

WEEKLY MARKET SNAPSHOT

CURRENT ECONOMIC OUTLOOK FOR TIMELY FINANCIAL PLANNING

November 20, 2015

MARKET COMMENTARY BY SCOTT J. BROWN, PH.D., CHIEF ECONOMIST

The FOMC minutes from the October 27-28 policy meeting showed that *"while no decision had been made, it may well become appropriate to initialize the normalization process"* at the December 15-16 policy meeting. *"Some"* Fed officials felt the conditions for raising rates had already been met in October, while *"most"* believed that *"these conditions could well be met by the time of the next meeting"* (that is, in December). The one thing that Fed officials could agree on was that the pace of tightening after the first move would likely be *"gradual."*

The economic data were mixed, but generally consistent with moderate growth. Industrial production fell 0.2% in October, reflecting warm temperatures (lower output of utilities) and a further contraction in energy exploration - manufacturing output rose 0.4% (+1.9% y/y). Residential construction figures were mixed in October, but single-family building permits (the key figure in the report) rose 2.4% (+9.0% y/y).

Next week, there are several economic reports ahead of the holiday, but none of the reports is likely to alter the bigger picture. The estimate of 3Q15 GDP growth (a +1.5% annual rate in the advance estimate) is expected to be revised higher, reflecting a more moderate slowing in inventory growth than was assumed in the initial estimate.

Indices

	Last	Last Week	YTD return %
DJIA	17732.75	17448.07	-0.51%
NASDAQ	5073.64	5005.08	7.13%
S&P 500	2081.24	2045.97	1.09%
MSCI EAFE	1757.35	1728.63	-0.99%
Russell 2000	1166.73	1154.81	-3.15%

Consumer Money Rates

	Last	1 year ago

Prime Rate	3.25	3.25
Fed Funds	0.13	0.09
30-year mortgage	4.00	3.99

Currencies

	Last	1 year ago
Dollars per British Pound	1.529	1.568
Dollars per Euro	1.073	1.255
Japanese Yen per Dollar	122.870	117.970
Canadian Dollars per Dollar	1.328	1.134
Mexican Peso per Dollar	16.621	13.619

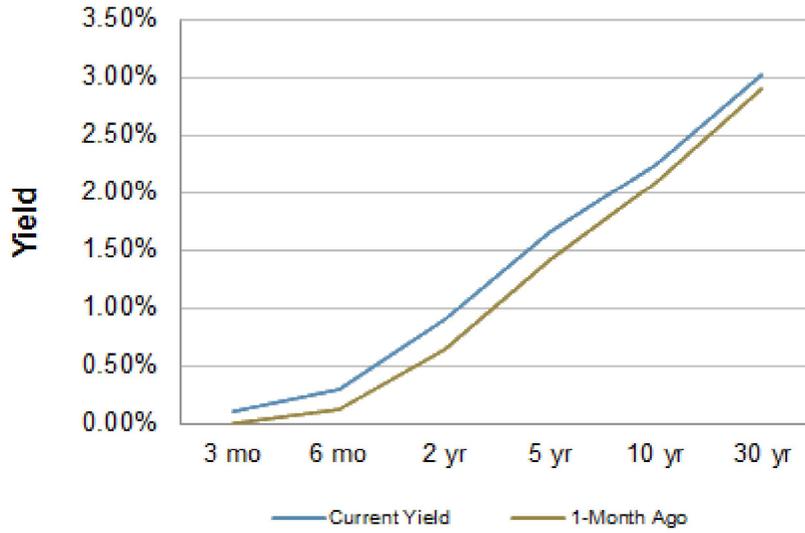
Commodities

	Last	1 year ago
Crude Oil	40.54	74.58
Gold	1082.21	1182.68

Bond Rates

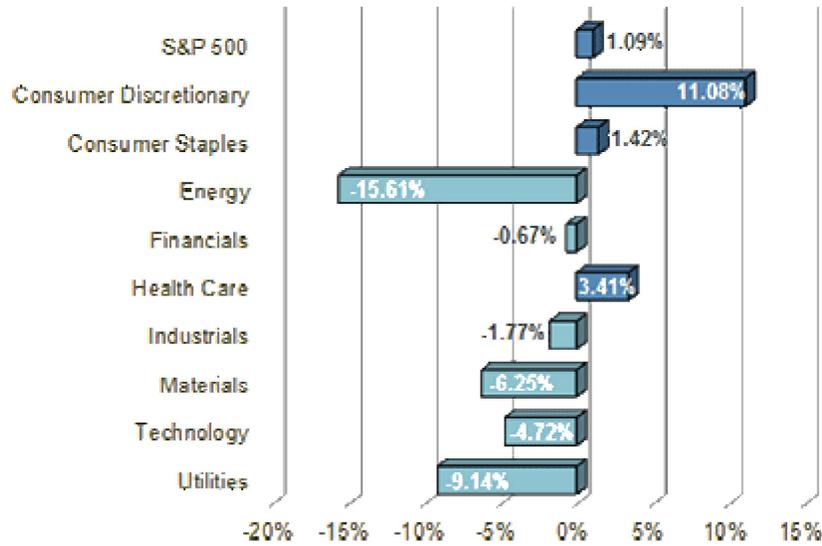
	Last	1 month ago
2-year treasury	0.49	0.63
10-year treasury	2.13	2.08
10-year municipal (TEY)	3.28	3.19

Treasury Yield Curve – 11/20/2015



As of close of business 11/19/2015

S&P Sector Performance (YTD) – 11/20/2015



As of close of business 11/19/2015

Economic Calendar

Nov 23	—	Existing Home Sales (October)
Nov 24	—	

		Real GDP (3Q15, 2nd estimate)
		Trade Balance in Goods (October)
		Consumer Confidence (November)
Nov 25	—	Jobless Claims (week ending November 21)
		Personal Income and Spending (October)
		Durable Goods Orders (October)
		New Home Sales (October)
Nov 26	—	Thanksgiving (markets closed)
Dec 1	—	ISM Manufacturing Index (November)
Dec 2	—	ADP Payroll Estimate (November)
		Fed Beige Book

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.

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RAYMOND JAMES®

John McRae

Branch Manager

512 22nd Avenue // Meridian, MS 39302 // 601-484-5273

john.mcrae@raymondjames.com

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