United States: Portfolio Strategy

US Weekly Kickstart

Your five-minute guide to the US equity market: performance, earnings, valuation, & more

"High quality" strategies are back in focus as the market transitions from the beta-rally of the past six months to a more micro-driven market. We highlight the recent outperformance of large caps versus small caps and our Dividend Growth basket <GSTHDIVG> versus S&P 500. Our single-stock colleagues presented a variety of dividend-related strategies this week in their new *Spotlight Series* report.

Performance
S&P 500 rose 2% this week, with large cap stocks outperforming small cap stocks by more than 200 bps. Materials was the best performing sector, rising 4.2%. Energy fell 50 bps as the oil price faltered. Our 2009 year-end price target of 1060 implies 2.5% downside from current levels.

S&P 500 earnings
Our top-down EPS forecasts of $52 and $75 for 2009 and 2010 reflect +5% and +45% growth, respectively. Our pre-provision and write-down EPS forecasts are $69 for 2009 and $81 for 2010. Bottom-up consensus forecasts a 15% increase in 2009 to $57, and a 36% increase in 2010 to $77.

Valuation
Top-down, the S&P 500 trades at an NTM P/E of 15.3X (13.8X on pre-provision EPS). Bottom-up, it trades at NTM P/E of 14.7X and LTM P/B of 2.3X.

Size and style
Large-cap (S&P 500) outperformed small-cap (Russell 2000) by 212 bp over the past week and has outperformed by 523 bp ytd. Large-cap stocks outperformed small cap stocks in all ten sectors of the market.

US Portfolio Strategy baskets
We highlight our Dividend Growth basket <GSTHDIVG> which has outperformed the S&P 500 by approx 3% since mid-October after a long stretch of underperformance. GSTHDIVG consists of 34 S&P 500 stocks expected to raise their dividends in 2009-2010 and that have a higher dividend yield than S&P 500. Long-dated dividend swaps offer the most upside (see Exhibit 4).

S&P 500 stock performance this week
Leaders: AMD, JDSU, PCLN, DOW, WYNN.
Laggards: SUN, TSO, MBI, ZION, AIG.

David J. Kostin
(212) 902-6781 | david.kostin@gs.com
Goldman, Sachs & Co.

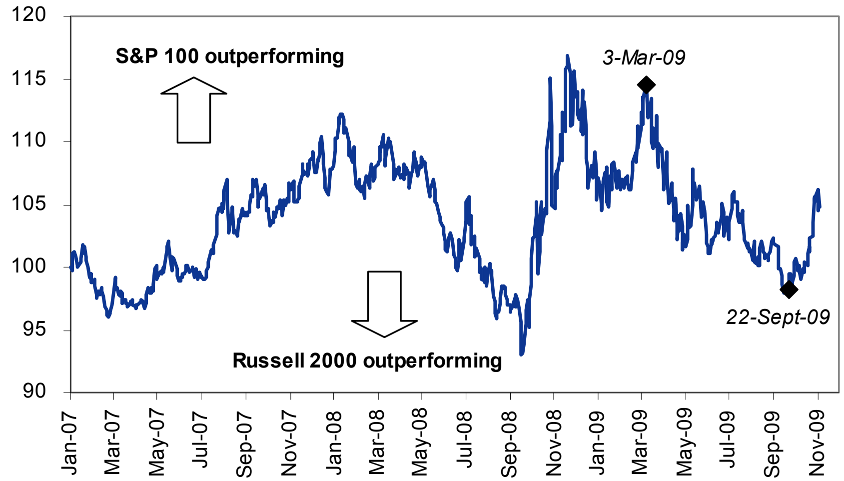
Nicole Fox
(212) 357-1744 | nicole.fox@gs.com
Goldman, Sachs & Co.

Caesar Maasry
(212) 902-9693 | caesar.maasry@gs.com
Goldman, Sachs & Co.

Amanda Sneider
(212) 357-9860 | amanda.sneider@gs.com
Goldman, Sachs & Co.

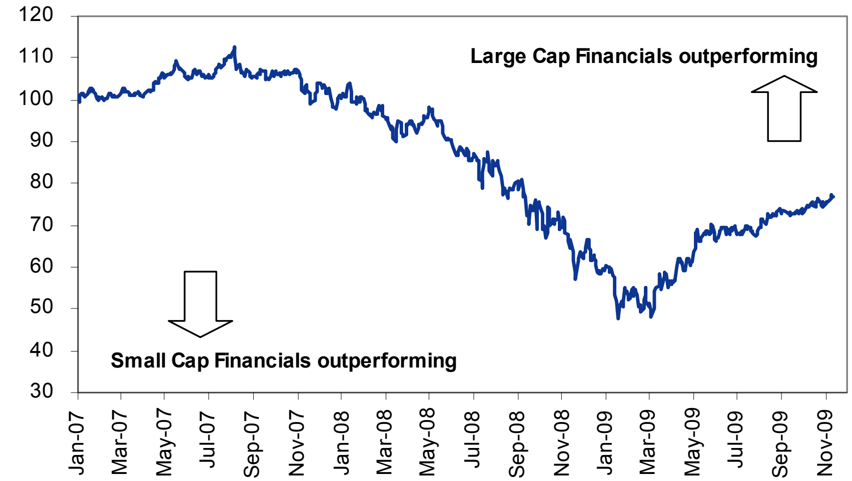
The charts we are watching

Exhibit 1: Large cap stocks have outperformed small caps since mid-Sept as of November 12, 2009



Source: FactSet and Goldman Sachs Global ECS Research.

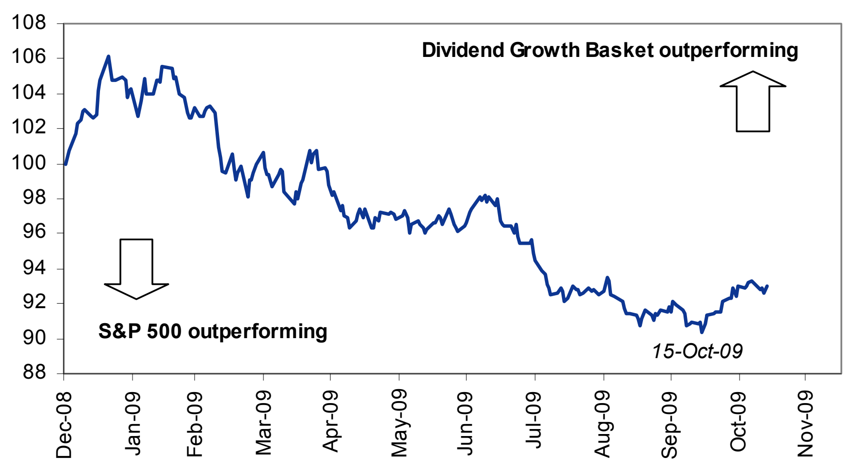
Exhibit 2: Large cap Financials have massively outperformed small cap Financials since the March 2009 market trough; as of November 12, 2009



Note: Large cap Financials = S&P 500 financials; small cap Financials = Russell 2000 Financials.

Source: FactSet and Goldman Sachs Global ECS Research.

Exhibit 3: Our Dividend Growth basket <GSTHDIVG> has been outperforming the S&P 500 since mid-October; as of November 12, 2009



Source: FactSet and Goldman Sachs Global ECS Research.

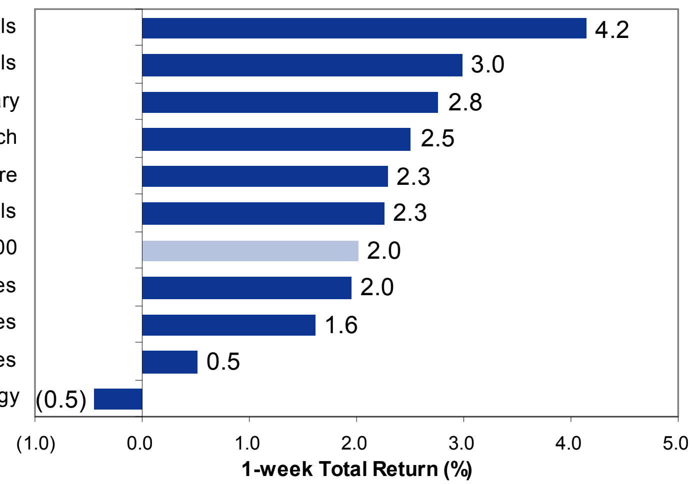
Exhibit 4: S&P 500 dividend forecasts vs. dividend swap implied levels as of November 12, 2009

	Goldman Sachs Forecast			Implied			Upside/
Maturity	Level	Div. yield	*yoy*	Level	Div. yield	*yoy*	(downside)
2008R	28.4	2.6	*2.4 %*	28.4	2.6	*2.4 %*	
2009	22.1	2.0	*(22.2)*	22.2	2.0	*(21.9)*	**(0.4)**
2010	22.0	2.0	*(0.3)*	22.5	2.1	*1.2*	**(1.9)**
2011	22.8	2.1	*3.5*	22.8	2.1	*1.6*	**0.0**
2012	24.8	2.3	*8.8*	23.5	2.2	*2.9*	**5.8**
2013	26.7	2.5	*7.8*	24.2	2.2	*3.2*	**10.4**
2014	28.4	2.6	*6.2*	25.0	2.3	*3.2*	**13.6**
2015	29.8	2.7	*5.1*	25.8	2.4	*3.2*	**15.7**
2016	31.4	2.9	*5.1*	26.6	2.4	*3.2*	**17.8**
2017	33.0	3.0	*5.1*	27.5	2.5	*3.4*	**19.8**
2018	34.6	3.2	*5.1*	28.5	2.6	*3.4*	**21.7**
2019	36.7	3.4	*6.0*	29.4	2.7	*3.3*	**24.9**

Source: Goldman Sachs Global ECS Research.

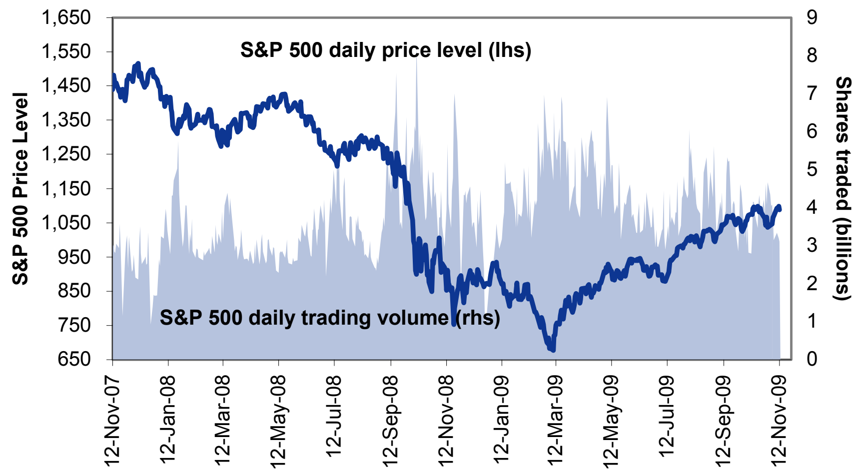
S&P 500 Performance

Exhibit 5: S&P 500 sector performance over the last week
as of November 12, 2009



Source: FactSet and Goldman Sachs Global ECS Research.

