First Trust Market Watch

Week of September 29th

STOCK INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2007	5-yr.
DOW JONES 30 (11143)	-2.13%	-14.35%	-17.59%	8.88%	6.07%
S&P 500 (1213)	-3.30%	-16.05%	-18.77%	5.49%	5.97%
NASDAQ 100 (1672)	-4.18%	-19.53%	-19.53%	19.24%	5.44%
S&P 500/Citigroup Growth	-2.65%	-15.12%	-16.03%	9.25%	4.46%
S&P 500/Citigroup Value	-4.01%	-17.00%	-21.48%	2.03%	7.50%
S&P MidCap 400/Citigroup Growth	-6.12%	-12.38%	-12.72%	13.55%	8.50%
S&P MidCap 400/Citigroup Value	-6.53%	-10.08%	-13.82%	2.84%	10.50%
S&P SmallCap600/Citigroup Growth	5.55%	-6.05%	-11.78%	5.66%	10.75%
S&P SmallCap600/Citigroup Value	-6.27%	-3.38%	-10.77%	-5.19%	11.03%
MSCI EAFE	-1.65%	-23.47%	-23.35%	11.76%	11.74%
MSCI World (ex US)	-1.96%	-22.70%	-22.48%	13.04%	12.31%
MSCI World	-2.71%	-19.51%	-20.52%	9.69%	9.05%
MSCI Emerging Markets	-2.58%	-32.64%	-28.64%	39.23%	19.46%

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 09/26/08.

S&P SECTOR PERFORMANCE

Index	Week	YTD	12-mo.	2007	5-yr.
Consumer Discretionary	-4.38%	-10.27%	-19.28%	-13.21%	2.26%
Consumer Staples	-0.80%	-1.37%	2.91%	14.36%	9.28%
Energy	-3.28%	-12.93%	-8.67%	34.41%	23.68%
Financials	-6.04%	-25.40%	-35.83%	-18.52%	-0.82%
Health Care	-0.50%	-10.18%	-10.46%	7.32%	4.10%
Industrials	-5.62%	-19.17%	-22.53%	12.04%	7.28%
Information Technology	-1.59%	-19.99%	-19.96%	16.30%	3.19%
Materials	-9.62%	-16.66%	-16.23%	22.53%	12.17%
Telecom Services	-2.24%	-25.61%	-29.92%	11.88%	7.91%
Utilities	-1.25%	-17.19%	-12.78%	19.38%	13.49%

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 09/26/08.

BOND INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2007	5-yr.
U.S. Treasury: Intermediate	0.09%	4.53%	8.39%	8.83%	4.08%
GNMA 30 Year	-0.49%	3.84%	7.31%	6.97%	4.82%
U.S. Aggregate	-0.63%	1.11%	4.38%	6.97%	3.96%
U.S. Corporate High Yield	-3.80%	-8.15%	-9.30%	1.88%	4.84%
U.S. Corporate Investment Grade	-1.70%	-7.65%	-5.55%	4.56%	1.80%
Municipal Bond: Long Bond (22+)	-2.55%	-8.22%	-7.50%	0.46%	2.95%
Global Aggregate	0.52%	1.19%	5.24%	9.48%	5.27%

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 09/26/08.

KEY RATES

As of 09/26

Fed Funds	2.00%	5-YR CD	4.14%
LIBOR (1-month)	3.21%	2-YR Note	2.11%
CPI - Headline	5.40%	5-YR Note	3.05%
CPI - Core	2.50%	10-YR T-Bond	3.84%
Money Market Accts.	2.41%	30-YR T-Bond	4.36%
Money Market Funds	1.86%	30-YR Mortgage	5.89%
6-mo. CD	3.18%	Prime Rate	5.00%
1-YR CD	3.67%	Bond Buyer 40	5.83%

Sources: Bankrate.com, iMoneyNet.com and Bloomberg

WEEKLY FUND FLOWS

	Week of 09/24	Previous
Equity Funds	**$13.9 B**	**$4.4 B**

Including ETF activity, Domestic funds reporting net inflows of $14.763 B and Non-domestic funds reporting net outflows of -$867 M.

Bond Funds	**-$4.3 B**	**-$4.3 B**
Municipal Bond Funds	**-$398 M**	**$89 M**
Money Markets	**-$965 M**	**-$144.541 B**

General MM funds report net outflows of -$144 B and Government MM funds report net inflows of $143 B.

Source: AMG Data Services

FACTOIDS FOR THE WEEK OF SEPTEMBER 22ND - SEPTEMBER 26TH

Monday, September 22, 2008
Credit-card companies have been scaling back credit limits fearing that consumers will not be able to repay bigger balances in the current climate. Due to the credit crunch, banks are even cutting back individuals with FICO (Fair Isaac Corporation) scores as high as 720, according to the American Bankers Association. Scores typically range from 300 to 850. A score above 700 is viewed as very good to excellent. Anything below 560 is considered a bad credit risk. A Federal Reserve survey revealed that nearly 65% of domestic banks tightened their limits on cards in July, up from around 30% in April, according to SmartMoney.com.

Tuesday, September 23, 2008
Insider buying by executives indicates they are bullish, according to MarketWatch.com. Insiders sold just 1.3 shares of their companies' stock last week for every one bought, well below the neutral reading range of 2-to-1 to 2.5-to-1, according to Vickers Weekly Insider Report. Vickers also calculates an 8-week average and it currently stands at 1.69-to-1. The last time that insiders were this bullish was at the end of the bear market in 2002.

Wednesday, September 24, 2008
Holiday sales are expected to rise 2.2% to $470.40 billion in 2008, up from $460.24 billion in 2007, according to the National Retail Federation (NRF). For many retailers, the holiday shopping season can account for as much as 40% of their annual sales. If the NRF's forecast proves correct, it would be the weakest showing since 2002. Investors with money in the stock market should remember that the S&P 500 gained 28.67% in 2003 thanks to a rebounding economy, the Bush tax cuts, and an oversold market. Heading into 2009, U.S. stocks could be poised to post gains due to a rebound in the economy (housing), government stimulus (bailout of bad debt held by Fannie Mae, Freddie Mac, banks & Wall Street), and an oversold market.

Thursday, September 25, 2008
U.S. households have a combined $7.4 trillion stashed in money market funds, checking accounts and various savings vehicles, according to *Forbes*. You can add to that another $4.1 trillion in Treasuries and other bonds. That comes to $11.5 trillion, which is up from $8.9 trillion in 2000. That is almost enough capital to buy every company in the Wilshire 5000 Index.

Friday, September 26, 2008
The number of financial companies cutting or suspending their dividends is on the rise, according to data from Standard & Poor's. Year-to-date, 27 financials in the S&P 500 Index reduced or suspended their dividends, versus just five nonfinancial companies. From 2003 through 2007, only 12 financial firms cut their payouts.