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## Market Week: November 11, 2019



### The Markets (as of market close November 8, 2019)

The Dow hit a new record high last week, and each of the benchmark indexes listed here posted solid gains as investors received encouraging news on the trade front. Both the United States and China sent signals out that an initial trade agreement would be signed in the near future, marking the first phase of the trade deal between the economic giants. As money flowed into stocks, long-term bond prices fell, pushing yields higher. For the week, the S&P 500 posted its fifth straight week of gains, while the Nasdaq advanced for the sixth consecutive week. The largest gainer last week was the Global Dow, which climbed over 1.50%.

Oil prices rose last week, closing at \$57.39 per barrel by late Friday afternoon, up from the prior week's price of \$56.14. The price of gold (COMEX) fell for the first time in several weeks, closing at \$1,459.20 by late Friday afternoon, down from the prior week's price of \$1,515.70. The national average retail regular gasoline price was \$2.605 per gallon on November 4, 2019, \$0.009 more than the prior week's price but \$0.148 less than a year ago.

Market/Index	2018 Close	Prior Week	As of 11/8	Weekly Change	YTD Change
<b>DJIA</b>	23327.46	27347.36	27681.24	1.22%	18.66%
<b>Nasdaq</b>	6635.28	8386.40	8475.31	1.06%	27.73%
<b>S&amp;P 500</b>	2506.85	3066.91	3093.08	0.85%	23.39%
<b>Russell 2000</b>	1348.56	1589.33	1598.86	0.60%	18.56%
<b>Global Dow</b>	2736.74	3109.68	3157.91	1.55%	15.39%
<b>Fed. Funds target rate</b>	2.25%-2.50%	1.50%-1.75%	1.50%-1.75%	0 bps	-75 bps
<b>10-year Treasuries</b>	2.68%	1.72%	1.93%	21 bps	-75 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 Economic News

- The goods and services trade deficit was \$52.5 billion in September, according to the latest report from the Bureau of Economic Analysis. The deficit in September was down \$2.6 billion from August's total. September exports were \$1.8 billion less than August exports, while imports in September were \$4.4 billion under the prior month's figure. Year-to-date, the goods and services deficit increased \$24.8 billion, or 5.4%, from the same period in 2018. Over that 12-month period, exports fell 0.4% while imports increased 0.8%. The goods trade figures showed surpluses with several trade partners, including South

## Key Dates/Data Releases

11/13: Consumer Price Index, Treasury budget

11/14: Producer Price Index

11/15: Retail sales, import and export prices, industrial production

and Central America (\$5.0 billion), Hong Kong (\$2.8 billion), and the United Kingdom (\$0.7 billion). Notable goods trade deficits were recorded with China (\$28.0 billion), the European Union (\$15.7 billion), Mexico (\$9.1 billion), and Japan (\$5.9 billion).

- The services sector of the economy continues to outpace the manufacturing sector. According to the latest report from the Institute for Supply Management, the October Non-Manufacturing Index increased 2.1 percentage points above its September reading. Survey respondents noted growth in business activity, new orders, and employment. Only prices received for services decreased in October from the prior month. The report indicated that, despite the positive results, "respondents continue to be concerned about tariffs, labor resources, and the geopolitical climate."
- The Bureau of Labor Statistics reported last week that the number of job openings fell 277,000 (3.8%) in September from the prior month. The job openings rate was 4.4% in September (4.6% in August) as the number of total private job openings edged down (-262,000). In September, the number of hires increased slightly (+50,000), as did the number of separations (+76,000). Hires increased in construction, manufacturing, professional and business services, leisure and hospitality, and trade, transportation, and utilities. Hires decreased in federal government, financial activities, and information.
- For the week ended November 2, there were 211,000 claims for unemployment insurance, a decrease of 8,000 from the previous week's level, which was revised up by 1,000. According to the Department of Labor, the advance rate for insured unemployment claims remained at 1.2% for the week ended October 26. The advance number of those receiving unemployment insurance benefits during the week ended October 26 was 1,689,000, a decrease of 3,000 from the prior week's level, which was revised up by 2,000.

## Eye on the Week Ahead

Inflation indicators are available this week with reports on consumer prices, producer prices, retail sales, and import and export prices. Inflation has been running lower than the Fed's 2.0% target rate for much of the year. Also, the Federal Reserve's report on industrial production is out this week. Manufacturing production was off in September, pulled down by weakening demand for U.S. exports.

*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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