



Anthony E. Kalinowski, CFP® President Presents:

WEEKLY ECONOMIC UPDATE

March 27, 2017

WEEKLY QUOTE

"I have found that if you love life, life will love you back."

- Arthur Rubinstein

WEEKLY TIP

Spending three or four dollars a day on energy drinks and other "superfoods" may be unwarranted. A balanced diet could provide you with all the vitamins and nutrients you need, for less money and with less hype.

WEEKLY RIDDLE

I am a word of four letters. I begin and end with the same letter. Take my beginning and ending letters away and I am a friendly greeting rather than a place. What word am I?

Last week's riddle:

Marshall is reading a book in his basement when the lights go out. He keeps on reading, even without any light sources. How is he able to keep reading?

Last week's answer:

He is blind, and the book is printed in Braille.

NEW HOME SALES GO ONE WAY, REALES ANOTHER

Rising 6.1% in February, new home sales reached a 7-month peak. The Census Bureau said that this gain occurred with just 5.4 months of inventory on the market, less than half that available in 2006 during the height of the last residential real estate boom. In contrast, the National Association of Realtors reported a 3.7% retreat for existing home sales last month, with increasing mortgage rates, high prices, and limited supply as major factors.¹

A GAIN FOR DURABLE GOODS ORDERS

A Census Bureau report noted a 1.7% improvement in February, following January's 2.3% advance. Core hard goods orders did retreat 0.1% last month.²

LIGHT SWEET CRUDE BREAKS 4-DAY LOSING STREAK

Friday's small gain in the price of oil marked the first daily advance for the commodity since March 17. Across March 20-24, crude prices declined 1.7% as news broke of record stockpiles; it was the third losing week for oil in the past month. WTI crude settled at a NYMEX price of \$47.97 Friday.³

VOLATILITY RETURNS, MAJOR INDICES DECLINE

Investors were less confident last week than they had been in some time. Across five trading days, the Dow Jones Industrial Average fell 1.52% to 20,596.72; the Nasdaq Composite, 1.22% to 5,828.74; and the S&P 500, 1.44% to 2,343.98. The CBOE VIX gained 14.89% for the week, which still left it down 7.69% for the year.⁴

THIS WEEK: Monday, nothing major is scheduled. Tuesday, Federal Reserve chair Janet Yellen speaks at an economic development conference in Washington, D.C., the Conference Board releases its March consumer confidence index, the January S&P/Case-Shiller home price index arrives, and in addition, Wall Street will look at earnings from Carnival, Darden Restaurants, and Sonic. On Wednesday, U.K. prime minister Theresa May is expected to officially trigger Article 50 of the Lisbon Treaty, formally beginning the Brexit; stateside, the NAR issues its February pending home sales report, complementing earnings news from Lululemon Athletica and Paychex. Thursday brings both a new initial jobless claims report and the third estimate of Q4 growth from the federal government, along with Q4 results from Dell Technologies. Friday offers the University of Michigan's final March consumer sentiment index, February consumer spending figures, and the latest PCE price index.

% CHANGE	Y-T-D	1-YR CHG	5-YR AVG	10-YR AVG
DJIA	+4.22	+17.59	+11.49	+6.50
NASDAQ	+8.28	+22.11	+18.00	+13.80
S&P 500	+4.70	+15.13	+13.55	+6.32
REAL YIELD	3/24 RATE	1 YR AGO	5 YRS AGO	10 YRS AGO
10 YR TIPS	0.42%	0.34%	-0.11%	2.19%

Sources: wsj.com, bigcharts.com, treasury.gov - 3/24/17^{4,5,6,7}
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.

**Please feel free to forward this article to family, friends or colleagues.
If you would like us to add them to our distribution list, please reply with their address.
We will contact them first and request their permission to add them to our list.**

«Representative Disclosure»

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 - foxbusiness.com/markets/2017/03/23/u-s-jobless-claims-unexpectedly-rise-labor-market-still-strong.html [3/23/17]
- 2 - thestreet.com/story/14057593/1/stock-futures-edge-higher-as-health-care-vote-drama-continues.html [3/24/17]
- 3 - marketwatch.com/story/crude-oil-breaks-4-day-losing-streak-after-saudis-slash-exports-to-us-2017-03-24/ [3/24/17]
- 4 - markets.wsj.com/us [3/24/17]
- 5 - bigcharts.marketwatch.com/historical/default.asp?symb=DJIA&closeDate=3%2F24%2F16&x=0&y=0 [3/24/17]
- 5 - bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=3%2F24%2F16&x=0&y=0 [3/24/17]
- 5 - bigcharts.marketwatch.com/historical/default.asp?symb=SPX&closeDate=3%2F24%2F16&x=0&y=0 [3/24/17]
- 5 - bigcharts.marketwatch.com/historical/default.asp?symb=DJIA&closeDate=3%2F23%2F12&x=0&y=0 [3/24/17]
- 5 - bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=3%2F23%2F12&x=0&y=0 [3/24/17]
- 5 - bigcharts.marketwatch.com/historical/default.asp?symb=SPX&closeDate=3%2F23%2F12&x=0&y=0 [3/24/17]
- 5 - bigcharts.marketwatch.com/historical/default.asp?symb=DJIA&closeDate=3%2F23%2F07&x=0&y=0 [3/24/17]
- 5 - bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=3%2F23%2F07&x=0&y=0 [3/24/17]
- 5 - bigcharts.marketwatch.com/historical/default.asp?symb=SPX&closeDate=3%2F23%2F07&x=0&y=0 [3/24/17]
- 6 - treasury.gov/resource-center/data-chart-center/interest-rates/Pages/TextView.aspx?data=realyield [3/24/17]
- 7 - treasury.gov/resource-center/data-chart-center/interest-rates/Pages/TextView.aspx?data=realyieldAll [3/24/17]