ESTATE COUNSELORS, LLC

ASSET MANAGEMENT

The Market Week in Review

For Week Ending September 12, 2015

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THE MARKETS

Stocks took a reprise from the recent volatility, beginning the shortened Labor Day trading week higher and then churning sideways into the weekend. All of the major averages held on to solid gains with the Nasdaq eking its way back into positive territory for the year. After the recent selloff it appears that market participants are waiting until next week's Fed announcement before choosing to push the market in any clear direction. Oil ended down 2.5 percent and many professional traders are now predicting a final near-term selloff before they expect the commodity to rally into the end of the year towards more normal prices. Pressure continued to mount on gold which closed down over 1 percent near $1,100 an ounce. Interest rates moved higher, perhaps in anticipation of a Fed rate hike, with the yield on the 10 Year Note increasing 6 basis points to 2.18 percent.

Index	Started Week	Ended Week	Change	% Change	YTD %
DJIA	16,102.38	16,433.09	330.71	2.05%	-7.80%
Nasdaq	4,683.92	4,822.34	138.42	2.96%	1.82%
S&P 500	1,921.22	1,961.05	39.83	2.07%	-4.75%
Russell 2000	1,136.17	1,157.79	21.62	1.90%	-3.89%

DAILY DEVELOPMENTS

MONDAY

Markets were closed on Monday in observance of the Labor Day holiday.

TUESDAY

There were no major economic announcements on Tuesday.

WEDNESDAY

The Labor Department's Job Openings and Labor Turnover Survey (JOLTS) for July showed that job openings jumped to 5.75 million in July, up 3.9% after holding steady at 3.6% for the three preceding months. The number of job openings in July was the highest since the series began in December 2000. The quits rate, which reflects people who are comfortable leaving their current job, came in at 1.9% for a fourth straight month. The layoffs and discharges rate fell to 1.1%. The news wasn't entirely positive, however, as hiring fell to 4.98 million in July from 5.18 million in June.

THURSDAY

On Thursday the Labor Department announced that initial claims for state unemployment benefits dropped 6,000 to a seasonally adjusted 275,000 for the week ended September 5th. It was the 27th straight week that claims remained below the 300,000 threshold, which is usually associated with a strengthening labor market. The four week moving average of claims, considered a better measure of trends as it irons out week-to-week volatility, ticked up 500 to 275,750 last week.

Separately the Labor Department released additional data on Thursday indicating that import prices fell 1.8 percent in August, which amounts to the largest decline since January. Import prices have now declined in 12 of the last 14 months, indicating that falling oil prices, a strong dollar, and soft global demand continued to put downward pressure on inflation.

FRIDAY

Producer prices were flat in August versus an expected decline of 0.2 percent, according to the Bureau of Labor Statistics' Producer Price Index (PPI). However, prices increased by 0.3 percent if the food and energy sectors are excluded, which was slightly more than expected. There have now been three straight monthly increases of 0.3 percent for PPI that are pointing to domestic inflationary pressures. This may help the more hawkish members of the Federal Reserve plead their case to start increasing the federal reserve rate at next week's meeting.

TIDBITS

Mortgage giant Freddie Mac said Thursday the average rate on a 30-year fixed-rate mortgage edged up to 3.90 percent from 3.89 percent a week earlier. The rate on 15-year fixed-rate mortgages rose to 3.10 percent from 3.09 percent.

QUOTE OF THE WEEK

"Imagination disposes of everything; it creates beauty, justice, happiness, which is everything in this world."
- Blaise Pascal

I hope you have found the information in this week's market summary informative. 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

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