
Markets Fall Amid Additional Turmoil

Weekly Update – September 28, 2015

Stocks continued their rollercoaster ride last week, dogged by worries from Washington and a plunge in biotechs that pushed the major indexes lower. For the week, the S&P 500 lost 1.36%, the Dow fell 0.43%, and the NASDAQ dropped 2.92%.¹

Government Roadblocks Ahead?

Amid concerns about an October government shutdown, House Speaker John Boehner announced that he would resign his position next month to avoid leadership turmoil. While many analysts believe that his departure reduces the risk of an October shutdown, it could increase the risk of an end-of-year standoff. Republicans and Democrats are squaring off again over fiscal policy and the added drama of next year's elections could cause the fight to drag out to the end of the year.² Will the Fed have to consider Washington politics in its rate decision? We'll see.

Fed Clarifies Rate Thinking (Somewhat)

Federal Reserve Chairwoman Janet Yellen clarified the Fed's position on rate hikes in a speech on Thursday. She emphasized that the Fed is likely to raise rates this year, and that she is personally committed to that strategy. However, the decision will continue to rely on economic data and a rate hike is not yet certain.³ Her statement adds much-needed context to the Fed's decision to keep rates steady and will hopefully give investors more certainty this week.

Q2 Growth Accelerated to 3.9%

We also got our final report on second-quarter economic growth, which showed that Gross Domestic Product (GDP) grew faster than originally expected. The revised data shows that the economy grew at an accelerated rate of 3.9% last quarter, driven by stronger consumer spending and construction.⁴ Hopefully, the increased pace of consumer spending – which drives two-thirds of economic activity – held into the third quarter.

Week Ahead Packed with Data

Looking at the week ahead, analysts will be closely watching the September jobs report, which could sway the debate on interest rate hikes one way or the other. Investors will also be watching Washington to see how Boehner's resignation will affect the budget battle. With several Fed officials giving speeches that could shed additional light on their internal debates, this week promises plenty of headlines for markets to digest.⁵

ECONOMIC CALENDAR:

Monday: Personal Income and Outlays, Pending Home Sales Index, Dallas Fed Mfg. Survey

Tuesday: International Trade, S&P Case-Shiller HPI, Consumer Confidence

Wednesday: ADP Employment Report, Chicago PMI, EIA Petroleum Status Report, **Janet Yellen Speaks 2:00 PM ET**

Thursday: Motor Vehicle Sales, Jobless Claims, PMI Manufacturing Index, ISM Mfg. Index, Construction Spending

Friday: Employment Situation, Factory Orders

Data as of 9/25/2015	1-Week	Since 1/1/15	1-Year	5-Year	10-Year
Standard & Poor's 500	-1.36%	-6.20%	-1.76%	13.63%	5.89%
DOW	-0.43%	-8.46%	-3.72%	10.04%	5.66%
NASDAQ	-2.92%	-1.05%	4.92%	19.36%	12.14%
U.S. Corporate Bond Index	-0.59%	-2.54%	-1.35%	0.64%	1.01%
International	-3.11%	-6.43%	-11.02%	1.20%	0.47%
Data as of 9/25/2015					
Treasury Yields (CMT)	0.00%	0.07%	0.35%	1.48%	2.17%

Notes: All index returns exclude reinvested dividends, and the 5-year and 10-year returns are annualized. Sources: Yahoo! Finance and Treasury.gov. International performance is represented by the MSCI EAFE Index. Corporate bond performance is represented by the DJCBP. Past performance is no guarantee of future results. Indices are unmanaged and cannot be invested into directly.

HEADLINES:

Durable goods orders drop in August. The latest data shows that orders for long-lasting manufactured goods dropped by 2% last month. However, exclusive of the volatile transportation category, durable goods orders remained flat, indicating that the drop might be temporary.⁶

Consumer sentiment falls to lowest level since October 2014. A survey of how Americans feel about the economy found that consumers lost confidence in September amid worries about China and the global economy. Since consumer spending makes up a large part of economic activity, a drop in confidence could affect growth this quarter.⁷

Weekly jobless claims rise slightly. The number of Americans filing new claims for unemployment benefits rose slightly by 3,000 claims last week, though the underlying trend still shows the economy adding jobs.⁸

Existing home sales drop in August. After previous months of gains, existing home sales dropped sharply last month, falling 4.8%. However, monthly data can be volatile and sales are still up 6.2% from one year ago.⁹

QUOTE OF THE WEEK



“Without labor nothing prospers.”

– Sophocles

RECIPE OF THE WEEK



Fast Black Bean Soup



Instead of cooking beans for hours, use a shortcut to make this delicious and healthful soup in less than an hour.

