

Stock Index Performance

Index	Week	YTD	12-mo.	2009	5-yr
Dow Jones Industrial Avg. (10,608)	1.46%	3.79%	11.41%	22.68%	2.63%
S&P 500 (1,126)	1.50%	2.42%	7.80%	26.47%	0.21%
NASDAQ 100 (1,956)	3.36%	5.69%	14.42%	54.63%	4.69%
S&P 500 Growth	2.12%	1.74%	8.94%	31.58%	1.40%
S&P 500 Value	0.89%	3.11%	6.56%	21.17%	-1.05%
S&P MidCap 400 Growth	2.93%	10.82%	15.73%	41.23%	4.35%
S&P MidCap 400 Value	1.62%	6.38%	10.31%	33.77%	2.15%
S&P SmallCap 600 Growth	2.88%	6.15%	11.27%	28.34%	1.48%
S&P SmallCap 600 Value	1.72%	4.25%	6.23%	22.86%	0.47%
MSCI EAFE	1.62%	-1.61%	-1.07%	31.78%	1.69%
MSCI World (ex US)	1.70%	0.71%	2.95%	41.45%	3.99%
MSCI World	1.53%	0.46%	3.25%	29.99%	0.94%
MSCI Emerging Markets	2.33%	6.64%	15.06%	78.51%	12.62%

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 09/17/10.

S&P Sector Performance

Index	Week	YTD	12-mo.	2009	5-yr
Consumer Discretionary	1.77%	11.03%	20.42%	41.33%	1.26%
Consumer Staples	0.74%	6.34%	13.36%	14.89%	6.49%
Energy	-0.71%	-4.40%	-1.37%	13.86%	2.25%
Financials	0.77%	2.22%	-2.53%	17.24%	-11.09%
Health Care	1.11%	-2.51%	5.91%	19.70%	0.65%
Industrials	1.53%	11.34%	14.38%	20.93%	1.49%
Information Technology	4.41%	-2.21%	8.34%	61.72%	2.69%
Materials	1.86%	2.47%	6.44%	48.57%	5.79%
Telecom Services	1.79%	8.38%	19.45%	8.93%	4.39%
Utilities	-0.87%	2.56%	9.13%	11.91%	2.15%

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 09/17/10.

Bond Index Performance

Index	Week	YTD	12-mo.	2009	5-yr
U.S. Treasury: Intermediate	0.44%	6.35%	6.12%	-1.41%	5.69%
GNMA 30 Year	-0.05%	6.17%	6.84%	5.37%	6.39%
U.S. Aggregate	0.24%	7.11%	7.74%	5.93%	5.98%
U.S. Corporate High Yield	0.94%	10.67%	18.90%	58.21%	8.03%
U.S. Corporate Investment Grade	0.34%	9.18%	11.03%	18.68%	6.10%
Municipal Bond: Long Bond (22+)	-0.05%	8.41%	8.12%	23.43%	4.33%
Global Aggregate	0.53%	4.15%	3.63%	6.93%	5.90%

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 09/17/10.

Key Rates

As of 09/17

Fed Funds	0.00-0.25%	5-yr CD	2.45%
LIBOR (1-month)	0.26%	2-yr T-Note	0.46%
CPI - Headline	1.10%	5-yr T-Note	1.44%
CPI - Core	0.90%	10-yr T-Note	2.73%
Money Market Accts.	0.69%	30-yr T-Bond	3.90%
Money Market Funds	0.04%	30-yr Mortgage	4.52%
6-mo CD	0.80%	Prime Rate	3.25%
1-yr CD	1.21%	Bond Buyer 40	4.90%

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

Market Indicators

As of 09/17

TED Spread	13 bps
Investment Grade Spread (A2)	192 bps
ML High Yield Master II Index Spread	627 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows for the Week Ended 09/08/10

Estimated Flows to Long-Term Mutual Funds

	Current Week	Previous
Domestic Equity	-\$2.235 Billion	-\$7.596 Billion
Foreign Equity	\$1.174 Billion	-\$1.944 Billion
Taxable Bond	\$4.978 Billion	\$5.656 Billion
Municipal Bond	\$756 Million	\$1.002 Billion

Change in Money Market Fund Assets

	Current Week	Previous
Retail	-\$4.58 Billion	\$3.07 Billion
Institutional	-\$19.96 Billion	\$7.48 Billion

Source: Investment Company Institute

Factoids for the week of September 13th – 17th

Monday, September 13, 2010

TrimTabs Investment Research reported that total assets in bear market ETFs grew by \$1.3 billion, or 8.30%, in the past three months, according to MSN.com. Bear market mutual fund assets grew by \$33 million, or 2.34%, over the same period and posted a larger percentage increase than any other domestic stock category.

Tuesday, September 14, 2010

The amount of cash and equivalents held by the non-financial firms in the S&P 500 just registered a seventh consecutive record-high at \$842.5 billion in Q2'10, according to Howard Silverblatt, senior index analyst at Standard & Poor's. Cash holdings totaled \$603.0 billion on June 30, 2007, just before the subprime meltdown commenced. A total of 181 companies have increased their cash holdings at least 20% over the past year. While cash holdings now account for 11.13% of the market value of the index, 69 issues have over 20% of their market value in cash.

Wednesday, September 15, 2010

Investors looking for opportunities beyond emerging markets may want to consider Africa. A 2010 report by the Boston Consulting Group found that this frontier market's annual GDP grew by 5.3% between 2000 and 2008, compared to 4.0% for the rest of the globe, according to ChiefExecutive.net. The 500 largest companies (excluding banks) have grown their revenues at an average of 8.3% per year since 1998. Inflation, which hit 22% in the 1990s, has been closer to 8% since 2000. Foreign direct investment has risen from \$10 billion in 2000 to \$88 billion in 2008.

Thursday, September 16, 2010

The number of credit rating upgrades topped downgrades in the U.S. high-yield segment of the bond market in seven of the first eight months this year, according to Standard & Poor's. The only negative month was July. There were 21 upgrades in August, compared to 12 downgrades. Y-T-D through August, the total number of upgrades was 171, compared to 111 downgrades. S&P points to stronger operating performance, higher profits, and repayment of debt for the strong showing.

Friday, September 17, 2010

A survey out from Fannie Mae revealed that the number of people who consider housing a safe investment fell from 70% in January to 67% in July, according to *The Wall Street Journal*. It was 83% in 2003. Despite cheaper home prices and mortgage rates at 50-year lows the number of households saying they are more likely to rent than buy rose from 30% in January to 33% in July. More than half of renters commented they didn't think they could obtain a mortgage because of tighter lending standards.