

ECONOMIC AND FINANCIAL HIGHLIGHTS

DURABLE GOODS

Orders and Shipments for Core Capital Goods 2

REAL ESTATE

Pending Home Sales Index 3

S&P Case-Shiller Home Price Index 4

FHFA Home Price Index 5

Sales and Months' Supply of New and Existing Homes 6-7

CONSUMER SECTOR

Conference Board Consumer Confidence 8

INTEREST RATES

Treasury Yields 9

European Bond Spreads 10

JUNE 27, 2012

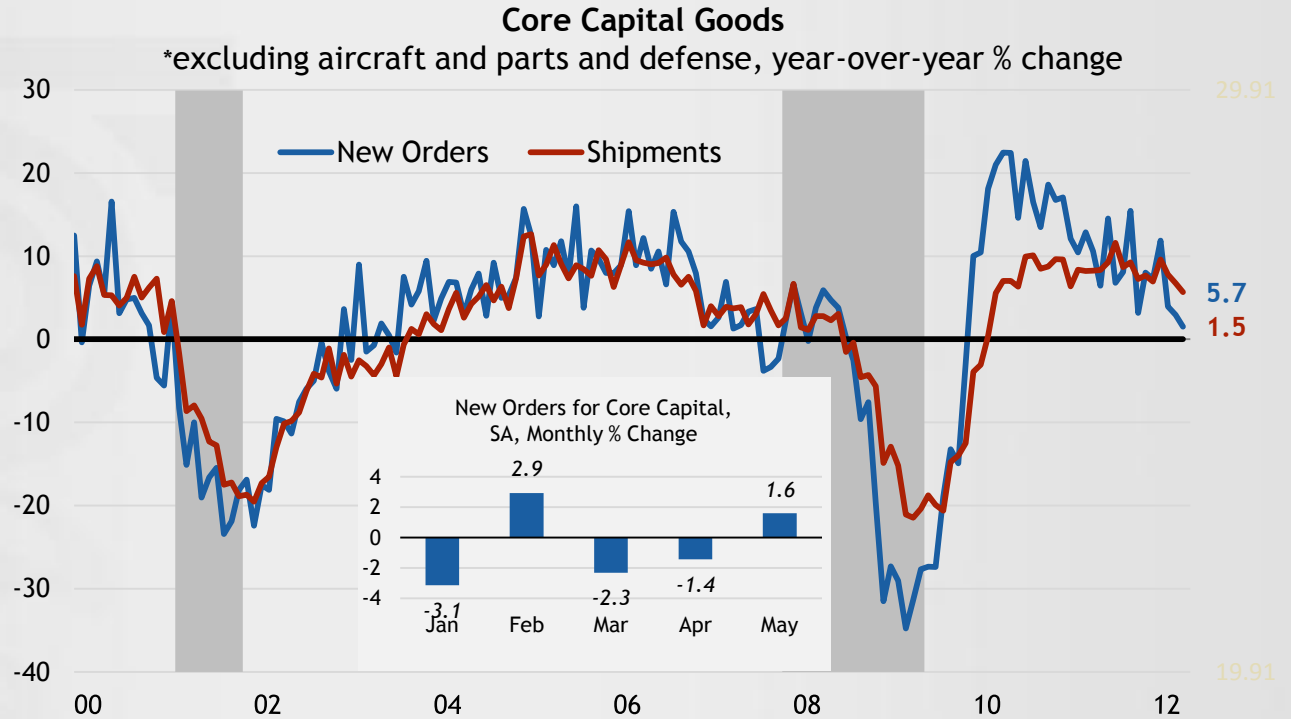


DURABLE GOODS

SUMMARY

New orders for core capital goods increased by 1.6 percent in May, while remaining roughly 1.5 percent above their year-ago level. Shipments of core capital goods edged up 0.4 percent in May, while remaining 5.7 percent above their year-ago level.

New orders for machinery had the largest increase within core capital goods, rising 4.1 percent over April's level. Computers and related products had the second-largest increase in orders, up 3.3 percent over the month.



