

Week Ahead

Last week, the market finished marginally lower, taking all the negative headlines in stride. This week, focus will return once again to Economic data. The most important number in our view will be the PCE deflator. This is the Federal Reserve's favorite proxy for gauging inflation. A hot number could send the market reeling, as Fed Chair Powell stated last week that the Fed would return to data dependency when making future monetary policy decisions. Some pundits described last week's decision as a hawkish cut. In our view, the biggest issue currently going on behind the scenes remains is the repo market. There was a lot of turmoil last week, as repo rates skyrocketed forcing the Fed to step in. We saw three separate injections in the banking system in what we would call QE lite. This will definitely be something that we keep our eye on going forward.

Major Earnings Announcements for the Week:

Monday-	None
Tuesday-	CarMax, AutoZone, Jabil, Cintas & Nike
Wednesday-	Worthington Industries, HB Fuller & KB Home
Thursday-	Conagra Brands, Accenture, FactSet & Micron Technology
Friday-	None

Economic Calendar/ Market Moving Events:

Monday-	Chicago Fed Nat Activity 8:30AM, Markit US Manufacturing PMI 9:45AM & Markit US Services PMI 8:30AM
Tuesday-	FHFA House Price Index 9:00AM
Wednesday-	New Home 10:00AM
Thursday-	GDP Annualized 8:30AM, Wholesale Inv 8:30AM & Pending Home Sales 10:00AM
Friday-	Personal Income and Spending 8:30AM, Durable Goods 8:30AM, Cap Goods Orders 8:30AM, PCE Releases 8:30AM & U. of Michigan Sentiment 10:00AM