

Year in Review

- The U.S. unemployment rate remained at historically low rates throughout the year, trending down to 3.5% in November.
- The Federal Reserve reversed course from 2018 (four rate increases) and cut its Federal Funds interest rate three times in 2019 on signs of a slowing economy.
- The FOMC expects U.S. GDP growth to come in around 2.2% for 2019 and to slow slightly to 2.1% in 2020.

2019 Market Performance

- It was a phenomenal year for investors around the world as all of the major asset classes saw solid gains. The MSCI ACWI index was up 27.3% for the year.
- U.S. equity markets turned in their best year since 2013 with the S&P 500 rising over 31% for the year while the NASDAQ gained over 36%.
- With falling rates, bonds experienced very strong returns. The Bloomberg Barclays Aggregate bond index was up 8.7% for the year while the Bloomberg Barclays High Yield index gained 14.3%.

Equity Style Returns

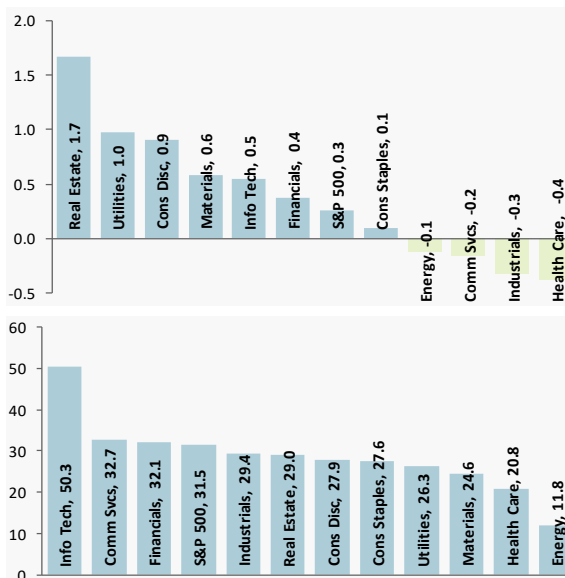
	V	B	G
L	0.2	0.2	0.3
M	0.3	0.1	-0.3
S	-0.1	-0.5	-0.9

1 Week

	V	B	G
L	26.5	31.4	36.4
M	27.1	30.5	35.5
S	22.4	25.5	28.5

YTD

S&P 500 Sector Returns



Major Market Returns

INDEX				
US Equities	Closing	1 WK	1 Year	5 Year
Dow Jones	28,538	0.08	25.34	12.59
S&P 500	3,231	0.26	31.49	11.70
NASDAQ	8,973	0.23	36.69	14.93
Foreign & REIT		1 WK	1 Year	5 Year
MSCI EAFE NR		0.39	22.01	5.67
MSCI EM NR		0.67	18.42	5.61
FTSE Nareit - ALL REITS		1.63	28.07	8.45
Bonds		1 WK	1 Year	5 Year
BBgBarc Agg Bond		0.10	8.72	3.05
1-3 Mth T-Bill ETF SPDR		0.03	2.18	0.91
BBgBarc US High Yield		0.11	14.32	6.13
BBgBarc US TIPS		0.01	8.43	2.62
ML Global Broad Mrkt		0.56	6.85	2.35

Fixed Income Returns

	Short	Int	Long
Gov	0.2	0.2	0.0
Cor	0.2	0.2	-0.2
HY	0.2	0.1	0.2

1 Week

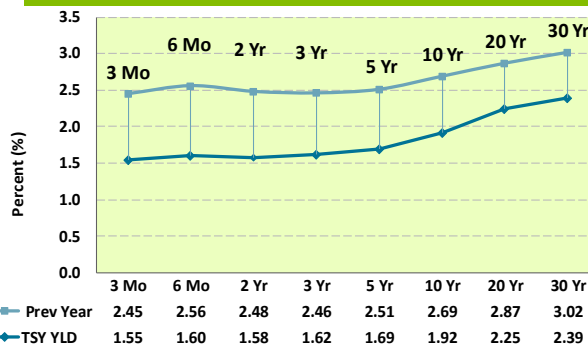
	Short	Int	Long
Gov	4.2	6.8	8.7
Cor	7.0	14.3	23.9
HY	9.9	13.9	23.5

