

THE WEEK IN REVIEW

All three major U.S. stock indexes posted weekly gains and closed near their highest levels of the year. Of the three benchmarks, the Dow Jones Industrial Average posted the smallest weekly advance, as shares of its highest weighted member, The Boeing Co., declined 10.3% amid the fallout from last weekend's crash involving its 737 MAX airline. Technology stocks helped lead the way this week, making the sector one of the best performing groups in the S&P 500 for the year. Stocks rose despite some weaker-than-expected economic data, which helped drive a rally in U.S. government bonds. Yields on the benchmark 10-year U.S. Treasury bond fell from last Friday's closing level of 2.63% to 2.59% in late session trading today.

U.S. manufacturing output fell for a second straight month in February. Overall production declined 0.4%, held down by weak output of motor vehicles, machinery and furniture. Activity continues to be negatively impacted by the trade war between the United States and China, as well as softening global economic growth. U.S. retail sales rose in January, driven by an increase in purchases of building materials and discretionary spending. Retail sales grew by 0.2% in January, but were revised down to -1.6% in December from the initial -1.2% estimate.

Consumer sentiment bounced back in March as the Fed looked to postpone further rate hikes, and equities continued to rally. The University of Michigan Consumer Sentiment Index rose to 97.8, up from 93.8 in the prior month. Inflation rose slightly for the month of February, with the Consumer Price Index up 0.2% over the prior month. Year-on-year inflation remained roughly stable at 1.5%. Looking forward, inflation expectations appear to be trending slightly higher. The Atlanta Fed Business Inflation Expectations Survey reported an expected year-on-year increase of 1.9%.

The Labor Department's Job Openings and Labor Turnover Survey (JOLTS) report, which tracks monthly changes in job openings and offer rates on hiring and quits, indicated that job openings increased to 7.581 million in January, up from 7.335 million in December. Jobless claims ticked higher for the week ending March 9, increasing to 229,000 from 223,000 in the week prior. Initial jobless claims have started ticking slightly higher from the low of 200,000 in January.

ECONOMIC INDICATOR	LATEST	3MO PRIOR CHANGE	
Retail Sales (MoM)	0.2%	1.0%	▼
Consumer Price Index (YoY)	1.5%	2.2%	▼
Initial Jobless Claims (Thousands)	229	206	▲
U. of Mich. Consumer Sentiment	97.8	98.3	▼

INDEX	LEVEL	WEEK	YTD	12 MO
DJ Industrial Average	25848.87	1.57%	10.81%	3.92%
NASDAQ	7688.53	3.78%	15.87%	2.76%
S&P 500 Large Cap	2822.48	2.89%	12.59%	2.74%
MSCI EAFE	1874.70	1.93%	9.00%	-8.46%
Barclays Aggregate US	2078.05	0.05%	1.54%	3.53%

KEY BOND RATES	CURRENT	1WK AGO	1MO AGO	1YR AGO
3-Month T-Bill	2.44%	2.44%	2.42%	1.76%
10-Year Treasury	2.59%	2.63%	2.66%	2.83%

REPORTS DUE NEXT WEEK	LATEST
Existing Home Sales (Millions Annualized)	4.94
Leading Economic Indicators	3.5%
Initial Jobless Claims (Thousands)	229

Price returns as of the last available closing data. Source data: Bloomberg and Morningstar are believed to be correct but not verified.