

US Economy and Credit Markets			
Yields and Weekly Changes:			
3 Mo. T-Bill:	0.27 (+11 bps)	GNMA (30 Yr) 6% Coupon:	114-18/32 (0.98%)
6 Mo. T-Bill:	0.43 (+04 bps)	Duration:	3.94 years
1 Yr. T-Bill:	0.59 (+01 bps)	Bond Buyer 40 Yield:	3.82 (+01 bps)
2 Yr. T-Note:	0.76 (+01 bps)	Crude Oil Futures:	48.24 (+3.76)
3 Yr. T-Note:	0.88 (-01 bps)	Gold Spot:	1,313.30 (-24.20)
5 Yr. T-Note:	1.15 (-01 bps)	Merrill Lynch High Yield Indices:	
10 Yr. T-Note:	1.60 (-02 bps)	U.S. High Yield:	6.59% (-12 bps)
30 Yr. T-Bond:	2.32 (-03 bps)	BB:	4.88% (unch.)
		B:	6.64% (-01 bps)

United States 10 year yields ended September very close to where they started the month despite the volatility in Bond markets and a Federal Reserve meeting featuring three members dissenting leaving rates unchanged. Crude oil rose last week as OPEC reached a preliminary understanding to reduce the amount of crude oil the cartel produces. Monday's New Single-Family Home Sales report registered a 7.6% decline in August but was ahead of expectations. New home sales were up over 20% y-o-y but median prices are down just over 5% from a year ago. Wednesday's August New Durable Goods Orders showed no change as increases in defense and auto orders were offset by weakness in other categories. On Thursday, the Real GDP Growth for Q2 was increased to 1.4%, versus previous estimates of 1.1%, and edged out the consensus expectations of 1.3%. Rounding out last week, Friday's August Personal Income reading showed an increase of .2% for the month which matched expectations. Consumption was unchanged according to the report as consumers opted to pocket the increase. Major economic reports (and related consensus forecasts) for the upcoming week include: Monday: September Markit US Manufacturing PMI (51.4, unch.) and ISM Manufacturing (50.5, +1.1); Wednesday: September 30 MBA Mortgage Applications, September ADP Employment Change (165K, -12K), August Trade Balance (-\$40B, -\$0.5B), August Factory Orders (-.3%, -2.4%) and August Durable Goods Orders; Thursday: October 1 Initial Jobless Claims (256K, +2K); Friday: September Change in Non-Farm Payrolls (170K, +19K), September Unemployment Rate (4.9%, unch.) and August Wholesale Inventories (-.1%, unch.).

US Equities			
Weekly Index Performance:		Market Indicators:	
DJIA:	18,308.15 (0.26%)	Strong Sectors:	Energy, Industrials
S&P 500:	2,168.27 (0.20%)		Materials
S&P Midcap:	1,552.26 (0.15%)	Weak Sectors:	Utilities, Health Care,
S&P Smallcap:	756.90 (-0.28%)		Telecommunication Services
NASDAQ Comp:	5,312.00 (0.13%)	NYSE Advance/Decline:	1,487 / 1,638
Russell 2000:	1,251.65 (-0.17%)	NYSE New Highs/New Lows:	253 / 56
		AAII Bulls/Bears:	24.0% / 37.1%

Equities barely moved higher in September with the S&P 500 up 0.02%. The index posted a 0.20% return for the week and has gained 7.84% YTD. After opening lower on Monday, stocks climbed through Wednesday, retreated Thursday and ended up relatively flat for the week through Friday. Deutsche Bank helped boost market sentiment as the bank is reportedly nearing a deal to pay a \$5.4 billion settlement to the U.S. Department of Justice. This amount is less than half the amount originally requested by the DOJ. The Euro moved higher, while treasuries and gold fell as investors' risk appetites have increased. The energy sector was the best performing sector with a 4.64% return as oil closed out the week at 48.01, a 7.94% gain. On Thursday, OPEC announced an agreement to limit crude output following a multiple year decrease in oil prices. Industrials and materials sectors followed with 1.05% and 0.98% returns, respectively. The utilities sector's -3.76% return was the worst performance of all the sectors and was followed by health care at -1.40%. **Transocean Inc** an offshore drilling contractor, turned in the best performance in the S&P 500 Index with a 17.14% gain. The company moved higher with oil prices on the news that suppliers will cap production. The next two best performers were **Helmerich & Payne** and **Murphy Oil Corp** with returns of 16.86% and 16.56%, respectively.

