

RESOURCE LOG – April 2017

Article Title	Detail	Publication	Date	Author
The Business Guide to Europe's Wild Year	France's election is just one of the political moments in Europe this year with major implications for the world economic order. In Britain, Theresa May is attempting to strike a Brexit deal with the EU that retains preferential trade deals for U.K. – based companies (good luck with that, Prime Minister). Scotland's leader wants a fresh vote to leave Britain, complicating ties with its largest trading partner, England. German Chancellor Angela Merkel, a pillar of Western liberal democracy, could face defeat in September elections. And Greece's next bailout package could be in peril if the International Monetary Fund pulls out of the process under pressure from the U.S.	Fortune Magazine	04/01/2017	Vivienne Walt
	European populism has driven much of the unrest.			
Show Us Your Tax Reforms	Taxation is a tougher nut now than it was in Reagan's era because the aging of society boosts the cost of Social Security and Medicare, creating a permanent tendency for spending to rise faster than revenues. The first conflict is that Trump mostly just wants to cut taxes, while House Speaker Paul Ryan wants to rebuild the tax code while raising the same amount of money to keep deficits from growing. Ryan's A Better Way plan would move the U.S. toward a tax on consumption rather than income. The bottom line is that whatever Trump manages to get done on taxation is likely to be small-bore. "The House will call it tax reform, but it'll essentially be a tax cut that increases the deficit," says Stan Collender, a federal budget expert at the communications firm Qorvis/MSL Group. Wall Street seems to be coming around to the idea that the president won't be able to deliver on all his promises. Forces like globalization, refugee inflows, and fights over austerity have given grist to both far-right movements... If successful, Le Pen could conceivably trigger a world financial crisis by pulling out of the euro and even the EU. The union can likely withstand Brexit. Brexit? Not so much.	Bloomberg Business Week	04/03/2017	Peter Coy
Downs	With \$5.1 trillion in assets under management, BlackRock said it will overhaul its stockpicking business, shifting resources from human managers to computer models. Several dozen employees are expected to leave.	Bloomberg Business Week	04/03/2017	
Outlook Where the Growth is	Most economies will see improvement in 2017, according to Bloomberg. While India's and China's growth rates will decline slightly, they remain robust, as 6.8 percent, respectively.	Bloomberg Business Week	04/03/2017	Andre Tartar and Catarina Saraiva
Markets Brush Off U.S. Trade Fears	The shares of U.S. Multinational companies, the Mexican peso and emerging-market stocks and currencies rank among the best-performing assets in the just-completed first quarter, reversing the trends that seized financial markets in the two months after Mr. Trump's election	The Wall Street Journal	04/03/2017	Riva Gold and Georgi Kantchev

	U.S. multinationals, particularly companies in the trade-sensitive technology sector, have outperformed the market.			
Yield Curve Shows Growth Is Still Worry <i>Many investors think flattening reflects unwinding of bets on higher inflation</i>	Long-term Treasury yields, which are largely driven by the U.S. economic and inflation outlook, have declined modestly this year, following a sharp rise after the November election of Donald Trump as president. The 10-year U.S. Treasury yield has fallen to 2.396% from 2.446% at the end of 2016. At the same time short-term yields, which are more influenced by monetary policy, have risen in 2017... As a result, the yield premium on the 10-year note relative to the two-year note slipped Wednesday to 1.107 percentage points, its lowest level since the election... While the yield curve, like all market indicators, is subject to the ebb and flow of the investor sentiment, economic data and political developments, a flattening yield curve gets special attention from investors world-wide because it can serve as an early signal of both economic slowing and overpricing in riskier asset classes.	The Wall Street Journal	04/03/2017	Sam Goldfarb
What's News	◆ Tesla overtook Ford as the No. 2 U.S. auto firm by stock-market value, as the electric-car maker's market cap rose to \$48.7 billion.	The Wall Street Journal	04/04/2017	
Oil Expected to Remain Under \$60 a Barrel for Third Year	Analysts expect oil prices to stay below an average of \$60 a barrel for a third consecutive year as the resurgence of U.S. shale drillers puts OPEC's plans to raise the price through output cuts in jeopardy. OPEC's goal was to see global crude stockpiles fall after nearly three years of market oversupply. But U.S. inventories, seen as a bellwether for global stockpiles, have recently reached an all-time high, which caused prices to fall below \$50 a barrel last month. Barclays said in a recent report... The bank now forecasts U.S. crude-oil production will reach a multidecade high by December, within sights of the all-time high reached in 1970.	The Wall Street Journal	04/06/2017	Georgi Kantchev
Stocks Buoyed by Energy Sector <i>Rosy jobs figures and corporate earnings also provide support; investors still cautious</i>	U.S. stock indexes climbed as shares of energy companies rose with oil prices. The Dow Jones Industrial Average rose 14.80 points, or less than 0.1%, to 20662.95. The S&P 500 gained 4.54 points, or 0.2%, to 2357.49, and the Nasdaq Composite added 14.47, or 0.2%, to 5878.95.	The Wall Street Journal	04/07/2017	Akane Otani and Georgi Kantchev
The Fed Keeps Its Eye on Swings in the Stock Market	William Dudley, president of the Federal Reserve Bank of New York, has long believed that Fed policy-makers should pay more attention to stock market swings. The Fed has a dual mission: to keep unemployment low and prices stable, which it tries to accomplish mainly by making changes in a key lending rate, the federal funds rate. Yet Market swings can make investors feel poorer or richer, influencing their willingness to spend money. Because that may give an earlier signal on the direction of the	Bloomberg Business Week	04/10/2017	Matthew Boesler

