

## The Markets' Message

P u b l i c a t i o n   H i g h l i g h t s

As of April 1, 2019

Please contact our office at +1(978)468-4575 for the complete story and samples.

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**HCWE** Using VIX to reveal the market's unalloyed economic opinion

The stock market is a highly imperfect predictor of the economy. This results from the fact that it consistently prices changes in expected volatility at the same time that it is emitting an economic signal.

~ *Equity-Market Outlook, March 16*

**HCWE** What tax rate hikes do to the economy

More than a century of evidence on the US federal income tax can be distilled down to a simple rule of thumb. A tax increase that raises the top bracket rate by 10 points could reduce real GDP growth, temporarily, to zero.

~ *Strategic Asset Selector, March 29*

**HCWE** Highlights:

Real GDP growth will be a bit slower this year than last, but sustained growth at 3 percent plus is still well within the bounds of possibility as long as business-friendly policies toward taxation and regulation survive.

~ *Economic Barometer, March 29*

**HCWE** Highlights:

The US stock market hasn't finished climbing back from December's big reverse. But when this has been achieved it is likely to go sideways and underperform most foreign markets.

~ *Equity-Market Barometer, March 30*

**HCWE** Market Update and Outlook as of March 1, 2019

The US economy will continue to advance this year, without significant inflation. Overseas, although much of the world is flirting with mild recession, we expect foreign stock markets to out-perform the US.

~ *Webcast Summary, March 29*