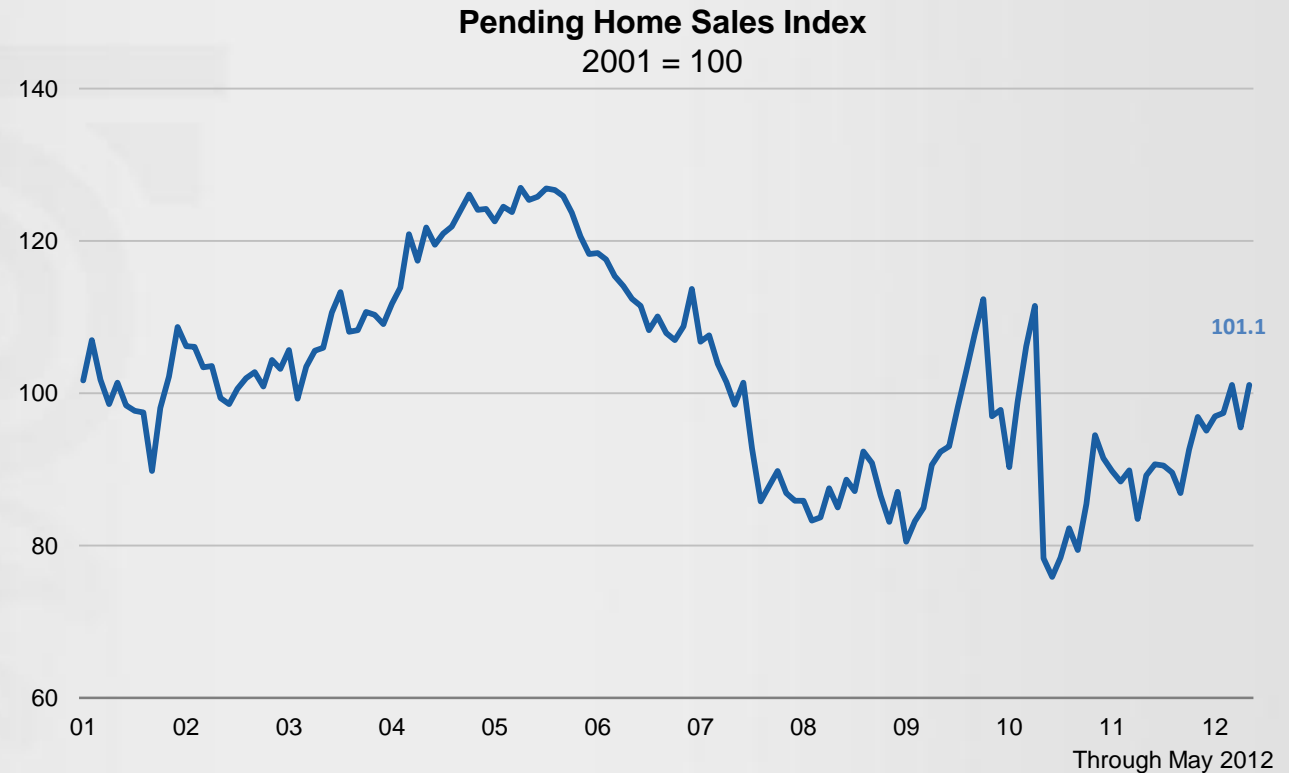
Source: U.S. Census Bureau

through May 2012

REAL ESTATE

SUMMARY

The National Association of Realtors reported that its pending home sales index rebounded in May up 5.9 percent from the April level and remained ahead of the year-earlier level, up 13.3 percent.

