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| **RESOURCE LOG – May 2016** |
| **Article Title** | **Detail** | **Publication** | **Date** | **Author** |
| Is This the Year to Stay in May? | With U.S. stocks near record highs and memories of last summer’s volatility still in mind, investors could be forgiven for wondering whether this is the year to “sell in May and go away”.After falling 11% in about the first six weeks of the year, stocks have bounced back, but now at a slower pace. In the six weeks following a Feb. 11 trough, the S&P 500 climbed 11%. In the roughly five weeks after that, it rose 14%. Both the Dow Jones Industrial Average and the S&P 500 are off about 3% from their highs set in May of last year. | The Wall Street Journal | 05/02/2016 | Corrie Driebusch & Aaron Kuriloff |
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| High Anxiety: Markets Get Roiled*Stocks and oil fall, yen strengthens as China worries and Australia rate cut set the tone* | Stocks and oil futures tumbled and Japan’s yet hit its highest intraday level against the dollar since October 2014, as investors struggled to reconcile recent market gains with unease over the pace of global growth.Adding to concerns were a drop in Chinese manufacturing and signals that Eurozone growth is slowing more than forecast, traders said. Yet in recent months the decline of the U.S. dollar and easier policy from global central banks have helped fuel gains in many riskier assets, allowing the Dow industrials to recover from a decline of as much as 10% earlier this year. | The Wall Street Journal | 05/04/2016 | Ira Iosebashvili, Min Zeng and Ben Eisen |
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| Corporate Insiders Sending Bullish Signs*And if they’re right, Dow 20,000 is likely within next year* | Here’s some welcome news for investors worried about recent market volatility: Corporate insiders on balance are giving stocks the benefit of the doubt. That is a bullish sign for their companies – and for the market in general.A corporation’s insiders, of course, are its officers, directors and largest shareholders. We know when they buy or sell shares of their companies’ stock because they are required to immediately report their transactions to the Securities and Exchange Commission. Shrewd investors pay close attention on the theory that insiders know more about their companies’ prospects than do the rest of us.A good example is Jamie Dimon. The CEO of JPMorgan Chase sent a strong vote of confidence in early February when he spent almost $27 million buying 500,000 JPMorgan shares after the bank’s stock had tumbled 20% in 2016 alone. Insider transaction data are also helpful in drawing our attention to particular sectors that represent particularly good value. Now, according to Seyhum, the energy and technology sectors are two in which insiders are relatively most bullish. | USA Today | 05/05/2016 | Mark Hulbert |
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| America’s MarketWhat to watch*Investors blink as rally hits speed bump* | Things change on Wall Street. Sometimes quickly.And so it is that a stock market that was flirting with new highs has suddenly hit a speed bump.Talk of the market maybe making new highs has given way to talk of the Nasdaq nearing correction territory, or a 10% drop from its high. Talk of the broad Standard & Poor’s 500 stock index in danger of sinking back into the red again for the year. And talk of the Dow’s year-to-date gains dwindling as well.The changing narrative can be blamed on the Nasdaq finishing lower nine of the past 10 sessions.The market is showing signs of fatigue. After back-to-back losses, the Nasdaq kicks off Thursday’s session 9.5% below its record high and in danger of falling into correction territory. The S&P 500 is up just 0.4% for the year. Investors should be watching to see if the market can reverse its fall. | USA Today | 05/05/2016 | Adam Shell |
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| Soft Jobs Market Clouds Outlook*Wages grow modestly, but payrolls report offers murky reading on economy’s health* | U.S. companies slowed the pace of hiring in April while paying workers only slightly more, signaling a softening of the labor market that knocked down economists’ expectations for a Federal Reserve interest-rate increase next month.The unemployment rate held steady at 5%, but the share of Americans participating in the labor force dipped after earlier signs of stabilization.Employment gains have now averaged 192,000 a month so far this year, down from 2015’s average of 229,000 jobs added monthly. | The Wall Street Journal | 05/07/2016 | Eric Morath |
