

## United States: Portfolio Strategy

# US Weekly Kickstart

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

S&P 500 rose 80 bps this week, with a mixture of cyclical and defensive sectors driving performance. Weak consumer confidence and housing data mid-week dampened the week's returns. The Materials sector delivered the best performance led by Monsanto (MON), which rose 7% following a strong analyst day, and Newmont Mining (NEM) which rose 6% as Gold rallied above \$1140/oz, a new high.

#### Performance

S&P 500 rose 80 bp this week on the back of strong international data and mixed US data. Materials was the best performing sector for the second week in a row, rising 2.1%. 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 15.2X (13.8X on pre-provision EPS). Bottom-up, it trades at NTM P/E of 14.8X and LTM P/B of 2.4X.

#### Size and style

Large-cap (S&P 500) underperformed small-cap (Russell 2000) by 20 bp over the past week but has outperformed by 504 bp ytd. Large-cap Financials underperformed small cap Financials by 254 bp this week.

#### US Portfolio Strategy baskets

This week we highlight our Growth at a Reasonable Price basket <GSTHGARP> which outperformed the S&P 500 by approx 14 bp this week and has outperformed the market by 1,400 bp YTD. Our BRICs Sales basket <GSTHBRIC> underperformed the market by 40 bps this week and our Operating Leverage trade (long GSTHOPHI/ short GSTHOPLO) fell 54 bps.

#### S&P 500 stock performance this week

Leaders: S, RF, ETFC, CIEN, ANF.  
Laggards: JEC, ADSK, SII, LM, GENZ.

#### 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.

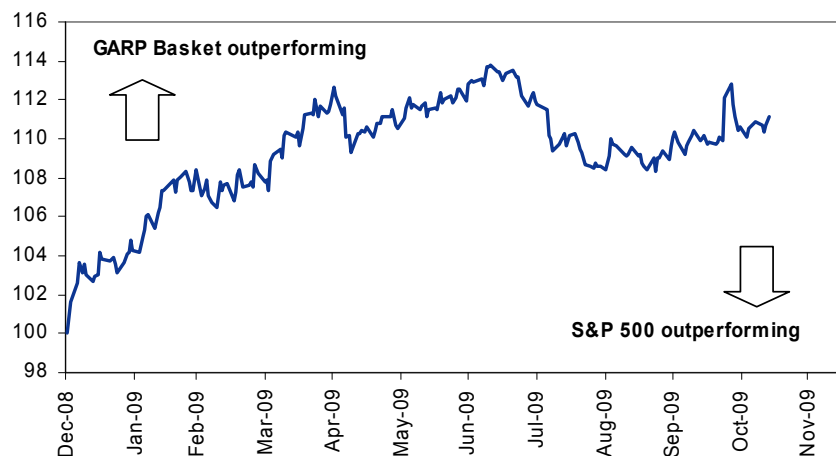
#### Amanda Sneider

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

The Goldman Sachs Group, Inc. does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision. For Reg AC certification, see the end of the text. Other important disclosures follow the Reg AC certification, or go to [www.gs.com/research/hedge.html](http://www.gs.com/research/hedge.html). Analysts employed by non-US affiliates are not registered/qualified as research analysts with FINRA in the U.S.

## The charts we are watching: Focus on earnings growth

**Exhibit 1: Our Growth at a Reasonable Price basket <GSTHGARP> has outperformed the S&P 500 YTD; as of November 19, 2009**



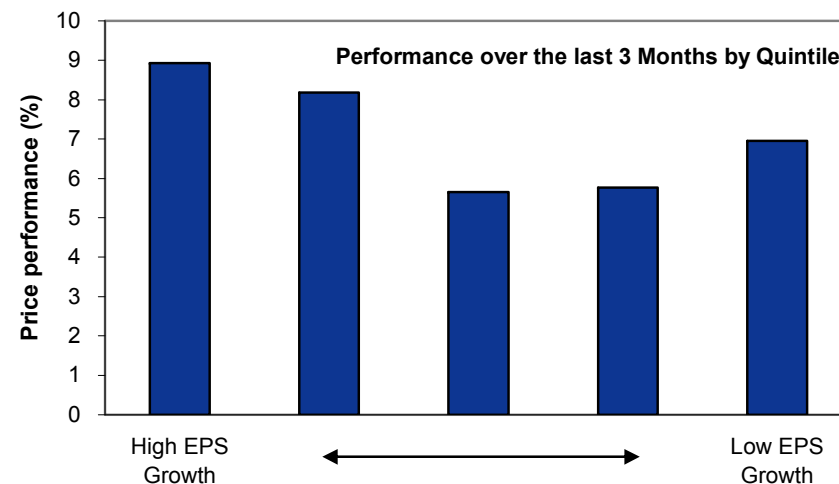
Source: FactSet and Goldman Sachs Global ECS Research.

**Exhibit 3: Consensus bottom-up earnings growth estimates and revisions for S&P 500 sectors; as of November 19, 2009**

	GROWTH (%)		EPS MOMENTUM (pp)			
	EPS		1 mo		3 mo	
	09 E	10 E	09 E	10 E	09 E	10 E
<b>S&amp;P 500</b>	14.7	36.2	2.4	1.6	3.5	3.1
<b>SECTORS (related ETF)</b>						
Materials (XLB)	(19.1)	71.4	10.4	4.1	18.7	8.3
Consumer Disc (XLY)	83.3	43.9	8.0	4.0	11.6	6.2
Info Tech (XLK)	5.1	33.0	2.5	3.7	6.0	8.5
Energy (XLE)	(66.1)	83.0	2.2	1.6	3.7	2.8
Financials (XLF)	NM	172.4	4.6	1.3	7.0	2.7
Industrials (XLI)	(34.5)	9.4	1.1	1.1	(1.2)	2.1
Consumer Staples (XLP)	1.5	8.9	0.8	0.8	2.1	2.2
Health Care (XLV)	8.1	8.3	1.4	0.5	1.8	0.8
Utilities (UTH)	1.9	10.0	0.3	(0.9)	(0.0)	(1.2)
Telecom Services	(9.4)	4.9	(0.5)	(1.5)	(7.3)	(6.8)

Source: FactSet and Goldman Sachs Global ECS Research.

**Exhibit 2: Stocks with high EPS growth have outperformed stocks with low EPS growth over the past three months; as of November 19, 2009**



Note: S&P 500 stocks grouped by 2010 earnings growth.

Source: FactSet and Goldman Sachs Global ECS Research.

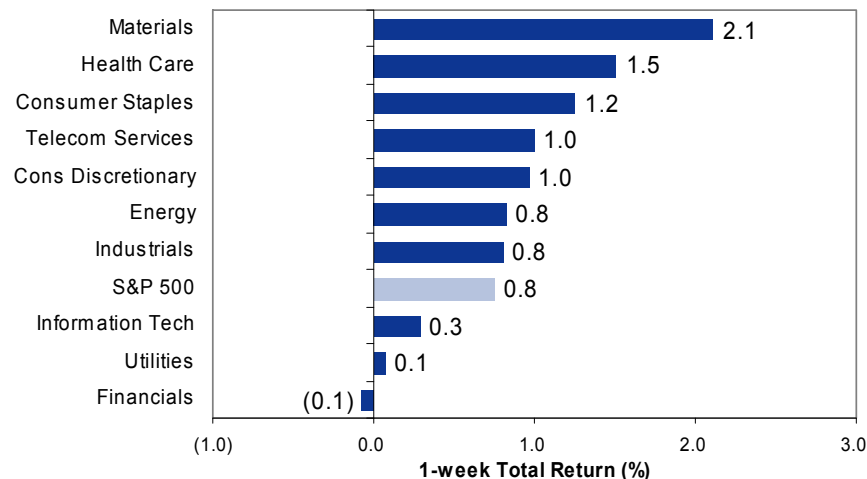
**Exhibit 4: Consensus bottom-up earnings growth estimates and revisions for US Portfolio Strategy thematic baskets; as of November 19, 2009**

	GROWTH (%)		EPS MOMENTUM (pp)			
	EPS		1 mo		3 mo	
	09 E	10 E	09 E	10 E	09 E	10 E
Low Op Leverage (GSTHOPLO)	(2.5)	6.8	0.9	1.9	2.3	(4.6)
High Op Leverage (GSTHOPHI)	(20.4)	23.1	2.6	1.7	3.8	(13.5)
GARP (GSTHGARP)	(5.8)	12.9	1.8	1.6	4.3	(7.9)
Weak Bal Sheet (GSTHWBAL)	(19.4)	9.4	2.1	1.4	3.3	(6.0)
International Sales (GSTHINTL)	(4.3)	11.7	0.9	1.2	2.1	(9.0)
Strong Bal Sheet (GSTHSBAL)	3.2	13.5	0.8	0.8	1.7	(9.1)
West Europe Sales (GSTHWEUR)	(4.3)	11.1	1.0	0.8	3.3	(10.1)
Invest for Growth (GSTHINVG)	(2.6)	9.8	0.6	0.8	1.4	(7.5)
Dividend Growth (GSTHDIVG)	0.1	9.7	0.7	0.6	1.5	(7.1)
BRICs Sales (GSTHBRIC)	(1.0)	11.2	1.2	0.4	1.4	(9.6)
Domestic Sales (GSTHAINT)	0.0	9.1	0.5	(0.0)	0.8	(8.9)

Source: FactSet and Goldman Sachs Global ECS Research.

