

PFM WEEKLY MARKET UPDATE

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Shana Orczyk, Research Analyst

Performance of Our Major Holdings

Name	Ticker	1 Wk	MTD	QTD	YTD
<i>Russell 3000 Index</i>		-6.92	-6.34	-14.20	-14.20
BlackRock Equity Dividend	MADVX	-6.49	-6.87	-14.04	-14.04
Fidelity Advisor New Insights	FINSX	-4.52	-3.81	-9.09	-9.09
Fidelity Contrafund	FCNTX	-4.61	-3.92	-9.36	-9.36
Janus Adviser Mid Cap Growth	JDMAX	-6.63	-4.70	-9.49	-9.49
Artisan Mid Cap Value	ARTQX	-8.19	-4.43	-11.81	-11.81
Eaton Vance Tax-Managed Small-Cap	ETMGX	-6.31	-3.42	-10.08	-10.08
Allianz NFJ Small Cap Value	PNVDX	-8.31	-7.59	-15.08	-15.08
Royce Low Priced Stock	RYLPX	-6.39	-3.76	-10.48	-10.48
DWS Disciplined Market Neutral	DDMSX	0.41	1.04	2.32	2.32
The Gateway Fund	GATEX	-4.93	-4.60	-8.27	-8.27
Rydex Managed Futures Strategy	RYMTX	1.71	1.64	1.71	1.71
<i>MSCI EAFE Index</i>		-8.41	-9.15	-18.13	-18.13
Artio International Equity I	JIEIX	-7.74	-7.23	-18.03	-18.03
Artio International Equity II	JETIX	-7.81	-7.39	-17.68	-17.68
BlackRock International Opportunities	BISIX	-6.79	-5.54	-15.73	-15.73
Lazard Emerging Markets Equity	LZEMX	-8.70	-4.36	-13.24	-13.24
<i>BarCap Global Aggregate Bond Index</i>		-1.34	-1.10	-4.33	-4.33
iShares Barclays Aggregate Bond	AGG	0.04	0.34	-0.78	-0.78
Templeton Global Bond	TGBAX	-3.23	-5.47	-4.65	-4.65
Fidelity Advisor Intermediate Muni Income	FZIIX	-0.33	0.40	2.91	2.91
Nuveen High Yield Bond	NHYRX	-0.97	-0.23	2.64	2.64

Snapshot of the Week that Was

The broad markets sold off significantly as investors became more uncertain about the government's involvement in the financial system. The domestic markets outperformed their international counterparts as the Russell 3000 outperformed the MSCI EAFE Index by 1.49%. On the domestic front, large cap stocks outperformed their small cap counterparts by 1.51%, and growth continued to outperform value by 2.66%. On the fixed income side, the global markets turned negative with the Barclays Global Aggregate Bond Index losing 1.34%. In the U.S., investment grade bonds edged out high yield bonds by 1.88%.

Economic Headlines

The stimulus bill was signed into law on Tuesday, the Obama administration unveiled its \$275 billion housing bailout plan, and the Fed announced its new Financial Stability Plan. Inflation on both the consumer and producer level ticked upwards in January. The unadjusted PPI increasing 0.8% while core PPI saw an increase of 0.4%. On the consumer side, unadjusted CPI increased 0.3%, while core CPI rose 0.2%.

A Look Ahead

The economic announcements for the week are focused mostly on housing. On February 25th January existing home sales will be reported, followed by new home sales on the 26th. Also reporting on February 26th is durable goods orders. On February 27th preliminary GDP will be reported for the fourth quarter, the market is expecting to see a contraction of 5.4% in the U.S. economy.

Fun Fact of the Week

Heath Leger became just the second actor to be awarded an Oscar posthumously. The only other actor to win the award posthumous was Peter Finch who won the 1976 Best Actor Oscar for his role in "Network" 2 months after his death.