

Capital Markets Monthly Update: September 30, 2011

U.S. Equity Market Indices

	Month	3 Month	YTD	1 Year	5 Year
Standard & Poor's 500	-7.03	-13.87	-8.68	1.14	-1.18
Russell 1000 Growth	-7.37	-13.14	-7.20	3.78	1.62
Russell 1000 Value	-7.56	-16.20	-11.24	-1.89	-3.53
Russell Mid Cap Growth	-10.05	-19.33	-11.59	0.80	1.64
Russell Mid Cap Value	-9.22	-18.46	-13.01	-2.36	-0.84
Russell 2000 Growth	-11.50	-22.25	-15.57	-1.12	0.96
Russell 2000 Value	-10.92	-21.47	-18.51	-5.99	-3.08

International Equity Market Indices

	Month	3 Month	YTD	1 Year	5 Year
MSCI EAFE	-9.50	-18.95	-14.62	-8.94	-3.00
MSCI ACWI ex-U.S.	-11.13	-19.85	-16.80	-10.81	-1.57
MSCI Emerging Markets	-14.56	-22.46	-21.66	-15.89	5.17

Global Fixed Income Indices

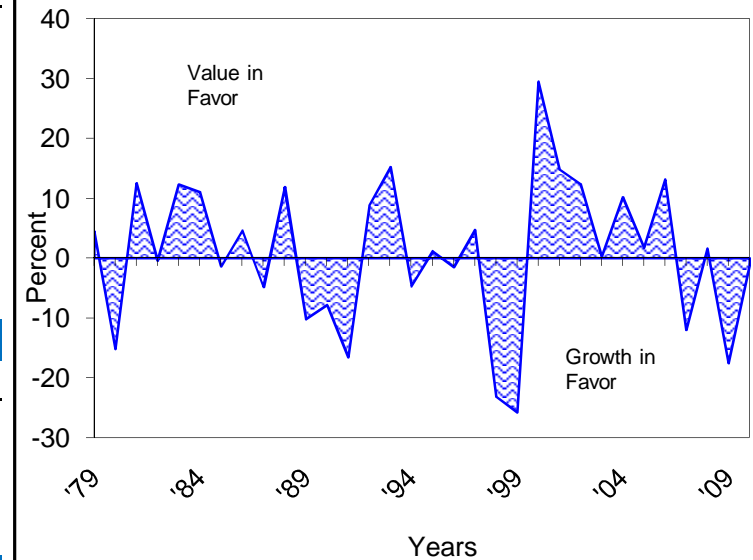
	Month	3 Month	YTD	1 Year	5 Year
Barclays U.S. Treasury	1.75	6.48	8.85	5.97	6.77
Barclays Aggregate	0.73	3.82	6.65	5.27	6.53
Barclays U.S. Corp. High Yield	-3.27	-6.06	-1.39	1.78	7.08
Barclays Global Aggregate ex-U.S.	-4.18	-0.74	4.74	3.33	7.04

Market Valuations: Current P/E vs. 5-Yr Avg. P/E

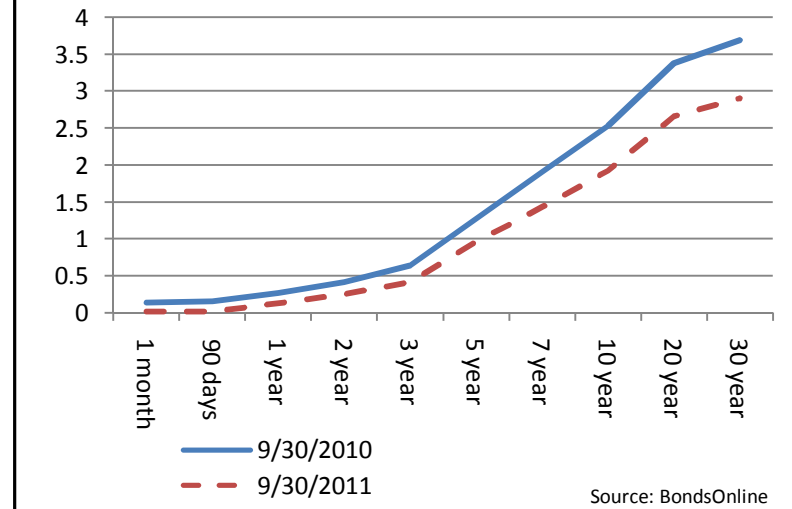
Index	Current	5-Yr Avg
Russell 1000	12.9	15.4
Russell 1000 Growth	14.7	17.4
Russell 1000 Value	11.4	13.5
Russell Mid Cap	14.3	16.8
Russell Mid Cap Growth	16.7	19.0
Russell Mid Cap Value	12.5	14.8
Russell 2000	14.9	16.9
Russell 2000 Growth	17.6	19.4
Russell 2000 Value	12.8	14.9