	economy than statistics such as consumer spending, Dudley thinks the Fed should factor what happens on Wall Street into its monetary policy deliberations. "Animal spirits in financial markets wax and wane, pushing asset values up or down in a manner that can more than offset the effects of movements in short-term interest rates," Dudley said....			
Lies, Damn Lies, and Financial Statistics	Index funds are cheap because their sponsors don't need to hire expensive stockpickers, but they aren't perfect. Stocks in the index are weighted by market value, so Apple is 3.7 percent of the S&P 500 while Rupert Murdoch's News Corp. is just 0.008 percent. When a stock got hot for whatever reason, the index fund has to buy even more of it, which may not be the wisest choice. Wall Street's answer is today's most stylish investment style: smart beta. "Beta" is lingo for the return on investment you get from owning a slice of the entire stock market, as in a conventional index fund; the "smart" part refers to breaking the link with market value. Stocks in a smart beta index may be weighted by anything from company sales or book value to special-sauce ingredients such as "quality" (on the theory that well-managed companies tend to outperform in the stock market). There are ETFs for more than a thousand new indexes. Creativity, alas, doesn't equal success. Vanguard, the big investment manager, calculated in 2012 that ETFs did great on their backtests, outperforming the market by 10 percentage points a year on average in the five years before they went live, but then underperformed the market by 1 percentage point a year in the five years afterward.	Bloomberg Business Week	04/10/2017	Peter Coy
Bonds Flash Warning Signs <i>Booming debt sales reflect investors' skepticism of faster economic growth</i>	Investors are buying record volumes of new bonds, signaling that many remain skeptical about the prospects for faster economic growth and are reluctant to move on from a strategy that has worked for years. Companies and governments in emerging markets sold \$178.5 billion of dollar-denominated debt in the first three months of the year, the best first quarter on record... U.S. companies with junk-bond ratings issued \$79.6 billion, double from a year earlier. The booming debt sales reflect a strong investor appetite for higher-yielding bonds as the U.S. economy lumbers toward its ninth year of expansion but remains in slow-growth mode.	The Wall Street Journal	04/10/2017	Ben Eisen, Chris Dieterich and Sam Goldfarb
Obama's Debt Interest Bomb	CBO reported: Net interest payments rose \$7 billion, or 30% in March from a year earlier. While Mr. Obama was doubling the national debt over eight years, the Fed's monetary policies spared him from the fiscal consequences. The Fed's near-zero policy kept interest rates at historic lows that reduced net interest payments even as the overall debt increased. CBO estimates that \$160 billion more spending will be required each year over the next decade if interest rates are merely one percentage point higher than in its current projections.	The Wall Street Journal	04/11/2017	Review & Outlook