Ingredients:

Serves 4

- 1 Tablespoon olive oil
- 1 small onion, minced
- 2 cloves of garlic, minced
- 1 teaspoon cumin powder
- 1 pint store-bought fresh salsa
- 1 16-ounce can refried black beans
- 1 15-ounce can black beans, rinsed
- 1 14.5-ounce can low-sodium chicken broth (use vegetable broth to make this a vegetarian dish)
- 1/2 cup low-fat sour cream
- 1 cup shredded cheddar or pepper jack cheese
- 1/4 cup fresh cilantro, rinsed thoroughly and roughly chopped

Directions:

1. Heat the olive oil in a medium, heavy-bottomed pot over medium-low heat. Add the onions and cook them until translucent, stirring occasionally to keep them from browning and sticking. Add the garlic and cumin and cook for an additional 3-4 minutes, still stirring.
2. Add 1-1/2 cup of the fresh salsa and cook for an additional 3-4 minutes. Add the black beans, refried beans, and broth to the pot and cover. Raise the heat and bring the soup to a boil. Reduce the heat back to medium-low and simmer for 5 minutes.
3. Serve the soup immediately, topped with the sour cream, cilantro, cheese, and remaining salsa. The soup will keep in the refrigerator for up to 48 hours.

Recipe adapted from Kate Merker | RealSimple.com¹⁰



Want to Give Back? Become a Tax Volunteer.

If you'd like to learn more about taxes and give back to your community, becoming a tax volunteer might interest you. The IRS sponsors two programs to offer assistance to low-to-moderate income taxpayers. Volunteers in the Volunteer Income Tax Assistance and Tax Counseling for the Elderly prepared more than 3.7 million free tax returns in 2015. Here's what you need to know:

- No prior experience is needed, though fluency in another language is very helpful.
- You'll get free tax training and materials. You'll learn how to prepare basic tax returns and learn about many tax credits and deductions.
- Volunteer hours are flexible. Volunteers usually serve between three and five hours per week, depending on the needs of their tax site.
- Volunteer sites may be close to your home. More than 12,000 sites in neighborhoods around the country were set up in libraries, community centers, schools, and shopping malls in 2015.

For more information about becoming a tax volunteer, visit [IRS.gov](https://www.irs.gov).

Tip courtesy of [IRS.gov](https://www.irs.gov)¹¹



Keep Your Head Steady

It's very difficult to develop a steady, consistent swing if your head's moving all over the place. Ideally, you want your head and neck to swivel to allow you to watch the ball throughout the swing while keeping your head relatively still.

To work on keeping your head steady, try this easy drill:

Find a handy wall with a flat stretch of ground in front of it. Stand a couple of feet away with a club in your hand. Pretend that you're setting up to the tee and fall into your natural stance over the ball while pressing your forehead against the wall. You may have to adjust your distance away from the wall to avoid bending too far over or standing up too straight. When you're in a comfortable stance, take a backswing and then swing through your imaginary ball. What's your head doing? If you feel it rubbing around against the wall, it means that you're not keeping a steady head throughout your swing.

If you'd rather not rub the skin off your forehead, you can try a similar drill by putting a tee in your mouth and working on keeping it pointed directly over the ball throughout the swing.

Tip courtesy of Chuck Evans, PGA | Golf Tips Mag¹²



CDC Issues Report Card for Antibiotics in Restaurant Meat

The Centers for Disease Control consider the over-use of antibiotics in the country's meat production to be a major concern, largely because of worries about "superbug" infections that don't respond to medical treatment. To help consumers make educated choices about the meat they consume, the CDC created a report card for many popular fast-food chains. Among the results:

Chipotle and Panera earned A-grades for eliminating antibiotics from most of their meat supplies. Subway, Starbucks, and Wendy's were among the restaurants earning failing grades.

Tip courtesy of AARP¹³



Clean Off Your Shoes

The next time you go for a walk in a natural area, think about what pests and organisms you might be transporting home on the soles of your boots or shoes. Ecologists are concerned about the effects of invasive plants and diseases on delicate environments. One way these invaders move to new territories is on the shoes and clothing of visitors. To avoid contributing to the problem, try these tips:

- Pick off the seeds and detritus on the bottom of your shoes and boots before getting into the car.
- Clean your soles with a 10% bleach solution between hikes to kill off organisms.
- Wash your clothing and gear with hot soapy water to avoid contamination.

Tip courtesy of The Nature Conservancy¹⁴

Share the Wealth of Knowledge!

Please share this market update with family, friends, or colleagues.

