



Equities Maintain Some Upward Momentum - Domestic Stock Market Overview

Strong earnings and economic data helped propel equities higher in April, along with abundant liquidity provided by the Fed in the form of bond buying and continued low rates. Strengthening economic data has also helped maintain equity valuations, anticipating expanding growth across the economy.

The anticipated effects of the proposed increases in capital gains may be muted since roughly 25% of U.S. stocks are in taxable accounts, while the balance are in retirement and pension accounts where capital gains tax is not applicable.

Higher prices on numerous consumer products are leading to rising margins for many companies, translating into elevating earnings and stock prices. Comments by Fed Chair Jerome Powell on April 28th suggested that parts of the market “are a bit frothy”, alluding to some overpriced valuations.

Sources: S&P, Bloomberg, Federal Reserve

PlanRock offers financial planning tools, investment portfolios, various levels of advice, and full-service support. Please contact 800-677-6025 or go to www.PlanRock.com for more information about how we can help you reach your goals.

© PlanRock Investments, LLC. The content above is available for use only by authorized subscribers, clients and where permissible as such. This content is not authorized for resale. Past performance does not guarantee future results. The sources we use are believed to be reliable, but their accuracy is not guaranteed.