

US Economy and Credit Markets			
Yields and Weekly Changes:			
3 Mo. T-Bill:	0.01 (-01 bps)	GNMA (30 Yr) 6% Coupon:	113-24/32 (1.23%)
6 Mo. T-Bill:	0.07 (-02 bps)	Duration:	3.70 years
1 Yr. T-Bill:	0.21 (-01 bps)	Bond Buyer 40 Yield:	4.24 (+01 bps)
2 Yr. T-Note:	0.51 (-05 bps)	Crude Oil Futures:	56.06 (+4.42)
3 Yr. T-Note:	0.84 (-07 bps)	Gold Futures:	1202.90 (-1.70)
5 Yr. T-Note:	1.31 (-09 bps)	Merrill Lynch High Yield Indices:	
10 Yr. T-Note:	1.87 (-08 bps)	U.S. High Yield:	
30 Yr. T-Bond:	2.52 (-06 bps)	BB:	4.81% (-03 bps)
		B:	6.77% (-07 bps)
3 Mo. T-Bill:	0.01 (-01 bps)	GNMA (30 Yr) 6% Coupon:	113-24/32 (1.23%)

Treasury prices rose over the course of the week on several poor economic reports and strong demand in Treasuries from Asian investors. On Tuesday, retail sales were weaker than expected and producer prices were disappointing, leading investors to seek the safety of Treasuries. The lower inflation number could lead the Federal Reserve to be more patient in raising rates. Empire manufacturing and industrial production were also weaker than expected on Wednesday. On Thursday, housing starts and initial jobless both missed consensus expectations caused shorter term Treasuries to rise further, but the 10-year and 30-year Treasuries dropped slightly as Fed members had conflicting statements on whether the data is getting close enough to warrant a rate hike. Treasury prices rose the significantly on Friday, with the 30-year Treasury note rising the most, as equities tumbled on Greek default fears. Treasury prices also rose during the week due to disappointing trade reports out of China on Monday, causing many in Asia to seek the safety of U.S. debt. Japan then surpassed China as the largest foreign holder of U.S. Treasuries on Wednesday as fatter U.S. yields and an effective zero-rate policy drove demand for U.S. Treasuries in Japan. Oil rebounded as it rose 9% over the week. Major economic reports (and related consensus forecasts) for the upcoming week include: Monday: March Chicago Fed Nat Activity Index (0.10); Wednesday: March Existing Home Sales (5.03M); Thursday: April 18 Initial Jobless Claims (290,000), April P Markit US Manufacturing PMI (55.7), March New Home Sales (510,000); Friday: March Durable Goods Orders (0.6%).

US Equities			
Weekly Index Performance:		Market Indicators:	
DJIA:	17,826.30 (-1.26%)	Strong Sectors:	Energy, Materials, Financials
S&P 500:	2,081.18 (-0.98%)	Weak Sectors:	Industrials, Cons Disc, Information Technology
S&P Midcap:	1,515.80 (-1.23%)	NYSE Advance/Decline:	1,285 / 1,942
S&P Smallcap:	714.57 (-1.12%)	NYSE New Highs/New Lows:	258 / 34
NASDAQ Comp:	4,931.81 (-1.28%)	AAll Bulls/Bears:	32.1% / 22.8%
Russell 2000:	1,251.86 (-1.00%)		

Early in the week equity markets inched higher before retreating on Friday, when U.S. inflation concerns and declining global equity markets drove the S&P 500 down nearly 1% for the week. Stocks retreated on news that the Consumer Price Index Ex. Food and Energy, year over year, ticked up to 1.8% from an expected 1.7%, which drove concerns that a Federal Reserve interest rate hike may come sooner than previously anticipated. Oil closed the week up 8% and hit a calendar year high on Thursday with a close of \$56.71. Higher oil prices lifted the S&P 500 Energy index by more than 2%, with **Southwestern Energy Co.** jumping 12%, **Range Resources Corp.** 10%, **Transocean LTD** 8.5%, **CONSOL Energy Inc.** 8.5%, **EnscO PLC** 5% and **Schlumberger Ltd** 4.2%. **Delta Air Lines Inc.** rallied over 3.5% for the week after reporting earnings above expectations. **NetFlix Inc.** announced that their subscriber base outpaced company and analyst expectations sending the stock up 26% for the week. **JPMorgan Chase & Co.** rallied 1.9% to a 15 year high on Wednesday, after the company announced earnings and revenue above estimates. **SanDisk** sank over 5% this week as they guided their 2015 sales below analyst estimates. **American Express Co.** closed Friday at a 52 week low, down 3% on the week, after disappointing first quarter revenue. **Johnson & Johnson** announced earnings and revenue in line with expectations, leaving the stock flat on the news. This was notable only because ~50% of the company's sales are from international markets (hurt by the strong dollar) and the company still met revenue and earnings expectations. Looking ahead to next week, earnings season accelerates as 144 companies in the S&P 500 are expected to announce quarterly results, including 16 mega-cap companies (market cap \$100b+): **Google Inc.**, **Microsoft Corp.**, **Facebook Inc.**, **Procter & Gamble Co.**, **Verizon Communications Inc.**, **Coca-Cola Co.**, **Amazon.com Inc.**, **AT&T Inc.**, **International Business Machines Corp.**, **PepsiCo Inc.**, **Amgen Inc.**, **QUALCOMM Inc.**, **Boeing Co.**, **United Technologies Corp.**, **3M Co.**, and **Altria Group Inc.**