



Market Commentary July 18, 2016

Dear Investors:

“Start your engines,” was not in the Department of Labor (DOL)’s June Employment Report Summary, but it may as well have been. A positive jobs report revved investor optimism and sent U.S. stock markets sprinting higher last week.

Job growth was strong in June with 287,000 new jobs created. That helped soothe worries raised by a less than stellar May jobs report. *The Wall Street Journal* wrote:

“A powerful rebound in hiring last month eased fears about an economic downturn as the U.S. expansion enters its eighth year, putting the nation on solid footing to absorb global shocks and market turbulence.”

Investors appeared to agree the U.S. economic growth would continue apace. The *American Association of Individual Investors (AAII)*’s Investor Sentiment Survey reported bullish sentiment – the expectation stock prices will rise over the next six months – increased by 5.8 percentage points last week to 36.9 percent. That’s just the second time since November 2015 bullishness has stayed above 30 percent for two weeks in a row.

Money managers didn’t sit in the stands. The *National Association of Active Investment Managers* reported active managers increased their stock market exposure to 97 percent last week, which is the highest since the group began calculating the measure, according to *Bloomberg*.

Investors’ enthusiasm was fortified by positive earnings reports and helped some markets reach new highs. The Dow Jones Industrial Average finished Friday at a record high, according to *Reuters*, and *Bloomberg* said, “...the S&P 500 Index closed at record highs on four consecutive days, something that hadn’t happened since November 2014.”

The coup in Turkey on Friday threw a wrench into the works. Demand for safe haven assets increased, according to *Bloomberg*. It wouldn’t be a surprise if markets pulled back to assess.

4100 Embassy Parkway, Suite 100, Akron, Ohio 44333-1783
330-434-2000 / Fax: 330-665-1515
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 7/15/16	1-Week	Y-T-D	1-Year	3-Year	5-Year	10-Year
Standard & Poor's 500 (Domestic Stocks)	1.5%	5.8%	2.6%	8.7%	10.4%	5.8%
Dow Jones Global ex-U.S.	3.7	0.4	-9.5	-0.9	-1.0	0.4
10-year Treasury Note (Yield Only)	1.6	NA	2.4	2.7	2.9	5.1
Gold (per ounce)	-2.0	24.9	15.6	1.1	-3.5	7.4
Bloomberg Commodity Index	0.4	10.4	-12.0	-12.3	-12.0	-6.8
DJ Equity All REIT Total Return Index	0.4	15.9	221.4	12.6	12.5	7.7

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.

LOOK INTO THE CRYSTAL BALL...

Sure, the world has changed during the last decade or two. We've gained about 1.6 billion people. (There are now 7.2 billion of us, globally.) There is an app for almost everything. (Just try to 'catch 'em all!') We even job hunt in cyberspace.

Here are a few other changes that may be coming our way soon:

- **Saltwater crops.** One-fifth of the world's irrigated farmland has been swamped by seawater, and rising sea levels mean more acreage may be at risk. *Phys.org* reports scientists around the world have been studying how to grow salt-tolerant crops, including potatoes, strawberries, carrots, onions, and lettuce.
- **Custom-engineered bones.** "For the first time, pieces of living bone have been grown from the cells of...miniature pigs – and sculpted to replace...a pig's lower jaw, one of the strongest and most complex jaws in the face," according to *LiveScience.com*.
- **Smart refrigerators.** Someday soon, you may replace your old refrigerator with a smart fridge. The latest models have cameras that connect to your smart phone via Wi-Fi, so you can see what's inside while you're shopping at the grocery store.
- **Food-sharing apps.** Don't have time to cook? Log in to a food-sharing app to "connect with people in the same area who have leftover food to give away, allowing surplus to be shared and not wasted."
- **Dragon silk armor.** Genetically modified silkworms – they now share DNA with spiders – are spinning one of the toughest fibers ever made. If it performs well in ballistic tests, the U.S. Army may soon be wearing silk.

Our parents and grandparents saw the arrival of countless innovations – the telegraph, radio, television, automobiles, space travel, and much more. We're likely to witness some pretty amazing things, too!

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

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

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

“It is important for all of us to appreciate where we come from and how that history has really shaped us in ways that we might not understand.”

--Sonia Sotomayor, Supreme Court Justice

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 e-mail with their e-mail 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.
- * The Standard & Poor's 500 (S&P 500) is an unmanaged index. 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.
- * 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.
- * Yahoo! Finance is the source for any reference to the performance of an index between two specific periods.
- * Opinions expressed are subject to change without notice and are not intended as investment advice or to predict future performance.

4100 Embassy Parkway, Suite 100, Akron, Ohio 44333-1783
330-434-2000 / Fax: 330-665-1515
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.

- * 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.
- * 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:

<http://www.wsj.com/articles/u-s-added-287-000-jobs-in-june-1467981259>(or go to[https://s3-us-west-2.amazonaws.com/peakcontent/+Peak+Commentary/07-18-16_WSJ-US Job Growth Rebound Calms Fears of Economic Swoon-Footnote 1.pdf](https://s3-us-west-2.amazonaws.com/peakcontent/+Peak+Commentary/07-18-16_WSJ-US+Job+Growth+Rebound+Calms+Fears+of+Economic+Swoon-Footnote+1.pdf))

<http://www.aaii.com/sentimentsurvey?a=subnavHome>

<http://www.bloomberg.com/news/articles/2016-07-15/s-p-500-record-setting-week-lures-cash-before-ending-with-a-thud>

<http://www.reuters.com/article/us-usa-stocks-idUSKCN0ZV1C2>

<http://www.unfpa.org/news/how-has-world-changed-last-20-years>

<http://www.vox.com/2016/7/13/12161974/pokemon-go-holocaust-museum-remove-pokestop>

<http://www.job-hunt.org/jobsearchmistakes.shtml>

<http://phys.org/news/2015-04-dutch-saltwater-potatoes-world-hungry.html>

<http://www.livescience.com/55225-living-bones-grown-in-lab.html>

<https://www.theguardian.com/business/2016/jul/14/tech-innovations-that-could-reduce-food-waste>

<http://www.livescience.com/55423-spider-silkworm-silk-protects-army-soldiers.html>

<http://www.brainyquote.com/quotes/quotes/s/soniasotom564458.html>

4100 Embassy Parkway, Suite 100, Akron, Ohio 44333-1783
330-434-2000 / Fax: 330-665-1515
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.