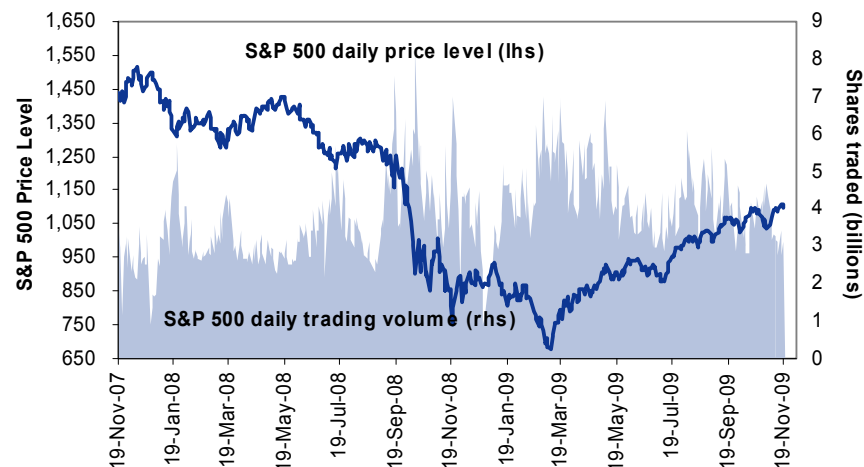
# S&P 500 Performance

**Exhibit 5: S&P 500 sector performance over the last week**  
as of November 19, 2009



Source: FactSet and Goldman Sachs Global ECS Research.

**Exhibit 6: S&P 500 price return and daily trading volume LTM**  
as of November 19, 2009



Source: FactSet and Goldman Sachs Global ECS Research.

**Exhibit 7: S&P 500 sector performance over time**  
as of November 19, 2009

	Total Return Percentage Change (%)					
	1-Week	1-Month	3-Month	6-Month	YTD	12-Month
Information Tech	0 %	2 %	13 %	31 %	54 %	72 %
Materials	2	0	12	23	46	65
Cons Discretionary	1	1	13	26	36	70
Financials	(0)	(4)	6	23	19	45
Industrials	1	1	14	23	19	36
Consumer Staples	1	1	11	20	16	22
Health Care	2	2	8	20	15	28
Energy	1	(3)	13	15	15	22
Utilities	0	(3)	2	13	4	10
Telecom Services	1	2	5	7	1	20
S&P 500	1 %	(0)%	10 %	22 %	24 %	39 %

Source: FactSet and Goldman Sachs Global ECS Research.

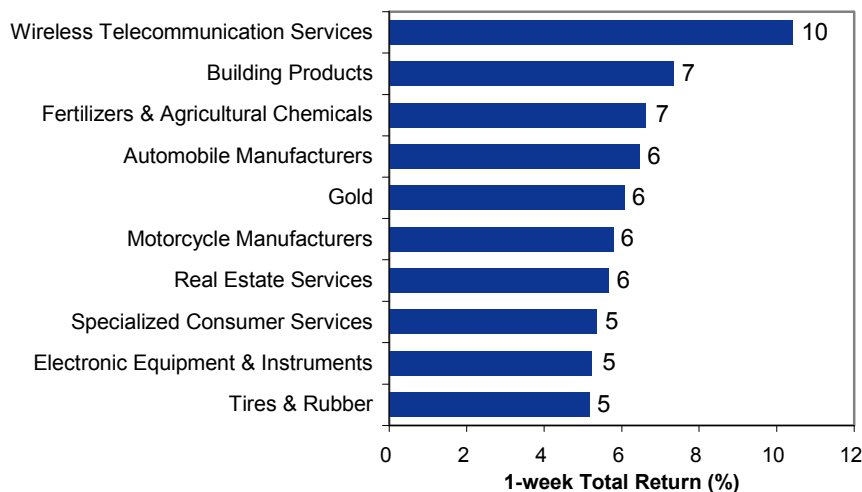
**Exhibit 8: BEST and WORST performing S&P 500 STOCKS BY SECTOR**  
as of November 19, 2009

Sector	Ticker	BEST STOCKS		WORST STOCKS		
		Return (%)		Return (%)		
		1-week	YTD	1-week	YTD	
Cons Discr	ANF	9 %	77 %	HAR	(6)%	116 %
Consumer Staples	CL	5	26	SVU	(5)	7
Energy	BTU	6	104	SII	(8)	19
Financials	RF	12	(31)	LM	(7)	37
Health Care	MRK	7	21	GENZ	(7)	(25)
Industrials	MWW	8	30	JEC	(16)	(24)
Info Tech	CIEN	10	101	ADSK	(11)	22
Materials	TIE	8	13	OI	(5)	17
Telecom Services	S	26	110	Q	(1)	10
Utilities	PNW	3	14	STR	(4)	25
<b>S&amp;P 500</b>	<b>S</b>	<b>26 %</b>	<b>110 %</b>	<b>JEC</b>	<b>(16)%</b>	<b>(24)%</b>

Source: FactSet and Goldman Sachs Global ECS Research.

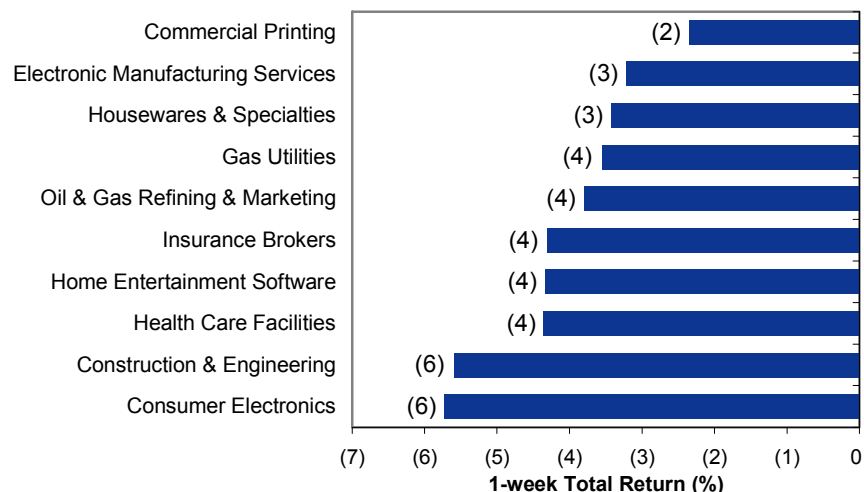
## S&P 500 Performance (cont'd)

**Exhibit 9: TOP 10 performing SUB-SECTORS over the last week**  
as of November 19, 2009



Source: FactSet and Goldman Sachs Global ECS Research.

**Exhibit 10: BOTTOM 10 performing SUB-SECTORS over the last week**  
as of November 19, 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 19, 2009

Company Name	Ticker	Sector	Return (%)	
			1-week	YTD
Sprint Nextel Corp.	<b>S</b>	Telecom Services	26	110
Regions Financial Corp.	<b>RF</b>	Financials	12	(31)
E*Trade Financial Corp.	<b>ETFC</b>	Financials	10	42
Ciena Corp.	<b>CIEN</b>	Info Tech	10	101
Abercrombie & Fitch	<b>ANF</b>	Cons Discr	9	77
Advanced Micro Devices	<b>AMD</b>	Info Tech	9	226
Directv Group	<b>DTV</b>	Cons Discr	8	37
Monster Worldwide	<b>MWW</b>	Industrials	8	30
SunTrust Banks	<b>STI</b>	Financials	8	(25)
Titanium Metals	<b>TIE</b>	Materials	8	13
<b>S&amp;P 500 Average</b>			<b>0</b>	<b>38</b>

Source: FactSet and Goldman Sachs Global ECS Research.

