

# FINANCIAL FOCUS:

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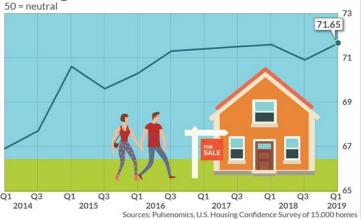
ith Brexit uncertainty, trade tensions and political unrest, pressure on many U.S. market sectors continues. Although stocks are flirting with records again, many investors are struggling to discern how much longer it will continue.

#### By Gabriella Cosentino

#### **Housing & Jobs**

Although housing confidence and sentiment about buying and selling homes are pointing to a more balanced market and an economic backdrop that supports home ownership, demand for rental apartments reached a five-year high this past spring. As discovered by a recent Freddie Mac survey, American renters increasingly believe they will never afford to buy their own home.





Home sales have lagged expectations so far this year. The volume of existing-home sales on an annualized basis has fallen for 15 straight months, but the asking price of homes is still increasing at a rate that is faster than income growth.

The U.S. economy created 224,000 new jobs in June. Job openings fell slightly to 7.32 million in May, but they remained near a record high and suggest that hiring is unlikely to slow dramatically even though the economy has softened.

Companies hired 5.73 million people in May, down from 6 million in the prior month. Yet separations — people who quit, retire, die or get laid off — fell by a similar amount.

Hiring has waned in manufacturing and other export-heavy industries owing to ongoing trade tensions and a weaker global economy. The much larger service side of the economy is still adding plenty of new jobs, however, as reflected by a snapback in hiring in June.

According to the Department of Labor, openings rose in manufacturing, education, professional occupations and hotels and restaurants. Fewer job listings were posted in construction, transportation, government and media.

The share of people who left jobs on their own, known as the quits rate, slipped to 2.5% from a post-recession peak of 2.6% among private-sector employees. The rate for all workers, including government employees, stood at 2.3% for the 12th month in a row.

#### **Commodities**

Oil prices have been on a bumpy ride the past few months, with sagging demand and geopolitical tension vying for supremacy over crude's direction. The possibility of conflict in the Middle East represents the biggest unknown for oil investors going into the second half of 2019. Oil finished the quarter at \$58.47.

Gold finished the quarter at \$1,409.70 per ounce amid a better-than-expected rise in June U.S. jobs.

#### **Market Overview**

The Dow Jones Industrial Average put in its best June return since 1938, the S&P 500 notched the best such gain since 1955 and the Nasdaq Composite Index marked its best June since 2000 amid uncertainties over trade policy ahead of the G-20 meeting in Osaka, Japan. The S&P 500 finished the quarter at 2,941.76, while the Dow Jones Industrial Average closed at 26,599.96 and the Nasdaq closed at 8,006.24.

Sources: MarketWatch & The Wall Street Journal; Morningstar, June & July 2019.



### **Numbers Talk**

Year it is projected that ethnic minorities will be more than 50 percent of the U.S. population...2045

Percentage of CFP® professionals who are women...23

Percentage of companies that prioritize diversity to improve culture...78

Projected year white women will see pay equity with white men, based on current models...2056

Percentage of assets managed by firms owned by women and minorities...1.1

Percentage of survey respondents who say clients have asked about investing in marijuana or cannabis stocks/companies in the past six months...55

Number of states, plus Washington, D.C., that have legalized recreational marijuana over the last few years...10

Estimated worth of legal marijuana in the U.S. today...\$50 billion

Projected estimated worth of legal marijuana in the U.S. by 2030...**\$80 billion** 

Percentage of millennials who describe themselves as impact investors seeking both financial and social impact returns...79

Percentage of millennials who say they feel stressed about investing...15

Percentage of Gen X investors have made an impact investment...**77** 

Percentage of Gen-Xers who prefer to borrow to invest and then repay over time...12

Percentage of millennials who are saving for a home...26

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