

MarketAttributes Snapshot S&P 500

MarketAttributes is a snapshot of the U.S. market, as measured by the S&P 500, taken at the end of each month. It seeks to highlight those statistical factors that have impacted market performance over the course of the month, such as stock buybacks, cash levels, and dividend payments.

MarketAttributes is a product of the Standard & Poor's Index Services Group by Senior Index Analyst, Howard Silverblatt.

For additional information covering a wide scope of topics and a complete set of current and historical data that supports analysis summarized in this snapshot, visit: www.marketattributes.com
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THE MARKET

The S&P 500 gained 7.41% in July, giving the index a 9.32% gain year-to-date. From the March 9th low, the 101 trading days since have produced a 45.96% gain, the best since the 56.61% gain in 1933. Volatility continues to remain high, but low by recent standards. July saw only 31.8% of its days move over 1% (up or down), compared to 70.0% for May and an average of 53.88% since January 2008. The historical average for 1929 through 2007 is 23.07%.

All ten sectors were positive in July, with Materials in the lead with a 13.31% gain. Industrials, Consumer Discretionary, and Information Technology all posted over a 9% gain for the month, with Telecommunications as the laggard with a 3.60% gain, followed by Utilities at 3.69%. Year-to-date, eight of the ten sectors are up. Information Technology has gained 35.42%, representing almost half the gain of the S&P 500, with Telecommunications (-3.37%) as the worst performer year-to-date.

For the month, the top five gainers were GCI (+96.08% for July, -12.50% YTD), GT (+51.15% for July, +185.09% YTD), MAS (+45.41% for July, +25.16% YTD), WYNN (+44.96% for July, +21.08% YTD) and NYT (+42.83% for July, +7.37% YTD). The leading decliners for the month were AIG (-43.36% for July, -58.15% YTD), ATI (-22.47% for July, +6.07% YTD), ICE (-17.66% for July, +14.10% YTD), S (-16.84% for July, +118.58% YTD) and AKAM (-14.29% for July, +8.95% YTD). For July, 204 issues gained at least 10%; 10 issues declined at least 10%; 37 issues were up at least 25%; and two issues increased over 50% (GCI +96.08% for July, -12.50% YTD and GT +51.15% for July, +185.09% YTD). Year-to-date, 16 issues have doubled (AKS, AN, CBG, EXPE, F, FCX, GNW, GT, MU, S, JAVA, THC, WDC, WFMI, WYN, and XL), but only three issues (AN, F and WDC) are positive since the close of 2007. Four issues (C, EM, MI and AIG) remain down over 50%.

GLOBAL INDUSTRY CLASSIFICATION: Preliminary Capital Appreciation Contributions to the S&P 500

% CHANGES	JULY 2009	3-MONTHS 4/30/2009	YTD 12/31/2008	1-YEAR 7/31/2008	2-YEARS 7/31/2007	5-YEARS 7/30/2004	FROM 3/24/2000
Consumer Discretionary	9.37%	8.56%	17.60%	-11.27%	-31.80%	-17.01%	-30.19%
Consumer Staples	6.16%	12.17%	2.51%	-10.61%	-6.97%	13.24%	51.85%
Energy	4.30%	9.52%	0.92%	-30.46%	-26.90%	50.46%	86.24%
Financials	8.78%	20.28%	3.61%	-39.57%	-60.86%	-53.42%	-47.68%
Health Care	5.76%	15.53%	4.75%	-12.88%	-17.10%	-3.37%	1.22%
Industrials	9.24%	9.51%	0.85%	-32.14%	-41.63%	-19.68%	-23.39%
Information Technology	9.14%	16.26%	35.42%	-10.78%	-18.77%	5.15%	-67.99%
Materials	13.31%	13.74%	27.22%	-29.84%	-28.38%	8.65%	28.32%
Telecommunication Services	3.60%	3.26%	-3.37%	-15.13%	-36.93%	-8.12%	-65.90%
Utilities	3.69%	12.37%	-0.54%	-24.07%	-23.55%	20.39%	-0.46%
S&P 500	7.41%	13.14%	9.32%	-22.09%	-32.15%	-10.37%	-35.35%

BREADTH

Breadth had a strong month, with 424 issues gaining an average of 11.86% and 75 issues declining an average of 5.00%. Year-to-date, 361 issues averaged a 33.29% gain, with 138 issues declining an average of 14.21%.

Monthly. *By market value.

PERIOD	ISSUES UP	ISSUES UNCHANGED	ISSUES DOWN	AVERAGE % CHANGE	TOP 10* % AVG CHANGE	TOP 25* % AVG CHANGE	TOP 50* % AVG CHANGE	S&P 500 % CHANGE
Jul,'09	424	1	75	9.30	8.12	7.57	6.82	7.41
Jun,'09	243	1	256	-0.66	-0.20	2.07	1.36	0.02
May,'09	326	0	174	6.00	4.44	6.26	5.88	5.31
Apr,'09	415	0	85	18.36	8.37	7.65	7.47	9.39

Yearly. *By market value.