Yellen Sees Monetary Policy Shifting	Federal Reserve Chairwoman Janet Yellen indicated Monday that the era of extremely stimulative monetary policy was coming to an end. Fed officials raised rates in March for only the third time since the financial crisis, to a range between 0.75% and 1%. But they have penciled in two more rate increases this year, followed by three in 2018.	The Wall Street Journal	04/11/2017	David Harrison
Tables Are Turning on Small Caps	Small-cap stocks, which sizzled after the election have fizzled ever since. That has less to with the Trump bump losing steam and more about the global growth outlook brightening. Smaller stocks – those with market values that typically don't exceed a few billion dollars – have trailed the overall market in recent months, a sharp reversal from what transpired immediately after the election. The Russell 2000 is barely positive so far this year, underperforming the S&P 500 and Nasdaq Composite by more than 4 and 8 percentage points, respectively.	The Wall Street Journal	04/11/2017	Steven Russoillo
Stocks Fall on Geopolitical Concerns	U.S. stocks and government-bond yields slid as investors piled into haven assets. Details on potential U.S. policy changes such as tax overhauls and infrastructure spending remain scarce, analysts said... The Dow Jones Industrial Average fell 6.72 points, or less than 0.1%, to 20651.30... Haven assets rose. Gold for April delivery climbed 1.6% to \$1,271.20 an ounce, its highest settlement since Nov. 9. ... 10-year U.S. Treasury note fell to 2.298%, its lowest settlement since Nov. 17,...	The Wall Street Journal	04/12/2017	Akane Otani and Jon Sindreu
Saudis Would Extend OPEC Output Cuts	Saudi Arabia has told OPEC officials that it wants to extend the group's agreement to cut crude-oil production for an additional six months when it meets in May, people familiar with the matter said.	The Wall Street Journal	04/12/2017	Summer Said and Benoit Faucon
Inflation Returns to Economic Sweet Spot	Good news: Inflation just topped a key milestone. Even better news: It doesn't look poised to zoom much higher from here. Consumer inflation in February jumped above the Federal Reserve's 2% annual target for the first time in nearly five years, according to the central bank's preferred personal-consumption expenditures price index. Inflation expectations are important because when people perceive inflation is headed higher, they tend to increase spending ahead of the price increases. That can drive actual inflation higher. Conversely, inflation isn't expected to surge much higher from current levels either. Changes of inflation jumping to 3% on average over the next five years are just 18%...	The Wall Street Journal	04/13/2017	Steven Russoillo
What's News	♦ Protectionism poses a risk to global economic growth, the IMF warned.	The Wall Street Journal	04/13/2017	
What's News	♦ Trump said the dollar was "getting too strong" and that he favors low rates. The dollar fell in late trading.	The Wall Street Journal	04/13/2017	

What's News	♦ Stocks fell ahead of banks' earnings reports. The Dow lost 59.44 to 20591.86.	The Wall Street Journal	04/13/2017	
What's News	♦ OPEC said oil output fell further in March as members complied with cuts.	The Wall Street Journal	04/13/2017	
Economists Trim Growth Forecasts	A growing number of forecasters are beginning to reconsider their bullish outlooks for the U.S. economy as doubts grow over the extent to which President Donald Trump will be able to implement his agenda. ... Republican Party divisions that might make it difficult to reach consensus on initiatives that could provide an economic stimulus, such as lower corporate taxes or federal funding for infrastructure. Fewer forecasters are now banking on a large push from Congress. Forecasts for the pace of job growth have also dipped. Many economists believe consumer sentiment it likely to come down, too. After the election, consumer confidence soared. Only about 10% of economists believe sentiment will stay elevated.	The Wall Street Journal	04/14/2017	Josh Zumbrun
Beware the Coming Profit Squeeze	First-quarter results are starting to roll in and expectations are running high. Analysts polled by Thomson Reuters I/B/E/S estimate that earnings at companies in the S&P 500 will be up 10% from a year earlier, marking the strongest profit growth since 2011. The domestic profit picture is more challenging, with revenue climbing slowly and rising labor costs threatening to bite into the bottom line. The economy continues to grow slowly, with economists now estimating gross domestic product grew at just a 1.2% annual rate in the first quarter. Low inflation shows that companies still don't have much pricing power.	The Wall Street Journal	04/14/2017	Justin Lahart
Banks' Rate Boon Stays Out of Reach for Now	Since the election, the S&P financial sector was up more than 16% heading into Thursday's trading, and less than 1% since inauguration.	The Wall Street Journal	04/14/2017	Peter Rudegeair, Telis Demos and Emily Glazer
Technology Stocks Go on the Fritz <i>A once-hot sector hits a 10-session losing streak, an ominous sign for markets</i>	The largest U.S. technology companies in the S&P 500 on Thursday fell for the 10th session in a row, the longest losing streak in nearly five years. ... potentially ominous sign for those tracking market sentiment. Tech stocks within the S&P 500 have been by far the biggest winners in 2017, climbing 10% versus a 4% advance for the broader index. S&P 500 tech companies are forecast to report profit growth of 13.3%, topping the 9% expected of companies in the broader index.	The Wall Street Journal	04/14/2017	Chris Dieterich and Ben Eisen
What's News	♦ Stocks sank for a second week, led by financial and industrial shares. The Dow slid 138.61 points to close at 20453.25 on Thursday.	The Wall Street Journal	04/14/2017	
What's News	♦ The largest U.S. tech firms in the S&P 500 fell for the 10 th session in a row.	The Wall Street Journal	04/14/2017	

