

Stock Index Performance

Index	Week	YTD	12-mo.	2010	5-yr
Dow Jones Industrial Avg. (11,824)	-0.41%	2.26%	20.02%	14.06%	4.38%
S&P 500 (1,276)	-0.53%	1.59%	20.07%	15.06%	2.02%
NASDAQ 100 (2,271)	0.10%	2.39%	29.19%	20.15%	6.46%
S&P 500 Growth	-0.44%	0.75%	20.73%	15.09%	3.23%
S&P 500 Value	-0.63%	2.48%	19.54%	15.13%	0.74%
S&P MidCap 400 Growth	0.43%	0.49%	34.57%	30.65%	5.85%
S&P MidCap 400 Value	0.35%	1.93%	26.87%	22.80%	4.07%
S&P SmallCap 600 Growth	0.92%	-0.45%	32.01%	28.43%	3.85%
S&P SmallCap 600 Value	0.56%	-0.57%	26.53%	25.01%	2.34%
MSCI EAFE	0.40%	2.27%	14.77%	7.75%	1.78%
MSCI World (ex US)	0.13%	1.00%	17.33%	11.15%	3.72%
MSCI World	-0.01%	1.79%	17.75%	11.76%	1.92%
MSCI Emerging Markets	-0.89%	-2.10%	22.43%	18.88%	10.06%

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 01/28/11.

S&P Sector Performance

Index	Week	YTD	12-mo.	2010	5-yr
Consumer Discretionary	-1.74%	-0.76%	29.92%	27.85%	3.72%
Consumer Staples	-1.63%	-1.31%	13.59%	14.12%	7.26%
Energy	1.16%	4.66%	30.15%	20.46%	6.86%
Financials	-1.36%	1.84%	15.03%	12.18%	-10.53%
Health Care	-1.80%	0.37%	2.28%	2.90%	1.55%
Industrials	0.00%	3.34%	31.24%	26.74%	3.88%
Information Technology	0.57%	3.55%	22.07%	10.22%	5.03%
Materials	0.94%	-1.63%	29.79%	22.34%	6.30%
Telecom Services	-0.53%	-2.92%	25.33%	18.97%	4.96%
Utilities	-0.91%	1.06%	11.44%	5.46%	3.50%

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 01/28/11.

Bond Index Performance

Index	Week	YTD	12-mo.	2010	5-yr
U.S. Treasury: Intermediate	0.46%	0.41%	4.46%	5.29%	5.51%
GNMA 30 Year	0.22%	0.07%	5.65%	6.71%	6.24%
U.S. Aggregate	0.40%	0.27%	5.48%	6.54%	5.84%
U.S. Corporate High Yield	0.60%	2.19%	16.21%	15.12%	9.08%
U.S. Corporate Investment Grade	0.58%	0.47%	8.19%	9.00%	6.18%
Municipal Bond: Long Bond (22+)	1.52%	-1.54%	-0.89%	1.12%	2.35%
Global Aggregate	0.28%	-0.09%	4.83%	5.55%	6.39%

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 01/28/11.

Key Rates

As of 01/28			
Fed Funds	0.00-0.25%	5-yr CD	2.27%
LIBOR (1-month)	0.26%	2-yr T-Note	0.53%
CPI - Headline	1.50%	5-yr T-Note	1.92%
CPI - Core	0.80%	10-yr T-Note	3.32%
Money Market Accts.	0.63%	30-yr T-Bond	4.53%
Money Market Funds	0.03%	30-yr Mortgage	4.81%
6-mo CD	0.74%	Prime Rate	3.25%
1-yr CD	1.10%	Bond Buyer 40	5.76%

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

Market Indicators

As of 01/28	
TED Spread	15 bps
Investment Grade Spread (A2)	172 bps
ML High Yield Master II Index Spread	504 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows for the Week Ended 1/19/11

Estimated Flows to Long-Term Mutual Funds				
	Current Week	Previous		
Domestic Equity	\$2.971 Billion	\$3.765 Billion		
Foreign Equity	\$1.651 Billion	\$2.775 Billion		
Taxable Bond	\$3.584 Billion	\$1.388 Billion		
Municipal Bond	-\$5.748 Billion	-\$2.368 Billion		
Change in Money Market Fund Assets				
	Current Week	Previous		
Retail	-\$5.07 Billion	\$0.28 Billion		
Institutional	\$1.26 Billion	-\$35.36 Billion		

Source: Investment Company Institute

Factoids for the week of January 24th – 28th

Monday, January 24, 2011

There was a dramatic drop-off in the number of companies filing for bankruptcy in 2010. BankruptcyData.com reported that 106 public companies filed, down from 211 in 2009, according to USA TODAY. Nine out of the top 10 filings were banks and financial firms. The credit situation in the debt markets continues to improve as well. Only 6.1% of companies with low credit ratings are considered to be distressed, down from over 80% in late 2008, according to Standard & Poor's.

Tuesday, January 25, 2011

As of midday yesterday, three of the top 5 performing stock markets (using most widely followed index) worldwide this year were Italy (#2), Spain (#3) and Greece (#4), according to Bespoke Investment Group. Nigeria was the top performer, up 12.11%. Italy, Spain and Greece were up 9.83%, 9.70% and 9.53%, respectively. The average return for the 81 countries tracked by Bespoke was 1.33%. The U.S. was up 2.57%. Germany, the strongest of the EU countries, was up 2.22%.

Wednesday, January 26, 2011

The current life expectancy for an American at birth is 77.9 years – 58% longer than in 1900, when the average life expectancy was 49 years, according to Bloomberg Businessweek. Medical advances are allowing people to live longer. For example, 95,000 fewer Americans died of heart disease in 2007 than in 2000 thanks to blood pressure medication, according to the U.S. Centers for Disease Control and Prevention. Living longer, however, comes at a cost. Adding 3.1 to 7.9 years to life expectancy by 2050 would add an estimated \$3.2 trillion to \$8.3 trillion to Medicare and Social Security outlays above current expectations, according to a study in 2009 by the MacArthur Foundation Research Network on an Aging Society.

Thursday, January 27, 2011

In 2010, emerging markets companies accounted for 33% (\$806 billion) of all global M&A activity (\$2.4 trillion), according to Thomson Reuters. The \$806 billion was 76% higher than 2009's tally. By 2020, the top 100 companies from 16 developing markets (BRICs +12) could collectively generate \$8 trillion in annual revenues, roughly equivalent to aggregate S&P 500 revenues today.

Friday, January 28, 2011

One of the key provisions in the Credit Card Accountability, Responsibility and Disclosure Act (CARD) is to make it harder for issuers to raise the interest rate levied on a credit card once it is activated. The downside is that issuers have hiked rates on new cards to near record levels to offset the limitations of the new regulations, which also targets fees. The average rate is now 14.72%, according to CNNMoney.com. Individuals with a credit score from 700 to 749 should be able to get a rate between 13% and 15%. A score of 650 to 699 will push the rate up to between 15% and 19%. Those individuals with extremely bad credit could be looking at a rate approaching 24.95%. The worst of the worst could end up with a rate of 59.9% APR.