**Exhibit 12: BOTTOM 10 performing S&P 500 STOCKS over the last week**  
as of November 19, 2009

Company Name	Ticker	Sector	Return (%)	
			1-week	YTD
Jacobs Engineering Group	<b>JEC</b>	Industrials	(16)	(24)
Autodesk, Inc.	<b>ADSK</b>	Info Tech	(11)	22
Smith International Inc.	<b>SII</b>	Energy	(8)	19
Legg Mason Inc	<b>LM</b>	Financials	(7)	37
Genzyme Corp.	<b>GENZ</b>	Health Care	(7)	(25)
Micron Technology	<b>MU</b>	Info Tech	(6)	170
Sunoco., Inc.	<b>SUN</b>	Energy	(6)	(39)
SanDisk Corp.	<b>SNDK</b>	Info Tech	(6)	110
Marsh & McLennan	<b>MMC</b>	Financials	(6)	(3)
Harman International Industries	<b>HAR</b>	Cons Discr	(6)	116
<b>S&amp;P 500 Average</b>			<b>0</b>	<b>38</b>

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 19, 2009

	2009E Earnings Growth				Annual	
	1QA	2QE	3QE	4QE	2009E	2010E
Consumer Discretionary	(86)	61	156	NM	83	44
<b>S&amp;P 500</b>	<b>(39)</b>	<b>(19)</b>	<b>(2)</b>	<b>NM</b>	<b>15</b>	<b>36</b>
Health Care	7	1	6	20	8	8
Information Technology	(35)	(21)	2	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)	(36)	NM	(19)	71
Industrials	(40)	(37)	(41)	(18)	(34)	9
Energy	(96)	(68)	(73)	64	(66)	83
Financials	NM	NM	NM	NM	NM	172
S&P 500 (ex-Financials)	(43)	(27)	(26)	68	(17)	25

Source: FactSet and Goldman Sachs Global ECS Research.

**Exhibit 15: TOP-DOWN vs. BOTTOM-UP: Goldman Sachs vs. Consensus**  
as of November 19, 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	\$5	\$6	35 %	40 %	83 %	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)	71
Energy	7	13	5	10	(55)	80	(66)	83
<b>S&amp;P 500 ex-Financials</b>	<b>50</b>	<b>61</b>	<b>53</b>	<b>66</b>	<b>(22)</b>	<b>23</b>	<b>(17)</b>	<b>25</b>
Financials Operating EPS	2	14	4	11	NM	NM	NM	172
<b>S&amp;P 500 Operating EPS</b>	<b>\$52</b>	<b>\$75</b>	<b>\$57</b>	<b>\$77</b>	<b>5 %</b>	<b>45 %</b>	<b>15 %</b>	<b>36 %</b>
+ Provisions & Writedowns	17	6	NA	NA	(46)	(66)	NA	NA
<b>S&amp;P 500 EPS ex-P&amp;W</b>	<b>69</b>	<b>81</b>	<b>NA</b>	<b>NA</b>	<b>(15)</b>	<b>18</b>	<b>NA</b>	<b>NA</b>

Source: FactSet and Goldman Sachs Global ECS Research.

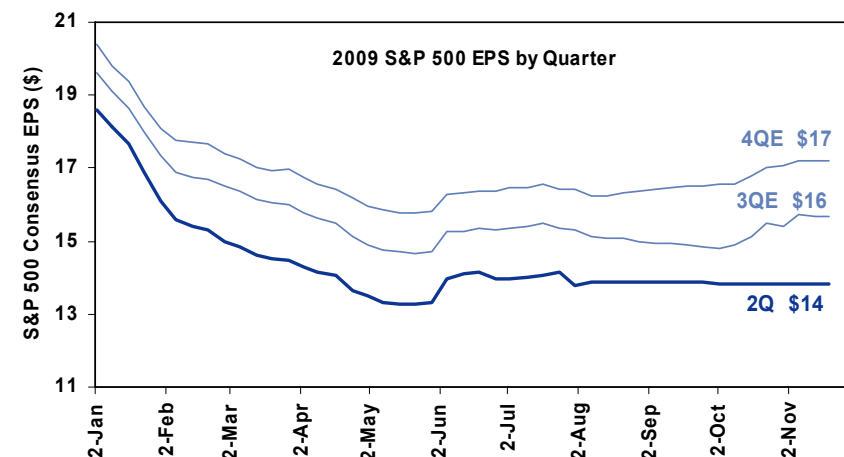
**Exhibit 14: SALES GROWTH: S&P 500 bottom-up consensus estimates**  
as of November 19, 2009

	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
<b>S&amp;P 500</b>	<b>(17)</b>	<b>(21)</b>	<b>(18)</b>	<b>(2)</b>	<b>(15)</b>	<b>8</b>
Consumer Discretionary	(21)	(26)	(18)	(10)	(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 16: REVISIONS: S&P 500 consensus EPS revisions**  
as of November 19, 2009



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

Source: FactSet and Goldman Sachs Global ECS Research.

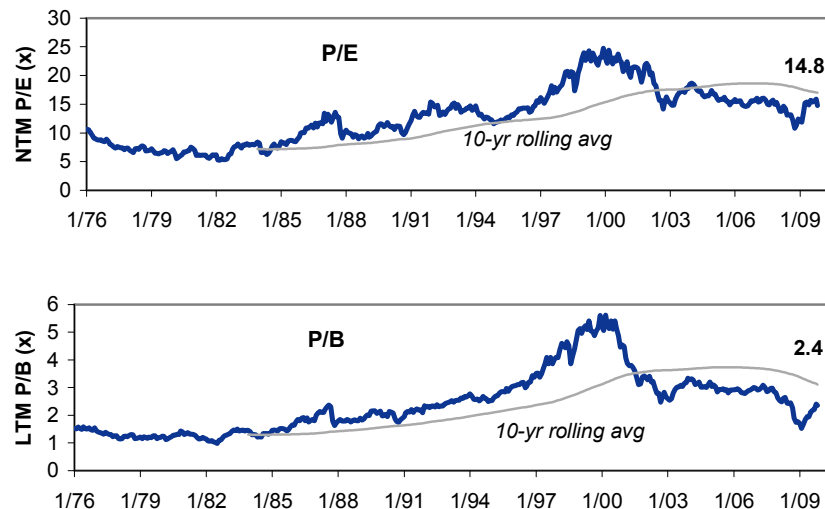
## Valuation

**Exhibit 17: Aggregate valuation metrics for S&P 500 and sectors**  
bottom-up consensus valuation, as of November 19, 2009

	EV/ Sales	EV/ EBITDA	Price/ Book	FCF Yield	PEG Ratio	NTM P/E
<b>S&amp;P 500</b>	<b>1.4x</b>	<b>8.6x</b>	<b>2.4x</b>	<b>5.9 %</b>	<b>1.5x</b>	<b>14.8x</b>
Materials	1.5	15.5	2.9	4.3	1.9	18.9
Industrials	1.8	10.8	2.6	7.4	1.6	16.8
Consumer Discretionary	1.2	8.7	2.5	8.3	1.4	16.5
Information Technology	2.3	11.1	4.1	6.4	1.3	16.3
Financials	NM	NM	1.2	NM	1.5	15.4
Consumer Staples	1.2	9.2	3.6	6.2	1.5	14.3
Telecommunication Services	1.8	5.3	1.7	13.9	9.6	14.3
Energy	1.1	6.3	2.1	NM	2.5	13.8
Health Care	1.2	8.0	3.0	7.6	1.3	11.9
Utilities	NM	7.0	1.5	1.5	2.3	11.8

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 19, 2009



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

**Exhibit 18: Standard deviation vs. 10-year history (Z-Score)**  
bottom-up consensus valuation, as of November 19, 2009

	EV/ Sales	EV/ EBITDA	Price/ Book	FCF Yield	P/E	PEG Ratio	Median Z-Score
<b>S&amp;P 500</b>	<b>(0.8)</b>	<b>(1.8)</b>	<b>(0.9)</b>	<b>(1.0)</b>	<b>(0.7)</b>	<b>1.9</b>	<b>(0.8)</b>
Health Care	(2.0)	(1.0)	(1.0)	(1.2)	(2.1)	(1.2)	(1.2)
Consumer Staples	0.7	0.9	(0.7)	(0.1)	(1.2)	(2.1)	(0.4)
Information Technology	0.0	(0.2)	0.7	(0.4)	(1.2)	(1.2)	(0.3)
Telecommunication Services	(1.3)	0.0	0.0	(1.0)	(0.5)	7.0	(0.3)
Utilities	NM	0.3	0.0	NM	0.0	0.3	0.2
Financials	NM	NM	(1.3)	NM	1.2	0.4	0.4
Industrials	0.7	1.5	0.7	0.2	1.7	0.4	0.7
Consumer Discretionary	2.0	2.6	2.2	(1.5)	(0.1)	(0.3)	1.0
Energy	0.3	1.2	(0.1)	NM	1.9	2.6	1.2
Materials	1.4	5.3	1.7	0.8	1.1	0.2	1.3

Source: Compustat, First Call via 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 19, 2009

