

Stock Index Performance

Index	Week	YTD	12-mo.	2010	5-yr
Dow Jones Industrial Avg. (12,170)	0.33%	5.62%	19.66%	14.06%	4.77%
S&P 500 (1,321)	0.12%	5.42%	20.01%	15.06%	2.67%
NASDAQ 100 (2,360)	0.59%	6.54%	27.85%	20.15%	7.63%
S&P 500 Growth	0.32%	4.68%	20.51%	15.09%	4.08%
S&P 500 Value	-0.08%	6.19%	19.64%	15.13%	1.17%
S&P MidCap 400 Growth	0.72%	7.13%	33.35%	30.65%	7.21%
S&P MidCap 400 Value	0.25%	6.86%	25.59%	22.80%	4.75%
S&P SmallCap 600 Growth	0.84%	5.82%	31.84%	28.43%	5.00%
S&P SmallCap 600 Value	0.47%	4.38%	23.66%	25.01%	3.13%
MSCI EAFE	0.90%	5.61%	17.34%	7.75%	2.48%
MSCI World (ex US)	1.62%	4.32%	19.00%	11.15%	4.37%
MSCI World	0.58%	5.63%	19.02%	11.76%	2.64%
MSCI Emerging Markets	3.57%	-0.93%	20.97%	18.88%	10.15%

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 03/04/11.

S&P Sector Performance

Index	Week	YTD	12-mo.	2010	5-yr
Consumer Discretionary	0.25%	4.84%	27.85%	27.85%	4.84%
Consumer Staples	0.29%	0.75%	11.19%	14.12%	7.66%
Energy	0.42%	14.85%	39.37%	20.46%	9.62%
Financials	-1.58%	3.60%	12.01%	12.18%	-10.41%
Health Care	2.44%	5.23%	6.76%	2.90%	2.49%
Industrials	-0.04%	6.22%	27.33%	26.74%	3.76%
Information Technology	-0.08%	6.01%	20.25%	10.22%	5.48%
Materials	0.21%	1.78%	25.54%	22.34%	6.93%
Telecom Services	-0.35%	-2.21%	27.53%	18.97%	3.82%
Utilities	0.80%	2.24%	12.83%	5.46%	3.73%

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 03/04/11.

Bond Index Performance

Index	Week	YTD	12-mo.	2010	5-yr
U.S. Treasury: Intermediate	-0.05%	-0.13%	3.29%	5.29%	5.49%
GNMA 30 Year	0.02%	0.27%	4.97%	6.71%	6.35%
U.S. Aggregate	-0.05%	0.15%	4.57%	6.54%	5.88%
U.S. Corporate High Yield	0.34%	3.76%	16.71%	15.12%	9.27%
U.S. Corporate Investment Grade	-0.10%	0.61%	7.34%	9.00%	6.28%
Municipal Bond: Long Bond (22+)	-0.41%	-0.29%	-0.93%	1.12%	2.42%
Global Aggregate	0.24%	0.77%	5.81%	5.55%	6.70%

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 03/04/11.

Key Rates

As of 03/04

Fed Funds	0.00-0.25%	5-yr CD	1.98%
LIBOR (1-month)	0.26%	2-yr T-Note	0.68%
CPI - Headline	1.60%	5-yr T-Note	2.17%
CPI - Core	1.00%	10-yr T-Note	3.48%
Money Market Accts.	0.63%	30-yr T-Bond	4.59%
Money Market Funds	0.03%	30-yr Mortgage	4.87%
6-mo CD	0.56%	Prime Rate	3.25%
1-yr CD	0.88%	Bond Buyer 40	5.66%

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

Market Indicators

As of 03/04

TED Spread	16 bps
Investment Grade Spread (A2)	161 bps
ML High Yield Master II Index Spread	469 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows for the Week Ended 2/23/11

Estimated Flows to Long-Term Mutual Funds

	Current Week	Previous
Domestic Equity	\$1.499 Billion	\$5.181 Billion
Foreign Equity	\$1.031 Billion	\$1.239 Billion
Taxable Bond	\$4.449 Billion	\$1.549 Billion
Municipal Bond	-\$556 Million	-\$1.454 Billion

Change in Money Market Fund Assets

	Current Week	Previous
Retail	\$4.20 Billion	-\$2.27 Billion
Institutional	-\$3.64 Billion	-\$2.87 Billion

Source: Investment Company Institute

Factoids for the week of February 28th – March 4th

Monday, February 28, 2011

Benjamin Hartford, analyst at R.W. Baird, estimates that trucking rates will rise 5% in 2011, the most since 2005, according to USA TODAY. Rates rose 2% in 2010 after declining from 2007 through 2009 during the financial crisis. Rate hikes are getting a push from higher diesel fuel prices (+20% since 9/10), higher prices for trucks (+25% the past 5 years) and higher safety standards, including limiting the amount of hours that drivers can work. Thousands of trucking carriers closed during the recession.

Tuesday, March 1, 2011

The S&P 500 posted a total return of 5.87% in the first two months of 2011. It is the first year since 2006 that the index has appreciated in both January and February, according to Bespoke Investment Group. The top performing major sectors so far have been Energy (+15.0%), Industrials (+6.9%) and Technology (+6.3%), as measured by S&P's indices. The only sector with a negative return so far is Telecommunication Services, down 0.4%. If you broaden the universe of stocks beyond the S&P 500 to the Russell 3000, the results are still encouraging (64% of stocks are up in 2011).

Wednesday, March 2, 2011

In February, the dividend-payers (380) in the S&P 500 (equal weight) posted a total return of 3.95%, vs. 4.62% for the non-payers (120), according to Standard & Poor's. Year-to-date through February, the payers were up 6.11%, vs. a gain of 6.82% for the non-payers. For the 12-month period ended February '11, payers were up 24.06%, vs. a gain of 24.46% for the non-payers. The number of dividend increases in the first two months totaled 55, up from 45 increases a year ago. Six companies initiated dividends, up from two a year ago. No dividends have been cut in 2011.

Thursday, March 3, 2011

Rising commodity prices are fueling M&A activity in the global mining industry. PricewaterhouseCoopers (PwC) reported that 2,693 global mining deals worth \$113 billion were announced in 2010, according to Reuters. That was a 77% rise in dollar terms and a 28% rise in deal volume over what transpired in 2009. PwC believes the pace will accelerate in 2011 and it expects more mega-deals.

Friday, March 4, 2011

U.S. Department of Transportation (DOT) Secretary Ray LaHood announced Wednesday that Americans drove 0.7% more in 2010 than in 2009. That amounted to an additional 20.5 billion miles. All in all, Americans drove three trillion miles in 2010, the third-highest total ever recorded, according to DOT. Vehicle miles traveled increased 10 months in a row through December 2010. Secretary LaHood noted that the additional miles mean more wear and tear on our roads and bridges. He is pushing for more spending on infrastructure.