



WEEKLY ECONOMIC UPDATE

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THE WEEK ON WALL STREET

Stocks descended from record highs Friday, as traders reacted to a U.S. drone strike that killed Iran's top military officer. Oil prices rose more than 3% following the breaking news.

Wall Street benchmarks ended up having a sideways week, shortened by the New Year's Day holiday. The Dow Jones Industrial Average lost 0.04% across four trading sessions; the S&P 500, 0.16%. In contrast, the Nasdaq Composite rose 0.16%. The MSCI EAFE index, benchmarking developed overseas stock markets, added 0.30%.

Weekly Tip

Turning 50 in 2020? You now have the chance to make **catch-up contributions** to retirement accounts and to workplace retirement plans.

Weekly Quote

"The **moment of victory** is much too **short** to live for that and nothing else."

-MARTINA
NAVRATILOVA

Weekly Riddle

A **couple** took a trip to the **Arctic Circle**, and they were disappointed that they did not **see** any **penguins**. What didn't they realize about penguins?

LAST WEEK'S RIDDLE: Two people are born at the same moment, but they don't have the same birthdays. How can this be?

ANSWER: They are born in different places, in different time zones.



MANUFACTURING ACTIVITY DECLINES

At the start of each month, economists watch the Institute for Supply Management's Purchasing Managers Index for the factory sector, which is considered a key barometer of U.S. manufacturing health.

Last week, ISM announced a December reading of 47.2 for this index, the poorest in more than ten years. A reading below 50 indicates manufacturing activity is contracting rather than expanding.

OIL TAKES CENTER STAGE

WTI crude oil settled at \$63.05 a barrel on the New York Mercantile Exchange Friday, down from an intraday peak of \$64.09 (which was its highest price since April).

The commodity rallied Friday as energy traders considered the possibility of supply disruptions in the Middle East in retaliation for last week's U.S. air strike.



Market Index	Close	Week	Y-T-D
DJIA	28,634.88	-0.04%	+0.34%
NASDAQ	9,020.77	+0.16%	+0.54%
MSCI-EAFE	2,048.95	+0.30%	+0.59%
S&P 500	3,234.85	-0.16%	+0.13%



Treasury	Close	Week	Y-T-D
10-Year Note	1.80%	-0.08%	-0.12%

Sources: The Wall Street Journal, January 3, 2020; Treasury.gov, January 3, 2020
 The market indexes discussed are unmanaged and generally considered representative of their respective markets. Individuals cannot directly invest in unmanaged indexes. Past performance does not guarantee future results. Weekly performance for the Dow Jones Industrial Average, Standard & Poor's 500 index, and NASDAQ Composite is measured from the close of trading on Friday, December 27 to the Friday, January 3 close. Weekly performance for the MSCI-EAFE is measured from the Friday, December 27 open to the Thursday, January 2 close. 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. Weekly and year-to-date 10-year Treasury note yield are expressed in basis points. 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.

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