



Vaccine news sent the markets on a streak last week as the S&P 500 closed up 2.27% and the DJIA broke the 30,000 milestone¹. Additionally, the election results appear to be firming up as we approach the Electoral College date. Names for the new cabinet are emerging with Jane Yellen (past Fed Chair) leading the Treasury, eliciting positive reactions from investors. On the negative side, pending home sales slumped for the second month, falling 1.1% in October due to higher prices². Jobless claims also spiked as

increased infection has led to more economic restrictions and layoffs³.

Thanksgiving is over and let's hope we can get back to more traditional holidays with family. Seems the only tradition we saw Thursday was the annual Lions debacle. Black Friday retail sales also suffered from Covid as in-store sales fell 52% while online sales recorded a 21.6% increase and Cyber Monday sales are expected to hit \$10.8 billion, breaking records⁴. Speaking of holiday shopping, I ran across an interesting article last week regarding toys for adults (no, not that kind!). It seems with lockdowns and work from home, some toy manufacturers are positioning grown up versions of toys to keep adults amused. Play Doh is coming out with scents like Mom Jeans, Overpriced Latte, Dad Sneakers, and Lord of the Lawn to name a few. Lego is also packaging kits to create works of art like Andy Warhol's Marilyn Monroe⁵.

----Chuck

This Week's Inspiration/Activity:

"Progress always involves risks. You can't steal second base and keep your foot on first."

Author, Frederick B. Wilcox

Your activity for this week is to see if you are "playing it too safe" with any of your goals and see if you can achieve more.

This Week in History –

December 5, 1945 -- Five U.S. Navy Avenger torpedo-bombers comprising Flight 19 takeoff from the Ft. Lauderdale Naval Air Station in Florida on a routine three-hour training mission never to return. The story of the "Lost Squadron" helped cement the legend of the Bermuda Triangle, an area of the Atlantic Ocean where ships and aircraft are said to disappear without a trace.

¹ See update below

² <https://www.marketwatch.com/story/u-s-pending-home-sales-fall-1-1-in-october-as-higher-prices-discourage-buyers-11606750651?mod=economic-report>

³ <https://www.marketwatch.com/story/u-s-jobless-claims-hit-5-week-high-as-record-coronavirus-wave-triggers-more-layoffs-11606312161?mod=economic-report>

⁴ <https://www.cnn.com/2020/11/28/business/shopping-traffic-online-sales-black-friday/index.html>

⁵ <https://www.detroitnews.com/story/life/2020/11/28/holiday-trends-watch-adult-play-doh-stores-ship/6434836002/>

⁶ <https://www.history.com/this-day-in-history/aircraft-squadron-lost-in-the-bermuda-triangle>

In this week's recap: Dow Jones Industrial Average hits 30,000 milestone in response to promising vaccine news and lessening political uncertainty; former Fed chair Janet Yellen nominated as Secretary of the Treasury.

Weekly Economic Update

Presented by Charles D. Vercellone, ChFC, November 30, 2020

THE WEEK ON WALL STREET

Stocks surged last week, ignited by another COVID-19 vaccine announcement, encouraging economic data, and the easing of political uncertainty.

The Dow Jones Industrial Average rose 2.21%, while the Standard & Poor's 500 added 2.27%. The Nasdaq Composite index, which has led all year, gained 2.96%. The MSCI EAFE index, which tracks developed overseas stock markets, climbed 1.54%.^{1,2,3}

DOW BREAKS 30,000

For the third consecutive week, markets opened on Monday to yet another announcement of a potential COVID-19 vaccine.

Stock prices found additional support on news that President-elect Biden would be nominating Janet Yellen, the former Chair of the Federal Reserve, to be Secretary of the Treasury. Investors reacted well to the choice, encouraged by her previously voiced support for greater fiscal stimulus and relieved that a candidate less antagonistic to the industry was selected.

Positive momentum continued into the following day, driving the Dow Jones Industrial Average, S&P 500 index, and the Russell 2000 to record high levels, with the Dow closing above the 30,000 milestone.⁴

Stocks eased off their highs in pre-Thanksgiving trading, though they recovered some of those losses on Friday, as the S&P 500 and NASDAQ Composite closed with fresh record highs.⁵

A MICROCOSM OF THE ECONOMY

The economic outlook has been difficult to figure out due to conflicting signals. One day it's a historic jump in economic growth; another day it's a record high in new COVID-19 infections. Last week was a good illustration of this. Reports of healthy consumer spending, a solid rise in durable goods orders, and sales of new homes remaining near almost-14-year highs were balanced by a jump in new jobless claims, a decline in household income, and new state and local COVID-related restrictions.⁶

Last week investors chose to see the glass half full and look past the near-term challenges the economy faces.

TIP OF THE WEEK



Self-employed? Have your accountant look at your balance sheet and profit-and-loss statement before 2020 ends. Some tax-saving strategies may come to mind, and an up-to-date set of books means less work for your tax preparer.

THE WEEK AHEAD: KEY ECONOMIC DATA

Tuesday: Institute for Supply Management (ISM) Manufacturing Index.

Wednesday: Automated Data Processing (ADP) Employment Report.

Thursday: Jobless Claims, Institute for Supply Management (ISM) Services Index.

Friday: Employment Situation, Factory Orders.

Source: Econoday, November 27, 2020

The Econoday economic calendar lists upcoming U.S. economic data releases (including key economic indicators), Federal Reserve policy meetings, and speaking engagements of Federal Reserve officials. The content is developed from sources believed to be providing accurate information. The forecasts or forward-looking statements are based on assumptions and may not materialize. The forecasts also are subject to revision.

