

Stock Index Performance

Index	Week	YTD	12-mo.	2008	5-yr
DOW JONES 30 (8540)	-2.94%	-0.98%	-26.78%	-31.92%	-1.43%
S&P 500 (921)	-2.62%	3.32%	-29.53%	-36.99%	-2.10%
NASDAQ 100 (1471)	-1.26%	21.90%	-25.28%	-41.57%	0.58%
S&P 500/Citigroup Growth	-2.42%	7.98%	-26.50%	-34.91%	-1.66%
S&P 500/Citigroup Value	-2.85%	-1.57%	-32.68%	-39.19%	-2.69%
S&P MidCap 400/Citigroup Growth	-3.14%	12.89%	-32.60%	-37.58%	1.20%
S&P MidCap 400/Citigroup Value	-3.21%	3.96%	-31.97%	-34.78%	0.37%
S&P SmallCap600/Citigroup Growth	-2.25%	3.76%	-30.57%	-32.84%	0.36%
S&P SmallCap600/Citigroup Value	-2.71%	-1.43%	-29.16%	-29.50%	-0.52%
MSCI EAFE	-3.08%	7.90%	-32.75%	-43.07%	2.86%
MSCI World (ex US)	-3.24%	9.43%	-32.94%	-43.26%	3.47%
MSCI World	-2.96%	6.59%	-31.55%	-40.39%	0.69%
MSCI Emerging Markets	-4.94%	34.05%	-31.56%	-53.49%	15.20%

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 6/19/09.

S&P Sector Performance

Index	Week	YTD	12-mo.	2008	5-yr
Consumer Discretionary	-2.95%	8.49%	-23.76%	-33.49%	-4.98%
Consumer Staples	-1.53%	-2.25%	-13.55%	-15.44%	2.58%
Energy	-6.53%	0.03%	-38.72%	-34.89%	10.73%
Financials	-3.05%	-2.46%	-44.63%	-55.23%	-13.30%
Health Care	2.10%	-0.88%	-12.87%	-22.80%	-1.51%
Industrials	-5.47%	-4.64%	-38.14%	-39.92%	-3.54%
Information Technology	-1.27%	24.57%	-24.01%	-43.14%	-1.05%
Materials	-6.39%	15.47%	-41.59%	-45.64%	2.10%
Telecom Services	-3.13%	-6.84%	-23.49%	-30.47%	1.54%
Utilities	-1.56%	-3.35%	-30.53%	-28.99%	6.95%

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 6/19/09.

Bond Index Performance

Index	Week	YTD	12-mo.	2008	5-yr
U.S. Treasury: Intermediate	0.02%	-3.37%	6.35%	11.35%	4.81%
GNMA 30 Year	0.31%	1.87%	8.77%	7.87%	5.79%
U.S. Aggregate	0.36%	0.82%	5.66%	5.24%	4.92%
U.S. Corporate High Yield	-1.37%	30.04%	-4.89%	-26.16%	4.38%
U.S. Corporate Investment Grade	0.24%	6.76%	2.59%	-4.94%	3.64%
Municipal Bond: Long Bond (22+)	0.07%	12.03%	-2.38%	-14.68%	3.52%
Global Aggregate	0.55%	0.39%	3.17%	4.79%	5.40%

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 6/19/09.

Key Rates

As of 6/19

Fed Funds	0.25%	5-YR CD	3.07%
LIBOR (1-month)	0.32%	2-YR T-Note	1.20%
CPI - Headline	-1.30%	5-YR T-Note	2.80%
CPI - Core	1.80%	10-YR T-Note	3.77%
Money Market Accts.	1.29%	30-YR T-Bond	4.51%
Money Market Funds	0.15%	30-YR Mortgage	5.47%
6-mo. CD	1.47%	Prime Rate	3.25%
1-YR CD	2.02%	Bond Buyer 40	5.44%

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

Market Indicators

As of 6/19

TED Spread	42 bps
Investment Grade Spread (A2)	324 bps
ML High Yield Master II Index Spread	1073 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows for the Week Ended 6/10/09

Estimated Flows to Long-Term Mutual Funds			
	Current Week	Previous	
Domestic Equity	\$2.025 Billion	\$2.830	Billion
Foreign Equity	\$3.011 Billion	\$1.804	Billion
Taxable Bond	\$5.464 Billion	\$7.131	Billion
Municipal Bond	\$1.460 Billion	\$1.298	Billion
Change in Money Market Fund Assets			
	Current Week	Previous	
Retail	-\$6.65 Billion	\$1.242	Billion
Institutional	-\$66.20 Billion	\$2.505	Billion

Source: Investment Company Institute

Factoids for the week of June 15th – June 19th

Monday, June 15, 2009

The U.S. Department of Agriculture reported that only 78% of soybean fields have been planted due to excessive rainfall, according to *BusinessWeek*. The historical average for early June is 87%. In the six states where the majority of the nation's spring wheat is grown, 89% of the crop was planted as of May 31, according to Bloomberg. The average over the previous five years was 98%. About 97% of the U.S. corn crop was planted as of June 7, according to the Department of Agriculture. That was up from 93% the previous week, but still below the five-year average of 99%.

Tuesday, June 16, 2009

The price of gasoline rose yesterday for the 48th consecutive day, according to *USA TODAY*. Gas prices also rose 48 straight days in 2007. Prices are up more than 60% since the start of 2009 even though demand from motorists remains weak. The silver lining is that the average price for a gallon of regular unleaded is \$2.67 nationwide, down \$1.41 from this point a year ago, according to the Energy Information Administration. Consumers are currently spending about \$1 billion a day for gasoline, down from \$1.5 billion a day a year ago, according to Tom Kloza, chief oil analyst at Oil Price Information Service.

Wednesday, June 17, 2009

Only nine IPOs have been priced so far in 2009, down 73.5% from the 34 launched by this point a year ago, according to Renaissance Capital's IPOHome.com. The nine IPOs raised just \$1.9 billion. The market for secondary offerings has been far more robust. More than 165 companies raised a record \$87 billion in U.S. secondary share sales in Q2'09 alone, according to Bloomberg. Banks and other financial institutions accounted for 23% of total shares sold. Approximately 77% of the companies that issued shares used the proceeds to reduce leverage.

Thursday, June 18, 2009

A recent study by EvaluatePharma (World Preview 2014) revealed that biotech drugs will account for 50% of the top 100 drugs (revenue) in 2014, compared to 28% in 2008 and 11% in 2000, according to SeekingAlpha.com. It expects seven of the top 10 drugs to be biotech in origin, compared to five in 2008 and one in 2000. Total sales for the industry will approach \$169 billion in 2014, compared to \$108 billion in 2008 and \$28 billion in 2000.

Friday, June 19, 2009

The global speculative-grade default rate stood at 9.2% in May, up from 8.3% in April, according to Moody's. There were 29 defaults in May. There have been 141 so far in 2009. There were just 30 defaults in the first five months of 2008. Moody's is now forecasting the default rate will rise to 13.8% by December 2009, and then dip to 8.0% by May 2010. The U.S. speculative-grade default rate stood at 10.2% in May, up from 9.3% in April. Moody's is now forecasting the rate will rise to 13.5% by December 2009, and then dip to 6.7% by May 2010. The default rate on senior loans stood at 5.83% in May, up from 5.39% in April, according to Standard & Poor's LCD. It sees default rates climbing to the mid-teens by year-end.