
WEEKLY MARKETSNAPSHOT

CURRENT ECONOMIC OUTLOOK FOR TIMELY FINANCIAL PLANNING

November 13, 2015

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The economic data calendar was relatively thin, leaving stock market investors to fret about a likely December rate hike from the Fed. A 25-basis-point increase in short-term interest rates should not have much of an impact on the economy, especially if the Fed follows up very gradually (as anticipated). However, the financial markets see the initial tightening move as a big deal, so it is. Weak earnings results haven't helped, but most of the weakness is tied to the strong dollar and slower growth abroad.

Retail sales rose less than expected in October, suggesting less momentum into the current quarter. However, the trend isn't horrible (slower, but still positive). The Producer Price data surprised to the downside, reflecting a further drop in food prices and a decline in the core index. Pipeline pressures (inflation figures for the earlier stages of production) remained negative.

Next week, the data on industrial production and residential construction will help fill in the economic picture, but investors are more likely to focus on the FOMC minutes. Those minutes should show Fed officials leaning toward a December rate hike. We should get some color on why officials are set to hike (expectations of less slack a year from now) and what it would take for the Fed to delay (bad economic data or significant financial market disruptions).

Indices

	Last	Last Week	YTD return %
DJIA	17448.07	17863.43	-2.10%
NASDAQ	5005.08	5127.74	5.68%
S&P 500	2045.97	2099.93	-0.63%
MSCI EAFE	1728.63	1758.31	-2.61%
Russell 2000	1154.81	1190.69	-4.14%

Consumer Money Rates

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	Last	1 year ago
Prime Rate	3.25	3.25
Fed Funds	0.13	0.08
30-year mortgage	4.04	4.01

Currencies

	Last	1 year ago
Dollars per British Pound	1.519	1.588
Dollars per Euro	1.073	1.247
Japanese Yen per Dollar	122.980	115.260
Canadian Dollars per Dollar	1.327	1.132
Mexican Peso per Dollar	16.730	13.584

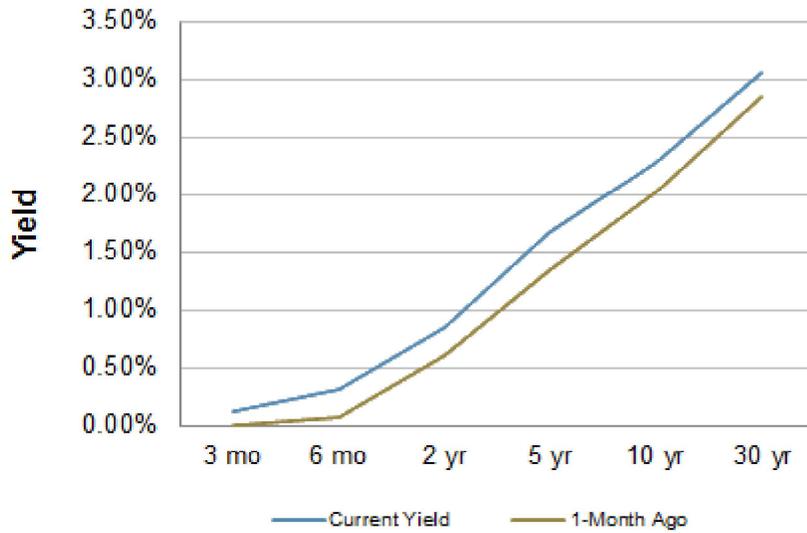
Commodities

	Last	1 year ago
Crude Oil	41.75	77.18
Gold	1087.75	1163.50

Bond Rates

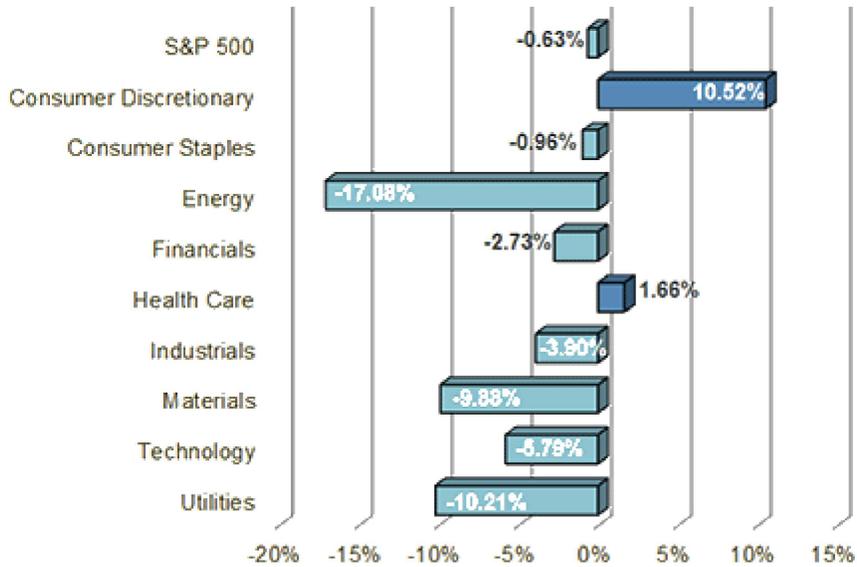
	Last	1 month ago
2-year treasury	0.85	0.60
10-year treasury	2.28	2.02
10-year municipal (TEY)	3.38	3.21

Treasury Yield Curve – 11/13/2015



As of close of business 11/12/2015

S&P Sector Performance (YTD) – 11/13/2015



As of close of business 11/12/2015

Economic Calendar

Nov 16	—	Empire State Manufacturing Index (November)
Nov 17	—	

		Consumer Price Index (October)
		Industrial Production (October)
		Homebuilder Sentiment (October)
Nov 18	—	Building Materials, Housing Starts (October)
		FOMC Minutes (October 27-28)
Nov 19	—	Jobless Claims (week ending November 14)
		Philadelphia Fed Index (November)
		Leading Economic Indicators (October)
Nov 23	—	Existing Home Sales (October)
Nov 24	—	Real GDP (2Q15, 2nd estimate)
		Trade Balance in Goods (October)
		Consumer Confidence (November)

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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 November 12, 2015.



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