

Stock Index Performance

Index	Week	YTD	12-mo.	2008	5-yr
Dow Jones Industrial Avg. (10,318)	0.63%	21.12%	41.22%	-31.92%	2.34%
S&P 500 (1,091)	-0.13%	23.52%	48.81%	-36.99%	0.68%
NASDAQ 100 (1,764)	-1.32%	46.57%	71.45%	-41.57%	3.13%
S&P 500/Citigroup Growth	-0.37%	28.24%	51.86%	-34.91%	1.63%
S&P 500/Citigroup Value	0.14%	18.55%	45.72%	-39.19%	-0.37%
S&P MidCap 400/Citigroup Growth	-1.75%	34.25%	72.95%	-37.58%	3.88%
S&P MidCap 400/Citigroup Value	-1.24%	25.33%	62.90%	-34.78%	2.68%
S&P SmallCap 600/Citigroup Growth	-0.90%	18.58%	50.78%	-32.84%	1.48%
S&P SmallCap 600/Citigroup Value	0.04%	14.47%	50.40%	-29.50%	0.50%
MSCI EAFE	-1.93%	29.61%	52.68%	-43.07%	4.26%
MSCI World (ex US)	-1.35%	38.64%	64.88%	-43.26%	6.51%
MSCI World	-1.03%	27.29%	52.12%	-40.39%	2.47%
MSCI Emerging Markets	0.27%	73.85%	112.80%	-53.49%	16.52%

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 11/20/09.

S&P Sector Performance

Index	Week	YTD	12-mo.	2008	5-yr
Consumer Discretionary	-1.10%	35.23%	78.84%	-33.49%	-1.85%
Consumer Staples	0.61%	15.61%	27.32%	-15.44%	6.34%
Energy	-0.74%	14.14%	36.01%	-34.89%	10.36%
Financials	-0.39%	18.51%	60.69%	-55.23%	-10.43%
Health Care	2.01%	16.04%	37.26%	-22.80%	3.24%
Industrials	-0.15%	18.80%	44.31%	-39.92%	-0.98%
Information Technology	-1.24%	53.17%	79.01%	-43.14%	2.65%
Materials	1.44%	45.73%	79.73%	-45.64%	4.51%
Telecom Services	0.80%	1.18%	23.99%	-30.47%	0.75%
Utilities	-0.49%	4.00%	16.11%	-28.99%	5.10%

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 11/20/09.

Bond Index Performance

Index	Week	YTD	12-mo.	2008	5-yr
U.S. Treasury: Intermediate	0.37%	-0.03%	2.37%	11.35%	5.00%
GNMA 30 Year	0.14%	6.51%	9.67%	7.87%	5.92%
U.S. Aggregate	0.31%	6.90%	12.27%	5.24%	5.26%
U.S. Corporate High Yield	0.22%	53.00%	64.49%	-26.16%	6.03%
U.S. Corporate Investment Grade	0.41%	18.66%	26.91%	-4.94%	4.74%
Municipal Bond: Long Bond (22+)	-0.04%	21.41%	18.04%	-14.68%	3.82%
Global Aggregate	0.30%	9.55%	17.96%	4.79%	5.55%

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 11/20/09.

Key Rates

As of 11/20

Fed Funds	0.00-0.25%	5-yr CD	2.94%
LIBOR (1-month)	0.24%	2-yr T-Note	0.72%
CPI - Headline	-0.20%	5-yr T-Note	2.17%
CPI - Core	1.70%	10-yr T-Note	3.36%
Money Market Accts.	1.04%	30-yr T-Bond	4.29%
Money Market Funds	0.04%	30-yr Mortgage	5.03%
6-mo. CD	1.26%	Prime Rate	3.25%
1-yr CD	1.71%	Bond Buyer 40	5.46%

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

Market Indicators

As of 11/20

TED Spread	24 bps
Investment Grade Spread (A2)	223 bps
ML High Yield Master II Index Spread	756 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

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

Estimated Flows to Long-Term Mutual Funds		
	Current Week	Previous
Domestic Equity	-\$1.241 Billion	-\$5.251 Billion
Foreign Equity	-\$2.704 Billion	\$546 Million
Taxable Bond	\$7.388 Billion	\$6.587 Billion
Municipal Bond	\$1.495 Billion	\$899 Million
Change in Money Market Fund Assets		
	Current Week	Previous
Retail	-\$4.90 Billion	-\$4.17 Billion
Institutional	\$8.62 Billion	\$0.49 Billion

Source: Investment Company Institute

Factoids for the week of November 16th – 20th

Monday, November 16, 2009

Despite its strong showing relative to the other nine major sectors in the S&P 500, health care stocks have returned just 13.75% this year, as measured by the S&P Health Care Index. The S&P 500 has gained 23.67%. As of Q3'09, Health Care was the only sector that posted net income that ranked at an all-time high. For the 12-month period ended September 2009, health care companies generated net income totaling \$78.6 billion, according to *BusinessWeek*.

Tuesday, November 17, 2009

In October, the Federal Government spent \$2.30 for every dollar of revenue it took in, according to Bespoke Investment Group. That is the fifth time this year the ratio has exceeded two. Historically speaking, this type of spending is not normal. October was just the 13<sup>th</sup> month since 1970 where the ratio was above two. Prior to 2008, the ratio exceeded two an average of once every 6.5 years. In the last two years, the ratio has exceeded two an average of once every three months.

Wednesday, November 18, 2009

While the debate over whether to impose new regulations on CO2 emissions carries on in the Senate, the coal industry, which is responsible for 40% of global carbon emissions, is in the process of testing a new technology to trap such emissions, according to Reuters. AEP, one of the largest generators of electricity in the U.S., is partnering with Alstom, a French engineering company, in a \$73 million test project in West Virginia to see if it can trap, transport (via underground pipelines), and store carbon at an existing coal plant. It is billed as the first test of its kind in the world. If successful, it could lead to a commercial-scale project valued at \$670 million. The International Energy Agency estimates that 100 of these projects (\$56 billion) could be operational worldwide by 2020, with an additional \$646 billion needed from 2021-30.

Thursday, November 19, 2009

Four new nuclear power plants are scheduled to go online in the U.S. around 2016, according to *Kiplinger*. The Federal Government is providing \$18.5 billion in low-cost loans. The money was set aside in 2005. The plants will be adjacent to existing nuclear facilities in Georgia, Maryland, South Carolina and Texas and should add about 5,000 megawatts of power. Currently, the U.S. gets about 100 gigawatts of nuclear power from 104 nuclear generators. Nuclear power accounts for 19.6% of electricity production. Another 25 nuclear plants are on the drawing board.

Friday, November 20, 2009

The price of gold bullion is up 29.1% this year through yesterday's close. It was up 5.5% in 2008. The Philadelphia Gold & Silver Index of mining companies is up 50.7% this year, but was down 27.7% in 2008. With gold reaching an all-time high of \$1,141.90 per ounce yesterday, investors might be wondering if now is a good time to pile in. The Hulbert Gold Newsletter Sentiment Index (HGNSI) closed at 68% yesterday, the most bullish it has been dating back two years, according to MarketWatch.com. The four previous highs in the index were followed by short-term sell-offs. Those outcomes were as follows: HGNSI reaches 65% in 3/08 (gold declines 15.5%); HGNSI reaches 64% in 7/08 (gold declines 24.8%); HGNSI reaches 61% in 2/09 (gold declines 11.7%); and HGNSI reaches 57% in 6/09 (gold declines 7.2%).