

## WEEKLY ECONOMIC UPDATE

March 13, 2017

### WEEKLY QUOTE

“Any word you have to hunt for in a thesaurus is the wrong word. There are no exceptions to this rule.”

- Stephen King

### WEEKLY TIP

When your children turn 18, you lose the legal authority to make financial decisions on their behalf as well as the legal authority to examine their banking and credit card information. If you have a teenager with bad financial habits, this may be worth noting.

### WEEKLY RIDDLE

It can brighten any room, yet not take up any space. What is it?

### Last week's riddle:

Michelle threw a softball 30 feet, and it didn't hit anything and it came back to her. What did she do to make this happen?

### Last week's answer:

She threw it straight up in the air.

### COMPANIES HIRED READILY IN FEBRUARY

U.S. firms added 235,000 net new jobs last month, and the latest Department of Labor employment report showed the largest growth occurring in the construction and education/health care sectors. The DoL also revised January's job gains upward by 11,000 to 238,000. Payroll expansion has averaged 209,000 per month since December. The headline (U-3) jobless rate ticked down 0.1% to 4.7%, and the total (U-6) jobless rate, counting the underemployed, fell 0.2% to 9.2%.<sup>1</sup>

### FED FUTURES MARKET: MARCH RATE HIKE A GIVEN

The CME Group's FedWatch Tool, which tracks the prices of 30-day Fed Fund futures to get a bead on traders' reactions to potential monetary policy moves, put the chance of a March 15 quarter-point interest rate hike at 93% Friday. The odds of another quarter-point move in June were put at 51%.<sup>2</sup>

### OIL SLUMPS 9.1% IN A WEEK

During March 6-10, WTI crude had its worst week since November, retreating to a Friday close of \$48.49 on the NYMEX. News of rising output and plentiful stateside inventory hurt prices. In other oil news, a billion-barrel crude reserve was just found in the Alaskan interior – the largest such discovery since the 1980s.<sup>3,4</sup>

### STOCKS RETREAT, BUT JUST SLIGHTLY

As the bull market turned eight years old, the S&P 500 turned a bit south, losing 0.44% in five days. At the closing bell Friday, it stood at 2,372.60. The Nasdaq Composite also fell for the week, declining 0.15% to 5,861.73. The Dow Jones Industrial Average gave back 0.49% in the same interval, settling at 20,902.98 Friday.<sup>5</sup>

**THIS WEEK:** Monday, Del Taco and Jamba report Q4 results. The February PPI arrives Tuesday, along with earnings from Bon-Ton Stores, DSW, and Hostess Brands. Wednesday, investors worldwide react to the Federal Reserve's latest monetary policy statement, plus the February CPI, February retail sales figures and earnings news from GUESS, Jabil Circuit, Oracle, and Williams-Sonoma. On Thursday, Wall Street reviews initial jobless claims, and the Census Bureau's report on February construction activity; investors also consider earnings from Adobe Systems and Dollar General. The preliminary March University of Michigan consumer sentiment index appears Friday, complementing the Fed's report on February industrial output and Q4 results from Tiffany & Co.

% CHANGE	Y-T-D	1-YR CHG	5-YR AVG	10-YR AVG
DJIA	+5.77	+22.99	+12.35	+7.03
NASDAQ	+8.89	+25.73	+19.23	+14.55
S&P 500	+5.97	+19.25	+14.61	+6.91
REAL YIELD	3/10 RATE	1 YR AGO	5 YRS AGO	10 YRS AGO
10 YR TIPS	0.57%	0.45%	-0.24%	2.25%

Sources: wsj.com, bigcharts.com, treasury.gov - 3/10/17<sup>5,6,7,8</sup>

Indices are unmanaged, do not incur fees or expenses, and cannot be invested into directly. These returns do not include dividends. 10-year TIPS real yield = projected return at maturity given expected inflation.

**Richard J. Falck, CFP®, CLU, ChFC**  
**509 Professional Drive • P.O. Box 530 Northfield, MN 55057**  
**Phone ~ 507-645-2993 • Toll Free ~ 800-601-6638**  
**[www.falckfinancial.com](http://www.falckfinancial.com) • [rfalck@falckfinancial.com](mailto:rfalck@falckfinancial.com)**

Securities offered through **First Heartland Capital, Inc.** Member FINRA/SIPC.  
Advisory Services offered through First Heartland Consultants, Inc.  
1839 Lake St. Louis Blvd., Lake St. Louis, Missouri 63367. (636) 625-0900  
Falck Financial Services is not affiliated with First Heartland Capital, Inc.

