



Hermes
ECONOMETRICS

January 28, 2013

Market Notes The little market that could

Current indicators	Status
Managed US Stocks	In Dec 18, 2013
Corporate Bonds	In, May 2012
Managed Global Stocks	In Dec 18, 2013
S&P 500	In Dec 18, 2013
OTC	In Dec 18, 2013

What is Hermes Econometrics and why am I looking at this? We are a RIA, and we wrap our service (although its not a wrap service) around mutual and index funds, to reduce market risk. You pick the funds, we decide if this is a market to be long, or a market to be defensive.

What would a RR do that? Because it keeps your client's investments defensive, and we split our fees, annually with your B/D. For more info, info@econ101.com or call 1-800-488-1781

Markets keep going up, and we may need interest rates to go up to stop the ascending market. Apple stock sure isn't!

This week:

Mon: December durable goods

Tues: January Consumer confidence

Wed: Q4 GDP

Thurs: Dec Personal Income, Consumption, Jan PMI

Fri: Nonfarm Payrolls, Jan unemployment, Michigan Sentiment, ISM Manufacturing

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Hermes
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February 4, 2013

Market Notes

Current indicators	Status
Managed US Stocks	In Dec 18, 2013
Corporate Bonds	In, May 2012
Managed Global Stocks	In Dec 18, 2013
S&P 500	In Dec 18, 2013
OTC	In Dec 18, 2013

Well, I guess after today and Sunday, we could bring up the old NFL indicator (that is if an NFC team loses, the market will be down the following year). Hope not, but we are limber and following the model. It has been trending off the highs. Or maybe it's Obama's promise of higher taxes.

For more info, info@econ101.com or call 1-800-488-1781

This week:

Mon: December Factory Orders

Thurs: Dec consumer credit and major retail chains report Jan sales at stores open at least a year

Fri: Dec Int'l trade, Wholesale inventories

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Hermes
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February 25, 2013

Market Notes

Current indicators	Status
Managed US Stocks	In Dec 18, 2013
Corporate Bonds	In, May 2012
Managed Global Stocks	In Dec 18, 2013
S&P 500	In Dec 18, 2013
OTC	In Dec 18, 2013

No sell yet, but expect one this week. The models do not know about today's action yet. According to Blumberg, stock sales by insiders is at a 2 year high, 12 sales for every buy (average over last decade is 5.4 to one). Do they know something?

For more info, info@econ101.com or call 1-800-488-1781

This week:

Tues: Feb Consumer confidence, Jan new home sales

Wed: Jan durable goods

Thurs: Q4 GDP

Fri: Jan Personal Income, Consumption

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Hermes
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March 4-8, 2013

Market Notes

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Managed US Stocks	In Dec 18, 2013
Corporate Bonds	In, May 2012
Managed Global Stocks	In Dec 18, 2013
S&P 500	In Dec 18, 2013
OTC	In Dec 18, 2013

Nothing like being invested during the week the Dow exceeds it's all time high, huh?

We were pretty sure sequestration wouldn't matter. It was about 3% of federal spending and what big organization can't find 3% waste? Seriously, got that in my wallet.

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Hermes
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March 25-28, 2013

Market Notes

Current indicators	Status
Managed US Stocks	In Dec 18, 2013
Corporate Bonds	In, May 2012
Managed Global Stocks	In Dec 18, 2013
S&P 500	In Dec 18, 2013
OTC	In Dec 18, 2013

Markets are beginning to react to Europe again. We will let you know if our models change.

This week:

Tues: Feb durable goods, Mar consumer conf, Feb new home sales

Thur: Q4 GDP, Mar Chi PMI

Fru: Feb Personal Inc, Consumption, Mar Michigan Sentiment

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April 15-19, 2013

Market Notes

Current indicators

Status

Managed US Stocks	In Dec 18, 2013, Out Apr 5 th , In April 10th
Corporate Bonds	In, May 2012
Managed Global Stocks	In Dec 18, 2013
S&P 500	In Dec 18, 2013, Out Apr 5 th , In April 10th
OTC	In Dec 18, 2013, Out Apr 5 th , In April 10th

So, after being up about 7% on S&P, 4.8% on Nasdaq and 9% on Dow (this has been a large cap move!) we did get a sell on April 5th. We got a quick buy back a little higher, which cost a little over 1% after today. Sometimes there are quick exchanges near market peaks and bottoms. We could end up selling again. After our barely 4 month returns, not concerned.

Thursday, leading indicators and April Philadelphia Fed Survey. Yahoo numbers were out after today's close. Earnings good, revenue a disappointment. Tech companies have to be better than perfect for Wall Street these days (look at AAPL, what earnings, what cash and where's the stock??)

