

WEEKLY MARKETSNAPSHOT

CURRENT ECONOMIC OUTLOOK FOR TIMELY FINANCIAL PLANNING

August 12, 2016

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The economic data remained consistent with moderate economic growth and low inflation. Retail sales figures for July disappointed, coming in below expectations (but partly offset by upward revisions to June). Preliminary productivity figures for the second quarter were weak (averaging a 0.5% annual rate over the last five years). Jobless claims remained very low. The Producer Price Index fell more than expected and pipeline pressures remained mild or slightly deflationary.

Despite nervousness about the U.S. and global economies, and amid political uncertainty, the DJIA, the S&P500 and the NASDAQ composite all finished at record highs - the first simultaneous record close this century. The soft retail sales data and low PPI help keep long-term interest rates low.

Next week, the important economic data bunch up on Tuesday. But while these data reports will help to fill in the current picture, they should not have a big impact on the overall economic outlook. Market participants will be focused on the Fed policy meeting minutes. We know that Fed officials are split, but the majority is in no hurry to raise short-term interest rates. The next major pivot point will be Fed Chair Yellen's Jackson Hole speech on August 26.

Indices

	Last	Last Week	YTD return %
DJIA	18613.52	18352.05	6.82%
NASDAQ	5228.40	5166.25	4.41%
S&P 500	2185.79	2164.25	6.94%
MSCI EAFE	1708.32	1663.50	-0.46%
Russell 2000	1229.12	1213.76	8.21%

Consumer Money Rates

	Last	1 year ago

Prime Rate	3.50	3.25
Fed Funds	0.40	0.15
30-year mortgage	3.40	3.94

Currencies

	Last	1 year ago
Dollars per British Pound	1.296	1.561
Dollars per Euro	1.114	1.116
Japanese Yen per Dollar	101.96	124.21
Canadian Dollars per Dollar	1.299	1.298
Mexican Peso per Dollar	18.229	16.279

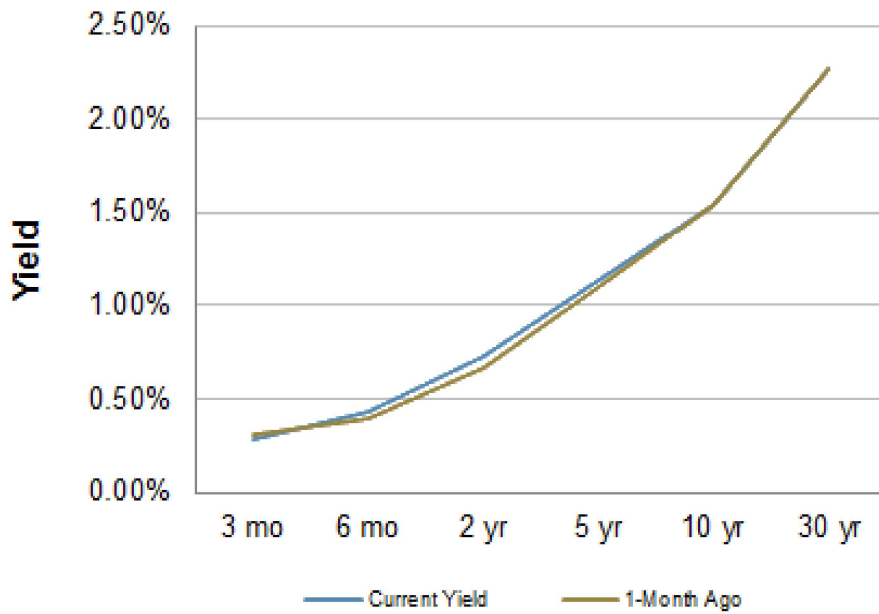
Commodities

	Last	1 year ago
Crude Oil	43.49	43.30
Gold	1350.00	1123.60

Bond Rates

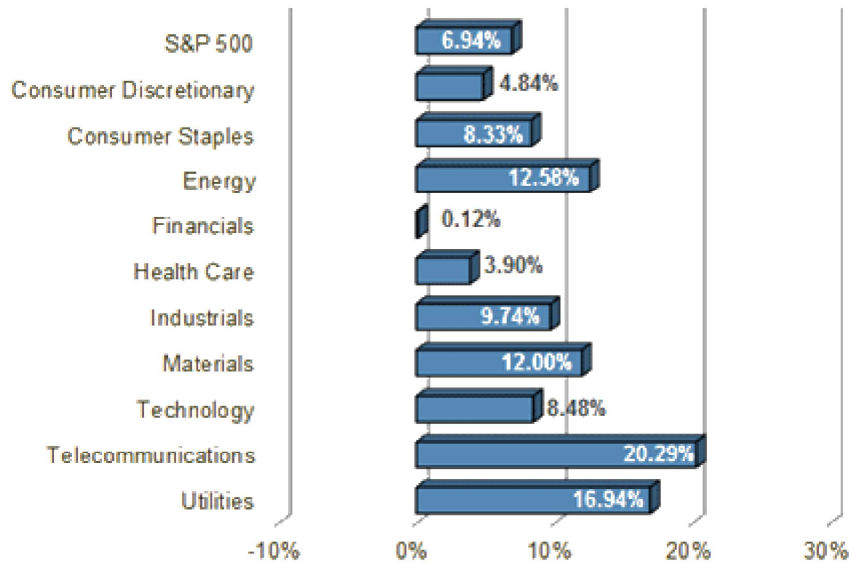
	Last	1 month ago
2-year treasury	0.73	0.67
10-year treasury	1.54	1.54
10-year municipal (TEY)	2.22	2.15

Treasury Yield Curve – 08/12/2016



As of close of business 08/11/2016

S&P Sector Performance (YTD) – 08/12/2016



As of close of business 08/11/2016

Economic Calendar

August 15	—	Empire State Manufacturing Index (August) Homebuilder Sentiment (August)
August 16	—	BOE Policy Decision Consumer Price Index (July)

		Building Permits, Housing Starts (July)
		Industrial Production (July)
August 17	—	FOMC Minutes (July 26-27)
August 18	—	Jobless Claims (week ending August 13)
		Philadelphia Fed Index (August)
		Leading Economic Indicators (July)

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Data source: Bloomberg, as of close of business August 11, 2016.

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