



## Market Commentary July 31, 2017

### Dear Investors:

There was some good news and some bad news last week.

First, the good news: Thanks to consumer spending and an upturn in federal government spending, the U.S. economy grew faster from April through June this year. Gross domestic product (GDP) grew by 2.6 percent during the period, according to the advance estimate for economic growth. This was an improvement over growth from January through March, when GDP increased by 1.2 percent.

Now, the bad news: Personal income did not grow as fast from April through June as it did from January through March. Wages and salaries grew at a slower pace, as did government social benefits and other sources of income. *The New York Times* wrote:

“Wage growth, however, decelerated despite an unemployment rate that averaged 4.4 percent in the second quarter. Inflation also retreated, appearing to weaken the case for the Federal Reserve to raise interest rates again this year.

‘Although growth is solid, the lack of wage pressure buys the Fed plenty of time, and works with a very ‘gradual’ tightening cycle,’ said Alan Ruskin, global head of G10 FX strategy at Deutsche Bank in New York. ‘There is more here for the Fed doves than the hawks.’”

The Federal Reserve Open Market Committee left rates unchanged at its meeting last week, commenting, “The stance of monetary policy remains accommodative, thereby supporting some further strengthening in labor market conditions and a sustained return to 2 percent inflation.”

The Standard & Poor’s 500 Index finished the week flat. Yields on 10-year Treasury bonds moved slightly higher.

4100 Embassy Parkway, Suite 100, Akron, Ohio 44333-1783  
330-434-2000 / Fax: 330-665-1515  
[www.symphony-financial.com](http://www.symphony-financial.com)

Securities offered through LPL Financial, Member FINRA/SIPC. Investment advice offered through Symphony Financial Services, Inc., a registered investment advisor and separate entity from LPL Financial.

Data as of 7/28/17	1-Week	Y-T-D	1-Year	3-Year	5-Year	10-Year
Standard & Poor's 500 (Domestic Stocks)	0.0%	10.4%	13.9%	7.7%	12.3%	5.3%
Dow Jones Global ex-U.S.	0.2	16.3	17.1	-0.1	5.6	-0.6
10-year Treasury Note (Yield Only)	2.3	NA	1.5	2.5	1.5	4.8
Gold (per ounce)	1.3	9.1	-5.7	-1.0	-4.8	6.7
Bloomberg Commodity Index	1.8	-3.5	1.3	-13.2	-10.3	-6.8
DJ Equity All REIT Total Return Index	0.4	6.3	-1.2	8.7	9.8	7.2

S&P 500, Dow Jones Global ex-US, Gold, Bloomberg Commodity Index returns exclude reinvested dividends (gold does not pay a dividend) and the three-, five-, and 10-year returns are annualized; the DJ Equity All REIT Total Return Index does include reinvested dividends and the three-, five-, and 10-year returns are annualized; and the 10-year Treasury Note is simply the yield at the close of the day on each of the historical time periods.

Sources: Yahoo! Finance, Barron's, djindexes.com, London Bullion Market Association.

Past performance is no guarantee of future results. Indices are unmanaged and cannot be invested into directly. N/A means not applicable.

**COOKING ILLITERACY COULD IMPROVE HAPPINESS...** What does heavy cream become when you whip it? If you answered 'whipped cream,' try this one: What does whipped cream become when you whip it a little longer? If you said, 'butter,' congratulations! You may possess above average knowledge of cooking.

You may have heard about the death of the culinary arts. According to various surveys and news reports, few people today possess the skills required to boil an egg. In 2014, *The Seattle Times* reported:

"As cooking has been rendered optional – the victim of rising restaurant culture, myriad takeout options, and supermarket sections packed with pre-cut vegetables, shredded cheese, and prepared foods – [cooking instructors] say cooks are increasingly losing touch with skills considered basic, or even essential, just a generation or two ago. And that is changing the way...recipes are developed and written."

It's also changing the restaurant industry. An April 2017 survey from *Morgan Stanley* found demand for online order and delivery from restaurants is growing rapidly. By 2020, digital food delivery may comprise "...40 percent of total restaurant sales – or \$220 billion...compared with current sales of around \$30 billion."

Before you lament the ignorance of today's youth, consider the results of seven surveys, completed by *Harvard University* and the *University of British Columbia*, encompassing more than 6,000 respondents in four countries. *The Washington Post* reported:

"Across all surveys, life satisfaction was typically higher for people who regularly spend money to save time. This was true regardless of household income, hours worked per week, marital status, and number of children living at home...working adults in the United States reported higher life satisfaction if they regularly paid to outsource household tasks such as cooking, shopping, and general maintenance."

This may be the new math. Spending money to increase 'free' time equals improved happiness.

4100 Embassy Parkway, Suite 100, Akron, Ohio 44333-1783

330-434-2000 / Fax: 330-665-1515

[www.symphony-financial.com](http://www.symphony-financial.com)

Securities offered through LPL Financial, Member FINRA/SIPC. Investment advice offered through Symphony Financial Services, Inc., a registered investment advisor and separate entity from LPL Financial.