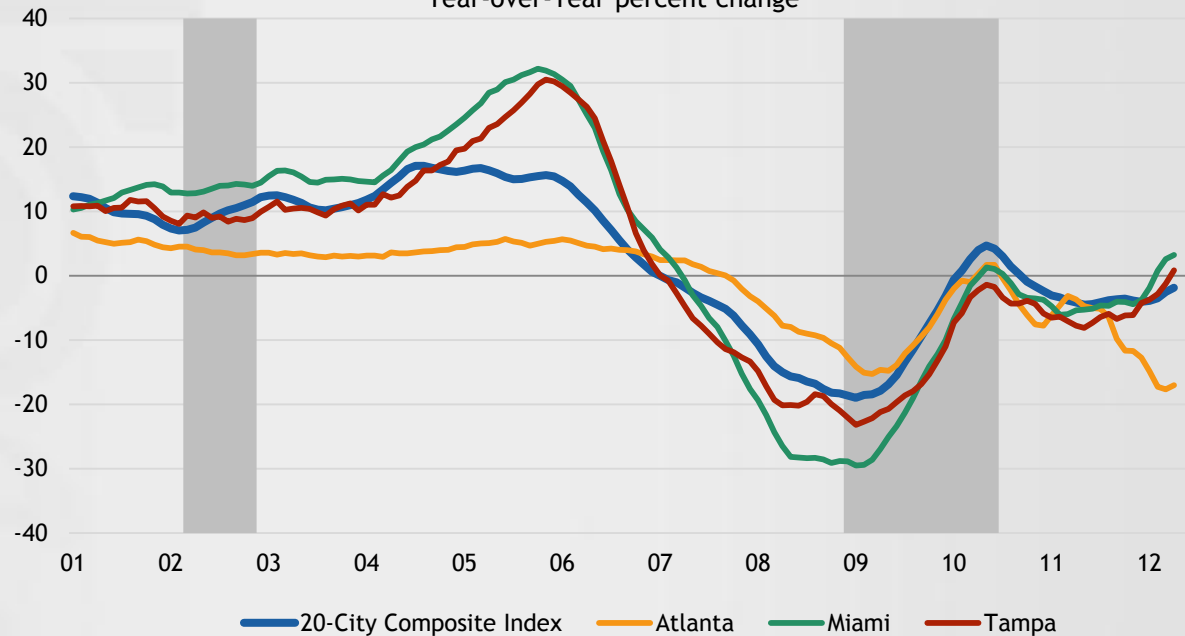


REAL ESTATE

SUMMARY

Annual declines in the S&P/Case-Shiller 20-City Composite home price index continued to abate in April, down 1.9 percent.

