

STOCK INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2007	5-yr.
DOW JONES 30 (8852)	4.78%	-31.85%	-34.57%	8.88%	0.45%
S&P 500 (941)	4.61%	-34.84%	-37.65%	5.49%	-0.11%
NASDAQ 100 (1312)	3.30%	-36.86%	-39.50%	19.24%	-0.81%
S&P 500/Citigroup Growth	4.72%	-33.92%	-35.59%	9.25%	-1.27%
S&P 500/Citigroup Value	4.50%	-35.79%	-39.71%	2.03%	1.05%
S&P MidCap 400/Citigroup Growth	1.68%	-35.62%	-37.39%	13.55%	1.03%
S&P MidCap 400/Citigroup Value	0.34%	-33.45%	-37.21%	2.84%	2.85%
S&P SmallCap600/Citigroup Growth	-0.31%	-29.20%	-34.58%	5.66%	3.27%
S&P SmallCap600/Citigroup Value	0.35%	-26.72%	-32.32%	-5.19%	3.47%
MSCI EAFE	4.21%	-42.30%	-43.99%	11.76%	4.32%
MSCI World (ex US)	4.34%	-42.11%	-43.81%	13.04%	4.70%
MSCI World	4.45%	-38.74%	-40.88%	9.69%	2.21%
MSCI Emerging Markets	-3.95%	-53.49%	-54.54%	39.23%	9.08%

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 10/17/08.

WEEKLY FUND FLOWS

	Week of 10/15	Previous
Equity Funds	-\$9.9 B	-\$2.4 B
Including ETF activity, Domestic funds reporting net outflows of -\$4.447 B and Non-domestic funds reporting net outflows of -\$5.452 B.		
Bond Funds	-\$12.6 B	\$7.0 B
Municipal Bond Funds	-\$2.285 B	\$5.195 M
This is the largest net outflow from the sector on record.		
Money Markets	\$58.240 B	-\$44.350 B
General Money Market funds report net inflows totaling \$27.568 B and Government Money Market funds report net inflows of \$30.672 B.		

Source: **AMG Data Services**

S&P SECTOR PERFORMANCE

Index	Week	YTD	12-mo.	2007	5-yr.
Consumer Discretionary	1.81%	-33.68%	-40.83%	-13.21%	-4.85%
Consumer Staples	3.67%	-16.01%	-13.19%	14.36%	5.15%
Energy	7.28%	-39.08%	-38.37%	34.41%	14.32%
Financials	5.92%	-45.22%	-52.73%	-18.52%	-7.87%
Health Care	8.77%	-23.70%	-24.10%	7.32%	0.59%
Industrials	-1.48%	-38.16%	-40.70%	12.04%	1.09%
Information Technology	4.02%	-36.68%	-38.80%	16.30%	-2.75%
Materials	0.01%	-39.87%	-39.94%	22.53%	3.96%
Telecom Services	8.21%	-38.46%	-41.53%	11.88%	3.58%
Utilities	7.99%	-33.31%	-29.81%	19.38%	8.46%

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 10/17/08.

BOND INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2007	5-yr.
U.S. Treasury: Intermediate	-0.20%	4.99%	8.45%	8.83%	4.38%
GNMA 30 Year	0.34%	2.64%	5.38%	6.97%	4.74%
U.S. Aggregate	-0.62%	-1.35%	1.10%	6.97%	3.69%
U.S. Corporate High Yield	-2.24%	-24.40%	-26.10%	1.88%	0.47%
U.S. Corporate Investment Grade	-2.53%	-14.38%	-13.58%	4.56%	0.48%
Municipal Bond: Long Bond (22+)	-4.02%	-20.16%	-20.33%	0.46%	0.30%
Global Aggregate	-0.81%	-2.59%	0.60%	9.48%	4.48%

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 10/17/08.

KEY RATES

As of 10/17

Fed Funds	1.50%	5-YR CD	3.96%
LIBOR (1-month)	4.47%	2-YR Note	1.60%
CPI - Headline	4.90%	5-YR Note	2.81%
CPI - Core	2.50%	10-YR T-Bond	3.92%
Money Market Accts.	2.47%	30-YR T-Bond	4.31%
Money Market Funds	1.62%	30-YR Mortgage	6.44%
6-mo. CD	3.10%	Prime Rate	4.50%
1-YR CD	3.60%	Bond Buyer 40	6.69%

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

MARKET INDICATORS

As of 10/17

TED Spread:	Investment Grade Spread:	High Yield Spread (BB):
318.5	557 bps	876 bps

Sources: **Bloomberg and Merrill Lynch via Bloomberg**

FACTOIDS FOR THE WEEK OF OCTOBER 13TH - OCTOBER 17TH

Monday, October 13, 2008

The S&P 500 has lost 41.3% of its value since last year's peak of 1,565.15 on October 9. Only 13 constituents out of the 500 posted positive returns over that span, according to *Forbes*. Volatility has been extremely high of late. The VIX set an all-time high on 10/10/08 with a reading of 69.95. The high for the VIX back in the 2000-2003 bear market was 45.08 on 8/5/02, according to Bloomberg. That was approximately two months before the S&P 500 bottomed. The S&P 500 gained or lost at least two percentage points on one-third of all trading days in Q3'08 and on 46 of the 254 trading days over the past year, according to *Forbes*.

Tuesday, October 14, 2008

A survey by American Express in October found that 63% of small business owners have been negatively impacted by the credit crunch, up from 50% in August, according to MarketWatch.com. Of those surveyed, 12% said they were forced to lay off workers, while 7% were unable to make payroll. Of those claiming to be hurt by the crunch, 79% said sales are decreasing and 51% said they had to tap personal assets to cover business expenses. Overall, 18% of owners feeling the pinch believe their company risks going out of business in the next six months due to the state of the economy, up from 9% in August.

Wednesday, October 15, 2008

The Vickers Weekly Insider Report noted that insiders bought nearly two shares of their companies' stock last week for every one sold, according to MarketWatch.com. Historically, the norm is for executives to sell more shares than they purchase, even in bull markets. Insiders sold just 0.59 shares last week for every one they bought. The ratio was 0.37 to 1 for insiders whose shares are listed on the NYSE or AMEX. Both ratios are the best readings in nearly a decade. A year ago, the ratio was 4-to-1 for all companies and 1.89-to-1 for exchange-listed stocks.

Thursday, October 16, 2008

Worldwide PC shipments reached 80.6 million units in Q3'08, a 15% increase from Q3'07, according to Gartner, Inc. Sales were strongest in the mini-notebook segment, led by robust growth in Europe, Middle East and Africa. The top companies based on market share were Hewlett-Packard (18.4%); Dell (13.6%); Acer (12.5%); Lenovo (7.3%); and Toshiba (4.6%).

Friday, October 17, 2008

Social Security benefits will increase 5.8% next year for 50 million people due to an annual cost of living adjustment (COLA), according to the Associated Press. The average retiree's monthly check will increase by \$63 to \$1,153, while the average couple, both receiving benefits, will see their monthly take rise by \$103 to \$1,876. The 5.8% bump is the highest since the 7.4% increase in 1982. The biggest adjustment on record was 14.3% in 1980. Over the past 15 years, only three COLA increases have topped 3%.