

RESOURCE LOG – March 2018

Article Title	Detail	Publication	Date	Author
Analytics <i>Seeing Trends in the Data</i>	The Results are in, and global growth looks pretty damn good. President Trump didn't quite get the 3% GOP boost he was hoping for in 2017, but at 23%, the U.S. economy is chugging along. Meanwhile, India and China soared more than 6%, and overall global growth saw a 2.9% increase. Don't bank on the good times lasting too long, though. Economists see risks in political unrest, trade wars, and overheated markets, and anticipate a slowdown by 2020.	Fortune Magazine Special Issue	03/01/2018	Sources: The Conference Board; BEA
SEC Launches Cryptocurrency Probe <i>Tech firms, others involved in hot initial coin offerings are subpoenaed</i>	The Securities and Exchange Commission has issued dozens of subpoenas and information requests to technology companies and advisers involved in the red-hot market for cryptocurrencies, according to people familiar with the matter. "Many promoters of ICOs and cryptocurrencies are not complying with our securities laws," SEC Chairman Jay Clayton said earlier this year. Many of the coin offerings happen outside the regulatory framework designed to protect investors.	The Wall Street Journal	03/01/2018	Jean Eaglesham and Paul Vigna
Eurozone Inflation Rate Falls	The annual rate of inflation in the eurozone fell for a third straight month in February... According to the European Union's statistics agency, consumer prices were 1.2% higher in February than a year earlier, the lowest annual rate of inflation since December 2016 and well below the ECB's target of just under 2%.	The Wall Street Journal	03/01/2018	Paul Hannon
What's News	♦ U.S. stocks fell as investors weighed the impact of higher rates on the market. The Dow slid 380.83 points, or 1.5%, to 25029.20.	The Wall Street Journal	03/01/2018	
What's News	♦ The U.S. economy rose at a 2.5% annual rate in the fourth quarter, slightly lower than initially estimated.	The Wall Street Journal	03/01/2018	
Prices of Treasurys Surge on Trump Tariffs	U.S. government bonds rallied after President Donald Trump announced he would impose tariffs on imports of steel and aluminum, which investors said could curb economic growth. The yield on the benchmark 10-year U.S. Treasury note posted its biggest one-day decline since Sept. 5 – 0.067 percentage point – to 2.802% from 2.87% Wednesday. Bonds had advanced earlier after Federal Reserve Chairman Jerome Powell told the Senate Banking Committee he didn't see decisive evidence that steady declines in unemployment and less slack in the labor market had led to a breakout in wage gains.	The Wall Street Journal	03/02/2018	Daniel Kruger
Trump's Tariff Vow Rattles Markets <i>Planned duties on steel and aluminum anger trade partners</i>	President Donald Trump's pledge Thursday to impose stiff tariffs on steel and aluminum imports sparked worries of a global trade war, sending stocks tumbling, drawing protests from a swath of American industries and prompting threats of retaliation. Mr. Trump told a meeting of industry executives the U.S. would slap 25% tariffs on steel imports and 10% on aluminum imports, steps meant to revive domestic manufacturing and fulfill a campaign promise...	The Wall Street Journal	03/02/2018	Jacob M. Schlesinger, Peter Nicholas and Louise Radnotsky

