



## Market in a Minute

April 09, 2019

### Index Performance: As of Apr. 05, 2019

| Index                                 | Price    | Last Week | YTD   |
|---------------------------------------|----------|-----------|-------|
| Dow Jones 30                          | 26424.99 | 1.9%      | 13.3% |
| S&P 500                               | 2892.74  | 2.1%      | 15.4% |
| NASDAQ                                | 7938.69  | 2.7%      | 19.6% |
| Russell 2000                          | 7917.83  | 2.8%      | 17.8% |
| Russell 2000 Growth                   | 7235.44  | 2.5%      | 20.1% |
| Russell 2000 Value                    | 11653.14 | 3.1%      | 15.4% |
| Russell 1000 Growth                   | 1524.61  | 2.4%      | 18.8% |
| Russell 1000 Value                    | 1622.42  | 1.9%      | 14.0% |
| Shanghai SE Index                     | 3400.51  | 5.0%      | 30.2% |
| SPDR Gold Shares                      | 121.98   | 0.0%      | 0.6%  |
| GS Crude Oil Total Return             | 7.29     | 7.0%      | 52.2% |
| Powershares US \$ Index               | 26.06    | 0.1%      | 2.4%  |
| Ishares EAFE Index                    | 66.25    | 2.1%      | 12.7% |
| iShares Barclays 20+ Yr Treasury Bond | 124.03   | -1.9%     | 2.1%  |
| Utilities Select Sector ETF           | 58.1     | -0.1%     | 9.8%  |
| Vanguard REIT ETF                     | 87.84    | 1.1%      | 17.8% |
| iShares Mortgage Real Estate          | 43.72    | 0.9%      | 9.5%  |
| Wells Fargo BDC                       | 20.02    | 1.7%      | 13.2% |
| Alerian MLP ETF                       | 10.15    | 1.2%      | 16.3% |
| iShares Global Telecom                | 57.63    | 2.4%      | 14.8% |
| ETFMG Alternative Harvest ETF         | 36.3     | -0.2%     | 45.5% |
| BitCoin Investment Trust              | 6.26     | 31.0%     | 58.1% |

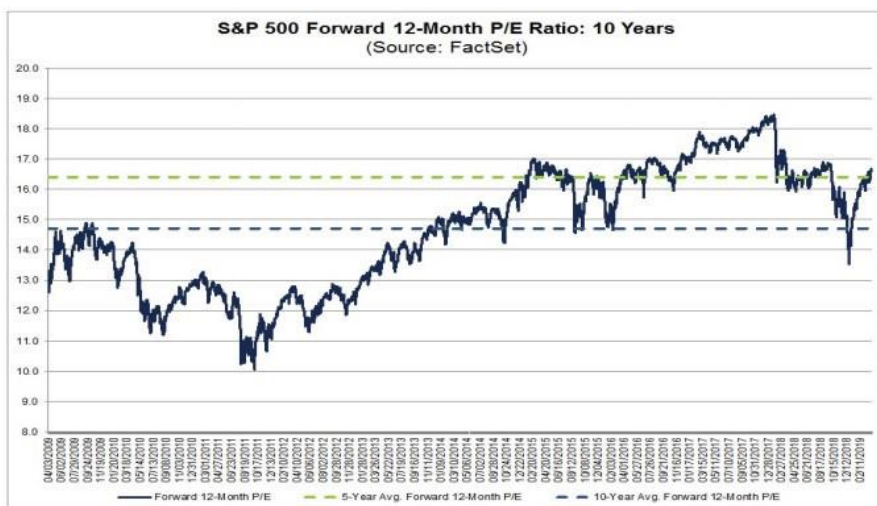
Source: Bloomberg & Yahoo.com, Returns are appreciation only.

### S&P Sector Performance: As of Apr. 05, 2019

| Index                  | Price   | Last Week | YTD   |
|------------------------|---------|-----------|-------|
| Information Technology | 1332.22 | 2.5%      | 22.3% |

### A Word on the Market by Pat Adams, CFA

**Fundamentals:** We would describe the fundamentals of the market as negative but improving. At this point, the positive improvement seems to be reflected in the overall valuation. The first quarter earnings for the S&P 500 are now expected to be -4.2%, the second quarter 0%, and for the entire 2019, growth of 4.9%. Any negative deviation from the trend will give the market serious heartburn. As we have mentioned over and over again, the Federal Reserve has raised rates too much. Lastly, the valuation of the market is back to being high, at close to 17x earnings. We would give our economy a 5 out of 10 and the global economy a 2. If we get a trade deal then the view of the economy would improve, but the valuation of the market would still high. The market could go higher as a big rotate into more economically sensitive stocks or value stocks. For now, the market has flattish earnings and high valuations. We will be watching the banks report earnings this Friday and discuss the implications of the inverted yield curve.



