
April Jobs Report Shows Slower Pace of Growth

Weekly Update – May 9, 2016

Markets slumped for the third week as global concerns pressured investors again, and domestic data painted a modest picture. For the week, the S&P 500 lost 0.40%, the Dow fell 0.19%, the NASDAQ dropped 0.82%, and the MSCI EAFE fell 3.19%.¹

April's job report showed investors that the labor market continues to improve, adding 160,000 jobs last month. However, the gains were far below the consensus estimate of 200,000 new jobs. Though the unemployment rate remained unchanged at 5.0%, one estimate of the underemployment rate—measuring discouraged workers and part-timers who want full-time work—fell to 9.7% from 9.8% in March. That's good news, because it means that workers who have struggled in the recovery may finally be catching up.²

However, it's not all good news. A separate private industry report found that job cuts surged 35.0% between March and April as firms let go of workers. Over 250,000 pink slips were handed out between January and April, the largest number since early 2009. Though the beleaguered energy sector is driving layoffs, shifting consumer preferences are also causing retail and computer companies to cut jobs.³

Further analysis of the job gains also showed that much of the fastest growth in hiring is coming from low-paying industries like retail and hospitality. The lack of high-paying job opportunities is reflected in wage growth numbers. Since 2005, the median weekly wage across all jobs has increased by just \$176. Wage gains are even slower in low-paying industries and for workers with less education.⁴

Economists suspect that slow wage growth is contributing to sluggish consumer spending and slower economic growth. When foreign demand drops, economic growth depends more on domestic spending. However, there are signs that growth may be picking up; in April, wages grew 2.5% from the previous year.⁵

Will wages pick up enough this year to drive more purchases of big-ticket items? We'll have to see.

Looking ahead, it's unclear whether domestic economic data will drive away global woes. Realistically, we're likely to see both soft and strong data in the weeks to come that will hopefully push stocks higher again once earnings season is over.

ECONOMIC CALENDAR:

Tuesday: JOLTS

Wednesday: EIA Petroleum Status Report, Treasury Budget

Thursday: Jobless Claims, Import and Export Prices

Friday: Retail Sales, PPI-FD, Business Inventories, Consumer Sentiment

| Data as of 5/6/2016 | 1-Week | Since 1/1/16 | 1-Year | 5-Year | 10-Year |
|---------------------------|--------|--------------|---------|--------|---------|
| Standard & Poor's 500 | -0.40% | 0.65% | -1.11% | 10.70% | 5.52% |
| DOW | -0.19% | 1.81% | -0.57% | 8.07% | 5.32% |
| NASDAQ | -0.82% | -5.42% | -3.73% | 13.50% | 10.22% |
| U.S. Corporate Bond Index | 0.10% | 5.27% | 4.58% | 5.41% | 7.66% |
| International | -3.19% | -4.49% | -14.22% | -1.37% | -1.78% |
| Data as of 5/6/2016 | 1 mo. | 6 mo. | 1 yr. | 5 yr. | 10 yr. |
| Treasury Yields (CMT) | 0.20% | 0.39% | 0.51% | 1.23% | 1.79% |

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

HEADLINES:

Construction spending grows .03% in March. Spending on commercial and residential construction reached its highest level in eight years after a strong gain in February.⁶

Motor vehicle sales close to record month. After a slow start to the year, April light vehicle sales are expected to grow 5.0%, setting a new monthly high and putting U.S. automakers on track to beat last year's sales record.⁷

China's trade slumps. Imports and exports in the world's second-largest economy contracted sharply in April in the latest sign that weak demand is prolonging China's slowdown.⁸

March factory orders increase 1.1%. Orders to U.S. manufacturers increased modestly after dropping in February. Economists hope that the dollar's drop will help the manufacturing sector bounce back.⁹



"I'm wholehearted about whatever I do."
— Melinda Gates

Grilled Brussels Sprouts Salad



Convert sprout haters with this crunchy, tangy salad.

Serves 4

Ingredients:

1 pound Brussels sprouts, rinsed and quartered
8 radishes, bottoms removed and thinly sliced
2 small tart apples, thinly sliced
¼ cup olive oil
Kosher salt and black pepper
Juice from one lemon
2 ounces shaved Parmesan or other salty cheese

Chef's Tip: Don't want to fire up the grill? You can cook the vegetables under the broiler, too. Just swap out your grilling pan for a rimmed baking sheet.

Directions:

1. Heat your grill to high (or turn your broiler to high).
2. Toss the sprouts, apples, and radishes with the olive oil and spread them on a non-stick grilling pan or skillet with holes. Sprinkle them with salt and pepper.
3. Set the pan on the grill and stir the veggies occasionally to let them char. Once the apples and sprouts start to become tender— about 6-8 minutes later— remove them.
4. Toss the veggies with the lemon juice and Parmesan cheese. Serve warm.

Recipe adapted from Sarah Copeland | RealSimple.com¹⁰



What Should You Know About the Taxpayer Advocate Service?

The Taxpayer Advocate Service is an independent group within the IRS that works to protect taxpayers under the Taxpayer Bill of Rights. They also help taxpayers resolve issues and act as the taxpayer's voice within the IRS. Here's what you should know:

- Advocates can help you resolve lingering issues with the IRS that you cannot resolve alone.
- They work with individuals, businesses, and tax-exempt organizations at no charge.
- You may be eligible for help if your IRS problem is causing financial stress or if you believe an IRS procedure is flawed.
- You can find a Taxpayer Advocate through your local directory and at taxpayeradvocate.irs.gov. You can also call their hotline at 1-877-777-4778.

