



Hammond Associates  
INSTITUTIONAL FUND CONSULTANTS, INC.

# Research Update

As of 6/30/2009

Interest Rates	Current	Mar-09	Dec-08
Fed Funds Rate	0.0-0.25	0.0-0.25	0.0-0.25
3-Month T-Bill	0.19	0.21	0.08
10-Year Treasury	3.54	2.67	2.21
30-Year Treasury	4.33	3.54	2.68
10-Year TIPS	1.77	1.36	2.09
30-Year TIPS	2.00	1.81	2.06
Barclays High Yield OAS	9.45	15.14	16.69
3-Month LIBOR	0.60	1.19	1.41

Global equity markets posted strong gains during the second quarter. Domestically, the S&P 500 rose 15.9% and the Russell 2000 index jumped 20.7%. Foreign stocks enjoyed even better returns, benefiting from a weak dollar. The MSCI EAFE index returned 25.4% and emerging markets soared 34.7%. In fixed income markets, the yield on the 10-Year Treasury Note rose from 2.67% to 3.54%. Credit spreads narrowed substantially as the option-adjusted spread on high yield bonds fell from 15.14% to 9.45% during the quarter. Commodity prices also appreciated, with the price of oil rising from \$49.66 a barrel to \$69.89.

Commodity Prices	Current	Mar-09	Dec-08
Gold	927.40	922.60	884.30
Oil	69.89	49.66	44.60
Natural Gas	3.84	3.78	5.86

Currencies	Current	QTD	YTD	1 Year
Euro, in dollars	1.40	5.5	1.3	-10.3
U.K. Pound, in dollars	1.65	15.1	13.2	-17.2
Yen, per dollar	96.36	2.7	-6.0	10.0

Index Returns	Last 5				
	Days	MTD	QTD	YTD	1 Year
Wilshire 5000	3.1	0.4	16.8	4.5	-26.4
S&P 500	2.7	0.2	15.9	3.2	-26.2
Dow-Jones Industrial Avg.	1.5	-0.4	12.0	-2.0	-23.0
Russell 1000 Growth	3.0	1.1	16.3	11.5	-24.5
Russell 1000 Value	3.0	-0.7	16.7	-2.9	-29.0
Russell 2000	3.8	1.5	20.7	2.6	-25.0
Russell 2000 Growth	4.3	3.2	23.4	11.4	-24.8
Russell 2000 Value	3.3	-0.3	18.0	-5.2	-25.2
MSCI ACWI Index	3.1	-0.6	22.3	9.2	-29.3
MSCI ACWI ex-US Index	3.2	-1.1	27.6	13.9	-30.9
MSCI EAFE	2.6	-0.6	25.4	8.0	-31.4
S&P/Citigroup EMI-EPAC	3.5	1.0	32.4	17.3	-30.1
MSCI Emerging Markets	5.2	-1.3	34.7	36.0	-28.1
Barclays Aggregate	0.5	0.6	1.8	1.9	6.1
Dow-Jones Wilshire REIT	5.7	-3.5	31.5	-13.1	-45.3
DJ-AIG Commodity Index	-0.2	-1.9	11.7	4.6	-47.1
Alerian MLP Index	5.6	-1.7	19.3	32.7	-12.4
GS Natural Resources	2.9	-8.4	18.2	10.0	-44.9



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