



Weekly Brief

**BLACKSUMMIT
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Market Action

- All three major U.S. indices hit record highs this week. Technology, Consumer Discretionary and other cyclical names led the way for the markets as enthusiasm for risk continues to grow.

- Crude oil prices were largely fell early in the week due to one of the largest supply builds according to the American Petroleum Institute. Pries recovered after it was announced that OPEC's output cuts agreed to in November have seen a record compliance rate of 90%.

- Both major mergers in the health insurance industry have now officially been blocked by the judicial system after Anthem's offer to buy Cigna was struck down on Wednesday. That deal, as well as Aetna's bid for Humana, were rejected on grounds of weaker competition and higher prices that would ensue post-merger.

- Germany's Finance Minister declared that for Greece to receive a haircut on its debt it would have to leave the Eurozone. The comment came after IMF and European negotiators have been at odds over the need for additional relief for Greece and the possibility of additional fiscal adjustments.

- Federal Reserve Governor Daniel Tarullo announced his resignation, effective later this spring. Mr. Tarullo had been the point man on regulating Wall St. and other financial institutions in light of the financial crisis.

- Britain's House of Commons gave Theresa May final approval to begin exit talks with the EU without additional conditions. The bill should become law within a few weeks after passing through the House of Lords.

<u>Equities</u>	Current	Weekly	Monthly	YTD
<u>U.S.</u>				
Dow Jones	20,269.37	0.99%	1.58%	2.56%
S&P 500	2,316.10	0.81%	1.79%	3.45%
Nasdaq	5,734.13	1.19%	3.06%	6.52%
<u>Europe</u>				
FTSE	7,258.75	0.98%	-0.44%	1.62%
DAX	11,666.97	0.13%	0.18%	1.62%
<u>Asia</u>				
Nikkei	19,378.93	2.44%	0.07%	1.38%
Shanghai	3,196.70	1.80%	1.91%	3.00%
<u>Currencies</u>				
EUR/\$	1.064	-1.30%	0.58%	1.20%
\$/Yen	113.220	0.54%	-1.90%	-3.20%
UK/\$	1.249	0.06%	2.28%	1.22%
<u>Bonds</u>				
10 Year	2.41	-0.057	0.035	-0.037
Moodys AA	3.99	-0.090	0.050	-0.040
<u>Commodities</u>				
WTI	\$53.86	0.06%	3.08%	0.26%
Brent	\$56.70	-0.19%	2.90%	-0.21%
Gold	\$1,235.90	1.24%	3.02%	7.07%

<u>Returns</u>			
Sector	1 Week	1 Month	YTD
Telecommunications	0.29%	-2.09%	-4.74%
Materials	0.05%	2.05%	4.87%
Energy	-0.67%	-2.95%	-3.62%
Consumer Staples	1.12%	3.77%	3.36%
Consumer Discretionary	1.41%	2.31%	5.27%
Financials	0.25%	0.70%	1.97%
Healthcare	0.46%	1.40%	4.09%
Industrials	1.59%	1.77%	3.36%
Technology	1.23%	3.82%	7.17%
Utilities	0.73%	1.43%	1.26%

This Week from Blacksummit

[Corporate Earnings, Production, and Hourly Wages: No Enigma to Decipher](#)

John E. Charalambakis

Recommended Reads

[Watch What Indexing Does for Public Pensions](#)

Marc Levine

[Why Value Investing is So Hard](#)

Validea

[Bubbles are Rarer Than You Think](#)

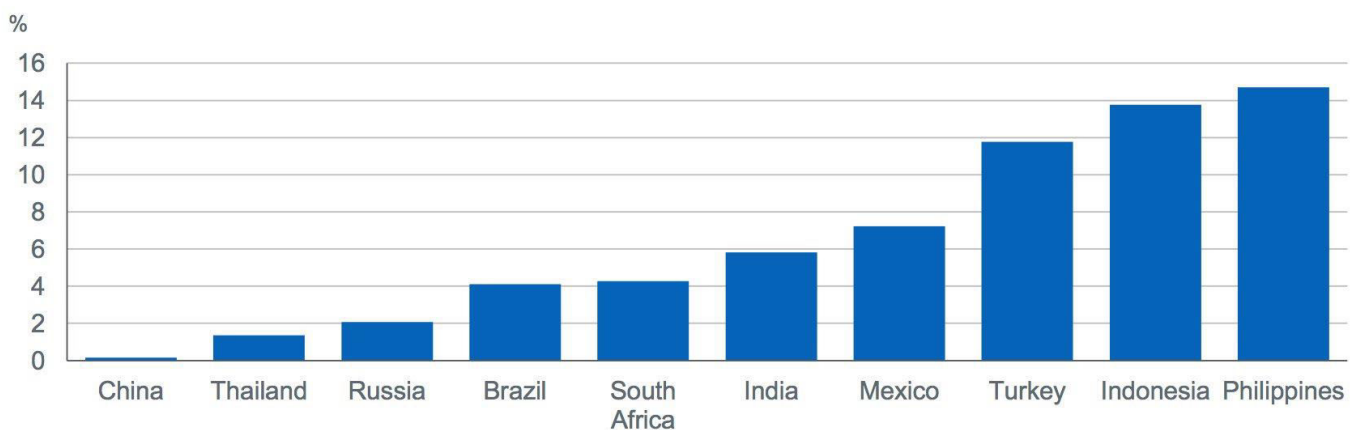
The Economist

Image of the Week: Countries Most Susceptible to Reversal of Capital Flows

The Proportion of Foreign Currency-denominated EM Government Debt Varies

Public Foreign Currency Debt - Selected Emerging Markets

% of GDP, 2015



Source: Fitch