



QSI

Quantitative Strategies, Inc.

A REGISTERED INVESTMENT ADVISOR

Quarterly Update- for the Period ended March 31, 2017

Stocks were up for the quarter with the Standard & Poor's 500 (S&P 500) up about 6%. Fixed income assets, as measured by the Barclay's Aggregate Bond Index, were also up, about 8/10ths of 1%.

Equity markets improved based on continued Gross Domestic Product (GDP) growth, higher corporate earnings, and generally positive expectations for economic and earnings growth for the rest of 2017.

Long-term U.S. Treasury bond yields were flat, after having spiked somewhat during the month. The Federal Reserve Board (Fed) indicated there would be additional short-term rate hikes, but long-term rates have remained relatively stable. Employment data has improved and is somewhat inflationary, but this is offset somewhat by low energy pricing.

“Brexit” is moving forward and for the moment worries over additional defection have faded. This has improved sentiment over the European Union and contributed to generally higher equity valuations.

The economic environment is positive, as interest rates remain relatively low and growth is expected to continue. We believe consumer sentiment will play a strong factor in market volatility, which in turn will be influenced by level of cooperation in the U.S. Congress.

26135 Mureau Rd., #201 * Calabasas, CA 91302-3101

Tel- (888) 774-1563 * Fax- (818) 466-6774

www.qstrategiesinc.com * email- info@qstrategiesinc.com