YTD

Key Currency Exchange Rates

US\$ to buy Canadian Dollar	0.770
US\$ to buy Euro	1.121
US\$ to buy U.K. Pound	1.327
Yen to buy US\$	108.780

Treasury Yield Curve



Key Commodity Prices

	Close	1 yr Ago
Dom Crude Oil (bbl)-NYMEX	61.06	45.81
Natural Gas (MMBtu)	2.19	2.96
Gold (oz)	1,518	1,285
Platinum (oz)	985	790
Copper (lb)	2.79	2.63
Coffee (lb)	N/A	1.01
Cotton (lb)	0.66	0.69
Corn (bu)	3.80	3.46
Soybeans (bu)	9.37	8.35

Consumer Money Rates

Interest Rate	Last	Wk Ago	1 Yr Ago
Federal-funds rate target	150-175	150-175	225-250
Prime rate*	4.75	4.75	5.50
Libor, 3-month	11.91	1.96	2.81
Money market, annual yield	0.58	0.57	0.56
Five-year CD, annual yield	1.41	1.41	2.02
30-year mortgage, fixed	4.02	3.85	4.50
15-year mortgage, fixed	3.55	3.35	3.89
Jumbo mortgages, \$484,850-plus	4.23	4.12	4.57
Five-year adj mortgage (ARM)	3.49	4.57	4.16
New-car loan, 48-month	4.46	4.48	4.58

* Base rate posted by 70% of the nation's largest banks



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All data is as of close of prior week unless otherwise indicated.

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Sources: Commodity Prices obtained from WSJ Market Data Group; Treasury Yield Curve obtained from the U.S. Department of the Treasury website www.treasury.gov; Currency Exchange Rates obtained from Thompson Reuters; Consumer Money Rates obtained from Thompson Reuters, WSJ Market Data Group, Bankrate.com; Market Return Data obtained from Morningstar.

Market Returns: All return data represents total return including capital appreciation and reinvestment of dividends. The Dow Jones Industrial Average (DJIA) is a price-weighted average of 30 blue-chip stocks that are generally the leaders in their industry. The S&P 500 Index is a broad-based index of 500 large companies and is widely regarded as an indicator of domestic stock market performance. The NASDAQ composite index is a broad-based, capitalization-weighted index of all NASDAQ National Market & Small-Cap stocks. The MSCI EAFE Index is a capitalization weighted index that monitors the performance of stocks from Europe, Asia and the Far East. The MSCI Emerging Markets Index is a capitalization weighted index that monitors the performance of emerging markets stocks from around the world. The FTSE NAREIT ALL REITS Index is a market capitalization-weighted index that includes all tax-qualified real estate investment trusts that are listed on the NYSE, the ASE and NASDAQ. The Bloomberg Barclays Aggregate Bond Index is an unmanaged index comprised of U.S. investment grade, fixed rate bond market securities including government, government agency, corporate and mortgage-backed securities between one and ten years. The Bloomberg Barclays U.S. Corporate High Yield Index consists of below investment grade U.S. corporate taxable bonds. The Bloomberg Barclays U.S. Treasury Inflation-Protected Securities (TIPS) Index tracks inflation protected securities issued by the U.S. Treasury. The Bloomberg Barclays 1-3 month T-Bill SPDR is used as a proxy for returns on 3-month T-Bills and will generally trail a 3-month T-Bill index by the annual expense ratio of 14 basis points. The Merrill Lynch Global Broad Market Index tracks the performance of investment grade public debt issued in the major domestic and Eurobond markets. Indices are unmanaged and cannot be purchased directly by investors. Index performance is shown for illustrative purposes only and does not predict or depict the performance of any investment.