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Weekly Market Update, December 4, 2017

Presented by **Dawn Cramer**

General market news

- After dropping to 2.32 percent at the end of last week, the yield on the 10-year Treasury opened Monday at 2.40 percent. The 30-year experienced a similar drop in yield last week before opening the current week at 2.79 percent.
- U.S. markets were mixed last week, as tax reform continued to progress in the Senate, and the market saw rotation from growth to value. The Dow Jones Industrial Average surged 3 percent on the week, while the S&P 500 Index jumped 1.60 percent. Strong performance from value sectors, such as telecom and financials, helped bolster weekly performance for the two indices. The more tech-oriented Nasdaq Composite struggled, however, posting a loss of 0.58 percent. Tech companies with low tax rates, such as Netflix (NFLX) and Nvidia (NVDA), suffered losses of more than 5 percent on the week.
- In other news last week, Jerome Powell, Federal Reserve chair appointee, testified before the Senate Banking Committee on Tuesday as part of the confirmation progress. Meanwhile, there was positive economic data overseas, as the European manufacturing purchasing manager's index rose to 60.1 for December, its highest level since 2000. In addition, the U.K. and European Union (EU) agreed to a framework for determining the amount the U.K. will need to pay the EU to complete Brexit.
- We saw a number of important domestic economic reports last week. On Monday, new home sales increased by a healthy 6.1 percent month-over-month, an indication that September's negative figure was hurricane related.
- On Wednesday, the second estimate for third-quarter gross domestic product showed an increase to 3.2-percent growth for the quarter. This represents the second straight quarter of growth above 3 percent.
- On Thursday, personal income and outlays data was also positive, with income rising by more than expected. The personal consumption expenditures figures also came in higher than expected.

Equity Index	Week-to-Date	Month-to-Date	Year-to-Date	12-Month
S&P 500	1.60%	–0.20%	20.25%	23.05%
Nasdaq Composite	–0.58%	0.38%	28.59%	31.94%
DJIA	3.00%	–0.16%	25.49%	29.34%
MSCI EAFE	–0.94%	–0.81%	22.67%	26.79%
MSCI Emerging Markets	–3.30%	–0.43%	32.30%	33.39%
Russell 2000	1.21%	–0.46%	14.57%	18.54%

Source: Bloomberg

Fixed Income Index	Month-to-Date	Year-to-Date	12-Month
U.S. Broad Market	0.29%	3.36%	3.60%
U.S. Treasury	0.33%	2.33%	2.33%
U.S. Mortgages	0.14%	2.28%	2.36%
Municipal Bond	0.35%	4.72%	6.29%

Source: Morningstar Direct

What to look forward to

This will be a busy week for economic news. On Tuesday, the international trade report is expected to show that the trade deficit has worsened, moving from $43.5 billion to $46 billion. Imports continue to rise, so any decline would be due mostly to a drop in food exports. This may be the result of an adjustment problem related to last year's pop in soybean exports. If so, it would be reversed later.

Also on Tuesday, the Institute for Supply Management's Nonmanufacturing index will be released. Expectations for this survey of the service sector are for a small decline, from 60.1 to 59.0. This decline would come from the unwinding of the statistical effects from the hurricanes, which distorted results in the previous months, rather than actual slowing. This is a diffusion index, and any number above 50 indicates expansion. So, even with a decline, this index remains a strong indicator of growth.

On Friday, the employment report is expected to show growth. Experts are projecting 200,000 job gains, with the unemployment rate holding steady at 4.1 percent. The workweek also is expected to hold steady, with pay growth remaining at 0.3 percent. These are all strong numbers, and if the wage growth number comes in as expected, it would take the annual growth rate to 2.7 percent, close to a high for the recovery.

Finally, and also on Friday, the University of Michigan consumer confidence survey is expected to rise from 98.5 to 99.0 on a strong labor market and rising stock market. Given the strong result in the Conference Board's recent survey, there may be some upside risk here, which is reinforced by the seasonal factors that normally drive up this survey around this time of year. Strong consumer confidence helps drive consumer spending, and this would be a positive result.

