

## STOCK INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2005	5-yr.
DOW JONES 30 (11961)	0.93%	13.62%	19.85%	1.72%	7.40%
S&P 500 (1366)	1.20%	11.02%	18.26%	4.91%	6.42%
NASDAQ 100 (1727)	2.51%	5.33%	13.11%	1.90%	4.66%
S&P Citigroup Growth	0.83%	7.11%	13.04%	4.01%	3.97%
S&P Citigroup Value	1.57%	15.13%	23.79%	5.85%	8.78%
S&P 400 Citigroup Growth	2.73%	3.91%	15.53%	13.58%	10.13%
S&P 400 Citigroup Value	2.70%	10.85%	20.86%	11.58%	15.34%
S&P 600 Citigroup Growth	2.82%	7.27%	15.98%	9.27%	13.41%
S&P 600 Citigroup Value	3.23%	15.99%	23.75%	6.26%	16.08%
MSCI EAFE	0.80%	16.67%	26.12%	14.13%	14.33%
MSCI World (ex US)	0.81%	16.14%	25.74%	15.06%	14.62%
MSCI World	1.05%	13.32%	21.89%	10.08%	9.99%
MSCI Emerging Markets	2.56%	16.16%	32.30%	10.08%	27.88%

Source: **Bloomberg**. Returns are total returns. *The 5-yr. return is an average annual.* One-week, YTD, 12-mo. and 5-yr. performance returns calculated through 10/13/06.

## S&P SECTOR PERFORMANCE

Index	Week	YTD	12-mo.	2005	5-yr.
Consumer Discretionary	2.01%	12.68%	19.05%	-6.37%	6.95%
Consumer Staples	-0.12%	10.16%	13.98%	3.58%	6.34%
Energy	2.04%	12.56%	16.29%	31.37%	16.03%
Financials	0.83%	13.97%	26.64%	6.50%	10.30%
Health Care	-0.47%	5.83%	9.75%	6.46%	1.24%
Industrials	0.81%	10.72%	18.86%	2.32%	7.51%
Information Technology	2.71%	6.44%	12.62%	0.99%	2.86%
Materials	2.48%	10.30%	28.65%	4.69%	12.74%
Telecom Services	2.35%	29.36%	37.25%	-5.34%	-1.01%
Utilities	1.09%	12.72%	17.16%	16.83%	5.36%

Source: **Bloomberg**. Returns are total returns. *The 5-yr. return is an average annual.* One-week, YTD, 12-mo. and 5-yr. performance returns calculated through 10/13/06.

## BOND INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2005	5-yr.
U.S. Treasury: Intermediate	-0.31%	2.26%	3.17%	1.56%	3.37%
GNMA 30 Year	-0.28%	2.69%	4.16%	3.28%	4.36%
U.S. Aggregate	-0.39%	2.47%	3.62%	2.43%	4.66%
U.S. Corporate High Yield	0.26%	7.93%	10.26%	2.74%	10.36%
U.S. Corporate Inv. Grade	-0.49%	2.09%	3.39%	1.68%	5.53%
Municipal Bond: 22 years +	-0.26%	4.49%	6.12%	7.06%	6.49%
Global Aggregate	-0.76%	3.20%	3.23%	-4.49%	6.70%

Source: **Lehman Bros**. Returns include reinvested interest. *The 5-yr. return is an average annual.* One-week, YTD, 12-mo. and 5-yr. performance returns calculated through 10/13/06.

## KEY RATES

As of 10/13

Fed Funds	5.25%	5-YR CD	4.81%
LIBOR (1-month)	5.32%	2-YR Note	4.86%
CPI - Headline	3.80%	5-YR Note	4.76%
CPI - Core	2.80%	10-YR Note	4.80%
Money Market Accts.	3.46%	30-YR T-Bond	4.93%
Money Market Funds	4.72%	30-YR Mortgage	6.29%
6-mo. CD	4.64%	Prime Rate	8.25%
1-YR CD	4.89%	Bond Buyer 40	4.74%

Sources: **Bankrate.com, iMoneyNet.com and Bloomberg**

## WEEKLY FUND FLOWS

	Week of 10/11	Previous
<b>Equity Funds</b>	<b>\$5.9 B</b>	<b>-\$581 M</b>
Including ETF activity, Domestic funds reporting net inflows of \$4.947B and Non-domestic funds reporting net inflows of \$922M.		
<b>Bond Funds</b>	<b>\$494 M</b>	<b>\$2.3 B</b>
<b>Municipal Bond Funds</b>	<b>\$222 M</b>	<b>\$338 M</b>
<b>Money Markets</b>	<b>\$17.032 B</b>	<b>\$24.937 B</b>

Source: **AMG Data Services**

## FACTOIDS FOR THE WEEK OF OCTOBER 9<sup>TH</sup>-13<sup>TH</sup>

### Monday, October 9, 2006 — Private Equity Firms

U.S. private equity firms took in \$172.2 billion in the first nine months of 2006, already surpassing the \$162.5 billion raised throughout all of 2005, and on pace to top the previous record of \$177.9 billion set in 2000, according to the *Private Equity Analyst*. On a worldwide basis, 436 new funds have raised \$300 billion this year, according to industry tracker Private Equity Intelligence.

### Tuesday, October 10, 2006 — Semiconductor Sales

The Semiconductor Industry Association (SIA) reported that worldwide semiconductor sales totaled \$20.5 billion in August, up 10.5% from August 2005, and an all-time monthly high. VLSI Research estimates that capacity utilization will remain at 95% for the remainder of 2006. North American semiconductor equipment manufacturers reported orders totaling \$1.73 billion in August (three-month average basis), which is the highest billings level since March 2001.

### Wednesday, October 11, 2006 — Speculative-Grade Default Rate

The U.S. speculative-grade default rate fell from 2.1% in August to 1.9% in September, according to Moody's. The rate was 2.4% in September 2005. The global speculative-grade default rate fell from 1.6% in August to 1.5% in September, the fourth lowest level since 1985. Moody's expects the default rate to rise to 2.6% by the end of September 2007. That is still well below the 5.0% historical average. The default rate on senior loans hit an 18-month low of 1.18% in September, according to Standard & Poor's LCD.

### Thursday, October 12, 2006 — China's Economy

Despite China's efforts to temper growth its economy is on pace to expand 10.5% in 2006, up from 10.2% in 2005, according to *BusinessWeek*. Estimates at the start of this year called for 9.0% growth. GDP growth in China has not been this robust since 1995. The government was hoping to cool growth down to the 7.0% or 7.5% level to minimize the chance of it overheating. The People's Bank of China has raised its benchmark lending rate twice in 2006 to 6.12%, the first increases since 2004, and may need to raise it again in the fourth quarter.

### Friday, October 13, 2006 — Capitol Hill Gridlock vs. Harmony

According to InvestmentNews.com, CFApubs.org claims that equity returns tend to be higher when harmony exists between Republicans and Democrats serving in the White House and on Capitol Hill. From 1949-2004, the report estimates that political gridlock existed about 66% of the time, as measured in months, compared with a harmonious climate the remaining 34% of the time. The stock market generated an average return of 21.86% during those periods characterized as harmonious, vs. an average gain of only 6.36% during periods of gridlock. The average duration for periods of gridlock and harmony were 80 months and 49 months, respectively.