

Stock Index Performance

Index	Week	YTD	12-mo.	2008	5-yr
Dow Jones Industrial Avg. (10,329)	-1.36%	21.48%	23.97%	-31.92%	2.01%
S&P 500 (1,102)	-0.35%	24.95%	27.66%	-36.99%	0.48%
NASDAQ 100 (1,807)	0.85%	50.21%	51.08%	-41.57%	3.04%
S&P 500/Citigroup Growth	-0.20%	29.41%	32.02%	-34.91%	1.46%
S&P 500/Citigroup Value	-0.51%	20.27%	23.08%	-39.19%	-0.58%
S&P MidCap 400/Citigroup Growth	1.13%	38.66%	43.02%	-37.58%	3.80%
S&P MidCap 400/Citigroup Value	1.62%	31.71%	37.05%	-34.78%	2.84%
S&P SmallCap 600/Citigroup Growth	2.77%	24.73%	29.53%	-32.84%	1.75%
S&P SmallCap 600/Citigroup Value	1.92%	20.26%	27.28%	-29.50%	0.68%
MSCI EAFE	-1.75%	27.96%	25.23%	-43.07%	3.71%
MSCI World (ex US)	-1.82%	36.87%	33.95%	-43.26%	5.94%
MSCI World	-0.98%	27.22%	27.42%	-40.39%	2.11%
MSCI Emerging Markets	-2.30%	71.36%	64.78%	-53.49%	15.48%

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 12/18/09.

S&P Sector Performance

Index	Week	YTD	12-mo.	2008	5-yr
Consumer Discretionary	0.05%	40.31%	40.68%	-33.49%	-1.61%
Consumer Staples	-2.03%	13.91%	15.96%	-15.44%	5.78%
Energy	0.30%	12.44%	16.85%	-34.89%	10.24%
Financials	-0.89%	15.71%	18.40%	-55.23%	-11.39%
Health Care	-0.25%	19.28%	22.40%	-22.80%	2.82%
Industrials	-0.64%	21.07%	25.64%	-39.92%	-1.02%
Information Technology	1.07%	57.41%	58.65%	-43.14%	2.95%
Materials	-0.89%	44.05%	42.09%	-45.64%	3.99%
Telecom Services	-2.32%	6.85%	9.88%	-30.47%	1.47%
Utilities	-0.49%	12.76%	15.54%	-28.99%	6.49%

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 12/18/09.

Bond Index Performance

Index	Week	YTD	12-mo.	2008	5-yr
U.S. Treasury: Intermediate	-0.04%	-0.27%	-0.90%	11.35%	4.91%
GNMA 30 Year	-0.07%	6.41%	6.71%	7.87%	5.86%
U.S. Aggregate	0.12%	6.96%	7.03%	5.24%	5.20%
U.S. Corporate High Yield	0.95%	57.03%	70.00%	-26.16%	6.37%
U.S. Corporate Investment Grade	0.65%	19.73%	20.90%	-4.94%	4.80%
Municipal Bond: Long Bond (22+)	0.35%	23.70%	28.07%	-14.68%	4.00%
Global Aggregate	-0.80%	7.96%	6.20%	4.79%	5.01%

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 12/18/09.

Key Rates

As of 12/18

Fed Funds	0.00-0.25%	5-yr CD	2.96%
LIBOR (1-month)	0.23%	2-yr T-Note	0.79%
CPI - Headline	1.80%	5-yr T-Note	2.27%
CPI - Core	1.70%	10-yr T-Note	3.54%
Money Market Accts.	0.87%	30-yr T-Bond	4.46%
Money Market Funds	0.03%	30-yr Mortgage	5.06%
6-mo. CD	1.23%	Prime Rate	3.25%
1-yr CD	1.69%	Bond Buyer 40	5.40%

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

Market Indicators

As of 12/18

TED Spread	19 bps
Investment Grade Spread (A2)	207 bps
ML High Yield Master II Index Spread	686 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows for the Week Ended 12/09/09

Estimated Flows to Long-Term Mutual Funds

	Current Week	Previous
Domestic Equity	-\$372 Billion	-\$3,259 Billion
Foreign Equity	-\$1.159 Billion	\$991 Million
Taxable Bond	\$4,286 Billion	\$8,263 Billion
Municipal Bond	\$1,402 Billion	\$1,325 Billion

Change in Money Market Fund Assets

	Current Week	Previous
Retail	-\$3.76 Billion	-\$5.91 Billion
Institutional	-\$47.37 Billion	\$5.55 Billion

Source: Investment Company Institute

Factoids for the week of December 14th – 18th

Monday, December 14, 2009

A recent Bloomberg National Poll revealed that 66% of Americans believe taxes on the wealthy should be raised to reduce budget deficits, according to *BusinessWeek*. The problem is the wealthy already pay nearly half of all federal income taxes. In 2007, around 4.5 million households filed returns reporting \$200,000 or more of income, according to IRS data. They paid a combined \$610 billion, or 44% of all federal income taxes. Eventually, tax experts believe that Congress will also need to raise taxes on those making less than \$200,000.

Tuesday, December 15, 2009

While home foreclosure filings fell by 8% in November, the fourth consecutive decline, filings were still 18% above November 2008's levels, according to RealtyTrac. U.S. homeowners have lost about \$5.9 trillion in value since the housing market's peak in March 2006 – \$489 billion of that total happened this year, according to Zillow.com. The value of U.S. housing today is approximately \$24.7 trillion.

Wednesday, December 16, 2009

S&P 500 stock buybacks totaled \$34.8 billion in Q3'09, up 43.8% from the \$24.2 billion executed in Q2'09, according to Standard & Poor's. On a year-over-year basis, the \$34.8 billion was 61.2% less than the \$89.7 billion spent in Q3'08, and 79.8% less than the record \$172.0 billion spent in Q3'07.

Thursday, December 17, 2009

The Barclays Capital "Original E&P Spending Survey" (conducted semiannually) predicts that worldwide E&P expenditures will increase by 11.1% in 2010, according to Barclays Capital. Spending is expected to total \$439 billion, up from \$395 billion in 2009. Here is the global breakdown: U.S. (\$79 billion vs. \$71 billion in '09); Canada (\$23 billion vs. \$19 billion in '09); and International (\$337 billion vs. \$305 billion in '09). Companies are basing their 2010 budgets on an average price of \$70.16 for crude oil and \$5.21 for natural gas.

Friday, December 18, 2009

Dealogic reported that companies already publicly traded have sold a record \$230 billion of new stock so far in 2009, according to *USA TODAY*. The 645 offerings are the highest since the 717 posted in 1997. The \$230 billion raised represents about 1.7% of the total market cap of U.S. stocks (\$13.37 trillion).