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April 22-26, 2013

Market Notes

Current indicators

Status

Managed US Stocks	In Dec 18, 2013, Out Apr 5 th , In April 10th
Corporate Bonds	In, May 2012
Managed Global Stocks	In Dec 18, 2013
S&P 500	In Dec 18, 2013, Out Apr 5 th , In April 10th
OTC	In Dec 18, 2013, Out Apr 5 th , In April 10th

Still do not have a sell, but could get one this week. We will let you know

Headline in Barron's: Dow 16,000! Never good for contrarians...

Coming this week:

- T March New Home Sales
- W March Durable Goods
- F Q1 GDP, April Michigan Sentiment

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May 6-10, 2013

Market Notes

Current indicators	Status
Managed US Stocks	In Dec 18, 2013, Out Apr 5 th , In April 10th
Corporate Bonds	In, May 2012
Managed Global Stocks	In Dec 18, 2013
S&P 500	In Dec 18, 2013, Out Apr 5 th , In April 10th
OTC	In Dec 18, 2013, Out Apr 5 th , In April 10th

Watching AAPL come off its low of \$385, there is an interesting article on CNBC today. Apparently, contrary to the widely held belief that retail investors are the so-called “dumb money”, retail investors were big buyers of AAPL in the past month, at lows. And who was selling? Hedge funds and mutual funds!

Coming this week:

T March Consumer Credi
Th March Wholesale Inventories

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May 28-31, 2013

Market Notes

Current indicators	Status
Managed US Stocks	Out, Mon June 3rd
Corporate Bonds	In, May 2012
Managed Global Stocks	Out, Mon June 3rd
S&P 500	Out, Mon June 3rd
OTC	Out, Mon June 3rd

Not kidding we got and implemented an equity sell Monday.

Economic Calender:

Monday:

PMI Manufacturing Index, ISM Mfg. Index, Construction Spending

Tuesday:

Motor Vehicle Sales, International Trade

Wednesday:

ADP Employment Report, Productivity and Costs, Factory Orders, ISM Non-Mfg. Index, EIA Petroleum Status Report, Beige Book

Thursday:

Jobless Claims

Friday: Employment Situation

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June 10-14, 2013

Market Notes

Current indicators	Status
Managed US Stocks	Out, Mon June 3rd
Corporate Bonds	In, May 2012
Managed Global Stocks	Out, Mon June 3rd
S&P 500	Out, Mon June 3rd
OTC	Out, Mon June 3rd

June 3 rd Close:	Today Close
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Dow 12,254	14, 995
S&P 500 1, 640	1,612
Nasdaq at 3, 465	3,400

Not kidding we got and implemented an equity sell Monday.

Wednesday:

EIA Petroleum Status Report, Treasury Budget

Thursday:

Jobless Claims, Retail Sales, Import and Export Prices, Business Inventories

Friday:

Producer Price Index, Current Account, Industrial Production, Consumer Sentiment

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July 15-19, 2013

Market Notes

Current indicators	Status
Managed US Stocks	In most of the year
Corporate Bonds	In, May 2012
Managed Global Stocks	In most of the year
S&P 500	In most of the year
OTC	In most of the year

This week:

Monday: Retail Sales, Empire State Mfg. Survey, Business Inventories

Tuesday: Consumer Price Index, Treasury International Capital, Industrial Production, Housing Market Index

Wednesday: Housing Starts, Ben Bernanke Speaks 10:00 AM ET, EIA Petroleum Status Report, Beige Book

Thursday: Jobless Claims, Ben Bernanke Speaks 10:00 AM ET, Philadelphia Fed Survey

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Hermes
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July 22-26, 2013

Market Notes

Current indicators	Status
Managed US Stocks	In most of the year
Corporate Bonds	In, May 2012
Managed Global Stocks	In most of the year
S&P 500	In most of the year
OTC	In most of the year

This week:

Monday: Existing home sales

Wednesday: PMI Manufacturing Index Flash, New Home Sales, EIA Petroleum Status Report

Thursday: Durable Goods, Jobless Claims

Friday: Consumer sentiment

After the bell today: Apple earnings; tomorrow Qualcomm

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July 29-Aug 2, 2013

Market Notes

Current indicators	Status
Managed US Stocks	In most of the year
Corporate Bonds	In, May 2012
Managed Global Stocks	In most of the year
S&P 500	In most of the year
OTC	In most of the year

Markets closed out another positive week, driven upward by a better-than-expected GDP report and a reminder that the Fed won't be pulling the plug on bond purchases this month

This week:

Monday: ISM Non-Mfg. Index

Tuesday: International Trade

Wednesday: EIA Petroleum Status Report

Thursday: Jobless Claims

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Aug 12-16, 2013

Market Notes

Current indicators	Status
Managed US Stocks	In most of the year
Corporate Bonds	In, May 2012
Managed Global Stocks	In most of the year
S&P 500	In most of the year
OTC	In most of the year

Markets continue to rally. Not Apple is rallying? At first, the newsletter editor thought this was because Larry (America's Cup) Elliston was speaking poorly of Apple. But no! It's Carl Icahn to the rescue again. Nice 5% move AAPL!