Sector	GROWTH Fastest EPS Growth (%)		VALUE Lowest P/E (x)			
	Ticker	2009E	2010E	Ticker	NTM	Rel to SPX
Cons Discr	<b>IPG</b>	(63)	63	<b>GCI</b>	6.7	0.5
Consumer Staples	<b>EL</b>	(5)	34	<b>SVU</b>	7.8	0.5
Energy	<b>HES</b>	(73)	98	<b>COP</b>	8.9	0.6
Financials	<b>JNS</b>	(42)	91	<b>MBI</b>	2.0	0.1
Health Care	<b>GENZ</b>	(43)	66	<b>HUM</b>	7.4	0.5
Industrials	<b>MWW</b>	(97)	100	<b>LLL</b>	10.1	0.7
Info Tech	<b>NVDA</b>	(40)	86	<b>WDC</b>	8.3	0.6
Materials	<b>IP</b>	(57)	58	<b>OI</b>	9.0	0.6
Telecom Services	<b>AMT</b>	5	38	<b>CTL</b>	10.0	0.7
Utilities	<b>PPL</b>	(13)	87	<b>AYE</b>	9.4	0.6

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 19, 2009 (a)**

	Last Week Spread (%)					Performance Spread of Top Quintile Less Bottom Quintile (%)							
	(2)	(1)	0	1	2	Last Week	Last Five Trading Days					Last Month	Last Quarter
							13-Nov	16-Nov	17-Nov	18-Nov	19-Nov		
<b>Growth Metrics<sup>(b)</sup></b>													
EPS Growth						(0.1)	(0.2)	0.8	0.1	0.4	(1.0)	(5.3)	0.8
EBITDA Growth						(0.1)	(0.1)	0.9	0.1	0.1	(0.9)	(6.6)	0.4
<b>GROWTH</b>						<b>(0.5)</b>	<b>(0.3)</b>	<b>0.9</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.9)</b>	<b>(7.4)</b>	<b>(0.8)</b>
Sales Growth						(0.8)	(0.2)	0.8	(0.2)	(0.0)	(1.1)	(6.1)	2.8
<b>Value Metrics<sup>(b)</sup></b>													
P/B						1.7	(0.0)	(0.4)	0.8	0.2	1.1	6.9	8.3
<b>VALUATION</b>						<b>0.6</b>	<b>(0.1)</b>	<b>(0.3)</b>	<b>0.2</b>	<b>0.8</b>	<b>(0.0)</b>	<b>2.8</b>	<b>5.6</b>
EV/DACF						0.4	(0.2)	(0.5)	0.0	0.7	0.4	5.3	3.6
EV/EBITDA						0.1	0.0	(0.5)	0.1	0.5	(0.1)	2.0	3.9
P/E						0.1	0.2	0.1	0.0	0.3	(0.5)	(0.8)	7.9
EV/FCF						(0.5)	(0.2)	0.3	(0.3)	0.4	(0.7)	(4.9)	(3.5)
P/div						(0.9)	(0.2)	(0.0)	0.1	(0.3)	(0.5)	(1.4)	3.6
<b>Profitability Metrics<sup>(b)</sup></b>													
<b>PROFITABILITY</b>						<b>1.3</b>	<b>(0.1)</b>	<b>(0.6)</b>	<b>0.9</b>	<b>(0.4)</b>	<b>1.4</b>	<b>6.5</b>	<b>4.9</b>
ROE						1.3	(0.2)	(0.4)	0.9	(0.5)	1.4	4.9	1.3
ROCE						1.0	(0.0)	(0.3)	0.9	(0.6)	1.0	6.1	3.7
CROCI						0.4	(0.2)	(0.7)	0.8	(0.3)	0.7	3.5	5.3
<b>Other Metrics<sup>(c)</sup></b>													
Short Interest Level						0.5	0.3	1.0	(0.2)	0.5	(1.1)	(5.4)	(3.6)
Equity Capitalization						0.5	(0.1)	(0.6)	0.3	0.1	0.8	6.1	5.2

(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.

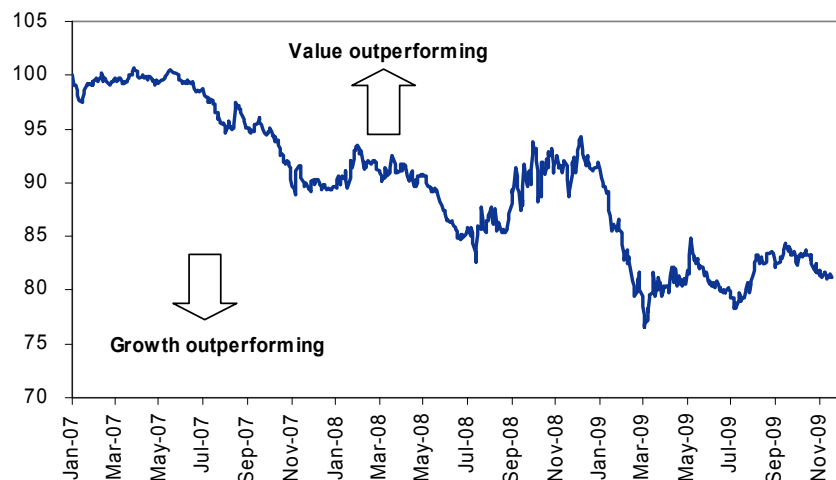
# Style and Size

**Exhibit 22: Total return by style and size over time**  
as of November 19, 2009

	Total Return Percentage Change (%)				
	1-Week	1-Month	3-Month	6-Month	YTD
<b>Large Cap vs. Small Cap</b>					
S&P 500	1	(0)	10	22	24
Russell 2000	1	(6)	5	20	19
Large vs. Small (bps)	<b>(20)</b>	573	583	233	504
<b>Growth vs. Value</b>					
Russell 1000 Growth	1	1	11	23	33
Russell 1000 Value	1	(2)	9	21	17
Growth vs. Value (bps)	<b>10</b>	267	191	222	1,570

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 19, 2009



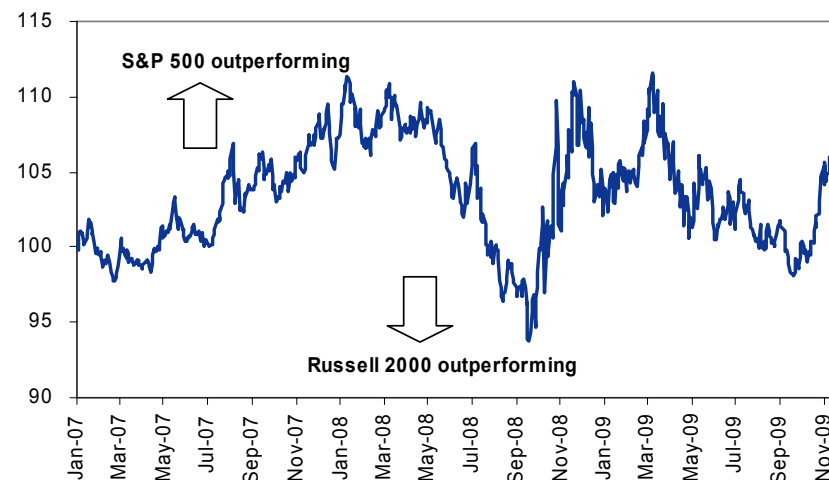
Source: FactSet and Goldman Sachs Global ECS Research.

**Exhibit 23: Total return by SECTOR for S&P 500 vs. Russell 2000**  
as of November 19, 2009

Sector	Weight (%)		1-Week (% Return)			YTD (% Return)		
	SP500	R2000	SP500	R2000	Δ (bps)	SP500	R2000	Δ (bps)
Health Care	13	14	2	0	<b>132</b>	15	15	40
Energy	12	5	1	(0)	<b>108</b>	15	29	(1,399)
Cons Discretionary	9	14	1	0	<b>51</b>	36	51	(1,501)
Telecom Services	3	1	1	1	<b>21</b>	1	8	(683)
Industrials	10	16	1	1	<b>18</b>	19	6	1,322
Consumer Staples	12	3	1	1	<b>17</b>	16	16	(86)
Information Tech	19	19	0	0	<b>(20)</b>	54	48	614
Materials	4	4	2	3	<b>(54)</b>	46	51	(504)
Utilities	4	3	0	1	<b>(56)</b>	4	0	353
Financials	15	20	(0)	2	<b>(254)</b>	19	(6)	2,571
<b>Index</b>	<b>100</b>	<b>100</b>	<b>1</b>	<b>1</b>	<b>(20)</b>	<b>24</b>	<b>19</b>	<b>504</b>

Source: FactSet and Goldman Sachs Global ECS Research.

