

Stock Index Performance

Index	Week	YTD	12-mo.	2009	5-yr
Dow Jones Industrial Avg. (10,211)	2.90%	-0.80%	19.67%	22.68%	2.09%
S&P 500 (1,092)	2.57%	-1.21%	17.91%	26.47%	0.24%
NASDAQ 100 (1,847)	0.83%	-0.35%	24.24%	54.63%	4.53%
S&P 500 Growth	2.63%	-2.68%	15.62%	31.58%	1.04%
S&P 500 Value	2.52%	0.29%	20.42%	21.17%	-0.65%
S&P MidCap 400 Growth	2.93%	5.73%	27.55%	41.23%	4.31%
S&P MidCap 400 Value	3.22%	4.41%	29.93%	33.77%	3.15%
S&P SmallCap 600 Growth	2.34%	5.12%	26.68%	28.34%	2.91%
S&P SmallCap 600 Value	2.07%	4.49%	27.04%	22.86%	1.77%
MSCI EAFE	1.25%	-12.34%	3.48%	31.78%	1.23%
MSCI World (ex US)	1.15%	-10.06%	7.50%	41.45%	3.82%
MSCI World	1.96%	-6.48%	10.61%	29.99%	0.83%
MSCI Emerging Markets	0.44%	-6.37%	18.42%	78.51%	13.08%

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 06/11/10.

S&P Sector Performance

Index	Week	YTD	12-mo.	2009	5-yr
Consumer Discretionary	2.34%	8.66%	37.61%	41.33%	0.92%
Consumer Staples	1.56%	0.19%	16.61%	14.89%	5.24%
Energy	5.19%	-4.53%	0.60%	13.86%	5.56%
Financials	2.70%	1.31%	18.87%	17.24%	-10.68%
Health Care	2.54%	-6.11%	16.35%	19.70%	0.58%
Industrials	2.28%	4.87%	25.97%	20.93%	0.26%
Information Technology	0.90%	-4.64%	22.01%	61.72%	3.16%
Materials	5.30%	-6.56%	11.14%	48.57%	3.94%
Telecom Services	4.37%	-4.89%	8.74%	8.93%	1.83%
Utilities	4.01%	-4.87%	9.95%	11.91%	2.77%

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 06/11/10.

Bond Index Performance

Index	Week	YTD	12-mo.	2009	5-yr
U.S. Treasury: Intermediate	-0.03%	3.71%	6.06%	-1.41%	5.20%
GNMA 30 Year	0.18%	4.66%	8.92%	5.37%	6.21%
U.S. Aggregate	-0.07%	4.16%	10.22%	5.93%	5.44%
U.S. Corporate High Yield	-0.54%	2.64%	23.55%	58.21%	6.96%
U.S. Corporate Investment Grade	-0.46%	3.74%	16.30%	18.68%	5.05%
Municipal Bond: Long Bond (22+)	-0.24%	4.48%	15.49%	23.43%	3.76%
Global Aggregate	0.29%	-2.08%	4.84%	6.93%	4.65%

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 06/11/10.

Key Rates

As of 06/11			
Fed Funds	0.00-0.25%	5-yr CD	2.85%
LIBOR (1-month)	0.35%	2-yr T-Note	0.72%
CPI - Headline	2.20%	5-yr T-Note	2.02%
CPI - Core	0.90%	10-yr T-Note	3.22%
Money Market Accts.	0.78%	30-yr T-Bond	4.14%
Money Market Funds	0.03%	30-yr Mortgage	4.83%
6-mo CD	0.88%	Prime Rate	3.25%
1-yr CD	1.38%	Bond Buyer 40	5.12%

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

Market Indicators

As of 06/11	
TED Spread	45 bps
Investment Grade Spread (A2)	221 bps
ML High Yield Master II Index Spread	728 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows for the Week Ended 06/02/10

Estimated Flows to Long-Term Mutual Funds			
	Current Week	Previous	
Domestic Equity	-\$1.117 Billion	-\$13.442	Billion
Foreign Equity	\$463 Million	-\$3.945	Billion
Taxable Bond	\$3.377 Billion	\$2.420	Billion
Municipal Bond	\$869 Million	\$459	Million

  

Change in Money Market Fund Assets			
	Current Week	Previous	
Retail	-\$5.03 Billion	\$2.06	Billion
Institutional	\$5.77 Billion	-\$11.70	Billion

Source: Investment Company Institute

Factoids for the week of June 7th – June 11th

Monday, June 7, 2010

The price of copper has declined about 23% from its recent high on April 5, 2010. The decline is largely due to a stronger U.S. dollar and efforts to temper growth in China. Strong demand from China helped push the price of copper up twofold since 2004, according to Bloomberg. Demand for copper is expected to grow by 4% in 2010, and rise by 4.7% in 2014, according to Ricardo Alvarez Fuentes, general manager of the El Teniente division of Codelco, the world's largest copper producer. Demand for copper increased an average of 2.7% per year from 1960-2009.

Tuesday, June 8, 2010

Russia is making a concerted effort to supplant the U.S. as the world's top exporter of wheat, according to *BusinessWeek*. In the 1990s, Russia purchased wheat from U.S. farmers, but emerged as a major exporter in 2002 by selling 15.6 million tons abroad. Today, Russia exports 14% of the world's wheat, up from 0.5% in 2000. The U.S.'s share of exports has declined from 26% to 19%. The U.S. Agriculture Department predicts that Russia will become the top wheat exporter by 2019.

Wednesday, June 9, 2010

More people quit their jobs in the past three months than were laid off, according to *USA TODAY*. Layoffs had exceeded voluntary departures for 15 consecutive months leading up to the reversal. Data dating back a century shows that quits rise and layoffs fall as the job market improves, according to Steven Davis, an economist at the University of Chicago. A recent survey published in the May edition of the *Harvard Business Review* revealed that close to 25% of companies' top performers said they plan to leave their current job within a year. A net 982,000 jobs (495,000 private sector) have been created so far this year. Over 8 million jobs were lost during the recession.

Thursday, June 10, 2010

The cost of raising a child born in 2009 to age 18 for a middle income family will be \$286,050, according to the Department of Agriculture (USDA). That expense covers food, shelter and other necessities. One silver lining is that expenses per child decrease as a family has more children (think sharing). Families with three children spend 22% less than those with two children. Parents will need an additional \$127,683 to send a child born today to a median-priced state university when they turn 18, according to Mark Kantrowitz of FinAid.org. The USDA has been tracking these costs since 1960. In 1960, a middle-income family was looking at spending \$25,230 (\$182,860 in 2009 dollars) to raise a child.

Friday, June 11, 2010

Moody's reported that the *global speculative-grade* default rate stood at 7.5% in May, down from 9.0% in April, according to Bloomberg. The *U.S. speculative-grade* default rate stood at 7.9%, down from 9.5%. Moody's is now forecasting a global default rate of 2.4% by December 2010 and 1.9% by May 2011. The default rate on *senior loans* stood at 6.18% in May, down from 7.00% in April, according to Standard & Poor's LCD. The default rate is expected to fall to 3-5% by yearend. The historical average is 3.44%.