S&P/Case-Shiller Home Price Indexes
Year-over-Year percent change



Source: Standard & Poor's, Fiserv and MacroMarkets LLC

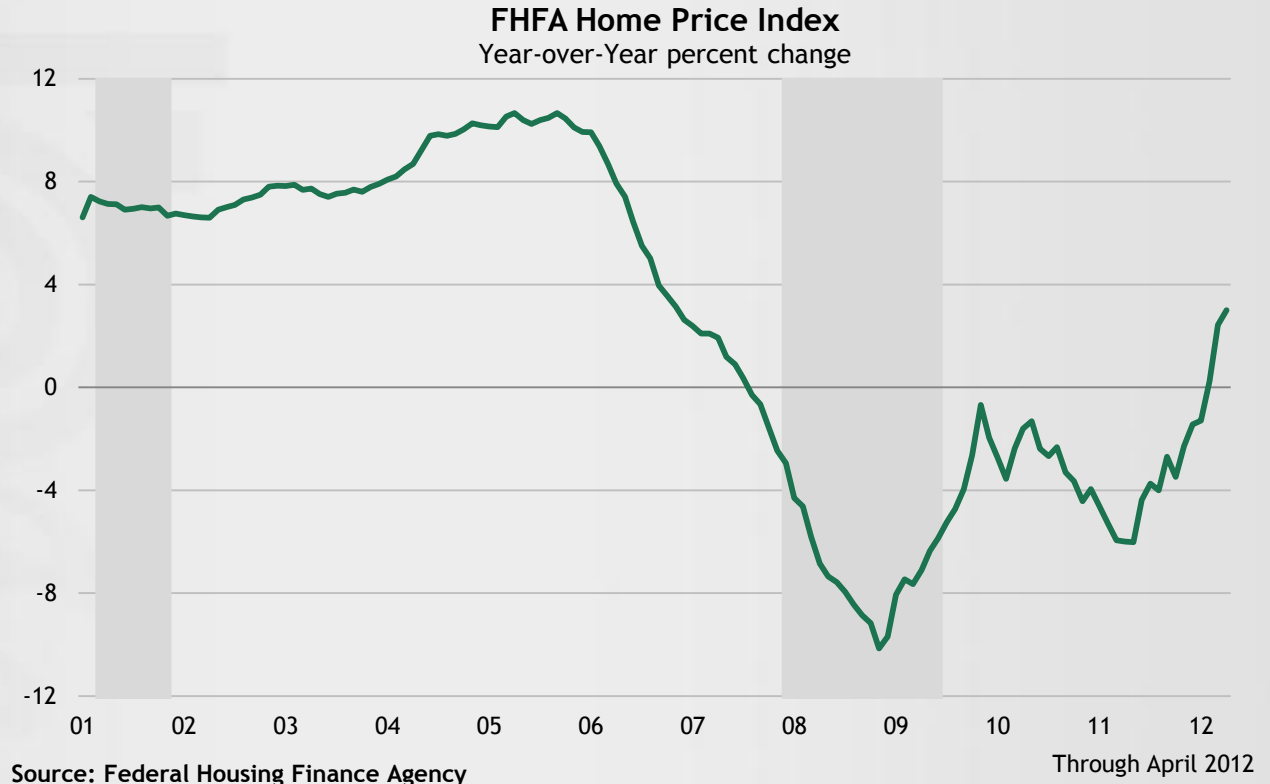
Through April 2012

	April 2012 S&P/Case-Shiller Home Price Indexes				
	SA	NSA	M/M (sa)	M/M (nsa)	YY
20-City Composite:	186.8	135.8	0.7%	1.3%	-1.9%
10-City Composite:	151.3	148.4	0.7%	1.3%	-2.2%
Atlanta:	85.9	84.5	0.8%	2.4%	-17.0%
Miami:	144.6	141.3	1.2%	0.4%	3.2%
Tampa:	129.8	127.5	1.4%	1.9%	0.8%

REAL ESTATE

SUMMARY

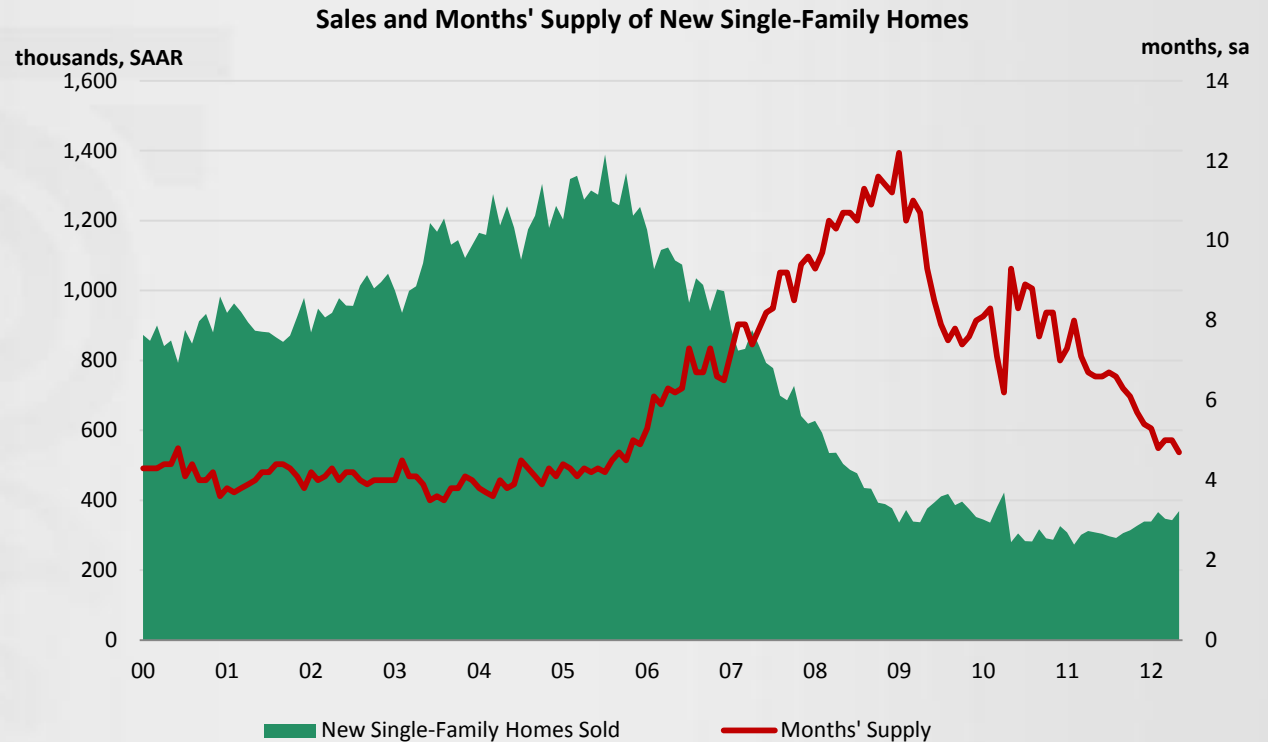
The Federal Housing Finance Agency reported that its U.S. purchase-only house price index increased 0.9 percent from March to April and rose 3 percent on a year-over-year basis.



