

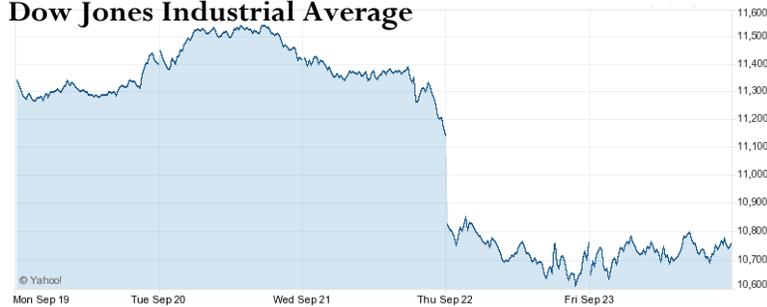
FINANCIAL FRONTLINE NEWSLETTER

WEEK: SEPTEMBER 17 - SEPTEMBER 23

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FINANCIAL.FRONTLINE.SOCIETY@GMAIL.COM

Dow Jones Industrial Average



S&P 500 Index



- Given the volatility of the preceding sessions, stocks spent the final session of the week chopping along in a mixed fashion. This was caused by a sense of uncertainty among investors with regard to how the market treated risks related to tenuous global economic conditions and the financial conditions in Europe.
- Not much progress was seen in the past week in Europe, although Greece established an austerity plan that would secure it financial assistance from the Troika and Italy if its debt gets downgraded by analysts at Moody's. Neither of the two decisions was surprising.

FOREIGN EXCHANGE

- Early this week, ECB announced its efforts to avoid a double-dip recession despite the high difficulty of giving further stimulus plans. Over the weekend, during meetings with the International Monetary Fund in Washington, the US and other major nations opposed raising the rescue fund from €440 billion to trillions of euros.
- The Australian dollar bounced back from the sudden fall at 0.9668 last week. However, investors and central bank stay cautious, concerned by signals of an economic downturn, such as a weakening real-estate market, and the demise of Australia's manufacturing export industry.

COMMODITIES

- Gold tumbled to a low of 1613.7 due to the selloff in the broader market. This came after the Federal Reserve acknowledged that the economy is in bad shape and that inflation will not be a concern in the near future.
- CME has increased the margin requirements for Gold and Silver future contracts, reflecting the recent volatility in the market. They do so to ensure that investors are able to cover potential losses in the event of a big market move.

Market Highlights

Dow Jones Industrial Ave.	10,771.50 ↓468.76
S&P 500	1,136.43 ↓37.54
NYMEX	80.03 ↓3.57
10-YR. TREAS.	2.125%
FED Funds Rate	0.10
Unemployment Rate	9.10%

FIXED INCOME

- The Fed announced a new stimulus plan aiming to shift its portfolio to long-term Treasury and mortgages. The Fed will sell \$400 billion securities with maturities within three years and will also reinvest maturing mortgage backed securities into other mortgage backed securities instead of shrinking its mortgage portfolio.
- S&P cut Italy's bond rating to A on Monday. Though it is still considered as investment grade, it faces pressure of less demand and higher yield.
- Though munis are among the top-performers in 2011 with returns of 9.5% this year according to Merrill Lynch Municipal Masters Index, their growth faces challenges with reduced tax-exemptions and lower than average issuances.

M&A AND CAPITAL MARKETS

- M&A deals have slowed down significantly as uncertainty and turbulence in the market continues to stifle the confidence of investors. As the European debt crisis continues, banks are tightening lending even for investment-grade companies, and junk-bond driven deals are inarguably down from the last quarters as PE firms find it harder to find high-yield debts.
- United Technologies Corp. is in talks to acquire aircraft-systems maker Goodrich Corp. for \$16.4 billion as the conglomerate seeks to expand its aerospace business for production of passenger planes. This year's No.1 player in advising for M&A, J.P. Morgan, is the main advisor for this deal; however, the old No.1 player, Goldman Sachs has also lobbied itself to be involved in the "league tables" as its ranking has been under pressure this year.
- An iconic Australian beer group with interests in brewing and soft drinks, Foster's Group Ltd., has dropped its resistance to a takeover and agreed to sell its business to its U.K. rival for more than \$10 billion.
- The restaurant chain, Cracker Barrel Old Country Store Inc. has adopted a poison pill by implementing a shareholder rights plan in response to an attempt for 49% of stake control by activist investor Sardar Biglari.

WORD SEARCH

AUSTRALIA
 FOSTERS
 GOLDMAN
 GOODRICH
 HIGHYIELD
 ITALY
 MORTGAGES
 POISONPILL
 RATING
 SILVER
 STIMULUS
 TREASURY
 TROIKA
 UNCERTAINTY
 VOLATILITY

S	T	I	M	U	L	U	S	Y	G	X	H	C	H	I
X	F	L	C	V	E	R	N	T	O	L	I	L	C	E
A	I	O	N	G	A	R	D	N	L	O	G	Z	I	Y
F	K	A	S	T	V	E	L	I	D	P	H	O	R	U
I	D	I	I	T	T	A	P	A	M	Q	Y	N	D	Y
Z	N	N	O	Q	E	N	G	T	A	A	I	P	O	B
I	G	A	D	R	O	R	Y	R	N	L	E	J	O	H
U	F	H	I	S	T	R	S	E	C	W	L	S	G	S
D	A	P	I	L	U	D	B	C	F	S	D	F	U	G
X	U	O	Z	S	A	E	X	N	R	E	V	L	I	S
X	P	N	A	D	O	R	H	U	H	F	J	Y	Y	J
B	Z	E	V	O	L	A	T	I	L	I	T	Y	L	B
H	R	U	K	C	Q	O	Y	S	H	W	T	X	A	D
T	K	Y	C	M	Y	W	W	M	U	B	S	L	T	B
X	S	E	G	A	G	T	R	O	M	A	M	A	I	O



单位

MICROSOFT

主营业务地址
地址行 2
地址行 3

电话: 555-555-5555

传真: 555-555-5555

电子邮件: someone@example.com

我们有自己的网站了!

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这里是您的业务标志行。

这里适于插入一小段关于您所在组织的介绍。可以包括组织的宗旨、任务、创建日期和历史简介，还可以简要列举该组织可提供的产品、服务或计划，覆盖的地区(例如，北美或欧洲市场)，所服务的客户或成员类型的档案。

为需要了解该组织详情的读者提供联系人姓名也会比较有用。

封底文章的标题行

这篇文章可容纳 175-225 个字。

如果您的新闻稿是折叠式的并需要邮寄，那么这篇文章会出现在背面。因此，一定要使它易于阅读。

问答式编排比较容易吸引读者注意。您既可以编排自上期以来收集到的问题，也可以将有关您所在组织的一些常见问题汇总起来。

列出您所在组织中管理人员的姓名和职务也是

使出版物平添一种个人风格的好方法。如果您所在组织规模较小，则不妨列出所有雇员的姓名。

如果产品或服务有标准的定价，也可一并在此列出。您也许还需要让读者参阅一些您为所在组织创建的交流性表格。

您还可以在这里提醒读者把常规活动标在他们的日历上，例如，每月第三个星期二举行合作

伙伴的早餐会议，或者半年一次的慈善拍卖活动。

如果还有空间，还可以插入一幅剪贴画图像或其他什么图形。



介绍照片或图形的题注。