











The Economy

Another decent nonfarm payroll number in April (165,000) should help continue to fuel this "plow horse" economy. While the unemployment rate did fall from 7.6% to 7.5%, many economists and the financial media have noted that we need to see at least 250,000 new jobs created each month to seriously lower the unemployment rate. To date, data suggests that the recovery has benefitted the affluent the most. Data from the Pew Research Center showed that the net worth of American households grew by \$5 trillion in the first two years of the economic recovery, according to CNNMoney.com. The bulk of the gains were garnered by the wealthiest Americans, who tend to be more heavily invested in the stock and bond markets.

Consumer Confidence 68.1 (Apr) 59.7 (Mar) 	Crude Oil (Mo.-End) \$93.46 (Apr) \$97.23 (Mar) 	Personal Spending 0.2% (Mar) Feb was 0.7% 	ISM Manufacturing 50.7 (Apr) 51.3 (Mar) 	ISM Non-Manufacturing 53.1 (Apr) 54.4 (Mar) 
Gold (Mo.-End) \$1472.10 (Apr) \$1594.80 (Mar) 	Natural Gas (Mo.-End) \$4.34 (Apr) \$4.02 (Mar) 	Factory Orders -4.0% (Mar) Feb was 3.0% 	New Home Sales 417,000 (Mar) 411,000 (Feb) 	Existing Home Sales 4.92M (Mar) 4.98M (Feb) 

The Stock Market

Indices (Source: Bloomberg)	Apr	12-mo.	Eighty-one out of the 132 subsectors (61%) that comprise the S&P 500 posted a gain in April, down from 116 (88%) last month, according to S&P. Telecommunication Services was the top performing sector, up 6.9%. In April, the dividend-payers (406) in the S&P 500 (equal weight) posted a total return of 1.68%, vs. 1.37% for the non-payers (94), according to S&P. Y-T-D, the payers were up 14.10%, vs. a gain of 14.39% for the non-payers. For the 12-mo. period ended April 2013, payers were up 19.38%, vs. a gain of 19.80% for the non-payers. The number of dividend increases in the first four months totaled 173. Ten dividends were cut. While the DJIA has yet to close above the 15,000 mark, it did trade above it intraday on 5/3/13. It took the DJIA 2,115 days to rise from 14,000 (7/19/07) to 15,000, according to Bespoke Investment Group. The all-time high in the S&P 500 was set on 4/30/13 at 1597.57. Some equity strategists are speculating as to whether or not the stock market is poised for a pullback. A pullback is defined as a 5% to 10% sell-off, according to Bespoke. S&P Capital IQ reported that there have been 56 pullbacks of 5% to 10% since World War II, with an average decline of 7.0% and an average duration of one month, according to USA TODAY. Since the bull market began on 3/9/09, there have been 25 pullbacks, with an average decline of 8.3%, according to Bespoke.
S&P 500	1.9%	16.9%	
DJIA	1.9%	15.4%	
NASDAQ 100	2.5%	7.5%	
S&P 400	0.6%	18.8%	
Russell 2000	-0.4%	17.7%	
Russell 3000	1.6%	17.2%	
MSCI World (ex U.S.) (USD)	4.6%	17.5%	
MSCI Emerging Markets (USD)	0.8%	4.0%	
Growth/Value (Source: Bloomberg)	Apr	12-mo.	
S&P 500 Growth	2.1%	14.0%	
S&P 500 Value	1.8%	20.4%	
S&P 400 Growth	1.3%	17.2%	
S&P 400 Value	0.0%	21.6%	
Russell 2000 Growth	-0.7%	15.7%	
Russell 2000 Value	-0.1%	19.7%	

U.S. Dollar Index (DXY) -1.2% (Apr) 2.5% (YTD) \$ was down 0.5% in '12 	CBOE Total Equity Options (# of contracts in millions) Apr: 32.0 (+9.2%)  Mar: 29.3 (-0.3%) Record 7/08: 67.2 million	Short Interest (NYSE) Apr 15: 13.4B (-1.5%)  Mar 15: 13.6B (+3.8%) Record 7/08: 18.61 billion shares	VIX Volatility Index (S&P 500) 13.52 (4/30)  12.70 (3/28) Record 11/20/08: 80.86
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The Bond Market