Economy Stumbles Despite Optimism	Households, businesses and investors started the year riding a wave of rising expectations for growth with a new, business-friendly president in the White House, but the euphoria hasn't translated quickly into broad economic gains. Bank loan growth has slowed, economists have marked down projections for output growth, the stock market has lost some momentum and consumer spending is taking an anemic turn.	The Wall Street Journal	04/15-16/2017	Eric Morath
For Inflation, It's All About Oil	Inflation has sprung back to life around the world recently, bringing with it expectations of higher growth and tighter monetary policy. But much of that revival has been caused by the rebound in oil prices from their tumble at the start of last year, and those effects are already fading. The coming months will be a better guide to true inflationary pressures, with potential consequences for markets and monetary policy. Headline inflation fell back in March to 2.4% from 2.7% in February due largely to falling gasoline prices. Core prices, which exclude food and energy, were up 2%, their lowest annual reading since November 2015.	The Wall Street Journal	04/15-16/2017	Richard Barley
Investors Rethinking Risk <i>Rising unease fuels market turnaround after soft economic data, global conflicts</i>	Signs of a slowdown in the U.S. economy and rising anxiety in markets are prompting many investors to reassess their portfolios and prune risky positions. ...the concern among many investors that markets are entering a treacherous period as lackluster economic fundamentals collide with unpredictable domestic and international politics. The S&P 500 is down about 3% from its record hit in March... ...Erik Knutzen, multiasset class chief investment officer at Neuberger Berman, said he reduced exposure to large-company stocks and instead put that money into European and emerging-market stocks... "We were concerned a lot of optimism and good news was already priced in, and we wanted to take some chips off the table," he said. "We do expect an increase in volatility, but we're not expecting a 20% drawdown in markets."	The Wall Street Journal	04/15-16/2017	Corrie Driebusch and Sam Goldfarb
The Expensive Element Of Trading Cheap ETFs	The costs of trading are one of the worst destroyers of investment returns. That's a fact of life in the markets, although it is easy to overlook in exchange-traded funds, in which commissions and management fees have shrunk almost to zero. Often dirt-cheap to own, ETFs can still be costly to buy and sell. The harder the underlying securities are to trade, however, the bigger that gap gets. Market prices exceeded net asset values by an average of 0.18% among precious-metal funds, 0.29% in short-term bond funds, 0.31% in corporate, high-yield and emerging-market bond funds, and as much as 0.37% in foreign funds investing in small stocks.	The Wall Street Journal	04/15-16/2017	Jason Zweig

