

STOCK INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2006	5-yr.
DOW JONES 30 (13807)	2.11%	12.72%	16.08%	19.04%	12.85%
S&P 500 (1535)	2.31%	9.83%	12.60%	15.79%	13.36%
NASDAQ 100 (2195)	2.98%	25.32%	26.41%	7.28%	17.52%
S&P 500/Citigroup Growth	2.16%	11.68%	13.50%	11.03%	10.67%
S&P 500/Citigroup Value	2.47%	8.13%	11.84%	20.85%	16.17%
S&P MidCap 400/Citigroup Growth	2.42%	17.07%	17.62%	5.90%	15.79%
S&P MidCap 400/Citigroup Value	1.45%	7.98%	10.24%	14.98%	18.71%
S&P SmallCap600/Citigroup Growth	2.89%	14.14%	15.58%	10.56%	18.33%
S&P SmallCap600/Citigroup Value	3.17%	2.50%	4.01%	19.66%	18.13%
MSCI EAFE	1.48%	16.18%	23.16%	26.98%	23.78%
MSCI World (ex US)	1.58%	17.62%	24.44%	26.34%	24.34%
MSCI World	1.95%	14.08%	18.78%	20.72%	18.56%
MSCI Emerging Markets	3.83%	46.32%	63.86%	32.20%	39.09%

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 10/26/07.

WEEKLY FUND FLOWS

	Week of 10/24	Previous
Equity Funds	-\$2.2 B	\$302 M
Including ETF activity, Domestic funds reporting net outflows of -\$2.504B and Non-domestic funds reporting net inflows of \$281M.		
Bond Funds	\$1 B	\$2.1 B
Municipal Bond Funds	\$212 M	-\$142 M
Money Markets	\$35.910 B	\$20.100 B
This brings the asset level of the sector to a record \$2.922T.		

Source: **AMG Data Services**

S&P SECTOR PERFORMANCE

Index	Week	YTD	12-mo.	2006	5-yr.
Consumer Discretionary	1.36%	-4.23%	-1.37%	18.64%	8.83%
Consumer Staples	2.33%	11.81%	12.89%	14.58%	9.04%
Energy	2.36%	30.68%	37.15%	24.21%	28.93%
Financials	2.73%	-6.86%	-3.38%	19.23%	10.85%
Health Care	1.36%	8.17%	7.78%	7.53%	7.06%
Industrials	1.36%	15.41%	18.61%	13.29%	15.63%
Information Technology	3.28%	21.21%	23.00%	8.42%	15.23%
Materials	3.64%	25.60%	32.79%	18.98%	20.87%
Telecom Services	0.74%	16.86%	19.54%	36.74%	15.48%
Utilities	4.76%	15.86%	19.56%	20.99%	23.11%

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 10/26/07.

BOND INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2006	5-yr.
U.S. Treasury: Intermediate	0.15%	6.13%	6.97%	3.51%	3.41%
GNMA 30 Year	0.25%	5.01%	6.36%	4.62%	4.33%
U.S. Aggregate	0.13%	5.14%	6.35%	4.33%	4.67%
U.S. Corporate High Yield	0.10%	3.77%	7.05%	11.85%	13.22%
U.S. Corporate Investment Grade	-0.07%	4.16%	5.54%	4.30%	6.00%
Municipal Bond: Long Bond (22+)	-0.23%	1.18%	2.80%	6.82%	6.12%
Global Aggregate	0.68%	7.83%	10.23%	6.64%	7.38%

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 10/26/07.

KEY RATES

As of 10/26

Fed Funds	4.75%	5-YR CD	4.63%
LIBOR (1-month)	4.87%	2-YR Note	3.77%
CPI - Headline	2.80%	5-YR Note	4.04%
CPI - Core	2.10%	10-YR Note	4.39%
Money Market Accts.	3.60%	30-YR T-Bond	4.69%
Money Market Funds	4.48%	30-YR Mortgage	6.19%
6-mo. CD	4.52%	Prime Rate	7.75%
1-YR CD	4.63%	Bond Buyer 40	4.77%

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

FACTOIDS FOR THE WEEK OF OCTOBER 22ND - 26TH

Monday, October 22, 2007 — Oil Prices

The price of a barrel of oil closed Friday's trading session at \$88.60. OPEC does not favor oil prices at this inflated level, according to Rigzone.com. There have been no interruptions in crude supplies and commercial inventory levels are comfortable. OPEC recently decided to increase production by 500,000 barrels per day beginning November 1, which creates a new ceiling of 27.2 million barrels per day. In 2006, the average cost of a barrel of oil was \$24.73, while the average revenue per barrel was \$43.62, according to John S. Herold Inc. At current production levels, OPEC has enough proven oil reserves to last 72.5 years, compared to just 11.9 years for U.S. reserves, according to the *BP Statistical Review of World Energy*.

Tuesday, October 23, 2007 — Home Prices

The surge in U.S. home prices over the past decade pales in comparison to what has happened to housing costs overseas, according to data from Economist.com. The following countries posted the biggest gains from 1997-2007: *South Africa* (+380%); *Ireland* (+251%); *Britain* (+211%); *Spain* (+189%); *Australia* (+149%); *France* (+139%); *Sweden* (+138%); and the *United States* (+103%). Home prices in Hong Kong and Japan declined 38% and 32%, respectively.

Wednesday, October 24, 2007 — College Tuition

In-state tuition and fees at public four-year schools averaged \$6,185 this school year, up 6.6% over last year, according to the College Board. Tuition and fees increased an average of 5.5% to \$16,640 at private four-year schools. When you include room and board the cost jumps to an average of \$13,589 for a public four-year schools and \$32,307 for four-year private schools. Tuition and fees at public two-year schools rose 4.2% to \$2,361.

Thursday, October 25, 2007 — Earnings Estimates

The percentage of U.S. companies issuing upside guidance with their earnings has been shrinking since the second quarter of 2006, according to SeekingAlpha.com. After peaking at 32% in the first quarter of 2006, the quarterly numbers have largely fluctuated between 15%, which is the percentage so far for Q3'07, and 20%. The average since the end of 2001 is 22%. The good news is that 65% of companies have exceeded their earnings estimates over the past three quarters, including Q3'07. The percentage of firms topping their estimates since the end of 2001 has fluctuated between 59% (Q3'02) and 73% (Q3'06).

Friday, October 26, 2007 — Worldwide IT Spending

Worldwide IT spending is on pace to total \$3.1 trillion in 2007, up 8% from 2006, according to tech researcher Gartner, Inc. One-third of IT spending now occurs outside of North America, Western Europe, and Japan. Gartner sees spending gravitating towards software, services, and mobility. It predicts that 63% of all IT spending will target those three areas by the end of 2011.