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April 30, 2012

### MARKET WEEK: APRIL 30, 2012

#### The Markets

Solid corporate earnings from some key tech and consumer companies encouraged investors to ignore dicey economic reports and push the S&P 500 back above 1,400. Despite a late-week downgrade to Spanish sovereign debt and a less-than-encouraging U.S. gross domestic product report, even the Global Dow was in positive territory, while a stand-pat stance by the Fed allowed bonds to remain relatively stable.

Market/Index	2011 Close	Prior Week	As of 4/27	Week Change	YTD Change
DJIA	12217.56	13029.26	13228.31	1.52%	8.27%
Nasdaq	2605.15	3000.45	3069.20	2.29%	17.81%
S&P 500	1257.60	1378.53	1403.36	1.80%	11.59%
Russell 2000	740.92	804.05	825.47	2.66%	11.41%
Global Dow	1801.60	1926.87	1946.39	1.01%	8.04%
Fed. Funds	.25%	.25%	.25%	0 bps	0 bps
10-year Treasuries	1.89%	1.99%	1.96%	-3 bps	7 bps

Equities data reflect price changes, not total return.

#### Last Week's Headlines

U.S. economic growth slowed in the first quarter. The Commerce Department's initial estimate of gross domestic product was 2.2%, substantially lower than the previous quarter's 3%. Consumer spending picked up 2.9%, higher than the 2.1% of Q4 2011, but business spending was off. Another indicator of a slowing economy was durable goods orders, which plummeted 4.2% in March.

Standard & Poor's downgraded Spanish sovereign debt by two notches to BBB+; the rating downgrade could increase

the country's already steep borrowing costs in the future. S&P cited a lack of progress in reducing the country's budget deficit and the likelihood that financial assistance will be needed at some point. It also imposed a negative outlook, meaning further downgrades are likely. New unemployment statistics delivered a second blow by putting the country's unemployment rate at more than 24%.

Another one bites the dust: Holland's prime minister and cabinet resigned after the coalition government failed to achieve budget cuts needed to reduce the country's deficit and comply with eurozone debt guidelines. Holland has supported the German-led campaign for tougher fiscal responsibility measures and financial assistance.

Though it saw some hints of softening in the U.S. economy, the Federal Reserve's Open Market Committee essentially stayed the course, giving little indication of any potential post-QE2 actions and leaving interest rates intact.

New home sales fell 7.1% in March, according to the Commerce Department. However, unseasonably warm weather may have accelerated some sales that would otherwise have occurred in the spring, since an earlier increase in February sales was revised upward.

U.S. home prices hit their lowest level in almost a decade in February. The S&P/Case-Shiller index was down 0.8% for the month and 3.5% year over year, with Atlanta's 17.3% decline over the past 12 months leading the way. Seventeen of the index's 20 cities reported lower prices. However, Phoenix saw a 3.3% annual gain and its fifth consecutive monthly increase.

## Eye on the Week Ahead

Unemployment data on Friday will be closely watched, especially in the wake of recent softer economic data. Additional earnings reports will vie for attention with consumer spending data and the Institute for Supply Management's manufacturing and services reports. Finally, Thursday will bring an announcement from the European Central Bank's meeting.

Key dates and data releases: personal income/spending (4/30); construction spending, U.S. manufacturing, auto sales (5/1); factory orders (5/2); business productivity/costs, U.S. services sector (5/3); unemployment/payrolls (5/4).

*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

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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>

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