

# WEEKLY MARKET SNAPSHOT

CURRENT ECONOMIC OUTLOOK FOR TIMELY FINANCIAL PLANNING

September 18, 2015

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The Federal Open Market Committee delayed the start of policy normalization, citing concerns about global economic and financial developments. The FOMC is not reacting to overseas developments per se, but rather to the implications for the U.S. economy (some restraint on growth, further downward pressure on inflation). In the revised dot plot, there was little agreement about where the federal funds rate would be at the end of 2016 and 2017. All but four of the senior Fed officials still expect to begin raising short-term interest rates by the end of this year (one official actually wanted to move to negative rates). The Fed did discuss raising rates. However, in her post-FOMC press briefing, Fed Chair Janet Yellen said that heightened uncertainties abroad and a lower expected path for inflation left officials wanting to see more evidence.

The economic data were mixed. Retail sales were restrained by lower gasoline prices and a pullback in building materials, but core sales continued to improve at a moderately strong pace. Industrial production fell last month, partly reflecting the unwinding of a seasonal quirk in autos. Lower energy prices pushed the Consumer Price Index down 0.1% (+0.2% y/y). Residential construction figures were mixed (housing starts fell, but the more accurate building permit figures improved).

Next week, the economic data are second-tier. While there could be market reactions to any surprises, none of the reports is going to alter the bigger economic picture. Fed Chair Yellen will speak on Thursday after the market's close. Investors should pay attention to what's going on in Washington, as a possible government shutdown looms. Congress must come up with funding beyond September 30 (the end of the fiscal year). Tea Party Republicans are threatening to withhold funding for Planned Parenthood. In addition, Congress needs to raise the federal debt ceiling by early December.

### Indices

	Last	Last Week	YTD return %
DJIA	16674.74	16374.76	-6.44%
NASDAQ	4893.95	4733.50	3.33%
S&P 500	1990.20	1951.13	-3.34%
MSCI EAFE	1731.97	1704.05	-2.42%

Russell 2000	1180.69	1145.15	-1.99%
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### Consumer Money Rates

	Last	1 year ago
Prime Rate	3.25	3.25
Fed Funds	0.13	0.09
30-year mortgage	3.98	4.23

### Currencies

	Last	1 year ago
Dollars per British Pound	1.559	1.628
Dollars per Euro	1.144	1.287
Japanese Yen per Dollar	120.010	108.370
Canadian Dollars per Dollar	1.318	1.100
Mexican Peso per Dollar	16.600	13.245

