



Colburn Financial

Mike Colburn
 Financial Planning Specialist
 1084 West Oakland Ave
 423-930-4021
 mike@colburnfinancial.com
 colburnfinancial.com

Market Week: March 16, 2015



The Markets

Bulls and bears duked it out last week, with the Dow experiencing multiple triple-digit intraday swings. In the end, the bears prevailed as the Dow and S&P 500 had their third straight week of losses, which sent both back into negative territory for the year. The dollar continued to gain strength, hitting \$1.06 against the euro (its highest level since January 2003), while the price of oil, which had been above \$50 a barrel at the beginning of the month, fell to roughly \$45. Coupled with the start of quantitative easing by the European Central Bank, that raised concerns about how U.S. multinational companies' sales overseas would fare going forward. The small caps of the Russell 2000, which are seen as having less international exposure, had the week's only gains.

Market/Index	2014 Close	Prior Week	As of 3/13	Weekly Change	YTD Change
DJIA	17823.07	17856.78	17749.31	-0.60%	-0.41%
Nasdaq	4736.05	4927.37	4871.76	-1.13%	2.87%
S&P 500	2058.90	2071.26	2053.40	-0.86%	-0.27%
Russell 2000	1204.70	1217.52	1232.14	1.20%	2.28%
Global Dow	2501.66	2530.74	2488.94	-1.65%	-0.51%
Fed. Funds	.25%	.25%	.25%	0%	0%
10-year Treasuries	2.17%	2.24%	2.13%	-11 bps	-4 bps

Chart reflects price changes, not total return. Because it does not include dividends or splits, it should not be used to benchmark performance of specific investments.

Last Week's Headlines

- Wholesale prices in the United States fell 0.5% in February, mostly because of the eighth straight monthly decline in costs for final-demand goods such as fuel/lubricants, machinery/equipment, and apparel. The Bureau of Labor Statistics said wholesale prices overall have now fallen 0.6% over the last 12 months.
- Retail sales fell for the third straight month as February's harsh winter weather helped cut spending by 0.6%. The Commerce Department said declines were seen in virtually all segments of the retail sector. However, retail sales as a whole were 1.7% ahead of February 2014.
- Job openings (sometimes seen as a proxy for workers' willingness to risk changing jobs) continued to rise, reaching 5 million in January. The Bureau of Labor Statistics said openings have now risen above their March 2007 peak. The number of people quitting their jobs in January was 3% higher than in December, according to the BLS's Job Openings and Labor Turnover Survey, and has now increased 17% over the last year.
- The recent slight bump in oil prices is probably temporary, according to the International Energy Agency's monthly report. The IEA warned that increased U.S. oil production could soon exceed storage capacity, which could renew downward pressure on prices. Financial markets have been concerned that



Key Dates/Data Releases

3/16: Empire State manufacturing survey, industrial production

3/17: Housing starts

3/18: FOMC announcement

3/19: Philly Fed manufacturing survey

3/20: Options expiration

falling oil prices might hit energy stocks hard and lead to production cutbacks and layoffs. While that might help stabilize oil prices, it could take a toll on the rest of the economy as well as stock indices that include a large energy component.

Eye on the Week Ahead

All eyes will be on the statement to be issued Wednesday by the Federal Open Market Committee. Any change in language--for example, not continuing to say that the committee will be "patient" about interest rates--could unleash more speculation about a June rate hike. Conversely, retention of the p-word might fuel speculation about a possible delay.

Data sources: News items are based on reports from multiple commonly available international news sources (i.e. wire services) and are independently verified when necessary with secondary sources such as government agencies, corporate press releases, or trade organizations. Market data: Based on data reported in WSJ Market Data Center (indexes); U.S. Treasury (Treasury yields); U.S. Energy Information Administration/Bloomberg.com Market Data (oil spot price, WTI Cushing, OK); www.goldprice.org (spot gold/silver); Oanda/FX Street (currency exchange rates). All information is based on sources deemed reliable, but no warranty or guarantee is made as to its accuracy or completeness. Neither the information nor any opinion expressed herein constitutes a solicitation for the purchase or sale of any securities, and should not be relied on as financial advice. Past performance is no guarantee of future results. All investing involves risk, including the potential loss of principal, and there can be no guarantee that any investing strategy will be successful.

The Dow Jones Industrial Average (DJIA) is a price-weighted index composed of 30 widely traded blue-chip U.S. common stocks. The S&P 500 is a market-cap weighted index composed of the common stocks of 500 leading companies in leading industries of the U.S. economy. The NASDAQ Composite Index is a market-value weighted index of all common stocks listed on the NASDAQ stock exchange. The Russell 2000 is a market-cap weighted index composed of 2,000 U.S. small-cap common stocks. The Global Dow is an equally weighted index of 150 widely traded blue-chip common stocks worldwide. Market indices listed are unmanaged and are not available for direct investment.

IMPORTANT DISCLOSURES

Broadridge Investor Communication Solutions, Inc. does not provide investment, tax, or legal advice. The information presented here is not specific to any individual's personal circumstances.

To the extent that this material concerns tax matters, it is not intended or written to be used, and cannot be used, by a taxpayer for the purpose of avoiding penalties that may be imposed by law. Each taxpayer should seek independent advice from a tax professional based on his or her individual circumstances.

These materials are provided for general information and educational purposes based upon publicly available information from sources believed to be reliable—we cannot assure the accuracy or completeness of these materials. The information in these materials may change at any time and without notice.