What's News	◆ Higher growth returned to China in the first quarter, with gross domestic product expanding by 6.9% from the year-earlier period.	The Wall Street Journal	04/17/2017	
What's News	◆ Emerging-market bond ETFs have underperformed, raising concern over their suitability for bets on volatile developing nations.	The Wall Street Journal	04/17/2017	
Wall Street Critic Takes Aim at Commodities	Campbell Harvey looks at Wall Street and sees a lot of ideas that area easy to sell but hard to trust. The Duke University finance professor... His next project is aimed at one of his favorite targets: commodities. ...in the early 2000s, Mr. Harvey warned that commodities were too opaque and volatile to hold for the long term, and were unlikely to provide the stocklike returns that some consultants suggested. Prices for oil, metals and other raw materials crashed twice in the following decade, vindicating his position. With signs of global economic growth picking up, commodities have bounced back after bottoming in early 2016. "Commodities, over long cycles, have provided diversification that reduces volatility," said Omar Aguilar, chief investment officer at Charles Schwab Investment Management.	The Wall Street Journal	04/17/2017	Ira Iosebashvili and Timothy Puko
Emerging-Market Debt ETFs Underperform	Exchange-traded funds have jolted stock picking with their low costs and strong performance. But in emerging-market debt, they are facing greater competition from active investors. ETFs, baskets of assets that trade like stocks, have exploded in popularity as a low-cost way to access specific countries or markets. But in a year when emerging markets are in the spotlight as big winners, underperformance by the ETFs is also raising concerns over whether they are suitable instruments for betting on volatile developing nations. Debt issued by governments and companies in emerging economies can be harder to buy and sell. Higher transaction costs have resulted in tracking errors in emerging-market bond ETFs. The complexity of these bonds, particularly those of far-flung markets, can also give an edge to active bond managers... Broadly, the average emerging-market bond ETF has returned over a five-year period 1.66% annually, while their active counterparts returned 1.95%, according to Morningstar Inc. data. On average, emerging-market debt ETFs charge 0.46%, while an active fund's expense ratio is 1.16%, according to Morningstar. Emerging-market bonds broadly have attracted money this year as the economic outlook for developing countries improved...	The Wall Street Journal	04/17/2017	Carolyn Cui

China GDP Grows by 6.9%, Fastest Pace Since 2015	Higher growth returned to China as policies to stimulate the economy gathered steam while Beijing juggled measures to rein in risk. China registered growth of 6.9% in the first quarter, its fastest pace since the third quarter of 2015, fueled by credit and infrastructure spending as well as a stubbornly booming property market. The pace was a notch up from the 6.8% in the previous quarter and put China well ahead of its annual target of about 6.5% growth.	The Wall Street Journal	04/17/2017	Mark Magnier
What's News	♦ U.S. stocks rebounded after last week's declines. The Dow climbed 183.67 points to 20636.92.	The Wall Street Journal	04/18/2017	
Just 10 Stocks Fuel Half of S&P's Gain <i>Investor's focus on these few large shares show herd mentality thrives on Wall Street</i>	Ten big stocks are exerting an unusually large influence on the S&P 500 in 2017, the latest sign that the herd instinct is alive and well on Wall Street. Those 10 large stocks have powered nearly 53% of the S&P 500's 4.7% advance this year, according to Fundstrat Global Advisors' data... Technology-oriented companies dominate the list: Apple Inc., Facebook, Inc. and Amazon.com Inc.... Combined, shares of these three companies account for almost one-third of the S&P 500's 2017 advance through this past Wednesday. Big-cap tech and internet stocks have been popular even though they look pricey based on earnings expectations, which has turned off some investors.	The Wall Street Journal	04/18/2017	Chris Dieterich
Buzz Fades Over Emerging-Market Bets	A crack is forming in an emerging-market revival that channeled almost \$60 billion into assets of developing economies during the first months of 2017. Now, worries are setting in that the buying spree, which helped give emerging-market stocks and currencies their best quarter in two years, has resulted in lofty valuations as geopolitical tensions escalate. The MSCI Emerging Market Index fell three years straight before notching a gain in 2016.	The Wall Street Journal	04/18/2017	Saumya Vaishampayan
	Some data justify the valuations in emerging markets: Chinese growth has steadied and Argentina appears to be slowly coming out of a recession. Global demand has buoyed exports, while higher U.S. tariffs have yet to materialize... But money rushing into assets of developing nations suggests a search for yield could be trumping traditional metrics...			
Bond Yield At Lowest Level Since November	The yield on the benchmark 10-year Treasury note closed at 2.177%, its lowest since Nov. 10, two days after the presidential election. It topped 2.6% in mid-March. Yields have declined fairly steadily over the past month amid geopolitical risks in North Korea and Syria, uncertainty surrounding the French presidential election and fading	The Wall Street Journal	04/19/2017	Sam Goldfarb

