WEEKLY MARKETSNAPSHOT

CURRENT ECONOMIC OUTLOOK FOR TIMELY FINANCIAL PLANNING

November 6, 2015

MARKET COMMENTARY
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The October employment report was much stronger than anticipated. However, figures should be considered in their proper context. Nonfarm payrolls rose by 271,000, with a net upward revision to the two previous months of +12,000. Due to the start of the school year, seasonal adjustment can be tricky in October (we added 1.152 million jobs before seasonal adjustment, versus 1.081 million in October 2014). The strong (adjusted) gain in payrolls for October followed two soft months. The three-month average, which reduces much of the monthly noise, was 187,000 (+181,000 for the private-sector) - that's slower than we saw last year, but still well beyond the +120,000 pace that would be consistent with the growth in the working-age population. The unemployment rate was essentially unchanged, but was rounded down to 5.0% (from 5.1%). Average hourly earnings rose 0.4%, versus flat in September, up 2.5% y/y.

Fed Chair Janet Yellen suggested that a December rate hike was possible. That should not have been a surprise. Recall that the Fed was close to raising short-term interest rates in September, but delayed, citing possible downside risks from global economic and financial developments. The downside risks now appear to be a lot less worrisome. U.S. exports have declined, but not sharply (largely reflecting lower prices for food and raw materials). The October employment report boosted market expectations of a December rate increase, sending stock prices lower, lifting bond yields, and sending the dollar higher.

Next week, the economic calendar thins out. The bond market will take Veterans Day off. The important economic data arrive at the end of the week. Retail sales are expected to have picked up in October. Seasonal adjustment will reduce the impact of lower gasoline prices in the PPI, while core inflation is likely to remain low.

Indices

	Last	Last Week	YTD return %
DJIA	17863.43	17755.80	0.23%
NASDAQ	5127.74	5074.27	8.27%
S&P 500	2099.93	2089.41	1.99%
MSCI EAFE	1758.31	1759.41	-0.93%

Russell 2000	1190.69	1165.63	-1.16%

Consumer Money Rates

	Last	**1 year ago**
Prime Rate	3.25	3.25
Fed Funds	0.11	0.09
30-year mortgage	3.99	4.02

Currencies

	Last	**1 year ago**
Dollars per British Pound	1.538	1.589
Dollars per Euro	1.086	1.249
Japanese Yen per Dollar	121.890	114.470
Canadian Dollars per Dollar	1.317	1.144
Mexican Peso per Dollar	16.579	13.634

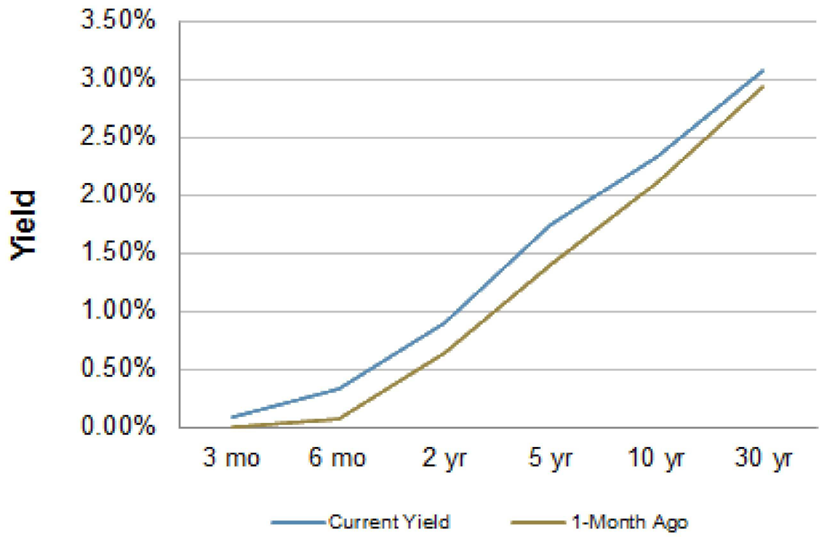
Commodities

	Last	**1 year ago**
Crude Oil	45.20	78.68
Gold	1107.85	1145.90

Bond Rates

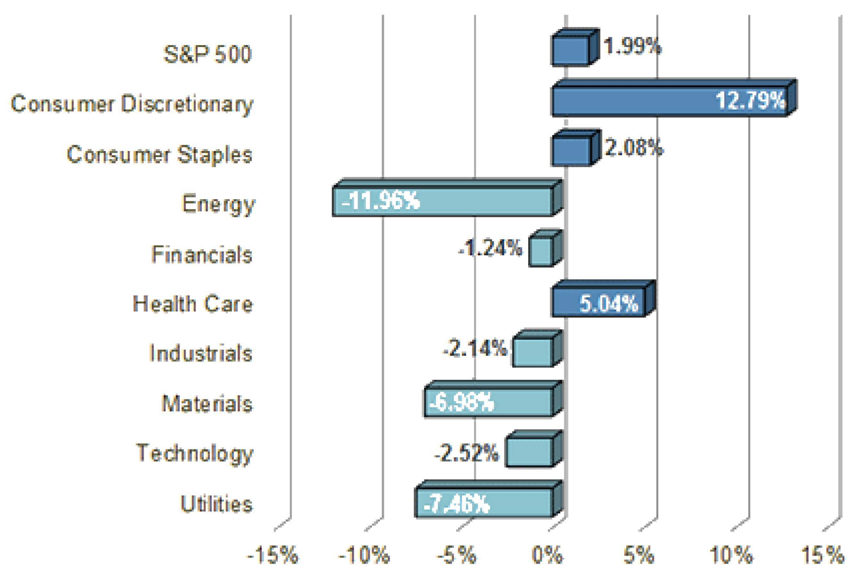
	Last	**1 month ago**
2-year treasury	0.90	0.64
10-year treasury	2.32	2.11
10-year municipal (TEY)	3.35	3.19

Treasury Yield Curve – 11/06/2015



As of close of business 11/05/2015

S&P Sector Performance (YTD) – 11/06/2015



As of close of business 11/05/2015

Economic Calendar

Nov 10	—	Import Prices (October) Small Business Optimism (October)

Nov 11	—	Veterans Day (bond market closed)
Nov 12	—	Jobless Claims (week ending 11/7)
Nov 13	—	Producer Price Index (October) Retail Sales (October) Business Inventories (September) UM Consumer Sentiment (mid-November)
Nov 17	—	Consumer Price Index (October) Industrial Production (October)
Nov 18	—	Building Materials, Housing Starts (October) FOMC Minutes (October 27-28)

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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