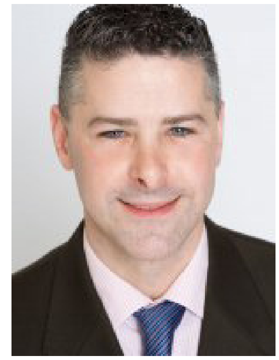
Wayne Quint
845.345.3628

10 Raymond Avenue
Poughkeepsie, NY 12603

www.quintii.com
info@quintii.com

Quint ii investments & insurance

Click Here To Visit Our Website



MAY 2015

Market Update

(all values as of 04.30.2015)

Stock Indices:

Dow Jones	17,840
S&P 500	2,085
Nasdaq	4,941

Bond Sector Yields:

2 Yr Treasury	0.58%
10 Yr Treasury	2.05%
10 Yr Municipal	2.13%
High Yield	6.29%

YTD Market Returns:

Dow Jones	0.10%
S&P 500	1.29%
Nasdaq	4.34%
MSCI-EAFE	8.09%
MSCI-Europe	6.81%
MSCI-Pacific	10.60%
MSCI-Emg Mkt	9.57%
US Agg Bond	1.30%
US Corp Bond	1.71%
US Gov't Bond	1.39%

Commodity Prices:

Gold	1,184
Silver	16.13
Oil (WTI)	58.58

Currencies:

Dollar / Euro	1.12
Dollar / Pound	1.53
Yen / Dollar	118.95
Dollar / Canadian	.83

Current Environment - Macro Overview

Thus far this year, global factors have been significant drivers of U.S. bond and equity markets, as stimulus programs in place by international central banks have helped propel stock prices higher and bond yields lower over the past few months.

Demand for secure instruments to store money rose in April, as Switzerland sold 10-year government bonds with a negative yield for the first time ever. In Latin America, Mexico sold a 100-year government bond with a yield of just 4.2%, representing incredibly cheap money for a country, that in 1994 suffered from a serious currency crisis, and in turn driving yields up to sky-high levels in December of 1994.

The U.S. dollar concurrently fell in April as oil prices crept higher, somewhat of an inflationary signal as imports rise in price along with oil prices. The positive effects of the ECB's stimulus program in Europe faintly appeared this past month as EuroStat reported that inflation had picked up in select regions of the euro zone. Countries including Romania and Sweden experienced inflation as tourist related industries saw increases.

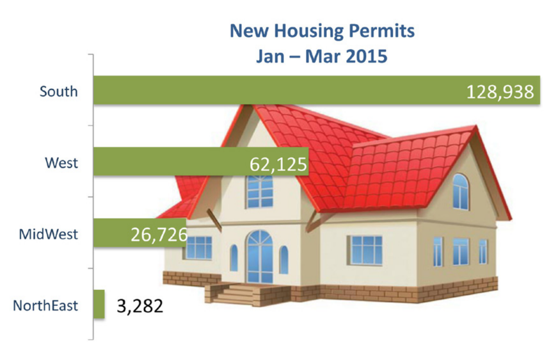
Home resales throughout the country increased to their highest levels in 18 months. Data released by the National Association of Realtors showed that home resales had increased over 6% in the past year. A lack of newly constructed homes has led to an increase in existing home sales, as demand for housing slowly picks up in particular regions of the country.

Sources: EuroStat, NAR, ECB

South Leads U.S. In New Home Growth - Housing Market Update

Economists look at the issuance of permits as a indication of housing market strength and future economic growth.

New housing permits essentially translate into growth in various forms. As permits are issued, homebuilders need to purchase building materials and hire workers to assemble the homes. Once a new home is erected, the buyers need to furnish the home with furniture and appliances. As yards become landscaped and trash begins to accumulate, cities and municipalities experience an increase in tax revenue as water, sewer and trash levies are imposed.



The region with the largest number of permits issued so far this year was the South, with 128,938 permits, representing 53% of the nation's total.

Source: U.S. Census Bureau

Carefully Dispose Of All Items Containing Sensitive Information

Equity Overview - Domestic Equity Markets

Major indices reached new highs in late April as U.S. companies posted favorable earnings and growth estimates.

The concerns of a strong dollar affecting earnings for U.S. companies reliant on exports lessened, as some companies reported increased sales in the U.S., offsetting lost sales overseas.

The first quarter earnings season has so far been better than expected, with over 65% of companies reporting at the end of April beating consensus estimates.

Among the top sectors beating earnings estimates thus far include consumer staples, utilities, and health care. Market analysts see these sectors' out performance as a validation that lower oil prices are fueling consumer expenditures, and housing along with healthcare needs continuing to grow.

Mergers and acquisitions (M&A) activity has continued as U.S. companies flush with cash seek opportunities to boost growth and market share. Government legislations and opposition has nixed certain deals that may now lead to smaller yet more strategic transactions. Such activity has historically led to increased demand in particular sectors.

In Europe, the introduction of the ECB's stimulus program in March has led to a rise in European equity markets, as demand for yield embedded in stock dividends propels equities higher.

Sources: Reuters, Bloomberg

What To Keep & When To Toss - Tax & Finance

It is always suggested to carefully shred documents containing any critically sensitive information. The idea is to toss out what you don't need anymore, yet keep what you might need for taxes and accounting purposes. Here are some items that accumulate the most with a note as to how long to keep them:

Monthly Utility Statements

These can be disposed of after three months unless the expenses are being written off for tax purposes, then you may want to maintain those until after tax time.

Pay Stubs

Having the most recent pay stub handy is suggested, with no need to keep older stubs since the most recent stub should contain all YTD details. Should you be applying for a loan or mortgage, then having as much as one year's stubs available is helpful.