	optimism that congress can pass fiscal-stimulus measures that could provide a boost to growth and inflation. Yields fall as bond prices rise.			
Global Economy on Track for Growth	The global economy is on course for its best performance in several years despite trade tensions and looming geopolitical threats, the International Monetary Fund said ahead of a meeting of world finance chiefs this week. U.S. growth is projected to accelerate. Europe and Japan are finally showing signs of recovery. The International Monetary Fund, nudged up its forecast for world growth this year a tenth of a percentage point to 3.5%, which will be the fastest rate in five years if the IMF is correct. While the IMF kept its forecast pickup for U.S. growth at 2.3% for the year – up from 1.6% last year – it notched higher outlooks for all five of Europe's largest economies.	The Wall Street Journal	04/19/2017	Ian Talley and Harriet Torry
What's News	♦ U.S. stocks closed lower as banks and health-care shares slumped. The Dow slid 113.64 to 20523.28.	The Wall Street Journal	04/19/2017	
What's News	♦ Treasury yields resumed their steep decline as political uncertainty drove investors to buy bonds.	The Wall Street Journal	04/19/2017	
What's News	♦ A drop in energy shares pressured U.S. stocks. The Dow fell 118.79 points to 20404.49 as IBM slid.	The Wall Street Journal	04/20/2017	
Oil Prices Stop Swinging for Now	Oil's New Calm – After two years of volatility, oil prices have been trading in a tight range since December. That calm has helped stocks and high-yield bonds. Traders are betting that this period of placid oil prices will last for months.	The Wall Street Journal	04/20/2017	Timothy Puko and Alison Sider
Treasuries Retreat as Anxiety Subsidies	U.S. government bonds pulled back Wednesday following the biggest one-day price rally in more than a month as demand for haven assets retreated. The yield on the benchmark 10-year Treasury note closed at 2.202%, compared with a five-month low of 2.177% Tuesday. Yields rise as bond prices fall. Some other haven assets – gold, German bunds and the Japanese yen – also weakened Wednesday.	The Wall Street Journal	04/20/2017	Min Zeng
	Investors had flocked to the harbor of Treasury debt a day earlier, driven by geopolitical worries over North Korea and Syria and uncertainty surrounding the first round of French presidential race this Sunday.			
Signs of Life In Emerging Markets	More significantly, there are hints that conditions in emerging markets – once the growth engine of consumer groups – are finally bottoming out. Last year was marked by a toxic combination of price increases to make up for currency devaluations in South America and weak pricing in Asia driven by stiff competition and commodity surpluses.	The Wall Street Journal	04/21/2017	Stephen Willmot
What's News	♦ U.S. stocks rallied Thursday, with the Dow industrials gaining 174.22 points to 20678.71.	The Wall Street Journal	04/21/2017	

Moves in Markets Show Signs Investors Souring on Economy	Markets are flashing red on growth as investors begin to return to pre-election bets on the "new normal" – a persistently weak economic expansion. But there are signs that the sugar rush of Donald Trump's victory and global-growth hopes has faded, raising doubts among some investors about whether stocks can stay high. The recent sharp drop in government-bond yields is the most obvious signal that something is amiss. It is backed up by ominous signs from raw-materials markets, where copper and iron-ore prices have tumbled, and a swing in leadership of the stock market away from go-go bank shares and cheap "value" stocks to safety-first utilities, real estate and companies with high-quality balance sheets and reliable earnings.	The Wall Street Journal	04/21/2017	James Mackintosh
LE DIVORCE? French voters will begin to pick a new president this weekend, and their choice may well determine whether the European Union lives or dies.	Put bluntly, the contenders are a capitalist, a Catholic, a nationalist and a leftist. The 39-year-old Emmanuel Macron, a former investment banker and economics minister, booted the Socialist Party last year to run at the head of a new movement called En Marche... Marine Le Pen, the daughter and political heiress of the demagogue Jean-Marie Le Pen, has sought to purge his National Front of its reputation for bigotry. She wants to pull France out of the EU entirely. In France and elsewhere, citizens complain that the EU has eroded their culture, sapped their defenses against mass migration and left them less free... Globalization has left mixed results in France. Its major cities, starting with Paris, are as rich as ever, but they have been hit hard by terrorism.	The Wall Street Journal	04/22- 23/2017	Christopher Caldwell
Investors Jump Back Into Risky Assets Dow industrials gain 216 points as 'fear gauge' tumbles 26%; gold and bonds drop	Global stock markets rallied after a centrist candidate won the first round of France's presidential election, defusing some of the political tension that had been weighing on share prices. The Dow Jones Industrial Average rose 216.13 points, or 1.1%, to 20763.89. The S&P 500 jumped 25.46, or 1.1% to 2374.15, while the Nasdaq Composite added 73.30, or 1.2%, to a record 5983.82. All three indexes notched their biggest gains since March 1. Other risky assets, such as emerging-markets currencies and junk bonds, also rallied. "The market is enjoying a risk-on trade," said Quincy Krosby, a market strategist for Prudential Financial. The CBOE Volatility Index, or VIX, a measure of anticipated stock-market volatility sometimes called the "fear gauge," dropped 26% - its largest one-day fall since 2011. French independent centrist Emmanuel Macron will face off on May 7 in the election's second round against National Front leader Marine Le Pen, who has campaigned to take France out of the euro and rattled global markets. Opinion polls Sunday suggested Mr. Macron would win a head-to-head contest.	The Wall Street Journal	04/25/2017	Riva Gold and Alexander Osipovich