	But the impact on companies that use steel was swift. The Dow Jones Industrial Average fell more than 500 points, or 2%, initially after the announcement, as shares of big steel users, including auto makers Ford Motor Co. and General Motors co., dropped even more. The president justified the tariffs by invoking a little-used Cold War-era law that gives presidents broad discretion to curb imports deemed a threat to "national security". The announcement was based on studies conducted by the Commerce Department, made public last month, which concluded metals imports had eroded the country's ability to make its own weapons, tanks and aircraft.			
U.S. Tariff Plan Riles Allies	Mr. Trump's invocation of national-security rules on Thursday to propose the controversial levies drew rebuke from fellow members of the North Atlantic Treaty Organization, Japan and South Korea – nations cooperating with U.S. policies over threats from North Korea, Iran and Russia. If tariffs are imposed globally, as Mr. Trump suggested, they could hurt allies more than adversaries. The timing of Mr. Trump's announcement was particularly disturbing, diplomats said, because unity among, U.S. allies was crucial to address Russian President Vladimir Putin's threats against the West... Business groups also weighed in. "With this decision President Trump is disregarding the importance of key strategic allies of the U.S. like the EU", said Markus Keyser, director general of BusinessEurope, a trade group.	The Wall Street Journal	03/03-04/20185	Julian E. Barnes, Kwanwoo Jun and Zeke Turner
What's News	♦ The threat of a trade war sparked turmoil in global markets. The Dow fell 70.92 points to 24538.06, putting its weekly drop at over 3%.	The Wall Street Journal	03/03-04/2018	
Market Turbulence Resurfaces Anew	A topsy-turvy week on Wall Street reaffirmed many traders' hunch that stock-market volatility is back for the long haul, following an extended absence. The market tumult reflects uncertainty over stock valuations at a time when U.S. interest rates finally are rising following years of somnolence, along with President Donald Trump's Thursday pledge to impose tariffs on foreign steel and aluminum. That move raised anxiety over the outlook for both markets and the global economy. The Choe Volatility Index has posted an average daily swing of 4.4% over the past month, compared with an average 0.6% move over the past year.	The Wall Street Journal	03/03-04/2018	Chelsey Dulaney and Ben Eisen
Cohn Quits After Split With Trump	Mr. Cohn's departure could further rattle investors. The dollar slumped, and futures in the Dow Jones Industrial Average were down about 300 points, or 1.2%, late Tuesday.	The Wall Street Journal	03/07/2018	Nick Timiraos, Peter Nicholas and Liz Hoffman
What's News	♦ The Dow closed down 82.76 points at 24801.36 as Cohn's exit renewed fears of a trade war.	The Wall Street Journal	03/08/2018	
What's News	♦ Mortgage rates rose to their highest level since 2014, with the average 30-year rate hitting 4.46%, posing a challenge to the housing market.	The Wall Street Journal	03/09/2018	

What's News	♦ U.S. stocks rebounded after the White House said tariffs on metals would spare some allies. The Dow rose 93.85 points to 24895.21.	The Wall Street Journal	03/09/2018	
What's News	♦ Trump signed tariffs on steel and aluminum but suggested a number of countries would be spared and signaled pressure on China.	The Wall Street Journal	03/09/2018	
Old Views Under New Threat	For nine years, U.S. investors have had easy money, higher profit margins and, mostly rising valuations, even as the economy had its slowest recovery since World War II. Wall Street won, while Main Street suffered. Now, Main Street is finally starting to do better. Jobs are plentiful, unemployment is low, wages just might, perhaps, be picking up, and the bond market is once again priced for inflation rising to the Fed's 2% target over the next two years. Higher bond yields equate to a higher discount rate, making future earnings worth less today and reducing the valuation. But if bond yields rise purely because the (global) economy is improving, future profits should go up, ... If bond yields are set to keep rising, earnings will need to be supported either by higher profit margins or higher sales.	The Wall Street Journal	03/09/2018	James Mackintosh
Hiring Boom Draws Workers Back <i>Employers added jobs at strongest pace since mid-2016, but Fed gets breathing room on rates</i>	Companies ramped up hiring last month and people flooded back into the workforce, a potent mix suggesting the U.S. economy can run strong without overheating and forcing the Federal Reserve to slam its brakes on the expansion with aggressive interest-rate increases. Investors, applauding the combination of robust economic growth and a restrained central bank, sent the Dow Jones Industrial Average up 440.53 points, or 1.77%, to 25335.74.	The Wall Street Journal	03/10-11/2018	Eric Morath
Investors Fear Goldilocks Market Is Ending	Nine years into a roaring stock bull market, fund managers are paying their last respects to Goldilocks. Investors broadly remain bullish on stocks and other investments, aided by an upbeat U.S. jobs report on Friday. But repeated bouts of market volatility in 2018 and signs of a pickup in inflation have forced them for the first time in several years to reassess their tolerance for risk.	The Wall Street Journal	03/13/2018	Riva Gold and Georgi Kantchev
What's News	♦ Inflation cooled slightly last month, keeping the Fed on track to raise rates but relieving it of pressure to take more dramatic action.	The Wall Street Journal	03/14/2018	
What's News	♦ U.S. stocks dropped as tech and financial shares declined. The Dow fell 171.58 points to 25007.03.	The Wall Street Journal	03/14/2018	
What's News	♦ Retail sales fell in February despite a thriving economy, puzzling analysts.	The Wall Street Journal	03/15/2018	
What's News	♦ Stocks fell amid renewed worries about protectionist trade policies. The Dow shed 248.91 points to 24758.12.	The Wall Street Journal	03/15/2018	
What's News	♦ The Dow rose 115.54 points to 24873.66. The S&P 500 and Nasdaq ended lower.	The Wall Street Journal	03/16/2018	

