



**Majerko Investment Management Inc.**

Terrence Majerko, President  
LPL Financial Consultant  
1435 River Park Dr.  
Suite 502  
Sacramento, CA 95815  
916-921-1996  
866-505-1996  
terrence.majerko@lpl.com  
www.majerko.com



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**2017 Year End Market Commentary**  
**For the Clients of Majerko Investment Management**

It turned out to be a very good year for the stock market. For the year, the S&P 500 was up +19.42% on a price basis and up +21.83% on a total return basis (includes reinvested dividends). 2017 was certainly a profitable year, for stock market investors. As my long-term clients and readers know my contention has always been that the stock market is a forward looking indicator. I think it is telling us that Gross Domestic Product (GDP) growth is finally going to pick up closer to our historical norms of 3%. We had been stuck really for the last decade in sub 3% GDP growth.

How does that affect the stock market? It's really rather simple, if GDP growth increases, most likely companies make more money and stock prices tend to rise long term on this growth in profits. Will this growth continue? Well, nobody knows for sure and I am no psychic. But if you ask me for my opinion, I think it will because corporate profits have grown over time and so has the stock market.

Let's remember however, even in the best of markets, corrections of -10% or more can and will happen at any time for any reason. As I have often said, we should not fear them but accept them as an inevitable part of investing, maybe even buy on corrections.

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

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