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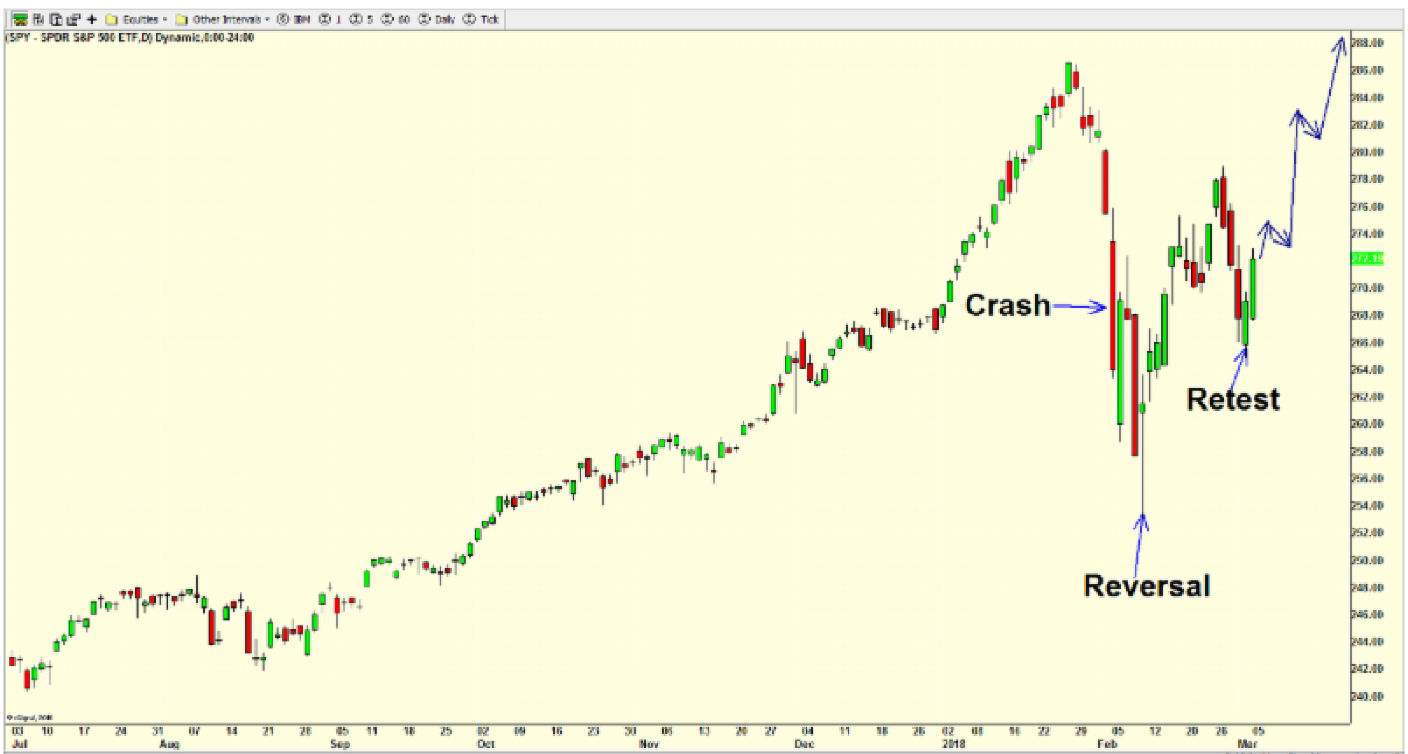
I want to start off by thanking everyone for the overwhelming support, compassion and number of condolences on my dad's passing. It has been a difficult few weeks both pre and post funeral and Shiva, but my family and I were tremendously comforted by so many people coming out of the woodwork with calls, cards, texts, emails, donations to his favorite charities and an amazing amount of stories about my dad, many of which I was hearing for the first time.

I write this from 36,000 feet as I head to L.A. for a very quick trip and will return on Wednesday where I hope to get back to a somewhat normal schedule. This is the first issue of 2018 in daylight savings time. Springing forward and then heading to CA isn't my idea of fun.

While my writing had gone dark for the past 10 days we have been very active with our portfolios. When I left off on March 1 we had dramatically reduced our exposure to stocks just as the market was beginning its last little 1000 point plunge. I mentioned that we were keenly watching events unfold for an opportunity to redeploy that cash. Little did I know that the moment would come less than a day later as stocks were hammering out a bottom just above Dow 24,200. So far, both moves seem to have been very fortuitous.

As you know, I have been hanging my hat on two scenarios for the market since early February. I update those later in this piece. While both scenarios still lead to Dow 27,000 by the end of Q2, I searched long and hard for further evidence to support my thesis. I love finding market analogs, but there haven't been many to what transpired over the past 6 weeks.

1997 seems like the most favorable comparison and when I lined them up, it looked fairly strong. Below you can see 1997 followed by current stock market action. I added labels for emphasis. While the rally in 1997 wasn't as powerful as we saw recently, it was still a solid rally, mini crash, reversal and mild retest. That mild retest fooled a lot of people into thinking that more weakness was coming toward Dow 23,500. On balance, stocks should continue higher although a brief 1-2% pullback should be expected this month.



Let's now return to what has become my favorite two charts and scenarios. The first was the preferred path until I relegated it to number two a few weeks ago. Stocks were closely following my arrows for a while.

The chart above became my number one scenario which also lines up beautifully with the 1997 analog above. This one seems to be on target for now. Remember, regardless of which scenario wins out or if a new one becomes possible, I have said all along that all paths lead to fresh all-time highs for stocks by the end of Q2. I have written it here as well as pounded the table about it on Fox Business and CNBC. No wavering here. The bull market remains alive.

To sum up, stocks continue to closely follow what I believe they should be doing. Sector leadership has been strong. Fresh all-time highs are coming soon.

To Your Financial Success,

Paul Schatz
President
Heritage Capital LLC

1 Bradley Road Suite 202
Woodbridge CT 06525

203.389.3553 Phone
203.389.3550 Fax

www.InvestForTomorrow.com

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