

WEEKLY MARKET SNAPSHOT

CURRENT ECONOMIC OUTLOOK FOR TIMELY FINANCIAL PLANNING

January 22, 2016

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Global worries continued, but the U.S. stock market rebounded somewhat after a sharp slide on Wednesday, lending hope to the view that the worst is behind us. Oil prices also improved, but it's not clear whether the global outlook was helped by higher oil prices or the other way around. Yields on long-term Treasuries fell on the flight to safety, but that was partly unwound as global worries eased at the end of the week. Investors also took encouragement from European Central Bank President Draghi's comments that the ECB will review and reconsider its policy outlook in March.

The economic data remained consistent with moderate economic growth in the near term. Residential construction activity was mixed in December (with further improvement in single-family permits). The Index of Leading Economic Indicators fell 0.2% in December, but it had risen 0.5% in both October and November.

Next week, hopefully global worries will continue to get pushed to the back burner, leaving investors to focus on the U.S. domestic economy. The Conference Board's Consumer Confidence Index has a more direct measure of labor market perceptions and tends to be less influenced by stock prices. The Fed policy meeting is expected to be a non-event - no change in rates is expected and there will be no Yellen press conference. Nevertheless, investors will study the wording of the policy statement closely for any clues about the future pace of policy moves. Growth is expected to have slowed in the initial estimate of 4Q15 GDP, with significant restraints from foreign trade and slower inventory growth. Domestic demand is expected to slow but remain at a moderate pace. The Employment Cost Index is likely to be overshadowed by the GDP report, but it is an import gauge of labor cost pressures (something that interests Fed policymakers).

Indices

	Last	Last Week	YTD return %
DJIA	15882.68	16379.05	-8.85%
NASDAQ	4472.06	4615.00	-10.69%
S&P 500	1868.81	1921.84	-8.56%
MSCI EAFE	1518.551	1583.71	-11.52%

Russell 2000	997.342	1025.67	-12.20%
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Consumer Money Rates

	Last	1 year ago
Prime Rate	3.50	3.50
Fed Funds	0.36	0.35
30-year mortgage	3.93	3.84

Currencies

	Last	1 year ago
Dollars per British Pound	1.433	1.501
Dollars per Euro	1.082	1.137
Japanese Yen per Dollar	118.170	118.490
Canadian Dollars per Dollar	1.416	1.242
Mexican Peso per Dollar	18.432	14.657

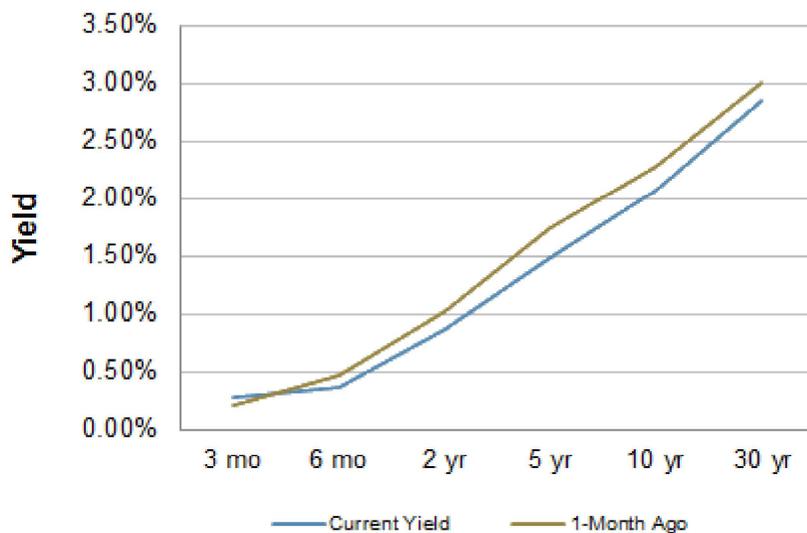
Commodities

	Last	1 year ago
Crude Oil	29.74	45.59
Gold	1099.90	1293.60

Bond Rates

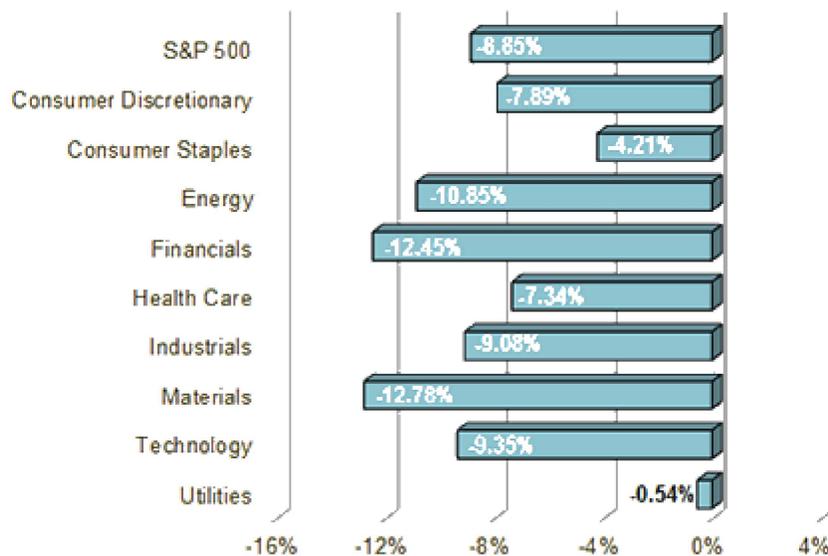
	Last	1 month ago
2-year treasury	0.86	1.01
10-year treasury	2.07	2.27
10-year municipal (TEY)	4.22	3.10

Treasury Yield Curve – 01/22/2016



As of close of business 01/21/2016

S&P Sector Performance (YTD) – 01/22/2016



As of close of business 01/21/2016

Economic Calendar

Jan 26	—	Consumer Confidence (January)
Jan 27	—	

		New Home Sales (December)
		FOMC Policy Decision (no press conference)
Jan 28	—	Jobless Claims (week ending January 23)
		Durable Goods Orders (December)
		Pending Home Sales Index (December)
Jan 29	—	Real GDP (4Q15, advance estimate)
		Employment Cost Index (4Q15)
		Chicago Purchasing Managers Index (January)
Feb 1	—	ISM Manufacturing Index (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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