



Market Week: June 26, 2017

The Markets (as of market close June 23, 2017)

A drop in energy shares is keeping the large cap indexes of the S&P 500 and Dow in check, although both benchmarks posted moderate weekly gains. Last week's big mover was the Nasdaq, which advanced close to 2.0% and is up over 16.0% year-to-date. The yield on 10-year Treasuries slipped 2 basis points last week and is down 30 basis points since the end of last year. Energy stocks declined again last week as the price of oil continues to fall into bear market territory.

The price of crude oil (WTI) closed at \$43.15 per barrel, down from the prior week's closing price of \$44.67 per barrel. The price of gold (COMEX) increased last week, closing at \$1,257.40 by late Friday afternoon, up from the prior week's price of \$1,255.20. The national average retail regular gasoline price decreased to \$2.318 per gallon on June 19, 2017, \$0.048 lower than the prior week's price and \$0.035 less than a year ago.

Table with 6 columns: Market/Index, 2016 Close, Prior Week, As of 6/23, Weekly Change, YTD Change. Rows include DJIA, Nasdaq, S&P 500, Russell 2000, Global Dow, Fed. Funds target rate, and 10-year Treasuries.

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 Headlines

- The housing sector may have shown signs of improvement in May, as existing home sales climbed 1.1% for the month — 2.7% above a year ago. Total housing inventory rose 2.1%, which helped increase the number of sales. However, inventories remain low, which is driving up prices. The median existing-home price in May was \$252,800, which is the highest median price on record and is up 5.8% from a year ago. Unsold inventory is at a 4.2-month supply at the current sales pace, which is down from 4.7 months this time last year.
At an annual rate of 610,000, sales of new single-family homes in May were 2.9% above their revised April rate, and 8.9% above the May 2016 estimate. The median sales price of new houses sold in May 2017 was \$345,800. The average sales price was \$406,400. The seasonally adjusted estimate of new houses for sale at the end of May was 268,000. This represents a supply of 5.3 months at the current sales rate — unchanged from April.
In the week ended June 17, the advance figure for seasonally adjusted initial claims was 241,000, an

Key Dates/Data Releases

6/26: Durable goods orders

6/28: International trade in goods

6/29: GDP

6/30: Personal income and outlays

increase of 3,000 from the previous week's revised level. The previous week's level was revised up by 1,000 from 237,000 to 238,000. The advance seasonally adjusted insured unemployment rate was 1.4% for the week ended June 10, unchanged from the previous week's unrevised rate. The advance number for seasonally adjusted insured unemployment during the week ended June 10 was 1,944,000, an increase of 8,000 from the previous week's revised level. The previous week's level was revised up 1,000 from 1,935,000 to 1,936,000.

Eye on the Week Ahead

The final week of the month and second quarter offers a last look at the rate of economic growth with the release of the final report for the first-quarter GDP. Inflation is slowing, a trend that is expected to carry over to consumer income and spending as detailed in this week's May report on personal income and outlays.

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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