We love being introduced!

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Investing involves risk including the potential loss of principal. No investment strategy can guarantee a profit or protect against loss in periods of declining values.

Diversification does not guarantee profit nor is it guaranteed to protect assets

The Standard & Poor's 500 (S&P 500) is an unmanaged group of securities considered to be representative of the stock market in general.

The Dow Jones Industrial Average is a price-weighted average of 30 significant stocks traded on the New York Stock Exchange and the NASDAQ. The DJIA was invented by Charles Dow back in 1896.

The Nasdaq Composite is an index of the common stocks and similar securities listed on the NASDAQ stock market and is considered a broad indicator of the performance of stocks of technology companies and growth companies.

The MSCI EAFE Index was created by Morgan Stanley Capital International (MSCI) that serves as a benchmark of the performance in major international equity markets as represented by 21 major MSCI indexes from Europe, Australia and Southeast Asia.

The Dow Jones Corporate Bond Index is a 96-bond index designed to represent the market performance, on a total-return basis, of investment-grade bonds issued by leading U.S. companies. Bonds are equally weighted by maturity cell, industry sector, and the overall index.

The S&P/Case-Shiller Home Price Indices are the leading measures of U.S. residential real estate prices, tracking changes in the value of residential real estate. The index is made up of measures of real estate prices in 20 cities and weighted to produce the index.

The 10-year Treasury Note represents debt owed by the United States Treasury to the public. Since the U.S. Government is seen as a risk-free borrower, investors use the 10-year Treasury Note as a benchmark for the long-term bond market. Opinions expressed are subject to change without notice and are not intended as investment advice or to predict future performance. Past performance does not guarantee future results. You cannot invest directly in an index. Consult your financial professional before making any investment decision. Fixed income investments are subject to various risks including changes in interest rates, credit quality, inflation risk, market valuations, prepayments, corporate events, tax ramifications and other factors. These are the views of Platinum Advisor Marketing Strategies, LLC, and not necessarily those of the named representative, Broker dealer or Investment Advisor, and should not be construed as investment advice. Neither the named representative nor the named Broker dealer or Investment Advisor gives tax or legal advice. All information is believed to be from reliable sources; however, we make no representation as to its completeness or accuracy. Please consult your financial advisor for further information. By clicking on these links, you will leave our server, as they are located on another server. We have not independently verified the information available through this link. The link is provided to you as a matter of interest. Please click on the links below to leave and proceed to the selected site.

¹ <http://finance.yahoo.com/q/hp?s=%5EGSPC&a=08&b=21&c=1950&d=08&e=25&f=2015&g=d>

<http://finance.yahoo.com/q/hp?a=08&b=21&c=1950&d=08&e=25&f=2015&g=d&s=%5EDJI%2C+&ql=1>

<http://finance.yahoo.com/q/hp?a=08&b=21&c=1950&d=08&e=25&f=2015&g=d&s=%5EIXIC%2C+&ql=1>

² <http://www.cnbc.com/2015/09/25/john-boehner-just-made-janet-yellens-life-harder.html>

³ <http://www.cnbc.com/2015/09/25/wall-street-reacts-to-yellen-speech.html>

⁴ <http://www.cnbc.com/2015/09/25/us-final-q2-gross-domestic-product-39-vs-37-expected.html>

⁵ <http://www.cnbc.com/2015/09/25/fed-jobs-could-drop-more-rate-clues-in-week-ahead.html>

⁶ <http://www.foxbusiness.com/markets/2015/09/24/us-futures-asia-sags-on-global-growth-anxiety/>

⁷ <http://www.cnbc.com/2015/09/25/us-consumer-sentiment-final-reading-in-sept-rises-to-872-vs-867-estimate.html>

⁸ <http://www.foxbusiness.com/economy-policy/2015/09/24/jobless-claims-rose-by-3000/>

⁹ <http://www.foxbusiness.com/economy-policy/2015/09/21/existing-home-sales-see-steeper-than-expected-drop-in-august/>

¹⁰ <http://www.realsimple.com/food-recipes/browse-all-recipes/black-bean-soup>

¹¹ <http://www.irs.gov/uac/Become-a-Tax-Volunteer-and-Make-a-Difference-in-Your-Community>

¹² https://www.youtube.com/watch?list=UUPLAYER_GolfTipsMag&v=CyI1Hby7tFM

¹³ <http://blog.aarp.org/2015/09/21/best-worst-fast-food-chains-for-antibiotics-in-meat/>

¹⁴ <http://www.nature.org/greenliving/gogreen/everydayenvironmentalist/dont-hike-with-pests.xml>