

Capital Windows: 2nd Quarter 2008 (as of 04/14/2008)

- The Labor Department said Friday that import prices rose 15% in March from last year. Excluding oil, prices gained 5.4%.¹
- The price of a barrel of oil closed last Friday (4/11/08) at \$110.14, a 78% increase over its closing price (\$62.01) from exactly 1-year prior. The highest closing price ever for oil (\$110.87) was set last Wednesday. More than half of the oil the US imports, which is 52%, comes from 4 countries: Canada, Saudi Arabia, Mexico, and Venezuela.²

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Index	Year to Date	From Peak
Dow	-7.3%	-13%
S&P	-4.51	-9.5%
NASDAQ	-14.42	.63%

- The Housing Market Index(HMI) is currently at 20, a 16 point drop from the 2007 numbers.⁴
- Consumer Confidence fell further in March by 12 points, now at 64.5 and down from 76.4 in February. As the economy continues to fade, consumer confidence remains at a 5-yr low (March 2003, 61.4), due to falling housing prices and the decline on their investments.⁵
- Unemployment claims rose 3,000 to 2.94 million, the highest since July 2004. During the same period last year, the claims were at 2.51 million.⁶
- In the first quarter of 2008 there have been 22 IPO's priced, most notably VISA. This is very slow compared to 53 for first quarter in 2007 and 234 for all of 2007.⁷
- The US exported \$5.80 billions of goods and services to Britain and Ireland combined in February 2008, slightly more than the \$5.77 billion we exported to China.⁸

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Key Rates	Current	1-year ago	% change
Federal Funds	2.25%	5.25%	-3.00%
30-yr fixed mortgage	5.62%	5.79%	-0.17%
10-yr Treasury Note	3.50%	4.68%	-1.18%

- As of last week, the total value of money market funds exceeded \$3.5 trillion, an all-time record. The total is up \$1.1 trillion in the last 12 months, as investors flee to cash.¹¹
- The P/E on the S&P 500 is 20.35 compared to 17.36 1 year ago. The forward estimate is 14.18, which we consider to be an attractive region.¹²

¹ Wall Street Journal. "Market Data Center." 04/14/2008

²By the Numbers\$, "04/14/08 Edition: Record Levels" 04/14/2008

³ Wall Street Journal Online, "Stocks Slip, Investors Look Forward" 04/14/2008

⁴ NAHB Wells Fargo Housing Market Index 04/14/2008

⁵ The Conference Board, "The Consumer Confidence Press Release" 04/14/2008

⁶ MarketWatch.com 01/14/2008

⁷ IPOhome.com "IPO Marketwatch" 4/16/2008

⁸ Behind The Numbers. "By The Numbers\$ 04/14/08 Edition" 04/14/2008

⁹ Wall Street Journal Online, "Market Data Center" 04/14/2008

¹¹ Behind The Numbers. "By The Numbers\$ 04/14/08 Edition" 04/214/2008

¹² Wall Street Journal online, "Market Data Center" 04/14/2008