

## The Market Week in Review

For the Week Ending March 30, 2013

### THE MARKETS

Stocks started the shortened week in negative territory as concerns about the crisis in Cyprus and future bailouts of other European countries dragged stocks down. The market bounced back on Tuesday to finish in positive territory after a batch of positive economic reports suggested the U.S. economy continues to improve. Stocks were mixed on Wednesday amid ongoing political and economic concerns in Europe, but reversed on Thursday to finish strong on the final trading day of the first quarter with the S&P 500 finishing at a new record high after hovering around the milestone for the past few weeks.

Index	Started Week	Ended Week	Change	% Change	YTD %
DJIA	14,512.03	14,578.54	66.51	0.46%	11.25%
Nasdaq	3,245.00	3,267.52	22.52	0.69%	8.21%
S&P 500	1,556.89	1,569.19	12.30	0.79%	10.03%
Russell 2000	946.27	951.54	5.27	0.56%	12.03%

### DAILY DEVELOPMENTS

#### MONDAY

The risk of an economic recession remained low last month, according to the Chicago Federal Reserve's National Activity Index, a weighted average of 85 indicators. The Index came in at +0.44 in February, up from -0.49 in January. That made February the fourth consecutive month the index registered a positive reading. The three month average of the index (CFNAI-MA3) posted a reading of +0.09.

#### TUESDAY

The Department of Commerce reported a boost in durable goods orders of 5.7 percent in February following a 3.8 decline in January. The increase was mainly attributable to a jump in aircraft orders which caused the transportation component to rebound significantly. Excluding the volatile transportation sector, February orders fell 0.5 percent, which was below analysts' projections for a 0.7 percent increase.

New home sales declined by 4.6 percent in February said the Commerce Department on Tuesday. The decline follows January's 13.1% increase. Annualized sales declined to 411,000, which was below expectations of 425,000, but sales were up 12.3 percent on a year-over-year basis. The median home sale price rose 3.0 percent in February to \$246,800, up from \$239,900 in January, and a total of 4.1 percent for the year.

### *WEDNESDAY*

Pending home sales slid 0.4 percent in February after a gain of 3.8 the month prior. A lack of available homes continues to dampen sales, but the uptrend in home prices should help offset this as more sellers are encouraged to put their properties on the market. February's decline is likely to cause reported existing home sales to be flat for the next few months.

### *THURSDAY*

The Department of Labor reported Thursday that jobless claims reversed their positive trend last week by increasing 16,000 to 357,000, which is the highest level since mid-February. On a positive note, the 4 week average of 343,000 is more than 10,000 below February's trend. Continuing claims fell 27,000 last week to 3.073 million and the unemployment rate for insured workers was held at 2.4 percent.

The Commerce Department's estimate of 2012 fourth quarter real GDP growth was revised upwardly on Thursday to an annualized rate of 0.4 percent. The upward revision was mainly due to a stronger growth in nonresidential structures, slightly higher inventory growth, and a smaller than expected net export deficit.

### *FRIDAY*

The Bureau of Economic Analysis reported considerable gains in personal income and spending for February. Personal income bounced back from a 3.7 percent decline in January with a 1.1 percent increase in February and personal spending rose 0.7 percent in February after rising 0.4 percent the month prior.

### **TIDBITS**

China's rapid growth will spur its economy past the U.S. by 2016, according to a report by the Organization for Economic Cooperation and Development.

### **QUOTE OF THE WEEK**

I believe that thrift is essential to well-ordered living and that economy is a prime request of a sound financial structure, whether in government business or personal affairs.

– **John D. Rockefeller, Jr.**

We hope you have found the information in this week's market summary helpful. If you would like to comment on any of the information found in this week's Market Commentary please e-mail Andy Willms at [awillms@estatecounselors.com](mailto:awillms@estatecounselors.com) or Garrett Alabado at [galabado@estatecounselors.com](mailto:galabado@estatecounselors.com). If you would like to discuss how current market conditions could impact your investments, please feel free to call us at the number listed below.

Best regards,

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