

WEEKLY ECONOMIC UPDATE

July 3, 2017

WEEKLY QUOTE

“Every individual matters. Every individual has a role to play. Every individual makes a difference.”

- Jane Goodall

WEEKLY TIP

Millennials who create a budget can get a clear picture of their cash flow and income and thereby figure out exactly how much they can afford to contribute to retirement savings accounts.

WEEKLY RIDDLE

I have an eye, yet cannot see the ground around me. I take time to generate, yet in seconds I can dissipate. What am I?

Last week's riddle:

Tom tells Phillip that a faded, worn ten-dollar bill is worth more than a newer one. In what way is he correct?

Last week's answer:

A ten-dollar bill will always be worth more than a newer one (a one-dollar bill).

HOUSEHOLD EARNINGS OUTPACE SPENDING

According to newly released Department of Commerce data, personal incomes improved 0.4% in May, but personal spending advanced just 0.1% after a 0.4% gain in April. Core consumer prices (minus food and energy costs) rose only 1.4% during the 12 months ending in May.^{1,2,3}

WERE CONSUMERS MORE CONFIDENT IN JUNE?

By the looks of the University of Michigan's monthly household sentiment index, no – that gauge fell 2.0 points to a mark of 95.1. On the other hand, the Conference Board's consumer confidence index rose 1.3 points to a reading of 118.9.^{2,3}

PENDING HOME SALES WEAKEN

A National Association of Realtors report showed housing contract activity declining by 0.8% in May. This follows a 1.7% dip for pending home sales in April.³

FIRST-QUARTER GDP REVISED HIGHER

Apparently, the opening three months of 2017 were not as economically sluggish as first thought. The Bureau of Economic Analysis released its third, concluding estimate of Q1 growth Thursday, modifying the number again to 1.4% from the previous revision to 1.2%.³

TECH SHARES SELL OFF AGAIN, STOCKS RETREAT

Volatility resurfaced in the tech and health care sectors last week, and as institutional investors reduced their holdings in firms within those industries, the effect rippled through all three major equity indices. For the week, the S&P 500 fell 0.61% to a Friday settlement of 2,423.41. The Nasdaq Composite slumped 1.99% to 6,140.42 by Friday, while the Dow Jones Industrial Average finished the week 0.21% lower at 21,349.63. Even so, Wall Street can look back on a fine first half for stocks. The S&P 500 just recorded its best 6-month gain since 2013.^{4,5}

THIS WEEK: Wall Street takes a half-day on Monday, with stock trading wrapping up at 1:00pm EST; during the abbreviated session, investors will consider the June ISM factory PMI. Stock and bond markets are closed Tuesday for the July 4th holiday. Minutes from the June Federal Reserve policy meeting arrive Wednesday, plus May factory orders data. Thursday, the latest Challenger job-cut report and ADP payrolls report complement new initial claims figures and ISM's June service sector PMI. On Friday, the Department of Labor issues its June employment report, and the Federal Reserve Board hands its semi-annual monetary policy report to Congress.

% CHANGE	Y-T-D	1-YR CHG	5-YR AVG	10-YR AVG
DJIA	+8.03	+19.07	+13.15	+5.92
NASDAQ	+14.07	+26.80	+21.84	+13.59
S&P 500	+8.24	+15.46	+15.58	+6.12
REAL YIELD	6/30 RATE	1 YR AGO	5 YRS AGO	10 YRS AGO
10 YR TIPS	0.58%	0.48%	-0.46%	2.65%

Sources: wsj.com, bigcharts.com, treasury.gov - 6/30/17^{5,6,7,8}

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.***

Registered Representative of **INVEST Financial Corporation**, Member FINRA/SIPC. INVEST and its affiliated insurance agencies offer securities, advisory services and certain insurance products and are not affiliated with Triad Wealth Management

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 - cnbc.com/2017/06/30/us-personal-income-may-2017.html [6/30/17]
- 2 - sca.isr.umich.edu [6/30/17]
- 3 - marketwatch.com/economy-politics/calendars/economic [6/30/17]
- 4 - marketwatch.com/story/stocks-end-mostly-higher-to-book-best-half-year-gains-in-years-2017-06-30 [6/30/17]
- 5 - markets.wsj.com/us [6/30/17]
- 6 - bigcharts.marketwatch.com/historical/default.asp?symb=DJIA&closeDate=6%2F30%2F16&x=0&y=0 [6/30/17]
- 6 - bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=6%2F30%2F16&x=0&y=0 [6/30/17]
- 6 - bigcharts.marketwatch.com/historical/default.asp?symb=SPX&closeDate=6%2F30%2F16&x=0&y=0 [6/30/17]
- 6 - bigcharts.marketwatch.com/historical/default.asp?symb=DJIA&closeDate=6%2F29%2F12&x=0&y=0 [6/30/17]
- 6 - bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=6%2F29%2F12&x=0&y=0 [6/30/17]
- 6 - bigcharts.marketwatch.com/historical/default.asp?symb=SPX&closeDate=6%2F29%2F12&x=0&y=0 [6/30/17]
- 6 - bigcharts.marketwatch.com/historical/default.asp?symb=DJIA&closeDate=6%2F29%2F07&x=0&y=0 [6/30/17]
- 6 - bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=6%2F29%2F07&x=0&y=0 [6/30/17]
- 6 - bigcharts.marketwatch.com/historical/default.asp?symb=SPX&closeDate=6%2F29%2F07&x=0&y=0 [6/30/17]
- 7 - treasury.gov/resource-center/data-chart-center/interest-rates/Pages/TextView.aspx?data=realyield [6/30/17]
- 8 - treasury.gov/resource-center/data-chart-center/interest-rates/Pages/TextView.aspx?data=realyieldAll [6/30/17]