

RAYMOND JAMES

WEEKLY  
**MARKETSNAPSHOT**

CURRENT ECONOMIC OUTLOOK FOR TIMELY FINANCIAL PLANNING

**NOVEMBER 16, 2018**

**Market Commentary**

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Geopolitical concerns (Brexit, U.S./China trade tensions) kept intraday stock market volatility elevated and overshadowed the economic data releases, which remained consistent with moderate growth in the near term. Stock market weakness helped push bond yields lower.

Fed Chairman Powell said, “the economy is doing really well,” downplaying concerns about trade policy, the housing market and stock market volatility. He noted that there is “a rising chorus of concern” from businesses about trade policy, but little evidence of a broad impact of tariffs and foreign retaliation on growth and inflation.

Retail sales rose more than expected in October (+0.8%), but figures for August and September were revised lower (implying, all else equal, a downward revision to the 3Q18 GDP growth estimate). The Consumer Price Index rose as expected (+0.3% m/m, +2.5% y/y).

Next week, the economic data releases are likely to be mixed and unlikely to move the financial markets. Durable goods orders are expected to have fallen sharply in October, reflecting a drop in civilian aircraft orders (Boeing reported a decline) and an unwinding of September’s spike in defense aircraft orders. The Conference Board’s Index of Leading Economic Indicators for October should be roughly flat, with drags from the uptick in jobless claims and the drop in the stock market (neither of which is much of a negative for the overall economic outlook). Happy Thanksgiving!

**Indices**

	Last	Last Week	YTD return %
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DJIA	25289.27	26191.22	2.31%
NASDAQ	7259.03	7530.89	5.15%
S&P 500	2730.20	2806.83	2.12%
MSCI EAFE	1807.10	1856.93	-11.88%
Russell 2000	1524.12	1578.21	-0.74%

### Consumer Money Rates

	Last	1 year ago
Prime Rate	5.25	4.25
Fed Funds	2.18	1.16
30-year mortgage	4.96	3.97

### Currencies

	Last	1 year ago
Dollars per British Pound	1.277	1.320
Dollars per Euro	1.133	1.177
Japanese Yen per Dollar	113.64	113.06
Canadian Dollars per Dollar	1.318	1.276
Mexican Peso per Dollar	20.231	19.056

### Commodities

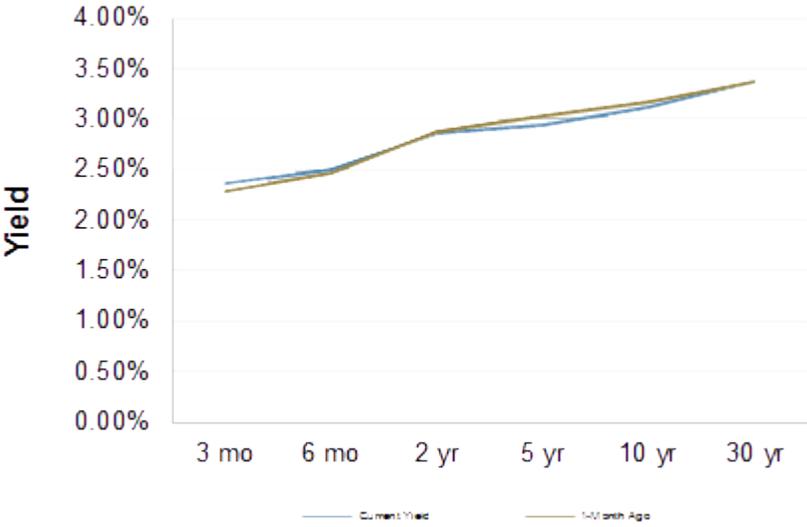
	Last	1 year ago
Crude Oil	56.46	55.14

Gold	1215.00	1278.20
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**Bond Rates**

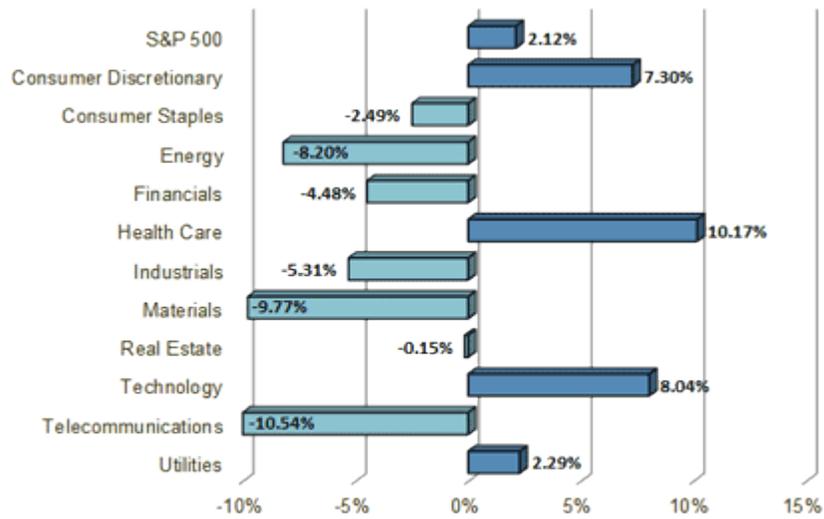
	Last	1 month ago
2-year treasury	2.86	2.87
10-year treasury	3.11	3.17
10-year municipal (TEY)	4.18	4.25

**Treasury Yield Curve – 11/16/2018**



As of close of business 11/15/2018

**S&P Sector Performance (YTD) – 11/16/2018**



As of close of business 11/15/2018

### Economic Calendar

- |                    |   |  |
|--------------------|---|--|
| <b>November 19</b> | — | Homebuilder Sentiment (November)           |
| <b>November 20</b> | — | Building Permits, Housing Starts (October) |
| <b>November 21</b> | — | Jobless Claims (week ending November 17)   |
|                    | — | Durable Goods Orders (October)             |
|                    | — | Existing Home Sales (October)              |
|                    | — | Leading Economic Indicators (October)      |
|                    | — | UM Consumer Sentiment (November)           |
| <b>November 22</b> | — | Thanksgiving (markets closed)              |

<b>November 23</b>	—	Early Market Close
<b>November 27</b>	—	CB Consumer Confidence (November)
<b>November 28</b>	—	Real GDP (3Q18, 2nd estimate)
<b>December 7</b>	—	Employment Report (November)
<b>December 19</b>	—	FOMC Policy Decision (Powell press conference)
<b>January 30</b>	—	FOMC Policy Decision (Powell press conference)
<b>March 20</b>	—	FOMC Policy Decision (Powell 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.

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. Gross Domestic Product (GDP) is the annual total market value of all final goods and services produced domestically by the U.S. The federal funds rate ("Fed Funds") is the interest rate at which banks and credit unions lend reserve balances to other depository institutions overnight. The prime rate is the underlying index for most credit cards, home equity loans and lines of credit, auto loans, and personal loans. Material prepared by Raymond James for use by financial advisors. Data source: Bloomberg, as of close of business November 15, 2018.