

Stock Index Performance

Index	Week	YTD	12-mo.	2009	5-yr
Dow Jones Industrial Avg. (10,144)	-2.94%	-1.44%	23.08%	22.68%	2.36%
S&P 500 (1,077)	-3.63%	-2.52%	19.42%	26.47%	0.07%
NASDAQ 100 (1,839)	-3.92%	-0.81%	25.43%	54.63%	4.72%
S&P 500 Growth	-3.66%	-3.79%	17.49%	31.58%	1.10%
S&P 500 Value	-3.60%	-1.22%	21.52%	21.17%	-1.04%
S&P MidCap 400 Growth	-3.63%	3.88%	30.33%	41.23%	4.08%
S&P MidCap 400 Value	-3.83%	2.65%	32.73%	33.77%	2.81%
S&P SmallCap 600 Growth	-3.16%	4.18%	30.58%	28.34%	2.79%
S&P SmallCap 600 Value	-2.96%	3.87%	31.15%	22.86%	1.67%
MSCI EAFE	-2.59%	-11.06%	10.17%	31.78%	1.34%
MSCI World (ex US)	-2.21%	-8.48%	15.23%	41.45%	3.92%
MSCI World	-3.19%	-6.55%	15.01%	29.99%	0.76%
MSCI Emerging Markets	-0.60%	-3.21%	28.93%	78.51%	13.35%

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 06/25/10.

S&P Sector Performance

Index	Week	YTD	12-mo.	2009	5-yr
Consumer Discretionary	-5.33%	3.91%	35.44%	41.33%	0.13%
Consumer Staples	-3.38%	-1.74%	14.68%	14.89%	5.33%
Energy	-5.90%	-7.71%	6.89%	13.86%	4.37%
Financials	-1.39%	2.21%	25.17%	17.24%	-10.59%
Health Care	-2.18%	-6.36%	11.67%	19.70%	0.47%
Industrials	-3.76%	4.28%	33.17%	20.93%	0.73%
Information Technology	-4.46%	-5.78%	21.98%	61.72%	3.11%
Materials	-2.73%	-7.59%	19.95%	48.57%	4.17%
Telecom Services	-2.70%	-6.65%	5.38%	8.93%	1.61%
Utilities	-4.23%	-5.26%	8.06%	11.91%	2.28%

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 06/25/10.

Bond Index Performance

Index	Week	YTD	12-mo.	2009	5-yr
U.S. Treasury: Intermediate	0.50%	4.25%	5.44%	-1.41%	5.19%
GNMA 30 Year	0.24%	5.18%	8.20%	5.37%	6.24%
U.S. Aggregate	0.45%	4.85%	9.13%	5.93%	5.43%
U.S. Corporate High Yield	0.25%	4.80%	27.92%	58.21%	7.32%
U.S. Corporate Investment Grade	0.71%	4.91%	15.33%	18.68%	5.09%
Municipal Bond: Long Bond (22+)	0.10%	4.23%	14.94%	23.43%	3.58%
Global Aggregate	0.47%	-0.64%	5.29%	6.93%	4.91%

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 06/25/10.

Key Rates

	As of 06/25		
Fed Funds	0.00-0.25%	5-yr CD	2.81%
LIBOR (1-month)	0.35%	2-yr T-Note	0.64%
CPI - Headline	2.00%	5-yr T-Note	1.90%
CPI - Core	0.90%	10-yr T-Note	3.10%
Money Market Accts.	0.78%	30-yr T-Bond	4.05%
Money Market Funds	0.03%	30-yr Mortgage	4.73%
6-mo CD	0.88%	Prime Rate	3.25%
1-yr CD	1.37%	Bond Buyer 40	5.18%

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

Market Indicators

	As of 06/25	
TED Spread		40 bps
Investment Grade Spread (A2)		215 bps
ML High Yield Master II Index Spread		691 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows for the Week Ended 06/16/10

Estimated Flows to Long-Term Mutual Funds				
	Current Week		Previous	
Domestic Equity	-\$1.824	Billion	-\$3.660	Billion
Foreign Equity	-\$13	Million	\$779	Million
Taxable Bond	\$4.233	Billion	\$4.331	Billion
Municipal Bond	\$242	Million	\$403	Million

  

Change in Money Market Fund Assets				
	Current Week		Previous	
Retail	-\$6.61	Billion	\$0.18	Billion
Institutional	\$18.29	Billion	-\$34.69	Billion

Source: Investment Company Institute

Factoids for the week of June 21st – June 25th

Monday, June 21, 2010

The Russell Investments 2010 Global Survey on Alternative Investing found that institutional investors, on average, intend to boost their weightings in alternative investments from 14% to 19% over the next two to three years, according to Russell Investments. Use of hedge funds is expected to rise from 4.2% to 5.7% in 2012, well below the 7-8% target in previous surveys. Surprisingly, 84% of those surveyed plan to upgrade their governance and risk management approach. Over one-third said they are increasing proprietary research in one or more of the following areas: asset class, asset allocation and specialized investments.

Tuesday, June 22, 2010

There are 10,112 analyst ratings on the companies in the S&P 500, according to Bespoke Investment Group. There are 5,331 buy ratings, 536 sell ratings, and 4,245 hold ratings. The Technology and Health Care sectors have the highest percentage of buy ratings at 58.7% and 56.0%, respectively. The Utilities and Financials sectors have the lowest percentage of buy ratings at 41.9% and 43.8%, respectively.

Wednesday, June 23, 2010

The Q2'10 edition of the Investment Manager Outlook (released June 23rd), a survey of investment managers conducted by Russell Investment Group, found that 47% of those money managers polled believe U.S. equities are undervalued, up from 28% last quarter. Managers are most bullish on the following asset classes: U.S. Large-Cap Growth (63%); Emerging Market Equities (61%), U.S. Large-Cap Value (55%), U.S. Mid-Cap Growth (50%); and U.S. Mid-Cap Value (45%). The asset classes managers are least bullish on are Treasuries (12%) and Cash (16%). The sectors managers are most bullish on are Technology (69%), Health Care (60%) and Consumer Discretionary (47%).

Thursday, June 24, 2010

A report released by the Office of Thrift Supervision and Comptroller of the Currency revealed that over 50% of all homeowners with modified mortgages fell at least two months behind in their payments a year after the adjustment was made, according to CNNMoney.com. The potential silver lining was that only 40.7% of loans modified in Q2'09 were delinquent after nine months, compared to 51.6% of those adjusted in Q4'08. The basic goal of mortgage modifications is to reduce borrowers' monthly payments to no more than 31% of their pre-tax income.

Friday, June 25, 2010

S&P 500 stock buybacks totaled \$55.3 billion in Q1'10, up 79.5% from the \$30.8 billion executed in Q1'09, but 67.8% lower than the \$172.0 billion (peak) repurchased in Q3'07, according to Standard & Poor's. Buybacks have risen in each of the past three quarters. Information Technology accounted for 29.3% of all buybacks, followed by Consumer Staples at 19.3%. Telecommunications Services and Utilities were the only sectors to reduce their buyback expenditures. S&P Indices sees buyback growth outpacing dividends throughout 2010, according to Howard Silverblatt, Senior Index Analyst at S&P Indices.