

STOCK INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2007	5-yr.
DOW JONES 30 (9325)	11.31%	-28.18%	-31.24%	8.88%	1.33%
S&P 500 (969)	10.53%	-32.84%	-36.10%	5.49%	0.26%
NASDAQ 100 (1335)	11.03%	-35.75%	-40.08%	19.24%	-0.78%
S&P 500/Citigroup Growth	10.22%	-31.87%	-34.14%	9.25%	-0.84%
S&P 500/Citigroup Value	10.87%	-33.86%	-38.07%	2.03%	1.35%
S&P MidCap 400/Citigroup Growth	13.62%	-33.93%	-36.71%	13.55%	1.10%
S&P MidCap 400/Citigroup Value	13.20%	-31.90%	-36.14%	2.84%	2.82%
S&P SmallCap600/Citigroup Growth	13.30%	-28.23%	-34.17%	5.66%	3.11%
S&P SmallCap600/Citigroup Value	15.41%	-24.91%	-30.91%	-5.19%	3.64%
MSCI EAFE	8.93%	-43.27%	-46.35%	11.76%	4.11%
MSCI World (ex US)	9.02%	-43.04%	-46.28%	13.04%	4.50%
MSCI World	9.86%	-38.29%	-41.51%	9.69%	2.28%
MSCI Emerging Markets	20.38%	-53.27%	-56.33%	39.23%	9.20%

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 10/31/08.

WEEKLY FUND FLOWS

	Week of 10/29	Previous
Equity Funds	-\$2.7 B	\$686 M
Including ETF activity, Domestic funds reporting net outflows of -\$1.650 B and Non-domestic funds reporting net outflows of -\$1.049 B.		
Bond Funds	-\$3.9 B	-\$2.6 B
Municipal Bond Funds	-\$134 M	-\$1.126 B
Money Markets	-\$3.258 B	\$17.151 B

Source: **AMG Data Services**

S&P SECTOR PERFORMANCE

Index	Week	YTD	12-mo.	2007	5-yr.
Consumer Discretionary	16.94%	-30.34%	-37.33%	-13.21%	-4.38%
Consumer Staples	8.34%	-13.58%	-11.85%	14.36%	5.47%
Energy	13.09%	-32.67%	-30.44%	34.41%	17.27%
Financials	12.01%	-45.06%	-52.05%	-18.52%	-7.98%
Health Care	5.29%	-22.45%	-23.96%	7.32%	0.84%
Industrials	12.44%	-35.93%	-38.55%	12.04%	1.34%
Information Technology	9.47%	-37.06%	-41.21%	16.30%	-3.03%
Materials	14.43%	-38.82%	-41.18%	22.53%	3.58%
Telecom Services	10.94%	-35.35%	-38.14%	11.88%	3.84%
Utilities	6.39%	-29.60%	-29.03%	19.38%	9.53%

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 10/31/08.

BOND INDEX PERFORMANCE

Index	Week	YTD	12-mo.	2007	5-yr.
U.S. Treasury: Intermediate	-0.51%	5.31%	8.36%	8.83%	4.37%
GNMA 30 Year	-1.19%	2.22%	4.36%	6.97%	4.55%
U.S. Aggregate	-1.11%	-1.74%	0.30%	6.97%	3.48%
U.S. Corporate High Yield	1.27%	-24.38%	-25.81%	1.88%	0.42%
U.S. Corporate Investment Grade	-0.95%	-14.47%	-13.82%	4.56%	0.32%
Municipal Bond: Long Bond (22+)	-2.70%	-13.64%	-13.76%	0.46%	1.65%
Global Aggregate	-1.50%	-4.11%	-2.57%	9.48%	4.10%

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 10/31/08.

KEY RATES

As of 10/31

Fed Funds	1.00%	5-YR CD	3.86%
LIBOR (1-month)	3.17%	2-YR Note	1.55%
CPI - Headline	4.90%	5-YR Note	2.80%
CPI - Core	2.50%	10-YR T-Bond	3.96%
Money Market Accts.	2.44%	30-YR T-Bond	4.36%
Money Market Funds	1.52%	30-YR Mortgage	6.53%
6-mo. CD	3.03%	Prime Rate	4.00%
1-YR CD	3.55%	Bond Buyer 40	6.08%

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

MARKET INDICATORS

As of 10/31

TED Spread: 241 bps	Investment Grade Spread: 567 bps	High Yield Spread (BB): 926 bps
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Sources: **Bloomberg and Merrill Lynch via Bloomberg**

FACTOIDS FOR THE WEEK OF OCTOBER 27TH - OCTOBER 31ST

Monday, October 27, 2008

Due to declining tax revenues, many states are struggling to balance their budgets, according to *BusinessWeek*. Currently, 33 states are facing shortfalls for fiscal year 2009, according to data from the Center on Budget & Policy Priorities. The largest deficit is California at \$22.2 billion, while six states are tied for the smallest gap at \$100 million. Massachusetts has the highest debt per capita at \$4,248, a little more than four times the U.S. average of \$1,053.

Tuesday, October 28, 2008

Standard & Poor's just lowered the expected 2008 dividend payment for the S&P 500 from \$28.85 to \$28.05. The new estimate represents a 1.2% increase from the \$27.73 distributed in 2007, the lowest growth rate since 2001 when payments declined by 3.3%, according to Howard Silverblatt, Senior Index Analyst at S&P. From 2004-2007, the dividend growth rate averaged 12.4%. Since the start of September, 14 financial companies cut their dividend payments by a total of \$14.8 billion.

Wednesday, October 29, 2008

In the 1990s, the S&P 500 posted an average annual total return of 18.2%, well above its 10.4% average gain since 1926, according to data from Ibbotson Associates, a subsidiary of Morningstar, Inc. So far this decade, the S&P 500 has posted an annualized return of -0.94% through September 2008. However, when you put the two decades together (12/89-12/07) the average annual total return for the index adjusts to 10.5%, right in line with its historical norm. So far in 2008, the index is off 34.8%, which is in the vicinity of the average bear market return (since 1926) of -33.5%, according to Jim Stack, president of InvesTech Research.

Thursday, October 30, 2008

The College Board reported that the average published price for tuition and fees at private four-year colleges and universities rose 5.9% to \$25,143 for the 2008-2009 school year, according to MarketWatch.com. The price for four-year public schools where the student is a resident of the state rose an average of 6.4% to \$6,585, while the cost for out-of-state students rose 5.2% to \$17,452. For comparative purposes, the consumer price is up 4.9% over the past 12 months. A report released this month by the Project on Student Debt found the average debt load for students graduating with loans rose 6.0% to \$20,098 in 2007.

Friday, October 31, 2008

The Federal Reserve reported that the supply of commercial paper in the market rose by \$100.5 billion to a seasonally adjusted \$1.55 trillion in the week ended Wednesday, October 29, according to *USA TODAY*. It was the first increase since Lehman Brothers folded. Activity was bolstered by the Fed's program to purchase highly rated commercial paper with a three-month maturity. The most common buyers of these short-term, unsecured loans are money market funds.