

RAYMOND JAMES

WEEKLY MARKETSNAPSHOT

CURRENT ECONOMIC OUTLOOK FOR TIMELY FINANCIAL PLANNING

MARCH 15, 2019

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

The economic data did not have much of an impact on the markets this week. January retail sales (delayed due to the partial government shutdown) rebounded to some extent, but December was revised lower (implying, all else equal, a downward revision to the estimate of 4Q18 GDP growth). The Consumer Price Index rose moderately in January, consistent with the Fed remaining patient.

The grounding of Boeing 737 Max 8 and 9 airliners sent shares of the company lower. Troubles with the Brexit process failed to register much reaction in U.S. markets.

Next week, the focus will be on the Fed. No change in the federal funds target rate is expected, and the policy statement should repeat the notion that the Fed can be “patient” in determining future adjustments. The Fed is likely to announce details of its plan to end the balance sheet unwind (by the end of this year). There will be revised Fed forecasts, a new dot plot, and Powell will hold a post-meeting press conference.

Indices

	Last	Last Week	YTD return %
DJIA	25709.94	25473.23	10.21%
NASDAQ	7630.91	7421.47	15.01%
S&P 500	2808.48	2748.93	12.03%

MSCI EAFE	1874.70	1858.11	9.00%
Russell 2000	1549.64	1523.63	14.91%

Consumer Money Rates

	Last	1 year ago
Prime Rate	5.50	4.50
Fed Funds	2.40	1.42
30-year mortgage	4.40	4.52

Currencies

	Last	1 year ago
Dollars per British Pound	1.324	1.394
Dollars per Euro	1.130	1.231
Japanese Yen per Dollar	111.70	106.01
Canadian Dollars per Dollar	1.334	1.296
Mexican Peso per Dollar	19.318	18.701

Commodities

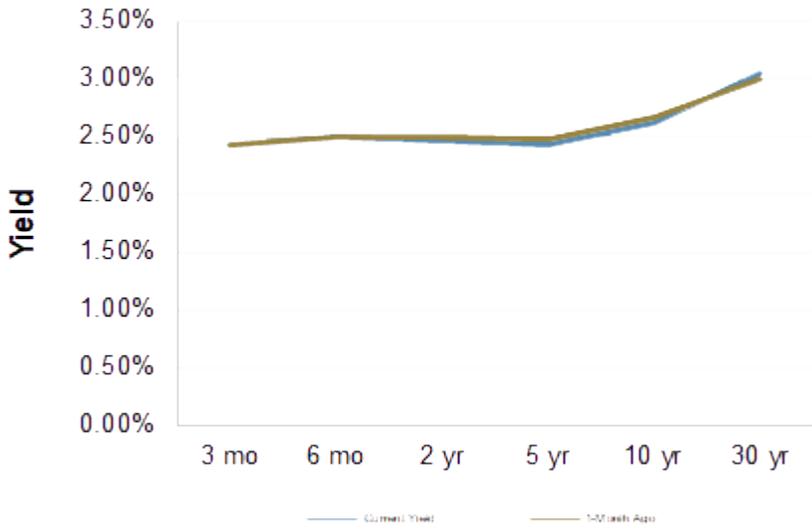
	Last	1 year ago
Crude Oil	58.61	61.19
Gold	1295.10	1317.80

Bond Rates

	Last	1 month ago
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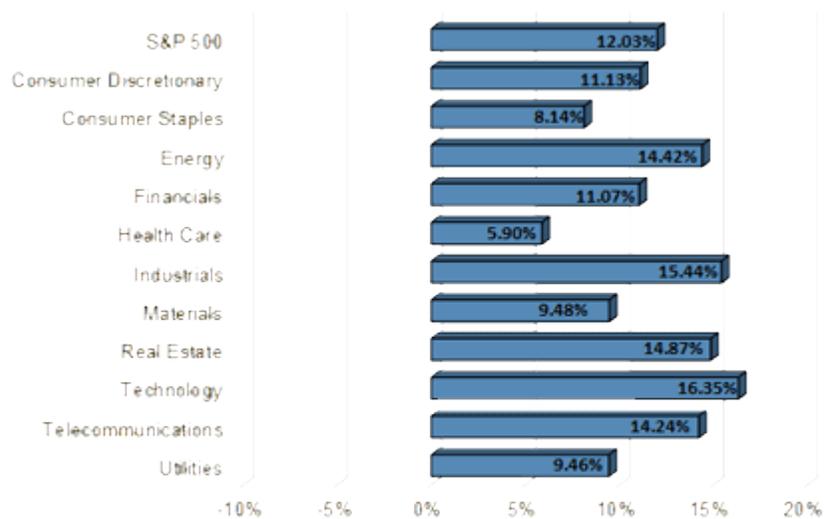
2-year treasury	2.46	2.50
10-year treasury	2.62	2.66
10-year municipal (TEY)	3.22	3.32

Treasury Yield Curve – 03/15/2019



As of close of business 03/14/2019

S&P Sector Performance (YTD) – 03/15/2019



As of close of business 03/14/2019

Economic Calendar

March 20	—	FOMC Policy Decision
March 21	—	Jobless Claims (week ending March 16)
	—	Leading Economic Indicators (February)
March 22	—	Existing Home Sales (February)
March 26	—	CB Consumer Confidence (March)
March 28	—	Real GDP ("3rd" estimate)
March 29	—	Personal Income (February)
	—	Personal Spending (January)

April 4	—	Employment Report (March)
May 1	—	FOMC Policy Decision
June 19	—	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 March 14, 2019.