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| Investors Anxious on Dollar*Currently is down this year but can turn quickly, hurting stocks, oil, emerging markets* | The powerful rallies that have lifted stocks, crude oil and emerging markets for the past three months have one important thing in common – the falling dollar – and investors are growing anxious that it could prove to be the weak link.While the dollar is down 4.5% this year and near a one-year low against a basket of currencies, other investments have surged. U.S. crude prices are up 70% from their February lows. Gold was up 16.5% in the first quarter, its best in three decades. And emerging-market stocks, bonds and currencies have enjoyed double-digit gains in 2016.The dollar depends heavily on perceptions of what the Federal Reserve will do with interest rates, … Meanwhile, analysts warn that the fundamentals for oil emerging-market assets and even many stocks look too weak to support the recent price gains on their won. “Currency is the most influential factor for markets this year”, said Graham Secker, head of European equity strategy at Morgan Stanley. | The Wall Street Journal | 05/09/2016 | Ira Iosebashvili, Chelsey Dulaney and Christopher Whittall |
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| By the Numbers | Too Much Debt – America’s national debt is 105% of the size of the U.S. economy today. Our national debt was 54% of the size of the U.S. economy in 1960 (source: White House). | Direxion Investments | 05/09/2016 |  |
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| Weekly Market Recap | Thought of the week: The 1Q earnings season is coming to a close, with 88.2% (432 companies) of market cap having reported as of the end of last week.With oil prices showing signs of stabilization, we can reasonably expect a modest rebound in results for the sector in coming quarters. Top line growth was a highlight in 1Q, with 44% of companies beating revenue estimates, the highest rate since 4Q 2014. This was largely FX driven, as the U.S. dollar declined 4.2% relative to its major trading partners in 1Q, resulting in some relief for international sales figures for the first time in over a year. While we are by no means out of the woods yet, we do anticipate these macro headwinds will continue to abate, resulting in a return to positive revenue and EPS growth by the second half of this year which should support further equity market appreciation. | J. P. Morgan Asset Management | 05/09/2016 |  |
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| Investors’ Zero-Rate Challenge | The introduction of negative nominal interest rates as a policy tool was a step into the unknown, with potentially serious consequences for the financial system, such as the hoarding of cash. That hasn’t happened,…But even if further cuts don’t occur; rates aren’t going anywhere in a harry. The European Central Bank and Bank of Japan are clearly going to keep rates on the floor.The continued drive into negative territory has kept the bond bull market alive by generating capital gains.The outlook for bond returns is now skinny indeed. The yield on Barclays’s German government-bond index is minus 0.07%; for Japanese government bonds it is minus 0.08%. Even in the U.S., the average yield on U.S. Treasurys is just 1.3%, and low rates elsewhere may put a ceiling on upward moves.Faced with persistently low yields, either return assumptions will have to be lowered-potentially increasing the need for saving by end investors – or asset managers will have to take yet more risk,But violent market swings in the past year are a sign risk appetite has limits.For investors, increased exposure to illiquid products may create more volatility in traditional securities as they will be the first to be sold if trouble hits. | The Wall Street Journal | 05/09/2016 | Richard Barley |
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| Saudi Shift Raises Doubt on Oil Prices | The dismissal of Saudi Arabia’s long-serving and influential oil minister ushered in a new wave of uncertainty for oil prices, which have rallied lately.Large oil-producing nations, including Saudi Arabia, last month failed to agree on a deal to freeze output, and some analysts say these countries could ramp up production further as they compete for market share.Khalid al-Faith, Mr. Naimi’s successor, is a long-serving Saudi oil man but he doesn’t have the same experience dealing with the fractured politics of OPEC, the 13-nation cartel that controls a third of the world’s oil.Another issue for markets is Saudi Arabia’s continued quest for market share. Its grip on Chinese, Japanese and Indian markets has slipped recently amid stiffening competition from countries such as Russia and Iran. | The Wall Street Journal | 05/09/2016 | Nicole Friedman, Summer Said and Benoit Faucon |
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| China Bolsters Ailing Firms | China is doubling down on efforts to keep unprofitable factories afloat despite for years pledging to curb excess capacity, adding to a glut of basic materials flooding the global economy.The country’s overproduction of steel, aluminum, diesel and other industrial goods has driven down prices and crippled competitors, leading to thousands of lost jobs in the U.S. and elsewhere. | The Wall Street Journal | 05/09/2016 | Brian Spegel and John W. Miller |
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| What’s News | ♦ U.S. stocks rallied, bolstered by a rebound in oil prices. The Dow rose 222.44 points to 17928.35. | The Wall Street Journal | 05/11/2016 |  |
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| What’s News | ♦ U.S. stocks dropped amid concerns over consumer spending. The Dow fell 217.23 points to 17711.12. | The Wall Street Journal | 05/12/2016 |  |
