



MARKET SUMMARY for week of November 15th, 2015

Dow: 17,245.24 (-1.16%)

S&P: 2023.04 (-1.12%)

NASDAQ: 4927.88 (-1.54%)

UST 10y: 2.275% (+5.05%)

EUR/USD: 1.0774 (-0.3791%)

Crude Oil: \$40.74 (-8.23%)

Gold: 1,089.9 (-4.59%)

*% indicates weekly change.

GENERAL MARKET SENTIMENT:

POSITIVES:

- Bloomberg's consumer comfort index came in at 41.6, up from 41.1 previously
- Retail sales ex-auto rose 0.4%, above the 0.2% expected rise.
- Consumer sentiment rose from 90 to 93.1, above the 92 expected.

NEGATIVES:

- Import and export prices both fell m/o/m and are down 10.7% and 7.4% respectively y/o/y
- The MBA mortgage composite fell 0.8% w/o/w.
- Initial jobless claims came in at 276k and the 4-week moving average rose from 262.75k to 267.75k.

Yen Rises with Dollar on Demand for Safety after Paris Attacks

The violence in one of Europe's most heavily policed cities heightened investors' concerns about global economic outlook and attracts investors to seek safety.

- The yen advanced along with the U.S. dollar as foreign-exchange markets opened for the first time since the Nov. 13 attacks in Paris, with investors seeking assets that trade as havens.
- The dollar is often bought amid turmoil as the world's reserve currency while Japan's current-account surplus makes it attractive when investors seek safety.
- Japan's currency advanced 0.2 percent to 122.34 per dollar as of 6:46 a.m. Sydney time on Monday, after rising 0.4 percent last week.
- The dollar gained against all of the Group of 10 major currencies except for the yen.
- The liquid safe-haven currencies like yen could benefit at the expense of risk-correlated and commodity Group-of-10 currencies.

Record Oil Stockpiles Knock Oil Closer to \$40 a Barrel

Oil has dropped to its lowest price in more than two months as stockpiles

- Oil stockpiles in developed nations have reached record levels and U.S. crude supplies keep rising
- WTI futures fell 2.4% with oil inventories expanded to a record 3 billion barrels due to strong OPEC output
- According to Michael Corcelli, CIO of hedge fund Alternative Capital LLC "The market is being overwhelmed by rising supply"
- Some investors are believing that oil may have to go down even further before rising higher
- Crude oil has dropped 45% in the past year as OPEC pumped above its collective quota and Russian output rose to a new high
- Iran is also pushing to regain oil sales lost to sanctions after the nuclear deal reached in July to limit nuclear projects for market access

