

The Market Week in Review

For the Week Ending September 10, 2011

THE MARKETS

It was a relatively quiet week on the economic calendar, partly due to the Labor Day holiday on Monday. But that did not stop the markets from continuing to head lower. Some market pundits blamed falling stock prices on the continuing bad news from Europe, while others felt the market responded negatively to the President's speech on Thursday evening. Whatever the cause, the downtrend has left the S&P 500 almost 16% below its 2011 high. On the other hand, the index remains more than 4% above its lowest point for the year.

Index	Started Week	Ended Week	Change	% Change	YTD %
DJIA	11,240.26	10,992.13	-248.13	-2.21%	-5.06%
Nasdaq	2,480.33	2,467.99	-12.34	-0.50%	-6.97%
S&P 500	1,173.97	1,154.23	-19.74	-1.68%	-8.22%
Russell 2000	683.36	673.96	-9.40	-1.38%	-14.00%

DAILY DEVELOPMENTS

MONDAY

There were no major economic announcements on Monday.

TUESDAY

The Institute for Supply Management announced on Tuesday that its services index rose from 52.7 in July to 53.3 in August. The median forecast of 71 economists surveyed by Reuters was a reading of 51. A reading greater than 50 signals growth. The sector, which covers industries ranging from utilities, transportation, healthcare and finance, has grown for 21 straight months. The index reached a five year high of 59.7 percent in February before slipping during the spring.

WEDNESDAY

The U.S. Labor Department reported on Wednesday that in its Job Openings and Labor Turnover survey that employers advertised for 3.2 million job openings in July, up from 3.17 million in the prior month. That is the largest number of openings posted in three years. The largest gains were in announcements for openings in the manufacturing, trade, transportation, and utilities sectors.

The Federal Reserve released its latest "Beige Book" summarizing its take on the U.S. economy ahead of its next meeting, which is scheduled for the end of December. The report showed weak to modest economic expansion in the central bank's twelve districts over the latter part of the summer, leaving the door open to an announcement of further

Fed action in late September. But the report stops short of showing risk of a double-dip recession. In most Fed districts, consumer spending edged up. In several districts, economic uncertainty and stock market volatility led people in contact with the central bank to become more cautious.

THURSDAY

Commerce Department figures released Thursday showed the U.S. trade deficit narrowed by 13.1% in July as exports climbed to a record level. The gap shrank to \$44.8 billion from a revised \$51.6 billion shortfall in June. The rise in exports was driven in part by an increase in overseas sales of U.S. made capital goods and automobiles.

Less positive was news received from the Labor Department that first time applications for unemployment benefits rose last week by 2,000 to 414,000 in the week ended September 3rd. The monthly average climbed by 3,750 to 414,750 which is nearly 9,000 above the month ago comparison and the highest it has been since mid-July.

FRIDAY

There were no major economic announcements on Friday.

QUOTE OF THE WEEK

"Even taking into account the many financial pressures that they face, households seem exceptionally cautious."

Ben S. Bernanke, the Federal Reserve chairman.

I hope you have found the information in this week's market summary helpful. If you would like to comment on any of the information found in this week's Market Commentary please e-mail me at awillms@estatecounselors.com. If you would like to discuss how current market conditions could impact your investments, please feel free to call me at the number listed below.

Best regards,

Andy

Andrew J. Willms, J.D. LL.M.
Estate Counselors, LLC
414 N. Main Street
Thiensville, WI 53092
Phone (262) 238-6996
Fax (262) 238-6999
awillms@estatecounselors.com
www.estatecounselors.com

Important Disclosures: The information and statistics in this e-mail have been obtained from sources we believe to be reliable but are not guaranteed by us to be accurate or complete. Any and all earnings, projections, and estimates assume certain conditions and industry developments, which are subject to change. The opinions stated are those of Estate Counselors, LLC, but are not intended to be a substitute for personal investment advice. Services provided by Estate Counselors, LLC do not constitute legal services and are not being provided by Willms, S.C. law firm. Communications between Estate Counselors, LLC and its clients are therefore not covered by the attorney-client privilege, and as a result may be discoverable by third parties. All such communications are, however, covered by Estate Counselor, LLC's privacy policy, a copy of which is available on request. *Please let us know in a reply to this e-mail if you have received this message in error, or would like to discontinue receiving it.* Thank you.