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| Stocks Slip 3rd Week in Row | U,S, stocks ended a rocky week lower, as a slump in consumer-focused companies led major indexes to their third consecutive week of declines.Gloomy earnings reports from retailers sparked concerns about consumer spending during the week.The Dow Jones Industrial Average fell 185.18 points, or 1%, Friday to 17535.32. the S&P 500, their longest weekly losing streaks since the three-week period ended Jan. 15.In commodities, U.S. oil prices fell 1% Friday to $46.21 a barrel, but gained 3.5% for the week.Gold for May delivery added 0.1% to $1,271.90 an ounce Friday, but had a weekly loss of 1.6%.The yield on the 10-year Treasury note fell to 1.705% on Friday, from 1.779% the previous Friday, the largest one-week yield drop since April 1. | The Wall Street Journal | 05/14-15/2016 | Leslie Josephs and Corrie Driebusch |
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| Weekly Market Recap | Thought of the week: Emerging market (EM) assets have performed well so far this year. Through the end of April, EM equities returned +6.4%, USD sovereign bonds +6.9% and USD corporate bonds +5.7%. A better external environment over the past few months has played a large role in improving sentiment toward EM. This more favorable backdrop includes a fall in the U.S. dollar versus many EM currencies, an increase in several hard-hit commodity prices and signs of stabilization in China. | J. P. Morgan Asset Management | 05/16/2016 |  |
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| What’s News | ♦ Energy shares fueled a broad rally as oil prices hit a 2016 high. The Dow rose 175.39 points to 17710.71. | The Wall Street Journal | 05/17/2016 |  |
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| Buying bonds as Risks Rise*Investors balance fear of missing a rally as cost of interest-rate hikes hits 15-year high* | Global investors are struggling to reconcile low U.S. government-bond yields with signs of economic strength, underscoring the sense that Treasury markets are increasingly vulnerable to a reversal following this year’s gains.The duration of U.S. government bonds, reflecting their sensitivity to rising interest rates, hit its highest level last week in 15 years at 6.29, according to Barclays PLC data.That means a bond portfolio tracking Barclays’ U.S. Treasury Index would sink by 6.29% in value in response to a one-percentage-point increase in yields-a large decline at a time when an investor’s annual payout on the 10-year Treasury note is just 1.759%.The 10-year Treasury yield this year has fallen more than half of a percentage point, implying a significant price increase from the end of 2015.“The pain is definitely two-way”, said Anthony Cronin, a Treasury bond trader at Société Générale SA. “There is a fear of missing out the next bond market rally in case U.S. yields continue to fall, but at the same time there are signs of an inflating bond bubble as more and more of the yields dip below zero”. | The Wall Street Journal | 05/18/2016 | Min Zeng |
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| What’s News | ♦ U.S. stocks fell on heightened expectations for a rate increase. The Dow shed 180.73 points to 17529.98. | The Wall Street Journal | 05/18/2016 |  |
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| Rate Worries Rack Bonds*Brighter economic data raises prospect of Fed hike; yield curve is now flattest since 2007* | A combination of strengthening economic data at home and plummeting interest rates overseas is causing distortions in the U.S. bond market as investors grapple with the question of when the Federal Reserve will next raise interest rates.The premium that investors receive for holding 10-year U.S. government debt instead of two-year notes fell to0.94 percentage point. A year ago, the gap was 1.65 points. | The Wall Street Journal | 05/18/2016 | Min Zeng and Ben Eisen |
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| Are Dividends Too High and Investment Too Low? | U.S. companies are paying out dividends at near-record levels, leaving some investors asking: Why won’t they invest?But the companies paying them may not have much of a choice, with few obvious opportunities to invest for growth.Even fund managers, the beneficiaries of dividends, are becoming skeptical of the trend.A growing number think dividends are too high and investment is too low, according to Bank of America Merrill Lynch’s global fund-manager survey.More than 35% of S&P 500 stocks offer investors a higher dividend payout than the yield they would get from their corporate bonds. That is against less than 10% for most of the years between 2000 and the 2008 financial crisis.Sluggish global growth has caused companies to sit on growing piles of cash. | The Wall Street Journal | 05/19/2016 | Mike Bird |
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| Fed Signals A June Hike Is on Table | WASHINGTON-Federal Reserve officials sent skeptical investors a sharp warning Wednesday that in interest-rate increase is still in play for June’s policy meeting if the economy keeps improving.Until a few days ago, traders in futures markets saw almost no possibility the Fed would move short-term interest rates up at midyear. However, a batch of strong economic data, recent comments by Fed officials and a new release by the central bank on the deliberations at its last policy meeting have changed that perception. | The Wall Street Journal | 05/19/2016 | Kate Davidson and Jon Hilsenrath |
