

July 6, 2019

## In this strategy briefing...

Given what's transpired in 2019, my S&P 500 index year end 3,125 target—at this point just a 5% gain in the face of two positive and potential major catalysts ahead—could now prove to be conservative – *Strategy* – [Page 3](#)

While the upcoming earnings seasons are likely to be very volatile and see lower earnings expectations, the technical backdrop remains bullish based on the S&P's price trend, momentum backdrop and breadth, as measured by the advance-decline line. In contrast, bonds continue to look risky – *Technical* – [Page 8](#)

Time is tight. After Congress's traditional August break, representatives and the White House will just over 30 legislative days to come to an agreement on the budget for the new fiscal year prior to the October 1 deadline – *Policy* – [Page 10](#)

## FS Insight Investment Views

<b>Near Term View:</b>	Choppy but not topy. U.S. stocks remain the safe haven
<b>YE Target:</b>	3,125 (YE P/E 17x · 2020E EPS \$184)
<b>Style:</b>	Cyclical
<b>25 Focus Stock ideas:</b>	AAPL, GOOG, AMGN, BKNG, XLNX, BIIB, FB, MNST, NKE, PM, TSLA, TXN, AME, AMZN, BWA, DE, DIS, DOV, GILD, GRMN, LMT, NVDA, PSX, TPR, V
<b>Additions:</b>	TXN, AME, AMZN, DE, DOV, GRMN, NVDA
<b>Deletions:</b>	EBAY, ADP, D, MA, MSFT, ORCL, PG

## The Wall Street Debrief



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## Fireworks on Wall Street as the 3 Main Indexes Hit New Highs

For investors, the phrase “record high” just never gets old, does it? How could it.

There was plenty of that, and chest and fist bumping too, in the just ended holiday-shortened week of trading. Oh, and buckets of fireworks were set off too, but not on the Fourth of July. Instead, Wall Street celebrated the nation's founding early, with a trifecta, if you will, with all three major equity indexes hitting new highs on Wednesday, July third.

While Friday's action showed shares backtracking a little after a solid jobs report (more on that below), the rockets did red glare Wednesday. The Dow Jones Industrial Average, the Standard & Poor's 500 index, and the Nasdaq reached new all-time highs. Weighed down by problems at Boeing (BA) and 3M (MMM), it was the first new high for the 30-member Dow—which previously hadn't followed the other two to highs this year—in about nine months. The Dow's breaking out seems to me a powerful confirmatory signal for this ten-year old bull market.

According to Bespoke Investment Group: “the usual skeptics are out in full force calling the seemingly out of nowhere late day rallies nothing more than algos, but a rally is a rally and whether the buyer is a person or computer program, the sellers are still getting paid.” I doubt that an earnings recession or trade wars will knock this bull over. The cause will be a “Black Swan.” Good luck predicting that.

The S&P 500 index closed at 2,990, up 19% on the year, and the Dow at 26,922, up 15% year to date.

So which will come first, 3000 on the S&P 500 index or 30,000 on the Dow? I jest. Obviously, it is much more likely that the Standard & Poor's 500 index will reach 3,000—just a handful of points away now — than the Dow will hit 30,000, which is

roughly 3000 points away. Indeed, the S&P 500 index grazed that level when it reached 2996 Wednesday.

Nevertheless, get your SPX 3000 baseball hats ready. And that could be followed in relatively short order by Dow 30,000 hats. Just keep an extra zero handy.

Friday's minor stock market reversal appears related to concerns about rates and the Federal Reserve. Given that investors are expecting the Fed to cut rates this month, the strong jobs data Friday gave investors some pause. In the vein of a good news for Main Street is bad news for Wall Street, the employment report Friday made some think that there will be less ammunition for the Fed to cut rates at the Federal Open Market Committee meeting at the end of this month (See [page 6](#)).

U.S. employers added 224,000 jobs last month, according to the Labor Department's latest data, sharply higher than Street projections of about 162,000. I defer to the market's high expectations of a rate cut in the Fed funds rate later this month, I still think there could be some mid-summer and temporary disappointment. We'll see.

In general, last week's rally was initially spurred by the U.S.-China trade truce agreed to at the G-20 meeting at June's end. That allowed investors to focus on their hopes for a rate cut—at least until Friday, anyway. A softening in the world's economic data has investors convinced central banks around the world will begin to reduce rates from here on.

A bond rally reversed Friday as well, for the same reasons. The yield on the benchmark 10-year U.S. Treasury note jumped to 2.04% from 1.97% just before the jobs report. With benchmark Eurozone yields at new record lows and several in negative territory, it seems clear that foreign investors in particular are once again buying U.S. bonds, hedging the foreign exchange risk, and collecting a premium.

