

STOCK INDEX PERFORMANCE

| Index | Week | YTD | 12-mo. | 2007 | 5-yr. |
|----------------------------------|---------|---------|---------|--------|--------|
| DOW JONES 30 (11422) | -7.30% | -20.60% | -24.13% | 8.88% | 3.90% |
| S&P 500 (1252) | -9.34% | -23.91% | -27.07% | 5.49% | 3.23% |
| NASDAQ 100 (1767) | -12.03% | -29.21% | -29.71% | 19.24% | 1.77% |
| S&P 500/Citigroup Growth | -9.66% | -23.33% | -24.66% | 9.25% | 1.75% |
| S&P 500/Citigroup Value | -9.03% | -24.49% | -29.42% | 2.03% | 4.74% |
| S&P MidCap 400/Citigroup Growth | -12.83% | -23.63% | -25.49% | 13.55% | 4.69% |
| S&P MidCap 400/Citigroup Value | -11.40% | -20.33% | -25.27% | 2.84% | 6.90% |
| S&P SmallCap600/Citigroup Growth | -11.79% | -17.13% | -23.82% | 5.66% | 6.83% |
| S&P SmallCap600/Citigroup Value | -10.82% | -13.83% | -21.64% | -5.19% | 7.25% |
| MSCI EAFE | -7.59% | -29.28% | -31.19% | 11.76% | 9.16% |
| MSCI World (ex US) | -8.22% | -29.05% | -30.78% | 13.04% | 9.59% |
| MSCI World | -8.91% | -26.68% | -28.98% | 9.69% | 6.29% |
| MSCI Emerging Markets | -9.94% | -39.34% | -38.45% | 39.23% | 16.15% |

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 10/03/08.

WEEKLY FUND FLOWS

| | Week of 10/01 | Previous |
|--|------------------|-----------------|
| Equity Funds | \$9.1 B | \$13.9 B |
| Including ETF activity, Domestic funds reporting net inflows of \$9.730 B and Non-domestic funds reporting net outflows of -\$593 M. | | |
| Bond Funds | -\$5.4 B | -\$4.3 B |
| Municipal Bond Funds | -\$848 M | -\$398 M |
| Money Markets | \$4.396 B | -\$965 M |
| General MM funds report net outflows of -\$80.292 B and Government MM funds report net inflows of \$84.688 B. | | |

Source: **AMG Data Services**

S&P SECTOR PERFORMANCE

| Index | Week | YTD | 12-mo. | 2007 | 5-yr. |
|------------------------|---------|---------|---------|---------|--------|
| Consumer Discretionary | -11.19% | -20.31% | -29.64% | -13.21% | -0.92% |
| Consumer Staples | -2.29% | -3.63% | 0.50% | 14.36% | 8.29% |
| Energy | -13.00% | -24.25% | -20.17% | 34.41% | 19.59% |
| Financials | -10.72% | -33.39% | -44.58% | -18.52% | -3.72% |
| Health Care | -4.31% | -14.05% | -14.91% | 7.32% | 2.76% |
| Industrials | -12.28% | -29.10% | -32.38% | 12.04% | 3.85% |
| Information Technology | -11.21% | -28.96% | -29.26% | 16.30% | -0.15% |
| Materials | -14.87% | -29.05% | -28.84% | 22.53% | 7.90% |
| Telecom Services | -6.19% | -30.21% | -33.71% | 11.88% | 5.91% |
| Utilities | -6.55% | -22.61% | -17.84% | 19.38% | 11.47% |

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 10/03/08.

