



Weekly Worries and Opportunities Report

Economic Commentary by Randy Warren, Chief Investment Officer

Randy Warren

is Chief Investment Officer of Warren Financial, an investment management firm catering to self-made individuals, dual-income families and family-owned businesses headquartered in Exton, PA with offices in New York, Hilton Head, and Atlanta. The firm also has an institutional division that specializes in volatility products and hedge strategies.

What to Watch for (Catalysts):

1. **WORRY** about oil. Oil rebounded nicely off the \$40/bbl level not long ago and rocketed back up to about \$50/bbl. New supply may be coming online which could drive it back down again. We worry that the market may become synchronized with oil the price drops too low.
2. **WORRY** about what the Fed might say at Jackson Hole summit this week
3. **WORRY** about the upcoming election. The market is assuming that Hilary will win. If Trump begins a comeback the market will likely slump initially.

The Key: Our Macro-VIX Indicator continues at 0 indicating nothing on the near term horizon to fear.

Buy:

Conservative stocks are losing favor and growth stocks are gaining favor. This could change at any moment, but the longer it goes on the more money is made in great small and mid-sized companies that show growth. Hedged UK ETF is up 2.41% this month while non-currency-hedged is up 1.76 as we continue to nibble. China is moving higher this month along with most other developed countries – a good sign for the US. We may be able to continue to spread out our investments across the globe.

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Drivers in the Market

- Thurs we get the Durable Goods Order number as well as the weekly Jobless claims number. On Friday we get an updated reading on Q2 GDP (exp 1.1% down from 1.2%).
- August 22 Monday After the bell Zoes Kitchen ZOES (\$.06)
- Tues before the open Toll Brothers (\$.63), Smuckers (\$1.75), American Woodmark AMWD (\$.94) and Best Buy (\$.42). After the close Intuit (\$-.23)
- Wed After the bell Workday (\$-.43), Williams Sonoma (\$.58), HP (\$.45), and Guess (\$.06)
- Thurs before the open Tiffany (\$.71), Patterson Co (\$.51), Movado (\$.31), Michaels (\$.17), Medtronic (\$1.01), Dollar Tree (\$.73), Dollar General (\$1.09), After the bell ULTA (\$1.39), Gamestop (\$.26), Autodesk (\$-.30)
- Fri before the open Big Lots (\$.46)

