

BUILD & PROTECT



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The rally continues.

As this quarter came to a close, the bulls continued their charge. The S&P 500 climbed 2.6% in the quarter fueled by positive macroeconomic factors and strong earnings growth. Markets shrugged off political turbulence early in the quarter and continued to look positively on the Republican's pro-business agenda. The Federal Reserve expects the economy to grow at 2% in the medium term and cited a strengthening labor market and increased household spending to raise rates by a quarter of a percent.

Catamount actively monitors the market for changes in the current bullish sentiment. Technology stocks saw a pause at the end of June while financials started trending upwards. We are patiently watching to see whether this is a rotation away from technology, or a pause before the next move higher.

Macroeconomic indicators show a strengthening economy. Data on jobs, manufacturing, and pricing all pointed to sustained growth in the US. The dollar has also backed off a bit from its highs earlier this year. This should help bolster US exports and corporate profits. Prices for oil and gas continue to stay low despite geopolitical shocks. These low energy prices should continue to be a tailwind for consumer spending.

The current economic expansion is now eight years old and marks the third longest recovery since WWII. While this recovery has been a lengthy one, it has also been unhurried and has not generated the excesses of previous booms. Given this pace, the Federal Reserve has been reluctant to slow the economy by raising rates quickly. The Fed was upbeat on the economy in its June meeting and did in fact raise rates. Including this most recent rate hike, the Fed has only raised rates four times in the current eight year expansion. By comparison, the Fed raised rates seventeen times in the three years between 2004 and 2006. We are encouraged by Fed's positive tone and its slow rate hikes.

We are also monitoring key macroeconomic events that could affect the market. The potential tapering of stimulus packages by global central banks is actively being discussed in the US, Europe, and even Japan. Tapering these programs could slow long-term growth. Global geopolitical risks, most recently coming from North Korea, could also affect the market's trajectory. Cyber-attacks against consumers, corporations, and nations have been

increasingly common. In the last few months, two large malware attacks disrupted operations at several notable corporations including: FedEx, Merck, and Cadbury. Despite all of this, global markets have continued to climb. This secular move upwards, despite the noise, is a clear sign of a bull market.

In fact, the market has been the opposite of noisy. The VIX, an index commonly used to measure volatility, continues to trade near all-time lows. Major indices are calm and trading near their highs. Corporate earnings continue to grow, with consensus earnings growth estimates for the S&P 500 at 7% (annualized) for this quarter. Companies are increasingly talking about wage hikes and a tight labor market, but there are no signs currently of these issues effecting margins on a large scale. With the economy growing around 2% annually, relatively low inflation, and positive employment numbers, we are looking at the rest of the year with optimism.

We hope you are having a fantastic summer and enjoying the outdoors. Please let us know if you have any questions – we are here to assist you!

— The Catamount Wealth Management Team

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Summer, Summer Summertime!

It was so great to see many of you at our recent party to kick-off and celebrate Summer! Here's how the Catamount Team spends their free time in the summer in their own words.

Judy

Hope to be outside as much as possible--go to the beach, watch the sunset, and garden. Plan to meet up with friends and family. We just had a memorial party in Humarock for my dad who passed in December. My favorite summer vacation spot is Humarock, Mass. and Compo Beach!



Lou

Love to stay local and sit by my pool, play a little golf and tennis. Plan to spend the summer breaking in my new basketball hoop and catch a Yankees game. My favorite summer vacation spot is Nantucket—but plan on vacationing in Fairfield this year!

Laurie

When not trying to keep up with my 2 girls and all their activities—soccer, swimming, tennis—love the summer evenings to cookout with friends. Planning a long weekend to the Hamptons and Long Beach Island, New Jersey with family. Haven't found my favorite vacation spot—so I'm going to keep looking.



Matt

Play basketball outside in Riverside Park, drinking lots of rose and IPAs, golfing as much as possible, and helping my girlfriend train for the NYC Marathon. Plan to go to Minnesota to see family and hopefully will do a couple quick weekends away in places like Beacon, NY or Kent, CT. My favorite vacation spot is The Boundary Waters in northern Minnesota and Burlington, Vermont.



Louis II

Looking forward to going on some outdoor hikes and getting back into beach shape! Dusting off the old tennis racket and hopefully getting my game back in gear. Going up to Montreal for the first time. Excited for all the French food! My favorite vacation spot is Mid-coast Maine. Amazing seafood, friendly people, and incredible nature.

What are your Summer Plans?

We look forward to keeping in touch!

Protect your ID and documents on vacation



What would you do if you lost your passport while traveling abroad?

When embarking on vacation, take steps to keep these documents safe and accessible as you travel.

Health-related information

When traveling overseas, you may find yourself in situations where you need information about your current vaccinations. For both domestic and international travel, it's also a good idea to bring a letter from your doctor for any medications you may need, plus contact information for your doctor.

Travel documents and personal identification

When traveling internationally, having your passport and other forms of identification, like a driver's license, is essential. You may also need a visa, depending on the country you're visiting.

Emergency contacts

If you're on the road, it makes sense to have emergency contact information close at hand in case unexpected problems arise. For international trips, you may want to store addresses and phone numbers for the closest U.S. embassies or consulates.

Travel itineraries

Vacations often entail a lot of details—flight information, hotel reservations, rental car bookings, and sightseeing tour logistics. Organizing this information in one place can make traveling less stressful, and digital versions can be shared with others for their reference as well.

How do I keep all this secure?

Because you can never be too careful, or too prepared, make two color copies of all your identification and travel documents. Keep the copies on you or in carry-on luggage when in transit. Here's where you can finally use beloved technology. Scan your documents and securely store an electronic copy. In the event that your passport is lost or stolen, being able to show copies of it will make it much easier to get a replacement from the U.S. State Department.

You never know what could happen to your luggage when traveling. Having the digital copies could give you some peace of mind—with access to the Internet, documents can be uploaded, shared, and retrieved anytime and anywhere. That way you'll know you're ready for whatever adventures lie ahead.

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KEY TAKEAWAYS

Make copies of your ID and travel documents.

Keep one copy hidden in your suitcase; give another set to someone at home.

Scan your documents and keep an electronic copy as well.