

The Sector Grid® Summary

9.3.10

Stocks advanced, extending the first weekly gain in a month, with better-than-estimated growth in private payrolls providing the catalyst.

Today's data showed private payrolls excluding government jobs rose by 67,000 after a revised 107,000 increase in July, more than expected. While not a blowout number, it provides some needed relief from concerns the economy is headed toward the dreaded "double dip."

Overall, nonfarm payrolls shed 54,000 jobs last month (114,000 of them census workers), roughly half the 110,000 drop economists had expected and matching the level of revised losses recorded the previous month. The unemployment rate, calculated using a separate household survey, edged up to 9.6%, as expected, from 9.5% for the previous two months.

Meanwhile, the Institute for Supply Management's index of U.S. non-manufacturing businesses tempered early stock market gains after reporting a decline to 51.5 in August from 54.3 the prior month. A reading of 50 is the dividing line between expansion and contraction.

Perhaps the best news of the day came from the Federal Reserve Bank of Cleveland, which suggests the economy has never contracted with the difference between short- and long-term Treasury yields as wide as now – a signal to revisit the dynamic yield curve at <http://stockcharts.com/charts/YieldCurve.html>

Have a great Labor Day weekend!

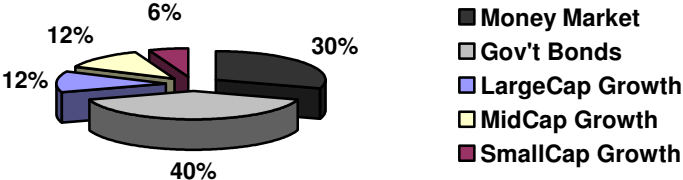
Bob Taylor

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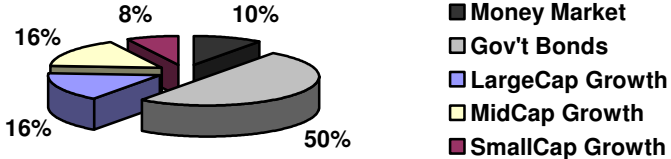
Current Profile Allocations

We invest the equity portion of our profiles in the strongest style, growth or value, in the percentage generated by each size category, as reflected by our attribution model, on the date a change in favor occurs. Those percentages are translated proportionately to each Profile and remain set until the next change occurs. The Profiles shown here were set on June 7, 2010.

