

# The Market Week in Review

For Week Ending June 6, 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

Bond yields spiked this week to their highest levels in eight months and the 10 Year Treasury Note ended the week yielding 2.4 percent. Although still trading near their all-time highs, large cap stocks experienced moderate declines as worry that a possible hike in interest rates by the Fed will erode a portion of the value of their future earnings. High dividend paying utility companies were the hardest hit in the S&P. The small cap Russell 2,000 advanced over 1 percent as smaller domestic based companies emerged as the week's clear winners. Gold moved lower again despite the relative softening of the U.S. dollar.

Index	Started Week	Ended Week	Change	% Change	YTD %
DJIA	18,010.68	17,849.46	-161.22	-0.90%	0.15%
Nasdaq	5,070.03	5,068.46	-1.57	-0.03%	7.02%
S&P 500	2,107.39	2,092.83	-14.56	-0.69%	1.65%
Russell 2000	1,246.53	1,261.01	14.48	1.16%	4.67%

## DAILY DEVELOPMENTS

### MONDAY

Consumer spending was flat in April after a revised 0.5 percent increase in March, the Commerce Department reported Monday. April's measure of consumer spending was the weakest in three months, while March saw the biggest gain since last August. At the same time personal income rose a healthy 0.4 percent and the personal savings rate jumped to 5.6 percent of after-tax income, which is the second highest savings rate since December 2012.

The Institute for Supply Management's manufacturing index rose slightly in May to a reading of 52.8%, from 51.5% in April on a scale where any reading over 50% indicates expansion. That marginally topped surveyed economists' expectations for a reading of 51.8%. The new orders component rose 2.3 points to 55.8%, and the employment index also improved.

*TUESDAY*

New orders for manufactured goods declined in April for the 8<sup>th</sup> time in the last nine months, the Commerce Department said on Tuesday. More specifically factory orders are estimated to have declined by 0.4% in April, as compared to a 2.2% increase the month before. Excluding the volatile transport component, orders were unchanged in April for a second straight month.

*WEDNESDAY*

The U.S. trade deficit declined by 19.2 percent in April to \$40.9 billion the Commerce Department said Wednesday. Exports edged up 1 percent to \$189.9 billion, while imports fell 3.3 percent to \$230.8 billion. Still, the deficit is running 1 percent higher for the first four months of the year than it was during the same period last year.

Also on Wednesday the Federal Reserve released its "Beige Book", its anecdotal roundup of reports from its 12 regional banks. The report indicates that U.S. economic activity expanded from early April to late May and growth was expected to continue at a "modest" to "moderate" pace.

*THURSDAY*

Jobless claims improved in the final week of May, registering 276,000 which was in line with expectations. The number brought the four week average down by 5,000 from a month ago. Continuing claims dropped by 30,000 to 2.2 million which is near a 15 year low.

*FRIDAY*

Nonfarm payrolls registered 280,000 in the month of May, well above the consensus expectation of 220,000. Additions in professional business services led the momentum in the report. Average hourly earnings also increased a tenth and are now up 2.3 percent from a year ago. However, the Bureau of Labor Statistics' report also indicated that the unemployment rate ticked up a tenth to 5.5 percent reflecting a small increase in the labor force participation rate.

---

## TIDBITS

In a meeting that concluded Friday, the Organization of Petroleum Exporting Countries agreed to keep its production quotas unchanged. Rationalizing the decision to keep pumping, the Saudis, the largest member of the organization, are not looking at the price of oil, but rather its supply which has been dropping in recent weeks.

---

## QUOTE OF THE WEEK

“Rarely have I seen a situation where doing less than the other guy is a good strategy.”  
- Jimmy Spithill

---

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](mailto: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](http://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.

---