



Economic Outlook for 2/28/2017

Adept Analyst

Technical Market Timer: Bullish

Fundamental Indicators:

| | Median | Mean |
|---|--------|-------|
| S&P 500 P/E (TTM) | 22.70 | 31.17 |
| S&P 500 P/E (Forward) | 19.10 | 23.90 |
| Estimated 5-Year Long-Term Earnings Growth Rate | 9.43 | 11.71 |
| 20-Year Corporate AAA Bond Yield | | 3.61% |

Leading Indicator is Bullish) Current Average S&P 500 Estimated EPS / Previous Average S&P 500 Estimated EPS:
 $28.23/26.07 = 1.08$

Lagging Indicator) Current Average S&P 500 Inventory-to-Sales Ratio: $1,592.69/20,977.90 = 7.59\%$

Compared to Previous Average S&P 500 Inventory-to-Sales Ratio: $1,662.08/20,864.61 = 7.97\%$

Short Tells

SPY Short Ratio: 2.56

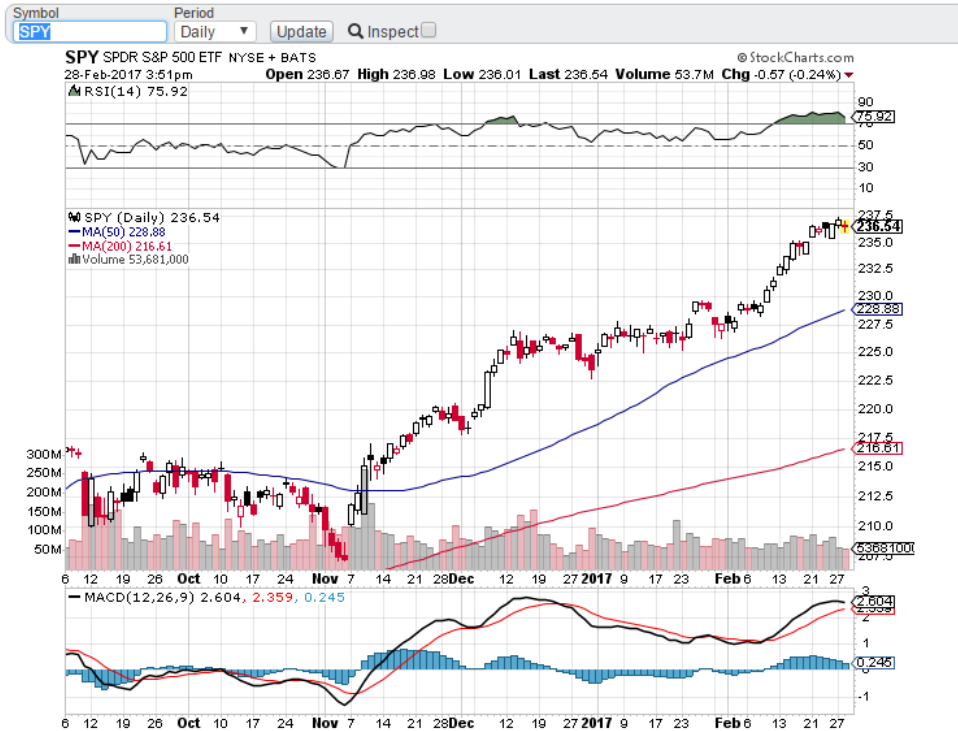
| | |
|--------------------|---------|
| Short Ratio < 0.40 | Bullish |
| 0.40 < Short Ratio | Bearish |

SPY Put-Call Ratio: 1.722

| | |
|------------------------------|---------|
| Put-Call Ratio < 0.60 | Bullish |
| 0.60 < Put-Call Ratio < 1.00 | Neutral |
| 1.00 < Put-Call Ratio | Bearish |

Golden Cross/Death Cross

S&P 500 50-Day Moving Average and 200-Day Moving Average: Bullish Market Trend



From www.stockcharts.com.

Warren Buffet's Market Cap-to-GDP

| Ratio = Total Market Cap / GDP | Valuation |
|---------------------------------|--|
| Ratio < 50% | Significantly Undervalued |
| 50% < Ratio < 75% | Modestly Undervalued |
| 75% < Ratio < 90% | Fair Valued |
| 90% < Ratio < 115% | Modestly Overvalued |
| Ratio > 115% | Significantly Overvalued |
| Where are we today (2/28/2017)? | Ratio = 130.7% , Significantly Overvalued |

Please see: <http://www.gurufocus.com/stock-market-valuations.php>

Schiller PE

Shiller P/E: 29.5 (-0.40%)

Shiller P/E is 76.6% higher than the historical mean of 16.7

Implied future annual return: -1.7%

Historical low: 4.8

Historical high: 44.2

S&P 500: 2,360.29

Regular P/E: 27 (historical mean)

| Scenario | Shiller P/E after 8 Years | Annual Return from Today (%) |
|---------------------|---------------------------|------------------------------|
| Really Lucky | Mean x 150% | 4.6% |
| Lucky | Mean x 125% | 2.3% |
| Reverse to the Mean | Mean x 100% | -0.3% |
| Unlucky | Mean x 75% | -3.7% |
| Really Unlucky | Mean x 50% | -8.2% |

Please see: <http://www.gurufocus.com/shiller-PE.php>

Morningstar's Market Fair Value

All Rated Stocks

02/28/2017 = 1.03

02/24/2017 52-Week High = 1.04

06/27/2016 52-Week Low = 0.95

12/31/2004 All-Time High = 1.14

11/20/2008 All-Time Low = 0.55

| Market Fair Value | Valuation |
|-------------------|-------------|
| Ratio < 1.00 | Undervalued |
| 1.00 | Fair Valued |
| Ratio > 1.00 | Overvalued |

Please see: <http://www.morningstar.com/market-valuation/market-fair-value-graph.aspx>

Value Line's Median Appreciation Potential

VLMAP = 30% Hypothesized appreciation potential of all 1700 stocks 3-5 years hence.

26 Weeks Ago = 35%

Market Low 3-9-09 = 185%

Market High 8-15-16 = 40%

Please see Summary & Index (subscription required): <http://valueline.com/>