Index (Source: Barclays)	Apr	12-mo.	Yield	The yield on the benchmark 10-Year T-Note fell 18 bps. to 1.67% in April. Municipal bonds posted another strong month (see chart). The rally in Treasuries helped lift municipal bond valuations. Lipper data shows, however, that municipal bond funds and ETFs reported net outflows in each of the past nine weeks, according to Barron's. March and April are traditionally the weakest stretch of the year for municipal bonds. Data compiled by the Rockefeller Institute shows that total state tax collections rose 5.2% (y-o-y) in Q4'12, the 12th consecutive quarter in which revenues were up, according to its own release. The inflation-adjusted increase in revenues was 3.4%, the highest gain since Q2'11. Forty-four states reported gains in tax revenues. Personal income, sales and corporate tax revenues were up 10.8%, 2.7% and 1.2%, respectively.
U.S. Treasury: Intermediate	0.45%	1.82%	0.54%	
GNMA 30 Year	0.73%	1.84%	2.43%	
Municipal Bond (22+)	1.56%	7.75%	3.22%	
U.S. Aggregate	1.01%	3.68%	1.73%	
Intermediate Corporate	1.01%	6.53%	1.92%	
U.S. Corporate High Yield	1.81%	13.98%	5.21%	
Global Aggregate	1.39%	1.46%	1.62%	
Global Emerging Markets	2.35%	10.94%	3.93%	

Key Rates as of April 30	Key Yield Spread	2013 Debt Issuance Through March																		
Fed Funds 0-0.25% 2-Yr. T-Note 0.21% 10-Yr. T-Note 1.67% 30-Yr. Mortgage 3.43% Bond Buyer 40 4.01% (Source: Bloomberg)	The spread between the Merrill Lynch High Yield Master II Index and the 10-Yr. T-Note was 449 basis points on 4/30/13, down from 453 on 3/28/13. It was 567 on 4/30/12. (Source: Bloomberg)	(Source: Thomson Reuters) <table border="1"> <thead> <tr> <th>Debt Category</th> <th>\$ Amount</th> <th>% change over '12</th> </tr> </thead> <tbody> <tr> <td>Treasury</td> <td>\$439.0 Billion</td> <td>-22.0%</td> </tr> <tr> <td>Corporate</td> <td>\$365.2 Billion</td> <td>-9.8%</td> </tr> <tr> <td>Convertible</td> <td>\$6.5 Billion</td> <td>+83.2%</td> </tr> <tr> <td>Asset-Backed</td> <td>\$48.0 Billion</td> <td>-0.4%</td> </tr> <tr> <td>Municipal</td> <td>\$82.9 Billion</td> <td>+4.8%</td> </tr> </tbody> </table>	Debt Category	\$ Amount	% change over '12	Treasury	\$439.0 Billion	-22.0%	Corporate	\$365.2 Billion	-9.8%	Convertible	\$6.5 Billion	+83.2%	Asset-Backed	\$48.0 Billion	-0.4%	Municipal	\$82.9 Billion	+4.8%
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Equity funds reported net inflows totaling \$14.5 billion in 3/13, vs. \$14.2 billion of net inflows in 2/13, according to the Investment Company Institute. Bond funds reported net inflows totaling \$16.1 billion, vs. \$20.2 billion of net inflows in 2/13. Money Market fund net outflows totaled \$58.3 billion, vs. \$31.6 billion of net outflows in 2/13. Year-to-date through March, equity funds reported net inflows totaling \$66.5 billion, vs. \$69.1 billion of net inflows for bond funds (municipals had net inflows totaling \$9.3B) and \$101.0 billion of net outflows for MMFs.

