



THE WEEK IN REVIEW

Following the default on its debt payment last week to the International Monetary Fund, Greek citizens voted in a referendum against accepting Europe's latest bailout offering, with 61% of voters saying no to further austerity measures. Following the decision, banks remained closed throughout the week as a result of strict capital controls implemented to preserve dwindling cash reserves and prevent a run on deposits. Greece now faces a deadline of this Sunday to agree to terms of a new bailout, when an emergency euro zone summit will meet in Brussels. Regardless of a deal, the Greek economy will likely face a challenging aftermath.

While many keep a fine eye on Greece, China's recent stock collapse has been as dramatic as its previous surge was. Despite logging its biggest one-day rise since 2009 on Thursday, the previous 17 days saw the index collapse by nearly a third. According to Bank of America Merrill Lynch analysts on Thursday, \$2 trillion was wiped off the Shanghai Composite, the country's benchmark stock index. The plunge was stalled though as nearly half of the stocks on the exchange did not trade on Wednesday. The individual collapses of companies could have been more severe if it wasn't for the 10% maximum movement that Chinese stocks are allowed to make each day - once they fall by a tenth in value, trading is suspended.

Job openings rose to a record high of 5.36 million in May, according to the JOLTs report released this week, with both public and private sector openings increasing. Jobless claims for the week ended July 4 were up slightly to 297,000. While the number is a 15,000 increase from the previous week, the report comes on a shortened week due to the July 4 holiday, and may be more volatile than previous weeks due to a difficult adjustment factor. Additionally, the Fed released minutes from its June meeting this week. Although the committee was not yet ready to raise rates, it did detail an 'implementation note' it would use to convey operational details of any policy change. Many analysts still believe a rate hike could come as early as September.

The New York Stock Exchange was halted for trading for three hours on Wednesday due to a technology issue. While some speculated a broader cyberattack may have been the cause, as United Airlines and the Wall Street Journal also had issues with technology on the same day, the NYSE released a statement saying the cause of the issue was due to a botched system upgrade, assuaging any hacking fears. Most stocks listed on the NYSE continued to trade throughout the outage through listings on other exchanges.

INDEX	LEVEL	WEEK	YTD	12 MO
DJ Industrial Average	17,760.41	0.17%	-0.35%	5.00%
NASDAQ	4,997.70	-0.23%	5.52%	13.68%
S&P 500 LargeCap	2,076.62	-0.01%	0.86%	5.70%
S&P 400 MidCap	1,503.72	-0.14%	3.53%	6.36%
S&P 600 SmallCap	719.22	0.23%	2.03%	5.98%
MSCI EAFE	1,816.19	-1.74%	2.33%	-6.57%
MSCI Emerging Markets	919.78	-4.62%	-3.82%	-13.42%

Barclays Aggregate US	0.40%	0.08%	2.24%
Bloomberg Non-US Govt Bond	0.31%	-0.39%	2.72%
Bloomberg US Treasury Index	0.49%	0.10%	3.10%
Bloomberg High Yield Index	-0.51%	2.98%	-1.26%

FTSE/NAREIT All REIT Index	1.79%	-3.90%	2.43%
Bloomberg Commodity Index	-2.48%	-4.79%	-24.25%

KEY BOND RATES	WEEK	1 MO AGO	1 YR AGO
3-Month T-Bill	0.01%	0.02%	0.02%
2-Year Treasury	0.65%	0.75%	0.46%
5-Year Treasury	1.68%	1.80%	1.66%
10-Year Treasury	2.42%	2.50%	2.55%
30-Year Treasury	3.20%	3.22%	3.38%
Municipal Bond Yields (10 Yr)	2.29%	2.38%	2.37%

Price return as of the last available closing data. Source data: Bloomberg and Morningstar are believed to be correct but not verified.

UPCOMING WEEK

A top Puerto Rico finance official is set to meet with bondholders on Monday as the commonwealth pushes to restructure its \$72 billion of debt. The gathering is expected to focus on a recent report by IMF officials who believe that Puerto Rico is in "a dire position because of high debt, unstable finances and a stagnant economy." Also next week, the National Association of Home Builders is expected to produce their Housing Market Index for July on Thursday. Friday follows with the University of Michigan's Consumer Sentiment survey and the consumer price index for June.

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