

The Market Week in Review

For Week Ending April 11, 2015

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 snapped back this week in response to decisively positive economic data released throughout the week. The tech-heavy NASDAQ was the week's biggest gainer, whereas the small cap Russell 2000, which has recently been trading with a low correlation to the other major indices, was the laggard; although it still managed to churn out a gain. Bonds, and Treasuries in particular, experienced a much more volatile week. After an already bumpy week, 30 year T-bonds hit the auction block at a high yield on Thursday, sending prices down and yields higher. However, the yield on the benchmark 10 Year Note is still below 2 percent, as it has been since mid-March. The dollar rally regained traction, but gold still managed to close the week slightly in the black.

| Index | Started | Ended Week | Change | % Change | YTD % |
|--------------|-----------|------------|--------|----------|-------|
| DJIA | 17,763.24 | 18,057.65 | 294.41 | 1.66% | 1.32% |
| Nasdaq | 4,886.94 | 4,995.98 | 109.04 | 2.23% | 5.49% |
| S&P 500 | 2,066.96 | 2,102.06 | 35.10 | 1.70% | 2.10% |
| Russell 2000 | 1,255.66 | 1,264.77 | 9.11 | 0.73% | 4.99% |

DAILY DEVELOPMENTS

MONDAY

The Institute for Supply Management reported Monday that its services industries index fell to 56.5 last month from 56.9 in February. The reading was in line with economists' forecasts, according to a Reuters survey. While the March reading was the lowest since last December, it still signals a healthy rate of growth in the services sector. (A reading above 50 indicates expansion.) The employment component for services increased in March to 56.6 - the highest level since last October, while the exports component rose to the highest level in over two years.

TUESDAY

The latest Job Openings and Labor Turnover Survey, or JOLTS report, was released Tuesday. It also showed there were 5.13 million job openings in February, and that there were 4.9 million hires, about the same as January and equal to about 3.5% of all employees. 1.9% of employees quit their job in February, which is unchanged from the prior month.

WEDNESDAY

Minutes of the Federal Reserve's March 17th – 18th policy meeting were released by the Central Bank on Wednesday with the regular three week lag. The Minutes showed officials were divided at their March policy meeting on whether they might raise interest rates in June, and recent soft economic data could make a midyear move even less likely. Inflation has been running below the Fed's 2% objective for nearly three years and some officials saw this trend persisting, citing falling energy prices and a strong U.S. dollar, which lowers the cost of imported goods. However the minutes also showed some committee members still believe rates should be raised in June.

THURSDAY

The Labor Department's weekly report on new applications for unemployment benefits showed a slight increase of 14,000 to 281,000. Claims below the 300,000 level is generally regarded as a sign of an improving labor market. The prior week's reading was revised downward to 267,000, matching the lowest level since April 2000, from an initially reported 268,000. And, an average of just 282,250 workers a week applied for jobless benefits for the 4 week period ended April 4th, the fewest since June 2000. The four week average for claims is a less volatile measure than the weekly figures and is therefore a better representation of the underlying trend. Moreover, the number of people remaining on jobless-benefit rolls declined by 23,000 to 2.3 million in the week ended March 28th, the fewest since December 2000.

FRIDAY

The Labor Department said on Friday that import prices dropped 0.3 percent as rising petroleum costs were offset by declining prices for other goods. Import prices are now down 10.5 percent versus one year ago and have logged eight straight months of year-over-year declines. Export prices, on the other hand, edged up 0.1 percent, although they have declined 6.7 percent from a year ago. The strong U.S. dollar and deflationary pressures in foreign economies are clearly evident in these numbers. The decline in import prices will help keep the inflation rate low, which in turn increases the likelihood that the Federal Reserve will not raise interest rates in June.

TIDBITS

The inflation rate in Russia reached 16.9% last month, a 13-year high. The ruble has declined almost 40% against the U.S. dollar since last summer.

QUOTE OF THE WEEK

"If all the economists were laid end to end, they'd never reach a conclusion."

- George Bernard Shaw

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
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 Counselors, 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.*
