



WealthTrust - Arizona
 8434 E Shea Blvd
 Scottsdale, AZ 85260
 480-483-7300
 info@wealthtrust-arizona.com
 www.wealthtrust-arizona.com



Market Week: June 9, 2014

The Markets

For the third straight week, both large- and small-cap indices surged upward. Once again, the S&P 500 and the Dow industrials set new record highs, while the small caps of the Russell 2000 returned to positive territory for the year. The enthusiasm for equities took a toll on the benchmark 10-year Treasury note, whose yield rose as prices fell.

Market/Index	2013 Close	Prior Week	As of 6/6	Weekly Change	YTD Change
DJIA	16576.66	16717.17	16924.28	1.24%	2.10%
Nasdaq	4176.59	4242.62	4321.40	1.86%	3.47%
S&P 500	1848.36	1923.57	1949.44	1.34%	5.47%
Russell 2000	1163.64	1134.50	1165.21	2.71%	.13%
Global Dow	2484.10	2564.35	2599.33	1.36%	4.64%
Fed. Funds	.25%	.25%	.25%	0 bps	0 bps
10-year Treasuries	3.04%	2.48%	2.60%	12 bps	-44 bps

Chart reflects price changes, not total return. Because it does not include dividends or splits, it should not be used to benchmark performance of specific investments.

Last Week's Headlines

- The U.S. economy has finally regained all of the jobs lost during the recession that officially began in December 2007. The 217,000 jobs created in May put total employment at 138.4 million--higher than the previous peak recorded in January 2008. It was the fourth straight month in which the number of new jobs has exceeded 200,000. However, the Bureau of Labor Statistics said the unemployment rate remained unchanged at 6.3%. Also, including workers who are underemployed would put the unemployment rate at 12.2%, down from a peak of 17.2%.
- Going negative: To encourage lending, the European Central Bank cut the interest rate it pays banks for holding their deposits to -0.1%; rather than paying interest on deposits, it's essentially charging banks for holding their cash. The ECB also cut its refinancing rate--the rate banks must pay when they borrow from the ECB--from 0.25% to 0.15%. President Mario Draghi said the ECB will offer targeted long-term refinancing operations (TLTROs) in September and December, which will allow banks to borrow up to three times the amount they lend out, and may also buy certain asset-backed securities. Draghi also said the ECB is prepared to do more if these measures don't do enough to stimulate the economy.
- The Environmental Protection Agency announced a sweeping plan to cut carbon pollution nationwide from existing power plants by 30% below 2005 levels. The plan would give individual states a year in which to identify how they would meet the target between now and 2030, and give the public 120 days to comment on the EPA's proposal.





Key Dates/Data Releases

6/12: Retail sales

6/13: Wholesale inflation

- U.S. manufacturing continued to rebound. The Commerce Department said the 0.7% increase in factory orders in April (fueled in part by orders for military equipment) was the third straight monthly increase. Meanwhile, the Institute for Supply Management's manufacturing index also showed acceleration, rising 0.5% to 55.4% in May. The ISM said the services sector, which represents a larger segment of the economy, saw even stronger gains, rising 1.1% in May to 56.3%.
- Construction spending also was up in April, according to the Commerce Department. The 0.2% increase from March put spending 8.6% above the same time last year. Residential construction was up 0.1% for the month, while commercial construction slid 0.1%. Spending on public projects such as schools and highways rose 0.8%.
- The U.S. trade deficit rose more than 6% in April as imports hit a record high of more than \$240 billion and exports slowed for the fourth month out of the last five. According to the Bureau of Economic Analysis, the growth in imports stemmed largely from spending on foreign autos, computers, food, and consumer goods.
- Anecdotal reports from the Federal Reserve's "beige book" report showed the economy continued to improve along with the weather. All 12 districts reported economic expansion, and upward pressure on wages, which could trigger inflation, remained subdued.

Eye on the Week Ahead

In a week light on economic data that could serve as a catalyst for market movements, trading volumes that also have been light in recent weeks could magnify any volatility. Investors--at least those that aren't on vacation--will try to assess whether recent upward movement reflects an economy emerging from winter worries or a last surge before summer doldrums set in.

Data sources: Economic: Based on data from U.S. Bureau of Labor Statistics (unemployment, inflation); U.S. Department of Commerce (GDP, corporate profits, retail sales, housing); S&P/Case-Shiller 20-City Composite Index (home prices); Institute for Supply Management (manufacturing/services). Performance: Based on data reported in WSJ Market Data Center (indexes); U.S. Treasury (Treasury yields); U.S. Energy Information Administration/Bloomberg.com Market Data (oil spot price, WTI Cushing, OK); www.goldprice.org (spot gold/silver); Oanda/FX Street (currency exchange rates). 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.

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 2,000 U.S. small-cap common stocks. The Global Dow is an equally weighted index of 150 widely traded blue-chip common stocks worldwide. Market indices listed are unmanaged and are not available for direct investment.

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.

Please visit us at <http://www.wealthtrust-arizona.com>

Advisory services offered through WealthTrust-Arizona, a registered investment advisor. WealthTrust-Arizona does not engage in the trust business in the state of Arizona or in any other jurisdiction. Not FDIC insured. Not bank guaranteed. May lose value, including loss of principal. Not insured by any state or federal agency.