

STOCK INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2006	5-yr.
DOW JONES 30 (12463)	0.97%	19.04%	18.30%	19.04%	6.56%
S&P 500 (1418)	0.56%	15.79%	15.23%	15.79%	5.95%
NASDAQ 100 (1757)	0.47%	7.28%	6.63%	7.28%	1.92%
S&P Citigroup Growth (L-C)	0.45%	11.03%	10.44%	11.03%	3.02%
S&P Citigroup Value (L-C)	0.68%	20.85%	20.32%	20.85%	8.88%
S&P 400 Citigroup Growth (M-C)	0.10%	5.90%	5.30%	5.90%	7.41%
S&P 400 Citigroup Value (M-C)	0.50%	14.98%	14.34%	14.98%	13.77%
S&P 600 Citigroup Growth (S-C)	0.50%	10.56%	9.69%	10.56%	11.16%
S&P 600 Citigroup Value (S-C)	1.12%	19.66%	18.86%	19.66%	13.28%
MSCI EAFE	0.92%	26.98%	25.78%	26.98%	15.85%
MSCI World (ex US)	0.94%	26.34%	25.18%	26.34%	16.09%
MSCI World	0.75%	20.72%	19.88%	20.72%	10.49%
MSCI Emerging Markets	2.25%	32.20%	31.99%	32.20%	26.55%

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 12/29/06.

WEEKLY FUND FLOWS

	Week of 12/27	Previous
Equity Funds	\$3.3 B	-\$10.5 B
Including ETF activity, Domestic funds reporting net inflows of \$4.278B and Non-domestic funds reporting net outflows of -\$994M.		
Bond Funds	\$1.0 B	\$1.5 B
Municipal Bond Funds	\$360 M	\$260 M
Money Markets	\$8.03 B	\$2.186 B

Source: AMG Data Services

S&P SECTOR PERFORMANCE

Index	Week	YTD	12-mo.	2006	5-yr.
Consumer Discretionary	0.41%	18.64%	17.92%	18.64%	5.41%
Consumer Staples	0.30%	14.58%	13.72%	14.58%	6.41%
Energy	0.58%	24.21%	24.54%	24.21%	18.84%
Financials	0.62%	19.23%	18.78%	19.23%	9.34%
Health Care	0.39%	7.53%	6.81%	7.53%	1.45%
Industrials	0.09%	13.29%	12.67%	13.29%	5.65%
Information Technology	0.82%	8.42%	7.79%	8.42%	0.28%
Materials	1.11%	18.98%	17.98%	18.98%	12.94%
Telecom Services	2.09%	36.74%	35.87%	36.74%	1.59%
Utilities	0.36%	20.99%	20.55%	20.99%	9.13%

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 12/29/06.

BOND INDEX PERFORMANCE

Index	Week	YTD	2006	5-yr.
U.S. Treasury: Intermediate	-0.22%	3.51%	3.51%	3.72%
GNMA 30 Year	-0.13%	4.62%	4.62%	4.82%
U.S. Aggregate	-0.22%	4.33%	4.33%	5.15%
U.S. Corporate High Yield	0.18%	11.85%	11.85%	10.15%
U.S. Corporate Inv. Grade	-0.29%	4.30%	4.30%	5.98%
Municipal Bond: 22 years +	-0.15%	6.82%	6.82%	7.33%
Global Aggregate	-0.22%	6.64%	6.64%	7.95%

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 12/29/06.

KEY RATES

As of 12/29

Fed Funds	5.25%	5-YR CD	4.69%
LIBOR (1-month)	5.35%	2-YR Note	4.80%
CPI - Headline	2.00%	5-YR Note	4.69%
CPI - Core	2.60%	10-YR Note	4.70%
Money Market Accts.	3.56%	30-YR T-Bond	4.81%
Money Market Funds	4.74%	30-YR Mortgage	6.09%
6-mo. CD	4.63%	Prime Rate	8.25%
1-YR CD	4.79%	Bond Buyer 40	4.58%

Sources: Bankrate.com, iMoneyNet.com and Bloomberg

FACTOIDS FOR THE WEEK OF DECEMBER 25TH - 29TH

Monday, December 25, 2006 — Holiday

None.

Tuesday, December 26, 2006 — 2006 IPOs

A strong fourth quarter has helped boost the performance of this year's initial public offerings (IPOs). IPOs launched throughout 2006 were up an average of 24% through December 8, vs. a 13% gain for the S&P 500, according to Renaissance Capital. Private equity firms have brought 77 issues to market in 2006, and their returns have averaged 23%, according to Dealogic. Two of this year's biggest winners were **Chipotle Mexican Grill**, up 151% since January, and **MasterCard**, up 157% since May, according to *BusinessWeek*.

Wednesday, December 27, 2006 — Bank Loans & Lending Rates

The demand for non-investment-grade floating-rate bank loans has been strong in 2006 as investors have taken advantage of the sharp rise in short-term lending rates. Loans are benchmarked off of the London Interbank Offered Rate (LIBOR), an average of rates set daily by banks in the U.K. That rate (3-mo.) has increased from 1.24% in June 2004 to 5.36% today, which is considerably higher than the 4.60% yield on the 10-yr. T-Note. Bank loans currently payout about 1.47 percentage points less than high yield corporate bonds, according to Lehman Brothers. The spread has averaged 2.30 percentage points over the past decade. Bank loans are also attractive because a high percentage of them are secured by the assets of the company. Investors have scooped up \$317 billion worth of bank loans this year, up from just \$32 billion in 2001 (recession), according to Bloomberg.

Thursday, December 28, 2006 — Dividend-Paying Stocks

The amount of stock dividends distributed by companies in the S&P 500 Index grew by 11% in 2006, below the 13% growth analysts had expected, according to Howard Silverblatt of S&P. Companies have opted instead for buying back stock. Companies in the index will have spent close to \$437 billion on buybacks by year-end, vs. roughly \$246 billion on dividends. A survey by Eaton Vance found that 70% of investors would prefer companies pay dividends rather than repurchase stock, according to *USA TODAY*.

Friday, December 29, 2006 — PC Sales

Worldwide PC sales grew by 9.1% (y-o-y) in the third quarter despite a zero increase in sales in the U.S., according to IDC. PC sales in the U.S. were up 5% in the first half of 2006. Sales growth in the U.S. averaged 10% from 2003 through 2005. Most of the worldwide growth is coming from developing countries. PC sales are expected to reach 229.4 million units (66.1 million in U.S.) worldwide in 2006. IDC expects 6.9% sales growth (70.7 million units) for the U.S. in 2007 and 11.3% growth (255.4 million units) worldwide.