REAL ESTATE

SUMMARY

The U.S. Census Bureau and the U.S. Department of Housing and Urban Development reported that sales of new single-family homes increased 7.6 percent from April to May and exceeded the year-earlier level by nearly 20 percent.



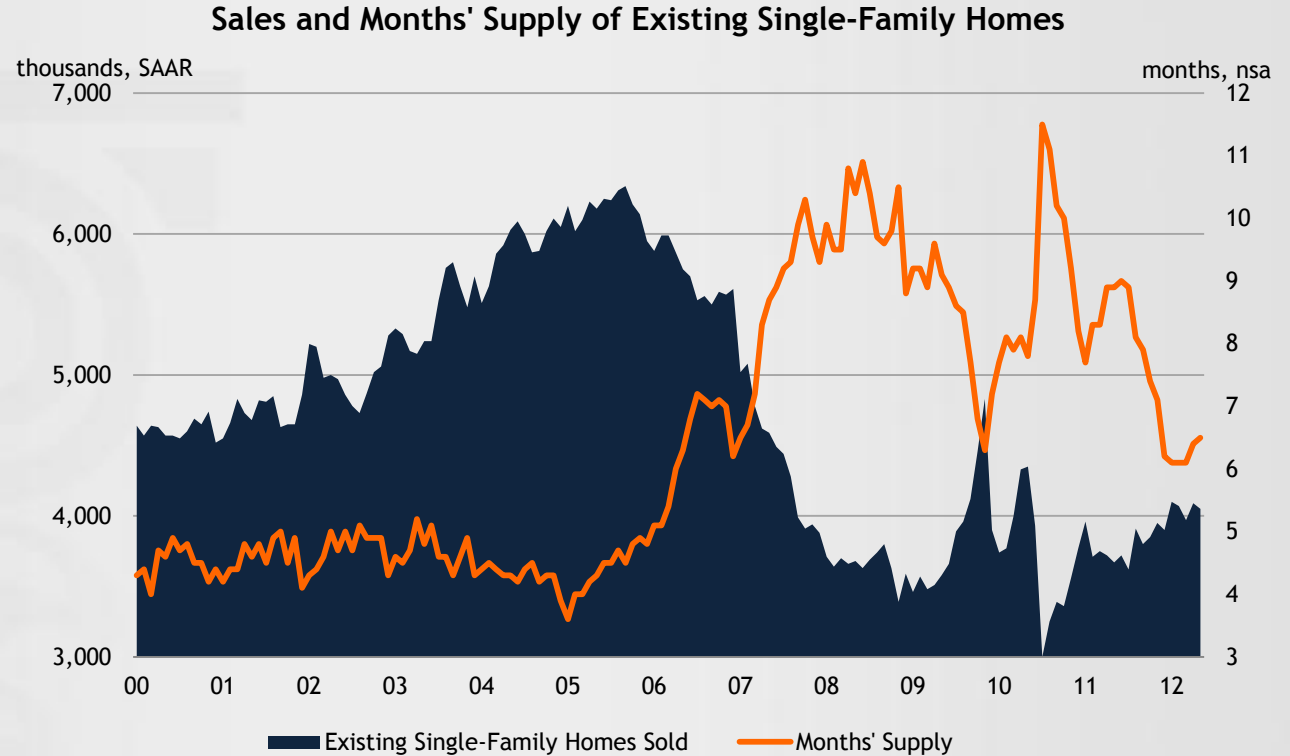
Source: U.S. Census Bureau and U.S. Department of Housing and Urban Development

