



eCD INVESTOR FLASH REPORT FOR JUNE 9 - 2 Day eCD Settlement.

**MARKET SUMMARY**

- **Stocks Flat** - after the government said 10 large banks would be allowed to return federal bailout funds. Energy stocks rose.
- **Treasurys Selling Frenzy Slowed** - with Treasury prices rising across the board in early trade. Shorter-maturity Treasurys, which have come under heavy pressure over the last few days, were the strongest, with the two-year note up 5/32 to yield 1.33%. Bond prices move inversely to yields. Gains came on the heels of some weaker economic data out of Europe. But strategists also pointed to thin trading volumes as the day kicked off in New York.
- **Financial Governance** - Obama administration apparently backing away from seeking a major reduction in the number of agencies overseeing financial markets.

**Banking Related Summary**

- **TARP Repayment for 10 Large Banks** - Treasury Department approved 10 of the nation's largest banks to repay \$68 billion in government bailout money. Market conditions have allowed to banks to stabilize and raise billions of dollars from private sources.
- **Firms Expected to Repay TARP Funds** - includes American Express, Bank of New York Mellon, Capital One, Goldman Sachs and JP Morgan Chase.
- **Community Bank Repayment** - a handful of community banks are expected to also repay. Already, 22 banks have taken steps to repay TARP, returning about \$1.8 billion to the government
- **Other Firms to Get Government Assistance** - plans to reuse returned TARP funds to assist other firms, including smaller banks.

**Our Top Yield Pick Up Selections for 6/9/09**

eCD Issuer Inventory	Term	\$ Availability	eCD Rate	DTC Rate	Yield Pick Up
Four Oaks Bank and Trust	30 Day	\$2,000,000	.402	.30	10bps
Four Oaks Bank and Trust	60 Day	\$2,000,000	.461	.40	6bps
First St Bk	90 Day	\$1,800,000	.601	.40	20bps
Pinnacle Bank	270 Day	\$1,000,000	.850	.85	0bps
First St Bk	1 Year	\$1,000,000	1.212	1.15	6bps



**\$235+ million Total Inventory - Offering Higher Yields**

Maturity Term	Total Bank Names	Total Issuance Availability	Sample blended returns on \$1M Trades eCD v. Brokered DTC
30 Day	5	\$4,102,000	0.402% eCD coupon versus 0.30% in DTC
60 Day	5	\$6,572,000	0.461% eCD coupon versus 0.40% in DTC
90 Day	13	\$15,383,000	0.601% eCD coupon versus 0.40% in DTC
180 Day	15	\$22,020,000	0.703% eCD coupon versus 0.70% in DTC
270 day	13	\$15,875,000	0.851% eCD coupon versus 0.85% in DTC
1 Year	16	\$14,729,000	1.212% eCD coupon versus 1.15% in DTC
2 Year	14	\$21,920,000	1.953% eCD coupon versus 2.25% in DTC
3 Year	11	\$20,287,000	2.70% eCD coupon versus 2.75% in DTC

**WE CAN HELP TO:**

- Place Special Rates, Maturities and Size – with issuers
- Negotiate Special Rates - to fill your order
- Execute Laddered Strategies - to replace part of your portfolio

Please call Jason Pacheco or Chris Anderson @ **800.483.6835**