Stocks Advance But Lose For Week	Stocks struggled for Traction throughout the week as investors weighed fresh rebuke to the Trump administration's protectionist trade agenda. Investors dumped share of materials and industrial companies, which some fear could suffer if U.S. tariffs drive up costs for manufacturers.	The Wall Street Journal	03/17-18/2018	Akane Otani and Mike Bird
	The Dow Jones Industrial Average rose 72.85 points, or 0.3%, to 24946.51, but fell 1.5% for the week. The S&P 500 advanced 4.68 points, or 0.2%, to 2752.01 but sank 1.2% for the week, while the Nasdaq Composite edged up 0.25 point, or less than 0.1%, to 7481.99 and fell 1% for the week.			
What's News	♦ Natural gas's reign as an energy leader is being threatened by state regulators and environmental groups pushing for renewable energy.	The Wall Street Journal	03/19/2018	
A Deeper Look at the Flattening U.S. Yield Curve	The long-awaited repricing of the U.S. bond market has stalled once again. The 10-year U.S. Treasury yield has been stuck between 2.8% and 2.9% after an early 2018 debt selloff took the yield within a hair of 3% for the first time in four years. The rise in yields since 2016 signals investors no longer fear the global economy will suddenly fall apart, but the recent leveling off suggests investors doubt growth is truly picking up in a sustained way.	The Wall Street Journal	03/19/2018	Daniel Kruger
	Fed interest-rate increases translate almost mechanically into higher short-term Treasury rates. A bigger question for investors is whether those increases will curb growth along with inflation. That would pull down yields "further out on the curve," as Wall Street jargon would have it, potentially signaling a slowdown.			
What's News	♦ Stocks sank amid a tech selloff. The Dow slid 335.60 to 24610.91, falling into negative territory for the year.	The Wall Street Journal	03/20/2018	
Fed Signals More Aggressive Path U.S. central bank lifts benchmark rate and expects at least two more moves this year	The Fed voted unanimously to raise its benchmark federal-funds rate by a quarter-percentage point to a range between 1.5% and 1.75%. Officials said they expected to lift it another two or three times this year, and three times in 2019. New forecasts show officials project faster economic growth, higher inflation and lower unemployment in coming years.	The Wall Street Journal	03/22/2018	Nick Timiraos
What's News	♦ Stocks erased gains and closed lower after the Fed meeting. The Dow shed 44.96 points to 24682.31.	The Wall Street Journal	03/22/2018	
Air Is Coming Out of Inflation Wagers	The 10-year break-even rate, which tracks investors' expectations for average annual inflation over the next 10 years, settled Thursday at 2.10%, according to Thomson Reuters, after hitting 2.16% last month-its highest level in more than three years. The moderation of these wagers marks a significant reversal from earlier in the year, when signs of accelerating inflation upended financial markets, spurring sharp selling in stocks and helping send Treasury yields to multiyear highs.	The Wall Street Journal	03/23/2018	Daniel Kruger
	"Inflation pressures have been more expected than realized," said Matt Freund, co-chief investment officer and head of fixed-income strategies at Calamos Investments.			

