

PENNOCK IDEA HUB

eResearch Corporation is pleased to feature an investment article by Edward Pennock, who is a seasoned investment professional. He, together with other experienced investment specialists, has formed a comprehensive investment website known as **Pennock Idea Hub**.

One of the features of the website is **The Morning Call**, a daily article that features an insightful commentary on the market.

Today's article begins on the following page, and is entitled:

Oh, Tweet Me A Tweet

You can access the **Pennock Idea Hub** website at the following link:

<http://pennockideahub.com>

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Bob Weir, CFA
Director of Research

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Pennock Idea Hub

Research Reinvented

Thursday, February 16, 2017

The Morning Call

Oh, Tweet Me A Tweet

"Stock market hits new high with the longest winning streak in decades." "great level of confidence and optimism - even before tax plan rollout." Trump tweet. All the Pros know that even though the Dow is at All-Time Highs, it needs Confirmation. The Dow Transports hitting new highs does that. Strength in the Air-lines, the Rail-Roads, and Trucking presage higher Index prices. Heck, even Warren Buffet bought into Air-lines.

More important than those technicals is the price move in Copper. It is making new highs. The Dow is making All-Time Highs. When they move together, it is very powerful. Dismiss this at one's own peril. The Analyst community is focused upon Supply. It is the Demand that is the story. It is confirmation that the USA is finally accelerating its growth. Just as important, is what it says about China. They threw the kitchen sink at the economy. It has finally woken up, it seems.

Meeting with an illustrious industry veteran yesterday, he remarked upon our re-iteration of 1994. The FED raised and the market went for a 6-month loop. They raised again and the market sold off hard for about a month. In both cases, the markets retraced their footsteps to where they had been prior to the raises. The FED raised a third time and markets took off. It was the start of the run all the way to 2000. Markets exploded because they finally realized that the FED was tightening because the economy was GROWing again. This would be akin to the Cavalry coming over the Hill for Yellen.

The European Parliament voted 408 to 254 to confirm a Trade Deal with Canada. The Comprehensive Economic and Trade Agreement (CETA) will come into force immediately. Member states will have to work and vote on some of the items. Trudeau will take credit. Thanks, Stephen Harper.

U.S. consumer spending is up. U.S. inflation is up at a 5-year high. U.S. manufacturing production is up. U.S. retail sales beat. Yellen said it "would be unwise" to delay raising rates too long. She is going to get ahead of the curve? The markets are ready to get on board.

Invest the Money.



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Regards,

Edward Pennock CFA, Founding Partner

ABOUT PENNOCK IDEA HUB

We are creators of independent equity research. The Pennock Idea Hub team members are veterans of the investment industry. Much of our team has spent their careers at Merrill Lynch, Deutsche Bank, RBC Capital Markets, and Wood Gundy. We have taken every aspect of research back to the studs and returned to first principles. The Pennock Idea Hub marries the interests of the sell- and buy-side.

We offer the best research for institutional investors by: only publishing research from veteran Analysts; eliminating the inherent conflicts of the traditional sell- and buy-side relationship; ensuring team accessibility; and collaborating with clients to nurture our collective success.

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