First Trust Market Watch

Week of November 24th

STOCK INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2007	5-yr.
DOW JONES 30 (8046)	-5.20%	-37.77%	-35.37%	8.88%	-1.24%
S&P 500 (800)	-8.33%	-44.39%	-42.23%	5.49%	-3.19%
NASDAQ 100 (1086)	-7.93%	-47.69%	-45.59%	19.24%	-4.18%
S&P 500/Citigroup Growth	-5.78%	-41.17%	-38.81%	9.25%	-3.50%
S&P 500/Citigroup Value	-11.23%	-47.81%	-45.87%	2.03%	-3.01%
S&P MidCap 400/Citigroup Growth	-11.25%	-48.70%	-46.12%	13.55%	-3.78%
S&P MidCap 400/Citigroup Value	-11.17%	-46.89%	-44.96%	2.84%	-2.28%
S&P SmallCap600/Citigroup Growth	-10.17%	-44.23%	-42.51%	5.66%	-1.91%
S&P SmallCap600/Citigroup Value	-10.29%	-43.19%	-41.67%	-5.19%	-2.14%
MSCI EAFE	-10.27%	-52.03%	-50.93%	11.76%	0.65%
MSCI World (ex US)	-10.59%	-52.10%	-50.91%	13.04%	0.90%
MSCI World	-9.55%	-48.62%	-46.98%	9.69%	-1.28%
MSCI Emerging Markets	-11.81%	-61.67%	-59.71%	39.23%	5.23%

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 11/21/08.

S&P SECTOR PERFORMANCE

Index	Week	YTD	12-mo.	2007	5-yr.
Consumer Discretionary	-8.59%	-46.26%	-46.06%	-13.21%	-8.84%
Consumer Staples	-1.94%	-19.14%	-17.29%	14.36%	4.21%
Energy	-4.28%	-38.96%	-33.31%	34.41%	15.38%
Financials	-23.67%	-65.90%	-64.85%	-18.52%	-15.97%
Health Care	-8.15%	-31.95%	-30.81%	7.32%	-1.94%
Industrials	-7.53%	-47.16%	-45.12%	12.04%	-2.38%
Information Technology	-5.94%	-48.54%	-46.31%	16.30%	-6.54%
Materials	-11.26%	-52.66%	-48.70%	22.53%	-1.26%
Telecom Services	-9.02%	-40.69%	-37.19%	11.88%	2.78%
Utilities	-0.01%	-30.80%	-29.26%	19.38%	9.68%

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 11/21/08.

BOND INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2007	5-yr.
U.S. Treasury: Intermediate	1.45%	8.54%	8.99%	8.83%	4.88%
GNMA 30 Year	0.65%	4.98%	5.78%	6.97%	4.97%
U.S. Aggregate	0.33%	0.22%	1.03%	6.97%	3.71%
U.S. Corporate High Yield	-8.05%	-32.36%	-31.32%	1.88%	-2.03%
U.S. Corporate Investment Grade	-0.07%	-11.87%	-11.99%	4.56%	0.67%
Municipal Bond: Long Bond (22+)	-0.92%	-12.98%	-12.33%	0.46%	1.43%
Global Aggregate	0.34%	-2.68%	-3.67%	9.48%	4.05%

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 11/21/08.

KEY RATES

As of 11/21

Fed Funds	1.00%	5-YR CD	3.85%
LIBOR (1-month)	1.45%	2-YR Note	1.08%
CPI - Headline	3.70%	5-YR Note	2.01%
CPI - Core	2.20%	10-YR T-Bond	3.19%
Money Market Accts.	2.40%	30-YR T-Bond	3.67%
Money Market Funds	1.37%	30-YR Mortgage	5.94%
6-mo. CD	2.90%	Prime Rate	4.00%
1-YR CD	3.42%	Bond Buyer 40	6.01%

Sources: Bankrate.com, iMoneyNet.com and Bloomberg

MARKET INDICATORS

As of 11/21

TED Spread: 214 bps	Investment Grade Spread (A2): 612 bps	ML High Yield Master II Index Spread: 1947 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

WEEKLY FUND FLOWS

	Week of 11/19	Previous
Equity Funds	**$3.5 B**	**$2.6 B**
Including ETF activity, Domestic funds reported net inflows of $3.987B and Non-domestic funds reported net outflows of -$438M.		
Bond Funds	**-$5.0 B**	**-$1.5 B**
Municipal Bond Funds	**-$397 M**	**-$163 M**
Money Markets	**$42.353 B**	**$23.024 B**

Source: AMG Data Services

FACTOIDS FOR THE WEEK OF NOVEMBER 17TH - NOVEMBER 21ST

Monday, November 17, 2008
The S&P Indices Versus Active Funds (SPIVA) Scorecard report for Mid Year 2008 was released this past week and it revealed that active fund managers had a difficult time outperforming their respective benchmarks for the 5-yr. period ended June 30, 2008. Over that span, the S&P 500 (+44.1%) outperformed 68.6% of actively managed large-cap funds, while the S&P 400 (+81.0%) outperformed 75.9% of actively managed mid-cap funds, according to Standard & Poor's. The S&P 600 (+73.1%) outperformed 77.8% of actively managed small-cap funds. With respect to fixed-income funds, indices outperformed actively managed funds in 12 out of 13 categories. Only emerging market bond funds topped their benchmark.

Tuesday, November 18, 2008
There are currently just 19 stocks in the Russell 3000 priced above $100 per share, down from 82 when the market peaked on October 9, 2007, but more than the 11 at the low-point of the market on October 9, 2002, according to Bespoke Investment Group. There are currently 1,228 stocks trading below $10 per share, up significantly from 338 on October 9, 2007, and still well above the 884 that closed below $10 on October 9, 2002.

Wednesday, November 19, 2008
With 94% of the data collected, Q3'08 operating earnings for the S&P 500 reflect a decline of 21.6% (YOY) – the fifth consecutive quarter of negative earnings growth for the index, according to Standard & Poor's. The strongest showing was Energy (+89.1%), while the poorest showing by far was Financials (-192.8%). If you exclude Financials, earnings were actually up 18% thanks to the strong showing by Energy.

Thursday, November 20, 2008
Since 1953, the U.S. has endured nine recessions not counting the one we are in now, according to Ernie Ankrim, Ph.D., and Chief Investment Strategist at Russell Investments. The average duration for these recessions was 10.3 months, with the longest lasting 16 months. Using the Ibbotson Associates Equity Index (1952-January 1962) and the S&P 500 (February 1962-2002) to track the performance of stocks during these recessions, Ankrim discovered the following: If an investor would have bought stocks at the trough of each recession they would have enjoyed an average return of 17.6% for the 12 months following; however, had they bought 6 months prior to the bottom of the recession they would have reaped an average return of 27.8%. GDP in Q3'08 was -0.3% (annualized). Since World War II, stocks have recouped roughly one-third of their bear market losses in the first 40 days after the market hits bottom, according to Sam Stovall, chief investment strategist at Standard & Poor's Equity Research.

Friday, November 21, 2008
From the peak in the S&P 500 on October 9, 2007, through November 19, 2008, the market value of the 500 constituents in the index declined by $6.69 trillion, according to Howard Silverblatt, index analyst at Standard & Poor's. That is nearly $1 trillion more than the $5.76 trillion lost in the bear market at the start of the decade (2000-2002). Y-T-D, the total market cap of U.S. equities is down 46.9% to $9.4 trillion, according to Bloomberg. The total market cap of all global equities markets is down 53.3% to $28.4 trillion (USD).