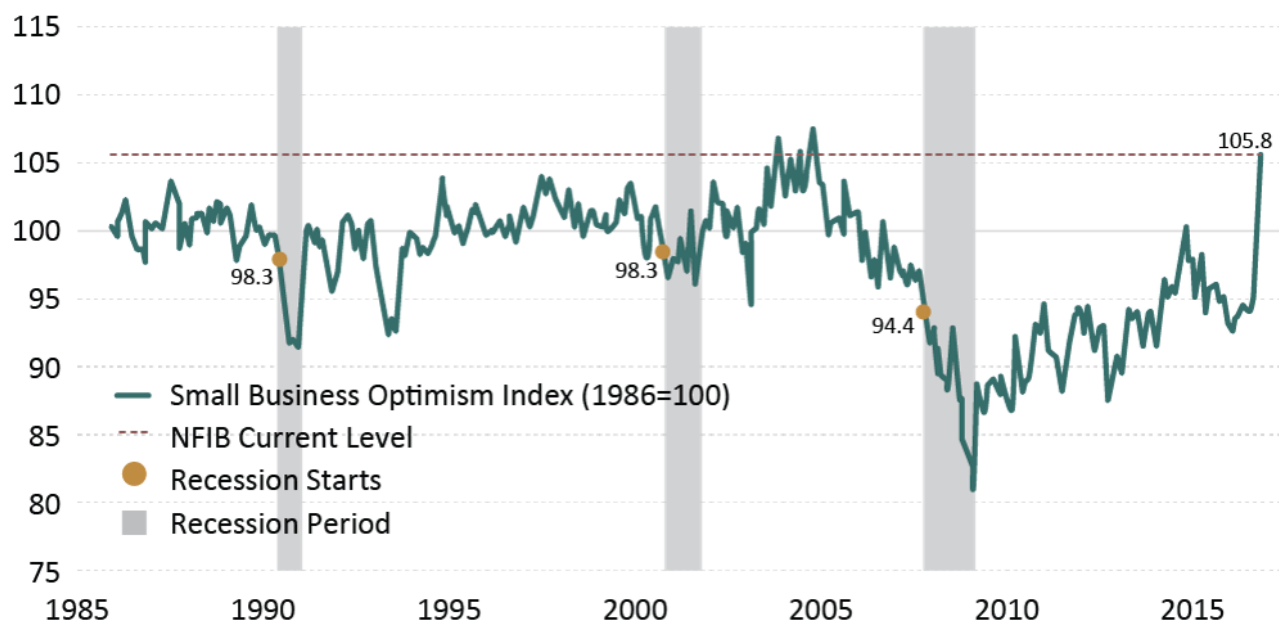


Chart of the Moment: U.S. Business Confidence

NFIB Small Business Optimism Index *As of 1/10/2017*



Source: Advisor Perspectives

After hitting a 25-year low in 2010, small business confidence has slowly moved higher over the last six years, and then surged following the U.S. election. Optimism is now hovering near 30-year highs despite a dearth of fiscal policy details. What is this spike telling us? Markets and forecasters are expecting the Trump Administration to deliver a corporate tax cut, although it likely won't be implemented until 2018. Lower taxes and a looser regulatory environment may translate to an increase in capital expenditures, hiring, and generally more spending. The optimism may signal the beginning of a virtuous cycle and several quarters—if not years—of economic expansion in the U.S.

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