

**HEADLINE NEWS**
**Harvey**

At Appleton Partners, our thoughts are with all of those impacted by Hurricane Harvey and the ongoing storm that continues to flood much of southeast Texas and the surrounding area. With nearly 50 inches of rainfall in some parts of Texas, and more on the way in the coming days, it is impossible to assess the final economic damage caused by the storm. Estimates for insured losses range anywhere from \$20-\$50 billion according to industry sources and are sure to climb. During Monday's trade, property and casualty insurers traded down moderately as investors were able to look past potential short-term losses and focus on the increase in premiums that are sure to follow. Energy stocks were hit, as the price of WTI crude oil dropped by roughly 3% on concerns that reduced refining capacity will impact demand. The team at Appleton will be curious to see how quickly shale production, particularly in the hard hit Eagle Ford Shale (the US's 2<sup>nd</sup> largest shale field behind the Permian), can comeback online once the storm passes. If the refiners along the coast can recover production quicker than the drillers, we could see upward pressure on oil prices as supplies tighten. Both Katrina in 2005 and Sandy in 2012 brought irreparable harm to innumerable people, but investors have shown the ability to discount the economic impact of major storms, and we believe Harvey will be no different. The hurricane may actually prove useful in easing legislative tensions ahead of what is likely to be a contentious debate over a government shutdown and debt ceiling hike in September.

**NOTABLE EARNINGS DUE THIS WEEK**

| DATE | TIME         | TICKER  | COMPANY NAME             |
|------|--------------|---------|--------------------------|
| 8/29 | 07:00 AM     | BBY-US  | Best Buy Co., Inc.       |
| 8/29 | After Market | HRB-US  | H&R Block, Inc.          |
| 8/31 | Unspecified  | DG-US   | Dollar General Corp.     |
| 8/31 | 04:05 PM     | PANW-US | Palo Alto Networks, Inc. |
| 8/31 | 04:15 PM     | COO-US  | The Cooper Cos., Inc.    |

Source: FactSet and API

**KEY MACROECONOMIC DATA DUE THIS WEEK**

| DATE | TIME     | EVENT                               | PERIOD | CONSENSUS | PRIOR  |
|------|----------|-------------------------------------|--------|-----------|--------|
| 8/30 | 08:15 AM | ADP Employment Survey SA            | AUG    | 184.0K    | 177.7K |
| 8/30 | 08:30 AM | GDP SAAR Q/Q (Second Preliminary)   | Q2     | 2.7%      | 2.6%   |
| 8/30 | 10:30 AM | EIA Crude Oil Stocks                | 08/25  |           | -3.3M  |
| 8/31 | 08:30 AM | Initial Claims SA                   | 08/26  | 237K      | 234.0K |
| 8/31 | 08:30 AM | PCE SA M/M                          | JUL    | 0.40%     | 0.10%  |
| 9/1  | 08:30 AM | Hourly Earnings SA M/M              | AUG    | 0.20%     | 0.30%  |
| 9/1  | 08:30 AM | Nonfarm Payrolls SA                 | AUG    | 180.0K    | 209.0K |
| 9/1  | 08:30 AM | Unemployment Rate                   | AUG    | 4.3%      | 4.3%   |
| 9/1  | 09:45 AM | Markit PMI Manufacturing SA (Final) | AUG    | 53.0      | 52.5   |
| 9/1  | 10:00 AM | ISM Manufacturing SA                | AUG    | 56.5      | 56.3   |
| 9/1  | 01:00 PM | Baker Hughes U.S. Rotary Oil Rigs   | 09/01  |           | 759    |

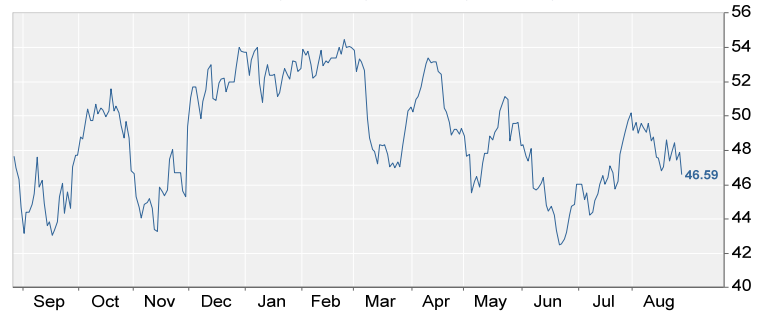
Source: FactSet and API

**S&P 500**

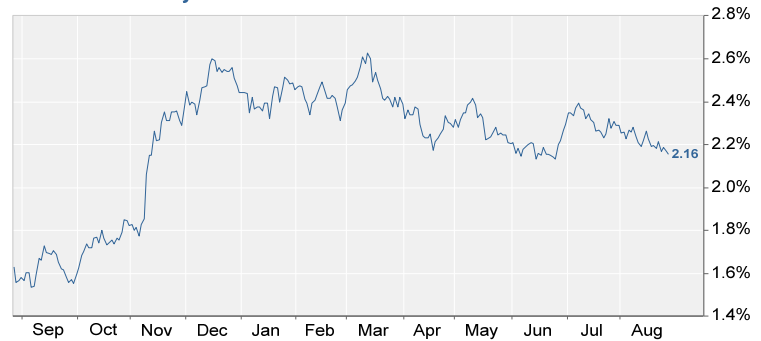

Source: FactSet Prices

**WTI Crude Oil Spot Price (\$/barrel)**

Max: 54.48 (23-FEB-17), Min: 42.48 (21-JUN-17), Last: 46.59 (28-AUG-17)



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**US 10Y Treasury Yield**


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**INDEX RETURNS (AS OF 8/25/2017)**

|                           | MTD   | YTD   |
|---------------------------|-------|-------|
| S&P 500                   | -0.90 | 10.58 |
| Dow Jones Ind. Avg.       | -0.05 | 12.22 |
| Barclays MM Short 1-5 Yr. | 0.36  | 2.88  |
| Barclays MM 1-10 Yr.      | 0.49  | 4.60  |
| ML US Gov/Corp 1-10 Yr.   | 0.40  | 2.21  |

Source: Interactive Data

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