**Macroeconomic** **Overview**

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| **U.S. Stocks** |   |   |
| **Index** | **% Change Week-to-Date** | **% Change Year-to-Date** |
| DJIA | -0.31% | 1.13% |
| S&P 500 | -0.44% | 2.40% |
| NASDAQ Composite | -1.70% | 5.69% |
| Russell 2000 | -3.11% | 1.94% |
| VIX | 3.34% | -33.85% |

During this past trading week, all major U.S. indices declined on a weekly basis due to weaker-than-expected growth data in the U.S. Small cap stocks experienced the largest decline and the Russell 2000 index decreased by more than 3%. In effect, the Dow Jones Industrial Average and the NASDAQ Composite decreased on a weekly basis by 0.31% and 1.70% respectively, while the S&P 500 decreased by 0.44% during the last week. Small cap stocks measured by the Russell 2000 index experienced the largest decline, yielding -3.11% throughout the week. The VIX week-to-date change of 3.34% indicates that volatility levels start to increase again, leading to a year-to-date change of -33.85%. The yield of the 10-year U.S. T-note increased by 8 basis points to 2.12%. In addition, the price of oil increased throughout the week by 4.32% to a price of $59.62/bbl.

This week’s global market movements were primarily driven by weak U.S. growth data. During the first quarter the U.S. economy experienced a slowdown reporting growth throughout the quarter of only 0.2%. The news had a negative effect on the market since the U.S. was expected to grow at a rate of at least 1%. Consumer spending increased by 1.9% and beat expectations. However, the strong dollar continues to hurt U.S. export companies and caused a decline in GDP due to the growing trade deficit. The Conference Board’s index of consumer confidence declined by 6.51% in April. Consumer spending increased by 0.4% in March and continues to grow after a 0.2% increase in February. The negative economic news are likely to cause the Federal Reserve to further delay the interest rate increase beyond the month of June.

Internationally, China’s output continues to slow down. The economy’s manufacturing purchasing managers’ index did not change in April. However, their nonmanufacturing sector continued to slow down and is currently near their one-year low. In the Eurozone, consumer prices remained stable in April compared to last year’s data and stopped the declines reported in the past months. In addition, the euro increased to a two-month high of $1.129 after negative U.S. economic data got released on Friday and the Eurozone demonstrates signs of economic improvement. Spain’s Gross Domestic Product rose 0.9% in 2015 and 2.5% YoY. Spain’s economy is ranked as being the Eurozone’s third largest economy and shows signs of recovery being expected to grow 3% this year. The Bank of Japan decided to leave their monetary policy unchanged. In addition, Japan reported a slight increase in consumer prices of 0.2%. It is the economy’s first increase in nearly one year. However, the consumer price index is still far away from the country’s 2% target.

Next week, investors will be looking forward to see data from different economic reports that will have an impact on the global markets. On Monday 4th, Germany will report on their economy’s Manufacturing PMI. On Tuesday 5th, the Reserve Bank of Australia will have a press conference and decide on the country’s short term interest rate movement. On the same day, the U.K. will report on their country’s Construction PMI (Apr). On the same day, New Zealand will release data about their country’s employment change and performance of their retail sector. On Wednesday 6th, the U.K. will report on their Services PMI (Apr) and Australia will release data about their country’s employment change. On Thursday 7th, China will report on their trade balance (Apr) and on Friday, Canada will release data about their employment change.