**Technicals:** The market is in an overbought condition, and therefore vulnerable to bad news. The S&P 500 is back up to the top end of its trading range. As we have mentioned the pattern looks very much like a head and shoulders formation. It needs to take out the old high of 2930, otherwise it is very vulnerable for a pullback. We believe the technicals are positive but the trend is barely in an upward pattern.

|                         |         |       |       |
|-------------------------|---------|-------|-------|
| Consumer Disc.          | 930.29  | 3.2%  | 19.1% |
| Consumer Staples        | 574.07  | -1.0% | 10.0% |
| Health Care             | 1065.28 | 0.3%  | 6.5%  |
| Financials              | 441.4   | 3.3%  | 11.4% |
| Industrials             | 649.13  | 2.7%  | 19.8% |
| Energy                  | 500.45  | 2.2%  | 18.0% |
| Communications Services | 162.33  | 2.9%  | 16.9% |
| Utilities               | 294.7   | -0.2% | 9.7%  |
| Materials               | 362.03  | 4.3%  | 14.4% |
| Real Estate             | 226.47  | 0.9%  | 17.8% |

Source: Bloomberg website, Returns are appreciation only.

#### Interest Rates

|          |           |         |      |
|----------|-----------|---------|------|
| Fed Fund | 2.25-2.50 | 5-Year  | 2.33 |
| 3-Month  | 2.43      | 10-Year | 2.52 |
| 6-Month  | 2.48      | 30-Year | 2.93 |
| 2-Year   | 2.36      |         |      |

Source: Bloomberg.com

#### Economic Events This Week

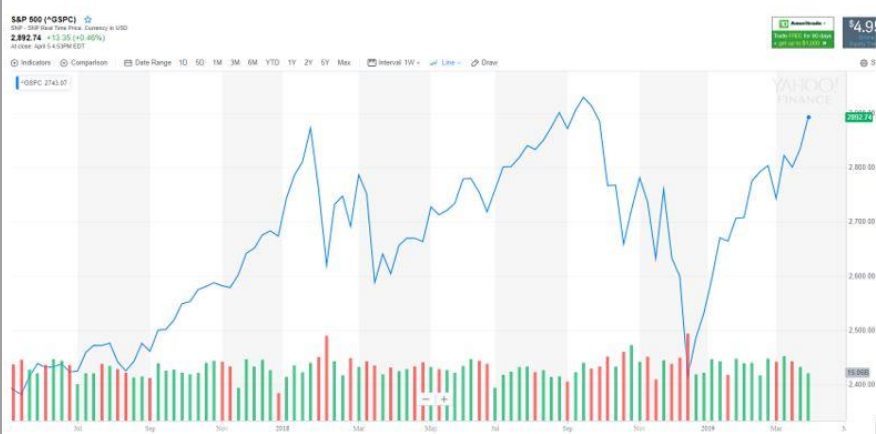
|        |                               |          |        |
|--------|-------------------------------|----------|--------|
| 08-Apr | Factory Orders m/m            | -0.5%    | -0.5%  |
| 09-Apr | JOLTS Job Openings            | 7.54M    | 7.58 M |
| 10-Apr | CPI m/m                       | 0.3%     | 0.2%   |
| 10-Apr | Core CPI m/m                  | 0.2%     | 0.1%   |
| 10-Apr | Federal Budget Balance        | -194.7 B | -234B  |
| 11-Apr | PPI m/m                       | 0.3%     | 0.1%   |
| 11-Apr | Core PPI m/m                  | 0.2%     | 0.1%   |
| 12-Apr | Prelim UoM Consumer Sentiment | 98.1     | 98.4   |

Source: Briefing.com

#### Economic Events Last Week

| Date | Event |
|------|-------|
|------|-------|

2 Year Chart S&P 500



**Individual stock:** You know we like the 5G theme, we do not see a better theme, which should easily last 5 years, things are just getting started. NOK is one of a few good ways to play this theme. 5G is 20x as fast as 4G and will require significantly more spending by the telecom companies globally. NOK is currently at a market multiple with a 3.3% dividend yield. We believe the stock below \$6.00 is a rare opportunity and expect the stock to approach \$20 over the years as the valuation expands and the earnings show very significant growth.

NOK long term chart



Please let us know if you would like to discuss.  
800.777.0818

Please visit our website for more information.  
[www.pvgassetmanagement.com](http://www.pvgassetmanagement.com)

|                      |  |
|----------------------|--|
| <b>01-Apr</b>        | U.S. retail sales fall 0.2% compared to market expectation of 0.3% gain        |
| <b>01-Apr</b>        | U.S. manufacturing rebounds to 55.3% from two-year low of 54.2% in February    |
| <b>02-Apr</b>        | Durable-goods orders down 1.6% against a forecast of 1.1 decline               |
| <b>03-Apr</b>        | ADP Non-Farm Employment falls to 129K, 18 months low                           |
| <b>03-Apr</b>        | ISM non-manufacturing index falls to 56.1 in March from 59.7                   |
| <b>04-Apr</b>        | Jobless claims slips to 202K at the end of March from 212K reported previously |
| <b>05-Apr</b>        | Growth in hourly pay slows to 0.1% from 0.4%                                   |
| <b>05-Apr</b>        | Non-Farm Employment Change up to 196K in March exceeding the forecast of 179K  |
| <b>05-Apr</b>        | Unemployment rate near a 50-year low of 3.8%                                   |
| Source: Briefing.com |  |

Phone: (800) 777-0818  
Email: [Information@pvgasset.com](mailto:Information@pvgasset.com)  
Web: [www.pvgassetmanagement.com](http://www.pvgassetmanagement.com)