

US Economy and Credit Markets			
Yields and Weekly Changes:			
3 Mo. T-Bill:	0.06 (-02 bps)	GNMA (30 Yr) 6% Coupon:	112-17/32 (1.69%)
6 Mo. T-Bill:	0.10 (-01 bps)	Duration:	3.77 years
1 Yr. T-Bill:	0.13 (-01 bps)	30-Year Insured Revs:	139.6% of 30 Yr. T-Bond
2 Yr. T-Note:	0.25 (unch.)	Bond Buyer 40 Yield:	4.15 (-02 bps)
3 Yr. T-Note:	0.38 (-01 bps)	Crude Oil Futures:	93.71 (+.26)
5 Yr. T-Note:	0.80 (-03 bps)	Gold Futures:	1606.10 (+13.50)
10 Yr. T-Note:	1.93 (-06 bps)	Merrill Lynch High Yield Indices:	
30 Yr. T-Bond:	3.15 (-06 bps)	U.S. High Yield:	6.39% (-01 bps)
		BB, 7-10 Yr.:	4.89% (-01 bps)
		B, 7-10 Yr.:	6.49% (-01 bps)

Treasury yields were lower this week as concern surrounding a proposed levy on bank deposits in Cyprus threatened to reignite the Eurozone debt crisis and kept demand for safe assets in place. On Monday, 10-year yields fell below 2 percent ahead of a Federal Reserve meeting to decide on additional rounds of asset purchases. February housing starts and permits were reported on Tuesday at 917k and 946k, respectively, exceeding expectations. On Wednesday, treasuries fell for the first time in 4 days when the Federal Reserve reiterated its commitment to asset purchases of \$85B per month to spur economic growth and left the Target Federal Funds rate unchanged at .25%. Cyprus was back in the headlines on Thursday when the European Central Bank threatened to cut off the countries banks from funding unless the nation agreed to a bailout, spurring demand for treasuries. Also on Thursday, February existing home sales were reported at 4.98M narrowly missing expectations of 5M, and Leading Indicators rose .5%, ahead of .4% expectations. Yields were slightly higher on Friday, but lower overall on the week, as investors speculated that a European Union led bailout of Cyprus might materialize. Major economic reports (and related consensus forecasts) for next week include: Tuesday: February Durable Goods Orders (3.9%), Durable Goods Orders Ex-Transportation (.5%), March Consumer Confidence (67.5), and February New Home Sales (420k); Wednesday: February Pending Home Sales (-.4% MoM/8.7% YoY); Thursday: Personal Consumption (2.1%); Friday: February Personal Income (+.9%), Personal Spending (+.6%), and U. of Michigan Confidence (72.7).

US Stocks			
Weekly Index Total Return:		Market Indicators:	
DJIA:	14,512.03 (-0.01%)	Strong Sectors:	Cons. Staples, Telecom, Info. Tech.
S&P 500:	1556.89 (-0.24%)	Weak Sectors:	Materials, Financials, Energy
S&P MidCap:	1139.67 (-0.18%)	NYSE Advance/Decline:	1,665 / 1,509
S&P Small Cap:	528.62 (-0.57%)	NYSE New Highs/New Lows:	579 / 102
NASDAQ Comp:	3245.00 (-0.11%)	AAll Bulls/Bears:	38.9% / 33.3%
Russell 2000:	946.27 (-0.63%)		

Equity markets were little changed this week, as the S&P 500 returned -0.24%. Stocks fell on Monday and Tuesday as the country of Cyprus announced a tax levy on all bank deposits. The announcement unnerved worldwide markets as the S&P 500 returned -0.80% for the time period. Equity markets stabilized Wednesday and Thursday. On Friday the S&P 500 gained on additional news out of Cyprus; officials were debating other measures to raise crucial tax revenues besides their tax levy on bank deposits. As expected, the Federal Reserve announced their continuing involvement in supporting the economy as long as unemployment is above 6.5% and inflation is projected to be below 2.5%. Earnings season has been winding down however, there were still several meaningful announcements. Shares of **Tiffany & Co.** surprised to the upside on better than expected revenue growth which sent the company up 1.9%. **Oracle Corp.** dropped nearly -10% after sales and earnings missed estimates. Oracle Corp.'s announcement sent **Cisco Systems Inc.** and **Juniper Networks Inc.** down over 2% amid several analysts downgrading much of the networking industry. **Walgreen Co.** jumped up 5.4% as they announced earnings and revenues greater than estimates. **Nike Inc.** soared over 11% as the company blew away earnings and revenue estimates while also raising next quarter guidance. **Adobe Systems Inc.** was up over 4% on news of good earnings and increased 1Q13 guidance. Looking ahead to next week, Case-Shiller housing price index will be announced Tuesday and U.S. 4Q GDP and jobless claims will be announced on Thursday.