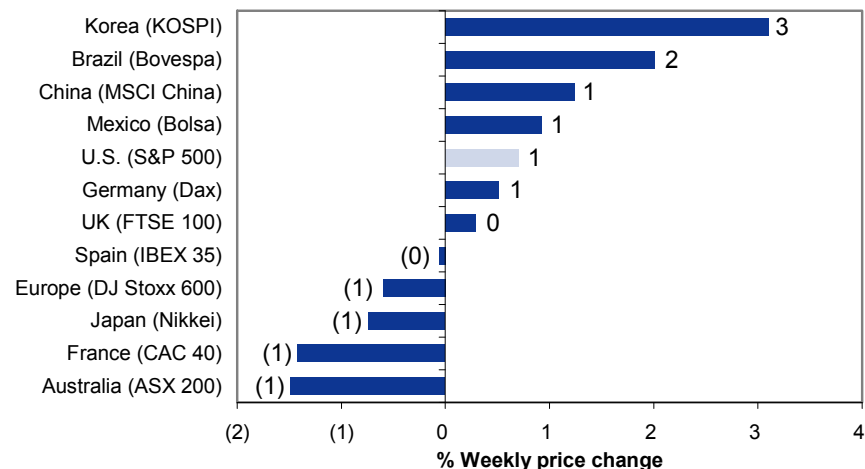
**Exhibit 25: LARGE CAP vs. SMALL CAP relative performance over time**  
S&P 500 vs. Russell 2000, as of November 19, 2009



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 19, 2009



Source: FactSet and Goldman Sachs Global ECS Research.

**Exhibit 28: GLOBAL EQUITY MARKET performance over time**  
as of November 19, 2009

	Price Return (%) USD				
	1-Week	1-Month	3-Month	2009 YTD	2008
Brazil (Bovespa)	2	(3)	26	137	(55)
Australia (ASX 200)	(1)	(2)	20	67	(53)
China (MSCI China)	1	3	16	67	(51)
Korea (KOSPI)	3	(1)	14	57	(56)
Mexico (Bolsa)	1	(0)	10	46	(40)
Spain (IBEX 35)	(0)	(1)	16	38	(42)
UK (FTSE 100)	0	1	13	37	(50)
Europe (DJ Stoxx 600)	(1)	(2)	13	32	(48)
Germany (Dax)	1	(3)	14	27	(43)
France (CAC 40)	(1)	(4)	14	25	(46)
<b>U.S. (S&amp;P 500)</b>	<b>1</b>	<b>(0)</b>	<b>10</b>	<b>21</b>	<b>(38)</b>
Japan (Nikkei)	(1)	(5)	(1)	10	(29)
<b>Average</b>	<b>0</b>	<b>(1)</b>	<b>14</b>	<b>47</b>	<b>(46)</b>

Source: FactSet and Goldman Sachs Global ECS Research.

**Exhibit 27: US EQUITY MUTUAL FUND performance vs. benchmark**  
as of November 19, 2009

Lipper Indices	Avg. Total Return (%)		Stdev		No. of Funds	AUM \$ bil
	1-week	YTD	1-Week	YTD		
<b>Large-Cap Core Funds</b>	<b>0.6</b>	<b>25.4</b>	<b>0.3</b>	<b>6.9</b>	<b>30</b>	<b>244</b>
Benchmark: S&P 500	0.8	23.9				
Out / (Underperformance) (bps)	(13)	151				
<b>Large-Cap Growth Funds</b>	<b>0.4</b>	<b>32.9</b>	<b>0.4</b>	<b>9.9</b>	<b>30</b>	<b>237</b>
Benchmark: Russell 1000 Growth	0.8	33.2				
Out / (Underperformance) (bps)	(31)	(27)				
<b>Large-Cap Value Funds</b>	<b>0.7</b>	<b>22.3</b>	<b>0.3</b>	<b>5.9</b>	<b>30</b>	<b>229</b>
Benchmark: Russell 1000 Value	0.7	17.5				
Out / (Underperformance) (bps)	7	489				
<b>Small-Cap Core Funds</b>	<b>0.6</b>	<b>27.5</b>	<b>0.4</b>	<b>9.0</b>	<b>29</b>	<b>NA</b>
Benchmark: Russell 2000	0.9	18.9				
Out / (Underperformance) (bps)	(30)	870				

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

**Exhibit 29: International and other MUTUAL FUND performance**  
as of November 19, 2009

Lipper Indices	Avg. Total Return (%)		Stdev		No. of Funds	AUM \$ bil
	1-week	YTD	1-week	YTD		
<b>International Equity</b>						
Global Funds	0	28	0.6	9.8	30	180
International Funds	0	34	0.5	11.4	30	336
European Funds	0	42	0.4	25.6	10	20
Emerging Market Funds	1	72	0.6	9.3	29	NA
<b>Real Estate and Natural Resources</b>						
Real Estate	1	22	0.4	9.8	30	30
Natural Resource	(1)	37	0.8	6.4	10	7
<b>Fixed Income</b>						
General U.S. Government Funds Index	1	4	0.5	7.8	30	NA
A Rated Bond Funds Index	0	15	0.3	8.3	30	NA
BBB Rated Funds Index	1	19	0.5	11.6	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 19, 2009 (a)(b)**