If the world's central banks continue to ease, this is likely to endure. U.S. Treasury international capital data shows a substantial net purchase of American bonds, \$216.4 billion, over the last 12 months. The last three months were stronger still, at a \$323 billion annualized pace. Foreign buyers appear to be driving a non-trivial amount of the recent declines in U.S. Treasury yields.

Bottom Line: Continued choppy action through Q3 but the bull trots on to yearend.

Quote of the Week: Understatement of the month from the WSJ: "A good part of European assets are in negative territory, which sort of shrinks the universe of positively yielding securities," said Eric Brard, head of fixed income at Amundi, Europe's largest asset manager. Yeah, we got it.

Questions? Contact Vito J. Racanelli at [vito.racanelli@fsinsight.com](mailto:vito.racanelli@fsinsight.com) or 212 293 7137. Or go to <http://www.fsinsight.com/>.



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@Fundstrat

## Forget the EPS Recession, Fed Is Key; 3,125 Target Seems Low

Looking back to the beginning of 2019, I said that as the year unfolded it would look a lot like 2009, arguing that the odds for a double-digit percentage stock market gain were the highest in more than a decade.

It was not because I was optimistic on earnings growth, as I have expected an earnings per share (EPS) recession this year. Instead, I argued that what happens to the market's price/earnings ratio (P/E) is far more important to investors than the "E" in the P/E. Indeed, so far this is the case, as equity markets were up 17.4% by mid-year, with new high set after new high, and in all the major U.S. indexes. This year is on track to be one of the strongest since the bull market started in 2009.

I'm not taking a victory lap just yet, but I will note that many were skeptical when, on May 3, I raised my yearend target for the Standard & Poor's 500 index to 3125 from 2925. At the time the S&P 500 was 2,917, but in hindsight and with equity markets now nearly touching 3000, this certainly seems the appropriate action.

In contrast, many other Wall Street strategists have warned—and continue to do so—of a U.S. economy in the late part of the cycle and that a double-top was likely. I maintain my view the US economy is mid-cycle.

I believe that the 2019 EPS growth recession was actually discounted by S&P 500 index in the fall of 2018, when it fell 19% in just 60 days. Thus, those bears arguing EPS

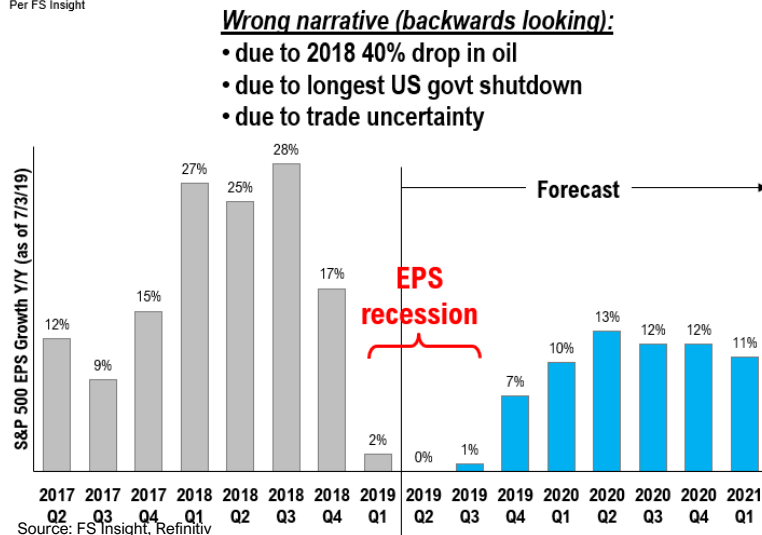
recession and weaker Institute of Supply Management (ISM) data should drive the market to the downside are ignoring that this was arguably already priced in. As we move into the second half of the 2019, investors are, unsurprisingly, looking ahead to 2020 and pricing in better EPS growth in the future.

For example, currently, analysts expect the companies in the S&P 500 index to earn \$167 this year, a P/E of 17.9 and not much above the \$162 last year. But they expect \$186.75 next year, up 12% and a P/E of 16.

I pointed out at the beginning of this year that two key factors argued for P/E expansion and double-digit type gains. First, stocks typically rally about 30% after falling 19% over 60 day periods. Secondly, the market gains some 27% the year after high yield bonds have a negative return year. Both of those phenomena took place in 2018, and, as I wrote multiple times, predict strong future stock gains.

