

January 17, 2011

Weekly Economic Update

Attached you will find this week's Economic Update:

Stocks and Commodities: The stock markets continued their surge last week as the Dow Jones Industrials gained 1% while other major indexes gained over 2%. Even the EAFE International index grew 2.7%. The price of Gold fell 0.6% (to just above \$1,360 an ounce); that's the metals weakest closing in almost 8 weeks, and down 4.4% from its record high two weeks ago. The price of Crude Oil jumped 4% to almost \$92 a barrel due to speculation of a weakening supply.

Bond, Mortgage and Deposit Rates: The Treasury yield curve remained stable from the close of the prior week. LIBOR rates were also steady, as shorter-term Swap rates fell 4bp and longer Swap rates improved. National mortgage rates moved down last week as most rates on Freddie Mac products fell 5 to 6bp. Local mortgage rates also dropped but not as much. The average earnings rate on state and local Money Market accounts and CDs remained stable.

"Crouching Lion" or "Paper Tiger": Is China going to be the next superpower? Maybe!!!

Here are some statistics for your perusal:

- Its top 5 imports are
- 1) Electric machinery & equipment
 - 2) Mineral fuel & oil
 - 3) Power generation equipment
 - 4) Ores, slag and ash
 - 5) Optics & medical equipment

The 5 most populous cities are

Shanghai	(17 million)
Beijing	(13.2 million)
Guangzhou	(12 million)
Shenzhen	(8.615 million)
Tianjin	(8.2 million)

57.9% of China's GNP is in Real Estate

The average age of Chinese homebuyer is 27 years old.

Over 64.5 million urban apartments are vacant across China

China has 420 million internet users; about 10 million (0.77%) citizens speak English.

Thanks for reading,



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