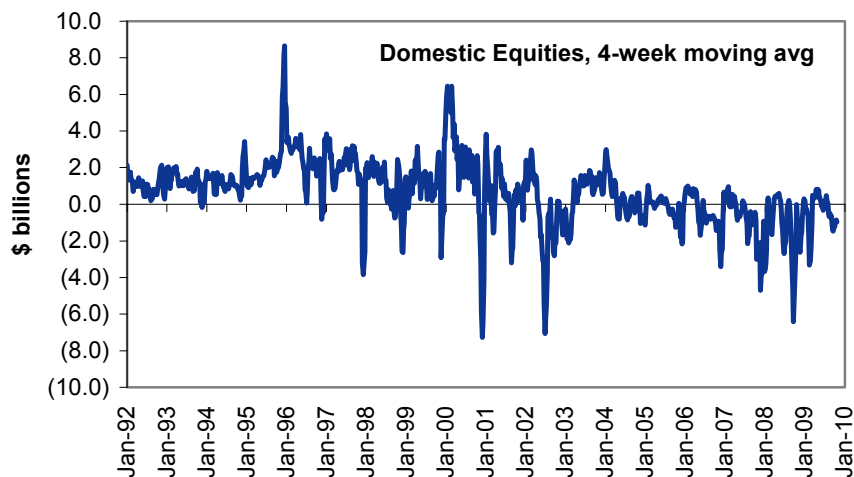
ETF Description			Composition					Performance (%)		Valuation			Growth (%)				Ownership	
Sector / sub-sector	Index	ETF	Market Cap \$ mil	No. of Stocks	Top Stocks as % of ETF			Price Change <sup>(a)</sup>		Valuation			Sales Growth		Earnings Growth		Short Interest Days	Median Hedge Fund Own (%) <sup>(c)</sup>
					1	5	10	1 Wk	YTD	P/E NTM	P/B LTM	Div Yield	2009	2010	2009	2010		
<b>S&amp;P 500</b>	<b>SPX</b>	<b>SPY</b>	<b>77,798</b>	<b>500</b>	<b>4</b>	<b>12</b>	<b>20</b>	<b>1</b>	<b>21</b>	<b>15</b>	<b>2.2</b>	<b>2.0</b>	<b>(12)</b>	<b>8</b>	<b>0</b>	<b>24</b>	<b>1.8</b>	<b>2.9</b>
<b>S&amp;P 100</b>	<b>OEX</b>	<b>OEF</b>	<b>2,411</b>	<b>100</b>	<b>6</b>	<b>18</b>	<b>31</b>	<b>1</b>	<b>18</b>	<b>14</b>	<b>2.3</b>	<b>2.1</b>	<b>(13)</b>	<b>9</b>	<b>(0)</b>	<b>21</b>	<b>1.3</b>	<b>1.9</b>
<b>Nasdaq-100</b>	<b>NDX</b>	<b>QQQQ</b>	<b>16,818</b>	<b>100</b>	<b>16</b>	<b>36</b>	<b>49</b>	<b>0</b>	<b>46</b>	<b>18</b>	<b>3.6</b>	<b>0.6</b>	<b>(1)</b>	<b>11</b>	<b>(1)</b>	<b>21</b>	<b>1.9</b>	<b>3.4</b>
<b>Consumer Discretionary</b>	<b>IXY</b>	<b>XLY</b>	<b>1,449</b>	<b>79</b>	<b>8</b>	<b>29</b>	<b>47</b>	<b>1</b>	<b>34</b>	<b>17</b>	<b>2.0</b>	<b>1.5</b>	<b>(8)</b>	<b>3</b>	<b>12</b>	<b>29</b>	<b>2.8</b>	<b>3.8</b>
Homebuilders	SPHOME	XHB	779	25	5	23	44	(0)	23	NM	1.5	1.3	(23)	4	NM	NM	3.0	4.0
Retail	IRH	RTH	523	18	21	58	83	0	25	16	2.7	1.6	1	4	(0)	11	1.9	2.9
Retail	SPSIRETR	XRT	300	63	2	10	19	1	24	16	2.1	1.0	(5)	4	0	19	2.8	6.2
<b>Consumer Staples</b>	<b>IXR</b>	<b>XLP</b>	<b>2,274</b>	<b>41</b>	<b>16</b>	<b>47</b>	<b>67</b>	<b>1</b>	<b>12</b>	<b>14</b>	<b>3.1</b>	<b>2.9</b>	<b>0</b>	<b>4</b>	<b>3</b>	<b>8</b>	<b>2.2</b>	<b>2.3</b>
<b>Energy</b>	<b>IXE</b>	<b>XLE</b>	<b>5,956</b>	<b>40</b>	<b>20</b>	<b>50</b>	<b>64</b>	<b>0</b>	<b>19</b>	<b>14</b>	<b>1.9</b>	<b>1.8</b>	<b>(36)</b>	<b>22</b>	<b>(57)</b>	<b>41</b>	<b>1.5</b>	<b>3.1</b>
Clean Energy	ECO	PBW	740	52	4	17	31	4	19	NM	1.7	0.5	9	36	NM	NM	3.1	3.0
Natural Resources	SPGSSINR	IGE	1,590	124	8	30	45	1	34	16	1.9	1.4	(32)	25	(53)	43	1.5	3.9
Oil & Gas E&P	SPSIOP	XOP	432	33	4	18	34	(2)	29	16	1.6	1.0	(39)	32	(63)	57	1.4	4.9
Oil Services	OXH	OIH	2,131	16	16	56	84	(1)	62	14	1.9	0.6	(15)	2	(33)	(7)	1.9	4.1
<b>Financials</b>	<b>IXM</b>	<b>XLF</b>	<b>6,473</b>	<b>79</b>	<b>12</b>	<b>42</b>	<b>56</b>	<b>(0)</b>	<b>17</b>	<b>15</b>	<b>1.2</b>	<b>1.2</b>	<b>NM</b>	<b>NM</b>	<b>NM</b>	<b>71</b>	<b>1.2</b>	<b>3.0</b>
Banks	BKX	KBE	810	24	9	39	61	1	(1)	NM	0.9	1.0	NM	NM	NM	NM	0.8	2.7
Broker-Dealers	DJSINV	IAI	188	26	11	43	66	(1)	42	15	1.4	0.9	NM	NM	NM	213	1.2	2.8
Insurance	KIX	KIE	160	24	8	35	60	(0)	25	11	0.9	2.0	NM	NM	(31)	190	1.1	3.7
Real Estate	DJUSRE	IYR	2,874	74	9	27	42	2	15	13	1.7	4.5	NM	NM	(21)	0	3.3	3.0
Regional Banks	KRX	KRE	403	50	4	15	28	4	(27)	27	1.0	2.2	NM	NM	(185)	NM	7.3	2.4
REITs	RMZ	VNQ	4,060	97	10	29	44	1	13	13	1.7	3.9	NM	NM	(26)	(2)	3.4	2.9
<b>Health Care</b>	<b>IXV</b>	<b>XLV</b>	<b>2,170</b>	<b>52</b>	<b>14</b>	<b>45</b>	<b>62</b>	<b>2</b>	<b>13</b>	<b>12</b>	<b>2.8</b>	<b>2.0</b>	<b>4</b>	<b>9</b>	<b>1</b>	<b>8</b>	<b>2.5</b>	<b>3.0</b>
Biotech	SPSIBI	XBI	397	27	6	23	43	(1)	(6)	NM	4.5	0.0	9	15	NM	NM	2.7	10.7
Pharmaceuticals	IPH	PPH	631	16	25	80	96	3	4	11	3.2	3.2	4	18	(2)	9	3.2	2.9
<b>Industrials</b>	<b>IXI</b>	<b>XLI</b>	<b>2,050</b>	<b>59</b>	<b>12</b>	<b>33</b>	<b>49</b>	<b>1</b>	<b>17</b>	<b>17</b>	<b>2.5</b>	<b>2.3</b>	<b>(11)</b>	<b>2</b>	<b>(30)</b>	<b>12</b>	<b>2.1</b>	<b>2.1</b>
Transportation	TRAN	IYT	442	20	13	48	72	0	12	38	2.0	1.9	(22)	4	(94)	NM	2.2	4.3
<b>Information Technology</b>	<b>IXT</b>	<b>XLK</b>	<b>3,943</b>	<b>85</b>	<b>11</b>	<b>41</b>	<b>64</b>	<b>0</b>	<b>41</b>	<b>16</b>	<b>3.2</b>	<b>1.6</b>	<b>(3)</b>	<b>5</b>	<b>(2)</b>	<b>20</b>	<b>1.5</b>	<b>3.5</b>
Semiconductors	SPGSTISM	IGW	211	45	9	38	57	(1)	51	22	2.6	1.4	(15)	18	(65)	317	2.1	3.9
Semiconductors	XSH	SMH	764	18	23	69	89	(1)	43	18	2.9	2.0	(16)	16	(43)	160	1.7	3.2
Software	SPGSTISO	IGV	336	41	10	41	61	(0)	41	17	3.1	0.3	(2)	6	1	14	1.9	3.2
Telecom Services	DJSTELT	IYZ	459	31	18	51	71	2	10	26	1.5	4.4	1	1	NM	24	2.4	4.4
<b>Materials</b>	<b>IXB</b>	<b>XLB</b>	<b>1,796</b>	<b>30</b>	<b>13</b>	<b>49</b>	<b>70</b>	<b>2</b>	<b>43</b>	<b>19</b>	<b>2.4</b>	<b>1.7</b>	<b>(23)</b>	<b>11</b>	<b>(54)</b>	<b>70</b>	<b>1.5</b>	<b>2.6</b>
Gold Miners	GDM	GDX	5,700	31	15	45	69	6	52	28	2.7	0.4	15	21	50	56	1.1	3.4
Metals & Mining	SPSIMM	XME	741	23	6	27	50	5	76	21	1.8	1.1	(34)	13	(91)	NM	1.5	3.6
Steel	STEEL	SLX	309	27	13	48	73	5	95	20	1.7	1.4	(44)	23	(89)	381	1.7	2.0
<b>Utilities</b>	<b>IXU</b>	<b>XLU</b>	<b>2,310</b>	<b>35</b>	<b>9</b>	<b>34</b>	<b>56</b>	<b>0</b>	<b>(1)</b>	<b>12</b>	<b>1.5</b>	<b>4.5</b>	<b>NM</b>	<b>NM</b>	<b>(4)</b>	<b>6</b>	<b>2.5</b>	<b>2.1</b>

(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.

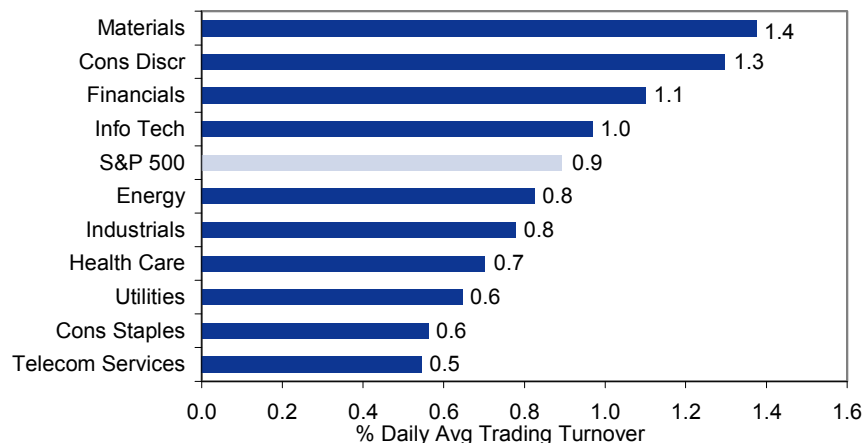
## Fund Flows

**Exhibit 31: Domestic equity mutual fund flows, 4-week moving average**  
week ended November 18, 2009



Source: AMG and Goldman Sachs Global ECS Research.

**Exhibit 33: Average daily TRADING TURNOVER over the last week**  
by sector, as of November 19, 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 32: Weekly mutual fund flows and assets tracked by AMG**  
week ended November 18, 2009; excluding ETFs

	AMG Weekly Mutual Fund Flows, ex-ETFs (\$ billions)				
	Total AMG Assets	Weekly Flows		1-Week Flow	Inflow/(Outflow)
		4-Week Avg	This week	% of Assets	(Cons. Weeks)
<b>All Equity</b>	<b>1,598</b>	<b>(0)</b>	<b>0</b>	<b>0.0 %</b>	<b>1</b>
U.S. Equity	1,182	(1)	(0)	(0.0)	(4)
Int'l Equity	300	0	1	0.2	20
Global	115	0	0	0.1	2
Equity Income	75	(0)	(0)	(0.0)	(6)
Gold & Nat Res	27	0	0	0.5	7
<b>Money Market</b>	<b>2,954</b>	<b>(6)</b>	<b>6</b>	<b>0.2</b>	<b>1</b>
<b>All Bonds</b>	<b>780</b>	<b>4</b>	<b>4</b>	<b>0.5</b>	<b>36</b>
Govt Treasury	15	0	0	0.3	6

Source: AMG and Goldman Sachs Global ECS Research.