This week:

Monday: Treasury Budget

Tuesday: Retail Sales, Import and Export Prices, Business Inventories

Wednesday: Producer Price Index, EIA Petroleum Status Report

Thursday: Consumer Price Index, Jobless Claims, Empire State Mfg. Survey, Treasury International Capital, Industrial Production, Housing Market Index, Philadelphia Fed Survey

Friday: Housing Starts, Productivity

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Sep 22-27, 2013

Market Notes

Current indicators	Status
Managed US Stocks	In most of the year
Corporate Bonds	In, May 2012
Managed Global Stocks	In most of the year
S&P 500	In most of the year
OTC	In most of the year

The DJIA and S&P 500 made new highs last week, only to close down for the week (Dow down 43, S&P down 12). Down again today, but AAPL continues to amaze! 9 million iphones sold last week! Wowie

We are in stocks

This week:

Monday: PMI Manufacturing Index Flash

Tuesday: S&P Case-Shiller HPI, Consumer Confidence

Wednesday: Durable Goods Orders, New Home Sales, EIA Petroleum Status Report

Thursday: GDP, Jobless Claims, Corporate Profits, Bloomberg Consumer Comfort Index, Pending Home Sales Index

Friday: Personal Income and Outlays, Consumer Sentiment

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Sep 30- Oct 4, 2013

Market Notes

Current indicators	Status
Managed US Stocks	In most of the year
Corporate Bonds	In, May 2012
Managed Global Stocks	In most of the year
S&P 500	In most of the year
OTC	In most of the year

Markets were down today, but up for the month of September. Expect volatility this month, and we may get on the sidelines soon.

This week:

Monday: **Chicago PMI, Dallas Fed Mfg. Survey**

Tuesday: **PMI Manufacturing Index, ISM Mfg. Index, Construction Spending**

Wednesday: **ADP Employment Report, EIA Petroleum Status Report, Ben Bernanke Speaks 3:00 PM ET**

Thursday: **Jobless Claims, Factory Orders, ISM Non-Mfg. Index**

Friday: **Employment Situation**

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Oct 7-11, 2013

Market Notes

Current indicators	Status
Managed US Stocks	Out Oct 4
Corporate Bonds	In, May 2012
Managed Global Stocks	Out Oct 4
S&P 500	Out Oct 4
OTC	Out Oct 4

On the sidelines, markets are very volatile these days. From our perspective, the Washington stand-off is a two way street. Here is a quote from Senator Obama from 2006:

“Increasing America’s debt weakens us domestically and internationally. Leadership means that ‘the buck stops here.’ Instead, Washington is shifting the burden of bad choices today onto the backs of our children and grandchildren. America has a debt problem and a failure of leadership. Americans deserve better.”

This week:

Tuesday: International Trade

Wednesday: EIA Petroleum Status Report, FOMC Minutes

Thursday: Jobless Claims, Import and Export Prices, Treasury Budget

Friday: Producer Price Index, Retail Sales, Consumer Sentiment, Business Inventories

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Oct 14-18, 2013

Market Notes

Current indicators	Status
Managed US Stocks	Out Oct 4
Corporate Bonds	In, May 2012
Managed Global Stocks	Out Oct 4
S&P 500	Out Oct 4
OTC	Out Oct 4

Feeling manipulated. Not quite a buy even from last week's big strange move. You know what they say in Opera.

This week:

Monday: Ben Bernanke Speaks 8:00 PM ET

Tuesday: Empire State Mfg. Survey

Wednesday: Consumer Price Index, Treasury International Capital, Housing Market Index, Beige Book

Thursday: Housing Starts, Jobless Claims, Industrial Production, Philadelphia Fed Survey, EIA Petroleum Status Report

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Hermes
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Week of Oct 28, 2013

Correcting BUY date

Market Notes

Current indicators

Status

Managed US Stocks	In Oct 17
Corporate Bonds	In, May 2012
Managed Global Stocks	In Oct 17
S&P 500	In Oct 17
OTC	In Oct 17

We're up about 2% on our S&P buy, always worth it. The S&P has been making new highs. Apple announce nice earnings after the bell.

