

WEEKLY
MARKETSNAPSHOT

CURRENT ECONOMIC OUTLOOK FOR TIMELY FINANCIAL PLANNING

SEPTEMBER 27, 2019

Market Commentary
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The economic data reports were mixed and had a limited impact on the financial markets. Investors were generally optimistic about potential progress in trade talks and mostly ignored the turmoil in Washington.

The Consumer Confidence Index fell sharply in the initial estimate for September. “The escalation in trade and tariff tensions in late August appears to have rattled consumers,” according to the Conference Board. New home sales rose sharply in August, helped by low mortgage rates. Personal income and spending figures for August were roughly in line with expectations. Durable goods orders posted a modest gain, as an unexpected jump in defense aircraft orders offset an expected decline in civilian aircraft orders. Ex-transportation, orders were mixed but generally lackluster. Orders for nondefense capital goods ex-aircraft fell 0.2%, trending flat in recent months.

Next week, fresh September figures arrive, with a focus on the ISM surveys and the employment report. The ISM surveys are diffusion indices and do not measure actual activity, but the trends can suggest the general direction of the economy. The two surveys were split in August, reflecting weakness in manufacturing, but moderate strength in the overall economy – and we can expect similar mixed results for September. Nonfarm payrolls are expected to have risen moderately, but the school year adds uncertainty (prior to seasonal adjustment, we can expect to add about 1.5 million education jobs and shed about 800,000 summer jobs).

Indices

	Last	Last Week	YTD return %
DJIA	26891.12	27094.79	15.28%

NASDAQ	8030.66	8182.88	21.03%
S&P 500	2977.62	3006.79	18.78%
MSCI EAFE	1889.93	1905.01	9.89%
Russell 2000	1533.33	1561.47	13.70%

Consumer Money Rates

	Last	1 year ago
Prime Rate	5.00	5.00
Fed Funds	1.80	1.91
30-year mortgage	3.75	4.80

Currencies

	Last	1 year ago
Dollars per British Pound	1.235	1.317
Dollars per Euro	1.094	1.174
Japanese Yen per Dollar	107.77	112.73
Canadian Dollars per Dollar	1.327	1.302
Mexican Peso per Dollar	19.566	18.843

Commodities

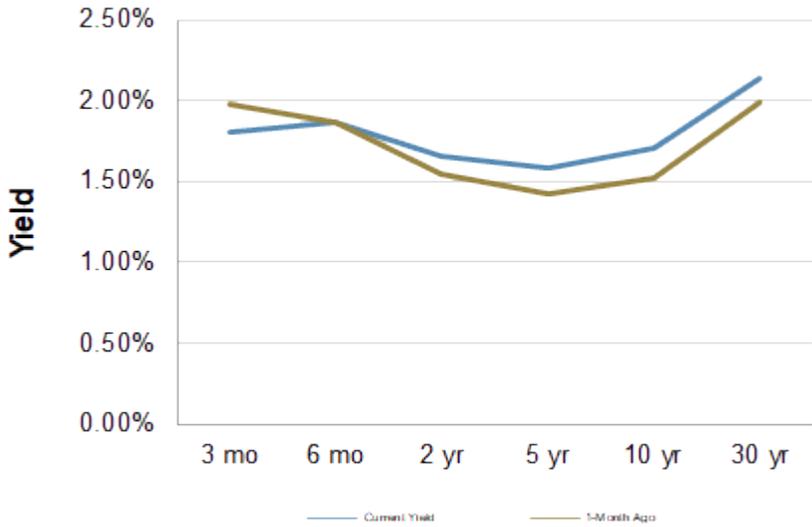
	Last	1 year ago
Crude Oil	56.49	71.57

Gold	1512.30	1199.10
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Bond Rates

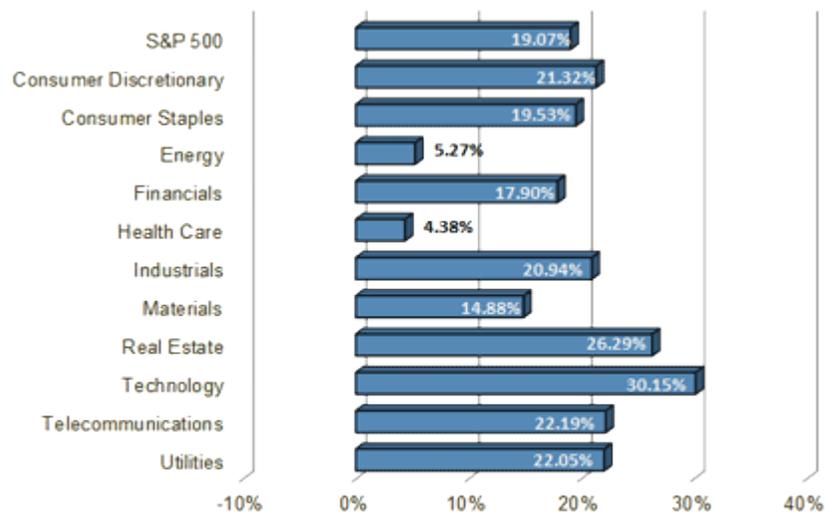
	Last	1 month ago
2-year treasury	1.66	1.54
10-year treasury	1.70	1.52
10-year municipal (TEY)	2.26	1.95

Treasury Yield Curve – 09/27/2019



As of close of business 09/26/2019

S&P Sector Performance (YTD) – 09/27/2019



As of close of business 09/26/2019

Economic Calendar

September 30	—	Chicago Business Barometer (September)
October 1	—	ISM Manufacturing Index (September)
October 2	—	ADP Payroll Estimate (September)
October 3	—	Challenger Job-Cut Report (September)
	—	Jobless Claims (week ending September 28)
	—	ISM Non-Manufacturing Index (September)
October 4	—	Employment Report (September)
	—	Trade Balance (August)

October 8	—	Fed Chair Powell Speaks (NABE Conference)
October 9	—	FOMC Minutes (September 17-18)
October 10	—	Consumer Price Index (September)
October 14	—	Columbus Day Holiday (bond market closed)
October 16	—	Retail Sales (September)
October 30	—	FOMC Policy Decision
December 11	—	FOMC Policy Decision

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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 September 26, 2019.