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**MARKET WEEK: OCTOBER 17, 2011****The Markets**

Welcome relief: Equities built strongly on last week's gains as the Dow and Nasdaq surged back into positive territory for 2011. The S&P 500, NASDAQ, and Russell 2000 all had their strongest week of the year, with the tech-heavy NASDAQ and the small-cap Russell seeing the biggest gains. Little Slovakia provided at least some temporary reassurance about European bailout capabilities, which encouraged investors to drive bond yields higher as prices fell.

Market/Index	2010 Close	Prior Week	As of 10/14	Week Change	YTD Change
<b>DJIA</b>	11577.51	11103.12	11644.49	4.88%	.58%
<b>NASDAQ</b>	2652.87	2479.35	2667.85	7.60%	.56%
<b>S&amp;P 500</b>	1257.64	1155.46	1224.58	5.98%	-2.63%
<b>Russell 2000</b>	783.65	656.21	712.46	8.57%	-9.08%
<b>Global Dow</b>	2087.44	1756.93	1845.80	5.06%	-11.58%
<b>Fed. Funds</b>	.25%	.25%	.25%	0 bps	0 bps
<b>10-year Treasuries</b>	3.30%	2.10%	2.26%	16 bps	-104 bps

**Last Week's Headlines**

After an initial negative vote, Slovakia provided the final ratification of expanded powers for the European Financial Stability Facility (EFSF), enabling it to buy bonds issued by troubled eurozone countries. Meanwhile, there were more ratings downgrades: Standard & Poor's cut Spain to AA- with a negative outlook, indicating additional downgrades are likely in the future. It also downgraded several Spanish banks, while Fitch cut the ratings of four other European banks.

A 1.1% improvement in September's retail sales represented the biggest increase in seven months, though the figures are not adjusted for price increases. A 3.6% increase in auto sales helped a lot after having been hurt earlier in the year by parts shortages. According to the Commerce Department, even without autos, retail sales still rose 0.6%.

Minutes of last month's Federal Reserve Open Markets Committee (FOMC) showed that members seem to be as divided as the rest of the country over whether and how to stimulate the economy. Some felt the Fed's recent decision to tweak its bond portfolio was not necessary; others argued for more aggressive measures.

**Eye on the Week Ahead**

As earnings season gets into high gear, several bellwether banks and tech companies are scheduled to report. Two key manufacturing surveys and inflation data also will serve as economic indicators.

Key dates and data releases: Empire State manufacturing survey, industrial production (10/17); wholesale inflation, international capital flows, housing market (10/18); consumer inflation, housing starts, Fed "beige book" report (10/19); weekly new jobless claims, home resales, Philadelphia Fed

survey (10/20).

*Data source: Includes data provided by Brounes & Associates. All information is based on sources deemed reliable, but no warranty or guarantee is made as to its accuracy or completeness. Neither the information nor any opinion expressed herein constitutes a solicitation for the purchase or sale of any securities, and should not be relied on as financial advice. Past performance is no guarantee of future results. Equities data reflect price change, not total return.*

*The Dow Jones Industrial Average (DJIA) is a price-weighted index composed of 30 widely traded blue-chip U.S. common stocks. The S&P 500 is a market-cap weighted index composed of the common stocks of 500 leading companies in leading industries of the U.S. economy. The NASDAQ Composite Index is a market-value weighted index of all common stocks listed on the NASDAQ stock exchange. The Russell 2000 is a market-cap weighted index composed of 2000 U.S. small-cap common stocks. The Global Dow is an equally weighted index of 150 widely traded blue-chip common stocks worldwide. Market indexes listed are unmanaged and are not available for direct investment.*

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### **About WealthTrust - Arizona**

WealthTrust - Arizona is a fee based investment advisory firm that specializes in integrating portfolio management with estate planning for high net worth individuals and families. Services include portfolio management, estate planning, asset and lifestyle preservation, taxation concerns, access to trust and estate documentation preparation, business succession planning and more. The professionals at WealthTrust - Arizona are frequently sought out by the national media such as The Wall Street Journal, Forbes, New York Times, CNBC, BloombergRadio, and others to share their thoughts on matters that impact our clients.

Given the recent events impacting investors and their financial security, we would welcome the opportunity to provide a second opinion for anyone who would like to have a check-up on their investments, financial plan or estate plan. If you know of anyone who may have a concern with their current advisor or current investment portfolio, we encourage you to share our contact information with those that could benefit from a complimentary review.

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