



## WealthTrust - Arizona

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### MARKET WEEK: OCTOBER 8, 2012

#### The Markets

Encouraging manufacturing and employment data helped the Dow hit a level less than 4% below its pre-2008 high, while the S&P 500 was roughly 6.5% away from achieving the same target. Meanwhile, oil slipped below the \$90-a-barrel mark, offering some hope for a little relief on gas prices down the road.

Market/Index	2011 Close	Prior Week	As of 10/5	Week Change	YTD Change
DJIA	12217.56	13437.13	13610.15	1.29%	11.40%
Nasdaq	2605.15	3116.23	3136.19	.64%	20.38%
S&P 500	1257.60	1440.67	1460.93	1.41%	16.17%
Russell 2000	740.92	837.45	842.87	.65%	13.76%
Global Dow	1801.60	1921.70	1957.83	1.88%	8.67%
Fed. Funds	.25%	.25%	.25%	0 bps	0 bps
10-year Treasuries	1.89%	1.65%	1.75%	10 bps	-14 bps

Equities data reflect price changes, not total return.

#### Last Week's Headlines

The unemployment rate fell in September to 7.8%, its lowest level since January 2009. The Bureau of Labor Statistics said the addition of 114,000 jobs to the nation's payrolls cut the unemployment rate by 0.3%, the biggest monthly decline since January of last year. The greatest job gains were seen in health care, transportation/warehousing,

finance-related companies, and business and professional services.

After a three-month summer slump, U.S. manufacturing showed growth in September. The Institute for Supply Management's index of manufacturing activity hit 51.5% (any figure above 50% indicates growth), while a more than 5% monthly gain put new orders at 52.3%. The ISM's measure of the services sector also was up; the 55.1% reading represented the fastest pace of growth in six months.

A nearly 35% decline in demand for transportation-related equipment--primarily aircraft--helped cut U.S. factory orders by 5.2% in August. However, the Commerce Department said that excluding the volatile transportation sector, orders were up 0.7%.

Construction spending fell 0.6% in August, according to the Commerce Department, but was still 6.5% higher than a year earlier. A 1.7% drop in private nonresidential construction was responsible for the monthly decline; residential construction rose 0.9%.

Members of the Federal Open Market Committee have discussed using numerical thresholds for unemployment and inflation to determine when to begin raising the Fed's target interest rate. The FOMC has said it anticipates keeping interest rates low through mid-2015. Minutes of the committee's most recent meeting also indicated the Fed expects moderate economic growth for the next few quarters that will accelerate sometime in 2013.

## Eye on the Week Ahead

Tuesday's announcement by Alcoa--the unofficial start to the Q3 earnings season--will give investors something to mull over other than politics and economic data. Wholesale inflation numbers could show the impact of energy prices.

Key dates and data releases: balance of trade (10/11); wholesale inflation (10/12).

*Data sources: 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.*

*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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