

STOCK INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2006	5-yr.
DOW JONES 30 (13340)	-2.08%	9.43%	9.92%	19.04%	12.11%
S&P 500 (1468)	-2.42%	5.38%	4.93%	15.79%	12.57%
NASDAQ 100 (2072)	-2.69%	18.51%	15.45%	7.28%	15.97%
S&P 500/Citigroup Growth	-1.95%	8.71%	7.67%	11.03%	10.46%
S&P 500/Citigroup Value	-2.88%	2.34%	2.41%	20.85%	14.77%
S&P MidCap 400/Citigroup Growth	-2.95%	13.42%	11.01%	5.90%	15.15%
S&P MidCap 400/Citigroup Value	-3.82%	2.16%	0.89%	14.98%	16.94%
S&P SmallCap600/Citigroup Growth	-3.80%	4.60%	3.13%	10.56%	16.03%
S&P SmallCap600/Citigroup Value	-4.62%	-6.67%	-7.13%	19.66%	15.15%
MSCI EAFE	-3.46%	11.23%	12.06%	26.98%	22.43%
MSCI World (ex US)	-3.38%	12.16%	12.82%	26.34%	22.83%
MSCI World	-2.92%	9.16%	9.22%	20.72%	17.44%
MSCI Emerging Markets	-4.52%	36.83%	40.92%	32.20%	35.46%

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 12/14/07.

WEEKLY FUND FLOWS

	Week of 12/12	Previous
Equity Funds	\$14.1 B	\$4.4 B
Including ETF activity, Domestic funds reporting net inflows of \$11.151 B and Non-domestic funds reporting net inflows of \$2.905 B.		
Bond Funds	\$679 M	\$265 M
Net inflows were reported to International & Global Debt funds, \$311 Mil, High Yield Corporate Bond funds, \$123 Mil, and Government Bond funds, \$75 Mil.		
Municipal Bond Funds	-\$477 M	-\$144 M
This is the largest net cash outflow from the sector since 8/22/07.		
Money Markets	\$6.725 B	\$47.699 B

Source: **AMG Data Services**

S&P SECTOR PERFORMANCE

Index	Week	YTD	12-mo.	2006	5-yr.
Consumer Discretionary	-4.38%	-12.51%	-13.02%	18.64%	8.35%
Consumer Staples	-1.10%	15.09%	15.53%	14.58%	10.43%
Energy	0.13%	29.84%	24.25%	24.21%	28.12%
Financials	-6.09%	-18.55%	-17.85%	19.23%	8.26%
Health Care	-2.39%	8.70%	9.30%	7.53%	7.57%
Industrials	-2.06%	12.24%	12.69%	13.29%	15.30%
Information Technology	-1.10%	16.24%	14.30%	8.42%	13.10%
Materials	-2.80%	21.92%	21.11%	18.98%	19.22%
Telecom Services	1.81%	12.23%	13.77%	36.74%	13.38%
Utilities	-2.19%	20.51%	19.50%	20.99%	22.24%

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 12/14/07.

FACTOIDS FOR THE WEEK OF DECEMBER 10TH - 14TH

Monday, December 10, 2007 — Oil

Worldwide oil exploration and production expenditures (E&P) are expected to reach \$369 billion in 2008, up 11.1% from \$332 billion in 2007, according to the Lehman Brothers Original E&P Spending Survey. If accomplished, it would mark the sixth consecutive year of double-digit growth. Foreign spending is expected to account for \$267 billion of the \$369 billion total. Lehman Brothers has set its 2008 average price targets at \$68 per barrel for oil and \$6.80 per mcf for natural gas.

Tuesday, December 11, 2007 — Foreign and Domestic Investments

The value of foreign stocks, bonds and factories owned by Americans totaled \$13.7 trillion at the close of 2006, up substantially from the \$2.1 trillion owned in 1989, according to *USA TODAY*. The value of American assets owned by foreign investors totaled \$16.3 trillion, up from \$2.3 trillion in 1989.

Wednesday, December 12, 2007 — Sovereign wealth funds

Sovereign wealth funds (SWFs) are comprised of assets held by governments in another country's currency. Countries that accumulate more reserves than needed via trade surplus create these funds to exploit investment opportunities. Today, SWFs hold an estimated \$2-\$3 trillion, up from \$500 billion in 1990, according to the IMF. Merrill Lynch estimates that between \$3.1 trillion and \$6 trillion could flow from SWFs into world stock markets over the next 5 years, according to MarketWatch.com. If so, it estimates that asset managers could garner \$4-\$8 billion in fees.

Thursday, December 13, 2007 — Default Rates

The global speculative-grade default rate stood at 1.0% in November, down from 1.1% in October, according to Moody's. It is at its lowest level since the 0.7% rate posted in December 1981. The U.S. speculative-grade default rate also stood at 1.0% in November, down from 1.1% in October. It has not been this low since the 1.0% level posted in March 1982. The default rate on senior loans fell from 0.40% in October to a record-low of 0.26% in November, according to Standard & Poor's LCD. The historical average is 3.05%.

Friday, December 14, 2007 — 401(k) stock allocations

A study by Hewitt Associates in 2006 found that company stock is still the number one choice for 401(k) participants, according to *USA TODAY*. Here is how participants allocate their dollars (adds up to 99.8%): Company Stock (21.9%); Large U.S. Equity fund (18.2%); Stable Value/GIC fund (18.2%); Balanced fund (9.3%); Age- & Target-Based funds (9.0%); Small U.S. Equity fund (6.3%); International fund (5.4%); Bond fund (4.2%); Midcap U.S. Equity fund (3.4%); Money Market fund (2.2%); Emerging Market fund (0.7%); Specialty Sector fund (0.5%); and Self-Directed Brokerage (0.5%).

BOND INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2006	5-yr.
U.S. Treasury: Intermediate	-0.36%	7.86%	7.66%	3.51%	3.61%
GNMA 30 Year	-0.13%	5.91%	5.86%	4.62%	4.29%
U.S. Aggregate	-0.16%	5.64%	5.40%	4.33%	4.40%
U.S. Corporate High Yield	0.12%	1.93%	2.49%	11.85%	11.12%
U.S. Corporate Investment Grade	-0.11%	2.93%	2.60%	4.30%	4.85%
Municipal Bond: Long Bond (22+)	-0.07%	-0.17%	-0.26%	6.82%	5.43%
Global Aggregate	-1.09%	7.88%	7.31%	6.64%	6.63%

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 12/14/07.

KEY RATES

As of 12/14

Fed Funds	4.25%	5-YR CD	4.34%
LIBOR (1-month)	5.20%	2-YR Note	3.30%
CPI - Headline	4.30%	5-YR Note	3.63%
CPI - Core	2.30%	10-YR Note	4.23%
Money Market Accts.	3.46%	30-YR T-Bond	4.65%
Money Market Funds	4.17%	30-YR Mortgage	6.06%
6-mo. CD	4.30%	Prime Rate	7.25%
1-YR CD	4.36%	Bond Buyer 40	4.85%

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