**Exhibit 34: Top ten S&P 500 STOCKS by daily average trading turnover**  
as of November 19, 2009

Company	Ticker	Sector	Avg Daily Trading Turnover (%)	1-Week Total Return (%)
Advanced Micro Devices	AMD	Information Technology	8.6	9
Smith International Inc.	SII	Energy	8.0	(8)
Massey Energy Co.	MEE	Energy	7.7	6
AK Steel	AKS	Materials	7.2	6
American Int'l. Group	AIG	Financials	6.9	(2)
Abercrombie & Fitch	ANF	Consumer Discretionary	6.7	9
United States Steel Corp.	X	Materials	6.6	6
Ciena Corp.	CIEN	Information Technology	6.1	10
MBIA Inc.	MBI	Financials	6.0	(5)
Jacobs Engineering Group	JEC	Industrials	4.9	(16)
<b>S&amp;P 500 Average</b>			<b>1.3</b>	<b>0</b>

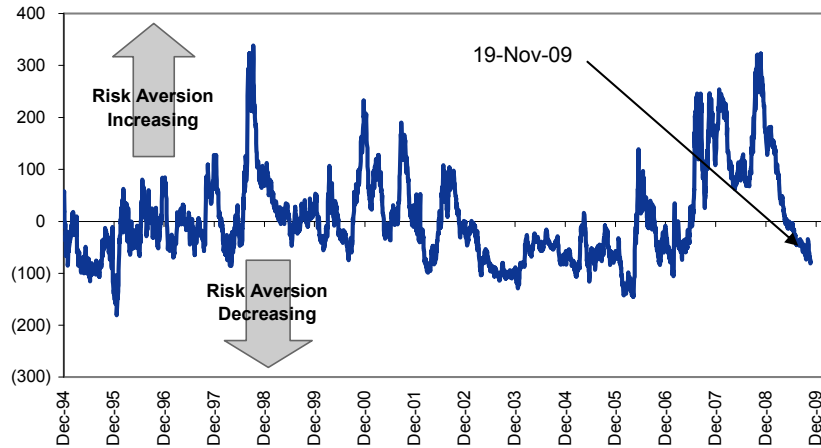
Daily average trading turnover = daily avg trading value / avg market cap (over the past 5 trading days).

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

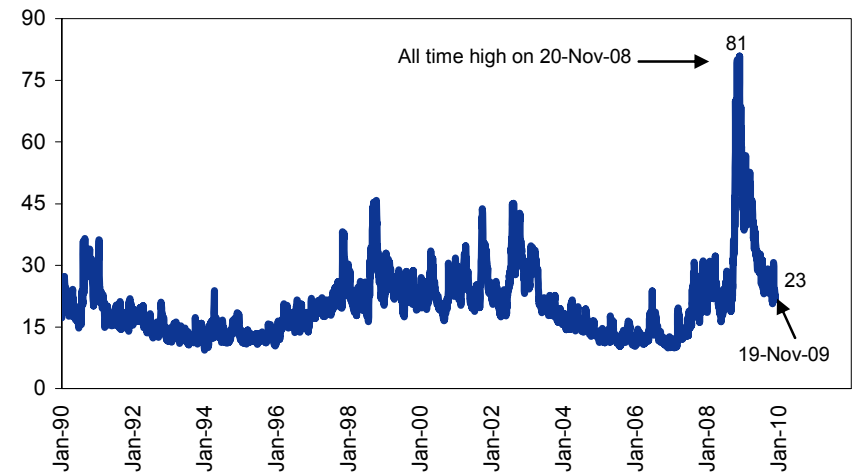


Note: metrics included are implied option volatility (S&P 500 and Nasdaq 100), normalized skew, high yield credit spreads, credit derivative swap spreads, mutual fund net flows, and cash levels.

Source: Goldman Sachs Research.

**Exhibit 36: VIX Volatility Index**

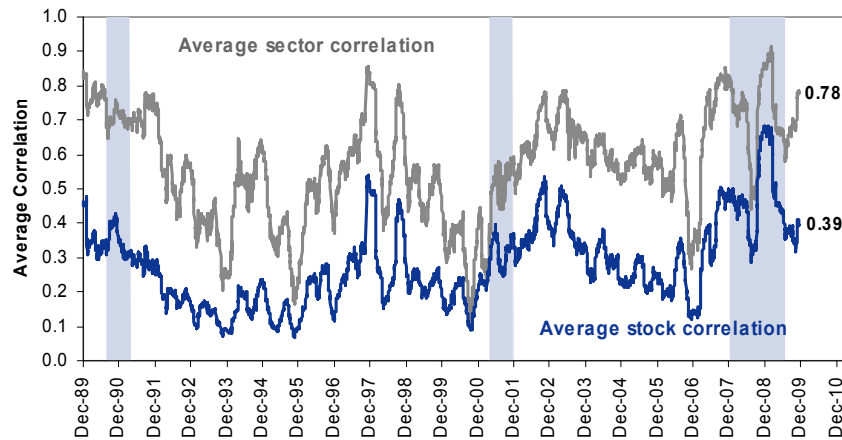
as of November 19, 2009



Source: Goldman Sachs Global ECS Research.

**Exhibit 37: S&P 500 stock and sector average correlation**

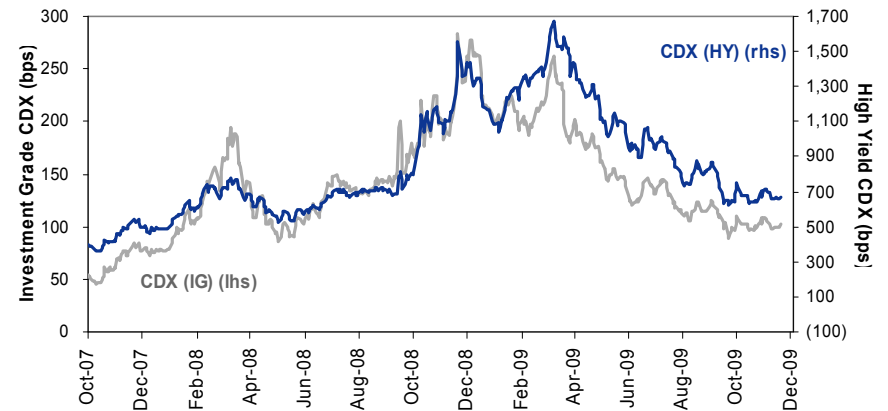
as of November 19, 2009



Source: Goldman Sachs Global ECS Research.

**Exhibit 38: Credit Default Swaps, 5-Year On-the-run Spreads**

as of November 19, 2009



Source: Goldman Sachs Global ECS Research.

## Goldman Sachs Recommendations and Forecasts

**Exhibit 39: Goldman Sachs Recommended Sector Weightings**  
as of November 19, 2009

Sectors	Total Return YTD	Sector Weightings			GS Alpha YTD
		Goldman Sachs Recommended Sector Weightings	Current S&P 500 Weight	GS Overweight / Underweight	
Energy	15 %	Overweight	12 %	300 bp	(9)bp
Materials	46		4	200	6
Financials	19		15	200	8
Information Technology	54		19	100	0
Industrials	19		10	100	3
Utilities	4	Neutral	4	0	13
Consumer Discretionary	36		9	0	(14)
Telecom Services	1	Underweight	3	(200)	17
Health Care	15		13	(300)	(24)
Consumer Staples	16		12	(400)	(12)
<b>S&amp;P 500</b>	<b>24 %</b>		<b>100 %</b>	<b>0 bp</b>	<b>(11)bp</b>

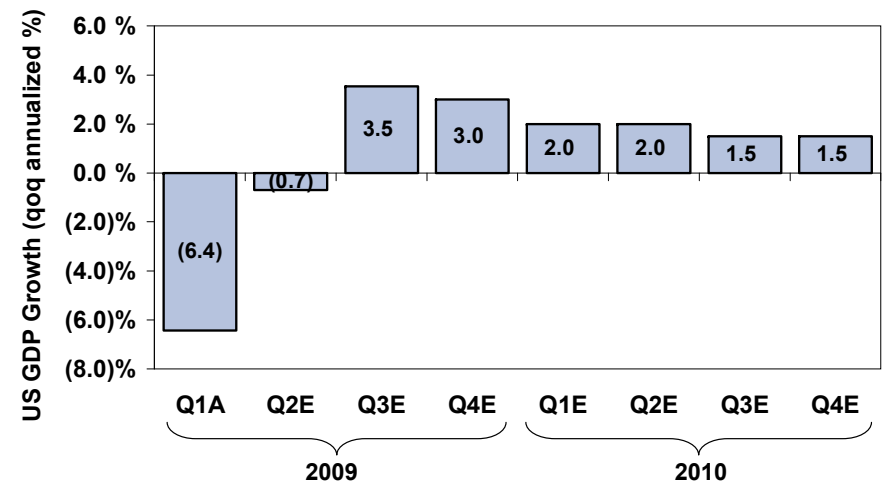
Source: Goldman Sachs Global ECS Research. (a) Sector weightings last rebalanced 20-July-09.

