

Stock Index Performance

Index	Week	YTD	12-mo.	2008	5-yr
Dow Jones Industrial Avg. (10,270)	2.53%	20.37%	20.11%	-31.92%	2.07%
S&P 500 (1,093)	2.33%	23.67%	23.09%	-36.99%	0.48%
NASDAQ 100 (1,789)	3.35%	48.53%	45.20%	-41.57%	3.32%
S&P 500/Citigroup Growth	2.20%	28.71%	28.62%	-34.91%	1.50%
S&P 500/Citigroup Value	2.47%	18.38%	17.29%	-39.19%	-0.64%
S&P MidCap 400/Citigroup Growth	2.35%	36.64%	40.29%	-37.58%	3.95%
S&P MidCap 400/Citigroup Value	2.70%	26.90%	30.56%	-34.78%	2.77%
S&P SmallCap 600/Citigroup Growth	1.07%	19.65%	21.92%	-32.84%	1.30%
S&P SmallCap 600/Citigroup Value	1.18%	14.42%	18.53%	-29.50%	0.33%
MSCI EAFE	2.37%	32.16%	42.80%	-43.07%	4.89%
MSCI World (ex US)	2.54%	40.53%	50.83%	-43.26%	7.03%
MSCI World	2.38%	28.61%	32.76%	-40.39%	2.65%
MSCI Emerging Markets	2.81%	73.38%	88.05%	-53.49%	16.83%

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 11/13/09.

S&P Sector Performance

Index	Week	YTD	12-mo.	2008	5-yr
Consumer Discretionary	3.30%	36.72%	47.54%	-33.49%	-1.94%
Consumer Staples	1.95%	14.91%	14.44%	-15.44%	5.95%
Energy	0.43%	14.99%	12.96%	-34.89%	10.70%
Financials	2.42%	18.98%	12.93%	-55.23%	-10.72%
Health Care	2.05%	13.75%	14.42%	-22.80%	2.48%
Industrials	2.42%	18.98%	19.41%	-39.92%	-1.11%
Information Technology	3.26%	55.10%	53.34%	-43.14%	2.87%
Materials	4.37%	43.67%	37.32%	-45.64%	4.06%
Telecom Services	1.67%	0.38%	3.28%	-30.47%	0.23%
Utilities	1.52%	4.50%	4.06%	-28.99%	4.84%

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 11/13/09.

Bond Index Performance

Index	Week	YTD	12-mo.	2008	5-yr
U.S. Treasury: Intermediate	0.25%	-0.39%	3.83%	11.35%	4.91%
GNMA 30 Year	0.59%	6.36%	10.12%	7.87%	5.92%
U.S. Aggregate	0.48%	6.57%	12.38%	5.24%	5.22%
U.S. Corporate High Yield	0.55%	52.66%	51.89%	-26.16%	6.08%
U.S. Corporate Investment Grade	0.57%	18.17%	27.45%	-4.94%	4.67%
Municipal Bond: Long Bond (22+)	-0.34%	21.46%	17.80%	-14.68%	3.88%
Global Aggregate	0.62%	9.22%	18.29%	4.79%	5.69%

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 11/13/09.

Key Rates

As of 11/13

Fed Funds	0.00-0.25%	5-yr CD	2.90%
LIBOR (1-month)	0.24%	2-yr T-Note	0.80%
CPI - Headline	-1.30%	5-yr T-Note	2.25%
CPI - Core	1.50%	10-yr T-Note	3.42%
Money Market Accts.	1.05%	30-yr T-Bond	4.35%
Money Market Funds	0.04%	30-yr Mortgage	5.02%
6-mo. CD	1.27%	Prime Rate	3.25%
1-yr CD	1.71%	Bond Buyer 40	5.44%

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

Market Indicators

As of 11/13

TED Spread	20 bps
Investment Grade Spread (A2)	223 bps
ML High Yield Master II Index Spread	754 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows for the Week Ended 11/04/09

Estimated Flows to Long-Term Mutual Funds

	Current Week	Previous
Domestic Equity	-\$5.251 Billion	-\$2.558 Billion
Foreign Equity	\$546 Million	\$1.094 Billion
Taxable Bond	\$6.587 Billion	\$8.850 Billion
Municipal Bond	\$899 Million	\$1.308 Billion

Change in Money Market Fund Assets

	Current Week	Previous
Retail	-\$4.17 Billion	\$0.70 Billion
Institutional	\$0.49 Billion	-\$31.97 Billion

Source: Investment Company Institute

Factoids for the week of November 9th – 13th

Monday, November 9, 2009

Due to their growing popularity and influence, the BRIC (Brazil, Russia, India & China) countries are becoming synonymous with emerging markets investing, according to *Forbes*. There is, however, a case to be made for further diversification. Eight out of the top ten performing markets in the world over the past quarter were Eastern European, according to Andrew Waterman, chief executive officer of Emerginvest (tracks 120 stock markets). Those markets were as follows: Lithuania (+46%); Serbia (+39%); Ukraine (+39%); Macedonia (38%); Estonia (+37%); Russia (+35%); Kazakhstan (+35%); Vietnam (+26%); Cyprus (+26%); and Argentina (+25%).

Tuesday, November 10, 2009

Total assets in money market funds stood at \$3.34 trillion as of November 4, 2009, according to the Investment Company Institute. That is down significantly from the peak in assets (\$3.9 trillion) in early March, but still above the \$3.16 trillion held in January 2008. The average yield on taxable money market funds is 0.05%, according to iMoneyNet.com. In the previous decade, investors kept close to \$1.6 trillion in money market funds while in the midst of a bull market, compared to around \$2.3 trillion in a bear market, according to Marc Pado, U.S. market strategist at Cantor Fitzgerald.

Wednesday, November 11, 2009

The American Bankruptcy Institute reported that personal bankruptcies rose 9% in October and are on pace to post their highest total in four years, according to CNNMoney.com. It estimates that 1.4 million people will file this year, up about 30% from last year's total. Nearly one-third of the filings in October were Chapter 13, which entails being put on a repayment plan for up to five years. The combination of high debt levels and high unemployment has forced many individuals to seek help from debt-settlement companies. They charge fees ranging from 10% to 15% of the debt amount. As it turns out, most individuals do not get to settle for mere cents on the dollar as some ads suggest, according to MarketWatch.com. In fact, consumer complaints have resulted in 21 states filing lawsuits against 128 debt-relief programs in the past five years, according to the National Association of Attorneys General.

Thursday, November 12, 2009

As of this morning, only three of the 10 major sectors in the S&P 500 are outperforming the index year-to-date. Information Technology, Materials, and Consumer Discretionary stocks are up (price-only) 53.2%, 41.7%, and 34.4%, respectively, compared to 21.7% for the S&P 500. These three sectors have easily topped the 25.8% gain in the price of gold bullion, a trade that has received a great deal of media attention in 2009. With the third quarter earnings season winding down, the sector with the most optimistic guidance is Technology. Nearly 20% of tech companies have raised their guidance in Q3, according to Bespoke Investment Group.

Friday, November 13, 2009

In Q3, takeover offers for companies ran 41% higher, on average, than the targeted companies' share prices the week prior to the acquisition offers, according to *USA TODAY*. For the entire year, the difference has been 38.2%, the highest since 2001, according to Dealogic. The historical norm is closer to 32%. So far in 2009, there have been 5,851 deals involving U.S. firms at a combined value of \$636 billion.