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| S&P 500 Turns Lower for 2016 | The Dow Jones Industrial Average fell for a third straight session and the S&P 500 erased its gains for the year, underscoring hos the prospect of higher interest rates has unsettled investors this week.The blue-chip index fell 91.22 points, or 0.5%, to 17435.40, all but erasing the index’s gains for the year.The losses put its record close of 18312.39 hit May 19, 2015, further out of reach. | The Wall Street Journal | 05/20/2016 | Leslie Josephs and Riva Gold |
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| U.S. Stocks End Down Week With Gain*The Dow ends Friday with a 66-point rise, helped by a jump in some bank shares* | U.S. stocks rose Friday, reversing losses from earlier in the week as changing expectations about when the Federal Reserve will next raise interest rates dominated trading. For the week, the Dow industrials slipped 0.2%, marking its fourth week in a row of declines, while the S&P 500 rose 0.3% after three consecutive weeks of losses.On Friday, the Dow Jones Industrial Average rose 65.54 points, or 0.4%, to 17500.94. the S&P 500 gained 12.28 points, or 0.6%, to 2052.32. Both indexes are up 0.4% so far this year.The Nasdaq Composite climbed 57.03 points, or 1.2%, to 4769.56 Friday, rising 1.1% this week after four weeks of losses. The index is down 4.8% so far this year.“The Fed has affected the market the last three days, but everyone’s realigning themselves today”, said Tom Carter, managing director at brokerage JonesTrading.Minutes from the Fed’s April meeting, released Wednesday, showed that an interest-rate increase is in play for June’s policy meeting if the economy keeps improving. | The Wall Street Journal | 05/21-22/2016 | Corrie Driebusch and Riva Gold |
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| What’s News | ♦ Stock and bond markets appear ready to absorb the next Fed rate increase without descending into turmoil, fund managers say. | The Wall Street Journal | 05/23/2016 |  |
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| What’s News | ♦ Investors are pulling out of European markets amid concerns about politics, low rate, weak banks and economic malaise. | The Wall Street Journal | 05/23/2016 |  |
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| Less Turmoil Seen In Fed’s Next Hike | Stock and bond markets appear ready to absorb the next Federal Reserve rate increase without descending into turmoil, fund managers say, reflecting economic shifts and investor positioning since the last Fed move in December.Fears of another market tantrum arose last week after Fed officials repeatedly warned that investors were underestimating the likelihood of a rise in the fed-funds rate at the central bank’s June 14-15 meeting.Yet many portfolio managers say upheaval appears unlikely. One reason, they say, is that the dollar and oil are both offering markets much more comfort than they did as recently as last year. | The Wall Street Journal | 05/23/2016 | Min Zeng and Mike Cherney |
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| Prospect of rate rise grows as U.S. moves closer to passing Fed tests*FOMC member says conditions nearly met* | The U.S. is already on the verge of meeting most of the economic conditions that the Federal Reserve has set for interest rates to be raised next month, a member of the rate-setting Federal Open Market Committee says.Until last week markets were putting extremely low odds on a summer rate rise, in part because of the dovish tone of Fed chair Janet Yellen’s last speech two months ago.To justify a move at its meeting on June 14-15, the Fed set itself three tests: to see further signs of an economic rebound in the second quarter, further jobs-market strength and for inflation to carry on towards the Fed’s 2 per cent goal.Markets have been more buoyant as oil prices rose, the dollar eased and U.S. economic data gained strength. | Financial Times | 05/23/2016 | Sam Fleming |
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| U.S. ‘liquid alt’ funds disappoint as allure of hedge fund-like strategy fades | Assets in so-called liquid alternative mutual funds in the U.S., which doubled between 2011 and 2014, have stagnated for two years, and data show the average fund lost money, regardless of whether the sector was measured over one, three, five or ten years.Liquid alts try to replicate some hedge fund strategies, such as equity long-short trading or momentum trading through managed futures, or to give retail investors access to multiple underlying managers through a “fund of hedge funds” structure.The difference is that mutual funds are open to the public and investors can take out their money at any time.…said Josh Charlson, analyst of Morningstar. “High fees on top of that cut into the already low-return environment. Investors would have been better in a plain old 60/40 balanced fund (of stocks and bonds)”. | Financial Times | 05/23/2016 | Stephen Foley and Mary Childs |
