Market Watch

Week of January 7th

STOCK INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2007	5-yr.
DOW JONES 30 (12800)	-4.20%	-3.47%	4.92%	8.88%	10.75%
S&P 500 (1412)	-4.50%	-3.84%	1.42%	5.49%	11.21%
NASDAQ 100 (1964)	-6.81%	-5.82%	10.04%	19.24%	14.15%
S&P 500/Citigroup Growth	-4.55%	-3.71%	5.08%	9.25%	9.40%
S&P 500/Citigroup Value	-4.46%	-3.99%	-1.97%	2.03%	13.09%
S&P MidCap 400/Citigroup Growth	-4.84%	-4.17%	8.23%	13.55%	13.85%
S&P MidCap 400/Citigroup Value	-5.71%	-5.29%	-3.23%	2.84%	15.28%
S&P SmallCap600/Citigroup Growth	-5.50%	-4.68%	1.07%	5.66%	14.83%
S&P SmallCap600/Citigroup Value	-6.72%	-6.17%	-11.25%	-5.19%	14.00%
MSCI EAFE	-1.99%	-1.96%	9.23%	11.76%	21.23%
MSCI World (ex US)	-2.07%	-1.95%	10.78%	13.04%	21.74%
MSCI World	-3.21%	-2.85%	6.49%	9.69%	16.26%
MSCI Emerging Markets	-1.74%	-1.63%	37.81%	39.23%	35.23%

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 01/04/08.

S&P SECTOR PERFORMANCE

Index	Week	YTD	12-mo.	2007	5-yr.
Consumer Discretionary	-6.40%	-6.15%	-18.86%	-13.21%	6.80%
Consumer Staples	-3.21%	-2.20%	11.02%	14.36%	9.50%
Energy	-2.73%	-1.48%	40.19%	34.41%	28.46%
Financials	-5.16%	-5.80%	-23.37%	-18.52%	6.46%
Health Care	-2.18%	-1.30%	4.75%	7.32%	6.42%
Industrials	-4.39%	-3.69%	7.61%	12.04%	13.63%
Information Technology	-7.76%	-6.67%	6.31%	16.30%	11.18%
Materials	-3.07%	-2.22%	21.32%	22.53%	17.93%
Telecom Services	-4.07%	-2.41%	9.82%	11.88%	11.41%
Utilities	-1.56%	-0.70%	18.42%	19.38%	20.55%

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 01/04/08.

BOND INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2007	5-yr.
U.S. Treasury: Intermediate	1.22%	0.97%	9.48%	8.83%	3.91%
GNMA 30 Year	1.06%	0.77%	7.24%	6.97%	4.59%
U.S. Aggregate	1.23%	0.91%	7.37%	6.96%	4.75%
U.S. Corporate High Yield	-0.65%	-0.71%	0.87%	1.87%	10.69%
U.S. Corporate Investment Grade	1.29%	0.94%	4.89%	4.56%	5.20%
Municipal Bond: Long Bond (22+)	1.32%	1.05%	1.19%	0.45%	5.63%
Global Aggregate	1.78%	1.59%	1.34%	9.48%	6.99%

Source: Lehman Bros. Returns include reinvested interest. *The 5-yr. return is an average annual.* One-week, YTD, 12-mo. and 5-yr. performance returns calculated through 01/04/08.

KEY RATES

As of 01/04

Fed Funds	4.25%	5-YR CD	4.30%
LIBOR (1-month)	4.60%	2-YR Note	2.73%
CPI - Headline	4.30%	5-YR Note	3.18%
CPI - Core	2.30%	10-YR Note	3.87%
Money Market Accts.	3.40%	30-YR T-Bond	4.37%
Money Market Funds	4.06%	30-YR Mortgage	5.96%
6-mo. CD	4.20%	Prime Rate	7.25%
1-YR CD	4.32%	Bond Buyer 40	4.79%

Sources: Bankrate.com, iMoneyNet.com and Bloomberg

WEEKLY FUND FLOWS

	Week of 01/02	Previous
Equity Funds	**-$8.3 B**	**-$12.6B**

Including ETF activity, Domestic funds reporting net outflows of -$8.228 B and Non-domestic funds reporting net outflows of -$115 M.

Bond Funds	**$139 M**	**$2 B**

Net outflows are reported in all sectors but High Quality Corporate Bond funds, $101 Mil, Treasury Bond funds, $73 Mil, and International & Global Debt funds, $561 Mil.

Municipal Bond Funds	**-$571 M**	**-$444 M**
Money Markets	**$8.563 B**	**-$11.485 B**

Source: AMG Data Services

FACTOIDS FOR THE WEEK OF DECEMBER 31ST - JANUARY 4TH

Monday, December 31, 2007 — Credit cards and auto loans
Credit card and auto loan delinquencies are starting to rise based on the most recent data. The value of credit card payments at least 30 days late jumped 26% (y-o-y) to $17.3 billion in October, according to the Associated Press. Credit card defaults, which occur when lenders write off the debt as a loss because there is little or no chance of it being repaid, were up 18% to nearly $961 million in October, according to data from the Securities and Exchange Commission. Lehman Brothers data shows that 4.5% of auto loans made in 2006 to top-rated borrowers were 30 days delinquent as of September, up from 2.9% in August. It was the biggest one-month increase in eight years. Delinquencies for subprime car owners rose from 11.1% in August to 12% in September.

Tuesday, January 1, 2008 — New Years Day
None

Wednesday, January 2, 2008 — Commodities
Commodities posted strong gains over the past two calendar years, in part, because of continued weakness in the U.S. dollar. The dollar declined 13.97% versus a basket of major currencies over that span. According to *USA TODAY*, here are the results for some of the better known commodities (**2007**; 2006): Wheat *bushel* (**76.6%**; 47.8%); Soybeans *bushel* (**75.4%**; 13.5%); Light Sweet Crude Oil *barrel* (**57.2%**; unchanged); Platinum *troy oz.* (**34.2%**; 17.1%); Gold *troy oz.* (**33.1%**; 21.3%); Corn *bushel* (**16.7%**; 80.7%); Silver *troy oz.* (**15.6%**; 45.2%); and Cattle *lb.* (**6.4%**; 2.2%).

Thursday, January 3, 2008 — Dividend-payers vs. non-payers
In December, the dividend-payers (390) in the S&P 500 (equal weight) posted a total return of -1.53%, vs. -2.53% for the non-payers (110), according to Standard & Poor's. In 2007, the payers gained 0.73%, vs. -0.77% for the non-payers. The 2007 return for the weighted version of the S&P 500 was 5.49%. The number of dividend increases (S&P 500) totaled 287. That lagged the 299 increases in 2006 and the 306 increases registered in 2005.

Friday, January 4, 2008 — Most bullish sectors and stocks
The Q4'07 edition of *the Investment Manager Outlook*, a survey of investment managers conducted by Russell Investment Group, says that money managers continue to be most bullish on large-cap growth stocks over all other asset classes. Seventy-five percent of those managers polled are bullish, up from 69% in Q3'07. Non-U.S. developed markets came in second at 61% (57% in Q3) followed by mid-cap growth stocks at 60% (53% in Q3). The sectors that managers are most bullish on are technology at 78% (73% in Q3) and health care at 73% (69% in Q3).