0.7%
Utilities Select Sector ETF	55.68	2.1%	5.2%
Vanguard REIT ETF	84.12	1.5%	12.8%
iShares Mortgage Real Estate	43.63	0.3%	9.2%
Wells Fargo BDC	19.3	0.4%	9.1%
Alerian MLP ETF	9.65	-2.9%	10.5%
iShares Global Telecom	54.33	-0.4%	8.3%

A Word on the Market by Pat Adams, CFA

We believe there are a couple of large fundamental catalysts left for the market, a trade deal with China, and the Federal Reserve backing away from shrinking their balance sheet. Like we have mentioned previously, we are thinking it is going to be very hard for China to agree to stop stealing I.P., and therefore, hard to get a deal done. The Fed is likely not going to stop shrinking their balance sheet until the market falls by a meaningful amount. Global growth has been weakening, Europe appears to be seeing negative to flat growth and China really appears to be headed into a major recession. So, the major catalyst to drive the market at this point is China, should it occur the market could see a significant short-term rally.

The chart below of the S&P 500, you can see the market rallied up close to the 200-day moving average at 2743 and ran out of gas. We would like to see the market stay below the 200-day and build some momentum for a sustainable rally on positive fundamental news. In the short-term we are watching the 20-day as support at 2669.



ETFMG Alternative Harvest ETF	34.33	-4.3%	37.7 %
BitCoin Investment Trust	4.46	10.9 %	12.6 %

Source: Bloomberg & Yahoo.com, Returns are appreciation only.

S&P Sector Performance: As of Feb. 08, 2019

Index	Price	Last Week	YTD
Information Technology	1190.85	1.8%	9.4%
Consumer Disc.	843.51	-0.3%	8.0%
Consumer Staples	552.62	1.1%	5.9%
Health Care	1040.39	-0.9%	4.0%
Financials	425.53	-1.5%	7.4%
Industrials	614.16	1.5%	13.3 %
Energy	463.84	-3.3%	9.3%
Communications Services	151.73	-0.3%	9.3%
Utilities	282.38	2.0%	5.2%
Materials	330.26	-1.6%	4.4%
Real Estate	214.5	1.4%	11.5 %

Source: Bloomberg website, Returns are appreciation only.

Interest Rates

Fed Fund	2.25-2.50	5-Year	2.44
3-Month	2.43	10-Year	2.63
6-Month	2.49	30-Year	2.97
2-Year	2.45		

Source: Bloomberg.com

Economic Events This Week

12-Feb	Fed Chair Powell Speaks		
13-Feb	CPI	0.1%	-0.1%
13-Feb	Core CPI	0.2%	0.2%

The technicals warrant some caution, on the fundamental side, earnings growth expectations have moderated significantly, however valuations are now at the upper end of their range. With the market's significant bounce off the bottom in December and earnings estimates being cut, stock prices are back to being on the expensive side. There are still very many attractively valued individual stocks in the Value sector of the market, but we would like to see the market cheaper, either because the fundamentals improve, or the market pulls back.



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14-Feb	Core Retail Sales	0.0%	0.2%
14-Feb	PPI	0.1%	-0.2%
14-Feb	Retail Sales	0.1%	0.2%
14-Feb	Core PPI	0.2%	-0.1%
14-Feb	Unemployment Claims	225K	234K
15-Feb	Consumer Sentiment Index	93.0	91.2

Source: Briefing.com

Economic Events Last Week

Date	Event
04-Feb	Factory orders in the U.S. drops by 0.6% in November versus expectations of 0.2% decline
05-Feb	ISM Non-Manufacturing PMI slipped to 56.7% in January from 57.6%
05-Feb	President Donald Trump delivered the State of the Union address
06-Feb	U.S. trade deficit falls 11.5% in November to 5-month low of \$49.3 billion from \$55.7 billion in October
07-Feb	Initial jobless claims fall by 19,000 to 234,000
07-Feb	US consumer credit growth slows to 16.6 billion from a 22.4 billion in November

Source: Briefing.com

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