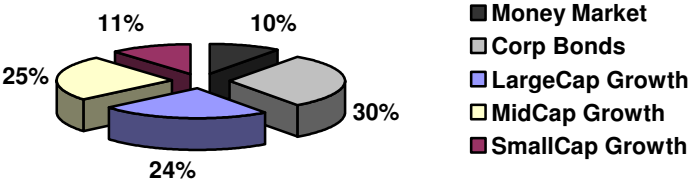
Profile I - Conservative Income



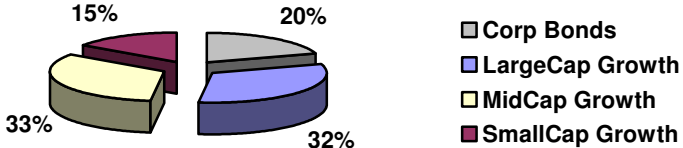
Profile II - Income



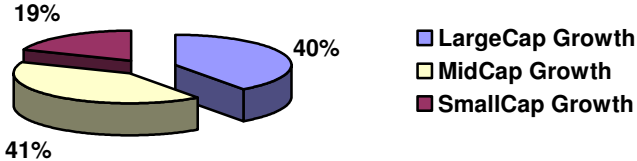
Profile III - Moderate Growth



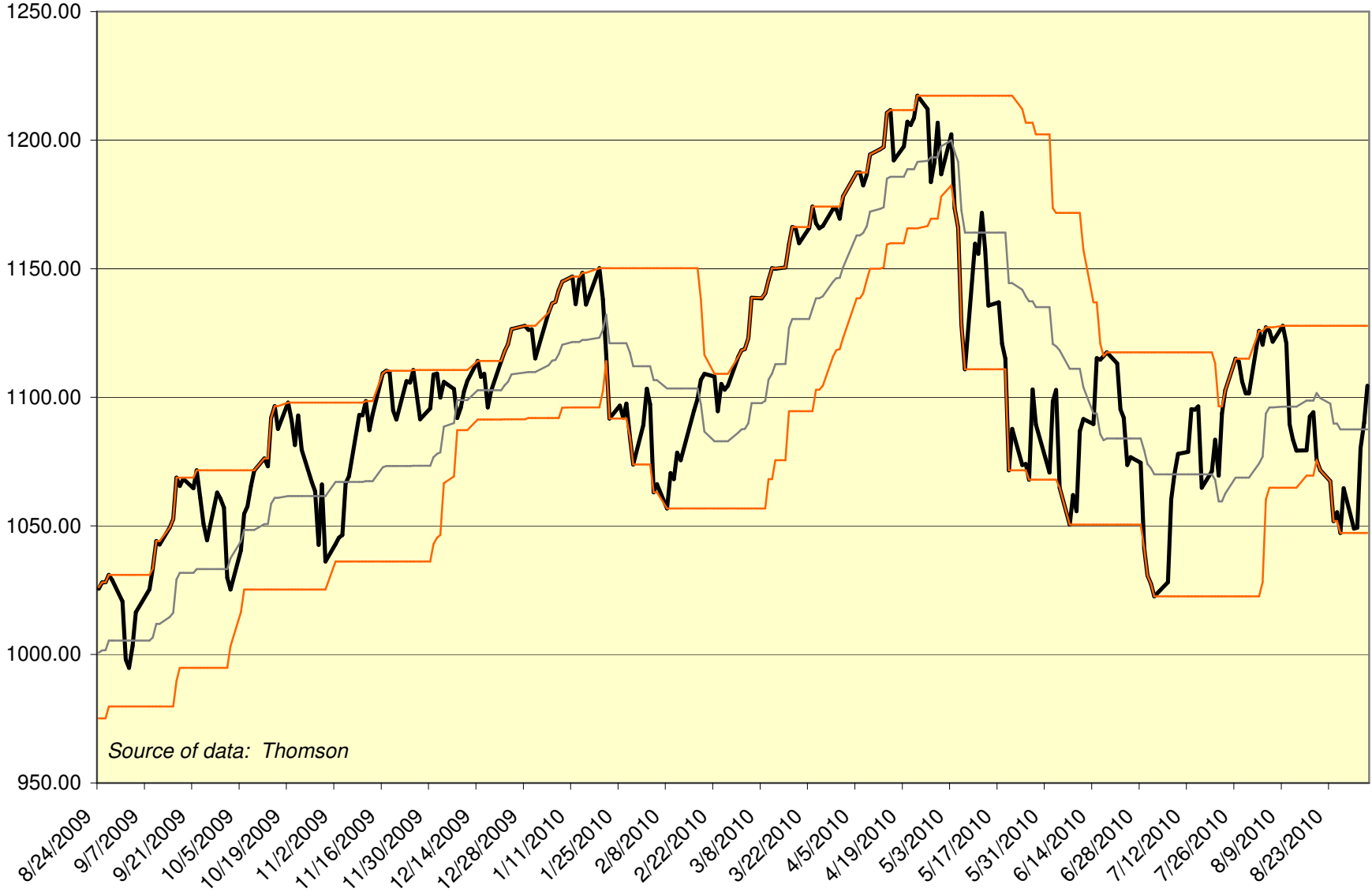
Profile IV - Growth



Profile V - Aggressive Growth



S&P 500 Price Channel Chart - 1 Year



Efficacy Table

Track the performance of prominent benchmark indices after each, leading to the next, change in each size category.

	<i>Value</i>	<i>Blend</i>	<i>Growth</i>	
Large	Russell 1000 Value Index 0.65% S&P 500 Value Index 0.75% Dow Jones Industrial Average 0.39%	Russell 1000 Index 0.23% S&P 500 Index -0.43%	Russell 1000 Growth Index -0.18% S&P 500 Growth Index -1.55% The Nasdaq 100 Index 3.47%	Allocated to Growth since 11.16.09
Mid	Russell MidCap Value Index 8.76% S&P Mid Cap Value Index 7.08%	Russell MidCap Index 7.98% S&P Mid Cap 400 Index 7.87%	Russell MidCap Growth Index 7.16% S&P Mid Cap Growth Index 8.68%	Allocated to Growth since 11.16.09
Small	Russell SmallCap Value Index 3.31% S&P Small Cap Value Index 3.15%	Russell 2000 SmallCap Index 4.02% S&P Small Cap 600 Index 3.64%	Russell SmallCap Growth Index 4.71% S&P Small Cap Growth Index 4.13%	Allocated to Growth since 6.7.10