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| Cash Hoarders*5 U.S. Companies Own a Third of All Holdings* | Apple, Microsoft, Alphabet, Cisco Systems and Oracle are sitting on $504 billion, or 30%, of the $1.7 trillion in cash and cash equivalents held by U.S. non-financial companies in 2015, according to an analysis released Friday by ratings agency Moody’s Investors Service.Corporate America’s rising pile of cash is becoming increasingly important to investors as profit growth and the stock market stalls. The amount of cash held by U.S. companies rose 1.8% in 2015. Unfortunately for U.S. investors, 72% of total cash held by all non-financial U.S. companies is stock-piled outside the U.S., up from 64% in 2014 and 58% in 2013, as companies try to avoid paying U.S. tax rates.Investors are eyeing companies’ growing cash piles as potential sources of dividend increases to maintain fat returns even if stock prices continue to go nowhere. Dividends rose 4% last year to a record high of $404 billion,…Some of the biggest holders of cash are also the same companies with much of their cash outside the U.S. Apple, Microsoft, Cisco, Alphabet and Oracle have $441 billion saved overseas, or 87% of their total cash.“We expect that overseas cash balances will continue to grow unless tax laws are changed to encourage companies to repatriate money”, the Moody’s report says. | USA Today | 05/23/2016 | Matt Krantz |
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| For U.S Manufacturers, a Split Picture*Domestic-oriented producers are doing well, while global-economy problems stymie exporters* | Global industrial giants are struggling under the weight of a strong dollar, reeling commodity markets and weak demand in emerging and advanced economies alike, from Brazil to Europe to China. But domestically oriented U.S. manufacturers are faring better, with steadier business buoyed by the relatively brighter auto, housing and job markets.While the world’s largest economy-the U.S.-is struggling to accelerate, it is performing better than many of its counterparts struggling just to stay above water. | The Wall Street Journal | 05/23/2016 | Lisa Beilfuss |
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| Investors Pull Out of Europe*Cash flow out as political discord, economy, negative rates raise concerns* | Investors are fleeing Europe.Fund managers are pulling cash out of European equity and debt markets in response to concerns about the continent’s fractious politics, ultralow interest rates and weak banks, and relentless economic malaise.Meanwhile, annual net outflows from Eurozone bonds were running at over half a trillion euros as of the end of March, according to a Pictet Wealth Management analysis of data from the European Central Bank. That is happening as investors are turning away from Europe’s growing pool of negative-yielding debt.The money is finding a home in places from U.S. Treasurys to emerging economies, helping to push up prices in those markets.Just last year, Europe was a top pick by global fund managers as it recovered from the sovereign-debt crisis of 2010 to 2012. The current retreat show that this rehabilitation has faded, and fast. | The Wall Street Journal | 05/23/2016 | Christopher Whittall and Riva Gold |
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| Housing Market Gets Stronger | Spring has sprung for the housing market. Even the Federal Reserve isn’t likely to spoil the fun.Steady job growth, rising wages and low interest rates have helped prop up housing demand. | The Wall Street Journal | 05/23/2016 | Steven Russolillo |
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| Major Stock Indexes Stage Rally*Technology, financial shares lead way as investors take cheer from oil, housing data* | Technology and financial stocks led the S&P 500 to its biggest gain in more than two months.Strong housing data, rising oil prices and investor confidence that higher interest rates won’t undermine stock prices combined to help lift major indexes. All 10 sectors in the S&P 500 rose, while U.S. government bonds and gold fell.The Dow Jones Industrial Average rose 213.12 points, or 1.2%, to 17706.05 for its biggest gain since May 10. | The Wall Street Journal | 05/25/2016 | Aaron Kuriloff and Riva Gold |
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| Rising Dollar Shakes Up Markets | A resurgent dollar is rattling investments in many commodities and emerging markets, marking a retreat from riskier assets following a sharp 2016 rebound. The WSJ Dollar Index is up 3.2% this month, reflecting rising expectations that the Federal Reserve will raise short-term interest rates as soon as its June 14-15 meeting. … expect the dollar to rally further this year, as Fed officials signal their determination to increase rates at a time when Europe, Japan and China are using stimulus to bolster domestic demand for goods and services.The surge has shaken a major 2016 market success story: the rebound rally in stocks, bonds and currencies in the developing world.The MSCI Emerging Markets index has slumped 6.2% this month, putting the index in negative territory for the year. | The Wall Street Journal | 05/25/2016 | Ben Eisen and Carolyn Cui |