Credit Card Receipts & Statements

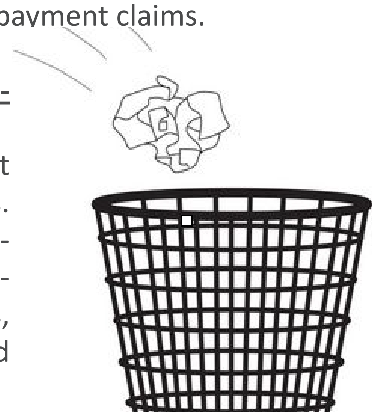
If using a credit card for business purposes, then keeping receipts for seven years is the recommended time period. Statements on the other hand should be kept for three months should there be a dispute or chargeback of an expense.

Medical Statements, Bills & Insurance Notices

Should be kept for at least five years especially if these items are used as tax deductions and even lingering insurance payment claims.

Tax Returns & Supporting Items

Should be kept at least seven years. Supporting documents include receipts, mileage logs, paid invoices, and canceled checks.



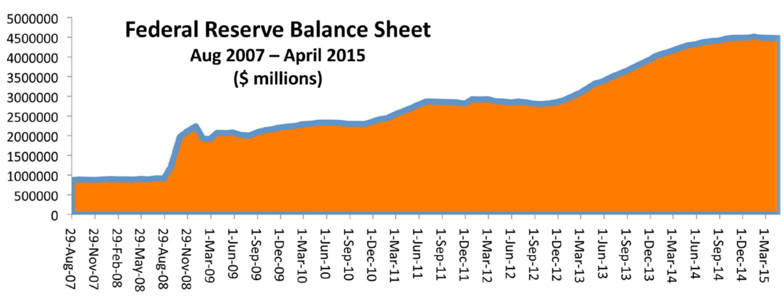
The Fed's Balance Sheet Reached A Height Of $4.51 Trillion In January

When The Fed Finally Raises Rates - Monetary Policy

Due to the ambitious stimulus program enacted by the Fed back in 2008, Quantitative Easing (Q.E.) led to an incredible amount of liquidity in the financial markets.

When the Fed does finally decide on increasing rates, it will do so with the largest balance sheet ever amassed. As of April 30th, the Federal Reserve's balance sheet exceeded $4.47 trillion.

Interestingly enough, the Fed's balance sheet has actually started to decrease since its curtailment of its bond buying program in November. The balance sheet reached a height of $4.51 trillion the week ending January 14th, yet ended the month of April at $4.47 trillion.



Initial quantitative easing began in late 2008 in response to the financial crisis stemming from the events of September 2008. The Fed had been holding between $700 billion and $800 billion of Treasury notes on its balance sheet before the crisis. An additional round of Q.E. was enacted in November 2010, with a final round of Q.E. (QE3) in September 2012.

Even though new purchases of Treasuries and other government securities ended in November 2014, the Fed's enormous balance sheet will continue to provide some buoyancy to the government bond market by limiting supply and thus suppressing long-term rates.

Some economists believe that the size and inventory of the Fed's balance sheet will actually facilitate any gradual increase in rates by the Federal Reserve when it finally does occur.

Source: Federal Reserve

Bond Markets - Global Fixed Income Review

Bonds yields rose towards the end of April as global debt markets acknowledged the presence of some inflation in Europe, thus driving up inflationary expectations. This led to the U.S. 10-year Treasury bond yield rising to 2.13% at the end of April, reaching its highest levels since March.

As the European Central Bank (ECB) enters its third month of a stimulus effort by buying government bonds in the European financial markets, more European governments are now afforded incredibly low borrowing costs.

The relentless demand for bonds throughout Europe has pushed over a quarter of the entire European bond market into negative yield territory. In early April, Switzerland became the first country to sell 10-year government bonds at a negative yield, making it a never before occurrence.

The unknown effects of negative yielding government bonds became apparent in April as German sub zero bunds (bonds) jumped 20 bps in two days in late April. As minute as it may seem, the 20 bps increase was substantial relative to its sub zero levels.

Sources: Reuters, Bloomberg, ECB

The Unemployment Rate In Greece Is Now Over 25%

Greece Running Short - International Update

Five years after the bail out of Greece on May 2, 2010, the country is closer to the brink of defaulting on its debt than ever before. The original plans set back in 2010 were for Greece to grow its economy, cut government expenditures, and once again have access to inexpensive funds through the bond markets.

The true challenge facing Greece and its European neighbors is the political and ideological divide that has now created an impasse as to how to resolve the financial dilemma. The recently elected government of Greece is a radically liberal group led by populist ideals that go head on with some of Greece's surrounding countries and proposed fiscal solutions.

Since the initial bailout of Greece in 2010, Germany has been the architect in reforming Greece's expenses, instituting austerity measures that reduce pension payments, increase taxes, and reduce public service pay. All of these measures have been and continue to be extremely unpopular with Greek citizens, prompting public protests and labor disputes.

Without further financial injection, Greece faces a growing probability of default on its international debt payments due in July 2015, if not sooner. European governments involved in orchestrating any further aid to Greece have set a June 30th deadline.

Major economic indicators are dire, pointing to a country whose fiscal fate is ominous. As the Greek economy has shrunk in excess of 26% over the past seven years, more than 25% of Greeks have been left unemployed. Adding to the duress, government debt has increased over 175% since 2008, driving up the cost of debt for a country that can't afford much more.

Greece just barely made its IMF payment due April 9th for 460 million euros. The effect on global yields following Greece's near missed payment was not noticeable in the international markets. The ECBs bond buying campaign in Europe may have helped offset the effect of Greece's debacle temporarily, as further payments are due in May and June.

Sources: EuroStat, Reuters, ECB