Through May 2012

REAL ESTATE

SUMMARY

The National Association of Realtors reported total existing home sales declined 1.5 percent from April to May but remained nearly 10 percent ahead of the year-earlier level.



Source: National Association of Realtors

Through May 2012

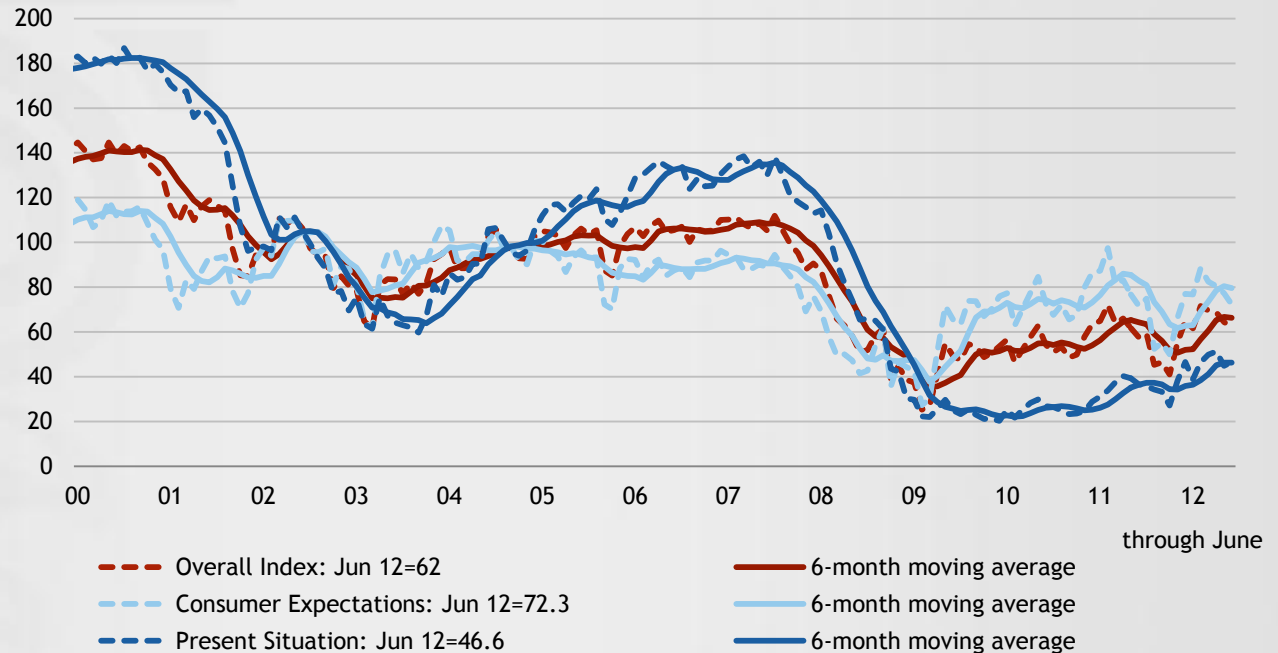
CONSUMER SECTOR

SUMMARY

The Conference Board's Consumer Confidence Index declined in the June reading.

On a six-month moving average basis, the consumer expectations component and the present economic situation were little changed.

