

Week Ahead

Last week began in the midst of continued political gridlock with the government shutdown; however, history has demonstrated that government shutdowns rarely affect the market. That statement held true as the market posted another strong week of returns as the market continues to reach new all-time highs. Corporate earnings helped drive these positive returns as some of the world's largest companies posted better than expected earnings and revenues along with upbeat guidance. AMB does believe the market is vulnerable to a slight correction in the coming weeks, but we also deem any market pullback as a buying opportunity.

Economic releases from last week came in weaker than expected. The headlining release was 4th quarter revised GDP, which came in under expectations at 2.6% compared to the previous estimate of 3.2%. This put U.S. growth at 2.3% for 2017, which was less than many had anticipated, but it was much stronger than the sub 2% figure posted in 2016. AMB is keeping a close eye on the uptick in yields in addition to the dollar, while continued talks of a weak dollar being good for trade out of the Oval Office has put the dollar at a 3-year low.

Corporate earnings will continue to report this week. Most of the FAANG names will report this week, which will start this Wednesday along with AT&T, Chevron, and Exxon Mobile. Due to their relative size, each one of these announcements will be a market moving event. Headlining the economic front this week is non-farm payrolls, which are expected to increase 180,000 above last month's weaker than expected 148,000. Moreover, this will also be Fed Chair Yellen's final meeting, so we do not expect any sensational announcements from the Fed this week.

Major Earnings Announcements for the Week:

- Monday -** Affiliated Managers, Dominion & Lockheed Martin
- Tuesday -** Aetna, Corning, Danaher, Dover, Harley-Davidson, McDonald's, Pentair, Pfizer, T Rowe Price, Zimmer Biomet, Chubb, Advanced Micro Devices, Chubb, Illumina, Juniper, Packaging Corp & Stryker
- Wednesday -** Anthem, ADP, Boeing, Check Point, Eli Lilly, Ingersoll-Rand, Johnson Controls, Tectra, Thermo Fisher, Xerox, Aflac, AT&T, Duke, eBay, Facebook, Lincoln National, MetLife, Microsoft, Mondelez, PayPal, Qualcomm, Symantec, Tractor Supply & Unum
- Thursday -** Altria, Baxter, Boston Scientific, Cigna, CME, ConocoPhillips, DowDuPont, Eaton Corp, Hershey, International Paper, Marathon Petroleum, Marsh & McLennan, MasterCard, McKesson, Parker Hannifin, Ralph Lauren, Time Warner, UPS, Xylem Alphabet, Amazon, Amgen, Apple, Eastman Chemical, Hanesbrands, Mattel, Motorola & Visa
- Friday -** Aon, Chevron, Clorox, Exxon, LyondellBasell, Merck, Phillips 66, Roper Technologies & Weyerhaeuser

Economic Calendar/ Market Moving Events:

Monday - Personal Income, Personal Spending, PCE Core MoM & YoY - 8:30 AM

Tuesday -

Wednesday - FOMC Rate Decision - 2:00 PM

Thursday - Challenger Job Cuts - 7:30 AM

Markit US Manf. PMI - 9:45 AM

Construction Spending & ISM Manufacturing - 10:00 AM

Friday - Non-Farm Payrolls - 8:30 AM

Unemployment Rate - 8:30 AM

Factory Orders & Durable Goods - 10:00 AM

Baker Hughes Rig Count - 1:00 PM