

US Economy and Credit Markets			
Yields and Weekly Changes:			
3 Mo. T-Bill:	0.02 (+01 unch.))	GNMA (30 Yr) 6% Coupon:	112-19/32 (1.48%)
6 Mo. T-Bill:	0.04 (-01 bps)	Duration:	3.67 years
1 Yr. T-Bill:	0.11 (+03 bps)	30-Year Insured Revs:	160.49% of 30 Yr. T-Bond
2 Yr. T-Note:	0.57 (+01 bps)	Bond Buyer 40 Yield:	4.45 (-01 bps)
3 Yr. T-Note:	1.09 (+01 bps)	Crude Oil Futures:	92.51 (+0.38)
5 Yr. T-Note:	1.82 (unch.)	Gold Futures:	1,214.70 (-13.70)
10 Yr. T-Note:	2.58 (-03 bps)	Merrill Lynch High Yield Indices:	
30 Yr. T-Bond:	3.29 (-06 bps)	U.S. High Yield:	6.27% (+02 bps)
		BB:	4.89% (-04 bps)
		B:	6.22% (-02 bps)

U.S. Treasuries rallied Friday as Investors took advantage to buy debt at cheaper prices due to recent selloffs. The selloffs occurred over concerns regarding the Federal Reserve's interest-rate outlook and Scotland's referendum rejecting independence from the U.K. On Monday, the Empire State Manufacturing report beat expectations, driven by a strengthening in new orders and shipments. Industrial Production failed to meet expectations, declining for the first time in seven months as automakers scaled back. As expected, the August Price Index Final Demand remained unchanged on Tuesday. On Wednesday, the Consumer Price Index declined for the first time since April 2013 and Mortgage applications reached a three month high as home owners refinanced their homes amid rising interest rates. On Thursday, Initial Jobless Claims were below expectations and the August Housing Starts declined after reaching a seven year high. On Friday, the Conference Board's index of leading economic indicators expects positive economic output over the next few months. Major economic reports (and related consensus forecasts) for the upcoming week include: Monday: August Existing Home Sales (5.20M, 1.0% MoM); Wednesday: August New Home Sales (430K, 4.4% MoM); Thursday: August Durable Goods Orders (-17.8%); Friday: GDP Annualized QoQ, September University of Michigan Confidence (84.9).

US Equities			
Weekly Index Performance:		Market Indicators:	
DJIA:	17,279.74 (1.73%)	Strong Sectors:	Telecommunication Services,
S&P 500:	2,010.40 (1.27%)		Health Care, Materials
S&P Midcap:	1,419.19 (-0.19%)	Weak Sectors:	Information Technology,
S&P Smallcap:	658.30 (-0.92%)		Cons Discretionary, Energy
NASDAQ Comp:	4,579.79 (0.27%)	NYSE Advance/Decline:	1,604 / 1,622
Russell 2000:	1,146.92 (-1.16%)	NYSE New Highs/New Lows:	209 / 187
		AAll Bulls/Bears:	42.2% / 23.0%

Last week the S&P 500 Index closed in positive territory with a 1.27% return. The index closed slightly down on Monday with a -0.07% return as U.S. manufacturing data showed output fell for the first time in seven months. The health care, utilities and energy sectors led the day as Tuesday returned 0.75% on minimal news. Stocks held on to their previous days' gains on Wednesday as the index returned 0.13%. The FOMC made statements suggesting that their asset purchases may be coming to an end if the outlook on the labor market continues to improve. The FOMC also "reaffirmed its view that a highly accommodative stance on monetary policy remains appropriate", by continuing to keep interest rates low for a considerable time. While economic data showed mixed results on Thursday, the Index followed the two previous days' upward trend with a 0.50% return. This helped the S&P 500 Index hit a new all-time closing high of 2,011.36, surpassing the previous high two weeks prior of 2,007.71 on September 5. August annualized housing starts data came in at 956K, well below the expectations of 1,037K. However, positive data came from US initial jobless claims of 280K, which was a decrease from the previous week's 315K and was lower than the consensus estimate of 305K. Friday closed just below the previous close for a -0.05% return as information technology and financial stocks weighed on the Index. All ten economic sectors had positive performance for the week. The telecommunication services sector was the best performing sector with a 3.40% return. The health care and materials sectors followed with 2.01% and 1.90% returns, respectively. The information technology sector's 0.52% return was the worst performance of all the sectors and was followed by consumer discretionary and energy which returned 0.58% and 0.96%, respectively. **Vertex Pharmaceuticals Inc.**, a pharmaceutical company that discovers and develops drugs for diseases with limited treatments, turned in the best performance in the S&P 500 Index with an 11.57% gain. The next two best performers were **E.I. du Pont de Nemours & Co.** and **Darden Restaurants Inc.** with returns of 9.99% and 7.59%, respectively. This week will bring earnings news from **Nike Inc.**, **Accenture PLC**, **Micron Technology Inc.**, **Carnival Corp.**, **AutoZone Inc.**, **Paychex Inc.**, **Bed Bath & Beyond Inc.** and others.