This week:

Monday: Industrial Production, Pending Home Sales Index, Dallas Fed Mfg. Survey

Tuesday: Producer Price Index, Retail Sales, S&P Case-Shiller HPI, Business Inventories, Consumer Confidence

Wednesday: ADP Employment Report, Consumer Price Index, EIA Petroleum Status Report, 7-Yr Note Auction, FOMC Meeting Announcement

Thursday: Jobless Claims, Chicago PMI

Friday: Motor Vehicle Sales, PMI Manufacturing Index, ISM Mfg. Index

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Hermes
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Week of November 4, 2013

Market Notes

Current indicators	Status
Managed US Stocks	In Oct 17
Corporate Bonds	In, May 2012
Managed Global Stocks	In Oct 17
S&P 500	In Oct 17
OTC	In Oct 17

We're up about 2% on our S&P buy, always worth it. The S&P has been making new highs. Twitter IPO Thursday, already adjusting offer price. Why not? Buy in after market, like facebook. Since it's IPO is NYSE, maybe less problems with offering?

This week:

Monday: Factory Orders

Tuesday: ISM Non-Mfg. Index

Wednesday: EIA Petroleum Status Report

Thursday: GDP, Jobless Claims

Friday: Employment Situation, Personal Income and Outlays, Consumer Sentiment, **Ben Bernanke Speaks** 3:30 PM ET

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Hermes
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Week of November 11, 2013

Market Notes

Current indicators	Status
Managed US Stocks	In Oct 17
Corporate Bonds	In, May 2012
Managed Global Stocks	In Oct 17
S&P 500	In Oct 17
OTC	In Oct 17

We're up about 2% on our S&P buy, always worth it. The S&P has been making new highs. Twitter IPO is not the disaster of Facebook, neither have any noticeable E for the P/E.

Obamacare is turning into a bit of a disaster. Reports are now that less than 50,000 may be as low as 40,000. Terrible rumor that Obama knew this would be a disaster, and would lead to Single Payor. Now even President Clinton is in favor of changing the plan to allow folks to keep their plan.

Our models are showing signs of a stock sell.

This week:

Monday: Veterans Day Holiday. U.S. Markets Open, Banks closed.

Wednesday: Treasury Budget, **Ben Bernanke Speaks** 7:00 PM ET

Thursday: International Trade, Jobless Claims, Productivity and Costs, EIA Petroleum Status Report

Friday: Empire State Mfg. Survey, Import and Export Prices, Industrial Production

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Hermes
ECONOMETRICS

Week of November 18, 2013

Market Notes

Current indicators	Status
Managed US Stocks	In Oct 17
Corporate Bonds	In, May 2012
Managed Global Stocks	In Oct 17
S&P 500	In Oct 17
OTC	In Oct 17

We're up over 3% on our S&P buy, always worth it. The S&P was making new highs. Looks like markets are running out of steam in here. We don't have a sell yet but the week is young. Certainly are seeing activity in technology reminiscent of dot com! That would be no E is the P/E. Now Silicon Valley is getting their own patent office.

New highs last week (well Nasdaq has a way to go..) and it looks like new Fed Head Janet Yellen will do the same old taper taper. Stock markets were still better deals than yields.

This week:

Monday: Treasury International Capital, Housing Market Index

Tuesday: Employment Cost Index, **Ben Bernanke Speaks** 7:00 PM ET

Wednesday: Consumer Price Index, Retail Sales, Business Inventories, Existing Home Sales, EIA Petroleum Status Report, FOMC Minutes

Thursday: Jobless Claims, Producer Price Index, PMI Manufacturing Index Flash, Philadelphia Fed Survey

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Hermes
ECONOMETRICS

Week of December 2, 2013

Market Notes

Current indicators	Status
Managed US Stocks	In Oct 17
Corporate Bonds	In, May 2012
Managed Global Stocks	In Oct 17
S&P 500	In Oct 17
OTC	In Oct 17

We're up over 20% on our S&P this year. The S&P is now down 1% from all time high of 1,807. Looks like markets are running out of steam in here. We don't have a sell yet, but **we would be worried without a plan.**

Retail sales looked great over the long weekend.

This week:

Monday: PMI Manufacturing Index, ISM Mfg Index, Construction Spending

Tuesday: Motor Vehicle Sales

Wednesday: ADP Employment Report, International Trade, New Home Sales, New Home Sales, ISM Non-Mfg. Index, EIA Petroleum Status Report, Beige Book

Thursday: GDP, Jobless Claims, Factory Orders

Friday: Employment Situation, Personal Income and Outlays, Consumer Sentiment

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Week of December 9, 2013

Market Notes

Current indicators	Status
Managed US Stocks	In Oct 17
Corporate Bonds	In, May 2012
Managed Global Stocks	In Oct 17
S&P 500	In Oct 17
OTC	In Oct 17

We don't have a sell yet, but **we would be worried without a plan.**

Markets are in a buy-the-dip mode. We may see consumer spending come way down as ACA (Obama care) takes effect. For individuals, there is going to be a lot less disposable cash.

This week:

Wednesday: EIA Petroleum Status Report, Treasury Budget

Thursday: Jobless Claims, Retail Sales, Import and Export Prices, Business Inventories

Friday: Producer Price Index

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