This material was prepared by MarketingPro, Inc., and does not necessarily represent the views of the presenting party, nor their affiliates. The information herein has been derived from sources believed to be accurate. Please note - investing involves risk, and past performance is no guarantee of future results. Investments will fluctuate and when redeemed may be worth more or less than when originally invested. This information should not be construed as investment, tax or legal advice and may not be relied on for the purpose of avoiding any Federal tax penalty. This is neither a solicitation nor recommendation to purchase or sell any investment or insurance product or service, and should not be relied upon as such. All market indices discussed are unmanaged and are not illustrative of any particular investment. Indices do not incur management fees, costs and expenses, and cannot be invested into directly. All economic and performance data is historical and not indicative of future results. The Dow Jones Industrial Average is a price-weighted index of 30 actively traded blue-chip stocks. The NASDAQ Composite Index is a market-weighted index of all over-the-counter common stocks traded on the National Association of Securities Dealers Automated Quotation System. The Standard & Poor's 500 (S&P 500) is a market-cap weighted index composed of the common stocks of 500 leading companies in leading industries of the U.S. economy. NYSE Group, Inc. (NYSE:NYX) operates two securities exchanges: the New York Stock Exchange (the "NYSE") and NYSE Arca (formerly known as the Archipelago Exchange, or ArcaEx®, and the Pacific Exchange). NYSE Group is a leading provider of securities listing, trading and market data products and services. The New York Mercantile Exchange, Inc. (NYMEX) is the world's largest physical commodity futures exchange and the preeminent trading forum for energy and precious metals, with trading conducted through two divisions - the NYMEX Division, home to the energy, platinum, and palladium markets, and the COMEX Division, on which all other metals trade. Additional risks are associated with international investing, such as currency fluctuations, political and economic instability and differences in accounting standards. This material represents an assessment of the market environment at a specific point in time and is not intended to be a forecast of future events, or a guarantee of future results. MarketingPro, Inc. is not affiliated with any person or firm that may be providing this information to you. The publisher is not engaged in rendering legal, accounting or other professional services. If assistance is needed, the reader is advised to engage the services of a competent professional.

## Citations.

- 1 - [equities.com/news/a-strong-jobs-report-and-a-growing-divergence-between-jobs-and-employment](http://equities.com/news/a-strong-jobs-report-and-a-growing-divergence-between-jobs-and-employment) [3/10/17]
- 2 - [cmegroup.com/trading/interest-rates/countdown-to-fomc.html](http://cmegroup.com/trading/interest-rates/countdown-to-fomc.html) [3/10/17]
- 3 - [marketwatch.com/story/oil-moves-cautiously-higher-remains-under-50-a-barrel-2017-03-10/](http://marketwatch.com/story/oil-moves-cautiously-higher-remains-under-50-a-barrel-2017-03-10/) [3/1/17]
- 4 - [money.cnn.com/2017/03/10/investing/alaska-oil-discovery-repsol-spain/index.html](http://money.cnn.com/2017/03/10/investing/alaska-oil-discovery-repsol-spain/index.html) [3/10/17]
- 5 - [markets.wsj.com/us](http://markets.wsj.com/us) [3/10/17]
- 6 - [bigcharts.marketwatch.com/historical/default.asp?symb=DJIA&closeDate=3%2F10%2F16&x=0&y=0](http://bigcharts.marketwatch.com/historical/default.asp?symb=DJIA&closeDate=3%2F10%2F16&x=0&y=0) [3/10/17]
- 6 - [bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=3%2F10%2F16&x=0&y=0](http://bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=3%2F10%2F16&x=0&y=0) [3/10/17]
- 6 - [bigcharts.marketwatch.com/historical/default.asp?symb=SPX&closeDate=3%2F10%2F16&x=0&y=0](http://bigcharts.marketwatch.com/historical/default.asp?symb=SPX&closeDate=3%2F10%2F16&x=0&y=0) [3/10/17]
- 6 - [bigcharts.marketwatch.com/historical/default.asp?symb=DJIA&closeDate=3%2F9%2F12&x=0&y=0](http://bigcharts.marketwatch.com/historical/default.asp?symb=DJIA&closeDate=3%2F9%2F12&x=0&y=0) [3/10/17]
- 6 - [bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=3%2F9%2F12&x=0&y=0](http://bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=3%2F9%2F12&x=0&y=0) [3/10/17]
- 6 - [bigcharts.marketwatch.com/historical/default.asp?symb=SPX&closeDate=3%2F9%2F12&x=0&y=0](http://bigcharts.marketwatch.com/historical/default.asp?symb=SPX&closeDate=3%2F9%2F12&x=0&y=0) [3/10/17]
- 6 - [bigcharts.marketwatch.com/historical/default.asp?symb=DJIA&closeDate=3%2F9%2F07&x=0&y=0](http://bigcharts.marketwatch.com/historical/default.asp?symb=DJIA&closeDate=3%2F9%2F07&x=0&y=0) [3/10/17]
- 6 - [bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=3%2F9%2F07&x=0&y=0](http://bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=3%2F9%2F07&x=0&y=0) [3/10/17]
- 6 - [bigcharts.marketwatch.com/historical/default.asp?symb=SPX&closeDate=3%2F9%2F07&x=0&y=0](http://bigcharts.marketwatch.com/historical/default.asp?symb=SPX&closeDate=3%2F9%2F07&x=0&y=0) [3/10/17]
- 7 - [treasury.gov/resource-center/data-chart-center/interest-rates/Pages/TextView.aspx?data=realyield](http://treasury.gov/resource-center/data-chart-center/interest-rates/Pages/TextView.aspx?data=realyield) [3/10/17]
- 8 - [treasury.gov/resource-center/data-chart-center/interest-rates/Pages/TextView.aspx?data=realyieldAll](http://treasury.gov/resource-center/data-chart-center/interest-rates/Pages/TextView.aspx?data=realyieldAll) [3/10/17]