

Campbell Capital Management

9400 S. Dadeland Boulevard, Suite 111, Miami, FL 33156

<http://www.camcap.com>

Tel 305.670.3140 • Fax 305.670.3142 • Email cc@camcap.com

October 11, 2017

Dear Money Management Client:

Another good quarter, if you don't live in Houston, Mexico City, or Puerto Rico. The markets don't seem to mind all the hardship, and may even be embracing the anticipated additional fiscal stimulus spending resulting from the hurricanes and earthquakes. Add in all the Central Bank "easy" money policies, and it's pretty easy to have a bullish outlook. Earnings drive the stock market and without some geopolitical disaster, we're anticipating a rewarding fourth quarter.

Valuations are already on the high side, so naturally many investors are skeptical this near record setting bull market can continue. However, history doesn't support the view markets die of old age. They die because of policy mistakes or ugly macroeconomic events, which impact earnings. We're always on the lookout for a reason to be cautious, and President Trump has tried his best to make us nervous, but the economy is resilient. Just maybe, all the amazing communication and technology advancements that businesses and investors have embraced this past decade are responsible for keeping things in check.

It's not just the United States that is doing well. All developed nations and many emerging markets are strengthening and becoming more synchronized, according to updated projections for 2017 and 2018 by both the Organization for Economic Cooperation and Development and the International Monetary Fund. It's been a decade or more since economies have experienced this kind of growth, so we're enjoying the moment, but remain ever watchful.

As always, we remain committed to a conservative investment philosophy, which emphasizes the preservation of capital. If you have any questions or would like to discuss your portfolio, please do not hesitate to call.

Very truly yours,

Clay Campbell, CPA