

**WealthTrust - Arizona**

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[info@wealthtrustarizona.com](mailto:info@wealthtrustarizona.com)[www.wealthtrust-arizona.com](http://www.wealthtrust-arizona.com)**MARKET WEEK: OCTOBER 10, 2011****The Markets**

Domestic equities once again spent much of the week recuperating from damage done on Monday, hitting their lowest levels of the year before rebounding strongly. On Monday, the S&P closed below 1,100 for the first time this year; despite advancing the rest of the week, it couldn't quite recapture the previous week's 1,175 high. The Nasdaq and Russell 2000 saw the strongest moves upward, gaining 6.1% and 7.7% respectively between the closing bells on Monday and Friday. Bonds retreated in the face of equities' advances.

Market/Index	2010 Close	Prior Week	As of 10/7	Week Change	YTD Change
<b>DJIA</b>	11577.51	10913.38	11103.12	1.74%	-4.10%
<b>NASDAQ</b>	2652.87	2415.40	2479.35	2.65%	-6.54%
<b>S&amp;P 500</b>	1257.64	1131.42	1155.46	2.12%	-8.12%
<b>Russell 2000</b>	783.65	644.16	656.21	1.87%	-16.26%
<b>Global Dow</b>	2087.44	1725.68	1756.93	1.81%	-15.83%
<b>Fed. Funds</b>	.25%	.25%	.25%	0 bps	0 bps
<b>10-year Treasuries</b>	3.30%	1.92%	2.10%	18 bps	-120 bps

**Last Week's Headlines**

Companies added 103,000 jobs to the nation's payrolls in September, including those of 45,000 striking telecommunications workers who returned to work. The Bureau of Labor Statistics also revised upward its estimates for previous months. However, the increase wasn't enough to budge the unemployment rate, which remained stuck at 9.1%. Professional and business services, health care, and construction saw gains, while government employment continued to fall.

The European Central Bank (ECB) said it will resume bond purchases through October, 2012 and took measures to help ensure liquidity for European banks. The International Monetary Fund called for a coordinated plan to recapitalize European banks if necessary; French and German leaders said they agreed on the need to do so and would announce details by the end of the month.

Eurozone finance ministers postponed a decision on whether to pay the next installment of financial assistance to Greece after the country announced it had not been able to meet the requisite deficit reduction targets. Meanwhile, Fitch Ratings downgraded both Italian and Spanish debt to A+ and AA- respectively, while Moody's downgraded Italy to A2. Outgoing ECB president Jean-Claude Trichet said it would be inappropriate for the ECB to lend money to the European Financial Stability Fund set up to offer financial assistance to struggling countries such as Greece. The ECB also kept its key interest rate at 1.5%.

The U.S. services sector continued to grow in September, but somewhat more slowly; the Institute for Supply Management (ISM) said its index fell 0.3% to 53, though new orders rose 3.7%. Meanwhile, the ISM's index of U.S. manufacturing rose at a slightly faster pace (1%) than the previous month, with 12 of 18 industries reporting growth. However, the Commerce Department said new factory orders were down 0.2% in August after jumping 2.1% the month

before.

The average rate on a 30-year mortgage fell below 4% for the first time since Freddie Mac began keeping records.

"Death is very likely the single best invention of Life. It is Life's change agent. It clears out the old to make way for the new."--Steve Jobs, 1955-2011.

## Eye on the Week Ahead

Investors will get something to react to this week besides Europe as Alcoa's after-the-bell report on Tuesday marks the unofficial start of the Q3 earnings season. However, Greece and European debt problems, including Thursday's Italian bond auction, will still be very much on the radar screen. Fed minutes could shed light on dissension in the ranks over how and whether monetary policy can and should provide further economic assistance, while retail sales will hint at the consumer mindset.

Key dates and data releases: Federal Open Markets Committee minutes (10/11); international trade, weekly new jobless claims (10/13); retail sales, import/export prices, business inventories, consumer sentiment (10/14).

*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.

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

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