

Stock Index Performance

Index	Week	YTD	12-mo.	2011	5-yr.
Dow Jones Industrial Avg. (12,862)	1.62%	5.46%	9.53%	8.41%	3.11%
S&P 500 (1,345)	2.22%	7.11%	5.09%	2.12%	0.68%
NASDAQ 100 (2,529)	2.78%	11.11%	9.95%	3.69%	7.82%
S&P 500 Growth	1.92%	6.26%	7.98%	4.70%	3.24%
S&P 500 Value	2.57%	8.13%	2.32%	-0.48%	-1.91%
S&P MidCap 400 Growth	3.26%	10.65%	6.31%	-0.95%	6.38%
S&P MidCap 400 Value	2.97%	10.51%	3.51%	-2.40%	2.54%
S&P SmallCap 600 Growth	4.01%	10.10%	11.73%	3.67%	5.17%
S&P SmallCap 600 Value	4.44%	13.50%	10.05%	-1.34%	2.18%
MSCI EAFE	2.27%	8.36%	-8.45%	-12.14%	-3.57%
MSCI World (ex US)	2.43%	9.76%	-7.72%	-13.71%	-1.45%
MSCI World	2.24%	7.82%	-2.07%	-5.54%	-1.32%
MSCI Emerging Markets	3.16%	14.52%	-5.19%	-18.42%	5.02%

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 2/3/12.

S&P Sector Performance

Index	Week	YTD	12-mo.	2011	5-yr.
Consumer Discretionary	1.96%	8.26%	13.31%	6.24%	3.00%
Consumer Staples	0.92%	-0.12%	14.84%	14.03%	7.10%
Energy	1.50%	4.34%	-0.12%	4.72%	5.66%
Financials	4.30%	13.44%	-9.68%	-17.07%	-15.00%
Health Care	1.07%	4.36%	15.13%	12.77%	2.96%
Industrials	1.99%	9.94%	3.48%	-0.59%	1.86%
Information Technology	3.18%	10.47%	6.31%	2.43%	5.61%
Materials	1.99%	13.35%	-0.45%	-9.68%	3.33%
Telecom Services	2.36%	-1.23%	6.19%	6.33%	0.29%
Utilities	0.41%	-3.19%	13.72%	20.02%	2.84%

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 2/3/12.

Bond Index Performance

Index	Week	YTD	12-mo.	2011	5-yr.
U.S. Treasury: Intermediate	-0.14%	0.17%	7.16%	6.57%	6.07%
GNMA 30 Year	-0.07%	0.18%	8.92%	7.97%	6.97%
U.S. Aggregate	-0.06%	0.45%	8.89%	7.84%	6.58%
U.S. Corporate High Yield	0.51%	3.57%	5.99%	4.98%	8.01%
U.S. Corporate Investment Grade	0.10%	1.67%	10.41%	8.15%	7.15%
Municipal Bond: Long Bond (22+)	0.31%	3.43%	21.62%	14.88%	4.94%
Global Aggregate	0.26%	1.56%	7.43%	5.64%	6.99%

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 2/3/12.

Key Rates

As of 2/3/12

Fed Funds	0.00-0.25%	5-yr CD	1.34%
LIBOR (1-month)	0.27%	2-yr T-Note	0.23%
CPI - Headline	3.00%	5-yr T-Note	0.76%
CPI - Core	2.20%	10-yr T-Note	1.92%
Money Market Accts.	0.44%	30-yr T-Bond	3.12%
Money Market Funds	0.02%	30-yr Mortgage	3.88%
6-mo CD	0.41%	Prime Rate	3.25%
1-yr CD	0.64%	Bond Buyer 40	4.54%

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

Market Indicators

As of 2/3/12

TED Spread	45 bps
Investment Grade Spread (A2)	242 bps
ML High Yield Master II Index Spread	645 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 1/25/12			
	Current Week	Previous	
Domestic Equity	\$851 Million	-\$804	Million
Foreign Equity	\$323 Million	\$320	Million
Taxable Bond	\$6.610 Billion	\$3.813	Billion
Municipal Bond	\$1.196 Billion	\$1.743	Billion

Change in Money Market Fund Assets for the Week Ended 2/1/12			
	Current Week	Previous	
Retail	-\$4.51 Billion	-\$5.73	Billion
Institutional	-\$16.77 Billion	-\$8.95	Billion

Source: Investment Company Institute

Factoids for the week of January 30th – February 3rd

Monday, January 30, 2012

Cushman & Wakefield reported that more than 306 million square feet of new industrial leases were completed in 2011, up 14% from 2010, and the highest level since 2007, according to the *Los Angeles Times*. Of the 33 U.S. industrial markets tracked by the brokerage, 22 reported increases in activity. Jim Dieter, head of U.S. Industrial Brokerage for Cushman & Wakefield, believes the recovery in industrials will gain momentum over the next 12-24 months.

Tuesday, January 31, 2012

The Congressional Budget Office released a study that showed that the average federal worker takes home 16% more in total compensation (includes pension and health benefits) than do private sector workers in a comparable profession, according to MSN.com. The average federal worker earns close to 2% more if you only take income into account. There is a distinction between skilled workers and lower-skilled workers. Federal workers with a professional degree or doctorate earn, on average, 23% less than private sector employees. Lower-skilled workers with just a high school diploma or less earn 21% more in wages if they work for the government.

Wednesday, February 1, 2012

More investors are turning to social media for "real-time" information on publicly traded companies and the financial industry, according to Yahoo.com. StockTwits, an investment community that is built on the Twitter microblog platform, reported a 300% surge in traffic from the start of 2011 through Q3'11, when volatility in the stock market ramped up. The VIX Index level (S&P 500) rose from 17.75 to 42.96 in the period. A reading near 20 is about the historical norm.

Thursday, February 2, 2012

In January, the dividend-payers (395) in the S&P 500 (equal weight) posted a total return of 4.89%, vs. 8.19% for the non-payers (105), according to Standard & Poor's. For the 12-month period ended January, payers were up 4.18%, vs. a loss of 2.09% for the non-payers. The number of dividend increases in January totaled 32, up from 29 increases a year ago. There were no decreases, which was the case a year ago. One company initiated a dividend, which matched the one initiated in 1/11.

Friday, February 3, 2012

As of the end of January, nearly 40% of the companies in the S&P 500 had reported their quarterly earnings for Q4'11, according to SmartMoney.com. One of the best performing sectors was technology, with 68% of companies topping analysts' estimates, according to Thomson Reuters. The beat rate for the S&P 500 was 59%. The tech sector of the S&P 500 currently holds \$380 billion in cash and equivalents (doesn't include long-term securities), which is equal to 15% of its market value and is more than any other sector, according to Howard Silverblatt, senior index analyst at S&P. With respect to volatility, S&P data indicates that share price fluctuations for tech stocks have been no more volatile over the past five years than the S&P 500, according to SmartMoney.com.