

WeeklyMarket Update



General Market News

- The 10-year Treasury yield opened at 1.59 percent early Monday morning, after starting last week at 1.45 percent. The decent unemployment numbers released on Friday account for much of the move higher. The 30-year yield opened at 2.30 percent, up from 2.18 percent last Monday, and the 2-year yield at 0.73 percent, 8 basis points higher than last week.
- Led by the technology and financial sectors, the S&P 500 Index posted modest gains, ticking up 0.49 percent last week. Both JPMorgan Chase and Bank of America gained more than 3 percent on the week. The Nasdaq Composite Index continued its push higher, returning 1.21 percent after Symantec, Activision Blizzard, and Priceline beat earnings estimates.
- Last week's economic data offered mixed results. On the positive side, the unemployment rate held steady at 4.9 percent, nonfarm payrolls were up by 255,000, and personal spending and income increased. Although the ISM Manufacturing Index dropped slightly due to continued sluggish activity from the factory sector, the employment situation looks to be improving, as average hourly wages grew by 0.3 percent.

% Market Index Performance Data

EQUITIES

Index	Week-to-Date %	Month-to-Date %	Year-to-Date %	12-Month %
S&P 500	0.49	0.49	8.19	6.28
Nasdaq Composite	1.21	1.21	5.13	3.00
DJIA	0.65	0.65	8.07	8.54
MSCI EAFE	-1.45	-1.45	-0.63	-8.28
MSCI Emerging Markets	0.37	0.37	12.37	1.05
Russell 2000	0.96	0.96	9.34	1.50

Source: Bloomberg

Market Index Performance Data (continued)

FIXED INCOME

Index	Month-to-Date (MTD) %	Year-to-Date (YTD) %	12-Month %
U.S. Broad Market	-0.19	5.78	5.91
U.S. Treasury	-0.20	5.58	5.89
U.S. Mortgages	-0.01	3.31	3.89
Municipal Bond	-0.04	4.36	7.15

Source: Morningstar Direct



What to Look Forward To

The focus this week will be on producer-level inflation data, with the release of the **Producer Price Index**.

We will also see **Retail Sales** data for July and preliminary readings of **Consumer Confidence** for August.

Certain sections of this commentary contain forward-looking statements that are based on our reasonable expectations, estimates, projections, and assumptions. Forward-looking statements are not guarantees of future performance and involve certain risks and uncertainties, which are difficult to predict. All indices are unmanaged and are not available for direct investment by the public. Past performance is not indicative of future results. The S&P 500 is based on the average performance of the 500 industrial stocks monitored by Standard & Poor's. The Nasdaq Composite Index measures the performance of all issues listed in the Nasdaq Stock Market, except for rights, warrants, units, and convertible debentures. The Dow Jones Industrial Average is computed by summing the prices of the stocks of 30 large companies and then dividing that total by an adjusted value, one which has been adjusted over the years to account for the effects of stock splits on the prices of the 30 companies. Dividends are reinvested to reflect the actual performance of the underlying securities. The MSCI EAFE Index is a float-adjusted market capitalization index designed to measure developed market equity performance, excluding the U.S. and Canada. The MSCI Emerging Markets Index is a market capitalization-weighted index composed of companies representative of the market structure of 26 emerging market countries in Europe, Latin America, and the Pacific Basin. The Russell 2000® Index measures the performance of the 2,000 smallest companies in the Russell 3000® Index. The Barclays Capital Aggregate Bond Index is an unmanaged market value-weighted performance benchmark for investment-grade fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities with maturities of at least one year. The U.S. Treasury Index is based on the auctions of U.S. Treasury bills, or on the U.S. Treasury's daily yield curve. The Barclays Capital Mortgage-Backed Securities (MBS) Index is an unmanaged market value-weighted index of 15- and 30-year fixed-rate securities backed by mortgage pools of the Government National Mortgage Association (GNMA), Federal National Mortgage Association (Fannie Mae), and the Federal Home Loan Mortgage Corporation (FHLMC), and balloon mortgages with fixed-rate coupons. The Barclays Capital Municipal Bond Index includes investment-grade, tax-exempt, and fixed-rate bonds with long-term maturities (greater than 2 years) selected from issues larger than \$50 million. Rev. 08/16.

Authored by the Investment Research team at Commonwealth Financial Network.

© Commonwealth Financial Network®