ESTATE COUNSELORS, LLC

ASSET MANAGEMENT

The Market Week in Review

For Week Ending December 7, 2013

Contact Us

- Our Website: www.estatecounselors.com
- Our E-mail: firm@estatecounselors.com
- Our Phone Number: (262) 238-6996
- Our Address: 414 N. Main Street Thiensville, WI 53092

THE MARKETS

Stocks moved lower to start the week on soft retail numbers after the Black Friday holiday shopping weekend and uncertainty surrounding when the Federal Reserve will scale back its bond purchases. The market continued on a 5 day downtrend until Friday's positive unemployment report which jolted stocks higher by nearly 1 percent across the board. Friday's gains erased most of the losses for the week with all of the major indexes finishing flat or down just slightly.

After several weeks of declining prices, crude oil finished the week up 0.3 percent to $97.64 a barrel. The U.S. dollar edged higher as well, while gold declined 0.2 percent to $1,229 an ounce.

Index	Started Week	Ended Week	Change	% Change	YTD %
DJIA	16,086.41	16,020.20	-66.21	-0.41%	22.25%
Nasdaq	4,059.89	4,062.52	2.63	0.06%	34.54%
S&P 500	1,805.81	1,805.09	-0.72	-0.04%	26.57%
Russell 2000	1,142.89	1,131.38	-11.51	-1.01%	33.21%

DAILY DEVELOPMENTS

MONDAY

The Institute of Supply Managers Manufacturing Index rose to 57.3 in November, which is its strongest reading in 2 1/2 years. This reading followed October's already strong reading of 56.4. New orders also came in with the best reading in 2 1/2 years, up 3 points to 63.3. The new orders are piling up into backlogs which also came in at a very strong 54.04 reading in November.

TUESDAY

There were no major economic announcements on Tuesday.

WEDNESDAY

As a result of the government shutdown in October, there were two new home sales reports released on Wednesday, one for September and another for October. The September report showed new home sales falling 6.6% to an annual rate of 354,000. In sharp contrast, the sales rate jumped by 24.5% in October to an annual rate of 444,000. This number was led by increased sales in the South, which is by far the largest market for new homes. Sales in October were also boosted by the median new home price, which fell sharply by 4.5% to $245,800.

THURSDAY

The Bureau of Economic Analysis reported on Thursday that real GDP increased by an annualized rate of 3.6% in the third quarter, besting the consensus estimate of 3.1%. The increase was mainly due to higher private sector inventory growth. Real GDP grew by 2.5% in the second quarter.

The Labor Department reported a sharp decline in initial jobless claims last week of 23,000 to 298,000. This marks the lowest level since September and the second lowest since the start of the "Great Recession". However, temporary holiday jobs raise uncertainty about the accuracy of the number. Continuing claims also moved lower, declining 21,000 to 2.744 million and the four week average dropped 32,000 to a low during the economic recovery of 2.797 million.

FRIDAY

Total payroll jobs increased by 203,000 in November, above the estimate of 173,000 and following a revised October increase of 200,000. Manufacturing, construction, and goods-producing jobs helped boost the number. The unemployment rate dropped to 7% from 7.3% in October. This is the lowest unemployment rate in 5 years, but it is helped partly by a low participation rate. Even so, the report led to increased speculation that the Fed would be slowing its bond buying program in the near future.

TIDBITS

Bitcoin, the virtual currency, surpassed the $1,100 mark earlier this week, an increase in value of over 7,600% year to date. By Friday, the currency pulled back more than $200 per unit after the Chinese Central Bank barred financial institutions from handling Bitcoin transactions.

QUOTE OF THE WEEK

A bargain is something you can't use at a price you can't resist.
- Franklin Jones

We 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 Andy Willms at awillms@estatecounselors.com or Garrett Alabado at galabado@estatecounselors.com. If you would like to discuss how current market conditions could impact your investments, please feel free to call us at the number listed below.

Best regards,

Andy
Andrew J. Willms, J.D. LL.M.

Garrett
Garrett Alabado

Estate Counselors, LLC
414 N. Main Street
Thiensville, WI 53092
Phone (262) 238-6996
Fax (262) 238-6999
www.estatecounselors.com