ESTATE COUNSELORS, LLC

ASSET MANAGEMENT

The Market Week in Review

For Week Ending September 26, 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

After a failed late week rally, the major averages finished the week with losses. Subsequent to the Fed meeting last week, Chair Janet Yellen said in a speech this week that troubles around the globe are not likely to derail the U.S. economy or its stock market, and that interest rates most likely will be raised before the end of the year. However, the Fed will be keeping a vigilant eye on the health of the global economy to watch for warning signs which may in turn delay a rate hike. The dollar rallied against a basket of other currencies while crude oil remained range bound and closed near $45 per barrel. Despite the strengthening dollar, gold moved modestly higher to end the week near $1,145 an ounce.

Index	Started Week	Ended Week	Change	% Change	YTD %
DJIA	16,384.58	16,314.67	-69.91	-0.43%	-8.46%
Nasdaq	4,827.23	4,686.50	-140.73	-2.92%	-1.05%
S&P 500	1,958.03	1,931.34	-26.69	-1.36%	-6.20%
Russell 2000	1,163.37	1,122.79	-40.58	-3.49%	-6.80%

DAILY DEVELOPMENTS

MONDAY

The National Association of Realtors reported on Monday that by its count the sales of existing homes fell in August to a seasonally adjusted annual rate of 5.31 million, the lowest level since this past April. That's down from 4.48% from July’s 5.58 million tally, which was the highest in more than eight years. The decline is believed to have resulted from a 4.7% increase in the median sales price brought on by tighter inventories as solid job growth and low mortgage rates have boosted sales by 6.2% in the past year.

TUESDAY

The Federal Housing Finance Agency (FHFA) reported Tuesday morning that U.S. home prices rose 0.6% month over month in July. Compared with July 2014, the housing price index has gained 5.8%. The index rose in all nine Census Bureau divisions over the past 12 months. Gains have been greatest in the Mountain states, up 9.4%, and the least in the New England states, which are up 2.1%.

WEDNESDAY

Financial data firm Markit said the preliminary reading for its U.S. Manufacturing Purchasing Managers' Index for September was 53. That is the same reading as August, which was its lowest since October 2013. September's reading suggests that the U.S. manufacturing sector was stagnant in September, with little or no growth over August's sluggish pace.

THURSDAY

New orders for durable goods which are designed to last at least three years fell a seasonally adjusted 2% in August from a month earlier, the Commerce Department said Thursday. New orders for nondefense capital goods excluding aircraft, considered a proxy for business spending on equipment and software, fell by 0.2% in August after posting increases in June and July.

Separately the Commerce Department reported that sales of new, single-family homes rose by 5.7% to a seasonally adjusted annual rate of 552,000. The reading was well above economists' forecast of 515,000 and comes after July's reading was revised up to 522,000 from an initially estimated 507,000.

Also on Thursday, the Labor Department announced that initial jobless claims, a proxy for layoffs across the U.S., increased by 3,000 to a seasonally adjusted 267,000 in the week ended September 19th. There were no special factors affecting the latest weekly data. The four week moving average of claims declined by 750 to 271,750 last week.

FRIDAY

GDP in the second quarter rose to a 3.9% annualized clip. This rate was higher than the 3.7% rate economists' forecast and was boosted by the consumer, whose personal consumption spending levels increased. Business spending also helped to drive growth with fixed investment increasing to 4.1%. Inventory growth was revised lower which was another positive component of the report.

TIDBITS

The Federal Reserve has reported that the combined net worth of U.S. households and nonprofit organizations reached a record $85.7 trillion in the second quarter of 2015, rising by 0.8% or $694.8 billion as compared to the first quarter.

QUOTE OF THE WEEK

"It will likely be appropriate to raise the target range of the federal-funds rate sometime later this year and to continue boosting short-term rates at a gradual pace thereafter as the labor market improves further and inflation moves back to our 2% objective."

- Federal Reserve Chairman Janet Yellen during a speech on Thursday at the University of Massachusetts in Amherst.

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

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