Given what's transpired in 2019, I believe that my S&P 500 YE 3,125 target—at this point just a 5% gain in the face of two positive and potential major catalysts ahead—could now prove to be conservative. First and foremost to my view is that history shows the first Federal Reserve Board interest rate cut (when the US not in recession, as is the

Figure: EPS recession and falling PMIs  
Per FS Insight

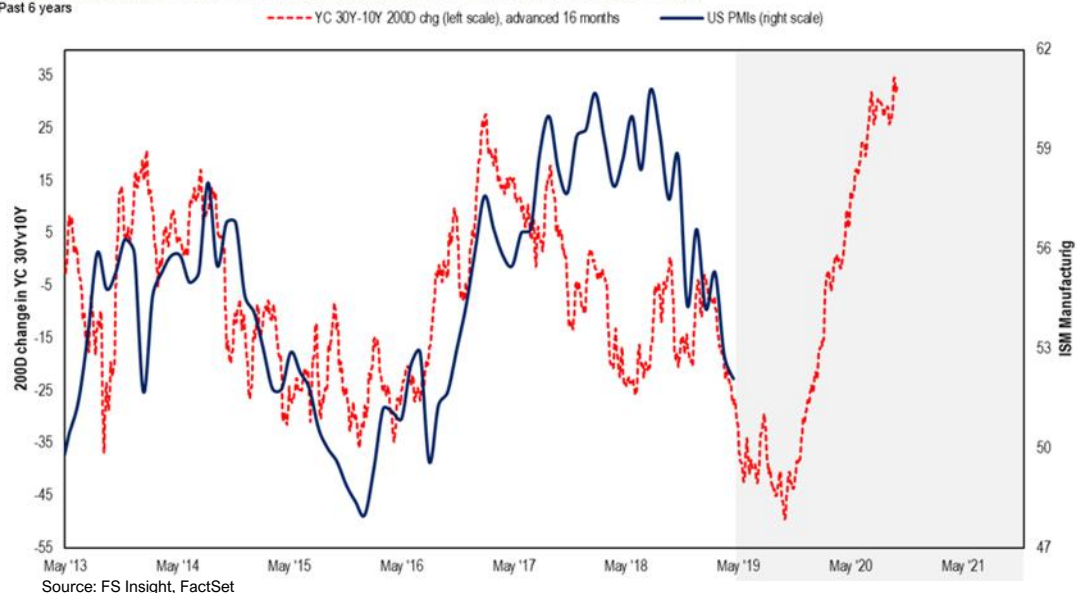


case now) has seen stocks gain an average 18% over following nine months. That implies 3,300-3,400 on the S&P 500 index. The Fed futures market is pricing in a cut at the end of this month. (For more on potential Fed cuts see [page 6.](#))

Moreover, the long-term U.S. Treasury bonds yield curve has done a very good job of leading ISM trend changes by about 16 months, and currently it is pointing to a bottoming of ISM in this quarter, with a re-acceleration throughout 2020 (See chart). This is positive for both EPS and P/E expansion. And it also makes my 3,125 target seem low, considering the magnitude of these catalysts.

Figure: Long-term yield curve 10M change (advanced 16-months) and ISM Manufacturing


Past 6 years



Given my expected upturn in the ISM data, I think cyclical stocks are most attractive now. They lead in the first half, which is logical, and should also lead in the back end of the year. Not a single defensive sector is outperforming year-to-date (YTD). The best performers are technology and consumer discretionary.

What could go wrong? It remains a market attuned to macro concerns, and this could lead to risks from Fed and the White House.

Bottom line: I see P/E expanding in 2H19, so 3,125 target is probably too low and 3,200-3,300 might be more appropriate. The 2019 strong gains so far argue our mid-cycle view more correct than "late in cycle" consensus. Tickers of the stocks I favor follow: GOOG, AAPL, TSLA, BKNG, XLNX, PM, AMGN, FB, GRMN, NKE, LOW, AMZN, EBAY, ROK, CSCO, PYPL, KLAC, NVDA, QCOM, PSX, AMP, AXP, BF/B, MNST, MO, VAR and DIS.



