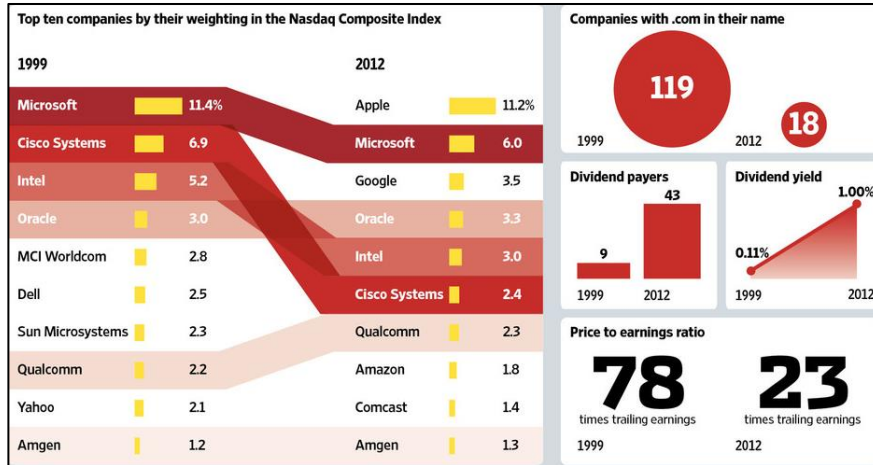


# Market Recap

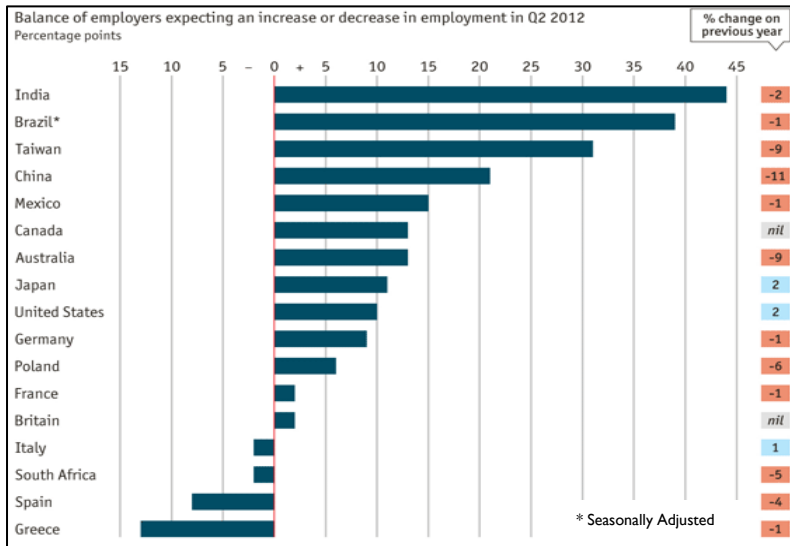
## Nasdaq Then and Now



Source: WSJ; Nasdaq OMX; Birinyi Associations; Thomson Reuters

This week, the Nasdaq Composite Index crossed the 3,000 mark for the first time in more than 12 years. This time, though, the technology-laden stock index is arguably different. In November 1999, the technology world was ablaze with an investment frenzy that favored unprofitable, unproven companies that were valued for their potential. Today, the biggest 100 Nasdaq-listed companies look a lot more like their counterparts on the Dow Jones Industrial Average. Their balance sheets are considerably stronger. Almost half of the companies pay dividends. They raise money in the bond market, carrying, in aggregate, 10 times the amount of debt they did in 1999. Finally, their price-to-earnings ratios are considerably lower than they were in 1999. For many investors, this represents a more comfortable investment profile. Although 12 years ago may feel like an eternity, many investors still remember the pain of the tech bubble's spectacular burst.