Exhibit 6: S&P 500 price return and daily trading volume LTM
as of November 12, 2009



Source: FactSet and Goldman Sachs Global ECS Research.

Exhibit 7: S&P 500 sector performance over time
as of November 12, 2009

	Total Return Percentage Change (%)					
	1-Week	1-Month	3-Month	6-Month	YTD	12-Month
Information Tech	2 %	3 %	12 %	34 %	**54 %**	61 %
Materials	4	1	7	22	**43**	48
Cons Discretionary	3	3	9	25	**35**	56
Financials	2	(4)	5	24	**19**	21
Industrials	3	3	10	22	**18**	26
Energy	(0)	1	12	12	**14**	25
Consumer Staples	2	2	10	19	**14**	19
Health Care	2	2	7	18	**14**	21
Utilities	1	(1)	1	9	**4**	11
Telecom Services	2	2	2	3	**0**	12
S&P 500	2 %	1 %	9 %	21 %	**23 %**	31 %

Source: FactSet and Goldman Sachs Global ECS Research.

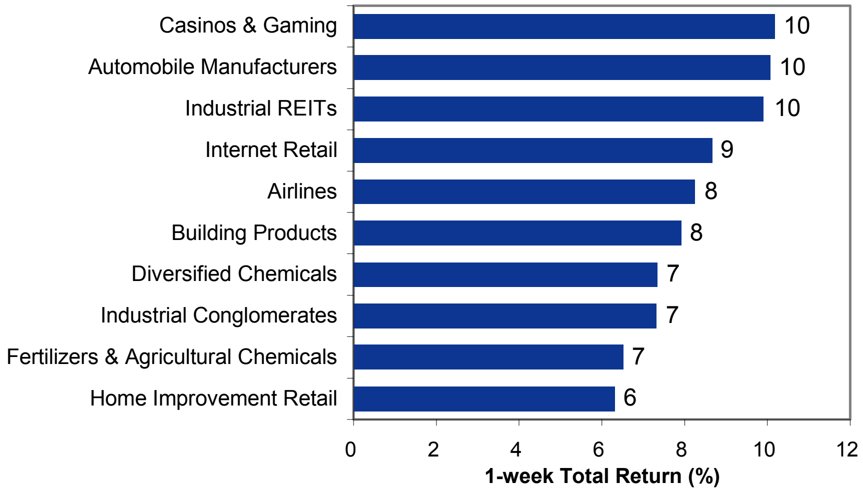
Exhibit 8: BEST and WORST performing S&P 500 STOCKS BY SECTOR
as of November 12, 2009

	BEST STOCKS			WORST STOCKS		
		Return (%)			Return (%)	
Sector	**Ticker**	**1-week**	**YTD**	**Ticker**	**1-week**	**YTD**
Cons Discr	**PCLN**	17 %	168 %	**EK**	(4)%	(39)%
Consumer Staples	**CAG**	4	40	**DF**	(3)	(9)
Energy	**MEE**	10	163	**SUN**	(12)	(35)
Financials	**PLD**	10	2	**MBI**	(8)	(8)
Health Care	**THC**	5	378	**MYL**	(1)	74
Industrials	**GE**	9	2	**PWR**	(5)	3
Info Tech	**AMD**	34	200	**MOT**	(6)	97
Materials	**DOW**	15	96	**TIE**	(2)	5
Telecom Services	**S**	8	67	**WIN**	(3)	17
Utilities	**TEG**	7	(6)	**AES**	(6)	58
S&P 500	**AMD**	34 %	200 %	**SUN**	(12)%	(35)%

Source: FactSet and Goldman Sachs Global ECS Research.

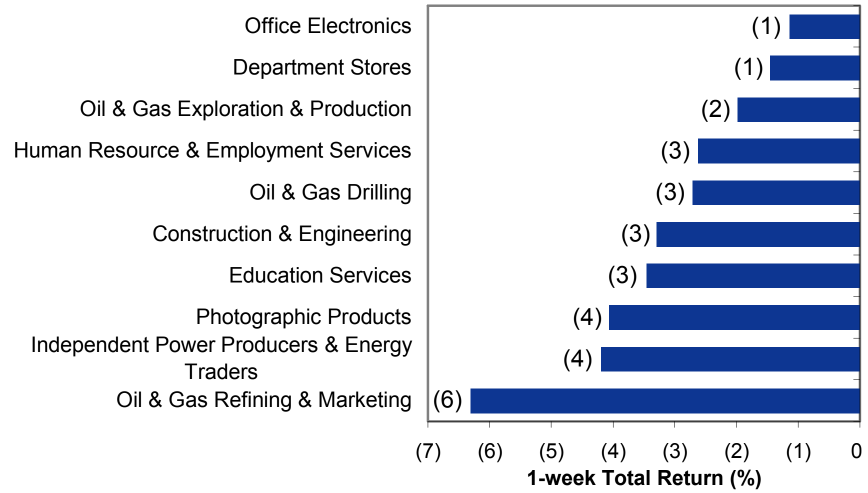
S&P 500 Performance (cont'd)

Exhibit 9: TOP 10 performing SUB-SECTORS over the last week
as of November 12, 2009



Source: FactSet and Goldman Sachs Global ECS Research.

Exhibit 10: BOTTOM 10 performing SUB-SECTORS over the last week
as of November 12, 2009



Source: FactSet and Goldman Sachs Global ECS Research.

Exhibit 11: TOP 10 performing S&P 500 STOCKS over the last week
as of November 12, 2009

			Return (%)	
Company Name	**Ticker**	**Sector**	**1-week**	**YTD**
Advanced Micro Devices	**AMD**	Info Tech	34	200
JDS Uniphase Corp	**JDSU**	Info Tech	27	111
Priceline.com	**PCLN**	Cons Discr	17	168
Dow Chemical	**DOW**	Materials	15	96
Wynn Resorts	**WYNN**	Cons Discr	13	60
Ford Motor	**F**	Cons Discr	10	258
Starbucks Corp.	**SBUX**	Cons Discr	10	129
ProLogis	**PLD**	Financials	10	2
NVIDIA Corp.	**NVDA**	Info Tech	10	67
Massey Energy Co.	**MEE**	Energy	10	163
S&P 500 Average			**2**	**38**

Source: FactSet and Goldman Sachs Global ECS Research.

Exhibit 12: BOTTOM 10 performing S&P 500 STOCKS over the last week
as of November 12, 2009

			Return (%)	
Company Name	**Ticker**	**Sector**	**1-week**	**YTD**
Sunoco., Inc.	**SUN**	Energy	(12)	(35)
Tesoro Corp.	**TSO**	Energy	(11)	2
MBIA Inc.	**MBI**	Financials	(8)	(8)
Zions Bancorp	**ZION**	Financials	(8)	(47)
American Int'l. Group	**AIG**	Financials	(8)	15
Ensco International Inc.	**ESV**	Energy	(7)	59
Southwestern Energy	**SWN**	Energy	(7)	47
Motorola Inc.	**MOT**	Info Tech	(6)	97
AES Corp.	**AES**	Utilities	(6)	58
Quanta Services Inc.	**PWR**	Industrials	(5)	3
S&P 500 Average			**2**	**38**

Source: FactSet and Goldman Sachs Global ECS Research.

Earnings and Sales

Exhibit 13: EARNINGS GROWTH: S&P 500 bottom-up consensus estimates
as of November 12, 2009

	2009E Earnings Growth				Annual	
	1QA	2QE	3QE	4QE	2009E	2010E
Consumer Discretionary	(86)	61	151	NM	**82**	44
S&P 500	**(39)**	**(19)**	**(2)**	**NM**	**15**	**36**
Health Care	7	1	6	20	**8**	8
Information Technology	(35)	(21)	3	127	**5**	33
Utilities	(4)	1	1	12	**2**	10
Consumer Staples	(10)	(1)	(4)	24	**1**	9
Telecom Services	(9)	(16)	(10)	1	**(9)**	5
Materials	(76)	(64)	(35)	NM	**(19)**	72
Industrials	(40)	(37)	(41)	(18)	**(34)**	9
Energy	(96)	(68)	(73)	64	**(66)**	83
Financials	NM	NM	NM	NM	**NM**	174
S&P 500 (ex-Financials)	(43)	(27)	(26)	68	**(17)**	25

Source: FactSet and Goldman Sachs Global ECS Research.

Exhibit 14: SALES GROWTH: S&P 500 bottom-up consensus estimates
as of November 12, 2009

	2009E Sales Growth				Annual	
	1QA	2QE	3QE	4QE	2009E	2010E
Health Care	3	2	1	2	**2**	6
Telecom Services	1	1	2	3	**2**	1
Consumer Staples	(4)	(5)	(5)	2	**(3)**	5
Information Technology	(16)	(17)	(10)	2	**(10)**	8
Industrials	(11)	(17)	(18)	(9)	**(14)**	1
S&P 500	**(17)**	**(21)**	**(18)**	**(2)**	**(15)**	**8**
Consumer Discretionary	(21)	(26)	(18)	(11)	**(19)**	1
Materials	(29)	(31)	(26)	(1)	**(23)**	13
Energy	(43)	(47)	(43)	2	**(36)**	29

Note: Analysis excludes Financials and Utilities.

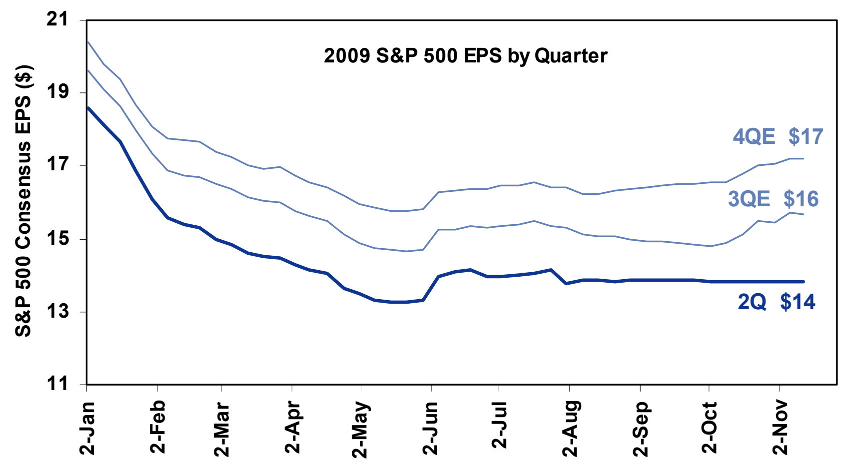
Source: FactSet and Goldman Sachs Global ECS Research.

