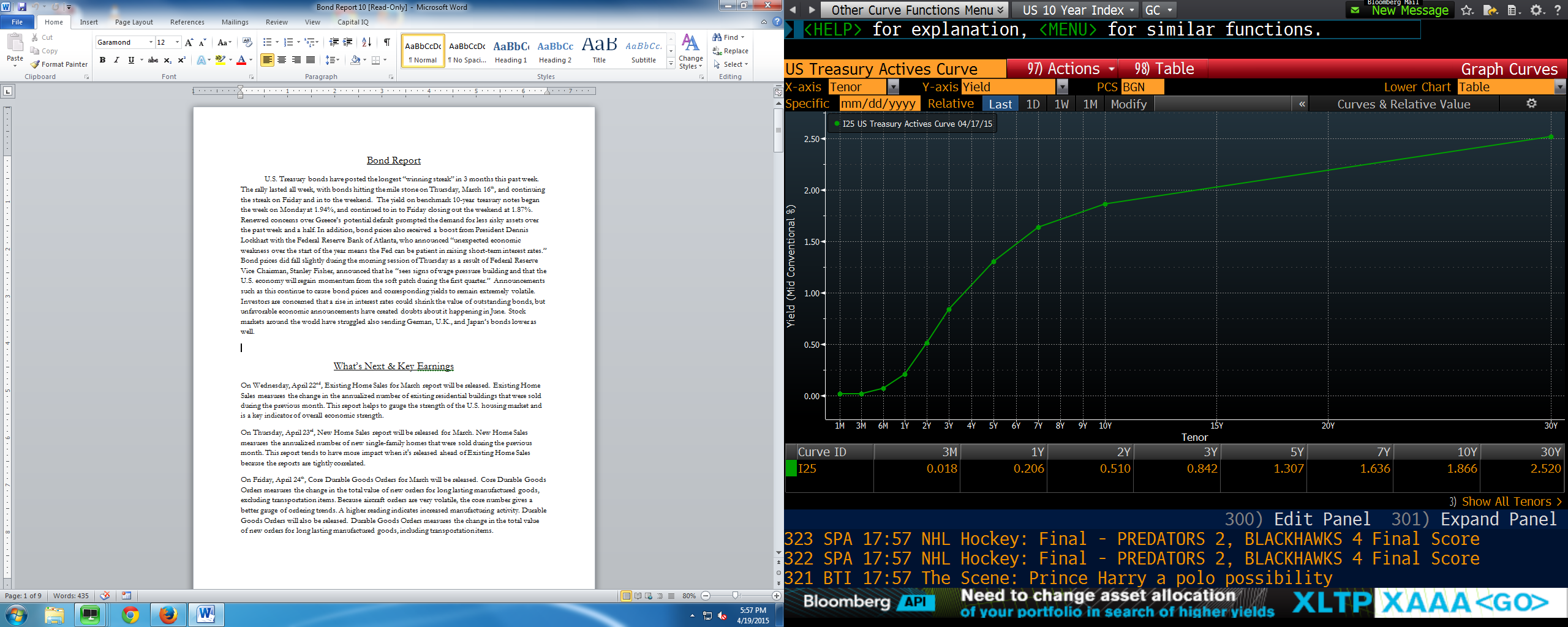
Bond Report

U.S. Treasury bonds have posted the longest “winning streak” in 3 months this past week. The rally lasted all week, with bonds hitting the mile stone on Thursday, March 16th, and continuing the streak on Friday and in to the weekend. The yield on benchmark 10-year treasury notes began the week on Monday at 1.94%, and continued to in to Friday closing out the weekend at 1.87%. Renewed concerns over Greece’s potential default prompted the demand for less risky assets over the past week and a half. In addition, bond prices also received a boost from President Dennis Lockhart with the Federal Reserve Bank of Atlanta, who announced “unexpected economic weakness over the start of the year means the Fed can be patient in raising short-term interest rates.” Bond prices did fall slightly during the morning session of Thursday as a result of Federal Reserve Vice Chairman, Stanley Fisher, announced that he “sees signs of wage pressure building and that the U.S. economy will regain momentum from the soft patch during the first quarter.” Announcements such as this continue to cause bond prices and corresponding yields to remain extremely volatile. Investors are concerned that a rise in interest rates could shrink the value of outstanding bonds, but unfavorable economic announcements have created doubts about it happening in June. Stock markets around the world have struggled also sending German, U.K., and Japan’s bonds lower as well.





What’s Next & Key Earnings

On Wednesday, April 22nd, Existing Home Sales for March report will be released. Existing Home Sales measures the change in the annualized number of existing residential buildings that were sold during the previous month. This report helps to gauge the strength of the U.S. housing market and is a key indicator of overall economic strength.

On Thursday, April 23rd, New Home Sales report will be released for March. New Home Sales measures the annualized number of new single-family homes that were sold during the previous month. This report tends to have more impact when it's released ahead of Existing Home Sales because the reports are tightly correlated.

On Friday, April 24th, Core Durable Goods Orders for March will be released. Core Durable Goods Orders measures the change in the total value of new orders for long lasting manufactured goods, excluding transportation items. Because aircraft orders are very volatile, the core number gives a better gauge of ordering trends. A higher reading indicates increased manufacturing activity. Durable Goods Orders will also be released. Durable Goods Orders measures the change in the total value of new orders for long lasting manufactured goods, including transportation items.

