

Stock Index Performance

Index	Week	YTD	12-mo.	2008	5-yr
Dow Jones Industrial Avg. (9865)	4.05%	15.36%	18.95%	-31.92%	2.21%
S&P 500 (1071)	4.58%	20.97%	20.92%	-36.99%	1.15%
NASDAQ 100 (1728)	3.94%	43.40%	36.52%	-41.57%	4.37%
S&P 500/Citigroup Growth	4.48%	24.04%	24.40%	-34.91%	2.00%
S&P 500/Citigroup Value	4.69%	17.72%	17.24%	-39.19%	0.24%
S&P MidCap 400/Citigroup Growth	6.17%	36.45%	33.16%	-37.58%	5.37%
S&P MidCap 400/Citigroup Value	5.56%	28.17%	27.77%	-34.78%	4.31%
S&P SmallCap600/Citigroup Growth	5.91%	23.78%	20.68%	-32.84%	3.88%
S&P SmallCap600/Citigroup Value	6.10%	19.68%	21.12%	-29.50%	2.53%
MSCI EAFE	4.49%	29.89%	22.20%	-43.07%	5.67%
MSCI World (ex US)	4.85%	38.38%	29.07%	-43.26%	7.83%
MSCI World	4.70%	26.36%	21.95%	-40.39%	3.42%
MSCI Emerging Markets	4.99%	70.29%	56.69%	-53.49%	17.21%

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 10/09/09.

S&P Sector Performance

Index	Week	YTD	12-mo.	2008	5-yr
Consumer Discretionary	4.99%	31.17%	31.68%	-33.49%	-1.11%
Consumer Staples	2.22%	11.40%	13.74%	-15.44%	6.72%
Energy	7.54%	11.97%	18.09%	-34.89%	10.11%
Financials	6.71%	23.65%	14.38%	-55.23%	-9.39%
Health Care	2.52%	10.35%	17.45%	-22.80%	2.47%
Industrials	4.49%	15.14%	12.14%	-39.92%	-0.24%
Information Technology	4.80%	48.21%	37.33%	-43.14%	3.63%
Materials	6.64%	41.05%	24.86%	-45.64%	4.79%
Telecom Services	-1.25%	-1.75%	18.52%	-30.47%	0.70%
Utilities	2.66%	4.28%	14.03%	-28.99%	6.62%

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 10/09/09.

Bond Index Performance

Index	Week	YTD	12-mo.	2008	5-yr
U.S. Treasury: Intermediate	-0.48%	-0.91%	5.06%	11.35%	4.77%
GNMA 30 Year	-0.05%	5.23%	10.32%	7.87%	5.79%
U.S. Aggregate	-0.35%	5.61%	11.44%	5.24%	5.07%
U.S. Corporate High Yield	0.92%	49.51%	36.06%	-26.16%	6.08%
U.S. Corporate Investment Grade	-0.47%	16.59%	25.04%	-4.94%	4.46%
Municipal Bond: Long Bond (22+)	-1.58%	25.16%	21.78%	-14.68%	4.65%
Global Aggregate	0.21%	8.31%	14.63%	4.79%	6.16%

Source: Barclays Capital. Returns are total returns. The 5-yr. return is an average annual. One-week, YTD, 12-mo. and 5-yr. performance returns calculated through 10/09/09.

Key Rates

As of 10/09

Fed Funds	0.00-0.25%	5-yr CD	2.90%
LIBOR (1-month)	0.24%	2-yr T-Note	0.96%
CPI - Headline	-1.50%	5-yr T-Note	2.34%
CPI - Core	1.40%	10-yr T-Note	3.38%
Money Market Accts.	1.08%	30-yr T-Bond	4.22%
Money Market Funds	0.05%	30-yr Mortgage	4.97%
6-mo. CD	1.35%	Prime Rate	3.25%
1-yr CD	1.72%	Bond Buyer 40	5.00%

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

Market Indicators

As of 10/09

TED Spread	21 bps
Investment Grade Spread (A2)	237 bps
ML High Yield Master II Index Spread	789 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows for the Week Ended 9/30/09

Estimated Flows to Long-Term Mutual Funds				
	Current Week		Previous	
Domestic Equity	-\$3.812	Billion	-\$2.029	Billion
Foreign Equity	-\$347	Million	\$152	Million
Taxable Bond	\$6.851	Billion	\$10.254	Billion
Municipal Bond	\$2.196	Billion	\$2.656	Billion
Change in Money Market Fund Assets				
	Current Week		Previous	
Retail	-\$2.91	Billion	-\$12.99	Billion
Institutional	\$19.63	Billion	-\$40.54	Billion

Source: Investment Company Institute

Factoids for the week of October 5th – 9th

Monday, October 5, 2009

The most recent earnings estimate for the S&P 500 calls for a 22% decline (y-o-y) in Q3'09, according to Bespoke Investment Group. It will mark the ninth consecutive quarter of negative earnings growth for the index. The good news is it looks like it will be the last. Earnings comparisons moving forward should be favorable due to the dismal showing in Q4'08. The earnings estimates looking out three quarters are as follows: +62.4% (Q4'09); +25% (Q1'10); and +21.40% (Q2'10).

Tuesday, October 6, 2009

The U.S. Department of Agriculture's price index for crops was down 18% (y-o-y) in September, but the cost of supplies has not receded nearly as much, according to Reuters. The price index for farm expenses was actually 16% higher than in September 2007, when farming was booming. There is currently an overabundance of commodities and that is pressuring the bottom line. Overall, farmers' net cash income could decline by as much as 30% in 2009.

Wednesday, October 7, 2009

Real estate research firm Reis Inc. reported that the national vacancy rate for the U.S. apartment market reached a 23-year high of 7.8% in Q3'09, according to Reuters. It expects the vacancy rate to top 8.0% either next quarter or early next year. The asking rental rate fell 0.5% to \$1,035 per month, the fourth consecutive quarterly decline. Reis sees a slow turnaround beginning in the second half of 2010. Approximately 42% of the 73,000 units that have come online this year are vacant.

Thursday, October 8, 2009

A survey just released by management consultant Towers Perrin found the cost of company health insurance will rise by 7% in 2010, up from a 6% increase in 2009, according to BusinessWeek. Spending per employee will average \$10,212. It is the first time the amount has totaled five digits. The employee share of health premiums will jump 10%, on average, to \$2,292. Employer's health care costs have risen 149% since 2000.

Friday, October 9, 2009

The Federal Reserve reported that consumers cut borrowing by \$11.98 billion in August – a 5.8% annualized decline, according to MarketWatch.com. Credit-card debt fell the most, down 13.1% (\$9.91 billion). Credit-card debt accounts for \$899.41 billion of the \$2.46 trillion in outstanding consumer debt. A survey by Consumer Reports found that 32% of those polled had paid off or closed a card in the last 18 months. Most cited unfavorable changes to their borrowing terms as the primary cause for their actions. One-third of Americans have no credit card at the present time and 54% of those that do pay their balance in full each month.