Exhibit 15: TOP-DOWN vs. BOTTOM-UP: Goldman Sachs vs. Consensus
as of November 12, 2009

	Contribution to EPS				Annual earnings growth rates			
	GS Top-Down EPS		Bottom-up		GS Top-Down		Bottom-Up	
	2009E	2010E	2009E	2010E	2009E	2010E	2009E	2010E
Consumer Discretionary	**$3**	**$5**	$4	$6	**35 %**	**40 %**	82 %	44 %
Utilities	**3**	**3**	3	3	**1**	**10**	2	10
Consumer Staples	**8**	**9**	8	9	**0**	**5**	1	9
Health Care	**10**	**11**	11	12	**(2)**	**10**	8	8
Telecom Services	**2**	**3**	2	2	**(2)**	**3**	(9)	5
Information Technology	**8**	**10**	10	13	**(15)**	**20**	5	33
Industrials	**6**	**7**	6	7	**(35)**	**2**	(34)	9
Materials	**1**	**2**	1	2	**(47)**	**110**	(19)	72
Energy	**7**	**13**	5	10	**(55)**	**80**	(66)	83
S&P 500 ex-Financials	**50**	**61**	**53**	**66**	**(22)**	**23**	**(17)**	**25**
Financials Operating EPS	**2**	**14**	4	11	**NM**	**NM**	NM	174
S&P 500 Operating EPS	**$52**	**$75**	**$57**	**$77**	**5 %**	**45 %**	**15 %**	**36 %**
+ Provisions & Writedowns	**17**	**6**	NA	NA	**(46)**	**(66)**	NA	NA
S&P 500 EPS ex-P&W	**69**	**81**	**NA**	**NA**	**(15)**	**18**	**NA**	**NA**

Source: FactSet and Goldman Sachs Global ECS Research.

Exhibit 16: REVISIONS: S&P 500 consensus EPS revisions
as of November 12, 2009



Note: General Motors was removed from the S&P 500 index on June 2, 2009.

Source: FactSet and Goldman Sachs Global ECS Research.

Valuation

Exhibit 17: Aggregate valuation metrics for S&P 500 and sectors
bottom-up consensus valuation, as of November 12, 2009

	EV/ Sales	EV/ EBITDA	Price/ Book	FCF Yield	PEG Ratio	NTM P/E
S&P 500	**1.4x**	**8.5x**	**2.3x**	**5.8 %**	**1.5x**	**14.7x**
Materials	1.5	15.2	2.9	4.4	1.9	18.6
Industrials	1.8	10.8	2.6	7.4	1.6	16.6
Consumer Discretionary	1.2	8.6	2.5	7.9	1.4	16.5
Information Technology	2.3	11.1	4.1	6.4	1.3	16.3
Financials	NM	NM	1.3	NM	1.5	15.3
Telecommunication Services	1.7	5.3	1.7	14.0	6.7	14.1
Consumer Staples	1.2	9.1	3.6	6.1	1.5	14.1
Energy	1.1	6.3	2.1	NM	2.4	13.7
Utilities	NM	7.0	1.5	1.5	2.2	11.8
Health Care	1.2	7.9	2.9	7.6	1.3	11.7

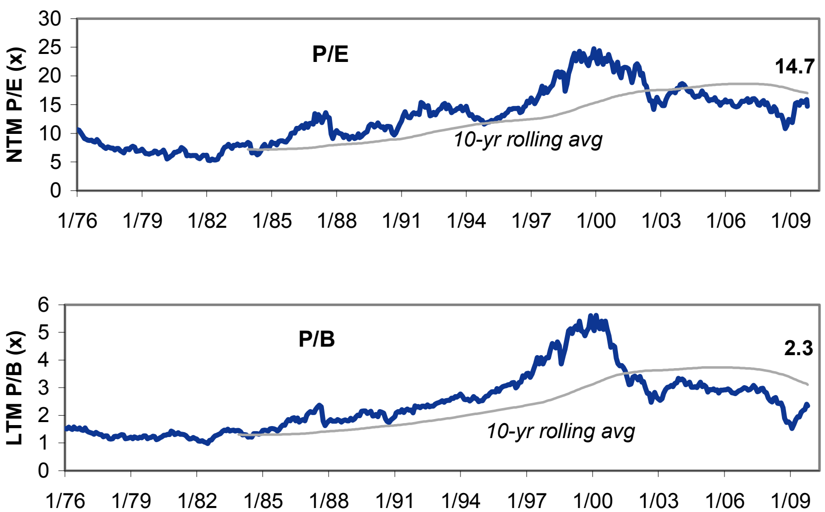
Source: Compustat, First Call via FactSet, and Goldman Sachs Global ECS Research.

Exhibit 18: Standard deviation vs. 10-year history (Z-Score)
bottom-up consensus valuation, as of November 12, 2009

	EV/ Sales	EV/ EBITDA	Price/ Book	FCF Yield	P/E	PEG Ratio	Median Z-Score
S&P 500	**(0.9)**	**(2.4)**	**(1.1)**	**(1.0)**	**(0.5)**	**2.4**	**(0.9)**
Health Care	(1.8)	(0.8)	(1.0)	(1.8)	(2.4)	(1.6)	**(1.7)**
Consumer Staples	0.3	1.9	(0.8)	(0.3)	(1.8)	(2.8)	**(0.6)**
Telecommunication Services	(1.2)	0.9	0.3	(1.0)	(1.1)	(0.1)	**(0.5)**
Information Technology	(0.1)	(0.1)	0.6	(0.7)	(1.2)	(1.2)	**(0.4)**
Utilities	NM	1.2	0.4	NM	(0.0)	(0.1)	**0.2**
Consumer Discretionary	1.8	2.1	1.7	(1.0)	(0.1)	(0.1)	**0.8**
Industrials	0.7	1.7	0.8	0.2	1.7	1.0	**0.9**
Energy	0.5	(0.3)	(0.3)	1.5	1.9	2.1	**1.0**
Financials	NM	NM	(1.1)	NM	2.4	1.7	**1.7**
Materials	1.9	6.1	1.5	1.0	1.9	1.1	**1.7**

Source: Compustat, First Call via FactSet, and Goldman Sachs Global ECS Research.

Exhibit 19: Historical NTM P/E and LTM P/B values for the S&P 500
aggregate bottom-up consensus valuation, as of November 12, 2009



Source: Compustat, FactSet, and Goldman Sachs Global ECS Research.

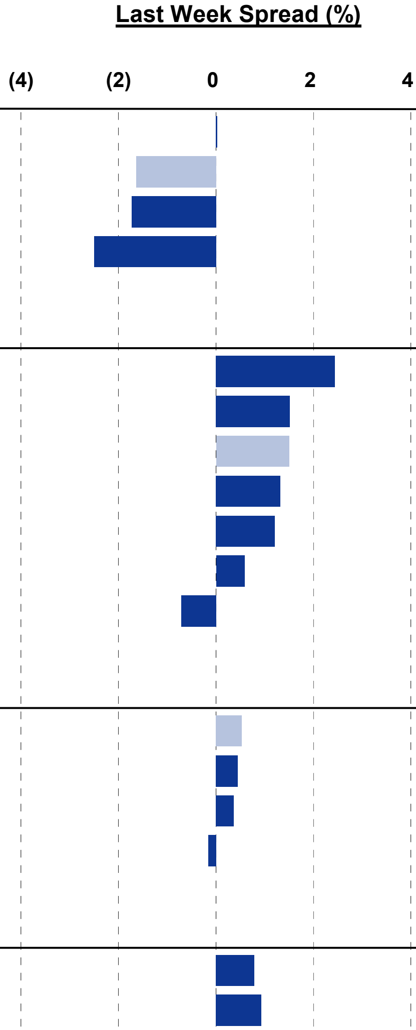
Exhibit 20: Top stocks by fastest 2009 earnings growth and lowest NTM P/E
by sector, as of November 12, 2009

	GROWTH			VALUE		
		Fastest EPS Growth (%)			Lowest P/E (x)	
Sector	**Ticker**	**2009E**	**2010E**	**Ticker**	**NTM**	**Rel to SPX**
Cons Discr	**CBS**	(68)	63	**GCI**	6.6	0.5
Consumer Staples	**EL**	(5)	34	**SVU**	8.2	0.6
Energy	**MRO**	(70)	87	**COP**	8.7	0.6
Financials	**BAC**	27	98	**MBI**	2.1	0.1
Health Care	**GENZ**	(43)	67	**HUM**	7.4	0.5
Industrials	**MWW**	(97)	100	**RTN**	10.1	0.7
Info Tech	**NVDA**	(40)	86	**WDC**	8.5	0.6
Materials	**IP**	(57)	56	**OI**	9.6	0.7
Telecom Services	**AMT**	5	38	**CTL**	10.2	0.7
Utilities	**PPL**	(13)	87	**AYE**	9.6	0.7

Source: Compustat, FactSet, and Goldman Sachs Global ECS Research.

S&P 500 Factor Performance

Exhibit 21: S&P 500 factor return ranking for the week ended November 12, 2009 (a)



	Performance Spread of Top Quintile Less Bottom Quintile (%)							
	Last	Last Five Trading Days					Last	Last
Growth Metrics[b]	**Week**	**6-Nov**	**9-Nov**	**10-Nov**	**11-Nov**	**12-Nov**	**Month**	**Quarter**
EPS Growth	0.0	(0.5)	0.3	0.2	0.4	(0.5)	(4.6)	(0.1)
GROWTH	**(1.6)**	**(0.7)**	**0.2**	**(0.1)**	**0.0**	**(1.1)**	**(4.3)**	**(0.3)**
EBITDA Growth	(1.7)	(0.6)	0.1	(0.0)	(0.0)	(1.2)	(4.5)	0.4
Sales Growth	(2.5)	(1.5)	0.2	(0.3)	0.3	(1.3)	(2.5)	2.6
Value Metrics[b]								
P/B	2.4	1.0	(0.6)	0.8	(0.0)	1.2	5.6	7.7
EV/DACF	1.5	0.2	(0.0)	0.4	0.5	0.5	1.8	1.8
VALUATION	**1.5**	**0.1**	**0.4**	**0.2**	**0.4**	**0.4**	**0.3**	**3.8**
EV/EBITDA	1.3	(0.2)	0.2	0.4	0.8	0.2	0.2	2.4
P/E	1.2	0.2	0.5	(0.2)	0.4	0.3	(0.4)	5.8
P/div	0.6	0.3	0.1	0.0	(0.1)	0.2	(2.3)	3.9
EV/FCF	(0.7)	(0.7)	0.3	(0.2)	0.3	(0.5)	(4.1)	(3.5)
Profitability Metrics[b]								
PROFITABILITY	**0.5**	**1.2**	**(1.2)**	**0.8**	**(0.6)**	**0.4**	**6.3**	**5.6**
CROCI	0.5	0.8	(0.8)	0.5	(0.5)	0.4	4.6	6.5
ROCE	0.4	1.0	(1.2)	0.7	(0.4)	0.3	6.0	3.9
ROE	(0.2)	0.6	(1.4)	1.2	(0.9)	0.4	4.7	2.6
Other Metrics[c]								
Short Interest Level	0.8	0.3	1.6	(1.3)	0.7	(0.4)	(7.2)	(4.4)
Equity Capitalization	0.9	0.3	(0.6)	1.0	(0.4)	0.6	6.4	4.4

(a) Factor return analysis uses S&P 500 companies included in the Goldman Sachs Americas coverage universe with stock prices greater than $5 at the time of publication.
(b) Growth, Value and Profitability analysis is based on Goldman Sachs Investment Profile scores ("IP Scores"). Growth, value and profitability metrics are indexed based on composites of several methodologies to determine the stocks percentile ranking within the region's coverage universe. The precise calculation of each metric may vary depending on the fiscal year, industry and region but the standard approach is as follows: Growth is a composite of next year's estimate over current year's estimate, e.g. EPS, EBITDA, Revenue. Return is a year one prospective aggregate of various return on capital measures, e.g. CROCI, ROACE, and ROE. Multiple is a composite of one-year forward valuation ratios, e.g. P/E, dividend yield, EV/FCF, EV/EBITDA, EV/DACF, Price/Book.
(c) "Other metric" analysis based on current, market prices and data sourced from NASDAQ and NYSE via FactSet.

