STANDARD & POOR'S

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.standardandpoors.com

Howard Silverblatt,
Senior Index Analyst
212.438.3916
howard_silverblatt@standardandpoors.com

Index Services
212.438.2046
index_services@standardandpoors.com

THE MARKET

The S&P 500 ended its run of seven consecutive monthly gains with a decline of 1.98% in October, marking the index's first decline since February (-10.99%). Only two of the ten sectors were up in October, with Energy at the top with a 3.15% gain followed by Consumer Staples with a +1.04% return. Financials led the way down, with a 6.04% decline, closely followed by Materials which lost 4.66%.

For October, 13 issues gained at least 10%; 83 issues declined at least 10%; one issue was up at least 25% (AMZN: +27.26% for October, and +131.69% YTD); and six issues declined by a quarter (MBI: -47.68% for October, -0.25% YTD; MI: -34.08% for October, -61.00% YTD; PCS: -33.44% for October, -58.05% YTD; CIEN: -27.95% for October, +75.07 YTD; WFR: -25.32% for October, -13.03 YTD; and S: -25.06% for October, +61.75 YTD. Year-to-date, 29 issues have doubled, with 57 issues still ahead of their 2007 year-end price.

From March 9th, the 165 trading days produced a 53.16% gain for the S&P 500, which is the best gain since the 53.76% increase in October 1938. While the market remains 33.80% off its 2007 high, the gains have mostly stayed with little profit taking and few major selling days. Volatility picked up during October and continues to remain higher than historical values, although lower than the first half of 2009. Year-to-date, there have now been more days where the S&P 500 moved less than 1% than more than 1%. However, the swings have also been fewer and less drastic. The last 5% move was on March 23rd (+7.08%), with the last 3% move occurring on June 22nd (-3.06%).

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

% CHANGES	OCTOBER 2009	3-MONTHS 7/31/2009	YTD 12/31/2008	1-YEAR 10/31/2008	2-YEARS 10/31/2007	5-YEARS 10/31/2004	FROM 3/24/2000
Consumer Discretionary	-2.48%	5.97%	24.61%	18.18%	-27.20%	-17.71%	-26.03%
Consumer Staples	1.04%	5.18%	7.81%	4.83%	-9.82%	19.77%	59.72%
Energy	3.15%	8.28%	9.28%	5.24%	-27.88%	51.51%	101.67%
Financials	-6.04%	8.09%	11.99%	-9.61%	-58.21%	-50.82%	-43.45%
Health Care	-2.31%	0.60%	5.38%	4.28%	-22.22%	-0.25%	1.83%
Industrials	-4.66%	5.81%	6.71%	-0.84%	-40.45%	-17.28%	-18.94%
Information Technology	-0.38%	6.51%	44.24%	29.89%	-24.24%	9.32%	-65.90%
Materials	-5.33%	1.10%	28.62%	13.32%	-34.80%	5.16%	29.73%
Telecommunication Services	-4.84%	-4.53%	-7.75%	-0.95%	-41.45%	-15.02%	-67.45%
Utilities	-3.21%	-2.03%	-2.56%	-2.65%	-33.21%	8.12%	-2.48%
S&P 500	-1.98%	4.93%	14.72%	6.96%	-33.12%	-8.32%	-32.16%

BREADTH

Breadth was negative for October with 162 issues up (average +4.21%) compared to 397 issues in September and 371 issues in August; and 338 issues down (average -7.22%) in comparison to 121 issues down in September and 128 issues in August.

For the year, there were 372 issues up (average +41.37%) and 126 issues down (average -11.95%). Looking from year-end 2007, only 57 issues are up (average +11.99%), while 439 issues are down (average -31.02%).

