



WEEKLY MARKET WRAP

REVIEW & PREVIEW

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Stocks and bonds were both modestly positive last week. Markets continue to trade at low levels of volatility despite record low interest rates, declines in corporate earnings, and ongoing uncertainties concerning Brexit, the November election, and the next shift in Fed monetary policy. This week we get a peek at the FOMC minutes and updates on industrial production and consumer prices.

- Economic Update:** The JOLTS report showed job openings increased 3.8% to 5.6 million through June, with hires up to 5.1 million, but productivity declined 0.5% in 2Q. Oil supplies remained steady and producer prices fell 0.4%. Retail sales were flat in July despite improved consumer sentiment, overall a mixed economic picture last week.
- Hedge Funds Struggling:** Barclays estimates the rate of hedge fund liquidations will exceed hedge fund launches during 2016, with 12% of hedge funds liquidating by end of the year. Hedge funds have struggled during flat markets and shifting markets this year.
- Two Generations, One Roof:** Pew Research Center found 60 million people, or 19% of the population living in a multi-generational household in 2014, up from 12% in 1980.
- Euro Slow Growth:** The Euro area economies GDP grew by 0.3% during the 2nd quarter, up just 1.6% year over year. Growth was in line with forecasts, but shows the economy still remains fragile, especially in light of potential Brexit impact.
- So Far, So Good in 2016:** Only once in history has the S&P 500 been up more than 6% with 100 days to go and finished the year in the red, and that was in 1929. The Dow, S&P 500, and NASDAQ Composite all finished at record levels last Thursday.
- Carl's Corner:** Prince Fielder retired this past week, finishing his career with the same number of homers as his dad (Cecil Fielder), with 319.

<i>Index/Portfolio Returns</i>	<i>% Change Week</i>	<i>% Change QTD</i>	<i>% Change YTD</i>
Barclays Aggregate Bond	0.42%	0.53%	5.87%
Barclays High Yield Bond	0.88%	3.97%	13.39%
Barclays Glb Agg Bond	0.90%	1.05%	10.10%
JPM Emerging Mkts Bond	1.02%	3.06%	14.29%
S&P Equity 500 Index	0.12%	4.32%	8.32%
Russell 3000 All Cap Index	0.11%	4.57%	8.36%
Russell 2000 Small Cap Index	-0.08%	6.89%	9.26%
NASDAQ Composite	0.24%	8.20%	5.33%
S&P Global BMI	1.39%	5.84%	7.51%
MSCI EAFE Index	2.85%	6.60%	1.88%
MSCI EAFE Small Cap	2.93%	7.38%	3.96%
MSCI Emerging Markets	2.80%	9.52%	16.54%

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