ESTATE COUNSELORS, LLC

ASSET MANAGEMENT

The Market Week in Review

For Week Ending March 15, 2014

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THE MARKETS

All four of the major equity indexes declined this past week giving up the gains registered the week before. Selling pressure was created as tensions escalated in Ukraine and data showed China's industrial output expanded at its lowest pace in nearly 5 years. The Dow and the S&P 500 are now in the red for the year while the NASDAQ and the Russell have been able to hold on to slight gains for the year. The rotation out of stocks and into bonds pushed the yield on the 10 year U.S. Treasury Note down to 2.65%.

Index	Started Week	Ended Week	Change	% Change	YTD %
DJIA	16,452.72	16,065.67	-387.05	-2.35%	-3.08%
Nasdaq	4,336.22	4,245.40	-90.82	-2.09%	1.65%
S&P 500	1,878.04	1,841.13	-36.91	-1.97%	-0.39%
Russell 2000	1,203.32	1,181.41	-21.91	-1.82%	1.53%

DAILY DEVELOPMENTS

MONDAY

There were no major economic announcements on Monday.

TUESDAY

The White House announced on Tuesday that President Barack Obama will use his executive authority to expand mandatory overtime pay rules to cover more workers. The Executive Order will direct the Labor Department to make overtime pay mandatory for certain "executive or professional" employees that are not currently entitled to overtime pay.

WEDNESDAY

Crude oil inventories rose 6.2 million barrels for the week of March 8th due to an increase in imports and higher output from domestic producers. However, gasoline inventories fell sharply by 5.2 million barrels, which is the biggest one week decline since the recovery began and signals the recent growth for demand for fuel in advance of the start of the summertime driving season.

THURSDAY

Initial jobless claims fell by 9,000 last week to 315,000 which was below the consensus of 330,000. The four week average is now 300,500 which is 5,000 less than the average one month ago. Continuing claims, for which the data lags one week, were also down 48,000 to 2.855 million for the week of March 1st bringing the four week average down 50,000 compared to a month ago. These numbers confirm last Friday's positive employment report.

Existing home sales fell 5.1 percent in January to a 4.620 million annual rate as winter weather, rising mortgage rates, limited supply, and higher prices all cut into sales. The year-on-year rate also declined, falling 5.1 percent. However the year-on-year median price was up 10.7 percent. Supply of homes relative to sales rose to 4.9 months from 4.6 months but the improvement was tied mostly to the drop in sales.

Retail sales were up 0.3 percent in February which was driven by an increase in automobile sales, building supplies and garden equipment. The consensus had been for a 0.1 percent increase. The January number, which was held down by harsh winter weather in much of the country, was revised downward to a 0.6 percent decline from a 0.4 percent decline.

FRIDAY

The Producers Price Index for total final demand dropped by 0.1 percent in February, missing expectations of a 0.2 percent increase. Most of the decline can be traced to a decrease in final demand services, which fell 0.3 percent last month. The PPI miss came after the index rose 0.2 percent in January.

TIDBITS

The U.S. Senate announced a long-awaited proposal to dismantle Fannie Mae and Freddie Mac on Tuesday. The announcement of the plan, which involves liquidating the insurers' assets, sent common shares of the mortgage giants into a freefall with Fannie Mae closing down 31 percent and Freddie Mac down 27 percent on the day.

QUOTE OF THE WEEK

"The only thing money gives you is the freedom of not worrying about money."
- Johnny Carson

I 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 me at awillms@estatecounselors.com. If you would like to discuss how current market conditions could impact your investments, please feel free to call me at the number listed below.

Best regards,

Andy

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