

STOCK INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2006	5-yr.
DOW JONES 30 (13366)	-0.63%	9.71%	9.37%	19.04%	12.50%
S&P 500 (1478)	-0.37%	6.22%	5.74%	15.79%	13.09%
NASDAQ 100 (2107)	-0.22%	20.51%	20.37%	7.28%	16.54%
S&P 500/Citigroup Growth	-0.05%	10.21%	9.72%	11.03%	11.21%
S&P 500/Citigroup Value	-0.71%	2.53%	2.06%	20.85%	15.03%
S&P MidCap 400/Citigroup Growth	-0.33%	14.35%	13.45%	5.90%	15.57%
S&P MidCap 400/Citigroup Value	-1.08%	3.30%	2.54%	14.98%	17.34%
S&P SmallCap600/Citigroup Growth	-1.02%	6.58%	5.62%	10.56%	16.63%
S&P SmallCap600/Citigroup Value	-1.97%	-4.64%	-5.45%	19.66%	15.99%
MSCI EAFE	2.01%	11.80%	11.85%	26.98%	22.64%
MSCI World (ex US)	2.13%	13.17%	13.19%	26.34%	23.16%
MSCI World	0.93%	10.10%	9.88%	20.72%	17.90%
MSCI Emerging Markets	2.58%	39.39%	39.78%	32.20%	36.07%

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 12/28/07.

WEEKLY FUND FLOWS

	Week of 12/26	Previous
Equity Funds	\$12.6 B	-\$204 M
Including ETF activity, Domestic funds reporting net inflows of \$9.970 B and Non-domestic funds reporting net inflows of \$2.675 B.		
Bond Funds	\$2 B	-\$851 M
Municipal Bond Funds	-\$444 M	-\$614 M
Money Markets	-\$11.485 B	-\$4.218 B

Source: **AMG Data Services**

S&P SECTOR PERFORMANCE

Index	Week	YTD	12-mo.	2006	5-yr.
Consumer Discretionary	-1.08%	-12.98%	-13.32%	18.64%	8.92%
Consumer Staples	-0.38%	15.56%	15.05%	14.58%	10.70%
Energy	1.69%	36.13%	34.86%	24.21%	29.83%
Financials	-1.33%	-19.07%	-19.56%	19.23%	8.44%
Health Care	-1.08%	8.28%	7.93%	7.53%	8.03%
Industrials	-0.10%	12.86%	12.25%	13.29%	15.50%
Information Technology	-0.52%	17.68%	17.44%	8.42%	13.84%
Materials	-0.28%	23.60%	22.86%	18.98%	19.45%
Telecom Services	1.09%	13.82%	14.18%	36.74%	13.34%
Utilities	-0.47%	20.42%	20.24%	20.99%	21.96%

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 12/28/07.

BOND INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2006	5-yr.
U.S. Treasury: Intermediate	0.31%	8.57%	8.56%	3.51%	3.53%
GNMA 30 Year	0.39%	6.66%	6.68%	4.62%	4.34%
U.S. Aggregate	0.43%	6.63%	6.62%	4.33%	4.36%
U.S. Corporate High Yield	0.22%	1.81%	1.86%	11.85%	10.96%
U.S. Corporate Investment Grade	0.53%	4.21%	4.19%	4.30%	4.76%
Municipal Bond: Long Bond (22+)	0.10%	0.19%	0.21%	6.82%	5.34%
Global Aggregate	1.25%	9.27%	9.42%	6.64%	6.58%

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 12/28/07.

KEY RATES

As of 12/28

Fed Funds	4.25%	5-YR CD	4.31%
LIBOR (1-month)	4.86%	2-YR Note	3.09%
CPI - Headline	4.30%	5-YR Note	3.49%
CPI - Core	2.30%	10-YR Note	4.07%
Money Market Accts.	3.43%	30-YR T-Bond	4.49%
Money Market Funds	4.09%	30-YR Mortgage	6.06%
6-mo. CD	4.27%	Prime Rate	7.25%
1-YR CD	4.35%	Bond Buyer 40	4.86%

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

FACTOIDS FOR THE WEEK OF DECEMBER 24TH - 28TH

Monday, December 24, 2007 — Large-caps vs. small-caps

The current 8-year run of outperformance by small-cap stocks over large-caps is second only to the 10-year run from 1974 through 1983, according to Ned Davis Research. With just five trading days remaining in 2007, the Russell 2000 Index is lagging the S&P 500 by 5.74 percentage points. Ernie Ankrim, chief investment strategist at Russell Investments, believes the end of the streak is significant because it could signal that a long-term performance shift is underway favoring large-caps over small-caps, according to *USA TODAY*.

Tuesday, December 25, 2007 — Christmas Day

None

Wednesday, December 26, 2007 — Europe

Western European equities account for 30% of the world's market cap, yet they represent just 10% of Americans' stock holdings, according to Citigroup. Edward M. Kerschner, chief investment strategist at Citi Global Wealth Management, cites the following factors as reasons to be optimistic about long-term upside potential: a decade of corporate restructuring, economic integration and international expansion. The 27 countries in the European Union account for 38% of world exports of merchandise, vs. 9% for the U.S., according to *BusinessWeek*.

Thursday, December 27, 2007 — Insurance Industry

The insurance industry was hit with \$75 billion worth of losses stemming from natural catastrophes in 2007, up 50% from a year ago despite the lack of "megacatastrophes," according to German reinsurer Munich Re. Losses totaled \$220 billion in 2005 due to Hurricane Katrina. The number of natural catastrophes totaled 950, up from 850 in 2006 and the most since 1974. Much of the damage this year was due to flooding from severe rain storms. The S&P Property & Casualty Index is down 12.1% year-to-date.

Friday, December 28, 2007 — Infrastructure

Some communities in the U.S. are experiencing 50% to 100% increases in their water and sewer bills, according to *USA TODAY*. The median rate increase has been around 5%, according to Doug Scott at Fitch Ratings. Many consumers have been paying below cost for years. The Government Accountability Office estimates that 29% of water systems and 41% of sewer systems charge less than the cost of the service. The Environmental Protection Agency estimates that these two water systems will need a \$1.2 trillion infrastructure upgrade over the next two decades.