**Exhibit 41: Goldman Sachs COMMODITY and CURRENCY forecasts**  
as of November 19, 2009

	units	Current	Forecasts		
			3m	6m	12m
<b>Energy</b>					
WTI Crude Oil	\$/bbl	77.46	85.00	90.00	95.00
NYMEX Nat. Gas	\$/mmBtu	4.34	6.50	7.50	7.70
RBOB Gasoline	\$/gal	1.97	2.16	2.40	2.38
<b>Metals</b>					
LME Copper	\$/mt	6795	6960	7080	7530
London Gold	\$/troy oz	1141	960	960	960
London Silver	\$/troy oz	18.20	15.60	15.50	16.00
<b>Currencies</b>					
Euro / US Dollar	EUR/\$	1.49	1.55	1.55	1.35
US Dollar / Yen	\$/¥	88.8	98.0	98.0	105.0
Sterling / US Dollar	£/\$	1.66	1.85	1.85	1.61

Source: Goldman Sachs Global ECS Research.

**Exhibit 40: Goldman Sachs US Economics quarterly GDP forecasts**  
as of November 19, 2009



Source: Goldman Sachs Global ECS Research.

**Exhibit 42: Goldman Sachs US Economics forecasts**  
as of November 19, 2009

	% Annual Change		
	2008A	2009E	2010E
<b>Real GDP</b>	<b>0.4%</b>	<b>(2.4)%</b>	<b>2.1%</b>
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<sup>1</sup>

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.

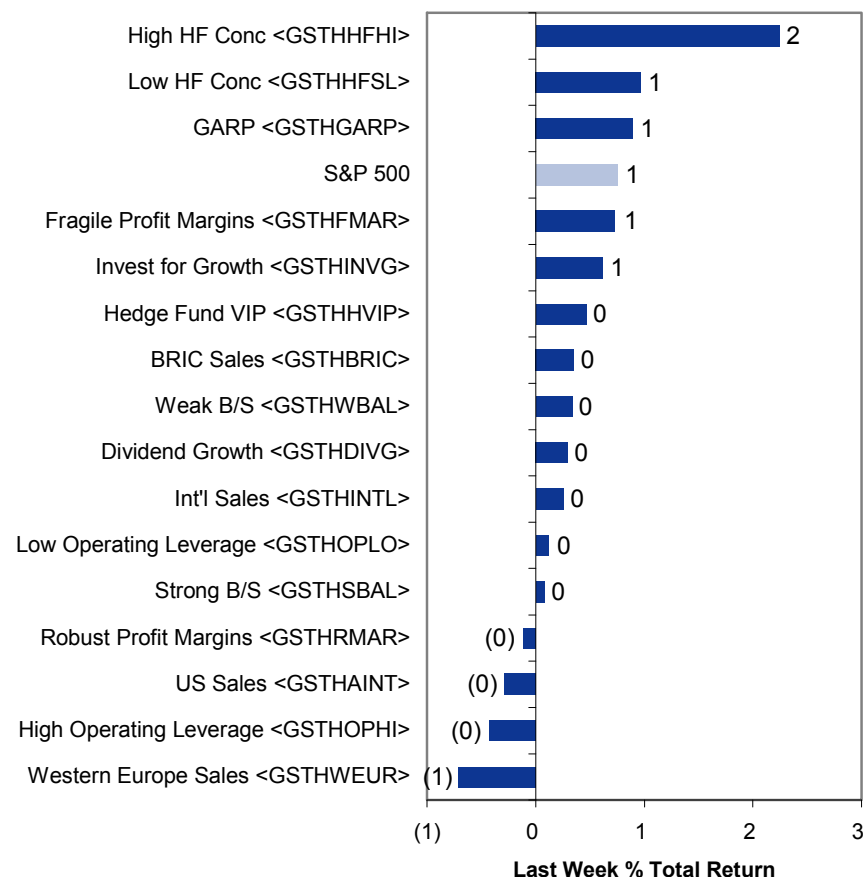
**To obtain access to our baskets on Bloomberg, please contact your Goldman Sachs salesperson.**

**Exhibit 43: Strategy basket summary performance and valuation data**  
as of November 19, 2009

	Bloomberg Ticker	Total Return %			P/E	P/B	Div Yld
		1 wk	1 mo	YTD	NTM	LTM	(%)
<b>Macroeconomic Baskets</b>							
International Sales	GSTHINTL	0 %	(1)%	43 %	18x	4.5x	1.8 %
US Sales	GSTHAINT	(0)	(2)	16	17	3.4	1.8
Western Europe Sales	GSTHWEUR	(1)	(4)	44	17	3.8	0.9
BRICs Sales	GSTHBRIC	0	(3)	51	18	4.2	1.1
Strong Balance Sheet	GSTHSBAL	0	1	36	21	6.0	1.1
Weak Balance Sheet	GSTHWBAL	0	(3)	64	19	3.3	1.8
Robust Profit Margins	GSTHRMAR	(0)	(2)	25	15	5.7	1.4
Fragile Profit Margins	GSTHFMAR	1	(3)	34	19	3.0	0.8
High Op Leverage	GSTHOPHI	(0)	(4)		22	4.7	1.3
Low Op Leverage	GSTHOPLO	0	(2)		16	5.6	1.9
<b>Hedge Fund Baskets</b>							
High HF Concentration	GSTHHFHI	2 %	(5)%	70 %	20x	3.3x	0.9 %
Low HF Concentration	GSTHHFSL	1	(1)	18	19	3.0	2.9
Hedge Fund VIP	GSTHHVIP	0	0	37	17	4.8	1.3
<b>Valuation Baskets</b>							
GARP	GSTHGARP	1 %	1 %	38 %	17x	3.9x	0.7 %
<b>Use of Cash Baskets</b>							
Dividend Growth	GSTHDIVG	0 %	1 %	15 %	14x	6.4x	3.3 %
Invest for Growth	GSTHINVG	1	(3)		16	4.9	1.5
<b>S&amp;P 500</b>		<b>1 %</b>	<b>(0)%</b>	<b>24 %</b>	<b>15x</b>	<b>2.4x</b>	<b>2.0 %</b>
<b>S&amp;P 500 Average</b>		<b>1</b>	<b>(0)</b>	<b>24</b>	<b>17</b>	<b>3.3</b>	<b>1.7</b>

Source: Bloomberg and Goldman Sachs Global ECS Research.

**Exhibit 44: Strategy basket total return performance over the last week**  
as of November 19, 2009



Source: Bloomberg and Goldman Sachs Global ECS Research.

<sup>1</sup> The ability to trade these baskets will depend upon market conditions, including liquidity and borrow constraints at the time of trade.

## Highlighting our Growth at a Reasonable Price basket <GSTHGARP>

Exhibit 45: 13 S&P 500 sub-sectors currently offer Growth at a Reasonable Price; as of November 19, 2009

Sub-Sectors	Number of Companies	Equity Mkt Cap (\$ bil)	Total Return YTD (%)	Growth Score	Value Score	EARNINGS	
						2008E - 2009E (%)	2009E - 2010E (%)
Biotechnology	6	\$155	(7)%	6	9	9 %	11 %
Communications Equipment	8	255	45	7	9	(9)	18
Computer Hardware	6	508	71	7	6	5	14
Computer Storage & Peripherals	6	62	70	8	8	36	21
Education Services	2	12	(21)	7	9	33	23
Electronic Components	2	33	62	8	9	(16)	19
Gold	1	26	30	8	6	24	19
Internet Software & Services	5	242	72	7	9	10	12
Investment Banking & Brokerage	3	156	87	10	6	(444)	93
Publishing	5	19	35	6	9	(35)	12
Research & Consulting Services	2	8	7	6	6	(4)	7
Semiconductors	13	210	46	10	8	(36)	151
Systems Software	8	424	45	7	7	2	10
<b>GARP &lt;GSTHGARP&gt;</b>	<b>67</b>	<b>\$2109</b>	<b>38 %</b>	<b>8</b>	<b>8</b>	<b>(7)%</b>	<b>18 %</b>
<b>S&amp;P 500</b>	<b>500</b>		<b>24</b>			<b>15</b>	<b>36</b>

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	November 4, 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](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.

**Copyright 2009 The Goldman Sachs Group, Inc.**

**No part of this material may be (i) copied, photocopied or duplicated in any form by any means or (ii) redistributed without the prior written consent of The Goldman Sachs Group, Inc.**