



WEEKLY MARKET WRAP

REVIEW & PREVIEW

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Stocks were mixed last week with domestic stocks up modestly and foreign stocks mostly down as Greek debt talks added caution to markets. Bonds firmed and recovered from their recent losses from rising interest rates. This week hopefully brings a conclusion to the Greek debt issue in Europe as we enter the final full trading week of the 1st half of 2015.

- **Economic Update:** Existing home sales rose 5% in May to 5.35 million annually, sales are up 9.2% year over year with median prices up 7.9%. Home builder sentiment also rose to 59, signaling that home sales are again back on the mend. This week we get the final revision on 1Q GDP, but more importantly the current quarter is on track for 2.9% growth.
- **Greek Debt Meeting:** Greece and its creditors continue to meet ahead of a June 30th loan payment due to the International Monetary Fund (IMF). 80% of Greece's debt is held by ECB, IMF, and European Union. The European Central Bank has increased emergency lending to Greek banks by \$3 billion to provide liquidity for increased withdrawals by Greek citizens in recent weeks.
- **Stocks for Rising Interest Rates:** Sectors that historically do well during times of rising interest rates include Technology, Healthcare, and Financials.
- **Internet Sales:** Online retail sales in the U.S. totaled \$306 billion, representing 7% of all retail sales, and up 14.5% in the last year. Online retail sales in China totaled \$168 billion last year, representing 11% of total retail sales and up 40.9% over last year.
- **Fed Meetings for 2015:** The first Fed interest rate hike did not happen in June, but Fed meetings are scheduled for July, September, October, and December.
- **The Other Emerging Markets:** Several smaller emerging markets are showing faster GDP growth than the BRIC nations. Panama, Uruguay, Sri Lanka, Ghana, and Senegal all grew by 4.0%-6.5% in the 1st quarter.

<i>Index/Portfolio Returns</i>	<i>% Change Week</i>	<i>% Change QTD</i>	<i>% Change YTD</i>
Barclays Aggregate Bond	0.50	-1.41	0.18
Barclays High Yield Bond	0.07	0.64	3.18
Barclays Glb Agg Bond	0.68	-0.48	-2.39
JPM Emerging Mkts Bond	0.41	-0.07	1.99
S&P Equity 500 Index	0.78	2.51	3.48
Russell 3000 All Cap Index	0.84	2.41	4.25
Russell 2000 Small Cap Index	1.57	2.80	7.24
NASDAQ Composite	1.31	4.67	8.63
S&P Global BMI	0.23	2.71	5.53
MSCI EAFE Index	-0.40	2.77	7.78
MSCI EAFE Small Cap	-0.15	5.81	11.69
MSCI Emerging Markets	-0.44	0.55	2.80

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