

Week Ahead

As expected, the Federal Reserve hiked interest rates last week to 2.00-2.25%. In the released statement, the majority of FOMC members expect an additional rate hike in December followed by 3 more in 2019. This would take rates to 3%. Also, of note was the removal of accommodative from the statement which has pundits wondering if we are going to see a more hawkish Fed in the coming months.

Friday was also the last day of the 3rd quarter and equity numbers were very strong. For the 3rd quarter markets, measured by the Standard and Poor's 500 index, posted a return of 7.71% taking the total return for the year into double digits. This shows that with all of the uncertainty handing over the markets they continue to climb a wall of worry which is a good sign.

The week is chalked full of economic data points, headlined by the Unemployment number on Friday. Our main focus will be the wage growth numbers. Last month we saw a print of 2.9%, which was much faster than expected. This release will let us know if we are entering a trend of higher wages or if it was just a one off.

Major Earnings Announcements for the Week:

Monday-	None
Tuesday-	Pespico, Lamb Weston Holdings & Paychex
Wednesday-	Lennar & Synnex
Thursday-	Costco Wholesale & Constellation Brands
Friday-	

Economic Calendar/ Market Moving Events:

Monday-	Markit IS Manufacturing 9:45AM, ISM Manufacturing and Prices Paid 10:00AM
Tuesday-	
Wednesday-	Markit US Services and Composite PMI 9:45AM & ISM Non-Manufacturing Index 10:00AM
Thursday-	Factory Orders 10:00AM, Durable Goods 10:00AM, Durables Ex Transportation & Cap Goods Orders Non-Defense 10:00AM
Friday-	Trade Balance 8:30AM, Nonfarm Payrolls 8:30AM & Avg. Hourly Earnings 8:30AM