

US Economy and Credit Markets			
Yields and Weekly Changes:			
3 Mo. T-Bill:	0.00 (-02 bps)	GNMA (30 Yr) 6% Coupon:	114-16/32 (1.19%)
6 Mo. T-Bill:	0.04 (-05 bps)	Duration:	3.74 years
1 Yr. T-Bill:	0.23 (+02 bps)	Bond Buyer 40 Yield:	4.37 (+10 bps)
2 Yr. T-Note:	0.60 (+09 bps)	Crude Oil Futures:	59.15 (+2.00)
3 Yr. T-Note:	0.95 (+12 bps)	Gold Futures:	1174.50 (-0.7)
5 Yr. T-Note:	1.50 (+19 bps)	Merrill Lynch High Yield Indices:	
10 Yr. T-Note:	2.11 (+21 bps)	U.S. High Yield:	6.45% (+10 bps)
30 Yr. T-Bond:	2.83 (+22 bps)	BB:	4.89% (+13 bps)
		B:	6.75% (+05 bps)

The yield curve steepened this week as Q1, 2015 GDP growth registered at a paltry .2% annualized rate. Annualized GDP reports have now registered two consecutive quarters of declining growth since Q3, 2014 (5% annualized growth) as Q4, 2014 had 2.2% annualized growth. This muddies the Federal Reserve's decision on rate hikes and the investment community believes the Fed more likely to delay any potential hike into the Fall of 2015 as a result of slowing growth. The Federal Reserve also alluded to the strong dollar as a reason for being less optimistic on domestic growth but it did find household income continues to rise and continues to forecast GDP growth for 2015. However, the March Personal Income report released on Thursday showed income growth was unchanged and below consensus expectations of a .2% increase. Spending matched expectations. Also unchanged, were the ISM Manufacturing Index numbers released on Friday. April levels registered 51.5, unchanged from March, and below expectations of 52. This is still expansionary, but all told, the reports did not give investors a lot to cheer. Crude Oil came up off its lows but still trades below 60 dollars/barrel. Major economic reports (and related consensus forecasts) for the upcoming week include: Monday: March Factor Orders (2%); Tuesday: March US Trade Balance (-41.0B); Wednesday: April ADP Employment Change (200K); Thursday: Prior Week Initial Jobless Claims (277K); Friday: April Change in Nonfarm Payrolls (225K), April Unemployment Rate (5.4%), MoM March Wholesale Inventories (.3%).

US Equities			
Weekly Index Performance:		Market Indicators:	
DJIA:	18,024.06 (-0.31%)	Strong Sectors:	Materials, Energy,
S&P 500:	2,108.29 (-0.42%)		Telecommunication Services
S&P Midcap:	1,513.51 (-1.30%)	Weak Sectors:	Health Care, Utilities,
S&P Smallcap:	707.33 (-2.42%)		Consumer Discretionary
NASDAQ Comp:	5,005.39 (-1.67%)	NYSE Advance/Decline:	1,046 / 2,180
Russell 2000:	1,228.11 (-3.09%)	NYSE New Highs/New Lows:	220 / 91
		AAll Bulls/Bears:	30.8% / 22.0%

While the S&P 500 Index had a positive month in April increasing 0.96%, last week the index slid as it returned -0.42%. Stocks changed direction from the previous week's positive performance as health care and utilities stocks led the way down for the equity markets on Monday showing a -0.41% return for the index. The index dropped to start the day on Tuesday on a lower than expected consumer confidence number, but quickly went in the other direction and returned 0.29% for the day with most sectors in positive territory. Energy was up 0.71% on Wednesday, but unfortunately the S&P 500 Index decreased 37 basis points as most other sectors were down on the lower than expected GDP annualized growth rate for 1st quarter 2015. Thursday brought positive economic news in US initial jobless claims which came in at 262K. This was much lower than the previous week's 295K and the consensus estimate of 290K. Thursday also brought the worst performance of the week with information technology, health care and utilities leading the decline for the day. The index returned -1.01% with all sectors in negative territory. Friday showed the best performance of the week with a 1.09% return for the index. Crude oil closed the week at over \$59 a barrel, increasing over 3.5% from the previous week. Five of the ten economic sectors had positive performance for the week. The materials sector was the best performing sector with a 1.95% return. The energy and telecommunication services sectors followed with 1.20% and 0.86% returns, respectively. The health care sector's -2.29% return was the worst performance of all the sectors and was followed by consumer discretionary and utilities which returned -1.58% and -1.55%, respectively. **Genworth Financial Inc.**, a financial company focused on life insurance, turned in the best performance in the S&P 500 Index with a 14.89% gain. The stock increased over 11.5% on Wednesday on positive earnings news that beat estimates. The next two best performers were **Transocean Ltd.** and **Noble Corp PLC** with returns of 14.82% and 13.97%, respectively. This week will bring earnings news from **The Walt Disney Company**, **Comcast Corp**, **Twenty-First Century Fox Inc.**, **The Priceline Group Inc.**, **Occidental Petroleum Corp**, **MetLife Inc.**, **EOG Resources Inc.**, **CBS Corp**, **The Allstate Corp** and many more.