

STOCK INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2006	5-yr.
DOW JONES 30 (12114)	-4.21%	-2.40%	12.46%	19.04%	5.49%
S&P 500 (1387)	-4.36%	-1.86%	9.65%	15.79%	6.03%
NASDAQ 100 (1726)	-6.16%	-1.66%	2.39%	7.28%	4.08%
S&P Citigroup Growth (L-C)	-4.49%	-2.35%	5.86%	11.03%	2.92%
S&P Citigroup Value (L-C)	-4.20%	-1.36%	13.63%	20.85%	9.17%
S&P 400 Citigroup Growth (M-C)	-5.33%	2.36%	3.17%	5.90%	8.42%
S&P 400 Citigroup Value (M-C)	-4.73%	2.92%	10.19%	14.98%	13.74%
S&P 600 Citigroup Growth (S-C)	-5.87%	-0.22%	2.62%	10.56%	11.63%
S&P 600 Citigroup Value (S-C)	-5.68%	-0.97%	7.39%	19.66%	12.57%
MSCI EAFE	-4.41%	0.25%	20.29%	26.98%	16.57%
MSCI World (ex US)	-4.46%	0.15%	19.26%	26.34%	16.78%
MSCI World	-4.42%	-0.63%	14.46%	20.72%	10.92%
MSCI Emerging Markets	-6.64%	-3.71%	13.29%	32.20%	23.90%

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 3/2/07.

WEEKLY FUND FLOWS

	Week of 2/28	Previous
Equity Funds	-\$3.8 B	\$9.4 B
Including ETF activity, Domestic funds reporting net outflows of -\$4.271B and Non-domestic funds reporting net inflows of \$422M.		
Bond Funds	\$1.2 B	\$1.9 B
Municipal Bond Funds	\$496 M	\$558 M
Money Markets	-\$23.654 B	\$22.627 B

Source: **AMG Data Services**

S&P SECTOR PERFORMANCE

Index	Week	YTD	12-mo.	2006	5-yr.
Consumer Discretionary	-5.13%	-1.54%	13.88%	18.64%	4.88%
Consumer Staples	-3.09%	-0.86%	12.55%	14.58%	4.93%
Energy	-5.03%	-5.49%	8.60%	24.21%	16.83%
Financials	-4.79%	-3.30%	12.06%	19.23%	9.16%
Health Care	-3.04%	-0.36%	4.63%	7.53%	1.43%
Industrials	-4.07%	-1.03%	9.06%	13.29%	5.78%
Information Technology	-5.73%	-3.31%	0.55%	8.42%	1.67%
Materials	-5.11%	4.47%	18.69%	18.98%	12.07%
Telecom Services	-1.99%	2.23%	23.93%	36.74%	4.94%
Utilities	-1.56%	3.73%	21.66%	20.99%	11.39%

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 3/2/07.

FACTOIDS FOR THE WEEK OF FEBRUARY 26TH - MARCH 2ND

Monday, February 26, 2007 — Online Sales

Online sales surged 24.6% (y-o-y) to \$29.3 billion in the fourth quarter of 2006, according to the U.S. Census Bureau. Online retail sales totaled \$108.7 billion in 2006, up 23.5% from 2005. Sales are expected to increase another 19% to \$129 billion in 2007, according to research from Cowen & Co. Sales are expected to grow at a double-digit pace for the rest of the decade, according to *BusinessWeek*.

Tuesday, February 27, 2007 — China

China's Shanghai Composite Index fell 8.8% on Tuesday in what is being characterized as a profit taking correction, according to MSNBC.com. It was the largest decline in 10 years. The index had set an all-time high on Monday. The sell-off may have been sparked by concerns that the government will need to do more to temper economic growth. The economy grew by 10.7% in 2006. On Monday, banks were required to raise the amount of money they must hold in reserve from 9.5% to 10% in an attempt to reduce the amount of capital available for lending. The government also raised short-term lending rates twice in 2006. The index has experienced a couple of large one-day declines in 2007 (-4.9% & -3.7%) and recovered from both.

Wednesday, February 28, 2007 — India

India's economy is growing at an estimated 9.2% in the current fiscal year ending in March, up from 9.0% in the previous fiscal year, according to *BusinessWeek*. India's government believes that it can maintain this growth momentum in the coming years despite a recent spike in inflation. The inflation rate reached a two-year high of 6.7% on February 3. Economic activity is being fueled by double-digit growth in industrial production (+10.0%) and services (+11.2%). In the last fiscal year, India's investment rate increased to 34%, up from 23% five years ago.

Thursday, March 1, 2007 — Market Corrections

Heading into Tuesday's trading session, the S&P 500 had gone 221 days without a 2% correction, according to *Forbes*. The S&P 500 declined 3.46% on Tuesday. The last time investors enjoyed a streak like that was in 1995 and it lasted 223 days. There is another streak likely to garner some attention moving forward and it involves the absence of a 10% correction in the current bull market. The market has gone 48 months without one, which is the second longest run in 78 years, according to James B. Stack, president of InvesTech Research. Corrections aside, there is a lot of liquidity sitting on the sideline. There was just under \$5 trillion in savings accounts, money market accounts and CDs at the end of 2006, a record high, according to data from the Federal Reserve.

Friday, March 2, 2007 — Dividend-Payers vs. Non-Dividend-Payers

In February, the dividend-payers (384) in the S&P 500 (equal weight) posted a total return of -0.30%, vs. -0.19% for the non-payers (116), according to Standard & Poor's. Year-to-date through February, the payers gained 2.10%, vs. 1.77% for the non-payers. For the 12-month period ended February 2007, payers gained 14.79%, vs. 8.26% for the non-payers. The number of dividend increases (S&P 500) year-to-date totaled 81, lagging the 91 and 94 increases registered over the same period in 2006 and 2005. The dividend yield on the S&P 500 was 1.81% at the end of February.

BOND INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2006	5-yr.
U.S. Treasury: Intermediate	0.76%	1.52%	5.44%	3.51%	3.81%
GNMA 30 Year	0.41%	1.27%	5.83%	4.62%	4.63%
U.S. Aggregate	0.66%	1.63%	6.14%	4.33%	5.11%
U.S. Corporate High Yield	-0.55%	2.17%	11.91%	11.85%	10.81%
U.S. Corporate Inv. Grade	0.81%	2.20%	6.89%	4.30%	6.15%
Municipal Bond: 22 years +	0.57%	1.51%	7.11%	6.82%	7.04%
Global Aggregate	1.02%	1.20%	7.21%	6.64%	8.18%

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 3/2/07.

KEY RATES

As of 3/2

Fed Funds	5.25%	5-YR CD	4.79%
LIBOR (1-month)	5.32%	2-YR Note	4.53%
CPI - Headline	2.10%	5-YR Note	4.43%
CPI - Core	2.70%	10-YR Note	4.50%
Money Market Accts.	3.60%	30-YR T-Bond	4.64%
Money Market Funds	4.75%	30-YR Mortgage	6.10%
6-mo. CD	4.60%	Prime Rate	8.25%
1-YR CD	4.85%	Bond Buyer 40	4.51%

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