Thomas Lee, Co-Founder & Head of Research



Figure: Comparative matrix of risk/reward drivers in 2019

Per FS insight

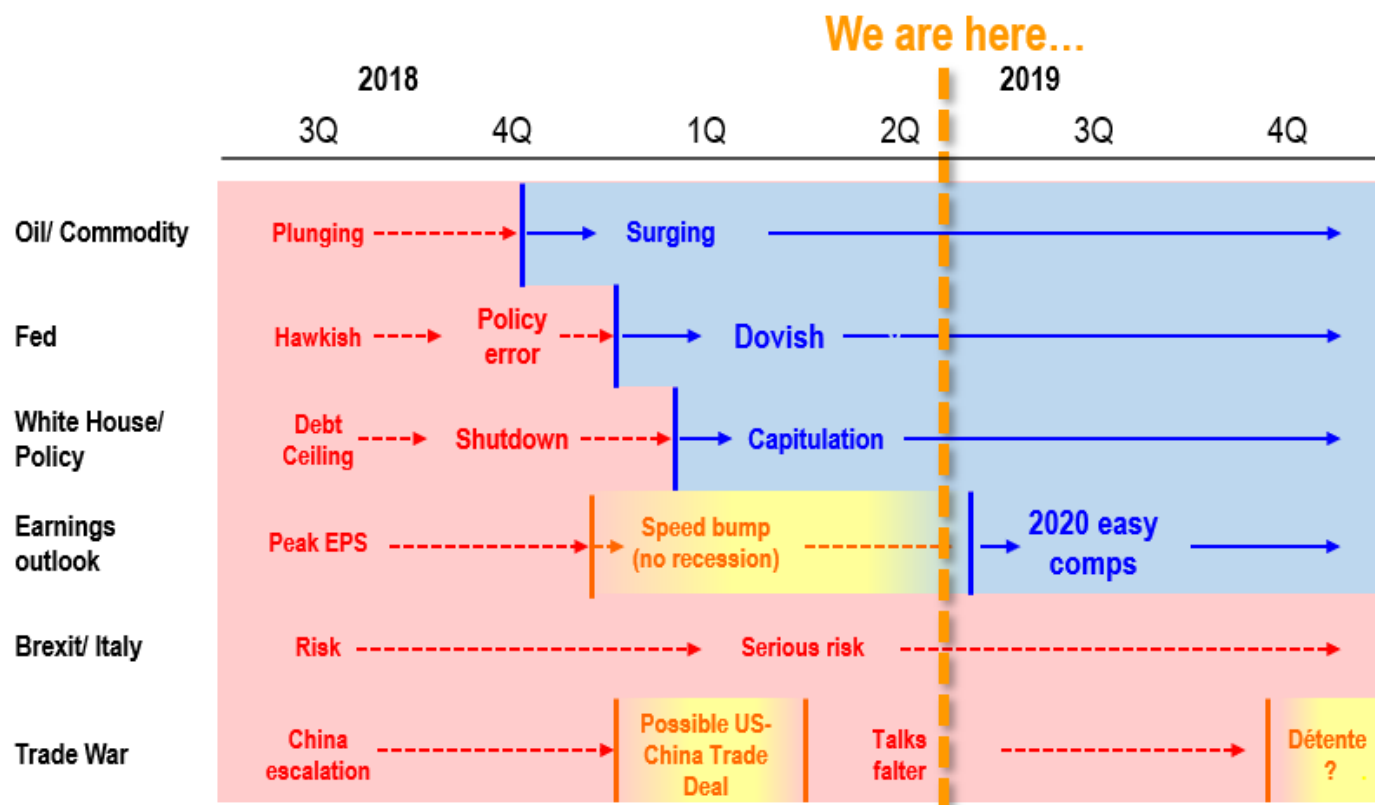


Figure: FS Insight Portfolio Strategy Summary - Relative to S&amp;P 500

Themes	Execution of Strategy	Date added	Last 4 Months				1Q19* (since 1/10)	2Q19	3Q19	4Q19	2019** Portfolio Rel. Return
			Mar	Apr	May	Jun					
S&P 500	S&P 500 Price Index		1.8%	3.9%	(6.6%)	6.9%	9.2%	3.8%	1.1%		14.5%
<i>Performance relative to S&amp;P 500...</i>											
Granny Shot	Intersect of below investment strategy	1/10/19	0.3%	1.7%	(4.2%)	1.7%	4.2%	(1.5%)	0.3%		3.1%
<b>Tactical — 6-12M</b>											
1 Value / Growth Tilt	Market re-discovered valuation risk. • Quality - Defensive • Growth - Quality	1/10/19	(1.5%)	(0.9%)	(1.0%)	(0.4%)	1.3%	(2.5%)	0.0%		(1.3%)
2 Seasons the <u>NEW</u> Seasonality	Overweight groups with good seasons. <b>CURRENT:</b> Online & Electronics Retail, Healthcare Tech, Tech Hardware, Home Ent, Tobacco, Semis, Biotech	1/10/19	(2.8%)	0.6%	(4.8%)	1.7%	0.5%	(3.2%)	0.5%		(2.4%)
3 FANG in odd years	FANG works in "odd" years. • FANG-plus.	1/10/19	2.7%	(0.2%)	(5.9%)	3.0%	1.0%	(4.0%)	0.4%		(3.1%)
<b>Thematic — 3-5 years</b>											
4 Millennials prime years	Millennials driving >50% GDP growth. • Millennial transformation. • Millennial accelerates growth.	1/10/19	(1.0%)	(0.2%)	(0.1%)	(0.2%)	1.9%	(0.5%)	(0.1%)		1.4%
5 Labor shortage— AI/ automation	World is short 78 million workers. • Automation/ AI suppliers. • Beneficiaries of Automation/ AI	1/10/19	(0.4%)	0.4%	(4.3%)	2.8%	1.6%	(1.8%)	(0.5%)		(0.8%)
6 Higher inflation— Assets vs OpEx	Inflation trending higher long term. • Assets over OpEx.	1/10/19	(1.1%)	(1.6%)	0.5%	0.3%	2.8%	(0.7%)	0.2%		2.3%

\*\* Performance is calculated since strategy introduction, 1/10/2019

Source: FS Insight, Bloomberg



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## Trump Tries to Shape the Fed to His Dovish Will

This is what it sounds like when doves arrive.

