

STOCK INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2007	5-yr.
DOW JONES 30 (11544)	-0.70%	-11.43%	-11.36%	8.88%	6.58%
S&P 500 (1283)	-0.69%	-11.39%	-11.14%	5.49%	6.91%
NASDAQ 100 (1873)	-3.03%	-9.88%	-5.37%	19.24%	7.34%
S&P 500/Citigroup Growth	-1.38%	-9.18%	-6.40%	9.25%	5.89%
S&P 500/Citigroup Value	0.12%	-13.76%	-15.86%	2.03%	7.90%
S&P MidCap 400/Citigroup Growth	-0.09%	-3.10%	-0.51%	13.55%	10.15%
S&P MidCap 400/Citigroup Value	0.31%	-4.86%	-7.67%	2.84%	11.45%
S&P SmallCap600/Citigroup Growth	-0.14%	-1.03%	-4.32%	5.66%	11.15%
S&P SmallCap600/Citigroup Value	0.13%	-1.37%	-7.91%	-5.19%	10.58%
MSCI EAFE	0.41%	-18.03%	-15.10%	11.76%	13.79%
MSCI World (ex US)	0.51%	-17.04%	-13.68%	13.04%	14.40%
MSCI World	0.90%	-14.19%	-12.14%	9.69%	10.52%
MSCI Emerging Markets	-1.62%	-23.72%	-12.02%	39.23%	22.35%

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 08/29/08.

WEEKLY FUND FLOWS

	Week of 08/27	Previous
Equity Funds	-\$3.7 B	-\$1.2 B
Including ETF activity, Domestic funds reporting net outflows of -\$2.141 B and Non-domestic funds reporting net outflows of -\$1.549 B.		
Bond Funds	\$895 M	-\$125 M
Municipal Bond Funds	\$432 M	\$338 M
Money Markets	-\$3.779 B	\$2.443 B

Source: **AMG Data Services**

S&P SECTOR PERFORMANCE

Index	Week	YTD	12-mo.	2007	5-yr.
Consumer Discretionary	-0.41%	-6.51%	-16.60%	-13.21%	2.16%
Consumer Staples	-1.94%	-1.73%	6.63%	14.36%	9.22%
Energy	-0.63%	-6.80%	5.18%	34.41%	24.74%
Financials	3.13%	-25.51%	-34.72%	-18.52%	-0.77%
Health Care	-1.92%	-6.32%	-3.54%	7.32%	4.96%
Industrials	-0.31%	-10.38%	-10.41%	12.04%	8.99%
Information Technology	-2.99%	-12.29%	-8.89%	16.30%	5.13%
Materials	-0.56%	-5.37%	2.14%	22.53%	13.94%
Telecom Services	0.88%	-19.34%	-19.96%	11.88%	8.76%
Utilities	-0.42%	-10.01%	0.22%	19.38%	16.29%

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 08/29/08.

BOND INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2007	5-yr.
U.S. Treasury: Intermediate	0.29%	3.91%	8.29%	8.83%	4.31%
GNMA 30 Year	0.79%	3.10%	7.00%	6.97%	4.97%
U.S. Aggregate	0.51%	2.00%	5.87%	6.96%	4.61%
U.S. Corporate High Yield	0.42%	-2.28%	-0.96%	1.87%	6.70%
U.S. Corporate Investment Grade	0.29%	-0.87%	1.84%	4.56%	3.83%
Municipal Bond: Long Bond (22+)	0.03%	-2.08%	1.30%	0.45%	4.88%
Global Aggregate	0.22%	1.95%	7.43%	9.48%	6.26%

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 08/29/08.

KEY RATES

As of 08/29

Fed Funds	2.00%	5-YR CD	4.14%
LIBOR (1-month)	2.47%	2-YR Note	2.36%
CPI - Headline	5.60%	5-YR Note	3.08%
CPI - Core	2.50%	10-YR T-Bond	3.81%
Money Market Accts.	2.45%	30-YR T-Bond	4.42%
Money Market Funds	1.86%	30-YR Mortgage	6.24%
6-mo. CD	3.16%	Prime Rate	5.00%
1-YR CD	3.65%	Bond Buyer 40	5.32%

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

FACTOIDS FOR THE WEEK OF AUGUST 25TH - AUGUST 29TH

Monday, August 25, 2008

Long-short mutual funds, which not only buy stocks for the long haul but also short them, are gaining traction with investors, according to SmartMoney.com. Morningstar data indicates inflows to long-short funds are up almost 20% in 2008, while most equity groups are experiencing outflows. Total assets are in the vicinity of \$25 billion. So far in 2008, long-short funds are down an average of 4%, vs. a 13% decline for the S&P 500.

Tuesday, August 26, 2008

Congress has yet to extend the federal tax credits provided for renewable energy projects, which are due to expire at the end of 2008. The subsidies cost the Treasury at least \$1.7 billion a year, according to *USA TODAY*. The subsidies do have wide support in Congress. The holdup appears to be coming from Democrats wanting to know how the subsidies will be funded and Republicans wanting provisions for offshore oil drilling included in the package. The tax subsidies are vital because they can reduce the cost of a commercial project by 30%. An estimated 115,000 workers could be laid off if the tax breaks are not renewed.

Wednesday, August 27, 2008

The number of banks on the FDIC's watchlist jumped from 90 in Q1'08 to 117 in Q2'08, according to Reuters. The amount of assets on watch spiked from \$26 billion to \$78 billion. Historically, 13% of banks on the watchlist fail, according to FDIC Chairman Sheila Bair. Bair considers 98% of the 8,500 U.S. banks to be well-capitalized. Banks currently oversee \$8.6 trillion in deposits, according to the American Bankers Association.

Thursday, August 28, 2008

The Office of Thrift Supervision issued a release yesterday saying that federally insured savings and loans posted their second-largest quarterly loss ever in Q2'08, according to *USA TODAY*. The \$5.4 billion loss, however, was down considerably from the largest loss on record (\$8.8 billion in Q4'07). The 829 thrifts that comprise the industry have set aside a record \$14 billion to cover losses from mortgages and other loans. Thrifts are different than commercial banks in that 65% of their lending must target home and other consumer loans.

Friday, August 29, 2008

BCC Research estimates that the U.S. market for wind turbine components and systems will be worth \$60.9 billion by 2013, up from \$7.9 billion in 2007, according to SeekingAlpha.com. If so, it would constitute a compound annual growth rate of 91%. There are approximately 58 companies in the U.S. that manufacture, or plan to build, small wind turbines. Here are the states that currently spend the most on wind turbine technology: Texas, California, Iowa, Minnesota, Washington, Oregon, Colorado, New York, Kansas and Illinois.