

US Economy and Credit Markets			
Yields and Weekly Changes:			
3 Mo. T-Bill:	0.04 (+02 bps)	GNMA (30 Yr) 6% Coupon:	111-14/32 (1.75%)
6 Mo. T-Bill:	0.08 (+01 bps)	Duration:	3.64 years
1 Yr. T-Bill:	0.10 (unch.)	30-Year Insured Revs:	145.26 % of 30 Yr. T-Bond
2 Yr. T-Note:	0.32 (+01 bps)	Bond Buyer 40 Yield:	4.86 (-03 bps)
3 Yr. T-Note:	0.70 (-01 bps)	Crude Oil Futures:	102.36 (+2.06)
5 Yr. T-Note:	1.53 (unch.)	Gold Futures:	1,323.90 (+4.90)
10 Yr. T-Note:	2.73 (-01 bps)	Merrill Lynch High Yield Indices:	
30 Yr. T-Bond:	3.69 (-01 bps)	U.S. High Yield:	6.15% (-09 bps)
		BB:	4.82% (-09 bps)

Treasury prices ended the week mixed and relatively unchanged after several economic reports. Treasuries rose moderately on Tuesday after poor homebuilder confidence and New York manufacturing numbers as the effects of poor weather started to be reflected. However, speculation the Fed would no longer wind down the bond buying program was tempered as San Francisco Fed President John Williams said that neither these reports nor a similar employment report as seen in January would affect his view on the economic recovery. The release of the Fed minutes on Wednesday did not have any major revelations that the taper would be pulled back, though it did suggest that the Fed's policy to keep rates low may be modified in the near future. Housing starts numbers were much lower than expected also on Wednesday as bond prices also dropped moderately. Treasuries continued a slight slide on Thursday when the equity market rallied as demand for Treasuries was low due to concerns about emerging markets and turmoil in Ukraine. Existing home sales also were slightly lower than forecasted on Friday but Treasuries crept back up to end the week near the same levels they started. There was also a large movement in oil as the price rose 2%. Major economic reports (and related consensus forecasts) for the upcoming week include: Tuesday: February Consumer Confidence Index (80.0); Wednesday: January New Home Sales (400,000); Thursday: January Durable Goods Orders (-1.5%), February 22 Initial Jobless Claims (335,000); Friday: 4th Quarter Annualized GDP (2.6%), 4th Quarter Personal Consumption (2.9%), February Univ. of Michigan Confidence (81.2).

US Stocks			
Weekly Index Performance:		Market Indicators:	
DJIA:	16103.3 (-0.27%)	Strong Sectors:	Health Care, Utilities, Energy
S&P 500:	1836.25 (-0.08%)	Weak Sectors:	Info Tech, Financials, Cons. Staples
S&P MidCap:	1356.56 (0.74%)	NYSE Advance/Decline:	1,948 / 1,247
S&P Small Cap:	655.18 (1.02%)	NYSE New Highs/New Lows:	353 / 52
NASDAQ Comp:	4263.411 (0.5%)	AAll Bulls/Bears:	42.2% / 22.8%
Russell 2000:	1164.6321 (1.35%)		

In a week where investors received conflicting signals from economic data, stocks were mixed. Since January's 3.45% drop in the S&P 500, investors have recouped most of their losses. Since the beginning of this month, the S&P has advanced more than 3%. This week, three acquisitions served as positive catalysts for equity investors. Pharmaceutical maker, **Actavis**, announced plans to purchase **Forest Laboratories** in a \$25 billion deal. Shares in Actavis and Forest Laboratories advanced, 13.8% and 35.7%, respectively last week. Also, announcing acquisition plans were jewelry makers **Signet Jewelers** and **Zale**. Signet will acquire Zale for \$1.4 billion. Shares in Signet and Zale climbed 19% and 40.8%, respectively. Also announcing acquisition plans was **Facebook**. The social networking giant announced their acquisition of privately held, **WhatsApp** for \$19 billion. While many in North America may not be familiar with WhatsApp, it boasts having more than 400 million active users. Last week, **Wal-Mart** reported disappointing earnings. While the retailer reported earnings of \$1.37 per share, which met or exceeded analyst expectations, the company's earnings fell more than 18% in the fourth quarter from the previous year. Also reporting disappointing earnings was miner, **Newmont Mining**. The company reported a fourth-quarter loss of \$1.17 billion due to a significant impairment charge. In the last year, shares in the gold and copper miner have fallen more than 40%. As we make our way to the end of earnings season, companies reporting earnings include **Chorus**, **HSBC**, **Texas Roadhouse**, **Office Depot** and **Macy's**.