

US Economy and Credit Markets			
3 Mo. T-Bill:	0.28 (-01 bps)	GNMA (30 Yr) 6% Coupon:	112-19/32 (2.10%)
6 Mo. T-Bill:	0.45 (+02 bps)	Duration:	3.76 years
1 Yr. T-Bill:	0.61 (unch.)	Bond Buyer 40 Yield:	4.05 (-01 bps)
2 Yr. T-Note:	0.87 (+03 bps)	Crude Oil Futures:	39.81 (+0.53)
3 Yr. T-Note:	1.04 (+04 bps)	Gold Spot:	1221.60 (+26.8)
5 Yr. T-Note:	1.38 (+04 bps)	Merrill Lynch High Yield Indices:	
10 Yr. T-Note:	1.90 (+03 bps)	U.S. High Yield:	8.60% (+20 bps)
30 Yr. T-Bond:	2.67 (unch.)	BB:	5.88% (+20 bps)
		B:	8.48% (+16 bps)

U.S. Treasury yields remained relatively unchanged for the shortened holiday week. On Monday, February existing home sales fell by more than expectations as inclement weather significantly affected sales in the Northeast (-17.8%) and Midwest (-13.8%). U.S. government bonds strengthened both Wednesday and Thursday as lower oil and stock prices increased demand for haven assets. Lower foreign government bond yields have also made U.S. government bonds more attractive to investors, which offer one of the highest yields among developed countries. On Thursday, February new home sales increased due to a 38.5% increase in sales in the western region. Jobless claims for last week rose less than forecasts, indicating domestic demand is strong enough for employers to maintain and add workers despite sluggish global growth. February orders for durable goods fell for the third time in four months as aircraft and machinery orders saw large declines. Major economic reports (and related consensus forecasts) for the upcoming week include: Monday: February Personal Income (0.1%), February Personal Spending (0.1%); Tuesday: March Consumer Confidence Index (93.5); Wednesday: March 25<sup>th</sup> MBA Mortgage Applications, March ADP Employment Change (195k); Thursday: March 26<sup>th</sup> Initial Jobless Claims, March Chicago Purchasing Manager (50.5); Friday: March Change in Nonfarm Payrolls (207k), March Unemployment Rate (4.9%), March Markit US Manufacturing PMI, March ISM Manufacturing (50.4), March University of Michigan Sentiment (90.5).

US Equities			
Weekly Index Performance:		Market Indicators:	
DJIA:	17,515.73 (-0.49%)	Strong Sectors:	Health Care, Utilities, Telecom
S&P 500:	2,035.94 (-0.65%)	Weak Sectors:	Energy, Financials, Materials
S&P Midcap:	1,413.81 (-1.12%)	NYSE Advance/Decline:	1,055/ 2,113
S&P Smallcap:	666.28 (-1.83%)	NYSE New Highs/New Lows:	166/ 27
NASDAQ Comp:	4,773.50 (-0.45%)	AAll Bulls/Bears:	33.8% / 23.7%
Russell 2000:	1,079.54 (-1.99%)		

U.S. stocks ended the holiday-shortened week lower, breaking a streak of five weekly gains, as commodity-linked equities trailed the broader market. Markets rallied to begin the week before St. Louis Federal Reserve Bank President James Bullard commented Wednesday that an interest rate hike is possible in April if economic conditions continue to improve. While the Federal Reserve halved its projection for 2016 rate increases during last week's meeting, a more upbeat tone since the meeting from many Fed officials drove a recovery in the dollar and a broad based sell-off in the commodity market. In economic news, existing home sales fell more than forecasted in February as limited supply, weather and higher asking prices curbed demand. Durable goods orders fell in February for the third time in four months, while initial jobless claims came in slightly better than economist forecasts. In stock news, **Apple Inc.** unveiled a smaller iPhone to better compete with other smartphone makers at a lower price point. However, the move will come at the expense of margins. **Valeant Pharmaceuticals International, Inc.** rallied following the news CEO Mike Pearson will step down and the company will search for a successor. **Oxford Industries, Inc.**, parent of **Tommy Bahama** and **Lilly Pulitzer**, fell following disappointing earnings guidance for the fiscal year due to reduced traffic in their stores. With earnings season now past, markets will be focused on global economic data and the Fed in the coming weeks. The monthly unemployment report and ISM manufacturing will be key economic data points in the week ahead.