

Market Week: January 28, 2019

The Markets (as of market close January 25, 2019)



Last week did not start off well in the market. However, stocks rebounded on Friday, recouping much of the value lost earlier in the week. Nevertheless, stocks ended last week relatively flat. Of the benchmark indexes listed here, only the S&P 500 lost value. Otherwise, the Global Dow gained over a half a point, while the Dow, Nasdaq, and Russell 2000 eked out minimal gains. News last Friday of the temporary end of the government shutdown may give investors some confidence moving into the last week of January.

Oil prices fell slightly last week, closing at \$53.55 per barrel by late Friday, down from the prior week's closing price of \$53.83 per barrel. The price of gold (COMEX) climbed to its highest price since last June, closing at \$1,308.20 by last Friday evening, up from the prior week's price of \$1,280.60. The national average retail regular gasoline price was \$2.251 per gallon on January 21, 2019, \$0.004 higher than the prior week's price but \$0.316 less than a year ago.

Market/Index	2018 Close	Prior Week	As of 1/25	Weekly Change	YTD Change
DJIA	23327.46	24706.35	24737.20	0.12%	6.04%
Nasdaq	6635.28	7157.23	7164.86	0.11%	7.98%
S&P 500	2506.85	2670.71	2664.76	-0.22%	6.30%
Russell 2000	1348.56	1482.50	1482.85	0.02%	9.96%
Global Dow	2736.74	2901.05	2919.57	0.64%	6.68%
Fed. Funds target rate	2.25%-2.50%	2.25%-2.50%	2.25%-2.50%	0 bps	0 bps
10-year Treasuries	2.68%	2.78%	2.76%	-2 bps	8 bps

Chart reflects price changes, not total return. Because it does not include dividends or splits, it should not be used to benchmark performance of specific investments.

Last Week's Economic Headlines

Note: Due to the partial government shutdown, some reports have not been updated. If and when this information becomes available, it will be included in the corresponding market report.

- Sales of existing homes dropped sharply in December after increasing each of the prior two months. Total existing-home sales fell 6.4% from November's total and are now down 10.3% from a year ago. The median existing-home price in December was \$253,600, up 2.9% from December 2017 (\$246,500). December's price increase marks the 82nd straight month of year-over-year gains. Rising interest rates and declining inventory are major factors in the decrease in existing home sales. Available inventory of existing homes for sale fell from 1.74 million in November to 1.55 million in December, which equates to a 3.7-month supply at the current sales pace.
- For the week ended January 19, there were 199,000 new claims for unemployment insurance, a decrease of 13,000 from the previous week's level, which was revised down by 1,000. According to the Department of Labor, this is the lowest level for initial claims since November 15, 1969. The advance

Key Dates/Data Releases
1/29: International trade in goods
1/30: GDP, FOMC meeting details
1/31: Personal income and outlays
2/1: Employment situation, PMI Manufacturing Index, ISM Manufacturing Index

rate for insured unemployment claims remained at 1.2% for the week ended January 12. The advance number of those receiving unemployment insurance benefits during the week ended January 12 was 1,713,000, a decrease of 24,000 from the prior week's level.

Eye on the Week Ahead

The last week of the month is potentially full of important economic information, including this year's first meeting of the Federal Open Market Committee. The employment figures for January are out as well. With the temporary end of the government shutdown, more economic information may be available.

Data sources: News items are based on reports from multiple commonly available international news sources (i.e. wire services) and are independently verified when necessary with secondary sources such as government agencies, corporate press releases, or trade organizations. Market data: Based on data reported in WSJ Market Data Center (indexes); U.S. Treasury (Treasury yields); U.S. Energy Information Administration/Bloomberg.com Market Data (oil spot price, WTI Cushing, OK); www.goldprice.org (spot gold/silver); Oanda/FX Street (currency exchange rates). All information is based on sources deemed reliable, but no warranty or guarantee is made as to its accuracy or completeness. Neither the information nor any opinion expressed herein constitutes a solicitation for the purchase or sale of any securities, and should not be relied on as financial advice. Past performance is no guarantee of future results. All investing involves risk, including the potential loss of principal, and there can be no guarantee that any investing strategy will be successful.

The Dow Jones Industrial Average (DJIA) is a price-weighted index composed of 30 widely traded blue-chip U.S. common stocks. The 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. The NASDAQ Composite Index is a market-value weighted index of all common stocks listed on the NASDAQ stock exchange. The Russell 2000 is a market-cap weighted index composed of 2,000 U.S. small-cap common stocks. The Global Dow is an equally weighted index of 150 widely traded blue-chip common stocks worldwide. Market indices listed are unmanaged and are not available for direct investment.

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