THE WEEK AHEAD: COMPANIES REPORTING EARNINGS

Monday: Zoom Video Communications (ZM).

Tuesday: Salesforce.com (CRM).

Wednesday: Splunk (SPLK), Snowflake, Inc. (SNOW), CrowdStrike Holdings (CRWD).

Thursday: Marvell Technologies (MRVL), Dollar General (DG), Docusign (DOCU).

Source: Zacks, November 27, 2020

Companies mentioned are for informational purposes only. It should not be considered a solicitation for the purchase or sale of the securities. Investing involves risks, and investment decisions should be based on your own goals, time horizon, and tolerance for risk. The return and principal value of investments will fluctuate as market conditions change. When sold, investments may be worth more or less than their original cost. Companies may reschedule when they report earnings without notice.

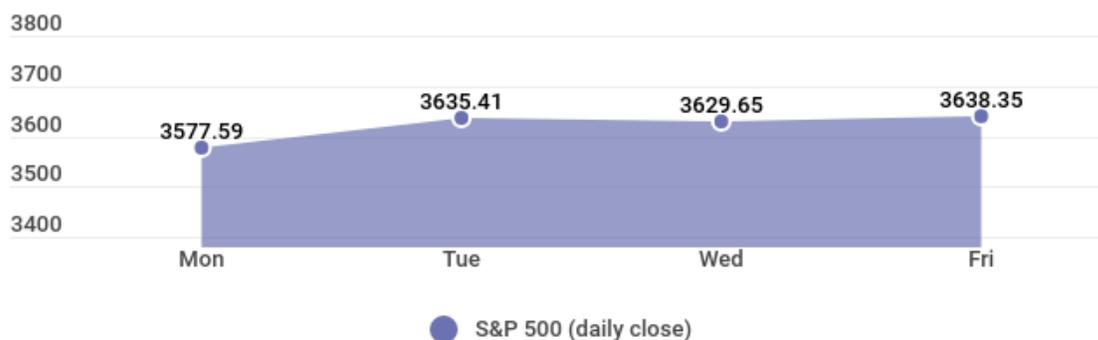
QUOTE OF THE WEEK



“The need for mystery is greater than the need for an answer.”

KEN KESEY

Market Index	Close	Week	Y-T-D
DJIA	29,910.37	+2.21%	+4.81%
NASDAQ	12,205.85	+2.96%	+36.03%
MSCI-EAFE	2,066.59	+1.54%	+1.46%
S&P 500	3,638.35	+2.27%	+12.62%



	Treasury	Close	Week	Y-T-D
	10-Year Note	0.85%	+0.02%	-1.07%

Sources: The Wall Street Journal, November 27, 2020; Treasury.gov, November 27, 2020

Weekly performance for the Dow Jones Industrial Average, Standard & Poor's 500 Index, and NASDAQ Composite Index is measured from the close of trading on Friday, November 20, to Friday, November 27, close. Weekly performance for the MSCI-EAFE is measured from Friday, November 20, open to the Thursday, November 26, close. Weekly and year-to-date 10-year Treasury note yield are expressed in basis points.

THE WEEKLY RIDDLE



*You heard me before, yet you hear me once more. Then I die 'til
you call me again. What am I?*

LAST WEEK'S RIDDLE: What five letters (with no letters used more than once) can be arranged in three ways to make three separate words - the first with one syllable, the second with two syllables, the third with three syllables?

ANSWER: AIDES - 1 syllable, ASIDE - 2 syllables, IDEAS - 3 syllables.

Know someone who could use information like this?

Please feel free to send us their contact information via phone or email. (Don't worry – we'll request their permission before adding them to our mailing list.)

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The forecasts or forward-looking statements are based on assumptions, may not materialize, and are subject to revision without notice.

The market indexes discussed are unmanaged, and generally, considered representative of their respective markets. Index performance is not indicative of the past performance of a particular investment. Indexes do not incur management fees, costs, and expenses. Individuals cannot directly invest in unmanaged indexes. Past performance does not guarantee future results.

The Dow Jones Industrial Average is an unmanaged index that is generally considered representative of large-capitalization companies on the U.S. stock market. Nasdaq Composite is an index of the common stocks and similar securities listed on the Nasdaq stock market and is considered a broad indicator of the performance of technology and growth companies. The MSCI EAFE Index was created by Morgan Stanley Capital International (MSCI) and serves as a benchmark of the performance of major international equity markets, as represented by 21 major MSCI indexes from Europe, Australia, and Southeast Asia. The S&P 500 Composite Index is an unmanaged group of securities that are considered to be representative of the stock market in general.

U.S. Treasury Notes are guaranteed by the federal government as to the timely payment of principal and interest. However, if you sell a Treasury Note prior to maturity, it may be worth more or less than the original price paid. Fixed income investments are subject to various risks including changes in interest rates, credit quality, inflation risk, market valuations, prepayments, corporate events, tax ramifications and other factors.

International investments carry additional risks, which include differences in financial reporting standards, currency exchange rates, political risks unique to a specific country, foreign taxes and regulations, and the potential for illiquid markets. These factors may result in greater share price volatility.

Please consult your financial professional for additional information.

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CITATIONS:

1. The Wall Street Journal, November 27, 2020
2. The Wall Street Journal, November 27, 2020
3. The Wall Street Journal, November 27, 2020
4. CNBC, November 24, 2020
5. The Wall Street Journal, November 27, 2020
6. The Wall Street Journal, November 25, 2020

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