

Weekend Reading They're Baaacck!



I remember the first time I saw the movie *"Poltergeist."* It scared the \$*#@ out of me, and I slept with the lights on for a month. Recently, I got a chance to catch a rerun. It certainly wasn't the same experience. It was kind of like eating a *"twinkie"* as an adult, the sponge cake and creamy filling aren't nearly as delicious as I remembered them. *"Poltergeist"* is now more of a *"campy"* flick with bad special effects. But the run up in the markets over the last few days, on really no news at all, reminded me of the scene where *"Carol Anne"* is pointing to the static filled television screen proclaiming *"they're back."* After a brief decline, market sentiment got bearish enough to provide the catalyst for a short-term rally. **With Trump now caving in to *"Chuck and Nancy,"* the North Korean threat deflated, and hopes for tax cuts on the horizon, *"the bulls are back."*** Since the election, there has been a concerted effort to push stocks higher on the hopes of tax reform, ACA repeal, and infrastructure building which would lead to strongly improving earnings for U.S. companies. Now, eleven months later, stocks have been breaching the **psychologically important levels of 2200 in December, 2300 in February and finally 2400 in May. 2500 is the next target.**

\$SPX S&P 500 Large Cap Index INDX
14-Sep-2017 1:33pm

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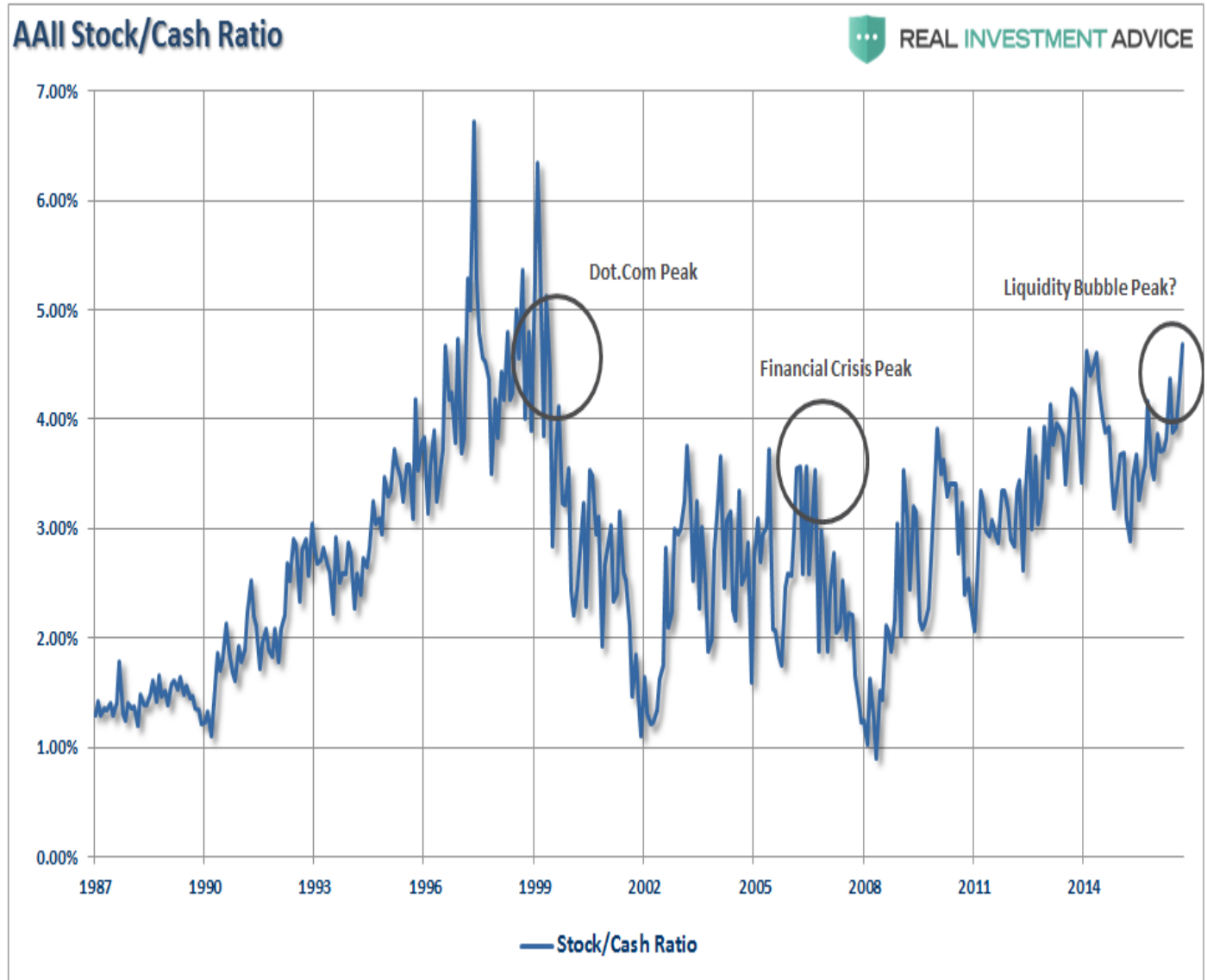
\$SPX (Daily) 2496.09
MA(50) 2460.38
MA(100) 2436.75
MA(75) 2451.20

Open 2494.56 High 2498.43 Low 2491.35 Last 2496.09 Chg -2.28 (-0.09%)



The problem is that NONE of the legislative agenda has been passed. Zero, Nada, Zip. But such small details have not, as noted yesterday, deterred [investors who have once again](#) fully abandoned reason and have gone "all in."

