

*The Latest News*

- **ADP announces that private sector jobs for January are up by 170,000** (primarily fueled by small business hiring—an encouraging sign).
- **Personal income rose 0.5%** (versus 0.4% estimate).
- **Stronger than expected economic readings in Europe** have helped sentiment today, while Asian markets were “mixed” overnight. The Eurozone’s good news came from two sources:
  - **Purchasing manager’s index rose to 48.8** in January from 46.9 in December. (This is a time when spending usually wanes and retreats a little.)
  - **Bond auctions in Portugal and nearby Spain went very well for 3 and 6-month paper** (actually oversubscribed to).

*Corporate earnings continue to pour in...*

- **Ford’s sales rose 7.4%** in January, led by a 60% jump in “Focus” sales.
- **Chrysler reports first full year profit** as January sales also surge by 44%. This is refreshing news for a once down and out company that emerged from bankruptcy in 2009.
- Our turnaround company, **MTW**, (which went through a transitional period in 2011 because of delivery problems with supplies and worker strikes) swung to a big profit in the last quarter. Shares over the last month have risen 46% in value. The company also increased full year guidance for 2012 and analysts are increasing outlooks and target prices.
- *To be continued...*

*John Colley*  
2-1-12