What's News	◆ The Dow tumbled 724.42 points, or 2.9%, to 23957.89, driven down by trade-war fears and concerns about tech companies, economic growth and interest rates. Treasury prices rallied.	The Wall Street Journal	03/23/2018	
What's News	◆ Trump launched a trade offensive against China, including a threat of tariffs on \$60 billion or imports and tighter restrictions on acquisitions and technology transfers. China unveiled plans for tariffs against U.S. imports.	The Wall Street Journal	03/23/2018	
Stocks Sink to Worst Week in Years <i>Dow sheds 5.7% as tough trade moves, interest rates and tech worries rattle investors</i>	U.S. stocks suffered their worst week in more than two years, signaling mounting investor anxiety over whether factors from restrictive trade policies to rising interest rates could disrupt the nine-year bull market. The Dow Jones Industrial Average fell more than 1,400 points over five days, a 5.7% decline that marked the blue-chip index's biggest weekly percentage loss since January 2016.	The Wall Street Journal	03/24-25/2018	Akane Otani, Riva Gold and Michael Wursthorn
Trade Worries Jolt Global Asset Prices	Many of the declines come in assets that investors had recently used to bet on an expected acceleration in global growth. These are now seen as vulnerable in a trade war with China, the world's second-largest economy. Prices for copper are down 9% this year and now stand at the lowest level since late 2017, and iron ore has fallen nearly 10% in March	The Wall Street Journal	03/24-25/2018	Ira Iosebashvili and Saumya Vaishampayan
What's News	Many are worried that trade restrictions could slow growth in China and hit demand for everything from commodities to technology. ◆ Trump signed a \$1.3 trillion spending bill, but only after threatening to veto it and trigger a government shutdown.	The Wall Street Journal	03/24-25/2018	
What's News	◆ ... The Dow fell 424.69 points Friday to 23533.20, ending the week down 5.7%.	The Wall Street Journal	03/24-25/2018	
China, U.S. Aim To Ease Trade Rift <i>Quiet talks on boosting market access follow days of loud rhetoric that sent stocks reeling</i>	China and the U.S. have quietly started negotiating to improve U.S. access to Chinese markets, after a week filled with harsh words from both sides over Washington's threat to use tariffs to address trade imbalances... The behind-the-scenes discussions might come as relief to those rattled by announcements last week of U.S. plans to hit China with tariffs....	The Wall Street Journal	03/26/2018	Lingling Wei and Bob Davis
Small Caps Weather Broad Rout	Shares of small U.S. companies have held mostly steady this month despite a broader market rout, as their domestic focus is sheltering them from prevailing trade-friction worries. The Russell 2000 has slipped 0.2% since the end of February compared with the S&P 500's 4.6% loss and the Dow Jones Industrial Average's 6% decline. Investors fear that the Trump administration's tariffs on steel and aluminum imports could crimp profits for large manufacturers...	The Wall Street Journal	03/26/2018	Akane Otani