In a generally quiet week for Fed-watching, President Donald Trump made some noise. No, he didn't thump the tub for lower rates again, but in a series of tweets Tuesday he said he is planning to nominate two new people to fill two Federal Reserve Board vacancies. Both are considered interest rate doves, that is, favoring lower rates.

One is well-known economist Judy Shelton, U.S. executive director at the European Bank for Reconstruction and Development, and the other Christopher Waller, the executive vice president of the Federal Reserve Bank of St. Louis.

Trump's recent Fed nominations haven't had much luck getting approved. The latter two might be likely to get the nod. Still, Democratic animosity towards Trump is high and getting more intense as the presidential candidate debates take place (See [page 10](#)).

Meanwhile, across the pond, another dove was tapped. Christine Lagarde, chairwoman of the International Monetary Fund, was nominated to lead the European Central Bank, after Mario Draghi leaves in October. In terms of easy monetary policy, though Lagarde isn't a banker, she's previously supported that approach and is seen as an acolyte of Draghi's on that topic.

Just as the Fed is grappling with inflation that stubbornly does not meet its target, the ECB is also struggling to hit its medium-term target for price growth of just under 2%. Like the Fed, the ECB is expected to lower rates later this year.

Bond markets liked all the nominations, for obvious reasons. Yields continued inching lower and bond prices, which move inversely to yields, rose. Media reports put this mainly on the dovish appointees to the Fed and ECB, but I think there remains a sufficiently large contingent of investors who are not assuaged by the softened economic data of late, though as Tom Lee points out above this might be misplaced.

The 10-year Treasury note yield was around 2.04%, falling as low as 1.937% at one point, and versus 2.01% the Friday before. And then there are those negative bond rates in Europe. For example, the German 10-year government bond yield is negative 0.36%, with French debt at minus 0.08%. The Italian 10-year government bond yield was about 1.75%.

It's a strange new world in bond investing. Until things turnaround in Europe—don't hold your breath for that—yield seeking investors will buy high rated U.S. paper. Why wouldn't you? Our technical strategist, however, believes that bond yields might have bottomed around these levels (See [page 8](#)).

The CME Fed futures market, a pretty accurate indicator of where rates are going, continues to place a 95% probability of a cut at the next FOMC meeting July 31 and another in September.

Upcoming: 7/30-31 - FOMC meeting.

## Focus Insight Stock List



Below we've highlighted the FocusS stocks that we recommend across at least two of our investment strategies for 2019.

