

**Sung Nam**  
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**Economy/Market**

Market up three quarters of a percent. Durable orders were higher than expected at 1.1% versus 0.5%. However, durable orders excluding transportation (cars) came in under the 0.7% estimate at 0.4%. Home sales pending was higher than expected at 5.9% vs. 0.5% and was a reversal in growth compared to the -5.5% the previous month. Home sales are picking up. SBAC purchased 3,000+ telecommunication towers for 500k each. SBAC came to our attention when we were looking into Harbinger Capital, which poorly invested in Lightsquared, a spectrum owner looking to provide LTE wireless service, but unfortunately recently declared bankruptcy. Noticed some activity in the biotech sector as a lot of the small cap firms showed up in the highest daily gainers. Investment grade bonds are attracting a lot of investors, mostly as an alternative to the low yielding Treasuries for a safe investment, which is a plus for companies looking to finance at low rates. Brent (UK) and WTI (Cushing, Oklahoma) prices have a \$13 spread due to supply/demand. OK has a glut of supply due to infrastructure issues. Iraq and US should increase outputs in the next few years.

Traits of an entrepreneur – passion, tenacity, dedication. When we hear of entrepreneurs in developing countries such as India, China and past entrepreneurs in the U.S. and Korea, we feel inspired, but many times it could end with a sense of inspiration. Commonly, we presume those miracle stories are reserved for people in desperate situations while the average office worker doesn't have to work as hard or can't branch out to create business empires. It's really a matter of thinking, mind over matter. I just read of a Chinese building construction firm which built a 30 floor hotel in 15 days by using prefabricated floor slabs with pipes installed. 15 days for a 30 floor building?? That's remarkable, although we do question the safety. I think in developing countries, there is a freedom from regulatory, safety concerns which seriously hinders development and production in developed countries. Sure, the building may collapse, but it is an incredible feat to build something so large, in a matter of a couple weeks.