PERIOD	ISSUES UP	ISSUES UNCHANGED	ISSUES DOWN	AVERAGE % CHANGE	TOP 10* % AVG CHANGE	TOP 25* % AVG CHANGE	TOP 50* % AVG CHANGE	S&P 500 % CHANGE
2008	25	5	470	-39.30	-20.12	-28.01	-26.81	-37.00
2007	245	9	246	2.55	20.93	17.29	12.66	3.53
2006	369	11	120	14.39	13.91	17.70	20.02	13.62
2005	286	1	213	7.61	1.52	0.78	5.52	3.00

WORLD MARKETS

With 45 of the 46 markets ahead in July, global markets increased 8.70% for the month. With all the markets posting gains, the three-month and year-to-date periods were even better at 18.79% and 18.52% respectively. Morocco was the only decliner for July (-5.23%), with Poland rebounding 25.69%, followed by seven other double-digit gainers in the emerging markets and nine in the developed markets. Eight emerging and one developed market are within striking range of a positive 12-month period (off less than 10%), however, only the Philippines is currently there with a +2.69% 1-year return.

S&P 500 OPERATING EARNINGS PER SHARE: (By Year)

	2004 P/E	2005 P/E	2006 P/E	2007 P/E	2008 P/E	2009 P/E	2010 P/E
Consumer Discretionary	20.50	19.64	19.19	19.51	32.12	24.30	14.92
Consumer Staples	18.52	17.85	18.91	19.18	14.36	14.43	13.17
Energy	11.85	10.66	10.44	13.03	7.59	22.95	11.51
Financials	13.31	13.32	13.17	17.20	NM	29.69	14.26
Health Care	20.45	19.70	19.33	17.58	12.64	12.31	11.20
Industrials	22.11	17.74	16.95	16.65	9.78	14.63	13.58
Information Technology	26.17	22.16	23.56	23.72	14.37	20.40	15.46
Materials	18.16	15.62	14.20	16.27	17.00	32.94	16.64
Telecommunication Services	18.88	16.20	19.48	20.35	13.59	13.02	12.67
Utilities	16.50	16.40	16.23	18.53	12.08	12.39	11.13
S&P 500	17.93	16.33	16.17	17.79	18.24	17.87	13.28

GLOBAL SALES

In 2008, S&P 500 foreign sales increased 8.5%, while domestic sales decreased 0.3%. However, half of the issues still do not report sufficient information for a complete breakdown. Of the reporting issues, 47.9% of all sales were produced and sold outside of the United States, up from 45.8% in 2007 and 43.6% in 2006. European sales represented 27.7% of foreign sales, with 9.3% coming from Canada. Asian sales decreased to 13.2% from 16.8% in 2007. Foreign income taxes increased US\$ 11.5 billion, or 9.3%, as U.S. federal income taxes declined US\$ 43.9 billion, or 29.1%, with Financials paying 16 times more abroad than domestically. Taxes paid to the U.S. now represent a minority of income taxes paid by U.S. companies.

EARNINGS

Based on 337 reported issues (75.14% of the market value), operating earnings are expected to decline 15.7% and as reported earnings are expected to increase 6.8%. Actual weighted operating reported (same companies) are 1.7% behind of estimates and 36.8% lower than Q2 2008. Sales are off 15.6%, with 22.8% ahead of last year, and 77.2% reporting lower sales. After declines, recent estimates have turned up; however, stats can be misleading. For instance, Financials are up 244% from Q2 2008 (which was negative), but remain down 85.7% from Q2 2007. The current status is that Q2 2009 is expected to come in 15.7% lower than Q2 2008.

DIVIDENDS

July payments were down 31%, marking the lowest July payment since 2002. Companies have been cautious, with the average increase down to 8.5%. This is compared to an average increase of 13.7% in 2008 and 18.2% in 2007. Year-to-date, there has been 71 dividend cuts (61 reductions totaling US\$-46.1B and 10 suspensions costing US\$-1.2B). The Q2 2009 reductions in payments of 23.4% is the worst since the 24.4% decline in Q3 1958. Payments for the second half of 2009 are expected to show steeper declines.

July saw 46 decreases, compared to 53 decreases in July 2008; while increases remain very low, with only 71 increases for the month, compared to 151 increases in July 2008. For the month, 8 issues increased, 0 initiated, 4 decreased and 0 suspended versus 23 increases, 2 initiations, 2 decreases, and 2 suspensions for the same period in 2008 and 28 increases, 1 initiation, 1 decrease, and 0 suspensions for July 2007. Year-to-date, increases continue to decline as decreases continue to increase with 93 increases, 2 initiations, 61 decreases, and 10 suspensions versus 181 increases, 5 decreases, 18 initiations, and 6 suspensions for 2008.

Payers continued to underperform non-payers in July posting a +9.56% return versus a +9.76% return respectively. Year-to-date, payers posted a return of +6.90% versus 36.59% for non-payers, with the trailing 12-month in the red with -26.01% for payers versus -15.70% for non-payers.

ISSUE INDICATED DIVIDEND RATE CHANGE

Month of July

PERIOD	INCREASES	INITIALS	DECREASES	SUSPENSIONS
2009	8	0	6	0
2008	23	2	2	2
2007	28	1	1	0
2006	21	0	1	0

By Year

PERIOD	INCREASES	INITIALS	DECREASES	SUSPENSIONS
2009: 1/01 - 7/31	93	2	61	10
2008: 1/01 - 7/31	181	5	18	6
2007: 1/01 - 7/31	193	3	3	2
2006: 1/01 - 7/31	200	4	4	2

DIVIDEND TOTAL RETURN PERFORMANCE

PERIOD	AVERAGE S&P 500 PAYERS	AVERAGE S&P 500 NON-PAYERS
Month – Average Change	9.56%	9.76%
12-Months	-26.01%	-15.70%
Average Yield	2.17%	

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