

## Virginia Asset Group

Darin M Ely  
President  
2901 S. Lynnhaven Road  
Suite 230  
Virginia Beach, VA 23452  
757-747-2556  
877-747-2557  
dely@virginiaassetgroup.com  
www.virginiaassetgroup.com



# Market Week: September 12, 2016



## The Markets (as of market close September 9, 2016)

Equities indexes rebounded early last week as lackluster economic reports in the labor and manufacturing sectors, coupled with a falling dollar, appear to be fueling speculation that the Fed won't be raising interest rates following its meeting later this month. Energy shares made some positive headway early in the week, contributing to positive market returns.

However, by the close of the week, stocks and bonds posted their largest losses since the Brexit vote in June, as traders pulled an about-face, fearing that central banks would not continue further economic stimulus. First, the European Central Bank refused to commit to further stimulus. Then a few members of the Federal Reserve intimated that the time may be ripe for an interest rate increase.

By week's end, the Dow had dropped over 400 points. Each of the indexes listed here (with the exception of the Global Dow) fell over 2.0%, led by the Russell 2000, which reversed the prior week's gains with a fall in value of over 2.6%.

The price of crude oil (WTI) closed at \$45.71 a barrel last week, up from \$44.36 per barrel the previous week. The price of gold (COMEX) gained, closing at \$1,331.80 by late Friday afternoon, up from the prior week's price of \$1,328.50. The national average retail regular gasoline price decreased for the first time in three weeks, falling to \$2.223 per gallon on September 5, \$0.014 lower than the prior week's price and \$0.214 below a year ago.

Market/Index	2015 Close	Prior Week	As of 9/9	Weekly Change	YTD Change
<b>DJIA</b>	17425.03	18491.96	18085.45	-2.20%	3.79%
<b>Nasdaq</b>	5007.41	5249.90	5125.91	-2.36%	2.37%
<b>S&amp;P 500</b>	2043.94	2179.98	2127.81	-2.39%	4.10%
<b>Russell 2000</b>	1135.89	1251.83	1219.21	-2.61%	7.34%
<b>Global Dow</b>	2336.45	2463.98	2442.56	-0.87%	4.54%
<b>Fed. Funds target rate</b>	0.25%-0.50%	0.25%-0.50%	0.25%-0.50%	0 bps	0 bps
<b>10-year Treasuries</b>	2.26%	1.60%	1.67%	7 bps	-59 bps

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 number of job openings increased to 5.9 million on the last business day of July, an increase of 228,000 from June, the U.S. Bureau of Labor Statistics reported. Most of the job gains occurred in the private sector, including professional and business services and durable goods manufacturing. The number of hires was 5.2 million in July, little changed from June.
- The Non-Manufacturing ISM® Report, which is based on a survey of the nation's purchasing and supply

## Key Dates/Data Releases

9/13: Treasury budget

9/14: Import and export prices

9/15: Producer Price Index, retail sales, industrial production

9/16: Consumer Price Index, consumer sentiment

executives, covers non-manufacturing industries including utilities, real estate, hotel and food services, education, and health care. The majority of survey respondents indicated that there has been a slowing in the level of business for their respective companies, as non-manufacturing business activity, new orders, employment, and prices each decreased in August from July. According to the report, the ISM® Non-Manufacturing Index (NMI®) fell to 51.4% in August from July's reading of 55.5%. A reading over 50% indicates growth, so the non-manufacturing sector grew in August, but at a slower pace compared to the previous month.

- In the week ended September 3, the advance figure for seasonally adjusted initial unemployment insurance claims was 259,000, a decrease of 4,000 from the prior week's unrevised level. The advance seasonally adjusted insured unemployment rate remained at 1.6%. The advance number for seasonally adjusted insured unemployment during the week ended August 27 was 2,144,000, a decrease of 7,000 from the previous week's revised level.

## Eye on the Week Ahead

Several key economic reports are released this week ahead of next week's Federal Open Market Committee meeting. Inflationary trends may be gleaned from the perspective of both the seller (producer prices and retail sales) and the consumer (consumer prices).

*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.*

---

Investment and insurance products and services are offered through INFINEX INVESTMENTS, INC. Member FINRA/SIPC. Infinex and the bank are not affiliated. Products and services made available through Infinex are not insured by the FDIC or any other agency of the United States and are not deposits or obligations of nor guaranteed or insured by any bank or bank affiliate. These products are subject to investment risk, including the possible loss of value.

NOT FDIC-INSURED. NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY. NOT GUARANTEED BY THE BANK. MAY GO DOWN IN VALUE.