



Don Akridge Presents

Weekly Economic Update

In this week's recap: impressive hiring, healthy service and factory sectors, the Fed's view of the present and near future, and gains for equities.

ANOTHER STRONG MONTH FOR THE LABOR MARKET

Employers hired 213,000 more workers than they laid off in June, according to the Department of Labor. Analysts surveyed by Bloomberg had forecast a gain of 195,000. In the second quarter, net monthly job growth averaged 211,000. As the labor force participation rate increased 0.2% last month, so did the headline jobless rate: it rose 0.2% to 4.0%, moving north for the first time in almost a year. The U-6 rate, which includes underemployed Americans, also increased 0.2% to 7.8%. Annualized wage growth remained at 2.7%.¹

BOTH ISM INDICES IMPROVED IN JUNE

The Institute for Supply Management's twin purchasing manager indices came in at or near 60, last month. ISM's manufacturing gauge rose to 60.2 from the previous reading of 58.7; its service sector index increased 0.5% to 59.1. MarketWatch projected both PMIs at 58.3 for June.²

FED MNUTES SHOW OPTIMISM, CONCERNS

Minutes from the Federal Open Market Committee's June policy meeting were released Thursday, and noted that the economy's expansion is "progressing smoothly" and at "a solid

rate.” Policymakers also had some downside risks on their minds, noting the “possible adverse effects of tariffs and other proposed trade restrictions” and “political and economic developments in Europe.” Some FOMC members were concerned that rapid growth could breed “heightened inflationary pressures” and “financial imbalances” that might eventually provoke “a significant economic downturn.”³

TARIFFS TAKE EFFECT, BUT INVESTORS FOCUS ON FUNDAMENTALS

Strong jobs and manufacturing data helped to give the major indices a lift last week. In three-and-a-half trading days, the Nasdaq Composite advanced 2.37% to 7,688.39. Gaining 1.52%, the S&P 500 closed at 2,759.82, Friday; the Dow Jones Industrial Average rose 0.76% on the week to 24,456.48. Additionally, the Russell 2000 small-cap index improved 3.10% across the week to 1,694.05.⁴

TIP OF THE WEEK



*When was the last time you checked the **beneficiary designations** on your IRA, your life insurance policy, or your brokerage account? If you have not looked at them in a few years, review them this week to make sure they are up to date.*

THIS WEEK

Nothing major is slated for Monday. | Tuesday, PepsiCo shares Q2 results. | The June Producer Price Index appears Wednesday, plus earnings from Fastenal. | Investors will pay attention to the June Consumer Price Index and the latest initial unemployment claims figures on Thursday. | Friday, a new earnings season

begins: Citigroup, JPMorgan Chase, PNC Financial Services Group, and Wells Fargo announce Q2 results, and in addition, the University of Michigan offers its initial July consumer sentiment index.

QUOTE OF THE WEEK



"The end is nothing. The road is all."

WILLA CATHER

% CHANGE	Y-T-D	1-YR CHG	5-YR AVG	10-YR AVG
DJIA	-1.06	14.71	12.32	11.77
NASDAQ	11.37	26.26	24.19	24.27
S&P 500	3.22	14.53	13.82	12.04

REAL YIELD (%)	7/6 RATE	1 YR AGO	5 YRS AGO	10 YRS AGO
10 YR TIPS	0.70	0.61	0.66	1.43

Sources: wsj.com, bigcharts.com, treasury.gov - 7/6/18^{4,5,6,7}

Indices are unmanaged, do not incur fees or expenses, and cannot be invested into directly. These returns do not include dividends.
10-year TIPS real yield = projected return at maturity given expected inflation.

THE WEEKLY RIDDLE



*Regina is about to meet her cousin Lydia for the first time. Regina has no idea what she looks like. She arrives at Lydia's house at night. The door opens, and she sees a mail carrier, a UPS driver, and a police officer watching television. She immediately hugs Lydia. **How does she know which one of the three is her cousin?***

LAST WEEK'S RIDDLE: You see them every day, but never together. They appear everywhere, but never at the same time. What are they?

ANSWER: Day and night.

Know someone who could use information like this?

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

To unsubscribe from future preferred client communication emails from Citadel - CPA, Financial Planning, & Investments, please click on this link [UNSUBSCRIBE](#)

Don B. Okridge

MBA, CFP®, CPA/PFS

Registered Representatives of Cambridge Investment Research, Inc.

U.S. Marine Corps Veteran

Emory University & Florida Atlantic University

Comprehensive CPA & Wealth Management

Investment & Securities Licenses - 7 & 66

Insurance & Annuity Licenses - Variable, Life & Health

Ravine One • 245 Town Park Drive | Suite 440 | Kennesaw, GA 30144

Telephone: 770-952-6707 | Fax: 678-391-9355

Securities offered through Registered Representatives of Cambridge Investment Research, Inc., a broker-dealer, member FINRA / SIPC. Advisory services through Cambridge Investment Research Advisors, Inc., a Registered Investment Adviser. Cambridge and Citadel / Citadel Professional Services are not affiliated.

CONFIDENTIALITY NOTICE: The information contained in this email and any attachments are confidential and may also be privileged and is intended for the use of the person(s) named above. If you are not the intended recipient, you are hereby notified that any dissemination or duplication of the email, or taking action in reliance upon this communication is strictly prohibited. Moreover, any such disclosure shall not compromise or waive the accountant-client, attorney-client, or any other privileges as to this communication or otherwise. If you have received this communication in error, please notify the sender immediately and delete the original message

PLEASE NOTE: We cannot accept trade orders through email. Important letters, email, or fax messages should be confirmed by calling 770-952-6707. This email service may not be monitored every day, or after normal business hours

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 - fortune.com/2018/07/06/june-2018-jobs-report/ [7/6/18]
- 2 - marketwatch.com/economy-politics/calendars/economic [7/6/18]
- 3 - cnbc.com/2018/07/05/fed-meeting-minutes-from-june.html [7/5/18]
- 4 - markets.wsj.com/us [7/6/18]
- 5 - bigcharts.marketwatch.com/historical/default.asp?symb=DJIA&closeDate=7%2F6%2F17&x=0&y=0 [7/6/18]
- 5 - bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=7%2F6%2F17&x=0&y=0 [7/6/18]
- 5 - bigcharts.marketwatch.com/historical/default.asp?symb=SPX&closeDate=7%2F6%2F17&x=0&y=0 [7/6/18]
- 5 - bigcharts.marketwatch.com/historical/default.asp?symb=DJIA&closeDate=7%2F5%2F13&x=0&y=0 [7/6/18]
- 5 - bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=7%2F5%2F13&x=0&y=0 [7/6/18]
- 5 - bigcharts.marketwatch.com/historical/default.asp?symb=SPX&closeDate=7%2F5%2F13&x=0&y=0 [7/6/18]
- 5 - bigcharts.marketwatch.com/historical/default.asp?symb=DJIA&closeDate=7%2F7%2F08&x=0&y=0 [7/6/18]
- 5 - bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=7%2F7%2F08&x=0&y=0 [7/6/18]
- 5 - bigcharts.marketwatch.com/historical/default.asp?symb=SPX&closeDate=7%2F7%2F08&x=0&y=0 [7/6/18]
- 6 - treasury.gov/resource-center/data-chart-center/interest-rates/Pages/TextView.aspx?data=realyield [7/6/18]
- 7 - treasury.gov/resource-center/data-chart-center/interest-rates/Pages/TextView.aspx?data=realyieldAll [7/6/18]