

US Economy and Credit Markets			
Yields and Weekly Changes:			
3 Mo. T-Bill:	0.06 (-03bps)	GNMA (30 Yr) 6% Coupon:	112-16/32 (1.59%)
6 Mo. T-Bill:	0.11 (-02 bps)	Duration:	3.64 years
1 Yr. T-Bill:	0.15 (unch.)	30-Year Insured Revs:	198.4% of 30 Yr. T-Bond
2 Yr. T-Note:	0.27 (-03 bps)	Bond Buyer 40 Yield:	4.58% (unch.)
3 Yr. T-Note:	0.49 (-04 bps)	Crude Oil Futures:	106.70 (-3.07)
5 Yr. T-Note:	0.84 (-05 bps)	Gold Futures:	1709.80 (-65.30)
10 Yr. T-Note:	1.98 (unch.)	Merrill Lynch High Yield Indices:	
30 Yr. T-Bond:	3.10 (unch.)	BB, 7-10 Yr.:	5.79% (-06 bps)
		B, 7-10 Yr.:	7.32% (-15 bps)

Shorter dated treasuries finished the week slightly higher as longer date treasuries were unchanged. Prices were higher on Monday as G20 finance leaders determined that more clarity needed to be seen in Europe before giving more funds to the IMF. Pending home sales were higher than expected sequentially and the Dallas Fed Manufacturing Index grew higher than the anticipated 15.8 to 17.8. Yields were relatively unchanged Tuesday as consumer confidence jumped nearly 8 points higher than forecasted to 70.8, but durable goods orders fell farther than projected. Treasuries were once again unchanged on Wednesday as Chairman Bernanke gave little indication of extra quantitative easing. 4Q GDP grew 3.0% which was higher than the expected 2.8%. Yields rose on Thursday as the news of weekly jobless claims touching four year lows outweighed weaker than anticipated personal income, personal spending and ISM manufacturing data. Yields reversed course on Friday as European debt concerns surfaced once again due to an unexpected drop in German retail sales. Major economic reports (and related consensus forecasts) for next week include: Monday: February ISM Non-Manufacturing (56.2) and January Factory Orders (-1.5%); Thursday: Initial Jobless Claims (351,000); Friday: January Trade Balance (-\$49.0B), February Change in Nonfarm Payrolls (210,000), February Change in Private Payrolls (220,000), February Unemployment Rate (8.3%) and January Wholesale Inventories (0.6%).

US Stocks			
Weekly Index Performance:		Market Indicators:	
DJIA:	12,977.57 (-5.38, -.04%)	Strong Sectors:	Consumer Services, Financials, Technology
S&P 500:	1,369.63 (3.89, .28%)	Weak Sectors:	Oil & Gas, Materials, Industrials
S&P MidCap:	977.05 (-8.31, -.84%)	NYSE Advance/Decline:	1,401 / 1,759
S&P Small Cap:	446.23 (-13.53, -2.94%)	NYSE New Highs/New Lows:	383 / 27
NASDAQ Comp:	2,976.19 (12.44, .42%)	AAll Bulls/Bears:	44.5% / 26.8%
Russell 2000:	802.42 (-24.5, -2.96%)		

The highlight from this past week's market, must be the Dow Jones closing above 13,000 for the first time since 2008. The market has come a long way since its March 9th 2009, low of 6,547.05. While last week may have been light on headlines, there was significant activity among companies filing. According to **Morningstar's** Footnoted.org, from February 15th to February 29th, companies filed 33,749 documents with the SEC, representing over 270,000 pages worth of documents. Monday brought good news to shareholders of retailer **Lowe's** which beat earnings expectations of \$.24 EPS by two cents, but more importantly the company announced same-store-sales growth of 3.4%. Also Monday brought relief to shareholders of oil driller **Transocean** which indicated a settlement on the Macondo Oil Spill is forthcoming, shares advanced more than 5%. Tuesday's most notable news probably came from embattled office supplies store, **Office Depot**, which advanced 18.9% on better-than-expected earnings and margin expansion. While results were mixed, Office Depot competitor, **Staples** also beat estimates. However, the best news is that Staples' management reported seeing stronger sales to small businesses, suggesting an improving economy. On Thursday, iconic retailer **Gap**, also impressed investors by announcing same-store-sales growth of 4%, the stock jumped 7.23% on the news. Last week's news could not be all good for investors, **Sotheby's**, missed earnings consensus expectations of \$1.25, by 21 cents. The stock dropped 9.13% on the news. Another company missing expectations is retailer **Big Lots**, the stock declined 4.05% when the company lowered guidance to .75 to .81 EPS from .81 EPS. Looking ahead to next week, Super Tuesday will see eleven states vote for a Republican nominee. On Wednesday, **Apple** will release its much anticipated iPad 3. Finally Thursday, Greece will enact a closely watched debt swap with private credit holders.