Source: NASDAQ and NYSE via FactSet, IDC, and Goldman Sachs Global ECS Research.

Style and Size

Exhibit 22: Total return by style and size over time
as of November 12, 2009

	Total Return Percentage Change (%)				
	1-Week	1-Month	3-Month	6-Month	YTD
Large Cap vs. Small Cap					
S&P 500	**2**	1	9	21	23
Russell 2000	**(0)**	(5)	2	18	18
Large vs. Small (bps)	**212**	656	689	304	523
Growth vs. Value					
Russell 1000 Growth	**2**	2	10	23	32
Russell 1000 Value	**2**	(0)	8	20	17
Growth vs. Value (bps)	**18**	276	198	289	1,546

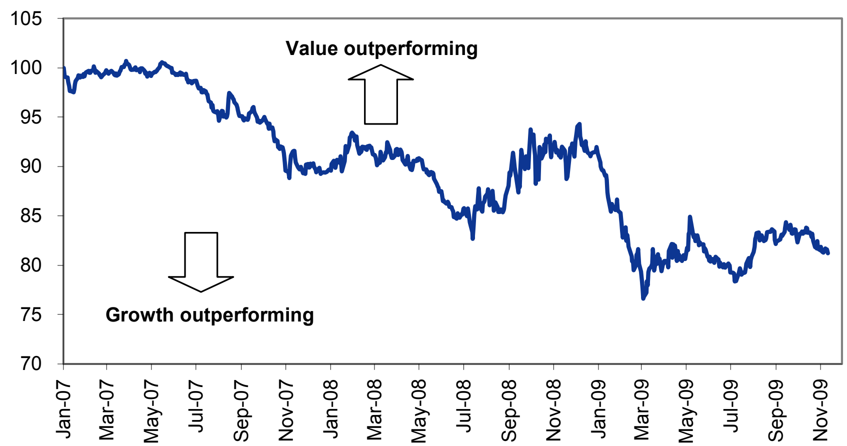
Source: FactSet and Goldman Sachs Global ECS Research.

Exhibit 23: Total return by SECTOR for S&P 500 vs. Russell 2000
as of November 12, 2009

	Weight (%)		1-Week (% Return)			YTD (% Return)		
Sector	SP500	R2000	SP500	R2000	Δ (bps)	SP500	R2000	Δ (bps)
Telecom Services	3	1	2	(3)	**509**	0	7	(698)
Materials	4	4	4	0	**391**	43	47	(416)
Industrials	10	16	3	(1)	**384**	18	5	1,292
Cons Discretionary	9	14	3	0	**267**	35	50	(1,562)
Health Care	13	14	2	0	**217**	14	15	(109)
Financials	15	20	2	0	**212**	19	(9)	2,804
Consumer Staples	12	3	2	(0)	**208**	14	15	(104)
Information Tech	19	19	2	1	**191**	54	47	642
Utilities	4	3	1	(1)	**123**	4	(0)	409
Energy	12	5	(0)	(1)	**94**	14	29	(1,525)
Index	**100**	**100**	**2**	**(0)**	**212**	**23**	**18**	**523**

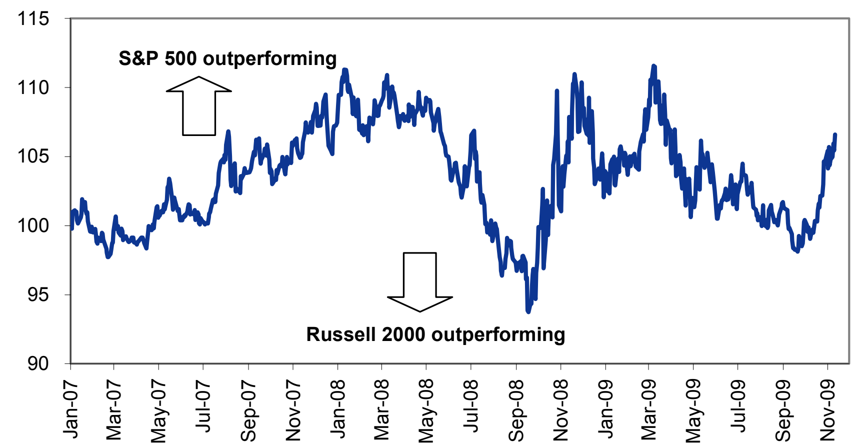
Source: FactSet and Goldman Sachs Global ECS Research.

Exhibit 24: GROWTH vs. VALUE relative performance over time
Russell 1000 Growth vs. Russell 1000 Value, as of November 12, 2009



Source: FactSet and Goldman Sachs Global ECS Research.

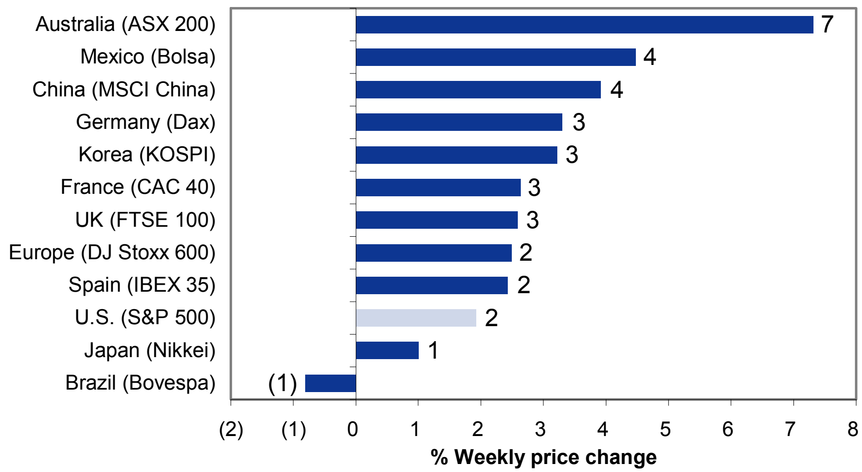
Exhibit 25: LARGE CAP vs. SMALL CAP relative performance over time
S&P 500 vs. Russell 2000, as of November 12, 2009



Source: FactSet and Goldman Sachs Global ECS Research.

Global Equity Market and Mutual Fund Performance

Exhibit 26: GLOBAL EQUITY MARKET performance over the past week
as of November 12, 2009



Source: FactSet and Goldman Sachs Global ECS Research.

Exhibit 27: US EQUITY MUTUAL FUND performance vs. benchmark
as of November 12, 2009

	Avg. Total Return (%)		Stdev		No. of	AUM
Lipper Indices	**1-week**	**YTD**	**1-Week**	**YTD**	**Funds**	**$ bil**
Large-Cap Core Funds	**1.8**	**24.6**	**0.3**	**6.9**	**30**	**245**
Benchmark: S&P 500	2.0	23.0				
Out / (Underperformance) (bps)	*(23)*	*167*				
Large-Cap Growth Funds	**2.2**	**32.3**	**0.5**	**10.0**	**30**	**239**
Benchmark: Russell 1000 Growth	2.0	32.1				
Out / (Underperformance) (bps)	*17*	*15*				
Large-Cap Value Funds	**1.7**	**21.5**	**0.3**	**5.8**	**30**	**231**
Benchmark: Russell 1000 Value	1.9	16.7				
Out / (Underperformance) (bps)	*(14)*	*478*				
Small-Cap Core Funds	**0.3**	**26.7**	**0.7**	**8.7**	**29**	**NA**
Benchmark: Russell 2000	(0.1)	17.7				
Out / (Underperformance) (bps)	*42*	*898*				

Source: Lipper, FactSet and Goldman Sachs Economics Global ECS Research.

Exhibit 28: GLOBAL EQUITY MARKET performance over time
as of November 12, 2009

	Price Return (%) USD				
	1-Week	**1-Month**	**3-Month**	**2009 YTD**	**2008**
Brazil (Bovespa)	(1)	2	21	**132**	(55)
Australia (ASX 200)	7	2	22	**70**	(53)
China (MSCI China)	4	7	10	**65**	(51)
Korea (KOSPI)	3	(3)	8	**52**	(56)
Mexico (Bolsa)	4	1	8	**44**	(40)
Spain (IBEX 35)	2	1	13	**38**	(42)
UK (FTSE 100)	3	6	12	**37**	(50)
Europe (DJ Stoxx 600)	2	1	13	**33**	(48)
France (CAC 40)	3	(0)	14	**27**	(46)
Germany (Dax)	3	(2)	11	**26**	(43)
U.S. (S&P 500)	**2**	**1**	**8**	**20**	**(38)**
Japan (Nikkei)	1	(3)	(0)	**11**	(29)
Average	**3**	**1**	**12**	**46**	**(46)**

Source: FactSet and Goldman Sachs Global ECS Research.

Exhibit 29: International and other MUTUAL FUND performance
as of November 12, 2009

	Avg. Total Return (%)		Stdev		No. of	AUM
Lipper Indices	**1-week**	**YTD**	**1-week**	**YTD**	**Funds**	**$ bil**
International Equity						
Global Funds	2	28	0.5	10.1	30	181
International Funds	2	34	0.5	11.3	30	339
European Funds	2	42	0.6	25.4	10	20
Emerging Market Funds	2	71	0.4	9.3	29	NA
Real Estate and Natural Resources						
Real Estate	3	21	0.8	9.5	30	30
Natural Resource	(1)	37	0.6	7.4	10	7
Fixed Income						
General U.S. Government Funds Index	0	3	0.2	8.0	30	NA
A Rated Bond Funds Index	0	14	0.1	8.2	30	NA
BBB Rated Funds Index	1	19	0.2	11.7	30	NA

Source: Lipper, FactSet and Goldman Sachs Global ECS Research.

