
WEEKLY MARKET SNAPSHOT

CURRENT ECONOMIC OUTLOOK FOR TIMELY FINANCIAL PLANNING

May 13, 2016

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The economic calendar was quiet until the end of the week. April retail sales results surprised to upside, with upward revisions to February and March. This ran counter to generally weak monthly sales reports from a number of individual retailers. March sales were likely distorted (and depressed) by the early Easter. Results reflected strong trends in nonstore retailers (which includes Internet retailers), restaurants (helped by low gasoline prices, but also reflecting a long-term trend of households taking more meals outside the home), and drug stores (which likely reflects runaway prices of pharmaceuticals). Figures suggested an upward revision to the first quarter GDP growth estimate and boosted expectations for 2Q16 GDP growth.

The stock market was unimpressed by the retail sales results. Many investors remain worried about the prospects for earnings.

Next week, the economic calendar picks up, with several reports piling up on Tuesday. The focus, however, is likely to be on the FOMC minutes. We're unlikely to learn much new from these minutes. We know that officials are split on the expected timing of rate increases, but the hawkish view (those wanting to raise rates sooner rather than later) is a small minority. Nevertheless, investors will try to glean something about whether the Fed will raise rates in June or wait until September (or December). Residential construction activity and industrial production are expected to have picked up in April, following Easter-related weakness in March.

Indices

	Last	Last Week	YTD return %
DJIA	17720.50	17660.71	1.70%
NASDAQ	4737.34	4717.09	-5.39%
S&P 500	2064.11	2050.63	0.99%
MSCI EAFE	1645.55	1641.61	-4.12%
Russell 2000	1108.60	1107.95	-2.40%

Consumer Money Rates

	Last	1 year ago
Prime Rate	3.50	3.25
Fed Funds	0.37	0.12
30-year mortgage	3.63	3.85

Currencies

	Last	1 year ago
Dollars per British Pound	1.445	1.575
Dollars per Euro	1.138	1.135
Japanese Yen per Dollar	109.02	119.15
Canadian Dollars per Dollar	1.285	1.196
Mexican Peso per Dollar	17.970	15.265

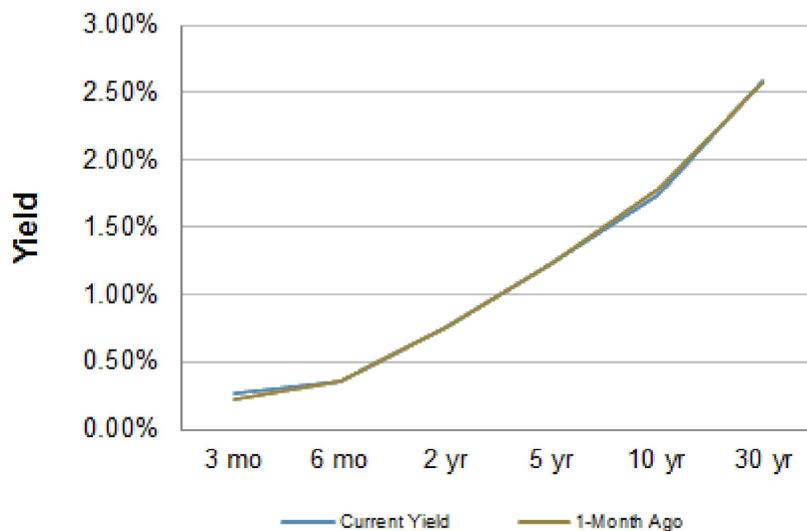
Commodities

	Last	1 year ago
Crude Oil	46.70	60.50
Gold	1271.20	1218.20

Bond Rates

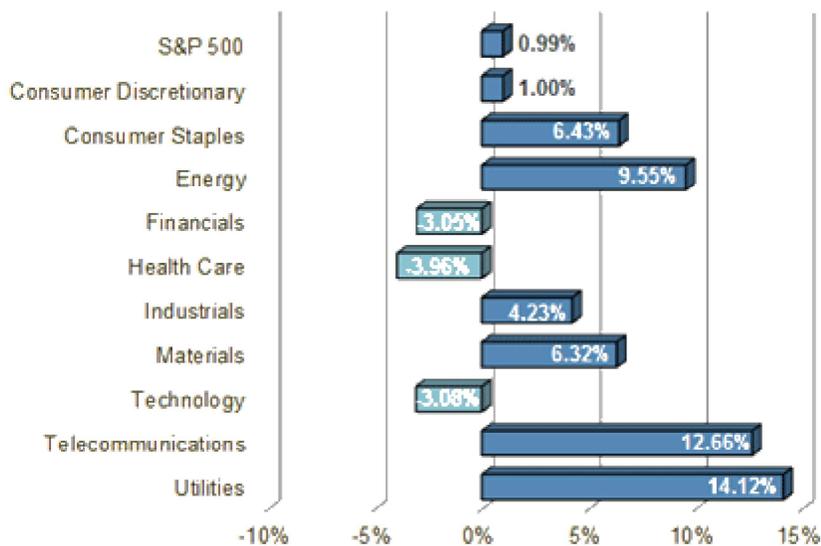
	Last	1 month ago
2-year treasury	0.75	0.75
10-year treasury	1.73	1.77
10-year municipal (TEY)	2.38	2.55

Treasury Yield Curve – 05/13/2016



As of close of business 05/12/2016

S&P Sector Performance (YTD) – 05/13/2016



As of close of business 05/12/2016

Economic Calendar

May 16	—	Empire State Manufacturing Index (May) Homebuilder Sentiment (May)
May 17	—	Consumer Price Index (April) Building Permits, Housing Starts (April) Industrial Production (April)

May 18	—	FOMC Minutes (April 26-27)
May 19	—	Jobless Claims (week ending 5/14) Philadelphia Fed Index (May) Leading Economic Indicators (April)

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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.

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