Index	10-Yr. High Value	Date	10-Yr. Low Value	Date	Month-End Value	% Off High Value	YTD Return (USD)	Month-End Yield
S&P 500	1597.57	04/30/13	676.53	03/09/09	1597.57	0.00%	12.74%	2.08%
S&P 500 Growth	845.04	04/30/13	363.99	03/09/09	845.04	0.00%	11.58%	1.76%
S&P 500 Value	836.19	07/13/07	307.16	03/09/09	743.53	-11.08%	13.97%	2.40%
S&P 400	1160.02	04/30/13	404.62	03/09/09	1160.02	0.00%	14.16%	1.80%
S&P 400 Growth	524.62	04/30/13	174.44	11/20/08	524.62	0.00%	13.62%	1.32%
S&P 400 Value	403.50	03/28/13	144.98	03/09/09	403.27	-0.06%	14.86%	2.30%
S&P 100	729.79	10/09/07	322.13	03/09/09	718.98	-1.48%	11.99%	2.22%
DJIA	14865.14	04/11/13	6547.05	03/09/09	14839.80	-0.17%	14.10%	2.42%
NASDAQ 100	2887.44	04/30/13	1036.51	11/20/08	2887.44	0.00%	8.90%	1.41%
Russell 2000	953.07	03/14/13	343.26	03/09/09	947.46	-0.59%	11.98%	1.82%
Russell 2000 Growth	546.67	03/14/13	190.73	03/09/09	542.47	-0.77%	12.47%	1.13%
Russell 2000 Value	1276.63	06/04/07	469.32	03/09/09	1254.38	-1.74%	11.52%	2.47%
Russell 3000	949.83	04/30/13	389.61	03/09/09	949.83	0.00%	12.89%	2.05%
MSCI World x U.S. (USD)	5379.90	10/31/07	1893.03	04/30/03	4664.40	-13.30%	9.47%	N/A
MSCI Emerging Markets (USD)	473.35	10/29/07	93.53	04/30/03	417.77	-11.74%	-0.88%	N/A
Bovespa/Brazil (USD)	44638.24	05/19/08	4176.50	05/06/03	27939.82	-37.41%	-6.36%	4.33%
RTS/Russia (USD)	2487.92	05/19/08	418.21	05/08/03	1407.21	-43.44%	0.54%	4.21%
Bombay SE 500/India (USD)	226.04	01/07/08	22.57	04/30/03	137.25	-39.28%	-0.24%	1.47%
Shanghai Composite/China (USD)	810.24	10/16/07	122.21	07/11/05	353.26	-56.40%	-3.00%	2.62%
KOSPI/South Korea (USD)	2.29	10/31/07	0.49	05/02/03	1.78	-22.21%	-4.40%	1.21%
Hang Seng (USD)	4082.25	10/30/07	1117.68	04/30/03	2929.95	-28.23%	0.66%	3.14%
MSCI Euro (USD)	1988.53	10/31/07	680.91	03/09/09	1134.04	-42.97%	4.96%	4.01%
S&P Consumer Discretionary	432.60	04/30/13	125.72	03/09/09	432.60	0.00%	15.51%	1.51%
S&P Consumer Staples	427.79	04/23/13	195.50	05/01/03	422.39	-1.26%	18.12%	2.81%
S&P Energy	668.81	05/20/08	182.22	04/30/03	578.84	-13.45%	9.23%	2.17%
S&P Utilities	223.91	12/10/07	100.04	05/01/03	210.40	-6.03%	19.74%	3.69%
S&P Financials	509.55	02/20/07	81.74	03/06/09	252.00	-50.54%	14.53%	1.72%
S&P Banks	414.38	02/20/07	49.02	03/05/09	173.88	-58.04%	10.74%	2.29%
FTSE NAREIT Equity REITs	676.54	02/07/07	163.57	03/06/09	585.66	-13.43%	14.94%	3.12%
S&P Health Care	558.35	04/23/13	252.84	03/05/09	548.29	-1.80%	19.17%	1.88%
S&P Pharmaceuticals	456.23	04/23/13	214.50	03/03/09	443.71	-2.74%	20.04%	2.79%
NYSE Arca Biotechnology	1933.60	04/23/13	370.40	05/08/03	1931.57	-0.10%	24.89%	0.07%
S&P Information Technology	507.31	09/17/12	198.51	11/20/08	487.37	-3.93%	5.54%	1.53%
Philadelphia Semiconductor	560.65	01/12/04	171.32	11/20/08	444.36	-20.74%	16.19%	1.69%
S&P Telecom Services	181.06	05/31/07	88.10	03/09/09	167.48	-7.50%	17.09%	4.16%
S&P Industrials	381.16	10/09/07	132.83	03/09/09	358.85	-5.85%	9.81%	2.29%
S&P Materials	285.91	05/16/08	108.33	03/02/09	248.87	-12.96%	5.50%	2.58%
Philadelphia Gold & Silver	228.95	04/08/11	64.36	10/27/08	109.36	-52.23%	-33.52%	2.43%
Reuters/Jefferies CRB	473.52	07/02/08	200.34	03/02/09	288.13	-39.15%	-2.33%	N/A
Merrill Lynch Perpetual Preferred	197.85	05/08/07	51.79	03/09/09	196.11	-0.88%	4.41%	5.83%
Merrill Lynch High Yield Master II	330.03	04/30/13	130.37	12/12/08	330.03	0.00%	4.81%	6.16%