ETF Analysis: Composition, Valuation, Growth, and Ownership

Exhibit 30: Selected ETF analysis for the week ended November 12, 2009 (a)(b)

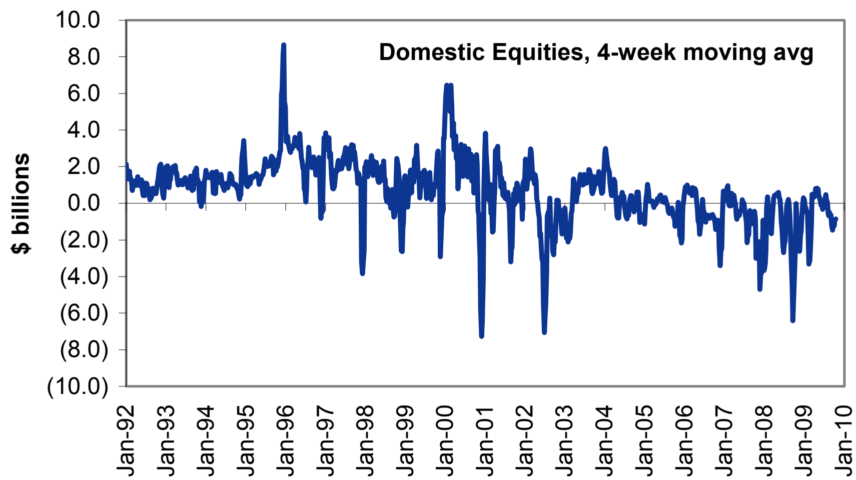
ETF Description				Composition				Performance (%)		Valuation			Growth (%)				Ownership	
			Market Cap	No. of	Top Stocks as % of ETF			Price Change [a]		Valuation P/E	Valuation P/B	Div	Sales Growth		Earnings Growth		Short Interest	Median Hedge Fund
Sector / sub-sector	**Index**	**ETF**	**$ mil**	**Stocks**	**1**	**5**	**10**	**1 Wk**	**YTD**	**NTM**	**LTM**	**Yield**	**2009**	**2010**	**2009**	**2010**	**Days**	**Own (%)** [c]
S&P 500	**SPX**	**SPY**	**76,118**	**500**	**4**	**12**	**20**	**2**	**20**	**15**	**2.2**	**2.0**	**(12)**	**8**	**0**	**24**	**1.7**	**2.9**
S&P 100	**OEX**	**OEF**	**2,395**	**100**	**6**	**18**	**31**	**2**	**17**	**14**	**2.3**	**2.2**	**(13)**	**9**	**(0)**	**21**	**1.3**	**1.9**
Nasdaq-100	**NDX**	**QQQQ**	**16,693**	**100**	**16**	**35**	**48**	**3**	**46**	**18**	**3.6**	**0.6**	**(1)**	**11**	**(1)**	**21**	**1.9**	**3.4**
Consumer Discretionary	**IXY**	**XLY**	**1,405**	**79**	**8**	**29**	**47**	**3**	**33**	**17**	**2.0**	**1.5**	**(8)**	**4**	**12**	**29**	**2.8**	**3.8**
Homebuilders	SPHOME	**XHB**	763	25	5	23	44	3	23	NM	1.5	1.3	(24)	4	NM	NM	2.9	4.0
Retail	IRH	**RTH**	515	18	20	58	82	3	25	16	2.7	1.6	1	4	(1)	11	1.8	2.9
Retail	SPSIRETR	**XRT**	593	63	2	10	19	2	23	17	2.0	1.0	(5)	4	(0)	18	2.7	6.2
Consumer Staples	**IXR**	**XLP**	**2,152**	**41**	**16**	**47**	**66**	**2**	**11**	**14**	**3.1**	**2.9**	**0**	**4**	**3**	**8**	**2.2**	**2.3**
Energy	**IXE**	**XLE**	**6,029**	**40**	**20**	**50**	**64**	(1)	19	**14**	**1.9**	**1.8**	**(36)**	**22**	**(57)**	**41**	**1.5**	**3.1**
Clean Energy	ECO	**PBW**	712	52	4	16	30	(2)	15	NM	1.7	0.5	8	35	NM	NM	3.1	3.0
Natural Resources	SPGSSINR	**IGE**	1,585	124	8	30	44	0	33	15	1.9	1.5	(31)	25	(53)	42	1.5	3.9
Oil & Gas E&P	SPSIOP	**XOP**	506	33	4	18	34	(2)	32	16	1.6	1.0	(39)	31	(62)	53	1.4	4.9
Oil Services	OXH	**OIH**	2,155	16	16	55	84	(0)	64	14	1.9	0.6	(16)	2	(33)	(7)	1.9	4.1
Financials	**IXM**	**XLF**	**6,600**	**79**	**12**	**42**	**56**	**2**	**17**	**15**	**1.2**	**1.2**	**NM**	**NM**	**NM**	**73**	**1.1**	**3.0**
Banks	BKX	**KBE**	735	24	9	39	61	1	(2)	NM	0.9	1.0	NM	NM	NM	NM	0.8	2.7
Broker-Dealers	DJSINV	**IAI**	189	26	11	43	66	3	44	15	1.4	0.9	NM	NM	NM	214	1.2	2.8
Insurance	KIX	**KIE**	155	24	8	35	59	3	25	11	0.9	2.0	NM	NM	(32)	208	1.1	3.7
Real Estate	DJUSRE	**IYR**	2,833	74	9	26	42	3	13	13	1.7	4.5	NM	NM	(21)	0	3.3	3.0
Regional Banks	KRX	**KRE**	377	49	4	16	29	0	(30)	34	0.9	2.3	NM	NM	NM	NM	7.2	2.4
REITs	RMZ	**VNQ**	3,970	97	10	28	44	3	11	13	1.6	3.9	NM	NM	(26)	(2)	3.4	2.9
Health Care	**IXV**	**XLV**	**2,134**	**52**	**14**	**45**	**62**	**2**	**12**	**12**	**2.8**	**2.1**	**4**	**9**	**1**	**8**	**2.5**	**3.0**
Biotech	SPSIBI	**XBI**	398	27	6	23	43	2	(5)	NM	4.5	0.0	9	15	NM	NM	2.7	10.7
Pharmaceuticals	IPH	**PPH**	614	16	25	79	96	(0)	1	11	3.1	3.3	4	18	(2)	9	3.2	2.9
Industrials	**IXI**	**XLI**	**2,017**	**59**	**12**	**33**	**49**	**2**	**17**	**17**	**2.4**	**2.3**	**(11)**	**2**	**(30)**	**12**	**2.1**	**2.1**
Transportation	TRAN	**IYT**	450	20	13	47	71	3	11	37	1.9	1.9	(22)	4	(94)	NM	2.2	4.3
Information Technology	**IXT**	**XLK**	**3,845**	**85**	**11**	**41**	**64**	**2**	**41**	**16**	**3.2**	**1.6**	**(4)**	**5**	**(2)**	**20**	**1.5**	**3.5**
Semiconductors	SPGSTISM	**IGW**	209	45	9	38	57	4	52	22	2.6	1.4	(15)	18	(64)	313	2.1	3.9
Semiconductors	XSH	**SMH**	769	18	23	69	89	4	45	18	2.9	2.0	(16)	16	(42)	157	1.7	3.2
Software	SPGSTISO	**IGV**	345	41	10	40	60	2	41	17	3.1	0.3	(2)	7	1	14	1.8	3.2
Telecom Services	DJSTELT	**IYZ**	453	31	19	50	71	1	8	24	1.5	4.5	(0)	3	NM	25	2.4	4.4
Materials	**IXB**	**XLB**	**1,734**	**30**	**12**	**48**	**70**	**4**	**40**	**19**	**2.4**	**1.8**	**(23)**	**11**	**(54)**	**70**	**1.5**	**2.6**
Gold Miners	GDM	**GDX**	5,418	31	15	45	69	4	44	27	2.6	0.5	15	21	58	48	1.1	3.4
Metals & Mining	SPSIMM	**XME**	744	23	6	26	50	2	67	20	1.7	1.2	(34)	13	(91)	NM	1.5	3.6
Steel	STEEL	**SLX**	292	27	13	48	73	2	86	19	1.6	1.5	(44)	23	(90)	388	1.7	2.0
Utilities	**IXU**	**XLU**	**2,225**	**35**	**9**	**34**	**56**	**0**	**(1)**	**12**	**1.5**	**4.5**	**NM**	**NM**	**(4)**	**6**	**2.4**	**2.1**

(a) Performance of the underlying index. (b) Valuation, growth and ownership metrics are bottom-up aggregations of consensus forecasts, except where noted. (c) Hedge Fund ownership data based on 2Q 2009 13-f filings.

Source: Compustat, First Call, Lionshare via FactSet, IDC, and Goldman Sachs Global ECS Research. See our Goldman Sachs ETF Bloomberg page <GETFG> or contact the desk at 1-888-ETF-DESK for more information.

Fund Flows

Exhibit 31: Domestic equity mutual fund flows, 4-week moving average
week ended November 12, 2009



Source: AMG and Goldman Sachs Global ECS Research.

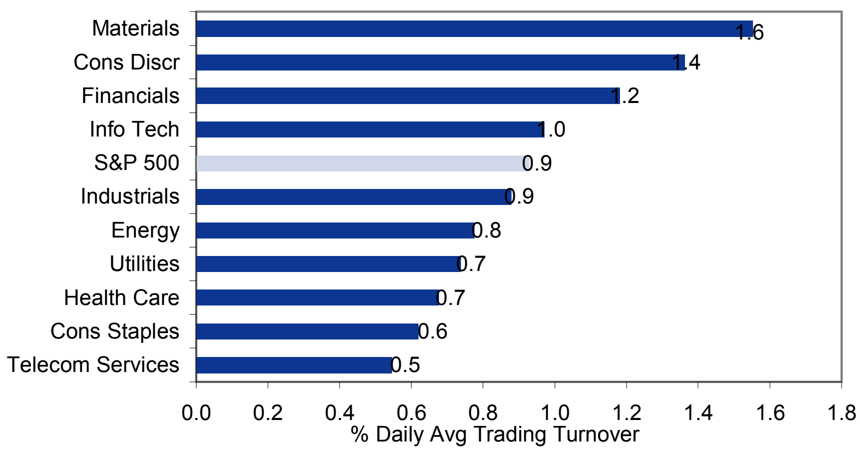
Exhibit 32: Weekly mutual fund flows and assets tracked by AMG
week ended November 12, 2009; excluding ETFs

AMG Weekly Mutual Fund Flows, ex-ETFs ($ billions)

	Total AMG Assets	Weekly Flows 4-Week Avg	Weekly Flows This week	1-Week Flow % of Assets	Inflow/(Outflow) (Cons. Weeks)
All Equity	**1,585**	**(0)**	**(0)**	**(0.0)%**	**(3)**
U.S. Equity	1,173	(1)	(1)	(0.1)	(3)
Int'l Equity	298	1	1	0.2	19
Global	114	0	0	0.0	6
Equity Income	74	(0)	(0)	(0.1)	(5)
Gold & Nat Res	26	0	0	0.4	6
Money Market	**2,948**	**(12)**	**(6)**	**(0.2)**	**(5)**
All Bonds	**772**	**4**	**4**	**0.5**	**35**
Govt Treasury	15	0	0	0.5	5

Source: AMG and Goldman Sachs Global ECS Research.

Exhibit 33: Average daily TRADING TURNOVER over the last week
by sector, as of November 12, 2009



Daily average trading turnover = daily avg trading value / avg market cap (over the past 5 trading days).

Source: FactSet and Goldman Sachs Global ECS Research.