**Figure: Focus Insight Stock List**

As of 07/03/19, source: FS Insight, Factset

Ticker	Company	DQM Rank	Mkt Cap (\$M)	YTD perf (relative to S&P 500)	P/E ('19E)	Value / Growth Tilt	Seasonality	FANG in odd years	Millennials	AI / Automation	Inflation	QuTe	Strategy Count
1	AAPL	Apple Inc	55	\$942,714	11.1%	17.9x	•	•	•	•	•	•	5
2	GOOG	Alphabet Inc	103	784,144	(9.7%)	24.5x	•	•	•	•	•	•	5
3	AMGN	Amgen Inc	48	113,174	(23.3%)	13.2x	•	•	•	•	•	•	4
4	BKNG	Booking Holdings Inc	1	83,333	(7.0%)	19.0x	•	•	•	•	•	•	4
5	XLNX	Xilinx Inc	50	29,087	17.3%	29.9x	•	•	•	•	•	•	4
6	BIIB	Biogen Inc	97	45,374	(41.3%)	7.9x	•	•	•	•	•	•	3
7	FB	Facebook Inc	30	559,949	30.9%	26.8x	•	•	•	•	•	•	3
8	MNST	Monster Beverage Corp	224	35,539	14.1%	31.5x	•	•	•	•	•	•	3
9	NKE	Nike Inc	11	136,184	(1.9%)	29.9x	•	•	•	•	•	•	3
10	PM	Philip Morris International In	209	124,106	0.7%	15.6x	•	•	•	•	•	•	3
11	TSLA	Tesla Inc	2243	41,667	(48.5%)	N/A	•	•	•	•	•	•	3
12	TXN	Texas Instruments Inc	242	108,504	3.7%	22.4x	•	•	•	•	•	•	3
13	AME	Ametek Inc	184	20,678	15.3%	22.2x	•	•	•	•	•	•	2
14	AMZN	Amazon.Com Inc	169	956,628	10.6%	71.1x	•	•	•	•	•	•	2
15	BWA	Borgwarner Inc	84	8,469	(1.2%)	9.8x	•	•	•	•	•	•	2
16	DE	Deere & Co	208	51,810	(9.2%)	15.9x	•	•	•	•	•	•	2
17	DIS	Walt Disney Co/The	104	256,241	11.1%	22.3x	•	•	•	•	•	•	2
18	DOV	Dover Corp	150	14,879	25.6%	17.6x	•	•	•	•	•	•	2
19	GILD	Gilead Sciences Inc	293	87,229	(9.1%)	10.0x	•	•	•	•	•	•	2
20	GRMN	Garmin Ltd	488	15,070	6.7%	21.3x	•	•	•	•	•	•	2
21	LMT	Philip Morris International	5	104,491	22.6%	18.0x	•	•	•	•	•	•	2
22	NVDA	Nvidia Corp	1360	97,495	1.2%	30.1x	•	•	•	•	•	•	2
23	PSX	Phillips 66	186	43,913	(6.4%)	13.0x	•	•	•	•	•	•	2
24	TPR	Tapestry Inc	15	8,759	(29.5%)	11.7x	•	•	•	•	•	•	2
25	V	Visa Inc	116	352,406	15.1%	32.9x	•	•	•	•	•	•	2
Average (relative to S&P 500)		267	\$200,874	(0.0%)	22.3x								
Median (relative to S&P 500)		116	\$87,229	1.2%	20.2x								

**Additions:** TXN, AME, AMZN, DE, DOV, GRMN, NVDA

**Deletions:** EBAY, ADP, D, MA, MSFT, ORCL, PG

#### Focus Portfolio Performance

(Since Introduction on 1/10/19, Relative to S&P 500)

The Focus Portfolio underperformed the S&P 500 by 5 bps since its inception.



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## Long Term Backdrop Bullish for Stocks, For Bonds Not So Much

You have to admire the Standard & Poor's 500 index's ability to scale the proverbial "Wall of Worry" in the face of major trade, economic and earnings worries throughout Q2 heading into Q3. I've been around for a few bull and bear markets, and if there were ever a market climbing that time-honored cliché, it's this one.

That said, in the short-term a market pullback would not be surprising given the recent surge has pushed daily trading indicators back into overbought levels. However, and as I've said previously in these pages, the intermediate- and longer-term technical backdrop remains bullish for equities.

Given the market's new highs and this holiday shortened trading week, I want to revisit the weekly S&P charts I focus on regularly for perspective on the coming one to two quarters as we head through upcoming earnings season.

As a reminder, I use the weekly momentum indicator in the top panel to track the 1-2 quarter swings in the S&P 500 and cross reference it against the weekly momentum indicator in the bottom panel, which tracks the direction of the S&P 500 index on an equally-weighted basis. At the beginning of Q2, both indicators were overbought and suggested a pullback/pause was likely in Q2 but one that was temporary and would pass by late Q2/early Q3. Despite endless bearish headlines, these indicators began to bottom right on track in late Q2, and continue to build positively and remain bullish.

