

US Economy and Credit Markets			
Yields and Weekly Changes:			
3 Mo. T-Bill:	1.897 (-5.9 bps)	GNMA (30 Yr) 6% Coupon:	110-28/32 (2.59%)
6 Mo. T-Bill:	1.898 (-1.3 bps)	Duration:	3.77 years
1 Yr. T-Bill:	1.818 (-4.7 bps)	Bond Buyer 40 Yield:	3.62 (-01 bps)
2 Yr. T-Note:	1.683 (-11.7 bps)	Crude Oil Futures:	58.09 (3.24)
3 Yr. T-Note:	1.616 (-14.2 bps)	Gold Spot:	1,516.90 (28.37)
5 Yr. T-Note:	1.600 (-15.0 bps)	Merrill Lynch High Yield Indices:	
10 Yr. T-Note:	1.721 (-17.4 bps)	U.S. High Yield:	6.23 (-08 bps)
30 Yr. T-Bond:	2.162 (-20.9 bps)	BB:	4.61 (-06 bps)
		B:	6.63 (-10 bps)

In 2019 the Federal Reserve changed from having a press conference and question and answer session at every other meeting to having them at every monthly Federal Reserve Committee meeting. They viewed this as desirable as non-press conference meetings were perceived as having less policy impact than those with a press conference, however, it also seems the Federal Reserve is increasingly sensitive to market events. In the September meeting, which was held last week, the Federal Reserve lowered the policy rate by 25 bps, and there were three dissents. While the dot plot indicates no further cuts in 2019, as of the end of last week, the market is pricing in a 67% chance of another cut before the end of 2019. Prices on bonds gained slightly after Wednesday's meeting and were higher over the week. Oil prices spiked suddenly on Monday owing to an attack on a major Saudi production facility over the previous weekend. They settled lower throughout the rest of the week. Major economic reports (related consensus forecasts, prior data) for the upcoming week include: Monday: September preliminary Markit US Manufacturing PMI (50.3, unch.); Tuesday: September Conference Board Consumer Confidence (133.0, 135.1); Wednesday: September 20 MBA Mortgage Applications (N/A, -0.1%) August New Home Sales (656K, 635K); Thursday: 2Q GDP Annualized QoQ (2.0%, unch.) 2Q Personal Consumption (4.7%, unch.) GDP Price Index (2.4%, unch.) 2Q Core PCE QoQ (1.7%, unch.), August preliminary Wholesale Inventories MoM (0.2%, unch), prior week Initial Jobless Claims (211K, 208K); Friday: August Personal Income (0.4%, 0.1%), preliminary August (Durable Goods Orders (-1.2%, 2.0%), August Personal Spending (0.3%, 0.6%) and University of Michigan final September Sentiment (92.1, 92).

US Equities			
Weekly Index Performance:		Market Indicators:	
DJIA:	26,935.07 (-1.05%)	Strong Sectors:	Utilities, Real Estate, Health Care
S&P 500:	2,992.07 (-0.49%)	Weak Sectors:	Consumer Discretionary, Industrials, Financials
S&P Midcap:	1,944.64 (-0.93%)	NYSE Advance/Decline:	1,621 / 1,428
S&P Smallcap:	962.11 (-1.39%)	NYSE New Highs/New Lows:	234 / 37
NASDAQ Comp:	8,117.67 (-0.71%)	AAll Bulls/Bears:	35.3% / 27.8%
Russell 2000:	1,559.77 (-1.14%)		

The S&P 500 index declined 49 basis points last week. The previous weekends' attack on Aramco's oil production facilities in Saudi Arabia caused the index to open the week lower and oil prices to spike as crude jumped over 14% on Monday. Crude oil showed a volatile trading week as prices tapered off after Monday's spike, finishing the week with a 5.91% increase and closing at \$58.09 per barrel. The Federal Open Market Committee met on Wednesday and announced another quarter-point rate reduction. Stocks initially dropped on the announcement but recovered with financials and utilities finishing strong. Stocks descended on Friday on increased trade tensions. Friday also brought quadruple witching, the quarterly occurrence when futures and options for stocks and indexes expire simultaneously. U.S. initial jobless claims of 208K were lower than the consensus estimate of 213K, but higher than the previous week's claims of 204K. Biopharmaceutical company **Incyte Corp** was the best performing stock in the index. The company which develops small molecule drugs that treat cancer returned 6.25% last week, climbing 3.96% on Friday as health care stocks showed strength. Exploration and production companies **ConocoPhillips**, **Apache Corp**, and **Cimarex Energy Company** were the big winners last week with the spike in crude oil as the companies returned 6.07%, 6.00%, and 5.76% respectively. Consumer discretionary company **Chipotle Mexican Grill** returned 5.94% last week. The stock jumped on Tuesday after the company announced a premium steak option being added to their menu. The worst performing stock in the S&P 500 Index last week was the package and freight delivery company **FedEx Corp**, declining 14.54%. The stock was punished on Thursday after their earnings announcement revealed they did not meet expectations. Earnings announcements expected this week include **NIKE Inc.**, **Accenture PLC**, **Micron Technology Inc.**, **Carnival Corp**, **AutoZone Inc.** and many others.

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