

In this week's recap: the Federal Reserve stands pat on interest rates, key indicators show strength, and stocks end the week little changed.

Weekly Economic Update

Presented by RTN Financial & Retirement Group, May 6, 2019

THE WEEK ON WALL STREET

Stocks were up and down last week, and the three major benchmarks ended up little changed after five trading days. The S&P 500 rose 0.20% for the week; the Nasdaq Composite, 0.22%. The Dow Jones Industrial Average declined 0.14%.

The MSCI EAFE index, a benchmark for international stocks, declined 0.21%.¹⁻²

THE FED EMPHASIZES PATIENCE

The Federal Reserve held interest rates steady at its May meeting. Its May 1 policy statement noted “solid” job growth and economic activity, but only tame inflation pressure.

While the Fed was not expected to make a move, some investors wondered if its latest policy statement might hint at the possibility of a rate cut later this year. No such hint appeared. Fed chair Jerome Powell told the media Wednesday that “we don’t see a strong reason for moving in one direction or the other.”³

INDICATIONS OF A THRIVING ECONOMY

Employers added 263,000 net new jobs in April. Economists polled by Bloomberg forecast a gain of 190,000. The jobless rate fell to 3.6% last month, the lowest in half a century.

This better-than-expected employment snapshot comes on the heels of a first-quarter GDP reading that surprised to the upside. In another bit of good news, personal spending rose an impressive 0.9% in March.⁴⁻⁵

FINAL THOUGHT

On Wednesday and Thursday, stocks fell in the wake of the Fed policy statement. Friday, they more or less recouped their losses after the impressive April jobs report. Ups and downs like these come with the territory when you invest; the key is to stay patient and think long term instead of short term.

TIP OF THE WEEK



*If you are **young** and want to **make financial progress** out of college, consider starting your career in **a metro area where housing and living expenses are relatively low**. Some of the most “exciting” cities to live and work in are also some of the priciest, with their millennial and Gen Y residents deeply in debt.*

THE WEEK AHEAD: KEY ECONOMIC DATA

Friday: The April Consumer Price Index, monitoring monthly and annual inflation.

Source: Econoday / MarketWatch Calendar, May 3, 2019

The Econoday and MarketWatch economic calendars list upcoming U.S. economic data releases (including key economic indicators), Federal Reserve policy meetings, and speaking engagements of Federal Reserve officials. Econoday Inc. is a technology and information company providing data and analysis for the financial industry, participants in the financial community, and individual investors. MarketWatch, a financial information website, is a subsidiary of Dow Jones & Company, a property of News Corp. The content is developed from sources believed to be providing accurate information. The forecasts or forward-looking statements are based on assumptions and may not materialize. The forecasts are also subject to revision. The release of data may be delayed without notice for a variety of reasons, including the shutdown of the government agency or change at the private institution that handles the material.

THE WEEK AHEAD: COMPANIES REPORTING EARNINGS

Monday: Occidental Petroleum (OXY), Tyson Foods (TSN)

Tuesday: Allergan (AGN), Anheuser-Busch (BUD), Lyft (LYFT)

Wednesday: Green Dot (GDOT), Hostess Brands (TWNK), Walt Disney Co. (DIS)

Thursday: AXA Equitable Holdings (EQH), Keurig Dr. Pepper (KDP), News Corp. (NWSA)

Friday: Enbridge (ENB), Marriott International (MAR), Viacom (VIA)

Source: Morningstar.com, May 3, 2019

Companies mentioned are for informational purposes only. It should not be considered a solicitation for the purchase or sale of the securities. Any investment should be consistent with your objectives, time frame, and risk tolerance. The return and principal value of investments will fluctuate as market conditions change. When sold, investments may be worth more or less than their original cost. Companies may reschedule when they report earnings without notice.

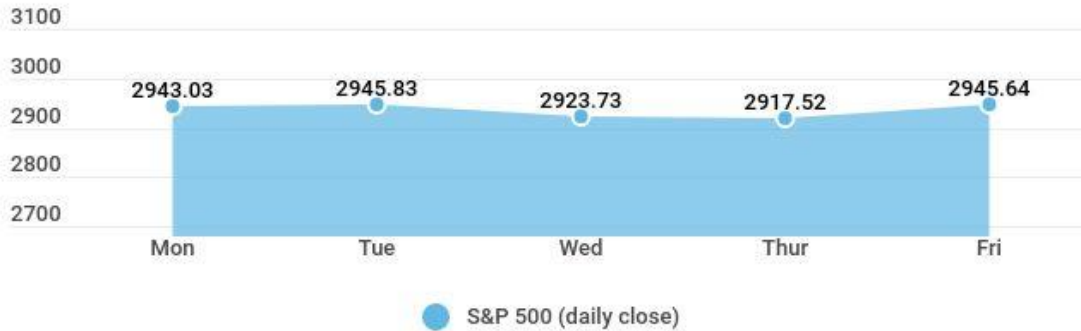
QUOTE OF THE WEEK



*“Do not go where the path may **lead**, go instead where there is **no path** and leave a **trail**.”*