	Small-caps are holding up better during the current market malaise in part because of their domestic focus, which enables them to benefit from tax reductions and largely shelters them from trade-fallout concerns.			
What's News	♦ U.S. stocks surged as fears about trade tensions with China eased. The Dow industrials gained 669.40 points, or 2.8%, to 24202.60.	The Wall Street Journal	03/27/2018	
Commodities Can Weather a Tariff Bout	With the U.S. and China engaging in a tariff-slapping exchange, this might seem like a terrible time for that most growth-sensitive of asset classes, commodities. Investors shouldn't be too pessimistic. Sure, oil and metals would likely sell off sharply at the outset of an actual trade war. Copper already has, falling around 4% in March. And even if tensions do ratchet up, it might be a commodities-buying opportunity, thanks to Beijing's likely response: another big round of stimulus measures that would push metals demand higher again. In other words, the big uptick in global trade-still evident despite the clouds-isn't an unalloyed positive for commodities as long as China is tamping down credit growth.	The Wall Street Journal	03/28/2018	Nathaniel Taplin
What's News	♦ Technology stocks are suffering one of their worst beatings in years. The Nasdaq sank 2.9% in a sell-off that carried over to the broader market, with the Dow falling 344.89 points....	The Wall Street Journal	03/28/2018	
As Europe Prospers, Stocks Fizzle	In the past 12 months, the Stoxx Europe 600 has delivered only 0.3% gains in local-currency terms, accounting for both share-price appreciation and dividends, compared with a 14% total return for the S&P 500. That is mainly because Europe's rosier outlook has boosted the euro 14% against the dollar during the same period, eroding the value of over-seas earnings from domestically listed companies. About half the revenue of the Stoxx Europe 600 comes from abroad, FactSet data show. So, after a period of upward revisions, some investors and banks are beginning to down-grade their expectations for European stocks this year. Economists expect the eurozone's gross domestic product to expand 2.3% this year, compared with 2.8% growth in the U.S., according to an average of forecasts compiled by FocusEconomics.	The Wall Street Journal	03/29/2018	Jon Sindreu and Mike Bird
Tech Slide Hits Wide Swath of Investors	Investors are concerned that the tech giants have grown so much and so fast in recent years that they now carry outsize weight. Combined, the five largest U.S. technology and internet companies account for more than 14% of the S&P 500 index's weighting. The NYSE FANG+ Index – which tracks 10 global tech heavyweights – fell 2.4%, extending losses after suffering its worst one-day drop on Tuesday. The S&P 500 technology sector is down 6% so far this month.	The Wall Street Journal	03/29/2018	Steven Russellillo

What's News	◆ U.S. stocks continued to struggle, with major indexes ending lower. The Dow fell 9.29 points to 23848.42.	The Wall Street Journal	03/29/2018	
Treasuries Climb as Investors Shun Risk	U.S. government-bond prices rose again Wednesday as shaky trading in global stocks increased investors' appetite for the safety of government debt. The yield on the 10-year Treasury note settled at 2.777%, compared with 2.790% Tuesday.	The Wall Street Journal	03/29/2018	Akane Otani
What's News	◆ Major U.S. stock indexes posted gains. The Dow added 254.69 points to 24103.11 but was down 2.5% for the quarter.	The Wall Street Journal	03/30/2018	
Investors Unsettled By Shift In Havens	Investments that typically serve as havens in times of stress are moving in strange ways, highlighting the unsettled condition of financial markets as they head into the second quarter. The dollar and the yen have both strengthened recently, which is typical when investors are looking to unwind risk. But other assets that usually rally for similar flight-to-safety reasons haven't fared so well. Told, the Swiss franc and Treasuries have fallen since the Dow Jones Industrial Average slumped 9.4% from its Jan. 26 high. The divergence is confounding analysts and investors.	The Wall Street Journal	03/31-April 1-2018	Ora Iosebashvili, Amrith Ramkumar and Daniel Kruger
What's News	◆ Stock ratings among analysts and brokerages have largely held steady for big tech firms even as their shares have slumped.	The Wall Street Journal	03/31-April 1/2018	
Investors' Zeal for Tech Remains Strong Despite turbulence recently, the stocks are considered a good bet in the long run	Stock ratings among analysts and brokerages have largely held steady for big tech firms even as their shares have slumped, a sign the tidal wave of bad news hitting the industry hasn't destroyed confidence in the popular stocks. Analysts cite big technology companies' strong earnings outlook and dominance across industries from retail to social media, as well as the likelihood that any additional regulations imposed by lawmakers will take time to implement. And big tech's dominance of the stock market is also a cause for concern. "Every time you've seen this kind of concentration of leadership, it usually ended poorly," said Vincent Deluard, global macro strategist at INTL FStone.	The Wall Street Journal	03/31-April 1/2018	Akane Otani and Michael Wursthorn

In the 12 months ended June 2017, banks shut 1,700 branches, the fastest decline on record. MarketWatch, December 26, 2017

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