### S&P 500 – Weekly – Making the turn...up and out



Source: Fundstrat, Bloomberg, Optima

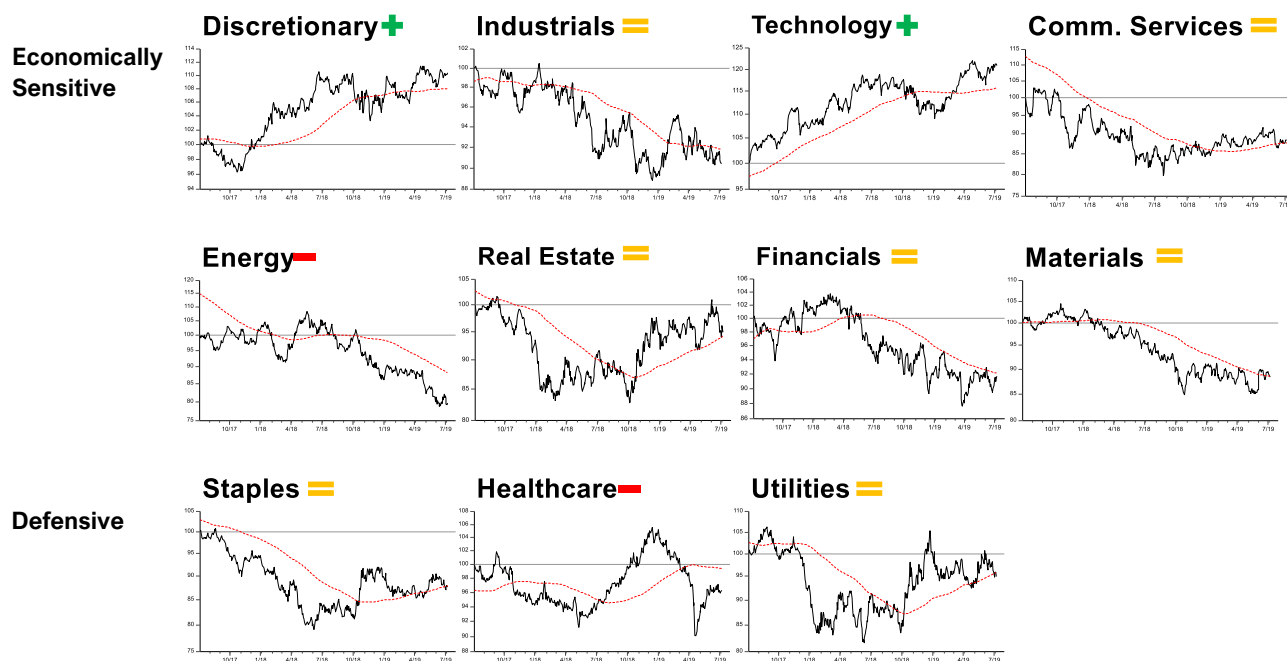
**Bottom Line:** My expectation is that, while the upcoming earnings seasons are likely to be very volatile and give analysts an excuse to lower earnings expectations, the technical backdrop remains bullish based on the S&P's price trend, momentum backdrop and breadth, as measured by the advance-decline line. In contrast, bonds continue to look risky to me. Weekly momentum indicators for U.S. Treasury 10-year



bond yields are deeply oversold and at risk of turning up. Today's employment report could very well have marked an important turning point for bond yields (See [page 1](#)). Favor stocks over bonds through year-end well into 2020.

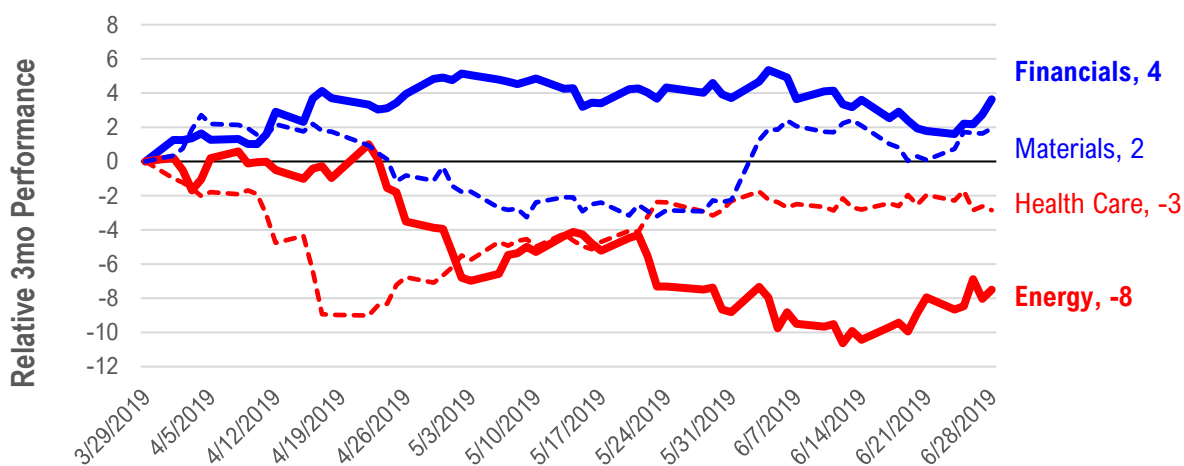
Figure: Rob's Weekly Sector Review

Source: FS Insight, Factset



My sector view remains unchanged, with technology and consumer discretionary established leadership, and bond proxies such as utilities and staples at risk of weakening further through H2. In contrast, cyclicals, such as industrials and financials, have yet to make a decisive technical upturn. But they remain near levels that would signal upside trend reversals and are likely to do so in Q3.

Figure: Best and worst performance sectors over past 3 months



Source: FS Insight, Bloomberg

*Robert Sluymer*

Robert Sluymer, Head of Technical Analysis Strategy



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 Formerly Global Head of Government Relations at J.P. Morgan for 21 years, and previously served as Legislative Assistant and Chief of Staff in the House, and Legislative Staff Director in the Senate

 [@TomBlock\\_FS](https://twitter.com/TomBlock_FS)

## DC Forecast: Rising Temperatures and Hot Tempers

The U.S. Congress returns next week from its July 4th holiday break, and representatives then have only three weeks before they leave Washington again for the traditional August recess. Nice work if you can get it.

