

WEEKLY MARKETSNAPSHOT

CURRENT ECONOMIC OUTLOOK FOR TIMELY FINANCIAL PLANNING

MARCH 24, 2017
Market Commentary
by Scott J. Brown, Ph.D., Chief Economist

The market focus was on Washington, where the repeal/replacement of the Affordable Care Act failed to garner enough support to pass in the House. Note that there are important tax issues embedded in the ACA. Hence, the repeal has been seen as a necessary step in overall tax reform. On Wednesday, the stock market slumped as the replacement bill ran into trouble, but conditions stabilized on Thursday.

The economic data were inconsequential. Home sales figures were mixed, but one shouldn't put much weight on February data (which are subject to weather effects and seasonal adjustment noise). Durable goods orders were largely in line with expectations, reflecting moderate strength in capital goods shipments.

Next week, the third estimate of fourth quarter GDP growth arrives on Thursday, but investors will be more concerned about growth in the quarters ahead. The Advance Economic Indicators and personal spending data will help to fill in the growth picture for the first quarter. Events out of Washington may be a factor, as investors attempt to gauge the prospects for tax cuts, etc.

Indices

	Last	Last Week	YTD return %
DJIA	20689.65	20934.55	4.69%
NASDAQ	5849.76	5900.76	8.67%
S&P 500	2353.03	2381.38	5.10%
MSCI EAFE	1793.00	1796.80	6.47%
Russell 2000	1360.19	1386.03	0.23%

Consumer Money Rates

	Last	1 year ago
Prime Rate	4.00	3.50
Fed Funds	0.91	0.38
30-year mortgage	4.20	3.71

Currencies

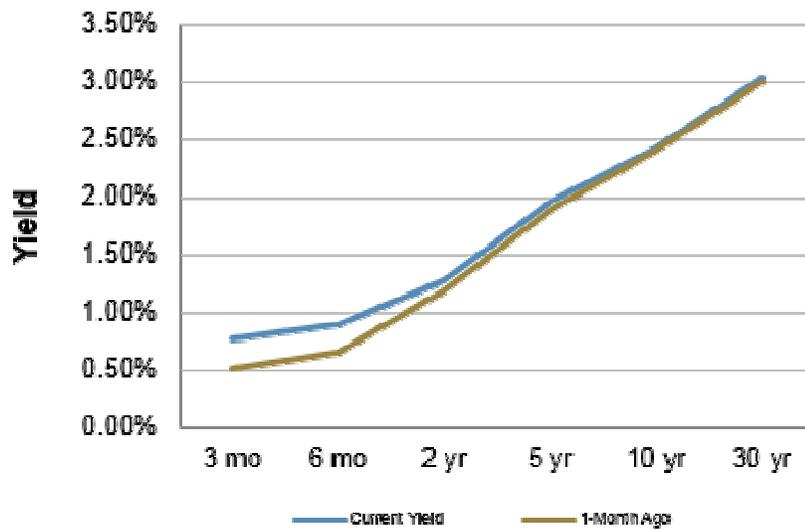
	Last	1 year ago
Dollars per British Pound	1.252	1.415
Dollars per Euro	1.078	1.117
Japanese Yen per Dollar	110.91	112.90
Canadian Dollars per Dollar	1.335	1.325
Mexican Peso per Dollar	18.929	17.610

Commodities

	Last	1 year ago
Crude Oil	47.70	39.46
Gold	1250.20	1223.50

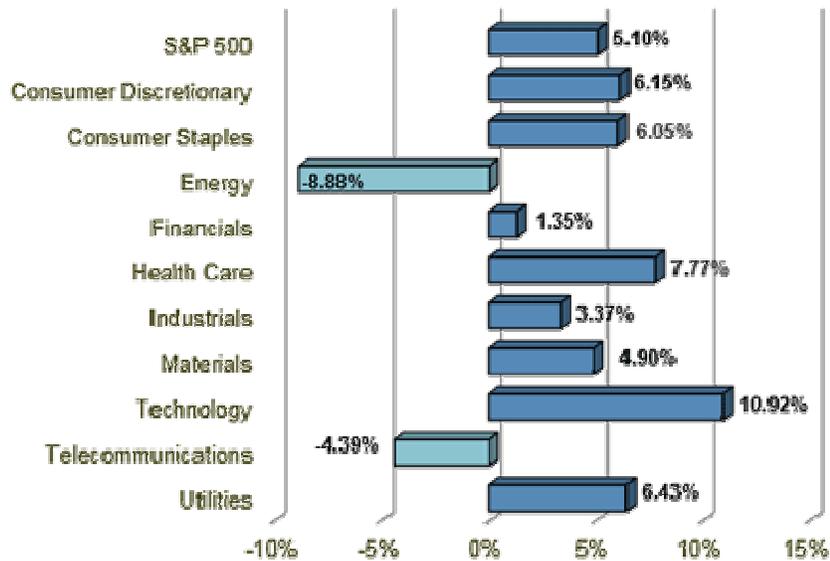
Bond Rates

	Last	1 month ago
2-year treasury	1.26	1.16
10-year treasury	2.42	2.34
10-year municipal (TEY)	3.55	3.62



As of close of business 03/23/2017

S&P Sector Performance (YTD) – 03/24/2017



As of close of business 03/23/2017

Economic Calendar

- March 28** — Advance Economic Indicators (February)

— CB Consumer Confidence (March)
- March 29** — Pending Home Sales Index (February)

- March 30** — Jobless Claims (week ending March 25)
- Real GDP (4Q16, 3rd estimate)
- March 31** — Personal Income and Spending (February)
- Chicago Purchasing Managers Index (March)
- UM Consumer Sentiment Index (March)
- April 3** — ISM Manufacturing Index (March)
- Motor Vehicle Sales (March)
- April 5** — ADP Payroll Estimate (March)
- ISM Non-Manufacturing Index (March)
- FOMC Minutes (March 14-15)
- April 7** — Employment Report (March)
- April 14** — Good Friday Holiday (market closed)
- Consumer Price Index (March)
- Retail Sales (March)
- May 3** — FOMC Policy Decision (no press conference)
- June 14** — FOMC Policy Decision (Yellen press conference)

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The Dow Jones Industrial Average is an unmanaged index of 30 widely held stocks. The NASDAQ Composite Index is an unmanaged index of all common stocks listed on the NASDAQ National Stock Market. The S&P 500 is an unmanaged index of 500 widely held stocks. The MSCI EAFE (Europe,

Australia, Far East) index is an unmanaged index that is generally considered representative of the international stock market. The Russell 2000 index is an unmanaged index of small cap securities which generally involve greater risks. An investment cannot be made directly in these indexes. The performance noted does not include fees or charges, which would reduce an investor's returns. U.S. 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. U.S. 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 U.S. government.

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