



COMMENTARY

The weekly initial jobless claims reading at 234,000 was lower (better) than the anticipated reading of 249,000. This helped push the four-week moving average for this index down to its lowest (best) level since 1973.

The final wholesale inventories reading for December showed a monthly increase of 1.0% as expected.

The import price index was expected to increase by 0.3% for the month of January, but instead it rose by 0.4%. On an annual basis through January, the import price index increased by 3.7%, somewhat more than the expected increase of 3.4%.

The preliminary University of Michigan consumer sentiment reading for February slipped lower to 95.7. Expectations were for a reading of 98.0 compared to January's mark of 98.5. Although this preliminary reading for February did move lower, recall that January's level was the second-highest point for this index since the year 2000.

After a rather light week, there are several economic announcements scheduled to be reported next week. The producer and consumer price indices for January will provide some insight on recent price level changes. Retail sales for January will be watched as an indicator of consumer spending activity. Industrial production for January and some regional manufacturing readings for February will provide insight on manufacturing activity. Housing starts and building permits for January will provide some data on the housing market. Finally, the Conference Board's leading economic indicators index for January is also scheduled to be announced.

Another item of note comes from Federal Reserve Chair Janet Yellen, who is scheduled to testify before Congress next week in her semi-annual testimony. Markets will watch closely for any insights on the current thinking of policymakers as it relates to the timing of potential rate hikes in 2017.

Data Source: Bloomberg.

MARKET ACTIVITY UPDATE	2/1/2017 - 2/8/2017	YTD AS OF 2/8/2017
S&P 500 Total Return:	+0.72%	+2.68%
Russell 1000 Value Total Return:	+0.57%	+1.09%
U.S. 10-Year Treasury Yield:	-13 bps (2/8/17 close 2.34%)	-11 bps
Crude Oil WTI:	-2.86% (2/8/17 close \$52.34 per barrel)	-2.57%

Data Source: Bloomberg. (Some numbers are rounded.)



S&P 500 Index Total Return: The Standard and Poor's 500 Index is a capitalization-weighted index. It is a measure of U.S. stocks that represent all major industries and is designed to measure the performance of the broad U.S. economy through changes in its market value. (The total return for this index is used in the Market Activity Update table.)

Russell 1000 Value Index Total Return: The Russell 1000 Value Index is an index that is used to measure the performance of a subset of the Russell 1000 companies that have lower price-to-book ratios and lower forecasted growth values. (The total return for this index is used in the Market Activity Update table.)

U.S. 10-Year Treasury Yield: Generic yield for 10-year U.S. government bonds.

Crude Oil WTI: Crude oil futures contract for West Texas Intermediate crude oil.

Source: Bloomberg.

You cannot invest directly in an index.

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