

Week Ahead

The headline for most of last week was tax reform, as President Trump's agenda took a major step toward reality as it passed in the House on Thursday of last week. Despite the initial passing, there is still a long way for the bill to go, and as the division in Congress continues to spread, getting any meaningful tax reform passed in 2017, in our view, is a longshot. The main issue continues to be the discrepancy in the bills between the House and the Senate. It is worth mentioning Republicans can only lose two votes in the Senate, and one, Senator Ron Johnson, is already faltering as he came out against the bill. Last Thursday, the House passed the bill and Senator Johnson believes his issues with the bill can be addressed, which led to a nice bounce back rally after the week's feeble beginning.

Economic data and earnings releases will be on the light side this week. This week the essential piece of information will be the Fed minutes, which will be released this Wednesday. This may give us a little more insight on the timing and pace of future rate hikes. The probability for a December hike stands at 92% currently. Unless some unforeseen event hits the financial markets, we expect the Fed to go through with another hike. This will put pressure on the front end of the yield curve, and it will continue the flattening process we have witnessed over the past year. Going forward, AMB still believes the intermediate to longer end of the curve is where investors should be positioned.

This week will be a shortened trading week as markets will be closed on Thursday and open for only half of the day on Friday. We expect the markets to be fairly quiet, and AMB hopes everyone has a happy and safe Thanksgiving.

Major Earnings Announcements for the Week:

- Monday -** Agilent, Brocade, Intuit, and Urban Outfitters
- Tuesday -** Analog Devices, Campbell Soup, Cracker Barrel, Dollar Tree, Eaton Vance, Hewlett Packard, Hormel, Lowe's, Medtronic, and Salesforce.Com
- Wednesday -** Deere & KLX.
- Thursday -**
- Friday -** Big Lots

Economic Calendar/ Market Moving Events:

- Monday -** Leading Indicators - 10:00AM
- Tuesday -** Chicago Fed Nat Activity - 8:30AM
Existing Home Sales - 10:00AM
- Wednesday -** Durable Goods - 8:30AM
FOMC Meeting Minutes - 2:00PM

Thursday -

Friday - Markit US Manufacturing PMI - 9:45AM

Markit US Services PMI - 9:45AM