"With cash levels at the lowest level since 1997, and equity allocations near the highest levels since 1999 and 2007, it also suggests investors are now functionally 'all in.'"



"Here is the point, despite ongoing commentary about mountains of [cash on the sidelines](#), [this is far from the case](#) This leaves the current advance in the markets almost solely in the realm of Central Bank activity."

Yes, the bulls are indeed back for now. The ending of this version of "Poltergeist Market" will surely be just as scary as the last. In the meantime, here is what I am reading this weekend.

Politics/Fed/Economy

- **Trump Pushes For Tax Cuts** [by Paul Sullivan via NYT](#)
- **Trump's Is Irrelevant To Corporate America** [by William Cohan via The New Yorker](#)

- **The Boom Arrives As War On Business Ends** [by Stephen Moore via The Washington Times](#)
 - **Reform The Debt Ceiling** [by Maya McGuinness via Washington Post](#)
 - **Get Rid Of The Debt Ceiling** [by IBD](#)
 - **Trump's 3% Growth For The 1%** [by Ken Rogoff via Project Syndicate](#)
 - **Difference Between Tax Reform & Tax Cuts** [by Jimmy Sengenberger via The Federalist](#)
 - **Stock Market Needs Tax Reform Now** [by Nicholas Colas via Bloomberg](#)
 - **Immigration And Impacts To The Economy** [by Benjamin Harris via Fortune](#)
 - **Trump Really Hasn't Done Anything To Create Factory Jobs** [by Steven Greenhouse via NYT](#)
 - **\$20 Trillion In Debt, And Only Getting Started** [by Robert Schroeder via MarketWatch](#)
 - **No, The U.S. Isn't The Highest Taxed Nation** [by Kevin Williamson via National Review](#)
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Markets

- **The Index Of Index Creation Is Off The Charts** [by Caroline Baum via MarketWatch](#)
 - **How Are Investors Dealing With Today's Uncertainties** [by Mohamed El-Erian via Bloomberg](#)
 - **Contrarian Investment Strategy For The Long-Run** [by John Reese via Forbes](#)
 - **No, Oil Unlikely To Return To \$80** [by Gail Tverberg via Our Finite World](#)
 - **Your Robo-Advisor Is More Active Than You Think** [by John Coumarios via WSJ](#)
 - **One Bank Calculates Odds Of Correction In 3 Months** [by Tyler Durden via ZeroHedge](#)
 - **Death Cross Danger** [by Michael Kahn via Barron's](#)
 - **When Should I Sell Stocks?** [by Simon Constable via US News](#)
 - **3-Types Of Market Risks** [by Brad McMillan via Commonwealth Financial Network](#)
 - **Prepare For The Growth/Value "Snapback"** [by Jody Chudley via Daily Reckoning](#)
 - **You Should Take The Fed At Their Word** [by Wolf Richter via Wolf Street](#)
 - **I'm Not Afraid Of A Bear Market, Just Don't Want To Be There For It** [by Doug Kass via RCM](#)
 - **BitCoin At A Crossroads After Loss Of \$27 Billion** [by Mark DeCambre via MarketWatch](#)
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Research•/ Interesting•Reads

- **Equifax Breach Worse Than You Know** [by Michael Hiltzik via LA Times](#)
 - **The \$1.4 Million Mistake** [by Michael Douglas via Motley Fool](#)
 - **How Analytics Transformed The Dallas Cowboys** [by Dan Solomon via Texas Monthly](#)
 - **The Good, Bad & Ugly Of Last Week's News** [by Angry Bear via Angry Bear Blog](#)
 - **Does Government Spending Create Growth?** [by Frank Shostak via Mises Institute](#)
 - **The Death Of Active Management Is Greatly Exaggerated** [by Jeff Troutner via Index Funds](#)
 - **The Mystery Of Missing Inflation** [by Nouriel Roubini via Project Syndicate](#)
 - **Stop Trying To Bring Back Jobs Of The Past** [by Allan Golombek via RCM](#)
 - **Why Central Banks Are Shifting Goal Posts** [by Daniel Gross via Project Syndicate](#)
 - **Cryptocurrencies: The Beginning Of The End** [by Brett Arends via MarketWatch](#)
 - **Market Complexity Could Trigger Next Crash** [by Tyler Durden via ZeroHedge](#)
 - **A Correction Only Requires Recognition Of Today's Reality** [by John Hussman via Hussman Funds](#)
 - **Is BitCoin's Run Over?** [by Dana Lyons via Tumblr](#)
 - **Market's Breadth Stinks** [by Jesse Felder via The Felder Report](#)
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?I guess I should warn you, if I turn out to be particularly clear, you've probably misunderstood what I've said.? - Alan Greenspan

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