

**Robert Shiller Nobel Prize**

Robert Shiller, Yale professor and creator of the Case-Shiller Real Estate Index in the US was awarded the Nobel Prize. He is known for asset pricing, spotting the internet bubble and real estate bubble before other "experts" publicized their concerns. He disagrees with the efficient market theory, which states the individual investor can't beat the market in the long-term because the market prices the assets accurately.

The US national home price index is up 8% YTD. From the bottom in March 2012, the home prices have improved 17%. The home prices in March 2012, was comparable to the prices in 2002. The current price is 2004 range. With the continued easing of credit (teaser rates, zero down, lax underwriting/risk protocols), home prices increased, while flippers enjoyed their quick profit. Although we don't anticipate home prices to continue to rise in the same momentum as it did from 2004 to 2006, we do anticipate a continued real estate recovery.

Jun-2013	146.32	Sep-2006	188.11
Mar-2013	136.59	Jun-2006	189.93
Dec-2012	135.11	Mar-2006	188.66
Sep-2012	135.67	Dec-2005	186.97
Jun-2012	132.92	Sep-2005	183.08
Mar-2012	124.06	Jun-2005	176.7
Dec-2011	125.99	Mar-2005	169.19
Sep-2011	130.93	Dec-2004	163.06
Jun-2011	130.8	Sep-2004	158.53
Mar-2011	125.71	Jun-2004	152.92
Dec-2010	130.89	Mar-2004	146.26
Sep-2010	135.61	Dec-2003	142.29
Jun-2010	138.28	Sep-2003	138.41
Mar-2010	132.08	Jun-2003	134.2
Dec-2009	135.99	Mar-2003	130.48
Sep-2009	137.51	Dec-2002	128.58
Jun-2009	133.19	Sep-2002	126.13
Mar-2009	129.17	Jun-2002	122.24
Dec-2008	139.41	Mar-2002	118
Sep-2008	150.48	Dec-2001	116.23
Jun-2008	155.93	Sep-2001	115.5
Mar-2008	159.36	Jun-2001	112.69
Dec-2007	170.75	Mar-2001	109.27
Sep-2007	180.01	Dec-2000	107.9
Jun-2007	183.17	Sep-2000	106.33
Mar-2007	184.83	Jun-2000	103.77
Dec-2006	186.44	Mar-2000	100

Source: <http://www.spindices.com/indices/real-estate/sp-case-shiller-us-national-home-price-index>