



WEEKLY ECONOMIC UPDATE

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The Week on Wall Street

Stocks struggled during a 4-day market week as the U.S.-China trade standoff continued to weigh on the minds of market participants. From the Friday, May 24 close to the Friday, May 31 close, the S&P 500 retreated 2.62%; the Nasdaq Composite, 2.41%; the Dow Jones Industrial Average, 3.01%. The MSCI EAFE index of overseas stocks dipped just 1.47% in a week.

Trade is dominating the conversation in the financial markets, with developments steadily unfolding. Wednesday, China's state media suggested that the country could soon cut off exports of rare earths to the U.S. Late Thursday, the Trump administration announced 5% tariffs on all imports from Mexico, effective June 10; these taxes could rise in the coming months.

Weekly Tip

A will commonly needs to go through probate, and it can also be challenged during the probate process. On the other hand, if you transfer the title of certain assets you own into a properly written living trust, those assets can avoid probate after your death.

Weekly Quote

"The past is but the beginning of a beginning, and all that is or has been is but the twilight of the dawn."

-H.G. WELLS

Weekly Riddle

How many bricks does it take to complete a building made of brick?

LAST WEEK'S RIDDLE: If I say, "everything I tell you is a lie," am I telling you the truth or a lie?

ANSWER: A lie.



THE WEEK AHEAD: KEY ECONOMIC DATA

Monday: The Institute for Supply Management releases its latest factory purchasing manager index, which takes the pulse of the U.S. manufacturing sector.

Tuesday: Federal Reserve Chairman Jerome Powell speaks on monetary policy at the Federal Reserve Bank of Chicago.

Wednesday: Payroll giant ADP releases its May private-sector employment snapshot.

Friday: The Department of Labor presents its May employment report.

Source: Econoday / MarketWatch Calendar, May 31, 2019

The Econoday and MarketWatch economic calendars list 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.

Market Index	Close	Week	Y-T-D
DJIA	24,815.04	-3.01%	+6.68%
NASDAQ	7,453.15	-2.41%	+12.33%
MSCI-EAFE	1,825.98	-1.47%	+6.17%
S&P 500	2,752.06	-2.62%	+9.78%



Treasury	Close	Week	Y-T-D
10-Year Note	2.14%	-0.18%	-0.55%

MEANWHILE, ON MAIN STREET...

The Conference Board's consumer confidence index soared to 134.1 in May, its highest reading since November; the consumer view of present economic conditions was the best since the end of 2000. Additionally, the University of Michigan's consumer sentiment index ended May at 100.00, near the 15-year peak of 102.4 seen earlier in the month.^{5,6} Spring also brought a solid advance in consumer spending. April's gain was 0.3%, according to the Bureau of Economic Analysis



FINAL THOUGHT

While Wall Street remains cautious and concerned about trade, consumers appear to be upbeat, sensing widespread economic prosperity. This underscores the fact that the state of the economy does not necessarily correspond to the state of the stock market (and vice versa).