Exhibit 34: Top ten S&P 500 STOCKS by daily average trading turnover
as of November 12, 2009

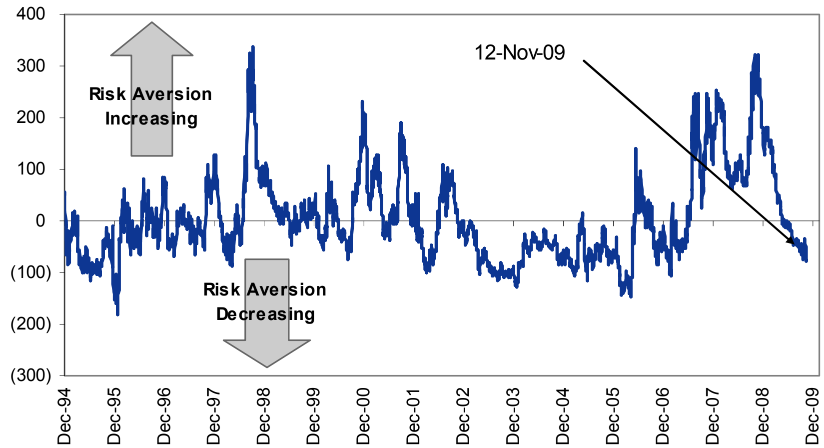
Company	Ticker	Sector	Avg Daily Trading Turnover (%)	1-Week Total Return (%)
American Int'l. Group	AIG	Financials	**19.3**	(8)
Priceline.com	PCLN	Consumer Discretionary	**8.9**	17
MBIA Inc.	MBI	Financials	**8.7**	(8)
United States Steel Corp.	X	Materials	**7.6**	6
Tesoro Corp.	TSO	Energy	**7.1**	(11)
Advanced Micro Devices	AMD	Information Technology	**7.1**	34
KB Home	KBH	Consumer Discretionary	**7.0**	(0)
AK Steel	AKS	Materials	**6.7**	5
RadioShack Corp	RSH	Consumer Discretionary	**6.4**	8
Massey Energy Co.	MEE	Energy	**6.2**	10
S&P 500 Average			**1.4**	**2**

Daily average trading turnover = daily avg trading value / avg market cap (over the past 5 trading days).

Source: FactSet and Goldman Sachs Global ECS Research.

Risk and Dispersion

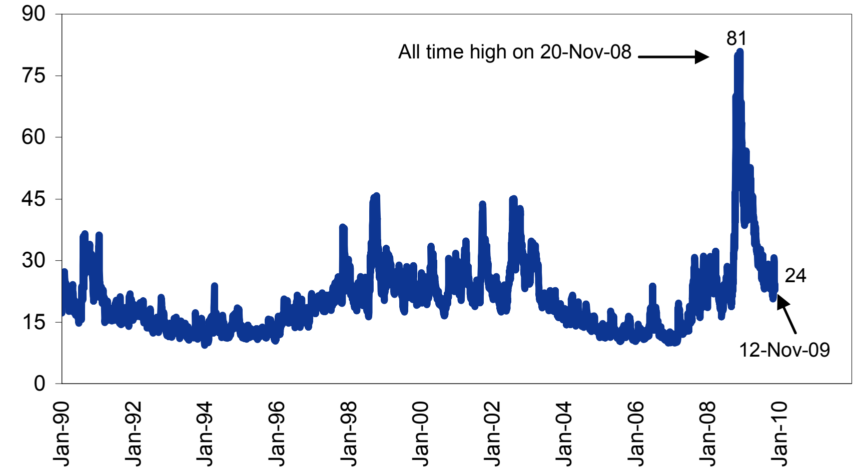
Exhibit 35: Goldman Sachs Risk Barometer
Index is number of standard deviations from the average * 100



Note: metrics included are implied option volatility (S&P 500 and Nasdaq 100), normalized skew, high yield credit spreads, credit derivative swap spreads, mutual fund net flows, and cash levels.

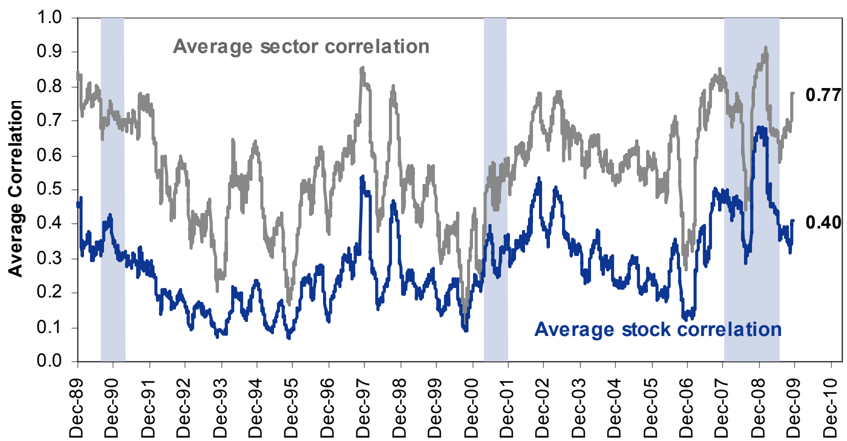
Source: Goldman Sachs Research.

Exhibit 36: VIX Volatility Index
as of November 12, 2009



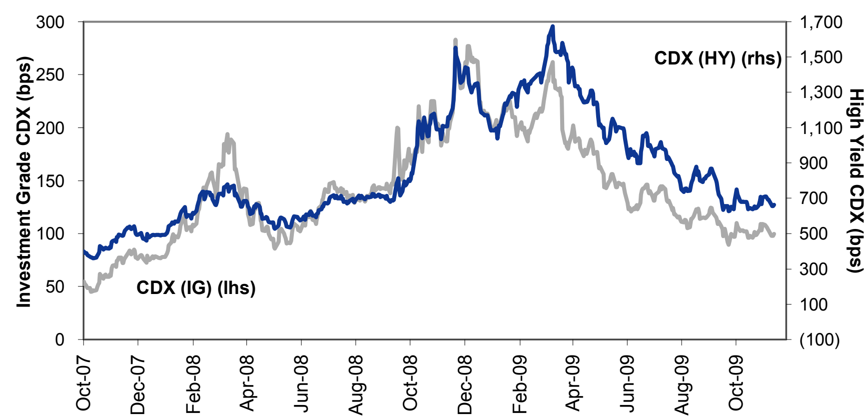
Source: Goldman Sachs Global ECS Research.

Exhibit 37: S&P 500 stock and sector average correlation
as of November 12, 2009



Source: Goldman Sachs Global ECS Research.

Exhibit 38: Credit Default Swaps, 5-Year On-the-run Spreads
as of November 12, 2009



Source: Goldman Sachs Global ECS Research.

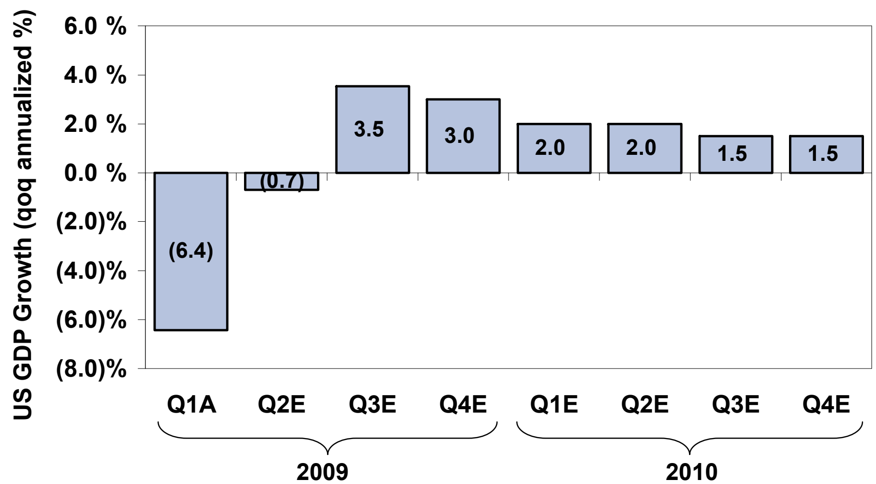
Goldman Sachs Recommendations and Forecasts

Exhibit 39: Goldman Sachs Recommended Sector Weightings
as of November 12, 2009

Sectors	Total Return YTD	Sector Weightings: Goldman Sachs Recommended Sector Weightings	Sector Weightings: Current S&P 500 Weight	Sector Weightings: GS Overweight / Underweight	GS Alpha YTD
Energy	14 %	Overweight	12 %	300 bp	(9)bp
Materials	43	Overweight	4	200	4
Financials	19	Overweight	15	200	10
Information Technology	54	Overweight	19	100	1
Industrials	18	Overweight	10	100	3
Utilities	4	Neutral	4	0	13
Consumer Discretionary	35	Neutral	9	0	(14)
Telecom Services	0	Underweight	3	(200)	17
Health Care	14	Underweight	13	(300)	(22)
Consumer Staples	14	Underweight	12	(400)	(10)
S&P 500	**23 %**		**100 %**	**0 bp**	**(9)bp**

Source: Goldman Sachs Global ECS Research. (a) Sector weightings last rebalanced 20-July-09.

Exhibit 40: Goldman Sachs US Economics quarterly GDP forecasts
as of November 12, 2009



Source: Goldman Sachs Global ECS Research.

Exhibit 41: Goldman Sachs COMMODITY and CURRENCY forecasts
as of November 12, 2009

	units	Current	Forecasts: 3m	Forecasts: 6m	Forecasts: 12m
Energy					
WTI Crude Oil	$/bbl	76.94	85.00	90.00	95.00
NYMEX Nat. Gas	$/mmBtu	4.37	6.50	7.50	7.70
RBOB Gasoline	$/gal	1.94	2.16	2.40	2.38
Metals					
LME Copper	$/mt	6502	6960	7080	7530
London Gold	$/troy oz	1106	960	960	960
London Silver	$/troy oz	17.51	15.60	15.50	16.00
Currencies					
Euro / US Dollar	EUR/$	1.49	1.55	1.55	1.35
US Dollar / Yen	$/¥	90.5	98.0	98.0	105.0
Sterling / US Dollar	£/$	1.65	1.85	1.85	1.61

Source: Goldman Sachs Global ECS Research.

Exhibit 42: Goldman Sachs US Economics forecasts
as of November 12, 2009

	% Annual Change: 2008A	% Annual Change: 2009E	% Annual Change: 2010E
Real GDP	**0.4%**	**(2.4)%**	**2.1%**
Consumer Spending	(0.2)	(0.6)	1.0
Total Fixed Investment	(5.1)	(18.4)	(1.6)
Business Fixed Investment	1.6	(18.1)	(5.5)
Residential Investment	(22.9)	(19.6)	12.2
Federal Government Spending	7.7	5.8	6.8
Exports of Goods and Services	5.4	(10.8)	7.2
Imports of Goods and Services	(3.2)	(15.0)	4.0
Core CPI	2.3	1.7	0.7
Unemployment Rate	5.8	9.3	10.4
Fed Funds Rate	0.2	0.2	0.2
2-year Treasury Rate	0.8	1.0	1.3
10-year Treasury Rate	2.3	3.1	3.0

Source: Goldman Sachs Global ECS Research.

