



Over the last few week's I have discussed the post-election surge in the market based on rather optimistic outlooks as opposed to the technical underpinnings that currently exists. As I specially stated in last [weekend's newsletter entitle "Dow 20,000"](#):

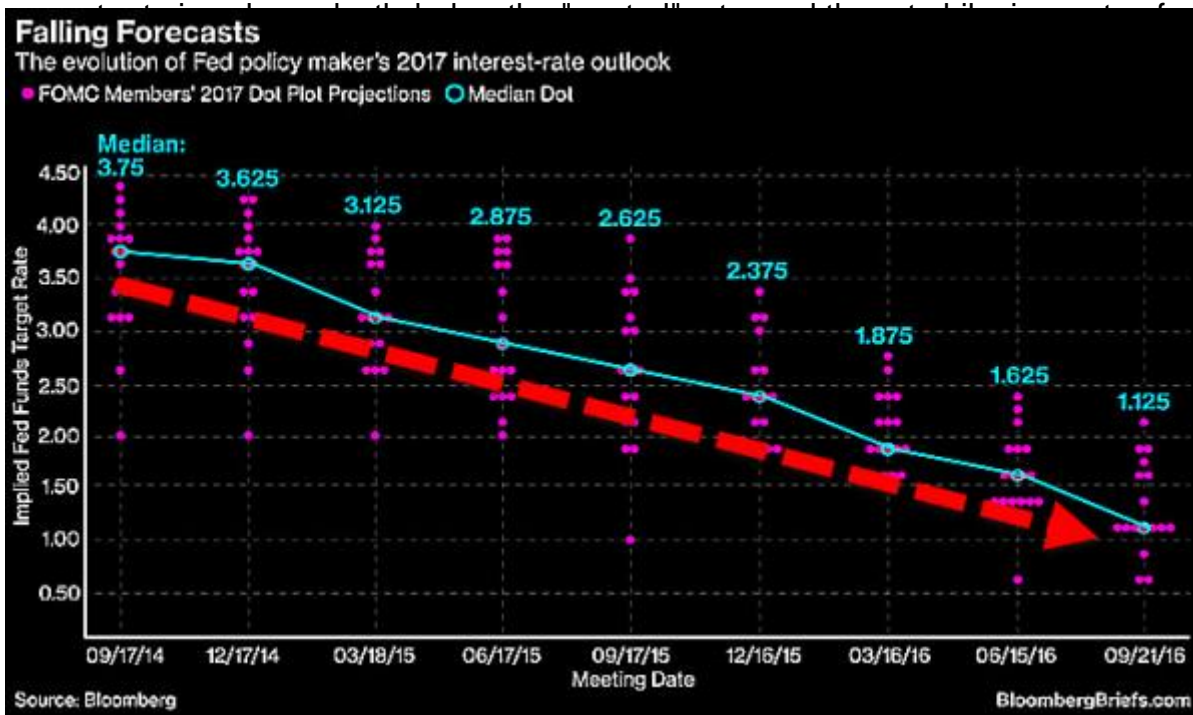
"If this market rally seems eerily familiar, it?s because it is. If fact, the backdrop of the rally reminds me much of what was happening in 1999. 1999

- *Fed was hiking rates as worries about inflationary pressures were present.*
- *Economic growth was improving•*
- *Interest and inflation were rising*

- *Earnings were rising through the use of ?new metrics,? share buybacks and an M&A spree. (Who can forget the market greys of Enron, Worldcom & Global Crossing)*
- *Stock market was beginning to go parabolic as exuberance exploded in a ?can?t lose market.?*

If you were around then, you will remember."

Of course, this is what we were told this week by Janet Yellen, and the Fed, as they finally lifted rates for the first time in 2016•with the expectation the economy will continue to perform "well," the



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As I penned

last weekend, the ramp up in the market against a backdrop of a "fear" of rising inflationary pressures, when none really exists, is a dangerous brew for the markets. **With interest rates and the U.S. Dollar already heavily front running the Fed in the tightening of monetary policy, there is a very high risk of an "accident" occurring which takes investors by surprise.** •But for now it is the holiday season, so "hope" is much more "fun" than the politics of reality. Which reminds me, it is that special time of year to share "Festivus." Here is what I am reading this weekend.

