

Stock Index Performance

Index	Week	YTD	12-mo.	2010	5-yr.
Dow Jones Industrial Avg. (10,771)	-6.41%	-5.16%	3.69%	14.06%	1.40%
S&P 500 (1,136)	-6.52%	-8.30%	3.07%	15.06%	-0.78%
NASDAQ 100 (2,207)	-4.30%	0.12%	12.30%	20.15%	7.05%
S&P 500 Growth	-5.84%	-4.20%	7.97%	15.09%	2.03%
S&P 500 Value	-7.30%	-12.56%	-1.90%	15.13%	-3.68%
S&P MidCap 400 Growth	-7.77%	-7.84%	8.92%	30.65%	5.38%
S&P MidCap 400 Value	-8.78%	-15.24%	-1.37%	22.80%	0.43%
S&P SmallCap 600 Growth	-7.40%	-9.32%	9.82%	28.43%	2.78%
S&P SmallCap 600 Value	-8.89%	-16.91%	0.49%	25.01%	-1.40%
MSCI EAFE	-6.80%	-17.31%	-10.78%	7.75%	-3.77%
MSCI World (ex US)	-8.29%	-18.83%	-11.50%	11.15%	-1.79%
MSCI World	-6.87%	-13.03%	-3.86%	11.76%	-2.13%
MSCI Emerging Markets	-11.78%	-23.58%	-15.74%	18.88%	4.76%

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 09/23/11.

S&P Sector Performance

Index	Week	YTD	12-mo.	2010	5-yr.
Consumer Discretionary	-5.28%	-3.39%	10.89%	27.85%	2.49%
Consumer Staples	-4.31%	2.83%	9.91%	14.12%	6.11%
Energy	-11.64%	-11.86%	10.67%	20.46%	4.19%
Financials	-9.48%	-25.92%	-16.54%	12.18%	-17.36%
Health Care	-4.48%	1.75%	6.31%	2.90%	1.19%
Industrials	-8.25%	-14.46%	-2.32%	26.74%	-0.78%
Information Technology	-3.83%	-3.59%	7.92%	10.22%	4.24%
Materials	-12.24%	-19.23%	-3.12%	22.34%	2.13%
Telecom Services	-3.71%	-3.30%	4.85%	18.97%	1.04%
Utilities	-1.67%	10.05%	12.68%	5.46%	4.02%

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 09/23/11.

Bond Index Performance

Index	Week	YTD	12-mo.	2010	5-yr.
U.S. Treasury: Intermediate	0.43%	6.17%	4.51%	5.29%	6.11%
GNMA 30 Year	-0.09%	6.88%	7.25%	6.71%	7.05%
U.S. Aggregate	0.68%	7.06%	5.90%	6.54%	6.59%
U.S. Corporate High Yield	-1.42%	0.35%	4.24%	15.12%	7.55%
U.S. Corporate Investment Grade	0.59%	6.67%	5.44%	9.00%	6.80%
Municipal Bond: Long Bond (22+)	1.94%	13.30%	5.06%	1.12%	4.26%
Global Aggregate	-0.43%	6.17%	5.97%	5.55%	6.83%

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 09/23/11.

Key Rates

As of 09/23/11

Fed Funds	0.00-0.25%	5-yr CD	1.66%
LIBOR (1-month)	0.23%	2-yr T-Note	0.21%
CPI - Headline	3.80%	5-yr T-Note	0.86%
CPI - Core	2.00%	10-yr T-Note	1.83%
Money Market Accts.	0.54%	30-yr T-Bond	2.89%
Money Market Funds	0.02%	30-yr Mortgage	4.02%
6-mo CD	0.53%	Prime Rate	3.25%
1-yr CD	0.83%	Bond Buyer 40	4.87%

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

Market Indicators

As of 09/23/11

TED Spread	35 bps
Investment Grade Spread (A2)	273 bps
ML High Yield Master II Index Spread	801 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows for the Week Ended 9/14/11

Estimated Flows to Long-Term Mutual Funds				
	Current Week		Previous	
Domestic Equity	-\$2.659	Billion	-\$1.131	Billion
Foreign Equity	\$666	Million	\$1.843	Billion
Taxable Bond	\$3.242	Billion	\$4.436	Billion
Municipal Bond	\$610	Million	\$424	Million

Change in Money Market Fund Assets				
	Current Week		Previous	
Retail	\$1.42	Billion	-\$4.84	Billion
Institutional	-\$13.24	Billion	-\$11.61	Billion

Source: Investment Company Institute

Factoids for the week of September 19th – 23rd

Monday, September 19, 2011

Data compiled by the Rockefeller Institute shows tax collections in the 46 states that have reported rose 11.4% (y-o-y) in Q2'11, the sixth consecutive quarter in which revenues were up, according to its own release. Tax revenues had declined significantly the five previous quarters. It was the strongest showing since Q2'05. All states reported growth in personal income taxes. Both personal income and corporate tax revenues increased 16.5%. Sales tax revenues rose 5.9%.

Tuesday, September 20, 2011

The Energy Information Administration (EIA) just released a report that forecasts a 53% rise in global energy use by 2035, with consumption strengthening in emerging nations like China and India, according to CNNMoney.com. The EIA sees fossil fuels remaining the dominant choice, with renewable sources accounting for just 14% of total consumption. It does not expect solar to become a significant energy source by 2035. The top three sources are expected to be oil (29%), coal (27%) and natural gas (23%). Nuclear power rounds out the group at 7%. With respect to oil, the North American rig count just reached an all-time high of 2,487, up 493 from a year ago, according to data from Baker Hughes.

Wednesday, September 21, 2011

S&P 500 stock buybacks totaled \$109.24 billion in Q2'11, up 40.7% from the \$77.64 billion executed in Q2'10, according to Standard & Poor's. It was the eighth consecutive quarter companies increased their buyback activity. Buybacks were up 21.6% over the \$89.84 billion repurchased in Q1'11. Buybacks peaked at \$172.0 billion in Q2'07. Information Technology was the most active sector accounting for 22.2% of all buybacks. Financials boosted their buybacks by 95.7% to \$14.4 billion from Q1'11 to Q2'11.

Thursday, September 22, 2011

The Department of Education reported that nearly 10% of all federal student loan borrowers defaulted over a 24-month span that ended September 30, 2010, according to SmartMoney.com. The default rate was 7% in 2008. A loan is considered in default when the borrower has failed to make a payment in over 270 days. Unlike credit card debt (bankruptcy protection) and mortgage debt (foreclosure), federal student loan debt can't be discharged. Two out of three recent graduates are carrying education loans averaging around \$24,000, according to Reuters.

Friday, September 23, 2011

At the start of 2011, Wall Street strategists offered a consensus year-end price target of 1374 for the S&P 500, according to Bespoke Investment Group. That target was forecasting a gain of approximately 9.3%. Bloomberg polls a dozen strategists each week for their estimates. The most optimistic consensus target given this year was 1406 on May 24, or a gain of 11.9%. This week's consensus target was 1311, or a gain of 4.3% from the 1257 close on 12/31/10. If it were to prove accurate, it would represent a gain of approximately 16.5% from the 1125 reading reached in today's trading session. The most optimistic target from this week's poll was JPMorgan's 1475, while the least favorable was the 1100 target from Credit Suisse.