Goldman Sachs Strategy Baskets[1]

U.S. Portfolio Strategy baskets are designed to provide portfolio managers with vehicles to monitor and implement thematic views in the U.S. equity markets. **Our baskets may be found on Bloomberg by typing <GSSU5>.** The Bloomberg page provides real-time basket performance and current basket constituents.

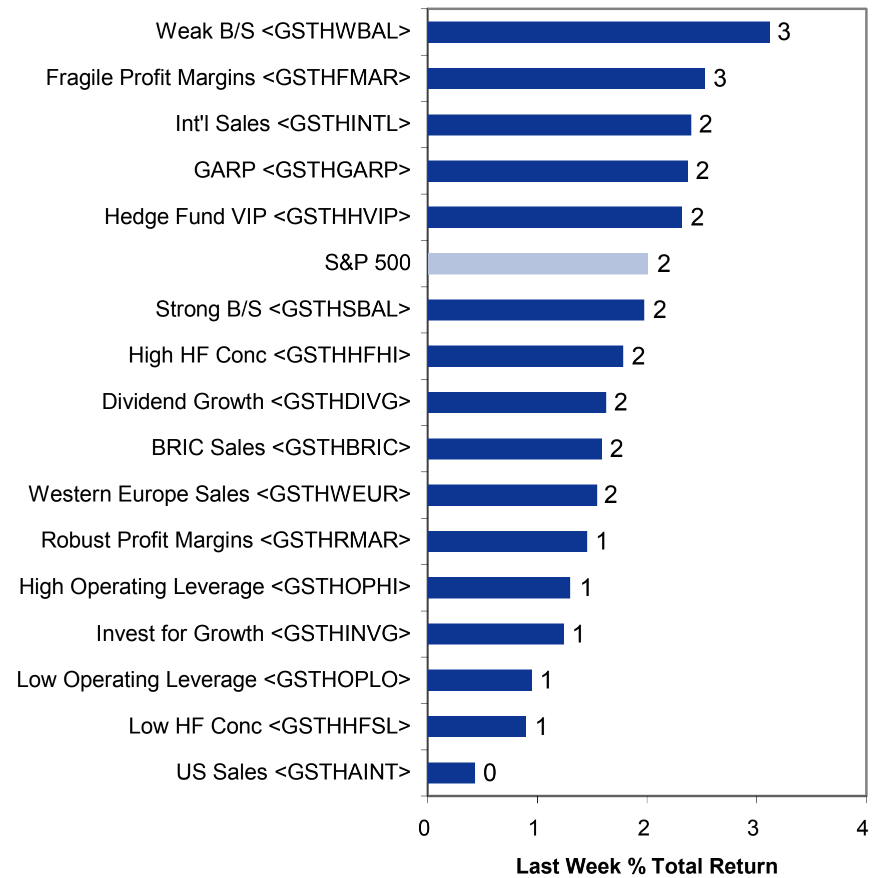
To obtain access to our baskets on Bloomberg, please contact your Goldman Sachs salesperson.

Exhibit 43: Strategy basket summary performance and valuation data
as of November 12, 2009

	Bloomberg	Total Return %			P/E	P/B	Div Yld
	Ticker	1 wk	1 mo	YTD	NTM	LTM	(%)
Macroeconomic Baskets							
International Sales	GSTHINTL	2 %	1 %	43 %	18x	4.5x	1.8 %
US Sales	GSTHAINT	0	1	16	17	3.4	1.8
Western Europe Sales	GSTHWEUR	2	(2)	45	17	3.8	0.9
BRICs Sales	GSTHBRIC	2	(2)	51	18	4.2	1.2
Strong Balance Sheet	GSTHSBAL	2	3	36	21	6.0	1.1
Weak Balance Sheet	GSTHWBAL	3	(2)	63	20	3.3	1.8
Robust Profit Margins	GSTHRMAR	1	(1)	26	16	5.7	1.4
Fragile Profit Margins	GSTHFMAR	3	(1)	33	19	3.0	0.8
High Op Leverage	GSTHOPHI	1	(0)		24	4.7	1.3
Low Op Leverage	GSTHOPLO	1	(0)		16	5.6	2.0
Hedge Fund Baskets							
High HF Concentration	GSTHHFHI	2 %	(4)%	67 %	20x	3.3x	0.9 %
Low HF Concentration	GSTHHFSL	1	0	17	19	2.9	2.9
Hedge Fund VIP	GSTHHVIP	2	2	36	18	4.8	1.3
Valuation Baskets							
GARP	GSTHGARP	2 %	2 %	37 %	17x	3.9x	0.7 %
Use of Cash Baskets							
Dividend Growth	GSTHDIVG	2 %	4 %	14 %	14x	6.3x	3.3 %
Invest for Growth	GSTHINVG	1	(2)		16	4.8	1.6
S&P 500		**2 %**	**1 %**	**23 %**	**15x**	**2.3x**	**2.0 %**
S&P 500 Average		**2**	**1**	**23**	**17**	**3.3**	**1.7**

Source: Bloomberg and Goldman Sachs Global ECS Research.

Exhibit 44: Strategy basket total return performance over the last week
as of November 12, 2009



Source: Bloomberg and Goldman Sachs Global ECS Research.

[1] The ability to trade these baskets will depend upon market conditions, including liquidity and borrow constraints at the time of trade.

Highlighting our Dividend Growth basket <GSTHDIVG>

Exhibit 45: Dividend Growth Basket <GSTHDIVG>, as of November 12, 2009

Company Name	Ticker	Sector	Rating	Price 12-Nov-09	Market Cap ($ bil)	Annualized Payout Ratio	2009E Dividend Yield	2009-2010 Dividend CAGR	2010E Cash Return on Cash Invested
Altria Group, Inc.	MO	Consumer Staples	Neutral	$19.02	$39	76 %	6.9 %	7 %	7.4 %
AT & T Inc.	T	Telecom Services	Buy	26.29	155	75	6.2	2	6.4
Verizon Communications	VZ	Telecom Services	Buy	30.16	86	78	6.2	5	6.3
Scana Corp	SCG	Utilities	Neutral	34.23	4	67	5.5	2	5.6
Lorillard	LO	Consumer Staples	Buy	79.38	13	65	4.8	6	5.2
Philip Morris Intl	PM	Consumer Staples	Buy	49.96	97	62	4.5	10	4.8
Wisconsin Energy	WEC	Utilities	Neutral	44.45	5	39	3.0	25	3.8
Chevron Corp.	CVX	Energy	Neutral	77.42	155	35	3.4	5	3.6
McDonald's Corp.	MCD	Consumer Discretionary	Buy	62.17	68	51	3.3	18	3.6
Clorox Co.	CLX	Consumer Staples	Neutral	59.71	8	46	3.2	12	3.6
Lockheed Martin Corp.	LMT	Industrials	Neutral	74.10	24	34	3.2	19	3.5
Linear Technology Corp.	LLTC	Info Tech	Buy	27.05	6	65	3.3	5	3.4
Johnson & Johnson	JNJ	Health Care	Neutral	61.15	169	41	3.2	7	3.4
Northrop Grumman Corp.	NOC	Industrials	Sell	54.61	17	33	3.1	7	3.3
Darden Restaurants	DRI	Consumer Discretionary	Neutral	31.88	4	36	2.8	17	3.3
Automatic Data Processing Inc.	ADP	Info Tech	Neutral	43.32	22	57	3.1	8	3.2
Abbott Labs	ABT	Health Care	Buy*	53.23	82	40	2.9	11	3.2
Campbell Soup	CPB	Consumer Staples	Neutral	33.12	6	42	3.0	5	3.1
Procter & Gamble	PG	Consumer Staples	Neutral	61.30	179	42	2.8	9	3.0
McGraw-Hill	MHP	Consumer Discretionary	NC	30.72	10	36	2.9	2	3.0
Kellogg Co.	K	Consumer Staples	Neutral	52.96	14	43	2.7	10	3.0
Marathon Oil Corp.	MRO	Energy	Neutral	34.38	24	26	2.8	3	3.0
General Mills	GIS	Consumer Staples	Neutral	67.28	22	41	2.7	8	2.9
Raytheon Co.	RTN	Industrials	Neutral	48.56	19	26	2.6	10	2.8
Dover Corp.	DOV	Industrials	Buy	41.06	8	47	2.5	9	2.6
International Flav/Frag	IFF	Materials	NC	40.68	3	40	2.5	2	2.5
United Technologies	UTX	Industrials	Buy	66.70	63	34	2.3	9	2.4
Yum! Brands, Inc	YUM	Consumer Discretionary	Buy	35.27	16	37	2.2	11	2.4
Air Products & Chemicals	APD	Materials	Buy*	82.53	17	37	2.2	2	2.2
T. Rowe Price Group	TROW	Financials	Neutral	51.03	13	45	2.0	4	2.0
Becton, Dickinson	BDX	Health Care	Sell	72.20	17	26	1.9	11	2.0
Parker-Hannifin	PH	Industrials	Sell	55.29	9	44	1.8	5	1.8
Valero Energy	VLO	Energy	Sell	17.01	10	72	3.5	(27)	1.8
Occidental Petroleum	OXY	Energy	Buy	81.81	66	23	1.6	6	1.7
Dividend Growth <GSTHDIVG> Average					**$43**	**46%**	**3.3%**	**7 %**	**3.4 %**
S&P 500 Equal-Weighted Average				**1087**	**19**	**28**	**1.8**	**(6)**	**1.8**

Source: FactSet, I/B/E/S, Goldman Sachs Global ECS Research.

Recent US Portfolio Strategy Publications

Please contact your Goldman Sachs salesperson for access to additional research or if you wish to be added to the US Portfolio Strategy research distribution list.

Exhibit 46: Recent research from US Portfolio Strategy

Latest Market Research	*Publication Date*
US Thematic Views: GARP Update	November 2, 2009
US Equity Views: Money Flow: myths and realities surrounding potential equity inflows	October 25, 2009
US Equity Views: 3Q Earnings Preview - Focus on top-line results	October 7, 2009
US Equity Views: The Multiple Mystery - At what P/E should the market trade?	October 1, 2009
Macro to Micro Shift Part II: 2H 2009 update	July 20, 2009
US Equity Views: 2Q 2009 Earnings preview: Shifting focus to ex-Financials results	July 6, 2009
US Equity Views: Equity Issuance: $100 billion YTD; we expect another $200 billion	June 1, 2009
US Sector Views: The GM effect: EPS and valuation impact if GM exits the S&P 500	May 28, 2009
US Equity Views: Signposts point to more upbeat outlook; boosting cyclical exposure	May 4, 2009

Franchise Research	*Publication Date*
Global Portfolio Strategy: The New BRICS Nifty 50 - EM and DM Baskets	November 4, 2009
S&P 500 Beige Book: 3Q earnings themes: Consumer, pricing, cost cutting, use of cash	November 4, 2009
Global: Portfolio and Credit Strategy: Relative value: Credit now in-line with equity	October 9, 2009
Global Dividend Swap Monitor (September 2009): How steep is still cheap? Upside to long-dated dividends	September 30, 2009
Investing for Growth: Capex and R&D	August 31, 2009

Periodical Research	*Description*	*Frequency*	*Timing / Recent Release*
US Weekly Kickstart	*Five minute guide to the US equity market*	Weekly	Friday PM
US Tradesheet	*Two-pager on recommended trades and US market data*	Weekly	Monday AM
S&P 500 Beige Book	*Qualitative assessment of S&P 500 quarterly earnings reports*	Quarterly	August 5, 2009
US Monthly Chartbook	*Monthly report on where to invest in the S&P 500*	Monthly	November 2, 2009
Where to Invest Now	*Marketing presentation highlighting recent research and best trade ideas*	Monthly	September 18, 2009
Hedge Fund Trend Monitor	*Analysis of hedge fund holdings and positioning*	Quarterly	August 24, 2009
Strategy Baskets	*Overview of US Portfolio Strategy thematic baskets*	Quarterly	August 19, 2009

Source: Goldman Sachs Global ECS Research.

