

Today's Market Highlights - 3/25/09

- Surprisingly, not much happening today in the markets...yet
- The Fed will begin purchasing long-term Treasuries today to try to bring down borrowing costs
 - Fed hasn't done this since the 1960s
 - Today's \$300 billion purchasing will be on notes maturing from February 2016 to February 2019
- Oil is falling this morning on...you guessed it..the concern about the ongoing global weakness
 - Each day it flip-flops due to market announcements
 - Now at \$52.50/barrel, oil has been up for the last few weeks
- On the economic front this morning
 - Durable goods orders unexpectedly up 3.4%, well above the forecasted -2.5%
 - First gain in 7 months and biggest gain in a year
 - The January number was revised to -7.3%, much lower than originally announced
 - Still contraction, but slowing contraction...as retail sales, home sales and construction numbers have been decent in recent weeks...hoping this continues..this morning email may not be so negative!
 - New homes sales will be reported today at 10am
 - Projected to be down 2.9%
- After rising 5% on Monday, global stocks declined 0.5% yesterday, with US stocks falling 2.1%
 - Dow down 1.5%, NASDAQ down 2.5%
 - Dow futures this morning up 26 pts on the durable goods number...we'll see if this sticks
- Headline on Bloomberg this morning on how hedge fund pay may fall 25% in 2009
 - Lower fees mean lower pay for these unregulated folks
 - Don't feel too bad for them...the average pay at hedge funds was \$794,000 in 2008 down from \$940,000 a year earlier...I don't know how they get by???
- Treasuries
 - 2-yr: 0.95% (rising on anticipation of Fed purchasing)
 - 10-yr: 2.72%
 - 30-yr: 3.68%
- LIBOR
 - 1-month: 0.52%
 - 3-month: 1.23%
- Fed funds
 - Fed funds effective was 0.17% again yesterday and today's open, mid, high, and last trades all at 0.20%