This abbreviated schedule leaves just over 30 legislative days for the Democrats in the House, the Senate Republicans, and the White House to come to an agreement on the budget for the new fiscal year prior to the October 1 deadline. While there has been one meeting between the senior White House staff and Congressional leaders, it didn't include President Donald Trump.

Complicating any potential budget agreement is the mandated sequester cuts of over \$120 billion required by the Budget Control Act of 2011 (BCA), a compromise agreement reached under divided government during President Barack Obama's Administration. The deal included mandatory reduction in spending unless Congress takes specific action. Since 2011 Congress and the White House have indeed passed two-year spending agreements, avoiding the sequester cuts, every year but 2013.

The current suspension of BCA sequestration cuts covered fiscal years 2018 and 2019; therefore, a new suspension is required to avoid the cuts, which typically are divided between defense and non-defense spending. The President and his Republican allies would like to forestall the \$70 billion of defense cuts under sequestration but maintain the \$50 billion in non-defense cuts. This, however, is clearly unacceptable to the Democratic-controlled House; hence both sides are searching for a compromise.

The past agreements have been for two years, to avoid the threat of a government shutdown and large cuts in an election year. However, President Trump likely relishes the idea of high drama over government spending on the eve of the 2020 presidential race. To date he's not been willing to increase non-defense spending as part of a deal with House Democrats. The legislative leaders would like to craft a two-year bipartisan spending deal and a two-year suspension of the debt limit. Short of action on the debt limit there could be a default on some government payments later this year. Not a particularly attractive prospect for markets.

At that meeting a few weeks ago of Administration and Congressional leaders the White House staff suggested a continuing resolution (CR) for one year and reported that the President could support this deal. The one-year CR would also take care of the debt ceiling for a year. Over the next few weeks, Congressional action will be likely consumed by the FY 2020 budget, in order to avoid a government shutdown, agreeing on a budget deal that again suspends the mandated sequestration cuts, and resolving the potentially devastating impact of a debt default.

In the middle of all this, House Democrats will be further distracted as they attack President Trump on issues ranging from migrant children at the border to their continuing fight to get his tax returns. Hot temperatures and hot tempers are likely to be the forecast for July in D.C.

L. Thomas Block, Washington and Policy Strategist

Figure: Top Trump Tweets



**Donald J. Trump**  
The 45<sup>th</sup> President of United States of America

[@realDonaldTrump](#)



**Donald J. Trump** @realDonaldTrump · Jul 3

China and Europe playing big currency manipulation game and pumping money into their system in order to compete with USA. We should MATCH, or continue being the dummies who sit back and politely watch as other countries continue to play their games - as they have for many years!

7.7K 17K 68K



**Donald J. Trump** @realDonaldTrump · Jul 3

Mexico is doing a far better job than the Democrats on the Border. Thank you Mexico!

9.8K 24K 118K



**Donald J. Trump** @realDonaldTrump · Jul 3

Iran has just issued a New Warning. Rouhani says that they will Enrich Uranium to "any amount we want" if there is no new Nuclear Deal. Be careful with the threats, Iran. They can come back to bite you like nobody has been bitten before!

28K 27K 113K

## Economic Calendar

From 07/08/19 – 07/12/2019

### NEXT WEEK'S MAJOR U.S. ECONOMIC REPORTS & FED SPEAKERS

TIME (ET)	REPORT	PERIOD	ACTUAL	FORECAST	PREVIOUS
MONDAY, JULY 8					
3 PM	CONSUMER CREDIT	MAY		--	\$17 BLN
TUESDAY, JULY 9					
6 AM	NFIB SMALL BUSINESS INDEX	JUNE		--	105.0
8:45 AM	JEROME POWELL TESTIMONY				
10 AM	JOB OPENINGS	MAY		--	7.5 MLN
WEDNESDAY, JULY 10					
10 AM	JEROME POWELL TESTIMONY				
10 AM	WHOLESALE INVENTORIES	MAY		--	0.8%
2 PM	FOMC MINUTES				
THURSDAY, JULY 11					
8:30 AM	WEEKLY JOBLESS CLAIMS	6/29		N/A	N/A
8:30 AM	CONSUMER PRICE INDEX	JUNE		0.0%	0.1%
8:30 AM	CORE CPI	JUNE		0.2%	0.1%
2 PM	FEDERAL BUDGET	JUNE		--	\$72 BLN
FRIDAY, JULY 12					
8:30 AM	PRODUCER PRICE INDEX	JUNE		--	0.1%

Source: MarketWatch

## Disclosures

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