## Weekly Focus – Think About It

“Cooking with kids is not just about ingredients, recipes, and cooking...it's about harnessing imagination, empowerment, and creativity.”

--Guy Fieri, Founder of Cooking with Kids Foundation

Best regards,



John Y. Kim, J.D., LL.M.  
President

P.S. Please feel free to forward this commentary to family, friends, or colleagues. If you would like us to add them to the list, please reply to this email with their email address and we will ask for their permission to be added.

Securities offered through LPL Financial, Member FINRA/SIPC.

- \* Government bonds and Treasury Bills are guaranteed by the U.S. government as to the timely payment of principal and interest and, if held to maturity, offer a fixed rate of return and fixed principal value. However, the value of fund shares is not guaranteed and will fluctuate.
- \* Corporate bonds are considered higher risk than government bonds but normally offer a higher yield and are subject to market, interest rate and credit risk as well as additional risks based on the quality of issuer coupon rate, price, yield, maturity, and redemption features.
- \* The Standard & Poor's 500 (S&P 500) is an unmanaged group of securities considered to be representative of the stock market in general. You cannot invest directly in this index.
- \* All indices referenced are unmanaged. Unmanaged index returns do not reflect fees, expenses, or sales charges. Index performance is not indicative of the performance of any investment.
- \* The Dow Jones Global ex-U.S. Index covers approximately 95% of the market capitalization of the 45 developed and emerging countries included in the Index.
- \* The 10-year Treasury Note represents debt owed by the United States Treasury to the public. Since the U.S. Government is seen as a risk-free borrower, investors use the 10-year Treasury Note as a benchmark for the long-term bond market.
- \* Gold represents the afternoon gold price as reported by the London Bullion Market Association. The gold price is set twice daily by the London Gold Fixing Company at 10:30 and 15:00 and is expressed in U.S. dollars per fine troy ounce.
- \* The Bloomberg Commodity Index is designed to be a highly liquid and diversified benchmark for the commodity futures market. The Index is composed of futures contracts on 19 physical commodities and was launched on July 14, 1998.
- \* The DJ Equity All REIT Total Return Index measures the total return performance of the equity subcategory of the Real Estate Investment Trust (REIT) industry as calculated by Dow Jones.
- \* Yahoo! Finance is the source for any reference to the performance of an index between two specific periods.

4100 Embassy Parkway, Suite 100, Akron, Ohio 44333-1783

330-434-2000 / Fax: 330-665-1515

[www.symphony-financial.com](http://www.symphony-financial.com)

Securities offered through LPL Financial, Member FINRA/SIPC. Investment advice offered through Symphony Financial Services, Inc., a registered investment advisor and separate entity from LPL Financial.

- \* Opinions expressed are subject to change without notice and are not intended as investment advice or to predict future performance.
- \* Economic forecasts set forth may not develop as predicted and there can be no guarantee that strategies promoted will be successful.
- \* Past performance does not guarantee future results. Investing involves risk, including loss of principal.
- \* These views are those of Peak Advisor Alliance, and not the presenting Representative or the Representative's Broker/Dealer, and should not be construed as investment advice.
- \* This newsletter was prepared by Peak Advisor Alliance. Peak Advisor Alliance is not affiliated with the named broker/dealer.
- \* You cannot invest directly in an index.
- \* Consult your financial professional before making any investment decision.
- \* Stock investing involves risk including loss of principal.

Sources:

<https://www.bea.gov/newsreleases/national/gdp/gdpnewsrelease.htm>  
<https://www.nytimes.com/reuters/2017/07/28/business/28reuters-usa-economy.html>  
<https://www.federalreserve.gov/newsevents/pressreleases/monetary20170726a.htm>  
<http://www.seattletimes.com/life/food-drink/6-basic-cooking-skills-to-remaster-now/>  
[http://www.morganstanley.com/ideas/online-food-delivery-market-expands?et\\_mid=20347&et\\_mkid=05dcda3fc149857c3a3cc45c1c6dc98b](http://www.morganstanley.com/ideas/online-food-delivery-market-expands?et_mid=20347&et_mkid=05dcda3fc149857c3a3cc45c1c6dc98b)  
[https://www.washingtonpost.com/news/speaking-of-science/wp/2017/07/24/one-surprising-way-money-can-buy-happiness-according-to-scientists/?utm\\_term=.dbfc7100fed9](https://www.washingtonpost.com/news/speaking-of-science/wp/2017/07/24/one-surprising-way-money-can-buy-happiness-according-to-scientists/?utm_term=.dbfc7100fed9)  
<http://www.bhg.com/recipes/chefs/guy-fieri-cooking-with-kids/>

*4100 Embassy Parkway, Suite 100, Akron, Ohio 44333-1783  
330-434-2000 / Fax: 330-665-1515  
[www.symphony-financial.com](http://www.symphony-financial.com)*

Securities offered through LPL Financial, Member FINRA/SIPC. Investment advice offered through Symphony Financial Services, Inc., a registered investment advisor and separate entity from LPL Financial.