Central Banks Ponder Whether To Trim Assets <i>They've built up their portfolios since the financial crisis. Now comes the even trickier part.</i>	With advanced economies now recovering, policy makers have started to phase out their most aggressive stimulus measures. A big question hanging over financial markets: What will central banks do with their massive securities portfolios? Any move to shrink their balance sheets has risks, economists say, and a misstep could endanger the economic recovery. But keeping a big balance sheet may be risky, too. The Fed started raising interest rates more than a year ago, but has yet to elaborate plans for its portfolio of U.S. Treasury and mortgage-backed securities. Unlike with interest-rate hikes, the effects of selling assets are uncertain. On the other hand, large central-bank balance sheets have often been correlated with high levels of inflation...	The Wall Street Journal	04/25/2017	Tom Fairless
What's News	♦ The Nasdaq closed above 6000 for the first time, rising 41.67 points to 6025.49, in the latest sign tech has become a driver of the stock rally.	The Wall Street Journal	04/26/2017	
What's News	♦ The Dow climbed 232.23 points to 20996.12, lifted by upbeat earnings reports.	The Wall Street Journal	04/26/2017	
What's News	♦ A drop in bond and commodities prices could signal slower growth ahead.	The Wall Street Journal	04/26/2017	
What's News	♦ The U.S. housing market's red-hot recovery is fueling concerns that home prices are overheating.	The Wall Street Journal	04/26/2017	
Growth Can Solve the Debt Dilemma	The Congressional Budget Office's latest report on the nation's fiscal future is full of doom and gloom. The national debt will double in the next 30 years to 150% of gross domestic product – which is Greece territory. Interest payments may become the largest budget line, eclipsing national defense. Never outside or wartime has Washington's burden been so heavy on the economy. But the report's most troubling forecast, by far, is for decades of sluggish economic growth. The CBO projects that America will limp along at an average 1.9% annual growth over the next 30 years. This is a sharp downgrade from historical performance. Between 1974 and 2001, average growth was 3.3%.	The Wall Street Journal	04/26/2017	Stephen Moore
	Growth of 3% would stop the debt-to-GDP ratio from skyrocketing. Instead it would start to fall almost immediately, eventually to about 50%, because the economy would be so much larger.			
	Many blue-chip economists agree with the CBO that a growth rate of about 2% is the best that America can achieve. They believe that growth in productivity and the country's workforce is too slow to recapture the glory days.			
Nasdaq Tops 6000 for First Time <i>Apple, Facebook, Amazon, Microsoft,</i>	14% - Percentage gain of technology stocks in the S&P 500 in 2017 Apple shares have risen 25% for the year on signs of renewed momentum at the firm. Class A shares of Facebook have gained 27% in 2017...	The Wall Street Journal	04/26/2017	Akane Otani