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| What’s News | ♦ U.S. stocks climbed as bank and energy shares rallied. The Dow gained 145.46 points to 17851.51. | The Wall Street Journal | 05/26/2016 |  |
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| Looking Good Only on the Surface | Demand for total durable goods surged from the prior month printing at 3.4%. The market was expecting only 0.5%.Bottom Line: The headline durable goods number was impressive, but the increase was mostly due to the volatile commercial aircraft category. Core capital goods orders, which is a good proxy for future business investment dropped for the 3rd consecutive month and is now down by 6.7% YoY. On an annual basis, this number has been trending lower for the last two years and has been negative in 15 out of the last 18 months. U.S. factories continue to struggle with weaker global sales, lower earnings and modest spending by consumers, resulting in weaker demand for capital outlays. This report continues to point towards a fragile business investment outlook and may impact the Fed’s decision, as a stronger dollar could worsen manufacturing conditions. | Piper Jaffay & Co. | 05/26/2016 |  |
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| Rally Drives Oil Closer to Sweet Spot | Crude prices briefly rose above $50 a barrel in intraday trading Thursday, a level they haven’t reached since October, continuing a jagged rise over the last three months.A sustained price at or slightly above $50 isn’t high enough to spur energy companies to spend again on big projects but offers some relief after almost two years of swooning prices. It is also a price low enough to boost economic growth in many countries, including the U.S.  | The Wall Street Journal | 05/27/2016 | Jeffrey Sparshott and Georgi Kantchev |
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| Yellen Sees Rate Hike Coming Soon*As economy shows signs of pickup, Red is on watch to move, but wild cards linger* | Federal Reserve Chair-woman Janet Yellen on Friday signaled the central bank will likely raise interest rates within months if the U.S. economy keeps gaining strength.This leaves the door open for a move as soon as the Fed’s next policy meeting June 14-15 or at its gatherings in July or September….Gauges of consumer confidence and spending, housing-market activity and industrial production all gained steam during the spring months. Forecasting firm Macroeconomic Advisers on Friday projected growth in gross domestic product,……would accelerate to a 2.5% annual rate in the second quarter from the first quarter’s 0.8% pace. | The Wall Street Journal | 05/28-29/2016 | Kate Davidson and Ben Leubsdorf |
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| What’s News | ♦ Stock indexes notched their biggest weekly gains in months. The Dow industrials on Friday rose 44.93 points to 17873.22. | The Wall Street Journal | 05/28-29/2016 |  |
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| Fear of Outages Lifts Oil*Supply disruptions in Nigeria, Canada and Libya bring back risk premium into market* | Oil-supply outages are at their highest level in more than a decade, bolstering the “fear premium” that has helped push crude prices higher to $50 a barrel.Unused production capacity that the Organization of the Petroleum Exporting Countries can bring on quickly has dwindled, and the glut of output from other producers, including U.S. shale companies, has ebbed as companies cut back amid lower prices.Natural disasters or political unrest in oil-producing nations can halt production and disrupt shipping routes. Such events have historically boosted oil prices because traders worry about the availability of future supplies.  | The Wall Street Journal | 05/31/2016 | Nicole Friedman |
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| Optimism on Economy Rises in Europe*Consumers, business are more upbeat even amid migrant crisis, anti-EU campaigns* | The resilience of the economic sentiment indicator in the face of political uncertainties suggests Europe’s recovery will continue over coming months, albeit at a modest pace. More upbeat businesses may increase their investments, while more optimistic households could spend more freely, supporting economic growth.Another threat to the status quo looms on June 23, when Britons vote on whether to remain in the bloc. A decision to leave – a so-called Brexit vote – could lead to calls for similar votes in other EU countries.Economic sentiment strengthened even in those countries at the center of Europe’s political uncertainty.But the central bank is also expected to signal that further action may yet be required, since new forecasts are expected to show that the inflation rate will remain below its target as last at 2018. | The Wall Street Journal | 05/31/2016 | Paul Hannon |
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|  | **DJIA** 17873.22 Closed**NASDAQ** 4933.50 Closed**10-YR. Treas.** Closed; yield 1.851%**Oil** $49.33 Closed**Gold** $1,213.80 Closed | The Wall Street Journal | 05/31/2016 |  |

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