Fed, Economy & More Trump

- **Trump's Unhappy Fate Is To Oversee A Crisis** [by James Rickards via Daily Reckoning](#)
- **Fed & The Destruction Of The American Dream** [by Danielle DiMartino-Booth](#)
- **Why Trump Is Biggest Risk To Global Economy** [by Ivana Kottasova via CNN Money](#)
- **Reversing The Tragic Trends Of Our Time** [by IBD](#)
- **Trumps Self-Defeating Trade Policy** [by Steve Chapman via Reason.com](#)
- **Economy Not As Strong As Consensus Believes** [by Robert Johnson via MorningStarr](#)
- **What A Fed Rate Hike Will Mean** [by Patrick Gillespie via CNN Money](#)
- **What Markets Did Last Time Fed Raised Rates** [by Katie Little via CNBC](#)
- **Some Factors To Consider About Triumphopia** [by Anthony Mirhaydari via The Fiscal Times](#)

- **Will Fed Words Finally Come To Something** [by Caroline Baum via MarketWatch](#)
 - **Trump Doesn't Herald New Paradigm Of Growth** [by Joachim Fels via PIMCO](#)
 - **Trump, Crony Capitalist-In-Chief** [by David Cay Johnston via Daily Beast](#)
 - **Fed's Rate Increase And You** [by Stephen Gandel via Fortune](#)
 - **Air Pocket Coming To Houston Home Sales** - by Aaron Layman
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Markets

- **Bonds Are Flashing A Warning Sign For Stocks** [by Jonathan Garber via BI](#)
 - **The One Chart "Trump Traders" Must See** [by Greg Guenther via Daily Reckoning](#)
 - **Gundlach: Watch For "Sell Off" By Inauguration** [by Akin Oyedele via BI](#)
 - **Now Is The Perfect Time To Buy Stocks** [by Bryan Rich via Forbes](#)
 - **How To Make The Trump Rally Last** [by Mohamed El-Erian via Bloomberg](#)
 - **The "Big Fat Ugly Bubble" Is The Threat** [by Mark Spitznagel via ZeroHedge](#)
 - **Real Winner Of OPEC Deal: Shale Drillers** [by Patti Domm via CNBC](#)
 - **Markets In The Trump Era** [by Jonathon Trugman via NY Post](#)
 - **Feel Great About The Market? Some Perspectives** [by Gregg Fisher via Gerstein-Fisher](#)
 - **How Trump Could Blow Up The Bull Market** [by John Mauldin via Forbes](#)
 - **7-Stumbling Blocks To The Market** [by Evelyn Cheng via CNBC](#)
 - **5-Lies Investors Tell Themselves** [by John Coumarianos via WSJ](#)
 - **Trump Rally Biggest Since Hoover** [by Sue Chang via MarketWatch](#)
 - **What Would Bertrand Russell Say About The Index** [by Doug Kass via Real Clear Markets](#)
 - **Dow 20,000? Do I Hear 21?** [by Michael Kahn via Barron's](#)
 - **Back To Extreme Greed** [by Chris Sheridan via Financial Sense](#)
 - **Dividends Show Distress In Economy** [by Ironman via Political Calculations](#)
 - **How Overpriced Is The Market Anyway** [by Michael Kahn via Barron's](#)
 - **Goldman Sachs' Covert Scheme To Raise Oil Prices** [by Michael Covel via Daily Reckoning](#)
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Interesting•Reads

- **Real "Fake News" Is Mainstream Media** [by Tom Basile via Forbes](#)
 - **This Christmas We Need Humility** [by Stephen Moore via The Washington Times](#)
 - **The Complexity Of Inequality** [by Michael Heise via Project Syndicate](#)
 - **4-Lessons Of America's Election** [by Michael Boskin via Project Syndicate](#)
 - **Risk Of A Global Conflagration•Has Risen** [via Council On Foreign Relations](#)
 - **Time For A Return Of Keynes** [by Therese Raphael via Bloomberg](#)
 - **Did ACA Add 20-Million To Insurance Rolls? No.** [by IBD](#)
 - **Hamilton Would Not Approve** [by Lambert Strether via Naked Capitalism](#)
 - **A Short Squeeze In Treasuries** [by Edward Harrison via Credit Writedowns](#)
 - **American Dream May Be Hard To Revive** [by Bob Davis via WSJ](#)
 - **Will Trump Bring Higher Rates? Don't Count On It** [by Neil Irwin via NYT](#)
 - **Emerging Market Hat Trick** [by Rob Arnott via Research Affiliates](#)
 - **Interest On Debt Fastest Growing Budget Item** [by CRFB](#)
 - **Historical Valuation Measures Are Double** [by John Hussman via Hussman Funds](#)
 - **This Is The Index To Watch** [by Dana Lyons via Tumblr](#)
 - **Why Is The Fed Tilting At Windmills** [by Jesse Felder via The Felder Report](#)
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"Without action, the best intentions in the world are nothing more than that: intentions.?? Jordan Belfort, The Wolf of Wall Street

Questions, comments, suggestions ? please [email me](#).