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# WEEKLY MARKET SNAPSHOT

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CURRENT ECONOMIC OUTLOOK FOR TIMELY FINANCIAL PLANNING

March 11, 2016

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The economic calendar was thin. Jobless claims fell more than expected (not too unusual), while the four-week average remained very low (about as low as it can go given the normal labor market frictions). Small business optimism fell in February. The Quarterly Services Survey pointed to an upward revision to the estimate of consumer spending growth for 4Q15.

The European Central Bank surprised the markets by doing much more than expected (lowering interest rates, expanding QE, and making other efforts to boost growth). Enthusiasm was quickly tempered, however, when ECB President Draghi, in his post-meeting press conference, indicated that further stimulus was unlikely. The euro, down 1.6% against the dollar on the ECB's action, reversed to up 1.8% - an exceptionally large intraday swing.

Next week, the economic calendar is unusually busy on Tuesday and Wednesday, but the focus will be on the Fed. The Federal Open Market Committee is widely expected to leave short-term interest rates unchanged. The wording of the policy statement is likely to change slightly. Fed officials will revise their economic projections. However, the growth outlook is expected to be only modestly softer than what was expected in December. The dots in the dot plot (officials' expectations of the appropriate year-end target rates for federal funds) ought to drift a little lower, but remain well above market expectations. Fed Chair Yellen is expected to present more detail than she did in her congressional testimony last month. The Fed is expected to remain in tightening mode, eyeing job market improvement and an expected upturn in inflation. However, concerns about financial stability should keep policy on hold in the near term.

### Indices

	Last	Last Week	YTD return %
DJIA	16995.13	16943.90	-2.47%
NASDAQ	4662.16	4707.42	-6.89%
S&P 500	1989.57	1993.40	-2.66%
MSCI EAFE	1612.15	1611.70	-6.07%
Russell 2000	1063.99	1076.05	-6.33%

**Consumer Money Rates**

	Last	1 year ago
Prime Rate	3.50	3.25
Fed Funds	0.36	0.12
30-year mortgage	3.82	3.86

**Currencies**

	Last	1 year ago
Dollars per British Pound	1.428	1.493
Dollars per Euro	1.118	1.055
Japanese Yen per Dollar	113.190	121.290
Canadian Dollars per Dollar	1.335	1.275
Mexican Peso per Dollar	17.806	15.496

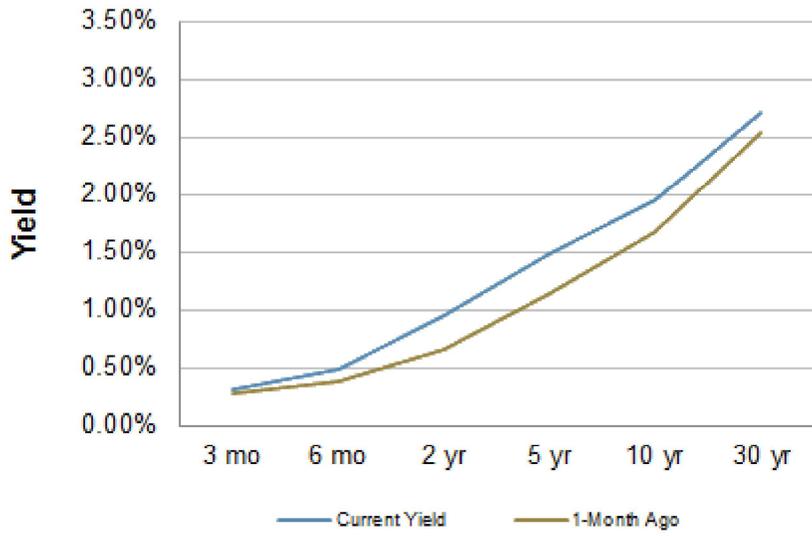
**Commodities**

	Last	1 year ago
Crude Oil	37.84	48.17
Gold	1272.80	1150.60

**Bond Rates**

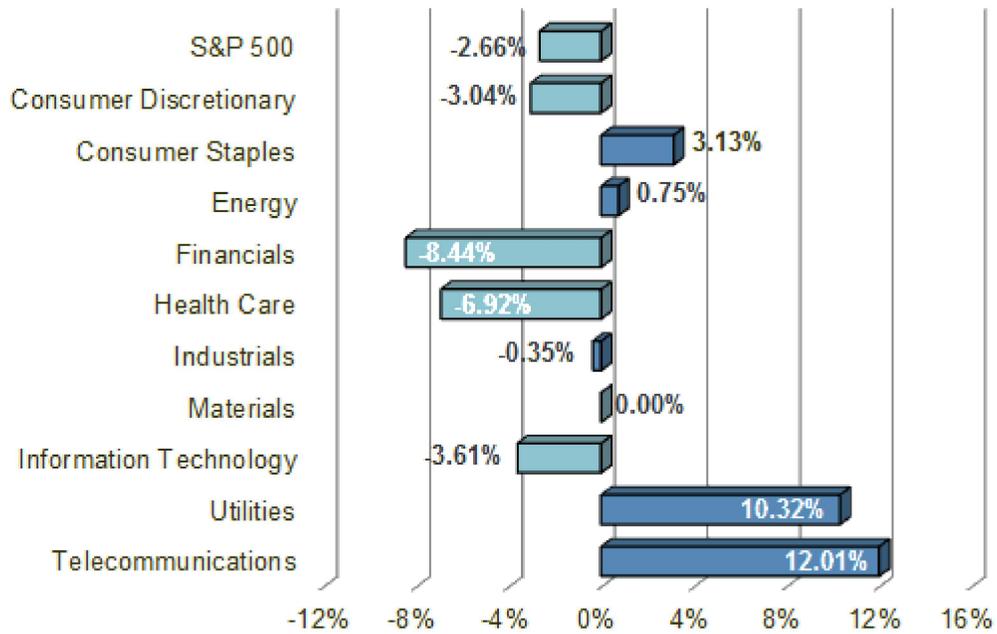
	Last	1 month ago
2-year treasury	0.95	0.65
10-year treasury	1.95	1.67
10-year municipal (TEY)	2.86	2.42

**Treasury Yield Curve – 03/11/2016**



As of close of business 03/10/2016

**S&P Sector Performance (YTD) – 03/11/2016**



As of close of business 03/10/2016

**Economic Calendar**

Mar 15 —

		Producer Price Index (February)
		Retail Sales
		Empire State Manufacturing Index (March)
<b>March 16</b>	—	Consumer Price Index (February)
		Building Permits, Housing Starts (February)
		Industrial Production (February)
		FOMC Policy Decision, Revised Fed Projections
		Yellen Press Conference
<b>Mar 17</b>	—	Jobless Claims (week ending March 12)
		Leading Economic Indicators (February)
		UM Consumer Sentiment (mid-March)
<b>Mar 24</b>	—	Durable Goods Orders (February)
<b>Mar 25</b>	—	Good Friday Holiday (markets closed)

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.

Data source: Bloomberg, as of close of business March 10, 2016.

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