

Stock Index Performance

Index	Week	YTD	12-mo.	2008	5-yr
Dow Jones Industrial Avg. (9665)	-1.58%	12.90%	-9.29%	-31.92%	1.81%
S&P 500 (1044)	-2.22%	17.80%	-11.29%	-36.99%	0.85%
NASDAQ 100 (1694)	-1.80%	40.59%	1.14%	-41.57%	4.43%
S&P 500/Citigroup Growth	-2.04%	20.71%	-7.50%	-34.91%	1.52%
S&P 500/Citigroup Value	-2.42%	14.71%	-15.27%	-39.19%	0.11%
S&P MidCap 400/Citigroup Growth	-3.16%	30.88%	-7.85%	-37.58%	4.68%
S&P MidCap 400/Citigroup Value	-3.44%	24.50%	-9.84%	-34.78%	3.94%
S&P SmallCap600/Citigroup Growth	-2.44%	19.78%	-14.36%	-32.84%	3.40%
S&P SmallCap600/Citigroup Value	-3.04%	16.96%	-14.42%	-29.50%	2.51%
MSCI EAFE	-1.66%	28.14%	-6.36%	-43.07%	6.12%
MSCI World (ex US)	-1.71%	35.25%	-3.64%	-43.26%	8.12%
MSCI World	-2.03%	23.60%	-9.34%	-40.39%	3.42%
MSCI Emerging Markets	-1.16%	63.36%	11.04%	-53.49%	17.28%

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 9/25/09.

S&P Sector Performance

Index	Week	YTD	12-mo.	2008	5-yr
Consumer Discretionary	-3.34%	26.93%	-4.98%	-33.49%	-1.55%
Consumer Staples	-0.75%	8.21%	-6.63%	-15.44%	6.20%
Energy	-2.86%	7.16%	-21.22%	-34.89%	10.15%
Financials	-3.63%	18.41%	-26.82%	-55.23%	-9.95%
Health Care	-1.20%	8.72%	-6.23%	-22.80%	1.37%
Industrials	-3.07%	14.08%	-15.36%	-39.92%	-0.19%
Information Technology	-1.27%	44.32%	2.79%	-43.14%	3.66%
Materials	-4.75%	36.07%	-13.51%	-45.64%	5.01%
Telecom Services	-0.18%	0.71%	-5.89%	-30.47%	1.76%
Utilities	-1.41%	4.04%	-11.55%	-28.99%	7.11%

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 9/25/09.

Bond Index Performance

Index	Week	YTD	12-mo.	2008	5-yr
U.S. Treasury: Intermediate	0.49%	-0.99%	5.69%	11.35%	4.74%
GNMA 30 Year	0.39%	4.94%	8.98%	7.87%	5.74%
U.S. Aggregate	0.56%	5.63%	9.77%	5.24%	5.05%
U.S. Corporate High Yield	1.09%	49.07%	18.39%	-26.16%	6.12%
U.S. Corporate Investment Grade	0.73%	17.09%	19.03%	-4.94%	4.51%
Municipal Bond: Long Bond (22+)	1.20%	25.59%	16.49%	-14.68%	4.62%
Global Aggregate	0.58%	7.76%	11.55%	4.79%	6.17%

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 9/25/09.

Key Rates

As of 9/25

Fed Funds	0.00-0.25%	5-yr CD	2.93%
LIBOR (1-month)	0.25%	2-yr T-Note	0.98%
CPI - Headline	-1.50%	5-yr T-Note	2.36%
CPI - Core	1.40%	10-yr T-Note	3.32%
Money Market Accts.	1.12%	30-yr T-Bond	4.09%
Money Market Funds	0.06%	30-yr Mortgage	5.19%
6-mo. CD	1.28%	Prime Rate	3.25%
1-yr CD	1.73%	Bond Buyer 40	5.03%

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

Market Indicators

As of 9/25

TED Spread	17 bps
Investment Grade Spread (A2)	232 bps
ML High Yield Master II Index Spread	791 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows for the Week Ended 9/16/09

Estimated Flows to Long-Term Mutual Funds

	Current Week	Previous
Domestic Equity	-\$2.044 Billion	-\$1.794 Billion
Foreign Equity	\$646 Million	\$462 Million
Taxable Bond	\$10.173 Billion	\$6.266 Billion
Municipal Bond	\$2.510 Billion	\$1.947 Billion

Change in Money Market Fund Assets

	Current Week	Previous
Retail	-\$12.88 Billion	-\$10.36 Billion
Institutional	\$13.08 Billion	-\$52.24 Billion

Source: Investment Company Institute

Factoids for the week of September 21st – 25th

Monday, September 21, 2009

Some three years after the housing market began its downward spiral there has yet to be a single federal prosecution of a major executive involved in the subprime meltdown, according to CNNMoney.com. It may have something to do with the FBI's workload. The number of FBI mortgage fraud reports involving financial institutions currently stands at an estimated 70,000, up from 17,127 in 2004, according to the FBI. The only major prosecution to date is due to begin next month and it involves two former Bear Stearns hedge fund managers accused of securities fraud.

Tuesday, September 22, 2009

Banks and insurers have sustained \$1.62 trillion in credit losses since the crisis began in July 2007, according to Bloomberg. This past April, the International Monetary Fund estimated that losses could peak at around \$4 trillion. Chris Flanagan, Head of ABS Research at J.P. Morgan, believes we are already nearly three-quarters of the way through the writedowns. He projects total losses will peak at \$2.25 trillion with remaining losses spread over the next five years. If so, such writedowns should not pose a major problem for banks, according to Flanagan.

Wednesday, September 23, 2009

At its peak in October 2007, world market cap (equities) totaled \$62.57 trillion (\$19.14 trillion in U.S.), according to Bespoke Investment Group. At its low point this past March, world market cap had plunged to \$25.60 trillion (\$8.09 trillion in U.S.). Since the low in March, world market cap has rebounded \$18.31 trillion to \$43.90 trillion (\$12.97 trillion in U.S.). The U.S. accounts for 29.5% of total stock market value in the world.

Thursday, September 24, 2009

A new report from Gartner Group states that 285 million PCs will be shipped in 2009, down just 2% from the 291 million shipped in 2008. In July, Gartner forecasted a 5% drop for the year. Interest in netbooks (mini-notebooks) is boosting demand. Gartner raised its units shipped estimate for 2009 from 21 million to 25 million.

Friday, September 25, 2009

A survey of small business owners by Chase Card Services found that 75% of those polled believe the U.S. economy and their business will be doing better in the next three to six months, according to Reuters. Four out of five are pursuing a moderate or aggressive growth strategy. Forty-nine percent said they will be hiring more staff.