



WEEKLY MARKET WRAP

REVIEW & PREVIEW

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Stocks were in decline last week as renewed concerns on falling commodity and energy prices weighed on markets, as well as weaker tail-end 3rd quarter profit reports. Bonds were generally firmer despite expectations of Fed interest rate hike in December. The Paris terrorist attack did not roil markets over the weekend, with markets stronger on Monday.

- Economic Update:** Inflation data continued to weaken last week with both export and import prices falling and the Producer Price Index (PPI) down 1.6% year over year. Retail sales were up 0.1% on the month, business inventories improved 0.3% month over month, and consumer sentiment remains strong at 93.1 going into the holiday season.
- Flat Year for S&P 500:** Just seven weeks left in the year and the S&P 500 was up just 0.1% on the year as of close on Friday. The return is well below the average annual return of 9.9% for the last 50 years.
- Impact of Low Rates:** Still over a month left in the year and more money has been raised in corporate debt offerings than any year in history. US Corporate debt issuance is at \$846 billion, shattering the record of \$746 billion in 2014.
- Oil Prices Slide:** West Texas Intermediate Oil slid to their lowest prices since August this past week, as the Energy Information Administration reported a 7th consecutive weekly increase in supplies.
- European Economy:** The Eurozone GDP increased 0.3% during the 3rd quarter, its 10th consecutive quarter of moderate expansion.
- Happy Holidays?** The Consumer Electronics Association reports that 65% of consumers expect to buy tech gifts this year, with sales expected to be up 2.3% from last year. Almost half of shoppers expect to make purchases after Thanksgiving.
- Carl's Corner:** If Manhattan had the same population density as Alaska, only 28 people would live on the island.

<i>Index/Portfolio Returns</i>	<i>% Change Week</i>	<i>% Change QTD</i>	<i>% Change YTD</i>
Barclays Aggregate Bond	0.19	-0.59	0.53
Barclays High Yield Bond	-1.42	0.95	-1.53
Barclays Glb Agg Bond	0.33	-1.43	-3.65
JPM Emerging Mkts Bond	-0.73	2.40	2.07
S&P Equity 500 Index	-3.56	5.84	0.06
Russell 3000 All Cap Index	-3.63	5.23	-0.50
Russell 2000 Small Cap Index	-4.40	4.31	-3.75
NASDAQ Composite	-4.22	6.83	5.11
S&P Global BMI	-2.91	4.63	-2.04
MSCI EAFE Index	-1.72	4.33	-1.18
MSCI EAFE Small Cap	-0.79	3.72	6.44
MSCI Emerging Markets	-3.66	3.79	-12.27

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