

## Week Ahead

Regarding the Jobs number we stated last week, "We believe a strong number on Friday will give the market pause. The reaction would be good news is bad news and one would expect a move to the downside on a hot number." The number turned out pretty strong beating expectations handily and the market subsequently traded lower on Friday and into Monday. However, the Fed was giving cover by the weaker than expected wage growth number, which again points to lower inflation expectations. This week, all eyes will be on Fed Chair Powell as he testifies before Congress. He can neither be too dovish nor too hawkish as both sides will inevitably claim political bias if he is. We still are in the camp that any downside move of significance should be bought. Sentiment remains fearful and cash levels remain at record highs; both are bullish indicators.

### Major Earnings Announcements for the Week:

<b>Monday-</b>	None
<b>Tuesday-</b>	Pepsi, Levi Strauss & WD-40
<b>Wednesday-</b>	Costco, Bed Bath & Beyond & Delta Airlines
<b>Thursday-</b>	Fastenal & L Brands
<b>Friday-</b>	None

### Economic Calendar/ Market Moving Events:

<b>Monday-</b>	Consumer Credit 3:00PM
<b>Tuesday-</b>	Fed Stress Test Conference 8:45AM
<b>Wednesday-</b>	Jay Powell Testifies 10:00AM, Wholesale Inventories 10:00AM & FOMC Minutes 2:00PM
<b>Thursday-</b>	CPI 8:30AM, Core CPI 8:30AM, Powell Testimony 10:00AM & Fed Budget
<b>Friday-</b>	PPI 8:30AM