US Economy and Credit Markets			
3 Mo. T-Bill:	0.31 (+01 bps)	GNMA (30 Yr) 6% Coupon:	112-17/32 (2.14%)
6 Mo. T-Bill:	0.43 (+04 bps)	Duration:	3.81 years
1 Yr. T-Bill:	0.45 (-01 bps)	Bond Buyer 40 Yield:	4.14 (-02 bps)
2 Yr. T-Note:	0.78 (-09 bps)	Crude Oil Futures:	33.66 (+1.47)
3 Yr. T-Note:	0.97 (-13 bps)	Gold Futures:	1,117.70 (+21.40)
5 Yr. T-Note:	1.33 (-15 bps)	Merrill Lynch High Yield Indices:	
10 Yr. T-Note:	1.92 (-14 bps)	U.S. High Yield:	9.30 % (-23 bps)
30 Yr. T-Bond:	2.75 (-08 bps)	BB:	6.52 % (-22 bps)
		B:	9.59 % (-20 bps)

Treasury yields dropped over the course of the week on a volatile equity market and comments from the Federal Reserve, despite equities experiencing a rebound. On Monday, plunging oil prices and a pullback in equities caused investors to seek the security of government debt as yields fell significantly. Investors also speculated that the Eurozone monetary policies would continue to loosen. Treasury yields stayed flat on Tuesday with strong demand for an auction of two-year notes, despite the equities rising. Yields had picked up on Wednesday before giving all the gains back after the Fed Minutes revealed a more dovish outlook. The central bank's notes indicated that they will not be quick to increase rates again and that they believe that inflation is unlikely to rise rapidly. Treasury yields dropped slightly again on Thursday on poor economic data. On Friday, equity markets rose significantly but Treasury yields continued to drop on the unexpected news that the Bank of Japan would pursue a negative interest-rate policy. This sent yields to a 9-month low. The probability of an interest rate hike at the March meeting ended the week at 14%, which was down from 26% one week ago. Oil closed the week up 4%, despite Monday's plunge. Major economic reports (and related consensus forecasts) for the upcoming week include: Monday: December Personal Income (0.2%), December Personal Spending (0.1%), January Markit US Manf. PMI (52.7), January ISM Manf. (48.4), December Construction Spending (0.6%); Wednesday: January 29 MBA Mortgage Applications, January ADP Employment Change (190,000), January Markit US Services (53.7) and Composite PMI, January ISM Non-Manf. Composite (55.1); Thursday: January 30 Initial Jobless Claims (278,000), December Factory Orders (-2.6%), December Durable Goods Orders; Friday; January Change in Nonfarm Payrolls (190,000), January Unemployment Rate (5.0%).

US Equities				
Weekly Index Performance:			Market Indicators:	
DJIA:	16,466.30	(+2.32%)	Strong Sectors:	Telecom, Energy, Utilities
S&P 500:	1,940.24	(+1.77%)		
S&P Midcap:	1,317.74	(+2.36%)	Weak Sectors:	Health Care, Materials, Consumer Discretionary
S&P Smallcap:	629.95	(+2.45%)		
NASDAQ Comp:	4,613.95	(+0.51%)	NYSE Advance/Decline:	2,370/ 845
Russell 2000:	1,035.38	(+1.46%)	NYSE New Highs/New Lows:	96/ 253
			AAII Bulls/Bears:	29.8% / 40.0%

Equity markets roared back in the last trading week of January, trimming loses on the S&P 500 to 5% for the year. In an unexpected move by the Bank of Japan, Governor Haruhiko Kuroda implemented negative interest rates for certain bank reserves in an effort to stimulate the world's third largest economy. With the news, sovereign yields around the world fell and the likelihood of any Fed rate hike in 2016 fell to 55.9%, according to the futures market. The potential for interest rates staying "lower for longer" sent the S&P 500 to its best daily gain in four months. In economic news, U.S. economic growth slowed in the 4th quarter to 0.7% as businesses cut back on capital investment and destocked inventories. Consumer spending remained a bright spot, growing 2.2%. In earnings news, **Amazon.com Inc**. shares fell after reporting disappointing results as Jeff Bezos once again increased spending at the expense of near term profits. **Apple Inc.'s.** disappointing guidance sent shares lower along with a number of their hardware suppliers. **Microsoft Corp.** shares jumped on strong results in cloud services and internet-based tools. **Boeing Co.** shares sold off sharply after 2016 initial guidance fell well below street consensus. 2016 will be a transition year as the maker of airplanes switches customers from the legacy 737 to the 737MAX. Looking ahead to next week, earnings season will remain in full swing with **Cardinal Health Inc., Roper Technologies Inc., Alphabet Inc., Emerson Electric Co., and Pfizer Inc.** all expected to announce.