
WEEKLY MARKET SNAPSHOT

CURRENT ECONOMIC OUTLOOK FOR TIMELY FINANCIAL PLANNING

October 23, 2015

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The economic calendar was light. Residential construction figures were mixed, largely reflecting the usual noise in the multi-family sector data (single-family starts and permits were little changed and still up strongly from a year ago). Existing home sales rebounded from a surprise drop in August. The four-week average for jobless claims fell to the lowest level since 1973.

Earnings reports were mixed, but investors appeared to be encouraged by the view that economic growth will continue, but not so fast that the Federal Reserve rushes to take away the punch bowl.

The European Central Bank left monetary policy unchanged, but ECB President Mario Draghi signaled a possible expansion of the asset purchase program at the meeting in early December. That news sent the euro sharply lower against the greenback. The People's Bank of China reduced short-term interest rates for the sixth time since last November and lowered the reserve requirement ratio.

A majority of the Freedom Caucus members in the U.S. House agreed to line up behind Paul Ryan as speaker. Congress needs to raise the debt ceiling by November 3. Treasury delayed the upcoming auction of 2-year notes due to concerns about the debt ceiling.

Next week, nothing much is expected from the Fed policy meeting. There is no press conference with Chair Janet Yellen; no revision of Fed projections. Instead, investors will look to minor changes in the wording of the policy statement to gauge the likelihood of a move at the mid-December meeting. The advance estimate of 3Q15 GDP growth is expected to be mixed - domestic strength offset by large drags from net exports and slower inventory growth. The Employment Cost Index will be seen as a possible driver of Fed policy action.

Indices

	Last	Last Week	YTD return %
DJIA	17489.16	17141.75	-1.87%
NASDAQ	4920.05	4870.10	3.89%

S&P 500	2052.51	2023.86	-0.31%
MSCI EAFE	1759.62	1753.89	-0.86%
Russell 2000	1154.52	1162.77	-4.16%

Consumer Money Rates

	Last	1 year ago
Prime Rate	3.25	3.25
Fed Funds	0.12	0.08
30-year mortgage	3.82	3.92

Currencies

	Last	1 year ago
Dollars per British Pound	1.539	1.605
Dollars per Euro	1.111	1.265
Japanese Yen per Dollar	120.690	107.140
Canadian Dollars per Dollar	1.309	1.124
Mexican Peso per Dollar	16.477	13.559

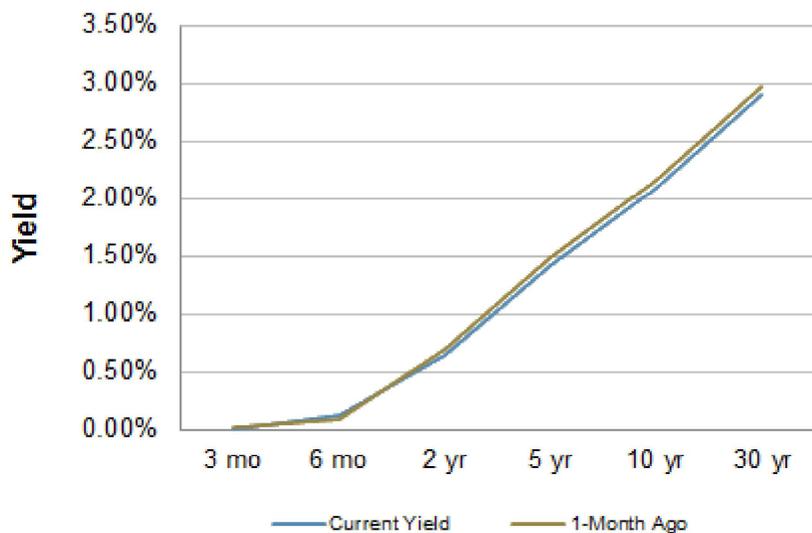
Commodities

	Last	1 year ago
Crude Oil	44.83	81.42
Gold	1166.05	1241.27

Bond Rates

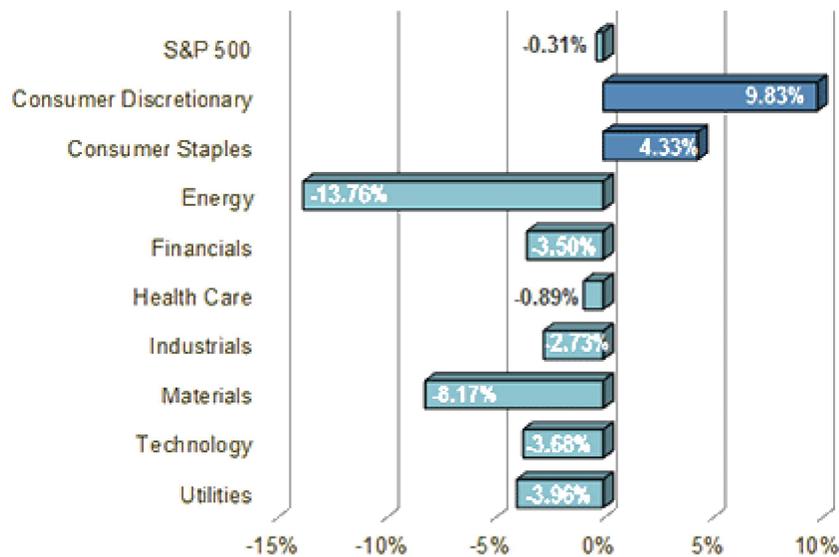
	Last	1 month ago
2-year treasury	0.63	0.69
10-year treasury	2.08	2.16
10-year municipal (TEY)	3.19	3.46

Treasury Yield Curve – 10/23/2015



As of close of business 10/22/2015

S&P Sector Performance (YTD) – 10/23/2015



As of close of business 10/22/2015

Economic Calendar

Oct 26	—	New Home Sales (September)
Oct 27	—	

		Durable Goods Orders (September) Consumer Confidence (October)
Oct 28	—	Trade Balance in Goods (September) FOMC Policy Decision (no Yellen press conference)
Oct 29	—	Jobless Claims (week ending October 24) Real GDP (3Q15, advance estimate) Pending Home Sales Index (September)
Oct 30	—	Personal Income and Spending (September) Employment Cost Index (3Q15) Chicago Purchasing Managers' Index (October)
Nov 2	—	ISM Manufacturing Index (October)

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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