Disclosures

The Equities Division of the firm has previously introduced the basket of securities discussed in this report. The Equity Analyst may have been consulted as to the composition of the basket prior to its launch. However, the views expressed in this research and its timing were not shared with the Equities Division.

Reg AC

I, David J. Kostin, hereby certify that all of the views expressed in this report accurately reflect my personal views about the subject company or companies and its or their securities. I also certify that no part of my compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in this report.

Disclosures

Disclosures required by United States laws and regulations

See company-specific regulatory disclosures above for any of the following disclosures required as to companies referred to in this report: manager or co-manager in a pending transaction; 1% or other ownership; compensation for certain services; types of client relationships; managed/co-managed public offerings in prior periods; directorships; for equity securities, market making and/or specialist role. Goldman Sachs usually makes a market in fixed income securities of issuers discussed in this report and usually deals as a principal in these securities.

The following are additional required disclosures: **Ownership and material conflicts of interest:** Goldman Sachs policy prohibits its analysts, professionals reporting to analysts and members of their households from owning securities of any company in the analyst's area of coverage. **Analyst compensation:** Analysts are paid in part based on the profitability of Goldman Sachs, which includes investment banking revenues. **Analyst as officer or director:** Goldman Sachs policy prohibits its analysts, persons reporting to analysts or members of their households from serving as an officer, director, advisory board member or employee of any company in the analyst's area of coverage. **Non-U.S. Analysts:** Non-U.S. analysts may not be associated persons of Goldman, Sachs & Co. and therefore may not be subject to NASD Rule 2711/NYSE Rules 472 restrictions on communications with subject company, public appearances and trading securities held by the analysts.

Additional disclosures required under the laws and regulations of jurisdictions other than the United States

The following disclosures are those required by the jurisdiction indicated, except to the extent already made above pursuant to United States laws and regulations. **Australia:** This research, and any access to it, is intended only for "wholesale clients" within the meaning of the Australian Corporations Act. **Canada:** Goldman Sachs Canada Inc. has approved of, and agreed to take responsibility for, this research in Canada if and to the extent it relates to equity securities of Canadian issuers. Analysts may conduct site visits but are prohibited from accepting payment or reimbursement by the company of travel expenses for such visits. **Hong Kong:** Further information on the securities of covered companies referred to in this research may be obtained on request from Goldman Sachs (Asia) L.L.C. **India:** Further information on the subject company or companies referred to in this research may be obtained from Goldman Sachs (India) Securities Private Limited; **Japan:** See below. **Korea:** Further information on the subject company or companies referred to in this research may be obtained from Goldman Sachs (Asia) L.L.C., Seoul Branch. **Russia:** Research reports distributed in the Russian Federation are not advertising as defined in the Russian legislation, but are information and analysis not having product promotion as their main purpose and do not provide appraisal within the meaning of the Russian legislation on appraisal activity. **Singapore:** Further information on the covered companies referred to in this research may be obtained from Goldman Sachs (Singapore) Pte. (Company Number: 198602165W). **Taiwan:** This material is for reference only and must not be reprinted without permission. Investors should carefully consider their own investment risk. Investment results are the responsibility of the individual investor. **United Kingdom:** Persons who would be categorized as retail clients in the United Kingdom, as such term is defined in the rules of the Financial Services Authority, should read this research in conjunction with prior Goldman Sachs research on the covered companies referred to herein and should refer to the risk warnings that have been sent to them by Goldman Sachs International. A copy of these risks warnings, and a glossary of certain financial terms used in this report, are available from Goldman Sachs International on request.

European Union: Disclosure information in relation to Article 4 (1) (d) and Article 6 (2) of the European Commission Directive 2003/126/EC is available at http://www.gs.com/client_services/global_investment_research/europeanpolicy.html which states the European Policy for Managing Conflicts of Interest in Connection with Investment Research.

Japan: Goldman Sachs Japan Co., Ltd. is a Financial Instrument Dealer under the Financial Instrument and Exchange Law, registered with the Kanto Financial Bureau (Registration No. 69), and is a member of Japan Securities Dealers Association (JSDA) and Financial Futures Association of Japan (FFAJ). Sales and purchase of equities are subject to commission pre-determined with clients plus consumption tax. See company-specific disclosures as to any applicable disclosures required by Japanese stock exchanges, the Japanese Securities Dealers Association or the Japanese Securities Finance Company.

Ratings, coverage groups and views and related definitions

Buy (B), Neutral (N), Sell (S) -Analysts recommend stocks as Buys or Sells for inclusion on various regional Investment Lists. Being assigned a Buy or Sell on an Investment List is determined by a stock's return potential relative to its coverage group as described below. Any stock not assigned as a Buy or a Sell on an Investment List is deemed Neutral. Each regional Investment Review Committee manages various regional Investment Lists to a global guideline of 25%-35% of stocks as Buy and 10%-15% of stocks as Sell; however, the distribution of Buys and Sells in any particular coverage group may vary as determined by the regional Investment Review Committee. Regional Conviction Buy and Sell lists represent investment recommendations focused on either the size of the potential return or the likelihood of the realization of the return.

Return potential represents the price differential between the current share price and the price target expected during the time horizon associated with the price target. Price targets are required for all covered stocks. The return potential, price target and associated time horizon are stated in each report adding or reiterating an Investment List membership.

Coverage groups and views: A list of all stocks in each coverage group is available by primary analyst, stock and coverage group at http://www.gs.com/research/hedge.html. The analyst assigns one of the following coverage views which represents the analyst's investment outlook on the coverage group relative to the group's historical fundamentals and/or valuation. **Attractive (A).** The investment outlook over the following 12 months is favorable relative to the coverage group's historical fundamentals and/or valuation. **Neutral (N).** The investment outlook over the following 12 months is neutral relative to the coverage group's historical fundamentals and/or valuation. **Cautious (C).** The investment outlook over the following 12 months is unfavorable relative to the coverage group's historical fundamentals and/or valuation.

Not Rated (NR). The investment rating and target price have been removed pursuant to Goldman Sachs policy when Goldman Sachs is acting in an advisory capacity in a merger or strategic transaction involving this company and in certain other circumstances. **Rating Suspended (RS).** Goldman Sachs Research has suspended the investment rating and price target for this stock, because there is not a sufficient fundamental basis for determining an investment rating or target. The previous investment rating and price target, if any, are no longer in effect for this stock and should not be relied upon. **Coverage Suspended (CS).** Goldman Sachs has suspended coverage of this company. **Not Covered (NC).** Goldman Sachs does not cover this company. **Not Available or Not Applicable (NA).** The information is not available for display or is not applicable. **Not Meaningful (NM).** The information is not meaningful and is therefore excluded.

Global product; distributing entities

The Global Investment Research Division of Goldman Sachs produces and distributes research products for clients of Goldman Sachs, and pursuant to certain contractual arrangements, on a global basis. Analysts based in Goldman Sachs offices around the world produce equity research on industries and companies, and research on macroeconomics, currencies, commodities and portfolio strategy. This research is disseminated in Australia by Goldman Sachs JBWere Pty Ltd (ABN 21 006 797 897) on behalf of Goldman Sachs; in Canada by Goldman Sachs Canada Inc. regarding Canadian equities and by Goldman Sachs & Co. (all other research); in Hong Kong by Goldman Sachs (Asia) L.L.C.; in India by Goldman Sachs (India) Securities Private Ltd.; in Japan by Goldman Sachs Japan Co., Ltd.; in the Republic of Korea by Goldman Sachs (Asia) L.L.C., Seoul Branch; in New Zealand by Goldman Sachs JBWere (NZ) Limited on behalf of Goldman Sachs; in Russia by OOO Goldman Sachs; in Singapore by Goldman Sachs (Singapore) Pte. (Company Number: 198602165W); and in the United States of America by Goldman, Sachs & Co. Goldman Sachs International has approved this research in connection with its distribution in the United Kingdom and European Union.

European Union: Goldman Sachs International, authorized and regulated by the Financial Services Authority, has approved this research in connection with its distribution in the European Union and United Kingdom; Goldman, Sachs & Co. oHG, regulated by the Bundesanstalt für Finanzdienstleistungsaufsicht, may also distribute research in Germany.

General disclosures

This research is for our clients only. Other than disclosures relating to Goldman Sachs, this research is based on current public information that we consider reliable, but we do not represent it is accurate or complete, and it should not be relied on as such. We seek to update our research as appropriate, but various regulations may prevent us from doing so. Other than certain industry reports published on a periodic basis, the large majority of reports are published at irregular intervals as appropriate in the analyst's judgment.

Goldman Sachs conducts a global full-service, integrated investment banking, investment management, and brokerage business. We have investment banking and other business relationships with a substantial percentage of the companies covered by our Global Investment Research Division. **SIPC:** Goldman, Sachs & Co., the United States broker dealer, is a member of SIPC (http://www.sipc.org).

Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients and our proprietary trading desks that reflect opinions that are contrary to the opinions expressed in this research. Our asset management area, our proprietary trading desks and investing businesses may make investment decisions that are inconsistent with the recommendations or views expressed in this research.

We and our affiliates, officers, directors, and employees, excluding equity and credit analysts, will from time to time have long or short positions in, act as principal in, and buy or sell, the securities or derivatives, if any, referred to in this research.

This research is not an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Clients should consider whether any advice or recommendation in this research is suitable for their particular circumstances and, if appropriate, seek professional advice, including tax advice. The price and value of investments referred to in this research and the income from them may fluctuate. Past performance is not a guide to future performance, future returns are not guaranteed, and a loss of original capital may occur. Fluctuations in exchange rates could have adverse effects on the value or price of, or income derived from, certain investments.

Certain transactions, including those involving futures, options, and other derivatives, give rise to substantial risk and are not suitable for all investors. Investors should review current options disclosure documents which are available from Goldman Sachs sales representatives or at http://www.theocc.com/publications/risks/riskchap1.jsp. Transactions cost may be significant in option strategies calling for multiple purchase and sales of options such as spreads. Supporting documentation will be supplied upon request.

Our research is disseminated primarily electronically, and, in some cases, in printed form. Electronic research is simultaneously available to all clients.

Disclosure information is also available at http://www.gs.com/research/hedge.html or from Research Compliance, One New York Plaza, New York, NY 10004.