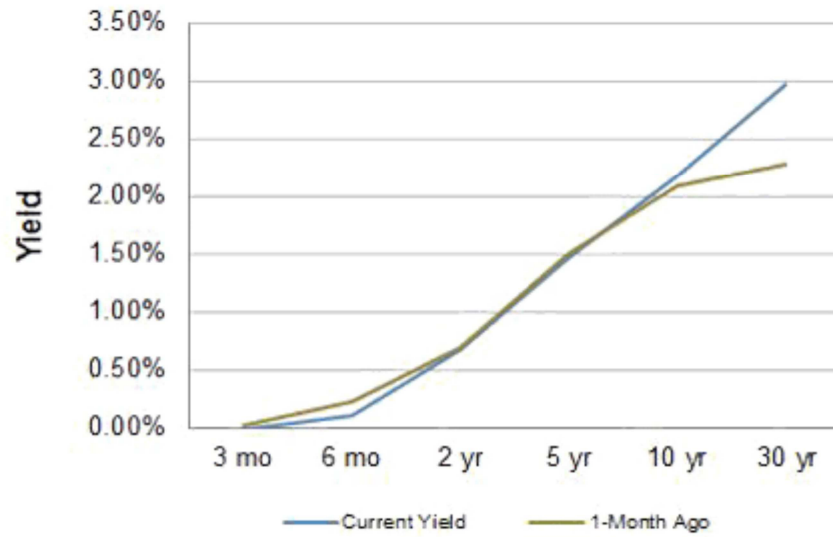
### Commodities

	Last	1 year ago
Crude Oil	46.90	94.42
Gold	1131.51	1223.51

### Bond Rates

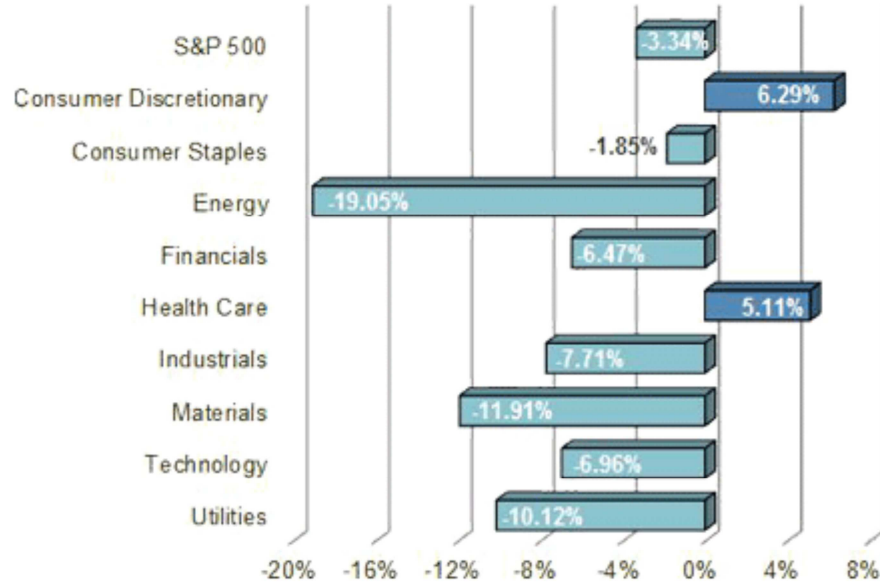
	Last	1 month ago
2-year treasury	0.68	0.69
10-year treasury	2.17	2.09
10-year municipal (TEY)	3.56	3.50

### Treasury Yield Curve – 09/18/2015



As of close of business 9/17/2015

**S&P Sector Performance (YTD) – 09/18/2015**



As of close of business 9/17/2015

**Economic Calendar**

Sept 21	—	Existing Home Sales (August)
Sept 24	—	

		Jobless Claims (week ending September 19)
		Durable Goods Orders (August)
		New Home Sales (August)
		Yellen Speaks ("Inflation Dynamics")
<b>Sept 25</b>	—	Real GDP (2Q15, 3rd estimate)
<b>Sept 29</b>	—	Consumer Confidence (September)
<b>Oct 1</b>	—	The federal fiscal year begins ISM Manufacturing Index (September)
<b>Oct 2</b>	—	Employment Report (September)
<b>Oct 12</b>	—	Columbus Day (bond market closed)
<b>Oct 28</b>	—	FOMC Policy Decision (no Yellen press conference)
<b>Dec 16</b>	—	FOMC Policy Decision, Yellen Press Conference

Past performance is not a guarantee of future results. There are special risks involved with global investing related to market and currency fluctuations, economic and political instability, and different financial accounting standards. There is no assurance that any trends mentioned will continue in the future. While interest on municipal bonds is generally exempt from federal income tax, it may be subject to the federal alternative minimum tax, state or local taxes. In addition, certain municipal bonds (such as Build America Bonds) are issued without a federal tax exemption, which subjects the related interest income to federal income tax. Also municipal bonds may be subject to capital gains taxes if sold or redeemed at a profit. Investing involves risk and investors may incur a profit or a loss.

US government bonds and treasury bills are guaranteed by the US government and, if held to maturity, offer a fixed rate of return and guaranteed principal value. US government bonds are issued and guaranteed as to the timely payment of principal and interest by the federal government. Treasury bills are certificates reflecting short-term (less than one year) obligations of the US government.

Commodities trading is generally considered speculative because of the significant potential for investment loss. Markets for commodities are likely to be volatile and there may be sharp price fluctuations even during periods when prices overall are rising. Specific sector investing can be subject to different and greater risks than more diversified investments.

Tax Equiv Muni yields (TEY) assumes a 35% tax rate. Municipal securities may lose their tax-exempt status if certain legal requirements are not met, or if tax laws change.

Material prepared by Raymond James for use by its financial advisors.

Data source: Bloomberg, as of close of business September 17, 2015.

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