

Monthly Market Commentary

With the new administration in office, new policies rolled out are consistent with their campaign promise. In his inaugural speech, President Trump said, "We must think big and dream even bigger". Yes, this is an optimistic President, and yes, true leadership cannot be achieved without optimism. On the policy front, less regulation, lower taxes, and infrastructure spending, bode well for business and consumer confidence, which can translate into sustainable economic growth over the longer term. Currently, GDP showed an acceleration on a year over year basis from 1.7% in Q3 2016 to 1.9% in Q4 2016. Industrial production rose to 0.5% in December, breaking a 15-month streak of negative year over year growth. The PMI Manufacturing index flash was reported at 55.1 in January, an increase from 54.2 in December. In the short term, there may be some push back on policy; however, we are more interested in the longer-term prospects rather than getting stuck in the noise. As always, we will keep close watch as things start to unfold and make appropriate changes as needed.

Index	Ticker	12/30/2016	1/31/2016	% Change
DOW	DJI	19,762.60	19,907.37	0.7%
S&P 500	GSPC	2,238.83	2,274.33	1.6%
MSCI EAFE	MXEA	1684.002	1730.404	2.8%