First Trust Market Watch

Week of March 31st

STOCK INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2007	5-yr.
DOW JONES 30 (12216)	-1.17%	-7.36%	1.64%	8.88%	10.92%
S&P 500 (1315)	-1.04%	-9.96%	-5.37%	5.49%	10.79%
NASDAQ 100 (1768)	0.90%	-15.12%	0.33%	19.24%	11.46%
S&P 500/Citigroup Growth	0.10%	-10.41%	-1.91%	9.25%	8.36%
S&P 500/Citigroup Value	-2.21%	-9.48%	-8.51%	2.03%	13.32%
S&P MidCap 400/Citigroup Growth	1.08%	-9.77%	-3.16%	13.55%	13.41%
S&P MidCap 400/Citigroup Value	-0.28%	-9.56%	-11.93%	2.84%	15.85%
S&P SmallCap600/Citigroup Growth	1.01%	-8.89%	-7.52%	5.66%	14.81%
S&P SmallCap600/Citigroup Value	-1.02%	-7.30%	-13.62%	-5.19%	15.79%
MSCI EAFE	4.97%	-8.45%	-1.50%	11.76%	21.58%
MSCI World (ex US)	4.97%	-8.28%	-0.15%	13.04%	21.99%
MSCI World	2.16%	-9.03%	-2.50%	9.69%	16.10%
MSCI Emerging Markets	5.94%	-10.34%	24.40%	39.23%	34.75%

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 03/28/08.

S&P SECTOR PERFORMANCE

Index	Week	YTD	12-mo.	2007	5-yr.
Consumer Discretionary	-2.96%	-7.23%	-18.61%	-13.21%	6.74%
Consumer Staples	0.86%	-2.40%	9.90%	14.36%	11.07%
Energy	2.85%	-7.57%	21.22%	34.41%	26.64%
Financials	-6.87%	-14.69%	-28.13%	-18.52%	5.78%
Health Care	-0.43%	-11.04%	-5.29%	7.32%	4.53%
Industrials	0.10%	-4.66%	5.84%	12.04%	14.89%
Information Technology	-1.08%	-15.76%	-1.19%	16.30%	9.56%
Materials	4.81%	-2.99%	9.57%	22.53%	19.60%
Telecom Services	0.88%	-15.20%	-10.22%	11.88%	12.56%
Utilities	-0.08%	-10.82%	-2.90%	19.38%	19.39%

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 03/28/08.

BOND INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2007	5-yr.
U.S. Treasury: Intermediate	-0.56%	4.34%	11.71%	8.83%	4.34%
GNMA 30 Year	-0.39%	2.39%	7.94%	6.97%	4.74%
U.S. Aggregate	-0.42%	1.97%	7.36%	6.97%	4.61%
U.S. Corporate High Yield	1.26%	-2.78%	-3.46%	1.88%	8.87%
U.S. Corporate Investment Grade	-0.63%	-0.31%	2.58%	4.56%	4.33%
Municipal Bond: Long Bond (22+)	-0.46%	-4.58%	-5.03%	0.46%	4.16%
Global Aggregate	0.33%	6.26%	14.35%	9.48%	7.47%

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 03/28/08.

KEY RATES

As of 03/28

Fed Funds	2.25%	5-YR CD	3.18%
LIBOR (1-month)	2.65%	2-YR Note	1.65%
CPI - Headline	4.00%	5-YR Note	2.51%
CPI - Core	2.30%	10-YR Note	3.44%
Money Market Accts.	2.40%	30-YR T-Bond	4.32%
Money Market Funds	2.59%	30-YR Mortgage	5.78%
6-mo. CD	2.72%	Prime Rate	5.25%
1-YR CD	2.85%	Bond Buyer 40	5.20%

Sources: Bankrate.com, iMoneyNet.com and Bloomberg

WEEKLY FUND FLOWS

	Week of 03/19	Previous
Equity Funds	**-$11.5 B**	**$22.9 B**

Including ETF activity, Domestic funds reporting net outflows of -$10.880B and Non-domestic funds reporting net outflows of -$645M.

Bond Funds	**-$196 M**	**-$429 M**
Municipal Bond Funds	**$368 M**	**$219 M**
Money Markets	**$35.519 B**	**$3.696 B**

Source: AMG Data Services

FACTOIDS FOR THE WEEK OF MARCH 24TH - MARCH 28TH

Monday, March 24, 2008 — Corporate Bonds
One of the areas of the market thumped by the credit crunch is high yield corporate bonds. While these bonds are inherently more sensitive to economic swings than investment-grade debt, the subprime-induced sell-off over the past few months has driven prices lower than a major economic downturn likely would have, particularly in the closed-end market, according to *BusinessWeek*. Current yields imply that 50% of all issuers will default at some point over the next five years, which is not likely, according to James Swanson, chief investment strategist at MFS Investment Management. For the 12-month period ended March 20, 2008, the average high yield closed-end fund (leveraged) was down 18.85%, according to the Closed-End Fund Association.

Tuesday, March 25, 2008 — High Yield Corporate Debt
Eleven companies have issued $9 billion worth of high yield corporate debt so far in 2008, well below the $39.5 billion raised by 83 issuers over the same period a year ago, according to Bloomberg. Volume is down in part because investors are demanding an 8 percentage point spread over Treasuries, up a little more than 2 percentage points since the close of 2007, according to data from Merrill Lynch. The all-time low for this spread was 2.41 percentage points set in June 2007. Merrill puts the all-time high at 11.2 percentage points in October 2002 (bottom of last bear market in stocks). There is around $1 trillion of this debt outstanding.

Wednesday, March 26, 2008 — Gold
The price of gold bullion closed yesterday's trading session at $935.00 per ounce, down from the all-time closing high of $1,004.30 set on March 18, 2008. If an investor had bought $10,000 worth of gold bullion the last time prices were at record levels (January 1980) and held it their investment would be worth close to $10,600 today, according to *Money* and the World Gold Council. Had that same investor bought a portfolio of stocks that replicated the S&P 500 instead of buying gold their $10,000 investment would have grown to approximately $279,000, according to Morningstar.

Thursday, March 27, 2008 — Large-Cap Growth Stocks
The Q1'08 edition of the Investment Manager Outlook, a survey of investment managers conducted by Russell Investment Group, says that money managers continue to be most bullish on large-cap growth stocks over all other asset classes. Sixty-four percent of those managers polled are bullish, down from 75% in Q4'07. Non-U.S. developed markets came in second at 54% (61% in Q4) followed by mid-cap growth stocks at 49% (60% in Q4). The sectors that managers are most bullish on are health care at 71% (73% in Q4) and technology at 63% (78% in Q4). Bullishness was down from last quarter due to the ongoing fallout from the subprime mortgage market and higher energy prices, but managers are expecting the market to improve once the monetary and fiscal stimulus kicks in.

Friday, March 28, 2008 — Technology
Technology is the driving force behind a historic transformation of the world's population, particularly in developing countries, according to David Kirkpatrick, senior editor at Fortune. He believes tech companies are facing a bright future. While cellular penetration has exceeded that of PCs and Internet usage to date, there remains plenty of upside for all three. There are presently 2.75 billion mobile phone subscribers worldwide, or roughly 41.6 subscribers per 100 people, according to data from Imran Khan, senior analyst for Internet, media and entertainment at JP Morgan. Global PC penetration is only 12.9 per 100 people. Khan's data indicates that 1.3 billion people are connected to the Internet. The global population as of today is estimated to be 6.657 billion.