Source of data: Thomson ONE

Year to Date Performance

	<i>Value</i>	<i>Blend</i>	<i>Growth</i>	
<i>Large</i>	Russell 1000 Value Index 0.52% S&P 500 Value Index 0.21% Dow Jones Industrial Average 0.19%	Russell 1000 Index -0.57% S&P 500 Index -0.95%	Russell 1000 Growth Index -1.63% S&P 500 Growth Index -2.09% Nasdaq 100 Index 0.54%	Average -0.47%
<i>Mid</i>	Russell MidCap Value Index 6.34% S&P Mid Cap Value Index 3.70%	Russell MidCap Index 5.45% S&P Mid Cap 400 Index 5.48%	Russell MidCap Growth Index 4.52% S&P Mid Cap Growth Index 7.35%	Average 5.47%
<i>Small</i>	Russell SmallCap Value Index 2.64% S&P Small Cap Value Index 2.66%	Russell 2000 SmallCap Index 2.87% S&P Small Cap 600 Index 3.36%	Russell SmallCap Growth Index 3.07% S&P Small Cap Growth Index 4.11%	Average 3.12%
	Average 2.32%	Average 2.61%	Average 2.27%	

Source of data: Thomson ONE

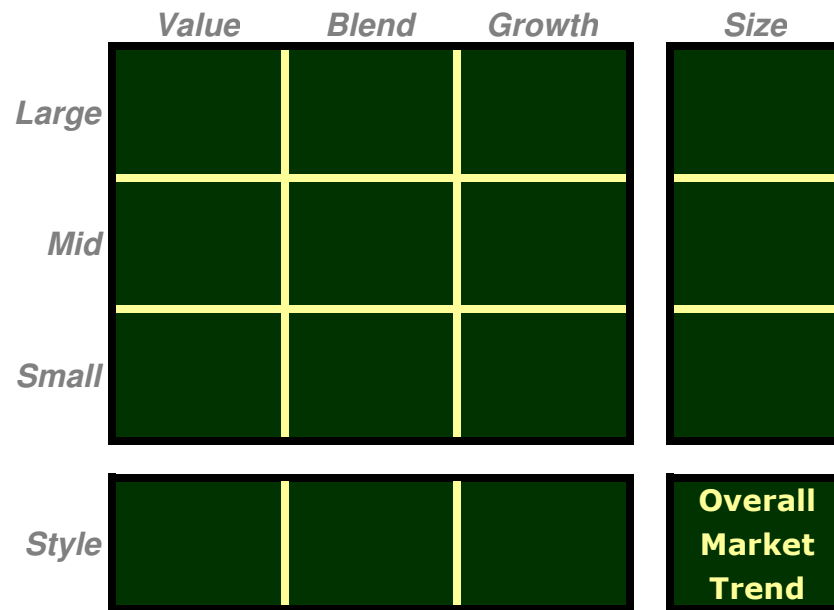
Intraday Performance

	<i>Value</i>	<i>Blend</i>	<i>Growth</i>	
<i>Large</i>	Russell 1000 Value Index 1.30% S&P 500 Value Index 1.28% Dow Jones Industrial Average 1.24%	Russell 1000 Index 1.32% S&P 500 Index 1.32%	Russell 1000 Growth Index 1.34% S&P 500 Growth Index 1.37% Nasdaq 100 Index 1.62%	Average 1.35%
<i>Mid</i>	Russell MidCap Value Index 1.34% S&P Mid Cap Value Index 1.41%	Russell MidCap Index 1.34% S&P Mid Cap 400 Index 1.43%	Russell MidCap Growth Index 1.33% S&P Mid Cap Growth Index 1.46%	Average 1.39%
<i>Small</i>	Russell SmallCap Value Index 1.78% S&P Small Cap Value Index 1.82%	Russell 2000 SmallCap Index 1.76% S&P Small Cap 600 Index 1.71%	Russell SmallCap Growth Index 1.75% S&P Small Cap Growth Index 1.59%	Average 1.73%
	Average 1.45%	Average 1.48%	Average 1.49%	

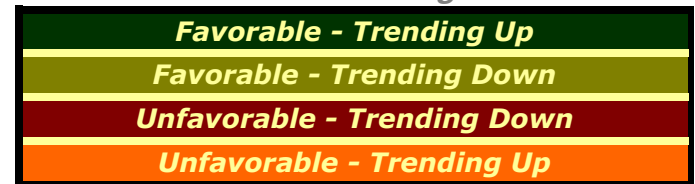
Source of data: Thomson ONE

Trend Status

The information analyzes moving average data in each sector, size and style category of our attribution model. We use this information as a guide in making investment decisions, along with additional information and analysis. This information neither predicts market movements nor profitable investment decisions. It only reflects past performance and data, which may or may not be reflective of future market conditions



Trend Status Legend





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