

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:
She Did, He Didn't, He is, We Are, They're What?

You can access the **Pennock Idea Hub** website at the following link:
<http://pennockideahub.com>

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Director of Research

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Wednesday, March 15, 2017

The Morning Call

She Did, He Didn't, He is, We Are, They're What?

Yellen did. She went 25 basis points. It was a 100% sure-thing in the market. Huge "Shorts" had been built up. After the news, the big unwind commenced. Interestingly, Goldman has cooled on stocks. We know what the cynics say.

Wilder did not win in Holland. The centre-left, the VVD, won 33 of the 150 seats. Wilder's guys won only 20. The real star of the election was a 30-year old of Moroccan descent. Take that Mr. Wilder.

Trump did not get his Muslim travel ban. This time, a judge in Hawaii re-read Trump's campaign rhetoric. He said that it is trying to be a Muslim ban. That is unconstitutional. Trump has to learn that words have consequences, especially, if you are POTUS.

The markets all took off after Yellen's hike. Cynics called it a relief rally. They were relieved because she actually did something. Many commentators liken the action to a past period called "Goldilocks". Yellen said that the economy "... is doing well".

The Bank of Japan did nothing to rates. The PBOC raised rates for the 3rd month in a row. The reverse repo was up 10 basis points. Like the trade deficit, many things suggest to us that China is growing again. Even stranger is that Goldman is cooling on stocks. Hummm.

The U.S. housing starts were up. Singles up 872K. Last time at this level was October 2007. The SAAR of the overall starts was 1.288K. The Weekly Claims were down. Bonds rallied. It is very unlikely that bonds break a 30-year downtrend on the first go. Or the second. Or the third. We believe that they will. This is not 3 steps and a stumble. This is 1994. Markets took off after the third hike.

To quote a former President: The economy was getting better, stupid.



Pennock Idea Hub

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Today in 1991. the Dow crossed 10K for the first time.

Regards,

Edward Pennock CFA, Founding Partner

ABOUT PENNOCK IDEA HUB

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