

## [Martone Capital Management: Weekly Investment Commentary \(3/9/2015\)](#)

U.S. equities got off to a strong start last week - however, the euphoria did not last and stocks eventually fell to a three-week low.

Until recently, benign comments from Fed officials have soothed investors. However, Friday's unexpectedly strong non-farm payroll report reminded investors that 2015 is likely to bring the beginning of a tightening cycle, the first in almost a decade.

Still, we have not had enough debt build up nor distortion of the economy to generate a lengthy correction with a true recession. This is a PRE-ELECTION YEAR. Plenty of liquidity will come from Washington unless they make a mistake in the course of seeking higher taxes for social spending, and more income equalizing. On the other hand, the governors of some states are promoting flatter taxes and less overall reliance on lofty income taxes. There is always a chance that such movement could extend to the national scene, and trigger higher overall economic growth.

Our leading intermediate term indicators are neutral to somewhat positive implying no strong conviction of major trend changes at this point.

*This material is distributed by Martone Capital Management, Inc. and is for information purposes only. No part of this document may be reproduced in any manner without the written permission of Martone Capital Management, Inc. Martone Capital Management, Inc. does not represent that the information is accurate or complete and it should not be relied on as such. It is provided with the understanding that no fiduciary relationship exists because of this report. Opinions expressed in this report are the opinions of Martone Capital Management, Inc. and are subject to change without notice. Martone Capital Management, Inc. assumes no liability for the interpretation or use of this report. Investment conclusions and strategies suggested in this report may not be suitable for all investors and consultation with a qualified investment advisor is recommended prior to executing any investment strategy. All rights reserved.*