ESTATE COUNSELORS, LLC

ASSET MANAGEMENT

The Market Week in Review

For Week Ending June 15, 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

Another volatile week in the market started with stocks down slightly after Standard & Poor's revised their outlook for the U.S. from stable to negative. Disappointment over the Bank of Japan's decision to leave monetary policy unchanged combined with concern that the Federal Reserve will ease its bond buying program caused stocks to drop mid-week and finish Wednesday with the first three day losing streak of the year. The market bounced back on Thursday and erased the previous day's losses after a pair of positive economic reports helped investors shrug off the huge sell-off in the Japanese markets. Stocks finished the week firmly in negative territory on Friday after mixed economic data and continued fear that the Federal Reserve will pare back its stimulus program.

Index	Started Week	Ended Week	Change	% Change	YTD %
DJIA	15,248.12	15,070.18	-177.94	-1.17%	15.00%
Nasdaq	3,469.21	3,423.56	-45.65	-1.32%	13.38%
S&P 500	1,643.38	1,626.73	-16.65	-1.01%	14.06%
Russell 2000	987.62	981.38	-6.24	-0.63%	15.54%

DAILY DEVELOPMENTS

MONDAY

There were no major economic announcements on Monday.

TUESDAY

Small business sentiment followed the recent trend in consumer sentiment as shown by a 2.3 point increase in the NFIB Small Business Optimism Index in May. The index has shown solid gains for the past two months, led by economic and sales expectations components, but is still below its long-term average of 100.

WEDNESDAY

The U.S. Treasury Department reported Wednesday that the recent improvements in the government's deficit lost some momentum in May, as shown by the higher than expected deficit of $138.7 billion. Despite May's setback, the deficit is down 26 percent year over year. The primary factors driving the improvement are higher tax receipts, which are up 20 percent this fiscal year for both personal and corporate taxes.

THURSDAY

The latest release of jobless claims showed modest improvements, said the Labor Department on Thursday. Initial claims have fallen 3 of the past 4 weeks and were down 12,000 last week to 334,000. While the decline was below the consensus estimate of 16,000, the four week average was down a considerable 7,250 to 345,250. Continuing claims increased slightly by 2,000 for the June 1st week, but the four week average was down 13,000 to 2.967, which marks the lowest level during the economic recovery. The unemployment rate for insured workers has been stuck at 2.3 percent for the past four weeks.

Retail sales beat expectations in May with a 0.6 percent increase and were up 4.3 percent year over year. Auto sales gained for the second straight month and jumped 1.8 percent following a 0.7 percent increase the month prior. Gasoline sales dropped 0.4 percent on declining gas prices.

FRIDAY

The Producer Price Index (PPI), which was up 0.5 percent following a 0.7 percent decline in April, increased more than expected in May due to higher energy and food inflation. Food prices were up 0.6 percent after posting a 0.7 decline the month prior, while energy prices increased 1.3 percent following a decline in April of 2.5 percent. The overall PPI was up 1.8 percent compared to a year ago and the core rate edged down slightly to 1.6 percent from 1.7 percent.

Industrial production was flat in May following a decline of 0.4 percent in April. The manufacturing component showed little growth with a 0.1 percent increase and came in below market expectations of plus 0.3 percent. Utilities output was the main drag on production and dropped again in May after falling 3.2 percent the month prior.

TIDBITS

According to Warren Jestin, Stotiabank chief economist, emerging countries in Asia, Africa and Latin America will soon control half of the world's economy, up from their current one-third control.

QUOTE OF THE WEEK

If the nation's economists were laid end to end, they would point in all directions.
- Arthur H. Motley

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

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.