

STOCK INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2005	5-yr.
DOW JONES 30 (12307)	0.95%	17.43%	17.13%	1.72%	6.47%
S&P 500 (1410)	0.98%	14.98%	14.40%	4.91%	5.86%
NASDAQ 100 (1786)	0.64%	9.03%	6.45%	1.90%	1.60%
S&P Citigroup Growth (L-C)	0.51%	10.90%	10.14%	4.01%	3.07%
S&P Citigroup Value (L-C)	1.44%	19.33%	18.95%	5.85%	8.63%
S&P 400 Citigroup Growth (M-C)	0.71%	7.99%	7.99%	13.58%	8.22%
S&P 400 Citigroup Value (M-C)	1.00%	15.96%	15.19%	11.58%	14.54%
S&P 600 Citigroup Growth (S-C)	1.41%	12.17%	9.97%	9.27%	12.14%
S&P 600 Citigroup Value (S-C)	1.28%	20.12%	17.76%	6.26%	13.97%
MSCI EAFE	1.46%	24.81%	27.77%	14.13%	15.11%
MSCI World (ex US)	1.41%	24.46%	27.21%	15.06%	15.40%
MSCI World	1.16%	19.47%	20.43%	10.08%	10.14%
MSCI Emerging Markets	0.70%	28.15%	32.41%	10.08%	26.62%

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 12/8/06.

WEEKLY FUND FLOWS

	Week of 12/6	Previous
Equity Funds	-\$3.2 B	-\$5.4 B
Including ETF activity, Domestic funds reporting net outflows of -\$3.176B and Non-domestic funds reporting net outflows of -\$58M.		
Bond Funds	\$586 M	\$754 M
Municipal Bond Funds	\$321 M	\$403 M
Money Markets	\$30.322 B	\$8.654 B

Source: AMG Data Services

S&P SECTOR PERFORMANCE

Index	Week	YTD	12-mo.	2005	5-yr.
Consumer Discretionary	1.63%	17.72%	16.11%	-6.37%	5.65%
Consumer Staples	2.13%	13.88%	14.27%	3.58%	6.81%
Energy	-0.92%	25.98%	20.52%	31.37%	20.17%
Financials	1.90%	16.44%	17.35%	6.50%	9.03%
Health Care	0.01%	6.38%	8.72%	6.46%	0.90%
Industrials	0.85%	12.47%	13.61%	2.32%	6.43%
Information Technology	0.41%	9.28%	5.92%	0.99%	-0.58%
Materials	2.32%	20.06%	20.92%	4.69%	12.63%
Telecom Services	1.91%	32.98%	29.37%	-5.34%	1.48%
Utilities	0.02%	20.06%	20.48%	16.83%	9.27%

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 12/8/06.

BOND INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2005	5-yr.
U.S. Treasury: Intermediate	-0.39%	3.80%	4.19%	1.56%	3.86%
GNMA 30 Year	-0.28%	4.59%	5.44%	3.28%	4.85%
U.S. Aggregate	-0.47%	4.66%	5.33%	2.43%	5.30%
U.S. Corporate High Yield	0.43%	11.32%	12.13%	2.74%	9.98%
U.S. Corporate Inv. Grade	-0.57%	4.90%	5.73%	1.68%	6.24%
Municipal Bond: 22 years +	-0.34%	7.15%	8.25%	7.06%	7.42%
Global Aggregate	-0.48%	8.11%	8.86%	-4.49%	8.04%

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 12/8/06.

KEY RATES

As of 12/8

Fed Funds	5.25%	5-YR CD	4.70%
LIBOR (1-month)	5.35%	2-YR Note	4.67%
CPI - Headline	1.30%	5-YR Note	4.52%
CPI - Core	2.70%	10-YR Note	4.55%
Money Market Accts.	3.48%	30-YR T-Bond	4.66%
Money Market Funds	4.74%	30-YR Mortgage	5.92%
6-mo. CD	4.64%	Prime Rate	8.25%
1-YR CD	4.83%	Bond Buyer 40	4.56%

Sources: Bankrate.com, iMoneyNet.com and Bloomberg

FACTOIDS FOR THE WEEK OF DECEMBER 4TH - DECEMBER 8TH

Monday, December 4, 2006 — S&P 500 Dividend-Paying Stocks

In November, the dividend-payers (382) in the S&P 500 (equal weight) posted a total return of 2.28%, vs. 3.50% for the non-payers (118), according to Standard & Poor's. Y-T-D through November, the payers gained 15.67%, vs. 12.96% for the non-payers. For the 12-month period ended November 2006, payers gained 16.60%, vs. 13.62% for the non-payers. The number of dividend increases (S&P 500) year-to-date totaled 267, slightly lagging the 277 registered over the same period in 2005, but still above the 247 increases registered in 2004. The dividend yield on the S&P 500 was 1.79% at the end of November.

Tuesday, December 5, 2006 — Office Space Estimates

Seventy-five million square feet of office space will be delivered in 2006, the first annual increase in six years, according to *CIRE* (Commercial Investment Real Estate Magazine). The estimates for 2007 and 2008 call for an additional 91 million and 102 million square feet, respectively, with a large percentage of that space released.

Wednesday, December 6, 2006 — Private-Equity Takeovers

Private-equity firms have announced more than \$600 billion worth of takeovers this year, and that is impacting the outlook for investment-grade corporate bonds, according to Bloomberg. Two-thirds of the financing for a typical LBO comes from borrowed money, which means the new combined company is often saddled with more debt. If debt levels get high enough, the credit ratings assigned to existing debt can fall resulting in downward pressure on bond prices. Since LBO activity remains robust, the investment-grade niche of the corporate bond market is now regarded as the riskiest segment. Floating-rate corporates (senior loans) are considered the best opportunity given their attractive yields and low industry default rate of 0.94% (S&P LCD).

Thursday, December 7, 2006 — Manufacturing

In 1955, 31% of all U.S. workers were in the manufacturing sector, according to the Bureau of Labor Statistics. Today, it is 10%. In 1955, manufacturing accounted for 28% of our annual GDP. Today, it is 12%. Ironically, the biggest problem in manufacturing today is a lack of skilled workers. In recent years, millions of low-skilled jobs have moved outside of the U.S., while manufacturing here at home has gone high-tech. One of the biggest dilemmas for the sector is the workforce is getting older. In 2005, 43% of workers were 45 or older, up from 32% in 1995, according to the National Association of Manufacturers.

Friday, December 8, 2006 — U.S. Household Net Worth

U.S. household net worth increased \$775.9 billion to \$54.1 trillion in the third quarter, according to the Federal Reserve. The increase was a considerable jump over the \$26.9 billion gain posted in the second quarter – thanks to the strong showing in the stock market. Reflecting a dip in the demand for home mortgages, personal borrowing increased by only 6.8%. It was the smallest increase since the third quarter of 1998.