

Stock Index Performance

Index	Week	YTD	12-mo.	2010	5-yr
Dow Jones Industrial Avg. (11,578)	0.05%	14.06%	14.06%	14.06%	4.30%
S&P 500 (1,258)	0.09%	15.06%	15.06%	15.06%	2.29%
NASDAQ 100 (2,218)	-0.56%	20.15%	20.15%	20.15%	6.80%
S&P 500 Growth	-0.09%	15.09%	15.09%	15.09%	3.61%
S&P 500 Value	0.28%	15.13%	15.13%	15.13%	0.89%
S&P MidCap 400 Growth	-0.53%	30.65%	30.65%	30.65%	6.72%
S&P MidCap 400 Value	-0.18%	22.80%	22.80%	22.80%	4.80%
S&P SmallCap 600 Growth	-0.99%	28.43%	28.43%	28.43%	5.27%
S&P SmallCap 600 Value	-0.85%	25.01%	25.01%	25.01%	4.20%
MSCI EAFE	0.70%	7.75%	7.75%	7.75%	2.46%
MSCI World (ex US)	1.15%	11.15%	11.15%	11.15%	4.81%
MSCI World	0.47%	11.76%	11.76%	11.76%	2.43%
MSCI Emerging Markets	2.19%	18.88%	18.88%	18.88%	12.76%

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 12/31/10.

S&P Sector Performance

Index	Week	YTD	12-mo.	2010	5-yr
Consumer Discretionary	-0.58%	27.85%	27.85%	27.85%	4.35%
Consumer Staples	-0.28%	14.12%	14.12%	14.12%	7.75%
Energy	0.96%	20.46%	20.46%	20.46%	8.32%
Financials	0.56%	12.18%	12.18%	12.18%	-10.58%
Health Care	-0.57%	2.90%	2.90%	2.90%	1.87%
Industrials	0.18%	26.74%	26.74%	26.74%	3.16%
Information Technology	-0.13%	10.22%	10.22%	10.22%	5.02%
Materials	0.78%	22.34%	22.34%	22.34%	7.56%
Telecom Services	0.76%	18.97%	18.97%	18.97%	6.62%
Utilities	-0.17%	5.46%	5.46%	5.46%	3.89%

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 12/31/10.

Bond Index Performance

Index	Week	YTD	12-mo.	2010	5-yr
U.S. Treasury: Intermediate	0.40%	5.29%	5.29%	5.29%	5.44%
GNMA 30 Year	0.50%	6.71%	6.71%	6.71%	6.30%
U.S. Aggregate	0.58%	6.54%	6.54%	6.54%	5.80%
U.S. Corporate High Yield	0.49%	15.12%	15.12%	15.12%	8.91%
U.S. Corporate Investment Grade	0.94%	9.00%	9.00%	9.00%	6.05%
Municipal Bond: Long Bond (22+)	-0.11%	1.12%	1.12%	1.12%	2.71%
Global Aggregate	1.88%	5.54%	5.54%	5.54%	6.67%

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 12/31/10.

Key Rates

As of 12/31			
Fed Funds	0.00-0.25%	5-yr CD	2.28%
LIBOR (1-month)	0.26%	2-yr T-Note	0.59%
CPI - Headline	1.10%	5-yr T-Note	2.00%
CPI - Core	0.80%	10-yr T-Note	3.29%
Money Market Accts.	0.66%	30-yr T-Bond	4.33%
Money Market Funds	0.03%	30-yr Mortgage	4.99%
6-mo CD	0.70%	Prime Rate	3.25%
1-yr CD	1.03%	Bond Buyer 40	5.51%

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

Market Indicators

As of 12/31	
TED Spread	16 bps
Investment Grade Spread (A2)	174 bps
ML High Yield Master II Index Spread	542 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows for the Week Ended 12/22/10

Estimated Flows to Long-Term Mutual Funds				
	Current Week		Previous	
Domestic Equity	\$355	Million	-\$2.401	Billion
Foreign Equity	\$3.604	Billion	\$2.241	Billion
Taxable Bond	-\$837	Million	-\$3.766	Billion
Municipal Bond	-\$3.531	Billion	-\$4.854	Billion

Change in Money Market Fund Assets				
	Current Week		Previous	
Retail	\$0.29	Billion	\$5.63	Billion
Institutional	\$22.10	Billion	-\$14.92	Billion

Source: Investment Company Institute

Factoids for the week of December 27th – 31st

Monday, December 27, 2010

CEOs are feeling more confident about the U.S. economy looking out six months. The Business Roundtable's Fourth Quarter CEO Economic Outlook survey found that 80% of those polled expect sales to rise in the next six months, and 59% plan to increase capital expenditures, according to ChiefExecutive.net. Forty-five percent see their companies adding staff, up from 31% in Q3. The CEO Economic Outlook Index rose from a reading of 86 in Q3 to 101 in Q4.

Tuesday, December 28, 2010

A recent study from Thomson Reuters and Freeman Consulting Services predicts that the global market for M&A will surge 36% in 2011 to over \$3 trillion, according to *Forbes*. M&A activity was up 25% through the first three quarters of 2009. Activity grew by 40% and 43% in the first two years of the recovery following the previous recession, which ended in November 2001, according to *The Economist*.

Wednesday, December 29, 2010

The U.S. IPO market would have mirrored the sluggishness of 2008 and 2009 in terms of dollar volume had it not been for the \$15.8 billion offering from General Motors (GM) on 11/17. The number of U.S. IPOs priced so far this year totaled 154, with proceeds totaling \$38.7 billion, according to Renaissance Capital's IPOHome.com. The 154 pricings is a marked improvement over 2008 (31 pricings) and 2009 (63 pricings). The \$38.7 billion take, however, would have been on par with 2008 (\$24.5 billion) and 2009 (\$21.9 billion) without GM. On a global scale, there were 465 IPOs priced raising \$232 billion, up from 177 and \$106 billion in 2009. China's IPO activity was so far-reaching they accounted for nearly one-third of the issuers in the U.S.

Thursday, December 30, 2010

Samsung Securities believes that copper can extend its current rally (+27% in 2010) into the first half of 2011, according to *Bloomberg Businessweek*. It sees the price rising from yesterday's all-time high of \$9,447 per metric ton (3-month delivery) to \$11,000. Barclays Capital sees the price rising to \$10,475 next year based on the forecast that copper use will outpace supply by 825,000 tons.

Friday, December 31, 2010

Forty-two states reported gains in overall tax collections in Q3'10, while only six experienced a decline in revenues, according to The Nelson A. Rockefeller Institute of Government. State tax revenues grew by 3.9% (y-o-y). Personal income and sales tax revenues were up 4.7% and 4.1%, respectively, but corporate tax collections fell 2.5%.