RALPH WALDO EMERSON

Market Index	Close	Week	Y-T-D
DJIA	26,504.95	-0.14%	+13.62%
NASDAQ	8,164.00	+0.22%	+23.04%
MSCI-EAFE	1,911.66	-0.21%	+11.15%
S&P 500	2,945.64	+0.20%	+17.50%



	Treasury	Close	Week	Y-T-D
	10-Year Note	2.54%	+0.03%	-0.15%

Sources: The Wall Street Journal, May 3, 2019, Treasury.gov, May 3, 2019

The market indexes discussed are unmanaged and generally considered representative of their respective markets. Individuals cannot directly invest in unmanaged indexes. Past performance does not guarantee future results. Weekly performance for the Dow Jones Industrial Average, Standard & Poor's 500 index, and NASDAQ Composite is measured from the close of trading on Friday, April 26 to the Friday, May 3 close. Weekly performance for the MSCI-EAFE is measured from the Friday, April 26 open to the Thursday, May 2 close. U.S. Treasury Notes are guaranteed by the federal government as to the timely payment of principal and interest. However, if you sell a Treasury Note prior to maturity, it may be worth more or less than the original price paid. Weekly and year-to-date 10-year Treasury note yield are expressed in basis points. International investments carry additional risks, which include differences in financial reporting standards, currency exchange rates, political risks unique to a specific country, foreign taxes and regulations, and the potential for illiquid markets. These factors may result in greater share price volatility.

THE WEEKLY RIDDLE



*There are two friends: one always **goes to sleep** as the other **wakes up**, and **vice versa**. They never see one another. What are they?*

LAST WEEK'S RIDDLE: It walks on four legs in the morning, two legs at noon, and three legs in the evening. What is it?

ANSWER: A human. A baby crawls on all fours, then walks on two legs as an adult, and uses two legs and a cane when old.



781.736.9877

Know someone who could use information like this?

Please feel free to send us their contact information via phone or email. (Don't worry – we'll request their permission before adding them to our mailing list.)

Representatives are registered, securities sold, advisory services offered through CUNA Brokerage Services, Inc. (CBSI), member FINRA/SIPC, a registered broker/dealer and investment advisor, which is not an affiliate of the credit union. CBSI is under contract with the financial institution to make securities available to members. Not NCUA/NCUSIF/FDIC insured, May Lose Value, No Financial Institution Guarantee. Not a deposit of any financial institution.

This material was prepared by MarketingPro, Inc., and does not necessarily represent the views of the presenting party, nor their affiliates. The information herein has been derived from sources believed to be accurate. Please note - investing involves risk, and past performance is no guarantee of future results. Investments will fluctuate and when redeemed may be worth more or less than when originally invested. This information should not be construed as investment, tax or legal advice and may not be relied on for the purpose of avoiding any Federal tax penalty. This is neither a solicitation nor recommendation to purchase or sell any investment or insurance product or service, and should not be relied upon as such. All market indices discussed are unmanaged and are not illustrative of any particular investment. Indices do not incur management fees, costs and expenses, and cannot be invested into directly. All economic and performance data is historical and not indicative of future results. The Dow Jones Industrial Average is a price-weighted index of 30 actively traded blue-chip stocks. The NASDAQ Composite

Index is a market-weighted index of all over-the-counter common stocks traded on the National Association of Securities Dealers Automated Quotation System. The Standard & Poor's 500 (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. NYSE Group, Inc. (NYSE:NYX) operates two securities exchanges: the New York Stock Exchange (the "NYSE") and NYSE Arca (formerly known as the Archipelago Exchange, or ArcaEx®, and the Pacific Exchange). NYSE Group is a leading provider of securities listing, trading and market data products and services. The New York Mercantile Exchange, Inc. (NYMEX) is the world's largest physical commodity futures exchange and the preeminent trading forum for energy and precious metals, with trading conducted through two divisions – the NYMEX Division, home to the energy, platinum, and palladium markets, and the COMEX Division, on which all other metals trade. Additional risks are associated with international investing, such as currency fluctuations, political and economic instability and differences in accounting standards. This material represents an assessment of the market environment at a specific point in time and is not intended to be a forecast of future events, or a guarantee of future results. MarketingPro, Inc. is not affiliated with any person or firm that may be providing this information to you. The publisher is not engaged in rendering legal, accounting or other professional services. If assistance is needed, the reader is advised to engage the services of a competent professional.

CITATIONS:

- 1 - markets.wsj.com/usoverview [5/3/19]
- 2 - quotes.wsj.com/index/XX/990300/historical-prices [5/3/19]
- 3 - bankrate.com/banking/federal-reserve/fomc-meeting-recap-april-may-2019 [5/1/19]
- 4 - nytimes.com/2019/05/03/business/economy/jobs-report-april.html [5/3/19]
- 5 - marketwatch.com/tools/calendars/economic [5/3/19]

CHART CITATIONS:

- markets.wsj.com/usoverview [5/3/19]
- quotes.wsj.com/index/SPX/historical-prices [5/3/19]
- treasury.gov/resource-center/data-chart-center/interest-rates/Pages/TextView.aspx?data=yield
- treasury.gov/resource-center/data-chart-center/interest-rates/Pages/TextView.aspx?data=yield
- treasury.gov/resource-center/data-chart-center/interest-rates/Pages/TextView.aspx?data=yieldAll [5/3/19]