

US Economy and Credit Markets			
Yields and Weekly Changes:			
3 Mo. T-Bill:	0.06 (unch.)	GNMA (30 Yr) 6% Coupon:	111-17/32 (2.00%)
6 Mo. T-Bill:	0.09 (unch.)	Duration:	3.65 years
1 Yr. T-Bill:	0.12 (-01 bps)	30-Year Insured Revs:	148.3% of 30 Yr. T-Bond
2 Yr. T-Note:	0.23 (+01 bps)	Bond Buyer 40 Yield:	4.08 (+01 bps)
3 Yr. T-Note:	0.34 (+02 bps)	Crude Oil Futures:	90.97 (-1.73)
5 Yr. T-Note:	0.69 (+01 bps)	Gold Futures:	1486.20 (-89.2)
10 Yr. T-Note:	1.72 (+01 bps)	Merrill Lynch High Yield Indices:	
30 Yr. T-Bond:	2.92 (+05 bps)	U.S. High Yield:	6.30% (-11 bps)
		BB:	4.82% (-11 bps)
		B:	6.39% (-10 bps)

Treasury prices were lower this week, erasing the gains of the previous week. Equities rose significantly over the week despite disappointing economic data, causing Treasury prices to drop. On Wednesday, low demand for a \$21 billion 10-year Treasury auction had prices falling. The amount purchased by Japanese buyers was not as high as anticipated after speculating that these buyers would purchase U.S. Treasuries since the Bank of Japan was buying domestic bonds to lower yields last week. The demand for the 10-year Treasury auction on Thursday was also lackluster as indirect bidders, which include foreign bidders, took a far lower percentage of the auction than usual. Thursday also showed a drop in unemployment claims, causing Treasuries to drop further. However, Treasuries rebounded slightly on Friday on many poor economic reports. Lower than expected Producer Price Index, Advanced Retail Sales and U. of Michigan Confidence numbers had Equities giving back some gains and Treasuries rising. Although, Treasuries still ended the week lower. On Friday, Gold Futures dropped dramatically, closing at the lowest price since 2011. Major economic reports (and related consensus forecasts) for next week include: Monday: April Empire Manufacturing (7.00); Tuesday: March Consumer Price Index (0.0% MoM, 1.6% YoY); March Housing Starts (930,000); March Industrial Production (0.2%); Thursday: April Initial Jobless Claims (350,000); April Philadelphia Fed (3.0); March Leading Indicators (0.1%).

US Equities			
Weekly Index Performance:		Market Indicators:	
DJIA:	14,865.06 (+2.11%)	Strong Sectors:	Consumer Discretionary , Health Care, Telecom Svc
S&P 500:	1,588.85 (+2.34%)	Weak Sectors:	Energy, Materials, Utilities
S&P MidCap:	1,149.23 (+2.26%)	NYSE Advance/Decline:	2,310/ 870
S&P Small Cap:	526.64 (+1.79%)	NYSE New Highs/New Lows:	604/ 62
NASDAQ Comp:	3,294.95 (+2.85%)	AAll Bulls/Bears:	19.3% / 54.5%
Russell 2000:	942.85 (+2.14%)		

Last week, the S&P 500 Index had its second best performing week of 2013 with a 2.34% return. Four of the five days turned in positive performance. It was a different week compared to the previous week's slide which turned in the worst performance of the year with a -0.98% return. Monday started out slow but closed up with a 0.66% return. Investors were waiting to hear comments from Fed Chairman Ben Bernanke about the asset purchase program. Tuesday's performance of 0.35% kept the index in positive territory. Wednesday's rally in technology, health care and financials helped push the index even higher showing the strongest performance of the week with a 1.23% return. Thursday was also positive with better than expected jobless numbers. US initial jobless claims came in lower than expected at 346K. This was a decrease from the previous week's number of 385K and lower than the consensus of 360K. Data showed retail sales declining and consumer sentiment decreasing on Friday which brought the only negative day of the week with a -0.28% return. All ten economic sectors had positive performance for the week. The consumer discretionary sector was the best performing sector with a 3.38% return. Health care and telecommunication services sectors followed with 3.33% and 3.01% returns, respectively. Energy's 0.87% return was the worst performance of all the sectors and was followed by materials and utilities which returned 1.12% and 1.85% respectively. **First Solar Inc.**, a designer and manufacturer of solar modules, turned in the best performance in the S&P 500 Index with a 40.36% gain. The next two best performers were **Monster Beverage Corp** and **Gilead Sciences Inc.** with returns of 14.23% and 9.63% respectively. This week will bring earnings news from several companies such as **Google Inc.**, **General Electric Co.**, **Microsoft Corp**, **IBM Corp**, **Johnson & Johnson**, **The Coca-Cola Co.**, **Philip Morris International Inc.**, **Verizon Communications Inc.**, **Citigroup Inc.**, **Bank of America Corp**, **Intel Corp**, **McDonald's Corp** and many more.