

HEADLINE NEWS
Busy Week with Spotlight on FOMC, Jobs, and Earnings

- There are several macroeconomic data releases worth watching this week. Investors will get the latest read on inflation with the publication of the PPI on Tuesday and the CPI on Wednesday. The team at Appleton will be watching Wednesday's retail sales report closely. This past Friday, the Univ. of Michigan's consumer sentiment survey came in at 95.7, below the consensus estimate of 97.6 and down from the prior month's reading of 98.5. Sentiment surveys, typically referred to as "soft" data, have been strong since the election, rising on hopes of economy-friendly policies. "Hard" data, such as the labor report or retail sales, have not followed through as much as the strong soft data. We believe the discrepancy is largely due to the lack of firm details on the new administration's plan for taxes, deregulation, and infrastructure spending. Given the moderate drop in the "soft" sentiment survey, we will be eager to see how the "hard" retail sales data comes through this week.
- Fourth quarter earnings season is winding down with 71% of the S&P 500 having reported. According to data from FactSet Research, 67% of reporting companies have beaten earnings estimates, and 52% have beaten sales expectations. The blended earnings growth rate has increased to 5.0%, led by upside surprises and positive revisions in the Technology sector. We are encouraged to see the revenue blended growth rate at 5.0%, which if it holds will be the highest top-line growth rate since Q1 2012 (+5.3%).

US 10Y Treasury Yield

WTI Crude Oil Spot Price (\$/barrel)

Max: 54.01 (28-DEC-16), Min: 26.19 (11-FEB-16), Last: 53.85 (10-FEB-17)


NOTABLE EARNINGS DUE THIS WEEK

DATE	TIME	TICKER	COMPANY NAME
2/14	Before Market	MLM-US	Martin Marietta Materials, Inc.
2/15	06:30 AM	PEP-US	PepsiCo, Inc.
2/15	After Market	KHC-US	The Kraft Heinz Co.
2/15	04:30 PM	CSCO-US	Cisco Systems, Inc.
2/16	07:00 AM	ZTS-US	Zoetis, Inc.
2/16	After Market	DLR-US	Digital Realty Trust, Inc.
2/17	Before Market	DE-US	Deere & Co.

Source: FactSet and API

KEY MACROECONOMIC DATA DUE THIS WEEK

DATE	TIME	EVENT	PERIOD	CONSENSUS	PRIOR
2/14	8:30 AM	PPI ex-Food & Energy SA M/M	JAN	0.20%	0.10%
2/14	8:30 AM	PPI SA M/M	JAN	0.30%	0.30%
2/15	8:30 AM	CPI ex-Food & Energy SA M/M	JAN	0.20%	0.20%
2/15	8:30 AM	CPI SA M/M	JAN	0.30%	0.30%
2/15	8:30 AM	Retail Sales ex-Auto SA M/M	JAN	0.40%	0.20%
2/15	8:30 AM	Retail Sales SA M/M	JAN	0.10%	0.60%
2/15	9:15 AM	Industrial Production SA M/M	JAN	0.0%	0.83%
2/15	10:30 AM	EIA Crude Oil Stocks	02/10		13.8M
2/16	8:30 AM	Initial Claims SA	02/11	247.0K	234.0K
2/17	1:00 PM	Baker Hughes U.S. Oil Rigs	02/17		591.0

Source: FactSet and API

S&P 500


Source: FactSet Prices

INDEX RETURNS (AS OF 2/10/17)

	MTD	YTD
S&P 500	1.73	3.66
Dow Jones Ind. Avg.	2.20	2.84
Barclays MM Short 1-5 Yr.	0.26	1.08
Barclays MM 1-10 Yr.	0.42	1.30
ML US Gov/Corp 1-10 Yr.	0.15	0.37

Source: Interactive Data

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