

Stock Index Performance

Index	Week	YTD	12-mo.	2008	5-yr
Dow Jones Industrial Avg. (9488)	-1.80%	10.87%	-6.37%	-31.92%	1.15%
S&P 500 (1025)	-1.80%	15.67%	-5.52%	-36.99%	0.10%
NASDAQ 100 (1662)	-1.87%	37.97%	12.33%	-41.57%	3.25%
S&P 500/Citigroup Growth	-1.65%	18.73%	-0.20%	-34.91%	0.80%
S&P 500/Citigroup Value	-1.97%	12.45%	-11.06%	-39.19%	-0.69%
S&P MidCap 400/Citigroup Growth	-1.80%	28.52%	2.51%	-37.58%	3.88%
S&P MidCap 400/Citigroup Value	-2.48%	21.42%	-3.12%	-34.78%	2.90%
S&P SmallCap600/Citigroup Growth	-2.43%	16.87%	-7.61%	-32.84%	2.31%
S&P SmallCap600/Citigroup Value	-3.56%	12.80%	-10.24%	-29.50%	1.01%
MSCI EAFE	-2.99%	24.31%	1.11%	-43.07%	5.02%
MSCI World (ex US)	-2.42%	31.98%	5.07%	-43.26%	7.11%
MSCI World	-2.36%	20.69%	-2.21%	-40.39%	2.51%
MSCI Emerging Markets	-0.70%	62.21%	21.68%	-53.49%	16.63%

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 10/02/09.

S&P Sector Performance

Index	Week	YTD	12-mo.	2008	5-yr
Consumer Discretionary	-1.58%	24.93%	1.41%	-33.49%	-2.13%
Consumer Staples	0.72%	8.98%	-5.08%	-15.44%	5.97%
Energy	-2.84%	4.12%	-10.64%	-34.89%	9.00%
Financials	-2.14%	15.88%	-25.28%	-55.23%	-10.62%
Health Care	-1.00%	7.63%	-3.94%	-22.80%	1.23%
Industrials	-3.41%	10.19%	-7.69%	-39.92%	-1.38%
Information Technology	-2.01%	41.42%	12.28%	-43.14%	2.43%
Materials	-2.79%	32.27%	1.25%	-45.64%	3.44%
Telecom Services	-1.21%	-0.51%	-0.88%	-30.47%	1.33%
Utilities	-2.37%	1.57%	-7.42%	-28.99%	6.25%

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 10/02/09.

Bond Index Performance

Index	Week	YTD	12-mo.	2008	5-yr
U.S. Treasury: Intermediate	0.57%	-0.43%	4.97%	11.35%	4.92%
GNMA 30 Year	0.33%	5.28%	9.26%	7.87%	5.88%
U.S. Aggregate	0.34%	5.99%	10.27%	5.24%	5.23%
U.S. Corporate High Yield	-0.63%	48.14%	25.57%	-26.16%	6.00%
U.S. Corporate Investment Grade	0.05%	17.14%	21.66%	-4.94%	4.64%
Municipal Bond: Long Bond (22+)	1.26%	27.17%	20.95%	-14.68%	5.06%
Global Aggregate	0.30%	8.08%	13.88%	4.79%	6.21%

Source: Barclays Capital. Returns are total returns. The 5-yr. return is an average annual. One-week, YTD, 12-mo. and 5-yr. performance returns calculated through 10/02/09.

Key Rates

As of 10/02

Fed Funds	0.00-0.25%	5-yr CD	2.90%
LIBOR (1-month)	0.25%	2-yr T-Note	0.86%
CPI - Headline	-1.50%	5-yr T-Note	2.20%
CPI - Core	1.40%	10-yr T-Note	3.21%
Money Market Accts.	1.10%	30-yr T-Bond	3.99%
Money Market Funds	0.06%	30-yr Mortgage	5.10%
6-mo. CD	1.33%	Prime Rate	3.25%
1-yr CD	1.71%	Bond Buyer 40	4.93%

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

Market Indicators

As of 10/02

TED Spread	18 bps
Investment Grade Spread (A2)	243 bps
ML High Yield Master II Index Spread	821 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows for the Week Ended 9/23/09

Estimated Flows to Long-Term Mutual Funds

	Current Week	Previous
Domestic Equity	-\$2.029 Billion	-\$2.044 Billion
Foreign Equity	\$152 Million	\$646 Million
Taxable Bond	\$10.254 Billion	\$10.173 Billion
Municipal Bond	\$2.656 Billion	\$2.510 Billion

Change in Money Market Fund Assets

	Current Week	Previous
Retail	-\$12.99 Billion	-\$12.88 Billion
Institutional	-\$40.54 Billion	\$13.08 Billion

Source: Investment Company Institute

Factoids for the week of September 28th – October 2nd

Monday, September 28, 2009

Over the past four weeks, 578 companies in the S&P 1500 had their earnings estimates adjusted higher by analysts, while 389 companies had their estimates cut, according to Bespoke Investment Group. That nets out to 189 companies to the upside, or 12.6% of the index – the best showing in two years.

Tuesday, September 29, 2009

The Q3'09 edition of the *Investment Manager Outlook* (released September 29), a survey of investment managers conducted by Russell Investment Group, says that money managers are most bullish on Emerging Market Equities (67%), Non-U.S. (Developed Market) Equities (63%), U.S. Mid-Cap Growth (59%), U.S. Small-Cap Growth (58%), U.S. Large-Cap Growth (55%) and U.S. Small-Cap Value (52%). The sectors managers are most bullish on are Technology (78%) and Health Care (52%). Managers like Health Care based on fundamentals (message out of Washington suggests any reform legislation passed will be cheaper than originally proposed).

Wednesday, September 30, 2009

Next year is shaping up to be a great year for clean energy, according to Ian Copeland, president of Bechtel Renewables and New Technology. He believes that capital will be flowing more freely from banks and many of the issues dealing with permits will get worked out. Research firm iSuppli, for example, expects solar installations to grow by 54% globally in 2010. Many projects are now large enough in scale they are attracting the top engineering and construction companies (Jacobs Engineering Group and Fluor), according to Reuters.

Thursday, October 1, 2009

In September, the dividend-payers (358) in the S&P 500 (equal weight) posted a total return of 4.40%, vs. 7.19% for the non-payers (142), according to Standard & Poor's. Year-to-date, the payers are up 17.55%, vs. a gain of 56.70% for the non-payers. For the 12-month period ended September '09, payers were off 12.57%, vs. a gain of 9.36% for the non-payers. The number of dividend increases year-to-date totaled 108. That significantly lagged the 203 increases registered at this point in 2008. The number of companies that decreased their dividend totaled 62, up from 22 a year ago. Ten companies have suspended their dividend payments, down from 13 a year ago.

Friday, October 2, 2009

Approximately 7,000 publicly owned companies report dividend information to Standard & Poor's Dividend Record. In Q3'09, 191 companies increased their dividend distributions – the lowest total ever for a third quarter and a 44.8% decline from the 346 increases registered in Q3'08, according to S&P. The number of companies that decreased their dividend payouts totaled 113 – the highest since the 155 cuts in the third quarter of 1982. Howard Silverblatt, Senior Index Analyst at S&P, believes it may take several quarters of proven results for companies to be comfortable with increasing, or initiating, dividend payments.