Consumer Confidence from the Conference Board
1985=100, SA



Source: The Conference Board

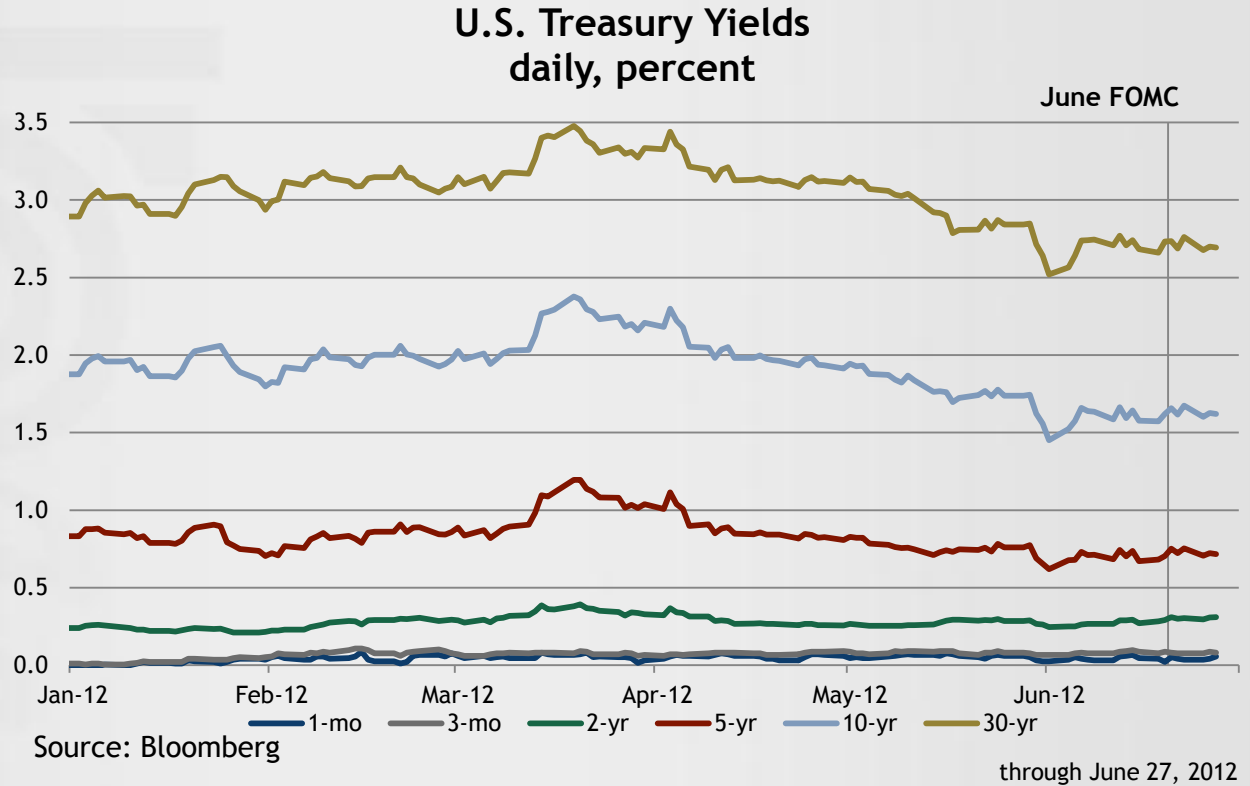
ADDITIONAL DETAIL

- The consumer expectations index—which is based on six-month-ahead projections for business conditions, jobs, and income—decreased slightly, from 77.3 in May to 72.3 in June.
- The index based on questions about current business conditions and current job market conditions increased slightly from 44.9 in May to 46.6 in June.

INTEREST RATES

SUMMARY

Longer-dated U.S. Treasury yields declined sharply between the April and June FOMC meetings. The 30-year bond and 10-year note were lower by 41 and 33 basis points (bps), respectively, over that period. Rates are slightly lower over the past week and are currently at 2.69 percent and 1.62 percent. The two-year note has been relatively unchanged at 0.31 percent.



INTEREST RATES

SUMMARY

European bond spreads (against German equivalents) continue to be elevated. Particularly worrisome are spreads of Spain and Italy. Spain's spread is now 533 bps, though it has declined nearly 20 bps over the past week. Italy's spread has risen 27 bps on the week, to 453 bps.

