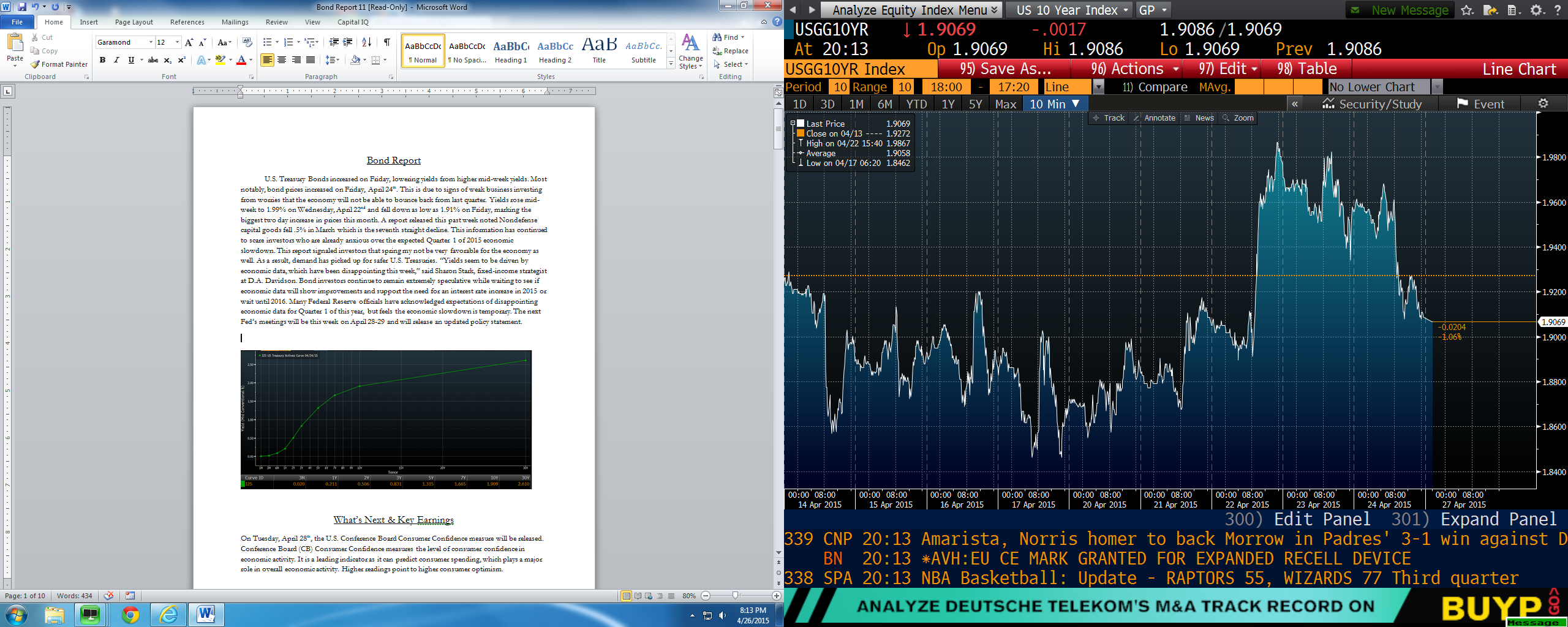
Bond Report

U.S. Treasury Bonds increased on Friday, lowering yields from higher mid-week yields. Most notably, bond prices increased on Friday, April 24th. This is due to signs of weak business investing from worries that the economy will not be able to bounce back from last quarter. Yields rose mid-week to 1.99% on Wednesday, April 22nd and fell down as low as 1.91% on Friday, marking the biggest two day increase in prices this month. A report released this past week noted Nondefense capital goods fell .5% in March which is the seventh straight decline. This information has continued to scare investors who are already anxious over the expected Quarter 1 of 2015 economic slowdown. This report signaled investors that spring my not be very favorable for the economy as well. As a result, demand has picked up for safer U.S. Treasuries. “Yields seem to be driven by economic data, which have been disappointing this week,” said Sharon Stark, fixed-income strategist at D.A. Davidson. Bond investors continue to remain extremely speculative while waiting to see if economic data will show improvements and support the need for an interest rate increase in 2015 or wait until 2016. Many Federal Reserve officials have acknowledged expectations of disappointing economic data for Quarter 1 of this year, but feels the economic slowdown is temporary. The next Fed’s meetings will be this week on April 28-29 and will release an updated policy statement.





What’s Next & Key Earnings

On Tuesday, April 28th, the U.S. Conference Board Consumer Confidence measure will be released. Conference Board (CB) Consumer Confidence measures the level of consumer confidence in economic activity. It is a leading indicator as it can predict consumer spending, which plays a major role in overall economic activity. Higher readings point to higher consumer optimism.

On Wednesday, April 29th, there will be a FOMC Statement. The U.S. Federal Reserve's Federal Open Market Committee (FOMC) statement is the primary tool the panel uses to communicate with investors about monetary policy. It contains the outcome of the vote on interest rates, discusses the economic outlook and offers clues on the outcome of future votes. The Fed will also vote on where to set the Fed Funds Target Rate.

On Wednesday, April 29th, the Gross Domestic Product for Quarter 1, 2015 will be released. Gross Domestic Product (GDP) measures the annualized change in the inflation-adjusted value of all goods and services produced by the economy. It is the broadest measure of economic activity and the primary indicator of the economy's health. This will come as a result of the Federal Reserve’s monetary policy meetings.







