

Week Ahead

Weakness in the equity markets continued last week as geopolitical headlines continue to hit the tape. Last week's major announcement was from President Trump implementing tariffs on Mexico until they curb the illegal immigration at their borders. These tariffs will start at 5% and move up to 25% in 5% increments and stay in place until the Mexican government shows improvement. This took markets by surprise and pushed the indexes lower into month end. If that wasn't enough for the market to digest, President Trump on Friday, said India would be removed from the U.S.'s privileged-trading program called the Generalized System of Preferences on Wednesday. Under the program meant for developing economies, the U.S. has allowed India to avoid tariffs on certain exports to the U.S. in the interest of promoting tighter trade ties and development. We have also heard rumors of tariffs being levied against Australia as well. I am sure this would be put on their steel and aluminum exports. With all of this uncertainty going on, it is not a surprise that the market as reacted negatively. However, we still feel we are in a bull market and believe now is a time to start putting some of our cash reserves to work. Keep your eye on the Jobs number on Friday and most importantly wages.

Major Earnings Announcements for the Week:

Monday-	None
Tuesday-	Cracker Barrel, Donaldson, Tiffany, GameStop & Salesforce.com
Wednesday-	American Eagle Outfitters, Brown-Forman, Campbell Soup, Vera Bradley & Five Below
Thursday-	Ciena, Kirkland's, Michaels, Signet Jewelers, JM Smucker & Guess
Friday-	Foot Locker

Economic Calendar/ Market Moving Events:

Monday-	Markit US Manf PMI 9:45, ISM Manf & Prices Paid 10:00AM, Construction Spending MoMo 10:00AM
Tuesday-	Factory Orders 10:00AM, Durable Goods and Capital Goods Orders 10:00AM
Wednesday-	Markit US Services PMI 9:45AM, ISM Non-Manf Index 10:00AM & Fed Beige Book 2:00PM
Thursday-	Trade Balance 8:30AM
Friday-	Nonfarm Payrolls 8:30AM, Unemployment Rate 8:30AM, Avg. Hourly Earnings 8:30AM, Wholesale Inventories 10:00AM & Consumer Credit 3:00PM