Alphabet contribute 41% of 2017 gain				
This Isn't Your Father's, or Anyone Else's, Nasdaq Index Any more	The Nasdaq has outperformed the S&P 500 this year on its unprecedented rise to 6000. Although the Index closed Tuesday at a record high, on an inflation-adjusted basis it remains below its 2000 record. The price at which the Nasdaq is trading relative to its last 12 months or earnings is rising, but the multiple remains well below its peak in 2000. Today's Nasdaq is more diversified than its traditional reputation as a tech index would suggest.	The Wall Street Journal	04/26/2017	Ben Eisen
What's News	♦ Trump proposed deep cuts in business tax rates, with the top corporate rate dropping to 15%, and major changes to the individual tax system.	The Wall Street Journal	04/27/2017	
What's News	♦ U.S. stocks gave up early gains, closing slightly lower after the announcement of the tax plan. The Dow eased 21.03 points to 20975.09.	The Wall Street Journal	04/27/2017	
How Trump's tax plan could affect you	Trump's Tax Plan: Highlights of the plan to revamp the federal tax code proposed by the White House on Wednesday: Income Taxes – Three brackets: 10%, 25% 35% Standard Deduction – Increases deduction so that a married couple could claim \$24,000 Alternative Minimum Tax – Eliminated Capital Gains Tax – No higher than 20% Estate Tax – Eliminated Corporate Taxes – No higher than 15% Tax Deductions – Eliminates all tax breaks except those for mortgage interest and charitable giving.	Daily Herald	04/27/2017	Jonnelle Marte
What's News	♦ U.S. stocks edged higher as tech gains offset energy-sector losses. The Dow rose 6.24 points to 20981.33.	The Wall Street Journal	04/28/2017	
Tech Titans Go From Big to Bigger	...Amazon.com Inc., Microsoft Corp., Intel Corp. and Alphabet Inc., the parent company of Google. Their combined revenue for the period – about \$97.4 billion – comprises about 4% of the cumulative revenue projected for companies in the S&P 500. Yet, the combined market cap of the four companies makes up about 8% of the index's total.	The Wall Street Journal	04/28/2017	Dan Gallagher

	Alphabet, Microsoft, Intel and Amazon reported a combined \$16.8 billion in operating income for the March quarter on Thursday. That is about 7% of the total projected for the S&P 500.			
Economic Gauges Rise – for Now	Even before Donald Trump's inauguration, he had accomplished something that bedeviled his predecessor, President Barack Obama, for eight years: awakening the economy's "animal spirits." The momentum was propelled by Mr. Trump's campaign promises, including repealing and replacing Mr. Obama's health care law, overhauling the tax code, rolling back regulations and jolting the economy with \$1 trillion in infrastructure spending. Scott Anderson, chief economist of the Bank of the West, describes today's sentiment surge as "blind hope that policy changes put forward by the new administration will shake up the unsatisfactory status quo." The questions many observers ask is whether the optimism marks the beginning of a new era for the economy, or whether it will prove a fleeting moment of false promise. For now, the optimism largely remains. The Dow Jones Industrial Average sat below 18000 the week before the election. It soared after the vote, crossing the 19000 threshold before the end of November, and climbing above 20000 a few days after the inauguration. On March 1, the index closed above 21000 for the first time and remains near that level today.	The Wall Street Journal	04/28/2017	Josh Zumbun
Big Tech Extends Earnings Boom	Amazon.com Inc. and Google parent Alphabet Inc. reported booming quarterly sales and profits, showing that the tech giants continue to extend their dominance and fend off concerns that might have dampened growth. Strong results from Microsoft Corp. and Intel Corp. provided further evidence that technology's juggernauts have nurtured businesses they helped found, such as cloud computing, e-commerce and online advertising, into full industries.	The Wall Street Journal	04/28/2017	Rofe Winkler and Laura Stevens
Growth Slows on Tepid Spending Economy expanded at a 0.7% rate in the first quarter, presenting a challenge for Trump	The U.S. economy stumbled during the first months of the year, as consumers reined in household confidence and a surge in stock prices that greeted the inauguration of President Donald Trump. Americans sharply cut back spending on big-ticket items like cars, causing overall consumer purchases to grow at the slowest pace since late 2009. The report offered hopeful signs of stronger growth in the coming months, with U.S. companies stepping up investment in long-term projects.	The Wall Street Journal	04/29-30/2017	Josh Mitchell

"Competition brings out the best in products and the worst in people." David Sarnoff

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