

Stock Index Performance

Index	Week	YTD	12-mo.	2008	5-yr
Dow Jones Industrial Avg. (9441)	-1.03%	10.21%	-15.27%	-31.92%	0.91%
S&P 500 (1016)	-1.17%	14.55%	-18.05%	-36.99%	0.24%
NASDAQ 100 (1638)	-0.30%	35.92%	-9.95%	-41.57%	4.13%
S&P 500/Citigroup Growth	-0.70%	17.30%	-14.65%	-34.91%	0.75%
S&P 500/Citigroup Value	-1.68%	11.64%	-21.63%	-39.19%	-0.35%
S&P MidCap 400/Citigroup Growth	-0.96%	26.23%	-16.51%	-37.58%	4.12%
S&P MidCap 400/Citigroup Value	-1.93%	19.60%	-17.34%	-34.78%	3.26%
S&P SmallCap600/Citigroup Growth	-1.24%	14.53%	-21.99%	-32.84%	2.96%
S&P SmallCap600/Citigroup Value	-2.48%	11.73%	-20.68%	-29.50%	1.91%
MSCI EAFE	-2.37%	21.93%	-14.07%	-43.07%	5.35%
MSCI World (ex US)	-1.68%	28.60%	-12.22%	-43.26%	7.43%
MSCI World	-1.67%	19.02%	-16.34%	-40.39%	2.76%
MSCI Emerging Markets	0.23%	53.27%	-4.02%	-53.49%	16.82%

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 9/04/09.

S&P Sector Performance

Index	Week	YTD	12-mo.	2008	5-yr
Consumer Discretionary	-1.33%	23.38%	-14.31%	-33.49%	-1.89%
Consumer Staples	0.67%	5.84%	-9.84%	-15.44%	4.70%
Energy	-1.96%	2.83%	-24.33%	-34.89%	10.21%
Financials	-3.61%	14.98%	-33.16%	-55.23%	-10.75%
Health Care	-0.38%	8.44%	-10.84%	-22.80%	0.98%
Industrials	-0.13%	8.60%	-26.78%	-39.92%	-1.14%
Information Technology	-0.71%	40.07%	-6.30%	-43.14%	3.61%
Materials	-0.51%	33.07%	-21.01%	-45.64%	4.18%
Telecom Services	-1.82%	-2.72%	-17.12%	-30.47%	1.19%
Utilities	-1.89%	2.02%	-17.07%	-28.99%	6.63%

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 9/04/09.

Bond Index Performance

Index	Week	YTD	12-mo.	2008	5-yr
U.S. Treasury: Intermediate	0.28%	-1.32%	4.96%	11.35%	4.82%
GNMA 30 Year	0.28%	4.24%	8.28%	7.87%	5.76%
U.S. Aggregate	0.23%	4.58%	7.07%	5.24%	5.09%
U.S. Corporate High Yield	0.29%	41.23%	6.76%	-26.16%	5.28%
U.S. Corporate Investment Grade	0.15%	14.82%	9.15%	-4.94%	4.45%
Municipal Bond: Long Bond (22+)	1.91%	20.62%	4.31%	-14.68%	4.14%
Global Aggregate	-0.08%	5.33%	8.83%	4.79%	6.03%

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 9/04/09.

Key Rates

As of 9/04

Fed Funds	0.00-0.25%	5-yr CD	2.84%
LIBOR (1-month)	0.26%	2-yr T-Note	1.00%
CPI - Headline	-2.10%	5-yr T-Note	2.44%
CPI - Core	1.50%	10-yr T-Note	3.43%
Money Market Accts.	1.16%	30-yr T-Bond	4.19%
Money Market Funds	0.07%	30-yr Mortgage	5.21%
6-mo. CD	1.32%	Prime Rate	3.25%
1-yr CD	1.75%	Bond Buyer 40	5.23%

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

Market Indicators

As of 9/04

TED Spread	16 bps
Investment Grade Spread (A2)	250 bps
ML High Yield Master II Index Spread	912 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows for the Week Ended 8/26/09

Estimated Flows to Long-Term Mutual Funds

	Current Week	Previous
Domestic Equity	-\$1.363 Billion	-\$924 Million
Foreign Equity	\$1.392 Billion	\$775 Million
Taxable Bond	\$7.556 Billion	\$6.701 Billion
Municipal Bond	\$2.294 Billion	\$2.393 Billion

Change in Money Market Fund Assets

	Current Week	Previous
Retail	-\$4.97 Billion	-\$6.51 Billion
Institutional	-\$16.38 Billion	\$8.13 Billion

Source: Investment Company Institute

Factoids for the week of August 31st – September 4th

Monday, August 31, 2009

The Baltic Dry Index has risen 213% this year, yet sits 79.5% below its high set on May 20, 2008. Spot market charter rates for capsized vessels (largest dry bulk ships) plummeted to \$2,000 a day in November 2008, according to *Forbes*. Thanks to increased demand for iron ore in China (\$586 billion stimulus plan) the rate surged to \$90,000 in May, but has since dipped to \$60,000. Most capsized vessels break even at \$15,000 a day, according to Oppenheimer analyst Scott Burk. Burk believes that even if rates drop back to \$30,000 a day dry bulk shipping stocks are still undervalued by as much as 80%.

Tuesday, September 1, 2009

Worldwide sales of semiconductors totaled \$18.2 billion in July, down 18.2% from July 2008, according to the Semiconductor Industry Association. The good news is July marked the fifth-consecutive month of sequential increases. July's total was 5.3% higher than June's. Sales increased in all geographic regions. The Philadelphia Semiconductor Index (SOX) closed August 77% below its 10-year high of 1,332.73 on March 10, 2000.

Wednesday, September 2, 2009

In August, the dividend-payers (359) in the S&P 500 (equal weight) posted a total return of 5.33%, vs. 7.03% for the non-payers (141), according to Standard & Poor's. Year-to-date, the payers are up 12.59%, vs. a gain of 46.19% for the non-payers. For the 12-month period ended August '09, payers were off 23.96%, vs. a decline of 13.08% for the non-payers. The number of dividend increases year-to-date totaled 100. That significantly lagged the 189 increases registered at this point in 2008. The number of companies that decreased their dividend totaled 61, up from 19 a year ago. Ten companies have suspended their dividend payments, up from seven a year ago.

Thursday, September 3, 2009

The S&P 500 began today's trading session 20.34% below its level just prior to the collapse of Lehman Brothers, according to Bespoke Investment Group. From a global perspective, 49 of the 82 countries it tracks have outperformed the S&P 500 and 28% (23) of the countries are actually up since September 11, 2008. China has gained the most, up 30.55% (USD).

Friday, September 4, 2009

In July, the Bureau of Labor Statistics reported that the unemployment rate for college graduates was 4.7%, up from 2.8% a year ago, but still way below the 9.4% rate for high school graduates, according to *USA TODAY*. The added challenge some college graduates face while out of work is paying off their student loans. Two-thirds of the bachelor's degree recipients from last year's class graduated owing an average of nearly \$23,000, according to *Finaid.org*. The College Board, a non-profit association of more than 5,400 colleges and universities, estimates the lifetime "earnings premium" for a college graduate is \$450,000 (current dollars) and \$570,000 for a worker with a graduate degree.