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
Oct,'09	162	0	338	-3.52	-0.22	-0.71	-0.65	-1.98
Sep,'09	379	0	121	5.02	4.17	3.68	2.52	3.57
Aug,'09	371	1	128	5.57	3.73	2.48	4.29	3.36
Jul,'09	424	1	75	9.30	8.12	7.57	6.82	7.41

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

Global markets continued their recovery through most of October. Emerging markets posted a slight gain of 0.61% as 12 of the 20 markets advanced, pushing the YTD gain to an astounding +65.50%. However, when the YTD gain is measured against the year-end 2007 levels, the return is still off 25.06%. Developed markets posted a 2.20% loss for the month, assisted by the United States which lost 2.63% and Japan which was down 2.64%. Only six of 25 markets were up for the month. All 45 markets were positive for both the YTD and 12-month periods; however, from the close of 2007, the global markets remain off 29.31%, with 44 of the 45 markets in the red, and only Peru posting a slight gain of 0.46%.

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	23.74	15.33
Consumer Staples	18.52	17.85	18.91	19.18	14.36	14.93	13.62
Energy	11.85	10.66	10.44	13.03	7.59	24.90	13.18
Financials	13.31	13.32	13.17	17.20	NM	33.68	15.81
Health Care	20.45	19.70	19.33	17.58	12.64	12.23	10.91
Industrials	22.11	17.74	16.95	16.65	9.78	16.35	14.62
Information Technology	26.17	22.16	23.56	23.72	14.37	20.47	15.85
Materials	18.16	15.62	14.20	16.27	17.00	27.59	15.56
Telecommunication Services	18.88	16.20	19.48	20.35	13.59	13.28	12.78
Utilities	16.50	16.40	16.23	18.53	12.08	12.34	11.27
S&P 500	17.93	16.33	16.17	17.79	18.24	18.58	13.94

EARNINGS

With 63% of the earnings reported, the numbers are coming in slightly better than expected, but not as good as earlier reports. The standout so far is the margins, which at 7.78% is substantially higher than the 6.60% 15-year average. S&P expects margins to decline slightly, especially when retail reports next month, but for the overall rate to remain well above the 6.60% 15-year average. Health Care continues to be the highest performer at 14.91%, with Utilities (smallest group accounting for 3.70% of the market value) at 14.28% and Information Technology (largest group representing 19.02%) at 14.28%.

Most companies are beating their estimates, with 63.7% beating sales and 71.4% beating their Operating Earnings. The aggregate sales reported are 2.35% higher than their estimated numbers and are 11.87% behind Q3 2009, but continue to remain significantly better than Q2 2009's 19.9% drop. Looking at Operating Earnings, 71.4% of the issues have beat their estimated Operating EPS, with 43.2% beating 2008's EPS, and 30.5% beating both estimates.

DIVIDENDS

For the month, 11 issues increased, 1 issue initiated, 3 issues decreased and 0 issues suspended versus a terrible 10 increases, 0 initiations, 7 decreases, and 4 suspensions for the same period in 2008, and 15 increases, 3 initiations, 1 decrease, and 0 suspensions for October 2007. Year-to-date increases and decreases continue to decline. So far, there have been 19 increases, 3 initiations, 65 decreases, and 10 suspensions compared to 213 increases, 5 initiations, 29 decreases, and 16 suspensions in 2008 and 239 increases, 7 initiations, 5 decreases, and 2 suspensions for 2007.

For the first time this year, payers performed better than non-payers, declining 2.30% compared -6.20% for the non-payers. Year-to-date, the difference remains extreme, with a return of +14.84% for payers versus +46.98% for non-payers.

ISSUE INDICATED DIVIDEND RATE CHANGE

Month of October

PERIOD	INCREASES	INITIALS	DECREASES	SUSPENSIONS
2009	11	1	3	0
2008	10	0	7	4
2007	15	3	1	0
2006	19	0	1	0

By Year

PERIOD	INCREASES	INITIALS	DECREASES	SUSPENSIONS
2009: 1/01 - 10/31	119	3	65	10
2008: 1/01 -10/31	213	5	29	16
2007: 1/01 - 10/31	239	7	5	2
2006: 1/01 - 10/31	244	5	7	3

DIVIDEND TOTAL RETURN PERFORMANCE

PERIOD	AVERAGE S&P 500 PAYERS	AVERAGE S&P 500 NON-PAYERS
Month – Average Change	-2.30%	-6.20%
12-Months	7.29%	31.30%
Average Yield	2.08%	