

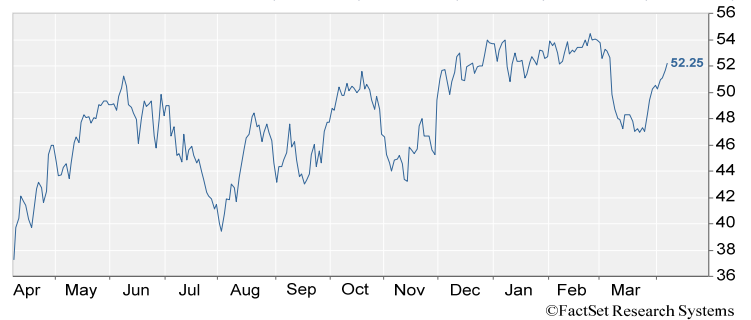
HEADLINE NEWS
Financials Kick Off First Quarter Earnings Later This Week

- First quarter earnings season commences later this week with a number of banks reporting on Thursday, including PNC Financial, Citigroup, JP Morgan, and Wells Fargo. The Financials sector enjoyed a sharp rally following the election as the reflation trade took hold, but have since plateaued and are underperforming the broader market year-to-date. Investors will be interested to hear what management has to say about the rate environment, lending activity, and the regulatory climate, all crucial to the outlook for the sector going forward.
- Aggregate earnings for the S&P 500 are set to grow 8.9% this quarter, which would mark the highest growth rate since the fourth quarter of 2013, according to data from FactSet Research. Over the past 5 years, the actual growth rate has exceeded the estimated growth rate by 4.1%, so a double-digit growth rate this quarter is well within reason. Revenue growth is slated to come in at +7.1%, which would be the highest rate since the fourth quarter of 2011. The team at Appleton will be particularly interested in the quarterly reports from the Energy sector, as it is expected to be the index's top contributor to both revenue and earnings growth. Ex-Energy, the earnings growth rate drops from 8.9% to 5.1%, and revenue growth slides to 5.1% from 7.1%.
- Aside from earnings, there are a number of macroeconomic data releases worth watching this week. We get PPI on Thursday and CPI and retail sales on Friday, despite the market holiday.

S&P 500

WTI Crude Oil Spot Price (\$/barrel)

Max: 54.48 (23-FEB-17), Min: 37.30 (07-APR-16), Last: 52.25 (07-APR-17)


US 10Y Treasury Yield

NOTABLE EARNINGS DUE THIS WEEK

DATE	TIME	TICKER	COMPANY NAME
4/12	Unspecified	DAL-US	Delta Air Lines, Inc.
4/12	07:00 AM	FAST-US	Fastenal Co.
4/13	Unspecified	PNC-US	The PNC Financial Services Group, Inc.
4/13	06:45 AM	JPM-US	JPMorgan Chase & Co.
4/13	08:00 AM	C-US	Citigroup, Inc.
4/13	08:00 AM	WFC-US	Wells Fargo & Co.

Source: FactSet and API

KEY MACROECONOMIC DATA DUE THIS WEEK

DATE	TIME	EVENT	PERIOD	CONSENSUS	PRIOR
4/10	04:10 PM	Yellen discussion, Univ. of Michigan			
4/11	06:00 AM	NFIB Small Business Index	MAR		105.3
4/12	10:30 AM	EIA Crude Oil Stocks	04/07		1.6M
4/13	08:30 AM	Initial Claims SA	04/08	245K	234.0K
4/13	08:30 AM	PPI ex-Food & Energy SA M/M	MAR	0.20%	0.30%
4/13	08:30 AM	PPI SA M/M	MAR	0.0%	0.30%
4/14	08:30 AM	CPI ex-Food & Energy SA M/M	MAR	0.20%	0.20%
4/14	08:30 AM	CPI SA M/M	MAR	0.0%	0.10%
4/14	08:30 AM	Retail Sales ex-Auto SA M/M	MAR	0.10%	0.20%
4/14	08:30 AM	Retail Sales SA M/M	MAR	0.0%	0.10%

Source: FactSet and API

INDEX RETURNS (AS OF 4/7/17)

	MTD	YTD
S&P 500	-0.24	5.81
Dow Jones Ind. Avg.	0.02	5.21
Barclays MM Short 1-5 Yr.	0.17	1.52
Barclays MM 1-10 Yr.	0.35	2.04
ML US Gov/Corp 1-10 Yr.	0.08	0.72

Source: Interactive Data

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