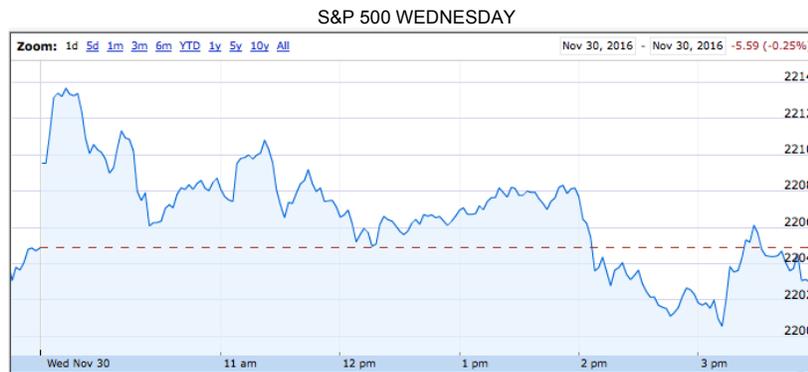




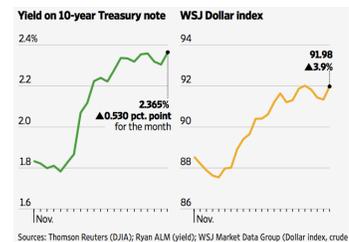
## WEDNESDAY NOVEMBER 30, 2016

	PRICE	CHANGE	VOLUME	UP/DN %	UP/DN VOL %
Dow:	19,123.58	+1.98	<b>5.53</b>	61	135
Nasdaq:	5,323.68	-56.24	<b>2.05</b>	56	43
S&P 500:	2,198.81	-5.85			
10 yr note:	2.37%	+7bps			
Volatility:	13.33	+0.43			
EUR-USD:	1.060	-0.005	Crude Oil:	49.44	+4.21
USD-JPY:	114.44	+2.05	CRB-Com:	189.31	+5.33

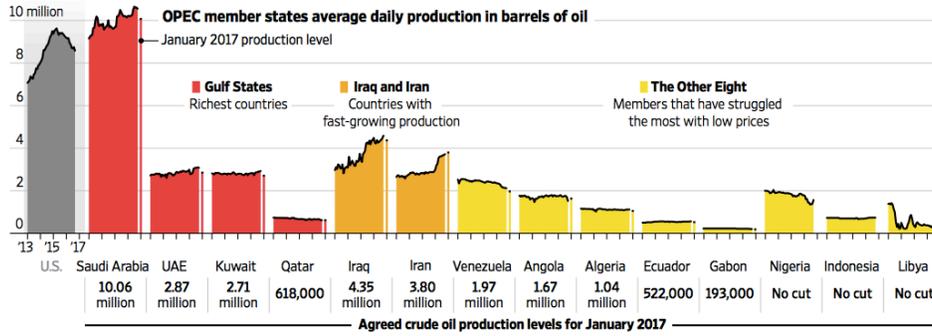


Markets retreat as the S&P 500 (-0.3%) and Nasdaq (-1%) fall. Nevertheless the Dow (+0.1%) gained marginally, its 6<sup>th</sup> rise in the past 7 sessions. The Dow gained 5.4% in November, setting 8 record highs and logging its best month since March. Similarly the S&P 500 and Nasdaq had their best monthly gains since March and July, respectively. Volatility (+3.3%) gained today as treasury yields returned to Friday's high of 2.37%, capping their largest monthly gain since December 2009.

Trump's election capitulated trends that had been brewing since the summer, beginning with Japan's reluctance to pursue further QE measures that marked the bottom in global bond yields. US stocks, the dollar and yield curve consequently gained at the expense of emerging market currencies. 10-year Treasury yields now stand at their highest level since July of last year, rising 54bps over the month. The dollar gained today (+0.7%) as well as for the month (+3.9%; WSJ Dollar Index). European (+0.9%) and Chinese stocks (+4%) also gained in November. Gold (-7.9%) and zero-coupon US Treasuries (-11.8%) suffered.



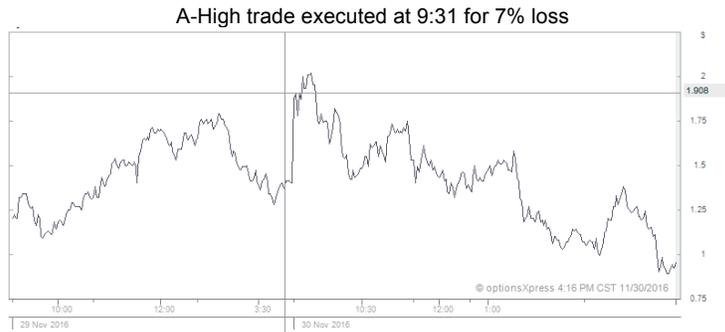
Oil (+9.3%) jumped the most since February as OPEC cut production by 1%. The energy sector (+4.8%) gained on the news. Oil rose 5.5% during November, closing at its highest level this year.



Notes: monthly data; Indonesia suspended its membership; Libya and Nigeria exempted from production deal  
Sources: International Energy Agency; U.S. Energy Information Administration (U.S.); OPEC (January level)

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A-high trade losses again, this time on -3A. A trade shutoff from now on. Only for instances with large sample sizes to guarantee performance.



## ECONOMIC REPORTS:

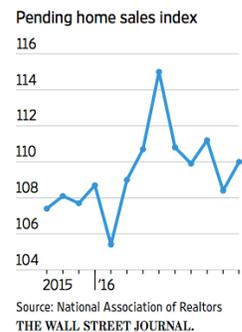
**October Personal Income & Spending:** +0.6%, +0.3%. Consumer's income beats expectations while spending falls short. Strong growth in durable (+1%) and non-durable (+1.4%) spending could not offset a 0.2% decline in spending on services. Spending nevertheless remains strong, as September's gain was revised to +0.7% growth. Consumer's incomes also remain strong, even though they opted to save more in October, pushing the saving rate 30bps higher to 6%.

The all-important PCE price index gained 0.2% last month and 1.4% over the past year. Similarly core prices gained 0.1% in October but remained 1.7% higher annually.

**November ADP Payrolls:** +216,000. Private payroll growth thoroughly beat expectations for a 160,000 gain in November, foreshadowing similar strength in Friday's government employment report (+170,000 consensus expectations).

**October Pending Home Sales:** +0.1%. Pending homes sales suggest flat existing home sales growth through the end of the year, which would be phenomenal given the recent and substantial jump in mortgage rates. Existing home sales (+5.9% yoy) have lagged their new home (+17.8% yoy) counterpart throughout the year.

**Weekly Crude Inventories:** -0.9 million barrels. Oil inventories fall for a second week, now 608% higher over the past year. Conversely gasoline (+2.1 million) and distillate (+5.0 million) inventories gained over the past week.



**Weekly Mortgage Applications:** -9.4%. Purchase (-0.2%) and refinance (-16%) applications both fell last week as higher treasury yields drove a knife into housing activity. Purchase application are now only 3% higher over the past year, down from an 8% gain last week and 30%+ gain earlier in the year.

Rates:

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30 Year Fixed:	4.23%	+7bps ( <i>highest since July '15</i> )
15 Year Fixed:	3.48%	+13bps ( <i>highest since October '14</i> )
5/1 Year ARM:	3.23%	-1bps