## Global Employment Outlook



Source: Manpower Group

According to Manpower's Global Employment Outlook, the net employment outlook (the balance of employers expecting an increase in the size of their workforce over those expecting a decrease) is improving. The survey includes over 65,000 employers across 41 countries. The employment outlook is positive in 32 of the economies surveyed. Job prospects in the United States remain weaker than before the recession, but the outlook is the most optimistic it has been since the last quarter of 2008. Hopes are highest in India and Brazil, driven by service sector demand. In China, companies are under pressure to improve salaries and working conditions and are, therefore, not hiring as aggressively as they have in the past. Not surprisingly, Greek employers are the least optimistic about future hiring, although few expect to be making further dismissals in the second quarter.

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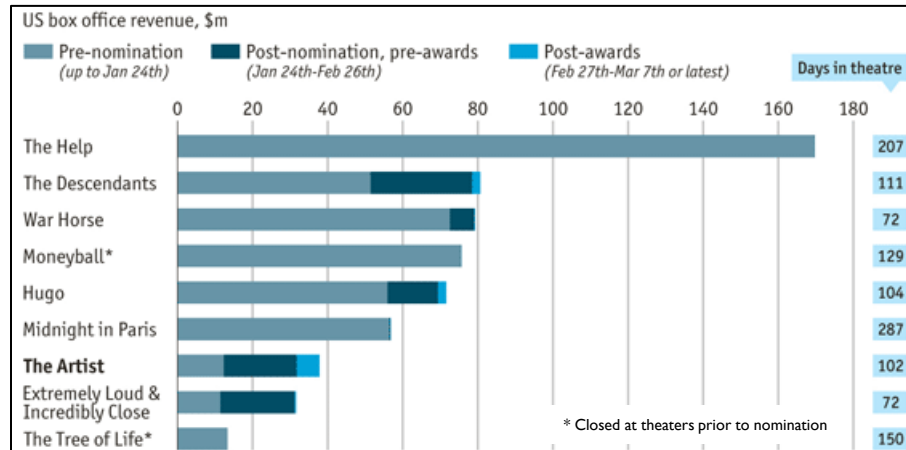
## Treasury Yields



Source: WSJ; Ryan ALM

This week saw bond investors storming out of Treasuries, driving yields to their highest level since October (since bond yields have an inverse relationship with their prices). The 10-year Treasury is currently yielding ~2.25%. The view is that the economy is gaining enough steam to keep the Federal Reserve from a new round of bond-buying or other accommodative measures. What had been a gradual move gained momentum on Tuesday afternoon after the Fed delivered positive commentary on the economy. Less than a month ago, many investors believed the Fed would need to intervene in order to prop up financial markets. Recent optimism about the economy already has driven stock prices to multi-year highs. In some ways, the bond market is catching up with the stock market. Many investors have been drawn out of the safety of Treasuries and into riskier assets such as stocks, commodities, and debt of other nations.

## 2012 Academy Awards, Best Picture Nominees



Source: Box Office Mojo

Receiving an Academy Award nomination usually provides a big boost to the marketing efforts of a film. "THE ARTIST" was shown in just 662 U.S. theaters before it received multiple nominations in this year's Oscars. The silent French comedy, which won the Oscar for Best Picture, can currently be seen in 1,756 theatres. It has grossed almost \$38 million in box office receipts, with 67% of those sales earned since the nominations. Something similar happened with other recent winners of the best-film award. Last year's victor, "The King's Speech," and the 2008 winner, "Slumdog Millionaire," earned respectively 57% and 68% of their gross revenues post-nomination. Some films that did not win this year, such as "Extremely Loud and Incredibly Close" and "The Descendants" have also enjoyed surges in box-office takings since the Oscars. However, others such as "The Help" did not need any help from the Academy.

**Contact:** If you have any questions or comments, please do not hesitate to contact us at 703.992.6164. For more information about Harbour Capital Advisors, please visit our website at [www.harbourcapitaladvisors.com](http://www.harbourcapitaladvisors.com).

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