Tip courtesy of IRS.gov¹¹

GOLF TIP



Don't Stress. Just Play Golf!

Think about the last time you played a round; did you enjoy yourself or did you spend most of your time thinking about swing mechanics and dialing in your game? Did you get frustrated by your playing?

Though it's natural to want to get better as a golfer, don't let your pursuit of skill ruin your playing. When you fuss with your swing during a round, you're probably not getting any better and you're losing sight of your objective: a great round of golf. Work on separating your practice time from your playing time so that you can focus on getting the most out of your drills while still enjoying time on the course.

Tip courtesy of Lana Ortega, LPGA | Golf Tips Mag¹²



Medical Errors Number 3 Cause of Death

Preventable medical errors kill more Americans than diabetes, strokes, and many other diseases—around 250,000 people per year according to a recent report. Safety lapses, communication breakdowns, and negligence can all contribute to patients suffering from substandard care. Here are a few tips on how you can take charge and help avoid errors in your care:

- Keep a friend or relative with you in the hospital to ask questions and advocate for you with staff.
- Ask lots of questions about medication interactions and follow-up care.
- Bring a list of medication you're currently taking to any appointments or pharmacy visits.
- When you're discharged from the hospital, make sure you understand what you need to do next.

Tip courtesy of AARP¹³



Install a Rain Barrel

A rain barrel can be a real plant saver in dry areas or when water restrictions are in force. A single summer storm can fill the entire barrel and provide days or weeks of water for your garden. Check your local hardware or home improvement store for options and keep an eye on your local classifieds. To keep your barrel from becoming a breeding ground for mosquitoes, add a drop of dish soap once a week, use a mosquito dunk, or add ¼ cup of vegetable oil each week to drown the larvae.

Tip courtesy of Real Simple and Bluewater Baltimore¹⁴

Share the Wealth of Knowledge!
Please share this market update with family, friends, or colleagues.
We love being introduced!

Securities, advisory services, and insurance products are offered through Investment Centers of America, Inc. (ICA), member FINRA, SIPC, a Registered Investment Advisor, and affiliated insurance agencies. ICA and iWealth are separate companies. 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 S&P U.S. Investment Grade Corporate Bond Index contains U.S.- and foreign-issued investment-grade corporate bonds denominated in U.S. dollars.

The SPUSCIG launched on April 09, 2013. All information for an index prior to its Launch Date is back-tested, based on the methodology that was in effect on the Launch Date. Back-tested performance, which is hypothetical and not actual performance, is subject to inherent limitations because it reflects application of an Index methodology and selection of index constituents in hindsight. No theoretical approach can take into account all of the factors in the markets in general and the impact of decisions that might have been made during the actual operation of an index. Actual returns may differ from, and be lower than, back-tested returns.

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=04&b=2&c=2016&d=04&e=6&f=2016&g=d>

<http://finance.yahoo.com/q/hp?a=04&b=2&c=2016&d=04&e=6&f=2016&g=d&s=%5EDJI%2C+&q=1>

<http://finance.yahoo.com/q/hp?a=04&b=2&c=2016&d=04&e=6&f=2016&g=d&s=%5EIXIC%2C+&q=1>

<https://www.msci.com/end-of-day-data-search>

² <http://www.bls.gov/news.release/pdf/empisit.pdf>

<http://www.forbes.com/sites/samanthasharf/2016/05/06/jobs-report-u-s-adds-160000-jobs-in-april-unemployment-rate-steady-at-5/#4478cf12c9ac>

³ <http://www.cnn.com/2016/05/05/us-job-cuts-rise-to-65141-in-april-2016-layoffs-at-7-year-high-challenger.html>

⁴ <http://www.cnn.com/2016/05/06/jobs-report-employment-growing-but-paychecks-not-so-much.html>

⁵ <http://www.businessinsider.com/average-hourly-wage-growth-april-2016-2016-5>

⁶ <http://www.foxnews.com/us/2016/05/02/us-construction-spending-rose-03-percent-in-march.html>

⁷ <http://www.foxbusiness.com/markets/2016/05/03/auto-sales-back-on-track-in-april.html>

⁸ <http://www.foxnews.com/world/2016/05/08/china-trade-shrinks-in-april-in-troubling-sign-for-economy.html>

⁹ <http://www.foxnews.com/us/2016/05/04/us-factory-orders-rose-modestly-in-march.html>

¹⁰ <http://www.realsimple.com/food-recipes/browse-all-recipes/charred-brussels-sprouts-salad>

¹¹ <http://www.irs.gov/uac/How-Does-the-Taxpayer-Advocate-Service-Work-for-You%3F>

¹² <http://www.golftipsmag.com/instruction/strategy-troubleshooting/five-strategies-for-lower-scores.html#.VUZyjWTBzGc>

¹³ <http://www.aarp.org/health/conditions-treatments/info-2016/medical-errors-leading-cause-of-death-cs.html?intcmp=HEALTH>

¹⁴ <http://www.bluewaterbaltimore.org/blog/how-to-keep-your-rain-barrels-free-of-mosquitoes/>

<http://www.realsimple.com/magazine-more/inside-magazine/your-words/your-words-more-your-eco-friendly-changes>