NATIONAL WEALTH ADVISORS Inc.
Business & Personal Financial Planning

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SUMMIT FINANCIAL RESOURCES, INC.

Investment Newsletter July 2016

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Monthly Summary

It is said the stock market climbs a wall of worry. If so, the U.K.'s June referendum to exit the European Union provided perfect hand and toe holds to boost global markets higher. U.S. stocks hit new all-time highs in July, and international stocks posted even greater gains for the month. Moreover, in anticipation of additional monetary stimulus from global central banks, interest rates continued their steady decline. Over $11 trillion of international sovereign debt now carries negative interest rates, and the yields on U.S. government 10-year and 30-year debt plumbed historical lows.

Interestingly, despite telegraphing the intent to ratchet up monetary stimulus, major central banks actually did very little (in the case of Japan), or nothing, during July. Even the Bank of England deferred action pending economic data. That particular delay should be short-lived, however, and investment markets have dialed in a 100% chance of the BOE easing this Thursday.

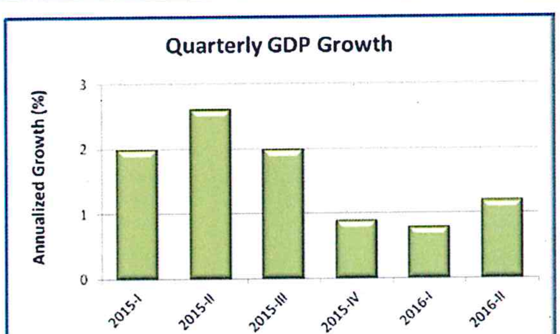
As the month drew to a close, the initial estimate of second quarter U.S. GDP growth, 1.2% annualized, proved surprisingly tepid against expectations of 2.6%. Government and investment spending were weak, housing, heretofore a bastion of strength, declined for the first time since early 2014, and inventory growth not only slowed, it contracted. For now, investors have taken a "bad is good" stance. After all, bad news suggests a delay in U.S. Fed rate hikes and lower interest rates for longer.

Economic Data

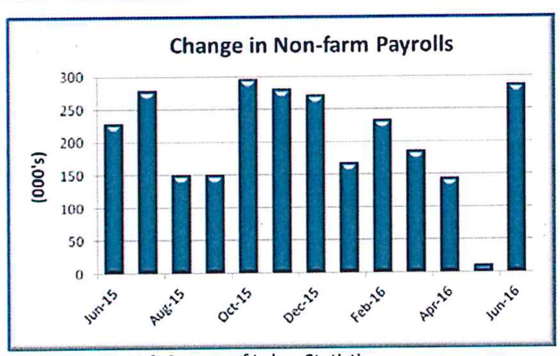
General	Prior	Current
GDP growth	0.8% (Q1)	1.2% (Q2)
Trade balance	-$37.4B (Apr)	-$41.1B (May)

Employment	Prior	Current
Initial jobless claims	252,000 (7/16)	266,000 (7/23)
Continuing claims	2.1MM (7/9)	2.1MM (7/16)
Change in nonfarm payrolls	11,000 (May)	287,000 (Jun)
Unemployment rate	4.7% (May)	4.9% (Jun)
Average weekly hours	34.4 (May)	34.4 (Jun)

Consumer	Prior	Current
Consumer confidence index (Conf. Board)	97.4 (May)	97.3 (Jun)
Retail sales growth (YoY)	1.5% (May)	3.1% (Jun)
Change in consumer credit	$13.4B (Apr)	$18.6B (May)



Data Source: U.S. Bureau of Labor Statistics

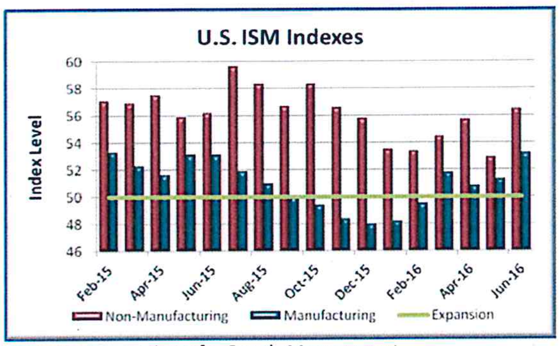


Data Source: U.S. Bureau of Labor Statistics

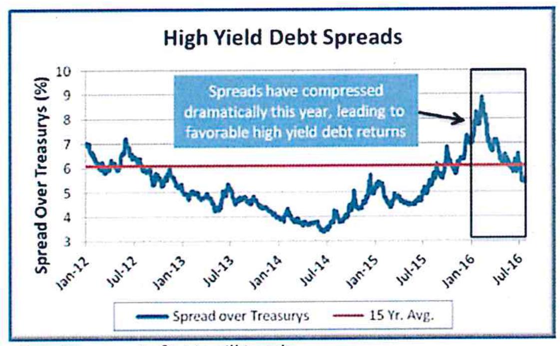
Manufacturing & Service	Prior	Current
ISM manufacturing index	51.3 (May)	53.2 (Jun)
ISM non-manufacturing index	52.9 (May)	56.5 (Jun)
Durable goods orders growth	-2.8% (May)	-4.0% (Jun)
Industrial production growth	-0.3% (May)	0.6% (Jun)
Capacity utilization	74.9% (May)	75.4% (Jun)

Real Estate	Prior	Current
New home sales	572,000 (Apr)	592,000 (May)
Existing home sales	5.5MM (Apr)	5.6MM (May)
S&P CoreLogic CS home price index (YoY)	5.4% (Apr)	5.2% (May)

Inflation	Prior	Current
Consumer price index/Core (YoY growth)	1.0%/2.2% (May)	1.0%/2.3% (Jun)
Producer price index/Core (YoY growth)	-0.1%/1.2% (May)	0.3%/1.3% (Jun)



Data Source: Institute for Supply Management



Data Sources: BofA Merrill Lynch

Market Returns

	July 2016	YTD 2016
Fixed Income		
Barclays Aggregate Bond	0.6%	6.0%
Barclays Municipal Bond	0.1%	4.4%
Barclays Gbl Agg. ex. U.S.	0.8%	12.9%
Alternatives		
Bloomberg Commodity	-5.1%	7.5%
DJ US Real Estate	3.8%	16.5%

	July 2016	YTD 2016
Domestic Equities		
Wilshire 5000	3.9%	8.1%
S&P 500	3.7%	7.7%
Russell 2000	6.0%	8.3%
International Equities		
MSCI EAFE (Developed)	5.1%	0.4%
MSCI EM (Emerging)	5.0%	11.8%

Data Source: Morningstar