

WEEKLY MARKET SNAPSHOT

CURRENT ECONOMIC OUTLOOK FOR TIMELY FINANCIAL PLANNING

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The economic data reports were mixed, but consistent with moderate growth in the near term. The estimate of real GDP growth for 4Q15 was revised higher (to 1.0%, from +0.7%, vs. expectations of +0.4%), but much of that was because inventories did not slow as much as estimated earlier (perhaps leaving more of an inventory correction for 1Q16). Personal income rose 0.5% in January, reflecting strength in private-sector wages and salaries (partly a rebound from a soft December). Consumer spending rose 0.5%, partly reflecting a rebound in household energy consumption (following an unusually warm December). The core PCE Price Index rose 0.3% (+0.259% before rounding), bringing the year-over-year change to 1.7% (closer to the Fed's goal of 2%). Durable goods orders rebounded sharply in January, offsetting a steep plunge in December, but leaving the overall trend somewhat weak. Consumer sentiment edged up, as evaluations of personal finances offset concerns about the overall economy.

The stock market remained volatile, but U.S. investors dismissed a 6.4% drop in the Shanghai Composite Index on Thursday - that seems like a good sign.

Next week, investors will be looking for clues on the near-term strength of the economy and will receive a number of important gauges. The focus is expected to be on the monthly ISM surveys (manufacturing on Tuesday, non-manufacturing on Thursday). In addition, the February Employment Report arrives on Friday. Job growth is expected to remain relatively strong, but is expected to slow in the months ahead, as it becomes more difficult to find workers. Reduced slack in the labor market and a pickup in wage growth should raise concern about another Fed rate hike.

Indices

	Last	Last Week	YTD return %
DJIA	16697.29	16413.43	-4.18%
NASDAQ	4582.21	4487.54	-8.49%
S&P 500	1951.70	1917.83	-4.51%
MSCI EAFE	1554.15	1568.706	-9.45%
Russell 2000	1031.58	1004.71	-9.18%

Consumer Money Rates

	Last	1 year ago
Prime Rate	3.50	3.25
Fed Funds	0.36	0.12
30-year mortgage	3.65	3.80

Currencies

	Last	1 year ago
Dollars per British Pound	1.396	1.541
Dollars per Euro	1.102	1.120
Japanese Yen per Dollar	113.000	119.410
Canadian Dollars per Dollar	1.353	1.252
Mexican Peso per Dollar	18.127	14.997

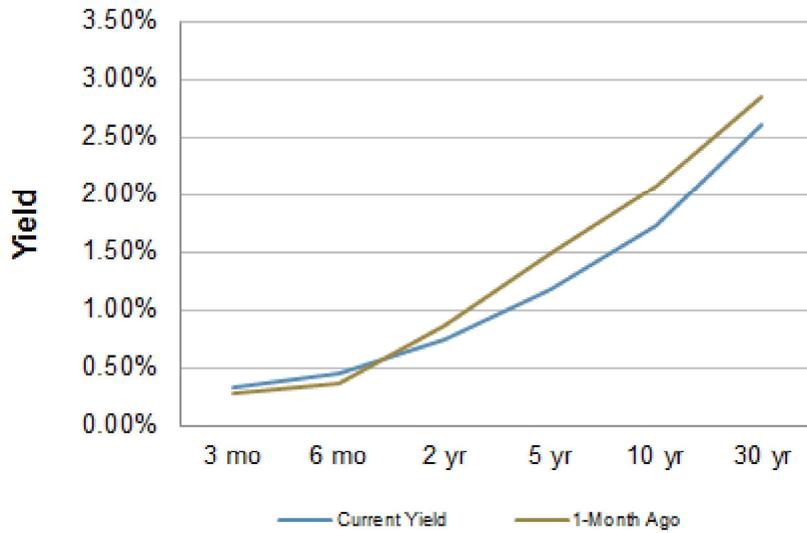
Commodities

	Last	1 year ago
Crude Oil	33.07	48.17
Gold	1238.80	1213.10

Bond Rates

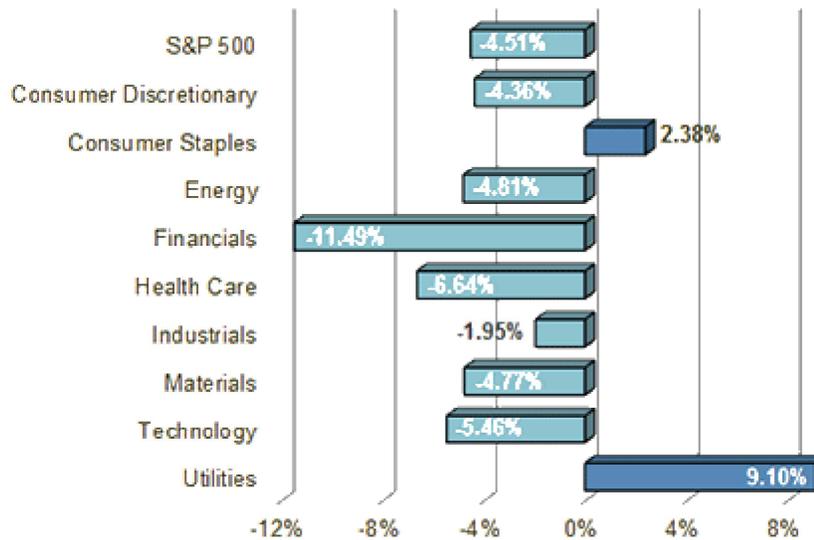
	Last	1 month ago
2-year treasury	0.74	0.86
10-year treasury	1.73	2.07
10-year municipal (TEY)	2.65	4.22

Treasury Yield Curve – 02/26/2016



As of close of business 02/25/2016

S&P Sector Performance (YTD) – 02/26/2016



As of close of business 02/25/2016

Economic Calendar

Feb 29	—	Chicago Purchasing Managers Index (February) Pending Home Sales Index (January)
Mar 1	—	

		Super Tuesday (25% of delegates at stake)
		ISM Manufacturing Index (February)
		Motor Vehicle Sales (February)
Mar 2	—	ADP Payroll Estimate (February)
		Fed Beige Book
Mar 3	—	Jobless Claims (week ending February 27)
		ISM Non-Manufacturing Index (February)
Mar 4	—	Employment Report (February)
		Trade Balance (January)

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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