BOND INDEX PERFORMANCE

| Index | Week | YTD | 12-mo. | 2007 | 5-yr. |
|---------------------------------|--------|---------|---------|-------|-------|
| U.S. Treasury: Intermediate | 1.09% | 5.66% | 9.35% | 8.83% | 4.39% |
| GNMA 30 Year | 0.12% | 3.96% | 6.94% | 6.97% | 4.95% |
| U.S. Aggregate | 0.16% | 1.27% | 4.03% | 6.97% | 4.13% |
| U.S. Corporate High Yield | -5.73% | -13.42% | -14.79% | 1.88% | 3.51% |
| U.S. Corporate Investment Grade | -0.74% | -8.34% | -6.92% | 4.56% | 1.78% |
| Municipal Bond: Long Bond (22+) | -1.23% | -9.35% | -9.38% | 0.46% | 2.79% |
| Global Aggregate | -1.63% | -0.46% | 3.11% | 9.48% | 4.90% |

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 10/03/08.

KEY RATES

As of 10/03

| | | | |
|---------------------|-------|----------------|-------|
| Fed Funds | 2.00% | 5-YR CD | 4.15% |
| LIBOR (1-month) | 3.93% | 2-YR Note | 1.59% |
| CPI - Headline | 5.40% | 5-YR Note | 2.63% |
| CPI - Core | 2.50% | 10-YR T-Bond | 3.60% |
| Money Market Accts. | 2.44% | 30-YR T-Bond | 4.08% |
| Money Market Funds | 1.82% | 30-YR Mortgage | 5.84% |
| 6-mo. CD | 3.20% | Prime Rate | 5.00% |
| 1-YR CD | 3.68% | Bond Buyer 40 | 5.89% |

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

FACTOIDS FOR THE WEEK OF SEPTEMBER 29TH - OCTOBER 3TH

Monday, September 29, 2008

The International Energy Agency estimates there is enough coal worldwide to last us 200 years, according to SeekingAlpha.com. It predicts coal will account for 27% of the total global energy mix by 2030, up from 24% today. The price of coal is currently spiking due to the strong demand for steel (coal is used in the production of steel) and supply constraints. Recent floods in Australia, the world's second largest exporter, forced several coal producers to shut down their mines. The supply of coal is down 25 to 35 million metric tons in FY2008, according to Steve Leer, CEO of Arch Coal. He believes the deficit could expand to 70 million metric tons in FY2009.

Tuesday, September 30, 2008

As of yesterday's close, 78.8% of the stocks in the S&P 500 were trading more than one standard deviation below their 50-day moving averages, according to Bespoke Investment Group. Only three stocks (NKE, UST and WY), or less than 1% of the index, were trading more than one standard deviation above their 50-day moving averages. On a net basis, 78.2% of the stocks in the S&P 500 were oversold. Industrials, Energy, Technology and Materials were hit the hardest in yesterday's trading.

Wednesday, October 1, 2008

Innovest StrategicValue Advisors is estimating that banks will charge off \$18.6 billion in delinquent credit-card accounts in Q1'09, according to MarketWatch.com. Charge-offs totaled approximately \$8.4 billion in Q1'08 and \$6.4 billion in Q1'07. The firm sees charge-offs totaling \$96 billion in 2009, up from \$41.5 billion in 2008 and \$26.6 billion in 2007.

Thursday, October 2, 2008

In September, the dividend-payers (380) in the S&P 500 (equal weight) posted a total return of -9.20%, vs. -14.81% for the non-payers (120), according to Standard & Poor's. Year-to-date, the payers declined 18.00%, vs. a loss of 21.70% for the non-payers. For the 12-month period ended September '08, payers fell 22.09%, vs. a decline of 27.47% for the non-payers. The number of dividend increases (S&P 500) year-to-date totaled 203. That lagged the 224 increases over the same period in 2007 and 222 increases registered in 2006. The dividend yield on the index stood at 2.24% at the end of September.

Friday, October 3, 2008

Speculative-grade companies have raised just \$37 billion from 101 debt issues so far in 2008, down significantly from the \$107 billion raised (247 debt issues) over the same span in 2007, according to Diane Vazza at Standard & Poor's. The yield spread between the Merrill Lynch U.S. High Yield Master II Index and the 10-year T-Note was 10.83 percentage points as of yesterday's close, up from 4.16 percentage points a year ago, according to data from Bloomberg.