



# WEEKLY MARKET WRAP

## REVIEW & PREVIEW

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Stocks delivered a little Christmas cheer last week with most indexes up slightly on the week. Bond markets were mixed and oil rallied on the week, but remains down 30% on the year going into the final week of trading. This week brings another holiday shortened trading week and light economic calendar, with markets closed for the New Year on Friday.

- **Economic Update:** The Gross Domestic Product (GDP) estimate for the 3<sup>rd</sup> quarter was revised down to 2.0%. Existing home sales and new home sales had seasonal declines on the month. Personal income rose 0.3% and personal spending rose 0.3% in November. Consumer sentiment rose in November to 92.6, the highest reading in six months.
- **High Yield Bonds:** Goldman Sachs notes that in U.S. credit bonds, spreads from Treasury bonds have broadly widened this year, primarily from energy and mining bonds. Goldman Sachs notes that 2015 is shaping up to be the first year on record that negative returns in high yield have not been met with a concurrent economic recession.
- **No Driver Needed:** Google and Ford are partnering to advance the development of self-driving cars, pooling expertise in software and auto manufacturing with details to be released next month at Consumer Electronics Show.
- **Saving Money:** The average American has saved approximately \$540 at the pump this year according to CNN Money. Economists expect oil prices to remain low through most of 2016, providing another boost to consumer spending in the coming year.
- **Bull Market Getting Older:** The current bull market is the 3<sup>rd</sup> longest since 1932 according to First Trust, logging 82 months last month. The longest bull market period was the 115 month stretch from October 1990 to March 2000.
- **Carl's Corner:** Michigan State's last National Championship for football occurred in 1966, when the National Football Foundation crowned them National Champions. Oddly enough, they did not appear in a Bowl game at the end of the season.

<i>Index/Portfolio Returns</i>	<i>% Change Week</i>	<i>% Change QTD</i>	<i>% Change YTD</i>
Barclays Aggregate Bond	-0.23	-0.54	0.69
Barclays High Yield Bond	0.61	-2.46	-4.85
Barclays Glb Agg Bond	0.22	-0.61	-2.84
JPM Emerging Mkts Bond	0.17	1.42	1.10
S&P Equity 500 Index	2.80	7.90	2.20
Russell 3000 All Cap Index	2.81	7.19	1.35
Russell 2000 Small Cap Index	3.30	5.24	-2.89
NASDAQ Composite	2.56	9.59	7.82
S&P Global BMI	2.32	5.73	-1.01
MSCI EAFE Index	1.94	4.88	-0.86
MSCI EAFE Small Cap	1.07	5.83	8.60
MSCI Emerging Markets	1.87	1.77	-13.98

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