

PFM WEEKLY MARKET UPDATE

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Performance of Our Major Holdings

Name	Ticker	1 Wk	MTD	QTD	YTD
<i>Russell 3000 Index</i>		5.51	5.51	-3.34	-3.34
BlackRock Equity Dividend	MADVX	4.93	4.42	-3.62	-3.62
Fidelity Advisor New Insights	FINSX	3.93	3.69	-2.00	-2.00
Fidelity Contrafund	FCNTX	3.92	3.65	-2.21	-2.21
Janus Adviser Mid Cap Growth	JDMAX	6.25	5.66	0.35	0.35
iShares Russell Midcap Value Index	IWS	5.46	5.49	-5.39	-5.39
Eaton Vance Tax-Managed Small Cap	ETMGX	6.39	6.39	-0.96	-0.96
Allianz NFJ Small Cap Value	PNVDX	5.37	5.13	-3.38	-3.38
Royce Low Priced Stock	RYLPX	5.79	5.05	-2.29	-2.29
DWS Disciplined Market Neutral	DDMSX	-0.10	0.52	1.80	1.80
Gateway Fund	GATEX	2.75	2.93	-1.03	-1.03
Rydex Managed Futures Strategy	RYMTX	-2.06	-1.57	-1.50	-1.50
<i>MSCI EAFE Index</i>		2.25	2.25	-7.86	-7.86
Artio International Equity	JIEIX	5.78	4.51	-7.65	-7.65
Artio International Equity	JETIX	5.86	4.66	-6.97	-6.97
BlackRock International Opportunity	BISIX	6.67	5.49	-5.88	-5.88
Lazard Emerging Markets Equity	LZEMX	8.30	7.09	-2.85	-2.85
<i>Bar Cap Global Aggregate Index</i>		-0.28	-0.28	-3.54	-3.54
iShares Barclays Aggregate Bond	AGG	-0.62	-0.18	-1.30	-1.30
Templeton Global Bond	TGBAX	-0.54	-1.52	-0.66	-0.66
Fidelity Advisor Int Muni	FZIIX	0.58	0.70	3.21	3.21
Nuveen High Yield Bond	NHYRX	1.28	1.13	4.02	4.02

Snapshot of the Week that Was

The broad markets rebounded aggressively despite the dismal news of the increase in the unemployment rate. The domestic markets outperformed their international counterparts as the Russell 3000 outperformed the MSCI EAFE by 3.26%. On the domestic front, small cap stocks edged their large cap counterparts by 0.80%, and growth outperformed value by 2.60%. On the fixed income side, the markets had a down week with the Barclays Global Aggregate Bond Index losing 0.28%. In the U.S., high yield bonds continued to edge out investment grade bonds by .75%.

Economic Headlines

The biggest economic news of the week was consumer spending declined in December 2008 by .8%. A number that was better than expected but continues to underscore the direction of the US demand for products and services. Other economic news was the expected increase in the unemployment rate to 7.6% with the manufacturing sector taking the biggest hit. A positive, however, was the reported increase in wages by .3% (+3.9% YOY).

A Look Ahead

The upcoming week of economic announcements should be quite busy. This week, the retail sales for January, the trade balance, and the Federal Budget Balance reports will all be released. Additionally, there is a key vote on the Obama administration's economic stimulus plan as the House and Senate begin to reconcile their differing bills. Lastly, the Treasury is expected to reveal the details of its plan to combat the credit crisis.

Fun Fact of the Week

This week, Secretary of Treasury Timothy Geithner, will reveal the Treasury's plan to tackle the current credit crisis. He will be the 75th US Secretary of Treasury, which has comprised of only men and has existed since 1789. George Washington appointed Alexander Hamilton as this nation's first Secretary of Treasury.