Brad McMillan, Senior Vice President, Chief Investment Officer, at Commonwealth, provides our advisors and their clients with market insights and analysis to help inform their investment decisions.
*****Please click the following link!!*** https://vimeo.com/245254458**

Turkey Bone Broth and Benefits

Don't throw out those turkey bones!   Yes! You heard me! That leftover turkey carcass makes a wonderful bone broth that gives so many health benefits. And making bone broth yourself saves a heap of money, and tastes so much better than the expensive powders and packaged broth!

Increasing in popularity, bone broth can now be found in most grocery stores, and health food stores. But why pay the high prices when you can easily make bone broth yourself.

Just some of the benefits of bone broth, as mentioned by Dr. Axe:

- Treat leaky gut syndrome
- Overcome food intolerances and allergies
- Improve joint health
- Reduce cellulite
- Boost immune system

To read the full article, go here: http://www.veronicashealthyliving.com/blog/turkey-any-meaty…efits-and-recipe/ ?

Reference:

https://draxe.com/the-healing-power-of-bone-broth-for-digestion-arthritis-and-cellulite/

A CLIENT SUCCESS STORY -

Rebecca C. discovered that one aspect of healthy eating was meal planning. "Having prepared foods takes away grabbing something when tired, and busy."

A Little About Me...

For those of you who are new to my newsletter, my name is Veronica Worley, BS, MS, CNEHC. I am a certified Nutrition Educator and Health Coach. I work one-on-one with men and women to help identify needs, encourage behavior change leading to permanent weight loss, and increased energy and health through whole foods and healthy tips. I help clients pin-point and resolve nagging health issues by looking at food choices and adopting healthy nourishment options. Read more...

http://veronicashealthyliving.com/about

Disclosures: *Certain sections of this commentary contain forward-looking statements that are based on our reasonable expectations, estimates, projections, and assumptions. Forward-looking statements are not guarantees of future performance and involve certain risks and uncertainties, which are difficult to predict. All indices are unmanaged and are not available for direct investment by the public. Past performance is not indicative of future results. The S&P 500 is based on the average performance of the 500 industrial stocks monitored by Standard & Poor's. The Nasdaq Composite Index measures the performance of all issues listed in the Nasdaq Stock Market, except for rights, warrants, units, and convertible debentures. The Dow Jones Industrial Average is computed by summing the prices of the stocks of 30 large companies and then dividing that total by an adjusted value, one which has been adjusted over the years to account for the effects of stock splits on the prices of the 30 companies. Dividends are reinvested to reflect the actual performance of the underlying securities. The MSCI EAFE Index is a float-adjusted market capitalization index designed to measure developed market equity performance, excluding the U.S. and Canada. The MSCI Emerging Markets Index is a market capitalization-weighted index composed of companies representative of the market structure of 26 emerging market countries in Europe, Latin America, and the Pacific Basin. The Russell 2000® Index measures the performance of the 2,000 smallest companies in the Russell 3000® Index. The Bloomberg Barclays US Aggregate Bond Index is an unmanaged market value-weighted performance benchmark for investment-grade fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities with maturities of at least one year. The U.S. Treasury Index is based on the auctions of U.S. Treasury bills, or on the U.S. Treasury's daily yield curve. The Bloomberg Barclays US Mortgage Backed Securities (MBS) Index is an unmanaged market value-weighted index of 15- and 30-year fixed-rate securities backed by mortgage pools of the Government National Mortgage Association (GNMA), Federal National Mortgage Association (Fannie Mae), and the Federal Home Loan Mortgage Corporation (FHLMC), and balloon mortgages with fixed-rate coupons. The Bloomberg Barclays US Municipal Index includes investment-grade, tax-exempt, and fixed-rate bonds with long-term maturities (greater than 2 years) selected from issues larger than $50 million.*

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Authored by the Investment Research team at Commonwealth Financial Network.