

Stock Index Performance

Index	Week	YTD	12-mo.	2008	5-yr
Dow Jones Industrial Avg. (9093)	4.03%	5.65%	-17.10%	-31.92%	0.72%
S&P 500 (979)	4.16%	10.02%	-19.68%	-36.99%	-0.01%
NASDAQ 100 (1599)	4.70%	32.52%	-11.37%	-41.57%	3.57%
S&P 500/Citigroup Growth	3.91%	14.88%	-15.39%	-34.91%	0.70%
S&P 500/Citigroup Value	4.44%	4.91%	-24.14%	-39.19%	-0.87%
S&P MidCap 400/Citigroup Growth	5.36%	21.03%	-20.46%	-37.58%	3.60%
S&P MidCap 400/Citigroup Value	5.76%	12.48%	-19.56%	-34.78%	2.60%
S&P SmallCap600/Citigroup Growth	4.91%	11.80%	-20.12%	-32.84%	3.03%
S&P SmallCap600/Citigroup Value	5.38%	6.74%	-18.88%	-29.50%	1.73%
MSCI EAFE	4.70%	14.63%	-25.40%	-43.07%	4.35%
MSCI World (ex US)	4.96%	21.92%	-23.77%	-43.26%	6.66%
MSCI World	4.59%	13.43%	-22.77%	-40.39%	2.21%
MSCI Emerging Markets	5.30%	47.61%	-18.90%	-53.49%	17.13%

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 7/24/09.

S&P Sector Performance

Index	Week	YTD	12-mo.	2008	5-yr
Consumer Discretionary	5.17%	17.40%	-10.65%	-33.49%	-2.31%
Consumer Staples	1.91%	4.22%	-7.15%	-15.44%	4.91%
Energy	5.63%	3.75%	-26.62%	-34.89%	11.22%
Financials	2.49%	0.67%	-38.53%	-55.23%	-12.14%
Health Care	5.25%	6.03%	-10.28%	-22.80%	1.18%
Industrials	4.41%	0.10%	-31.20%	-39.92%	-2.28%
Information Technology	3.26%	36.30%	-8.42%	-43.14%	2.33%
Materials	8.11%	27.32%	-26.07%	-45.64%	4.54%
Telecom Services	5.38%	-0.82%	-13.50%	-30.47%	2.95%
Utilities	5.57%	4.03%	-18.53%	-28.99%	8.46%

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 7/24/09.

Bond Index Performance

Index	Week	YTD	12-mo.	2008	5-yr
U.S. Treasury: Intermediate	-0.03%	-2.36%	5.98%	11.35%	4.79%
GNMA 30 Year	0.23%	3.00%	9.30%	7.87%	5.72%
U.S. Aggregate	0.32%	2.59%	7.04%	5.24%	4.94%
U.S. Corporate High Yield	2.68%	35.05%	1.79%	-26.16%	4.69%
U.S. Corporate Investment Grade	1.11%	10.25%	6.74%	-4.94%	3.93%
Municipal Bond: Long Bond (22+)	-0.08%	13.14%	-0.23%	-14.68%	3.26%
Global Aggregate	0.36%	2.93%	4.40%	4.79%	5.74%

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 7/24/09.

Key Rates

As of 7/24

Fed Funds	0.00-0.25%	5-yr CD	2.99%
LIBOR (1-month)	0.29%	2-yr T-Note	1.00%
CPI - Headline	-1.40%	5-yr T-Note	2.52%
CPI - Core	1.70%	10-yr T-Note	3.65%
Money Market Accts.	1.20%	30-yr T-Bond	4.53%
Money Market Funds	0.11%	30-yr Mortgage	5.42%
6-mo. CD	1.42%	Prime Rate	3.25%
1-yr CD	1.89%	Bond Buyer 40	5.60%

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

Market Indicators

As of 7/24

TED Spread	29 bps
Investment Grade Spread (A2)	290 bps
ML High Yield Master II Index Spread	981 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows for the Week Ended 7/15/09

Estimated Flows to Long-Term Mutual Funds

	Current Week	Previous
Domestic Equity	-\$1.981 Billion	\$1.500 Billion
Foreign Equity	\$1.044 Billion	\$1.675 Billion
Taxable Bond	\$6.063 Billion	\$4.178 Billion
Municipal Bond	\$1.459 Billion	\$1.040 Billion

Change in Money Market Fund Assets

	Current Week	Previous
Retail	-\$5.06 Billion	-\$5.75 Billion
Institutional	\$14.06 Billion	-\$15.38 Billion

Source: Investment Company Institute

Factoids for the week of July 20th – July 24th

Monday, July 20, 2009

Last week's rally in stocks pushed the percentage of S&P 500 companies trading above their 50-day moving average from 25% two weeks ago to 67%, according to Bespoke Investment Group. Consumer Discretionary stocks enjoyed the biggest move from the mid-teens to 72%. Technology, Consumer Staples and Utilities have the most stocks trading above their 50-day average – all three above 80%. Despite the fact that crude oil is back above \$65 per barrel, only 33% of Energy stocks trade above their 50-day average.

Tuesday, July 21, 2009

U.S. small businesses believe they are being slighted by the Obama Administration with respect to the stimulus plan, according to Reuters. So far, all that has been made available is a \$730 million injection (doubled the budget) into the U.S. Small Business Administration to bolster lending, which pales in comparison to the \$180 billion committed to AIG alone. Small businesses represent 99.7% of all U.S. employer firms. A \$15 billion administration plan to buy small business loans for resale in the secondary lending market has not taken effect. A survey conducted by Presidents Resource Organization revealed that the top three concerns for small business owners are cash flow, credit availability and health care costs. Owners have cut expenses and boosted Internet sales/marketing initiatives in an attempt to outlast the recession.

Wednesday, July 22, 2009

While the Treasury Department is expected to sell \$1.1 trillion of new debt by the end of 2009, U.S. companies are striving to lower indebtedness. Corporations have issued a record \$774 billion worth of bonds this year, but close to 75% of the capital raised was used to refinance existing debt, according to Bloomberg and John Lonski, chief economist at Moody's Capital Markets Group. Around 190 companies raised a record \$91 billion in the second quarter via secondary share sales, with roughly three-quarters of the proceeds earmarked for debt reduction, according to Bloomberg.

Thursday, July 23, 2009

The number of rigs currently drilling for natural gas in North America stands at 665, down 869 (-56.6%) from this point a year ago, according to Baker Hughes. The last time the rig count was this low was in May 2002. Producers have cut back on drilling due to the credit crunch and the low price of natural gas, which is trading below \$4.00 per mmBtu. It peaked above \$13 last July when oil soared to \$147 per barrel.

Friday, July 24, 2009

The Obama Administration is seeking to double the amount of electricity produced by renewable sources, such as solar and wind power, over the next three years. There is concern, however, that the power grid isn't up to the task. Brian Baird, House Science subcommittee chairman, points out that parts of the electric infrastructure are nearly 100 years old and the demand for power from Internet users are straining the system, according to Reuters. The Energy Department estimates that as much as \$50 billion is needed to upgrade the grid. The current stimulus package provides \$4.5 billion for such projects.