

401(k) savers: It could be a make-or-break earnings season for investors

Excerpts of article below:

The upcoming profit-reporting season could be a taxing one for anybody that owns stocks.

Indeed, 401(k) investors better hope CEOs are as upbeat about their companies' future earnings prospects as Wall Street is when they talk about results for the final quarter of 2017.

The reason? Hopes are high. Perhaps too high.

The historic tax bill signed into law by President Trump on Dec. 22 that slashed the corporate tax rate from 35% to 21% has fueled a powerful stock market rally that has pushed shares to fresh all-time highs amid lofty expectations that corporations will make more money and the economy will grow faster.

"This earnings season is really about tomorrow and not yesterday," says David Kotok, chief investment officer at Cumberland Advisors, a money management firm in Sarasota, Florida.

Investors will want CEOs in earnings press releases and conference calls to confirm that those upgraded growth rates are doable, warns MUFJ's Rupkey.

"It is the worry over future earnings that often causes traders to hit the panic button and sell, sell, sell if they feel the company's outlook is not the positive one they were hoping for," Rupkey says.

An upbeat Kotok doesn't expect CEOs to deliver a negative

message. "I expect strongly phrased positive conversation in conference calls," he says.

Read the full article at Brinkwire.com

The GOP Rethinks Debt and Taxes

The GOP tax proposal cuts corporate taxes and eliminates key individual deductions. But we're a long way from a final bill.

By [Randall W. Forsyth](#)

November 4, 2017

Excerpt below of John Mousseau's comments to Barron's. A subscription is required to read the full article.

Finally, the tax bill would curb borrowing in the municipal-bond market. While the exemption on interest on most types of muni bonds would be retained, so-called private-purpose bonds would lose that privilege.

In particular, bonds to finance sports stadiums no longer would qualify for tax-exempt bond financing. This will mean billionaire owners of sports teams would have to build their stadia with private, taxable money, and that "should keep municipalities from being on the hook for bad stadium deals," according to John R. Mousseau, director of fixed income at Cumberland Advisors.

Tax-exempt financing for nonprofit hospitals and private universities also would be ended, along with "advance refunding" bonds. The latter provision would hurt municipalities. They've saved billions of dollars by reducing borrowing costs with these financings, Mousseau notes. He

thinks this provision will be killed, given that it hits municipalities while they cope with pension expenses. On the other hand, Washington needs the bucks to keep the tax bill's cost under \$1.5 trillion, while providing cuts to corporations.

Visit

<http://www.barrons.com/articles/the-gop-rethinks-debt-and-taxes-1509759402> to read the larger article and more of [John Mousseau](#)'s comments to Barron's.

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