**MARKET WATCH**

**STOCK INDEX PERFORMANCE**

<table>
<thead>
<tr>
<th>Index</th>
<th>Week</th>
<th>YTD</th>
<th>12-mo. 2008</th>
<th>5-yr.</th>
</tr>
</thead>
<tbody>
<tr>
<td>DOW JONES 30 (8001)</td>
<td>-0.95%</td>
<td>-8.65%</td>
<td>-34.89%</td>
<td>-31.92%</td>
</tr>
<tr>
<td>S&amp;P 500 (826)</td>
<td>-0.71%</td>
<td>-8.43%</td>
<td>-38.63%</td>
<td>-36.99%</td>
</tr>
<tr>
<td>NASDAQ 100 (1180)</td>
<td>0.38%</td>
<td>-2.57%</td>
<td>-35.55%</td>
<td>-41.57%</td>
</tr>
<tr>
<td>S&amp;P 500/Citigroup Growth</td>
<td>-0.15%</td>
<td>-4.89%</td>
<td>-32.44%</td>
<td>-34.91%</td>
</tr>
<tr>
<td>S&amp;P 500/Citigroup Value</td>
<td>-1.34%</td>
<td>-12.16%</td>
<td>-44.67%</td>
<td>-39.19%</td>
</tr>
<tr>
<td>S&amp;P MidCap 400/Citigroup Growth</td>
<td>-0.02%</td>
<td>-5.90%</td>
<td>-36.67%</td>
<td>-37.58%</td>
</tr>
<tr>
<td>S&amp;P MidCap 400/Citigroup Value</td>
<td>-0.99%</td>
<td>-8.56%</td>
<td>-37.14%</td>
<td>-34.78%</td>
</tr>
<tr>
<td>S&amp;P SmallCap600/Citigroup Growth</td>
<td>-0.35%</td>
<td>-11.28%</td>
<td>-36.65%</td>
<td>-32.84%</td>
</tr>
<tr>
<td>S&amp;P SmallCap600/Citigroup Value</td>
<td>-0.48%</td>
<td>-14.08%</td>
<td>-37.05%</td>
<td>-34.25%</td>
</tr>
</tbody>
</table>

**MARKET INDICATORS**

**KEY RATES As of 1/30**

- Fed Funds: 0.25% 5-YR CD: 2.81%
- LIBOR (1-month): 0.41% 2-YR T-Note: 0.94%
- CPI - Headline: 0.10% 5-YR T-Note: 1.87%
- CPI - Core: 1.80% 10-YR T-Note: 2.84%
- Money Market Accts.: 1.75% 30-YR T-Bond: 3.60%
- Money Market Funds: 0.59% 30-YR Mortgage: 5.34%
- 6-mo. CD: 1.87% Prime Rate: 3.25%
- 1-yr CD: 2.28% Bond Buyer 40: 5.73%

**WEEKLY FUND FLOWS Week of 1/28**

- Equity Funds: -$334 M Previous: -$4.7 B
- Bond Funds: $1.2 B Previous: $819 M
- Municipal Bond Funds: $289 M Previous: $471 M
- Money Markets: $5.034 B Previous: -$19.185 B

Source: AMG Data Services

**FACTOIDS FOR THE WEEK OF JANUARY 26TH - JANUARY 30TH**

Monday, January 26, 2009

There have been no IPOs priced so far in 2009, according to Renaissance Capital’s IPOHome.com. Only one IPO has been filed. At this point in 2008, nine IPOs had been priced worth a combined $2.9 billion. The number of IPOs launched in 2008 totaled 43 ($28.0 billion), down from 72 ($59.7 billion) in 2007.

Tuesday, January 27, 2009

In the late 1990s banks in the U.S. shifted their emphasis from building customer relationships through branch banking to providing more “cost-effective” servicing via ATMs, telephones and the Internet. Around the midpoint of this decade banks and other deposit-taking institutions returned to their roots of personal service and expanded the number of branches from 102,101 in 2006 to 106,041 in 2008, according to Kiplinger.com. Branches tend to take two to three years to reach a break even point. Due to the current financial strain on many of our largest lending institutions, banks are once again closing branches to cut costs.

Wednesday, January 28, 2009

The American Society of Civil Engineers just gave U.S. infrastructure a grade of “D” and said that our roads, airports, levees, dams, and other infrastructure are in need of a $2.2 trillion capital infusion over the next five years, according to Reuters. That amount is $600 billion more than the amount they recommended in 2005, when the U.S. received the same dismal grade. No infrastructure category received higher than a C-plus.

Thursday, January 29, 2009

The price of an ounce of gold bullion closed yesterday’s trading at $888.20, down 11.6% from its all-time high of $1,004.30 established on March 18, 2008, according to Bloomberg. On an inflation-adjusted basis, gold would have to rally to nearly $2,200 (some estimates are higher) an ounce to match the $850 price reached on January 21, 1980, according to SeekingAlpha.com. While inflation isn’t a problem today, governments around the globe are expanding their money supplies to combat economic weakness. Gold advocates believe it is just a matter of time before all that capital finds its way into the global economy. They see this unfolding over the next two years and advocate owning a diversified precious metals portfolio over that period.

Friday, January 30, 2009

OPEC’s Secretary-General Abadalla El Badri just announced that it is prepared to cut production if the price of oil fails to rebound to at least $60 per barrel, according to BBC News. OPEC and executives at some of the top energy companies believe the price of oil needs to trade in a $60-$80 range in order to cover the costs associated with challenging oil exploration projects. Badri estimates that the energy industry may need to spend as much as $25 trillion over the next 20 years on such projects. He was not pleased that oil surged to $147 a barrel last year because the fundamentals did not warrant such a lofty price.