

STOCK INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2007	5-yr.
DOW JONES 30 (12987)	2.02%	-1.11%	-1.43%	8.88%	10.89%
S&P 500 (1425)	2.74%	-2.15%	-3.99%	5.49%	10.59%
NASDAQ 100 (2031)	3.66%	-2.38%	7.92%	19.24%	12.39%
S&P 500/Citigroup Growth	3.00%	-1.11%	1.44%	9.25%	9.01%
S&P 500/Citigroup Value	2.45%	-3.27%	-9.14%	2.03%	12.18%
S&P MidCap 400/Citigroup Growth	3.54%	4.11%	5.73%	13.55%	15.06%
S&P MidCap 400/Citigroup Value	3.55%	3.05%	-4.83%	2.84%	16.31%
S&P SmallCap600/Citigroup Growth	3.46%	0.01%	-2.60%	5.66%	15.27%
S&P SmallCap600/Citigroup Value	3.32%	-0.56%	-10.99%	-5.19%	15.09%
MSCI EAFE	2.81%	-0.81%	1.22%	11.76%	20.56%
MSCI World (ex US)	2.95%	0.02%	2.86%	13.04%	21.12%
MSCI World	2.89%	-0.81%	-0.06%	9.69%	15.65%
MSCI Emerging Markets	4.43%	0.33%	26.11%	39.23%	35.24%

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 05/16/08.

WEEKLY FUND FLOWS

	Week of 05/14	Previous
Equity Funds	-\$4.3 B	\$331 M
Including ETF activity, Domestic funds reporting net outflows of -\$4.801 B and Non-domestic funds reporting net inflows of \$501 M.		
Bond Funds	\$1.8 B	\$18.6 B
Inflows are reported to all sectors except those investing in Treasury and Mortgage-backed securities.		
Municipal Bond Funds	\$695 M	\$4.079 B
Money Markets	\$23.471 B	-\$78.734 B

Source: **AMG Data Services**

S&P SECTOR PERFORMANCE

Index	Week	YTD	12-mo.	2007	5-yr.
Consumer Discretionary	3.73%	1.96%	-13.93%	-13.21%	6.36%
Consumer Staples	2.32%	-1.02%	6.49%	14.36%	10.67%
Energy	4.39%	9.62%	32.31%	34.41%	30.41%
Financials	1.11%	-9.33%	-28.54%	-18.52%	4.48%
Health Care	0.75%	-9.67%	-11.78%	7.32%	3.62%
Industrials	2.29%	-0.39%	2.89%	12.04%	13.77%
Information Technology	3.87%	-3.69%	4.45%	16.30%	9.95%
Materials	5.71%	10.92%	18.02%	22.53%	20.73%
Telecom Services	2.95%	-6.39%	-9.39%	11.88%	12.51%
Utilities	1.90%	-3.26%	-1.63%	19.38%	18.23%

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 05/16/08.

BOND INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2007	5-yr.
U.S. Treasury: Intermediate	-0.51%	2.48%	9.53%	8.83%	3.64%
GNMA 30 Year	-0.04%	2.67%	7.69%	6.97%	4.68%
U.S. Aggregate	-0.16%	2.07%	7.14%	6.97%	4.08%
U.S. Corporate High Yield	0.53%	1.95%	-0.68%	1.88%	8.23%
U.S. Corporate Investment Grade	-0.30%	0.82%	3.30%	4.56%	3.57%
Municipal Bond: Long Bond (22+)	0.63%	0.19%	-0.56%	0.46%	4.55%
Global Aggregate	-0.33%	4.46%	12.38%	9.48%	5.97%

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 05/16/08.

KEY RATES

As of 05/16

Fed Funds	2.00%	5-YR CD	3.57%
LIBOR (1-month)	2.51%	2-YR Note	2.43%
CPI - Headline	3.90%	5-YR Note	3.11%
CPI - Core	2.30%	10-YR Note	3.84%
Money Market Accts.	2.33%	30-YR T-Bond	4.57%
Money Market Funds	2.01%	30-YR Mortgage	5.81%
6-mo. CD	2.72%	Prime Rate	5.00%
1-YR CD	3.03%	Bond Buyer 40	5.00%

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

FACTOIDS FOR THE WEEK OF MAY 12TH- MAY 16TH

Monday, May 12, 2008

It was originally thought that orders for 2,561 new cargo ships (a record) could push shipping rates down by more than 50% over the next three years due to the added capacity, according to Bloomberg. The combination of tighter credit and a 47% hike in the price of steel since January is now forcing delays and cancellations. Sophocles Zoullas, chief executive of New York-based Eagle Bulk Shipping Inc, predicts that 10% to 30% of cargo ships will either be delayed or cancelled. The number of cargo ships under construction has declined 21% in the past year.

Tuesday, May 13, 2008

Goldman Sachs said in a research report yesterday that Russian stocks could rally as much as 20% over the next 12 months due to soaring oil prices and Vladimir Putin's promise to initiate tax cuts for the oil industry, according to MarketWatch.com. The tax cuts may be an incentive to boost capital investment. In the first quarter, Russia's oil production fell below year-ago levels for the first time this decade, averaging 10 million barrels a day – 90,000 barrels a day lower than in Q1'07, according to the International Energy Agency.

Wednesday, May 14, 2008

In the U.S., industry consumes as much water as agriculture, according to *Forbes*. The industrial sector (including energy) uses an estimated 45% of fresh water, while agriculture and drinking/sanitation account for 42% and 13%, respectively. Agriculture accounts for 70% of consumption worldwide. Hydroelectric power consumes nearly 39% of all fresh water in the U.S. New sources of fuel are water-intensive as well. To produce a liter of corn ethanol requires close to 2,000 liters of fresh water.

Thursday, May 15, 2008

The global speculative-grade default rate stood at 1.7% in April, up from 1.5% in March, according to Moody's. The rate was 1.6% a year ago. The U.S. speculative-grade default rate stood at 2.1% in April, up from 1.8% in March. The rate was 1.5% a year ago. The default rate on senior loans rose from 1.83% in March to 1.95% in April, according to Standard & Poor's LCD. The rate was 0.44% a year ago.

Friday, May 16, 2008

Dealogic puts the total value of announced M&A deals so far in 2008 at \$430.4 billion in the U.S. and \$1.9 trillion globally, according to *BusinessWeek*. U.S. activity is down 39% from the same period a year ago, while global activity is off 34%. Activity has accelerated markedly since the end of March. Goldman Sachs estimates that private equity firms have around \$400 billion available for buyouts.