

Monthly Market Commentary

Equity markets started the New Year with strength, continuing the momentum from last year's strong global market returns. It is one of the strongest starts for equity markets that we have seen in a long time, driven by strong earnings and acceleration in economic growth. The benefits from the tax reform are now starting to manifest in press releases and earnings calls as companies lay out their plans for capital allocation. In summary, a strong investment backdrop and increased capital spending should enhance productivity and wages in the coming quarters, which should translate into higher consumption and likely have a positive impact on the economy overall. This should serve as a backdrop for a rising stock market, while we remained fully exposed.