Source: Russell Investments (Current Earnings = Trailing 12 months)

Large Cap Value vs. Large Cap Growth



Treasury Yield Curve



Source: BondsOnline

U.S. Economic Monthly Update: August 2011

Economic Growth	Indicator	Most Recent	Prior Month	1-Yr Change	Comments
Real GDP (Quarter/Quarter change) ¹	Coincident	1.3%	1.0%	1.6%	Final estimate of 2Q slightly higher than forecasted
Employment					
Unemployment Rate	Lagging	9.1%	9.1%	-0.6%	Met analysts' forecast of 9.1%
Total Non-Farm Payrolls	Lagging	131,132	131,132	1.0%	+0k well below analysts' forecast of +60k M/M change
4 Week Avg. Initial Jobless Claims ²	Leading	417,000	423,000	-8.3%	5,000 higher than a month ago
Consumer					
Retail Store Sales (M/M change)	Coincident	0.0%	0.5%	7.2%	Below analysts' forecast of .2%
Consumer Confidence	Lagging	44.5	59.5	-16.8%	Lowest reading since April 2009
Personal Savings Rate (% of disposable income)	Lagging	4.5%	4.7%	1.1%	The all time high of 14.6% was recorded in May 1975
Housing					
New Housing Permits (thousands, units)	Leading	620	597	7.8%	Exceeded analysts' forecast of 590
New Housing Starts (thousands, units)	Leading	571	604	-5.8%	Below analysts' forecast of 571
New Home Sales (thousands, units)	Leading	295	298	6.1%	Below analysts' forecast of 294
S&P Case-Shiller Housing Price Index (20 City)	Lagging	142.77	141.48	-4.1%	Increased for the fourth consecutive month
Manufacturing					
Capacity Utilization	Lagging	77.4%	77.3%	1.9%	Pre-recession peak: 81.6%, May 2007
Industrial Production Index	Coincident	94.04	93.87	3.3%	Pre-recession peak: 100.7, September 2007
ISM Manufacturing Composite Index	Leading	50.6	50.9	-8.3%	Above 50 indicates an expanding factory sector
Inflation Indicators					
Consumer Price Index (Month/Month change)	Leading	0.4%	-	3.8%	Energy rose 1.2%, Food rose .5%
Producer Price Index	Leading	0.0%	-	7.2%	Energy down 1.0%, Food down 1.0%
Commodities (as of September 30th)					
Thomson/Reuters CRB Index value (Commodities)	Leading	298.15	342.57	3.9%	5-Year High: 473.52, 5-Year Low: 200.17
Oil (\$ per barrel)	Leading	\$78.75	\$88.72	-3.6%	Down 13.8% year-to-date
Gold	Leading	\$1,625	\$1,824	24.2%	Up 14.9% year-to-date
Federal Government					
Total Public Debt (trillion) ³	-	\$14.34	\$14.27	8.6%	148% increase over the last 10 years
Treasury Budget (billion) (Deficit)/Surplus	-	(\$134.2)	(\$129.4)	48.3%	Fiscal Y-T-D deficit is \$1.23 trillion
Exchange Rates (as of September 30th)					
				(\$ gain/decline)	
U.S. Dollar/Euro (U.S. \$ = 1 Euro)	-	1.3753	1.4333	-5.0%	
U.S. Dollar/British Pound (U.S. \$ = 1 Pound)	-	1.5778	1.6356	1.2%	
Canadian Dollar/U.S. Dollar (Canadian \$ = 1\$ U.S.)	-	1.0015	0.9817	-3.1%	
Japanese Yen/U.S. Dollar (JPY = \$1 U.S.)	-	76.8100	76.9657	-8.9%	
Chinese Yuan/U.S. Dollar (Yuan = \$1 U.S.)	-	6.3882	6.4036	-5.2%	
Mexican Pesos/U.S. Dollar (Pesos = \$1 U.S.)	-	13.0480	12.2366	2.0%	

¹ Prior quarter ² Prior week ³ Prior quarter

Sources: Bloomberg, Econoday, Federal Reserve Bank of St. Louis, Financial Times