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2017 First Quarter Commentary For the Clients of Majerko Investment Management

It was an excellent first quarter (01/02/2017 – 03/31/2017). For the quarter, the market (S&P 500) was up +5.53% on a price basis and +6.07% on a total return basis (includes reinvested dividends).

This has been a continuation of the rally we have seen since the election. I know many of the “talking heads” are calling this the Trump rally, but I believe there is more to it than that. The fact is, at the risk of sounding like a broken record, earnings are growing which historically drives the stock market higher. That said, we need earnings to continue to grow to see the market move higher as valuations are not cheap. I think this will happen because it always has happened over time.

As investors, we should shut out the short term thinking and “**accentuate the positive**” because the stock market has been one of the greatest vehicles for wealth building. Of course, corrections in the market of 10% or more can and will happen at any time for any reason. They are normal and even necessary for the health of the stock market. We should not fear them, but accept them and maybe even buy on dips, if appropriate.

As always, we will be diligently watching the markets and will be contacting our clients should changes need to be made. As always, we appreciate your loyalty and trust.

Your referrals are appreciated!

*Stock investing involves risk including loss of principal

*The opinions voiced in this material are for general information only and are not intended to provide specific advice for any individual.

*S-P 500 is an unmanaged index which cannot be invested into directly. Past performance is not a guarantee of future results. Market data sources: LPL Financial, Factset, US Bureau of Economic Analysis

* The economic forecasts set forth may not develop as predicted and there can be no guarantee that strategies promoted will be successful.