

Stock Index Performance

Index	Week	YTD	12-mo.	2011	5-yr.
Dow Jones Industrial Avg. (13,081)	-1.15%	7.74%	11.20%	8.41%	3.76%
S&P 500 (1,397)	-0.49%	11.64%	10.00%	2.12%	1.63%
NASDAQ 100 (2,729)	0.59%	20.07%	21.42%	3.69%	9.53%
S&P 500 Growth	-0.37%	11.02%	13.44%	4.70%	4.36%
S&P 500 Value	-0.64%	12.37%	6.66%	-0.48%	-1.12%
S&P MidCap 400 Growth	-0.67%	13.72%	6.91%	-0.95%	6.67%
S&P MidCap 400 Value	-1.31%	12.36%	4.00%	-2.40%	2.47%
S&P SmallCap 600 Growth	0.34%	10.87%	9.80%	3.67%	5.00%
S&P SmallCap 600 Value	-0.26%	12.48%	8.18%	-1.34%	2.00%
MSCI EAFE	-1.48%	10.82%	-4.33%	-12.14%	-3.61%
MSCI World (ex US)	-1.55%	11.25%	-5.17%	-13.71%	-1.62%
MSCI World	-0.94%	11.10%	2.05%	-5.54%	-0.93%
MSCI Emerging Markets	-1.99%	14.06%	-4.95%	-18.42%	4.80%

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 3/23/12.

S&P Sector Performance

Index	Week	YTD	12-mo.	2011	5-yr.
Consumer Discretionary	0.66%	14.87%	19.11%	6.24%	4.75%
Consumer Staples	0.55%	4.30%	17.96%	14.03%	8.02%
Energy	-2.99%	4.37%	-4.03%	4.72%	5.19%
Financials	0.05%	21.50%	-1.15%	-17.07%	-13.35%
Health Care	-0.58%	6.15%	16.45%	12.77%	3.66%
Industrials	-2.06%	10.43%	3.85%	-0.59%	1.90%
Information Technology	0.28%	20.28%	21.19%	2.43%	7.72%
Materials	-0.67%	10.94%	-1.23%	-9.68%	2.04%
Telecom Services	-0.42%	3.55%	11.36%	6.33%	0.78%
Utilities	-0.43%	-2.93%	15.46%	20.02%	1.31%

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 3/23/12.

Bond Index Performance

Index	Week	YTD	12-mo.	2011	5-yr.
U.S. Treasury: Intermediate	0.15%	-0.66%	5.43%	6.57%	5.57%
GNMA 30 Year	0.00%	0.26%	7.68%	7.97%	6.71%
U.S. Aggregate	0.22%	0.18%	7.28%	7.84%	6.20%
U.S. Corporate High Yield	-0.13%	5.25%	6.60%	4.98%	8.06%
U.S. Corporate Investment Grade	0.33%	1.96%	8.80%	8.15%	6.87%
Municipal Bond: Long Bond (22+)	0.29%	3.57%	18.54%	14.88%	4.71%
Global Aggregate	0.67%	0.51%	4.23%	5.64%	6.26%

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 3/23/12.

Key Rates

As of 3/23/12

Fed Funds	0.00-0.25%	5-yr CD	1.41%
LIBOR (1-month)	0.24%	2-yr T-Note	0.35%
CPI - Headline	2.90%	5-yr T-Note	1.08%
CPI - Core	2.20%	10-yr T-Note	2.23%
Money Market Accts.	0.47%	30-yr T-Bond	3.30%
Money Market Funds	0.03%	30-yr Mortgage	4.03%
6-mo CD	0.44%	Prime Rate	3.25%
1-yr CD	0.69%	Bond Buyer 40	4.65%

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

Market Indicators

As of 3/23/12

TED Spread	39 bps
Investment Grade Spread (A2)	215 bps
ML High Yield Master II Index Spread	596 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 3/14/12			
	Current Week	Previous	
Domestic Equity	-\$2.878 Billion	-\$1.378 Billion	
Foreign Equity	\$306 Million	\$1.252 Billion	
Taxable Bond	\$7.772 Billion	\$9.078 Billion	
Municipal Bond	\$1.324 Billion	\$1.655 Billion	
Change in Money Market Fund Assets for the Week Ended 3/21/12			
	Current Week	Previous	
Retail	\$1.81 Billion	-\$5.90 Billion	
Institutional	-\$17.30 Billion	-\$2.29 Billion	

Source: Investment Company Institute

Factoids for the week of March 19th – 23th

Monday, March 19, 2012

S&P Capital IQ reported that dividend payments are back to record levels in the S&P 500 even though the index trades 10% below its all-time high of 1565.15 on 10/7/09, according to USA TODAY. S&P 500 companies are on pace to pay a record \$263 billion in stock dividends to shareholders over the next 12 months, topping the \$253 billion they were paying back in June 2008. Banks now account for 13% of dividends, up from 9% in 2009. Companies can pay more. They are only distributing 30% of earnings as dividends, well below the long-term average of 52%.

Tuesday, March 20, 2012

A study by the Boston Consulting Group revealed that the Internet accounted for \$684 billion of all U.S. economic activity in 2010, or 4.7%, according to CNNMoney.com. That outpaced the federal government, which contributed \$625 billion, or 4.3% of the nation's output. E-commerce still only accounts for approximately 5% of total U.S. retail sales.

Wednesday, March 21, 2012

While home prices continued to decline in 2011 (down 4.0%), existing home sales rose from 4.19 million in 2010 to 4.26 million, according to CNNMoney.com. The low for sales was 4.1 million in 2008. Home prices are down about 34%, on average, from their peak in June 2006. In January, the inventory of unsold homes stood at just 6.1 months worth of supply, the lowest since the spring of 2006. Six months is considered ideal for a healthy housing market. The key moving forward is to track the number of new foreclosures hitting the market now that a settlement (\$25 billion) has been reached between the federal government and 49 state attorneys general with the five major banks accused of mortgage fraud. The proceeding had slowed foreclosure activity for the past year.

Thursday, March 22, 2012

Data compiled by the Rockefeller Institute shows that total state tax collections rose 2.7% (y-o-y) in Q4'11, the eighth consecutive quarter in which revenues were up, according to its own release. The y-o-y growth in tax revenues was more modest than in recent quarters due to some legislated changes in Illinois (increased revenue) and California (revenue fell) that resulted in large fluctuations in collections. Excluding those two states, overall tax receipts were up 4.4%. Eight states reported double-digit growth. Personal income tax revenues rose 3.5%. Corporate income tax revenues fell 3.8%, while sales tax revenues rose 1.8%.

Friday, March 23, 2012

Data from Standard & Poor's revealed that, since 1953, U.S. stocks actually posted their best returns when the yield on the 10-year T-note rose to around 4.0%, according to Businessweek.com. The S&P 500 gained an average of 1.7% per month during periods when yields climbed to a range of 3.0% to 4.0%. Stock prices usually retrace when the yield on the 10-year T-note tops 6.0%. Sam Stovall, S&P's chief equity strategist, defined this "sweet spot" as a period where growth in the economy reduces unemployment, increases corporate earnings, but does not trigger growth-slowness efforts by the Federal Reserve.