



Stonebridge Market Wrap

January 6, 2017

For the week ending January 6, 2017

Earnings season begins this week with Alcoa and ends with a few big banks; Wells Fargo, JP Morgan and Bank of America on Friday. Fourth quarter earnings will occupy the markets for the rest of January and may be punctuated by other events that pop up in the next few weeks. We have the inauguration coming up on the 20th, which may cause a bit of turmoil if the news reports of the mass demonstrations are accurate. Personally, I feel this event is a bit overblown and do not expect much will happen. The beginning of the hearings on the new cabinet officers is coming up as well so that will occasionally grab the headlines, but in the end I think the vast majority will be confirmed.

20,000 on the Dow seems to be a barrier, as we traded up to 19,999.65 on Friday before backing down. It will probably trade through 20,000 sooner rather than later and then we can obsess over 2300 on the S&P. For those of us who mainly invest in individual equities, these round numbers in the indices are a bit of a sideshow, akin to the track conditions in horseracing or field conditions in football. Do yourself a favor in 2017, stay invested in companies that - if you could buy the whole company - you would.

David A. Eckenrode
Director of Equity Management

Key Economic Releases for the coming week:

Friday, January 13th:

- ◆ Retail Sales; .7% expected
- ◆ PPI; .3% expected
- ◆ Core PPI; .1% expected

| Index & Price Changes for week ending 1/6/17 | |
|---|------------------------------------|
| DJIA- 19,963.80 | Rose 201.20 points |
| NASDAQ- 5521.06 | Rose 137.94 points |
| S&P 500- 2276.98 | Rose 38.14 points |
| S&P Small Cap 600- 840.17 | Rose 2.20 points |
| 90 Day T Bill- 0.47% | Yield Fell .03% |
| 2 yr TSY- 1.20% | Yield Rose .01% |
| 5 yr TSY- 1.88% | Yield Fell .05% |
| 10 yr TSY- 2.37% | Yield Fell .07% |
| 30 yr TSY- 2.96% | Yield Fell .11% |
| Oil- \$ 53.99* | Rose \$.43 per barrel |
| Gold- \$ 1173.40* | Rose \$21.80 per oz. |
| Unleaded Gasoline*- \$1.63 | Fell \$.03 per gallon |
| Euro- \$ 1.0543 | Rose \$.0014 against the \$ |

* Wholesale price for NY Mercantile Exchange traded contract



Electronic Municipal Market Access

Often the municipal market is described (even by me) as somewhat opaque when compared to the corporate bond or publically traded equity markets. While this can be frustratingly true especially for smaller and less frequent issuers, one website has increasingly made it less so from a financial disclosure, trading, and ratings standpoint over the last few years. The website is called EMMA (www.emma.msrb.org) and it was developed by the Municipal Securities Rulemaking Board (MSRB), the municipal market's regulatory organization. The website is completely free for investors to use. This is unlike most other market data sources which are often so cost prohibitive for individual investors, they are only available to professional money managers and broker dealers. One reason we like EMMA so much, and we are heavy users of pay services as well, is that it offers financial disclosures, official statements and trade history all in one location. All the investor needs to start is the cusip identifier for an individual bond. The site also allows investors to subscribe to email alerts that are automatically sent out when financial and other pertinent information is publicly disclosed by an issuer or if a trade in the bonds is made in the open market. If you are a municipal bond investor interested in researching more about your individual holdings, setting up an account and exploring EMMA is a great place to start.

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