

MISI AT A GLIMPSE

March 3 to March 31, 2008



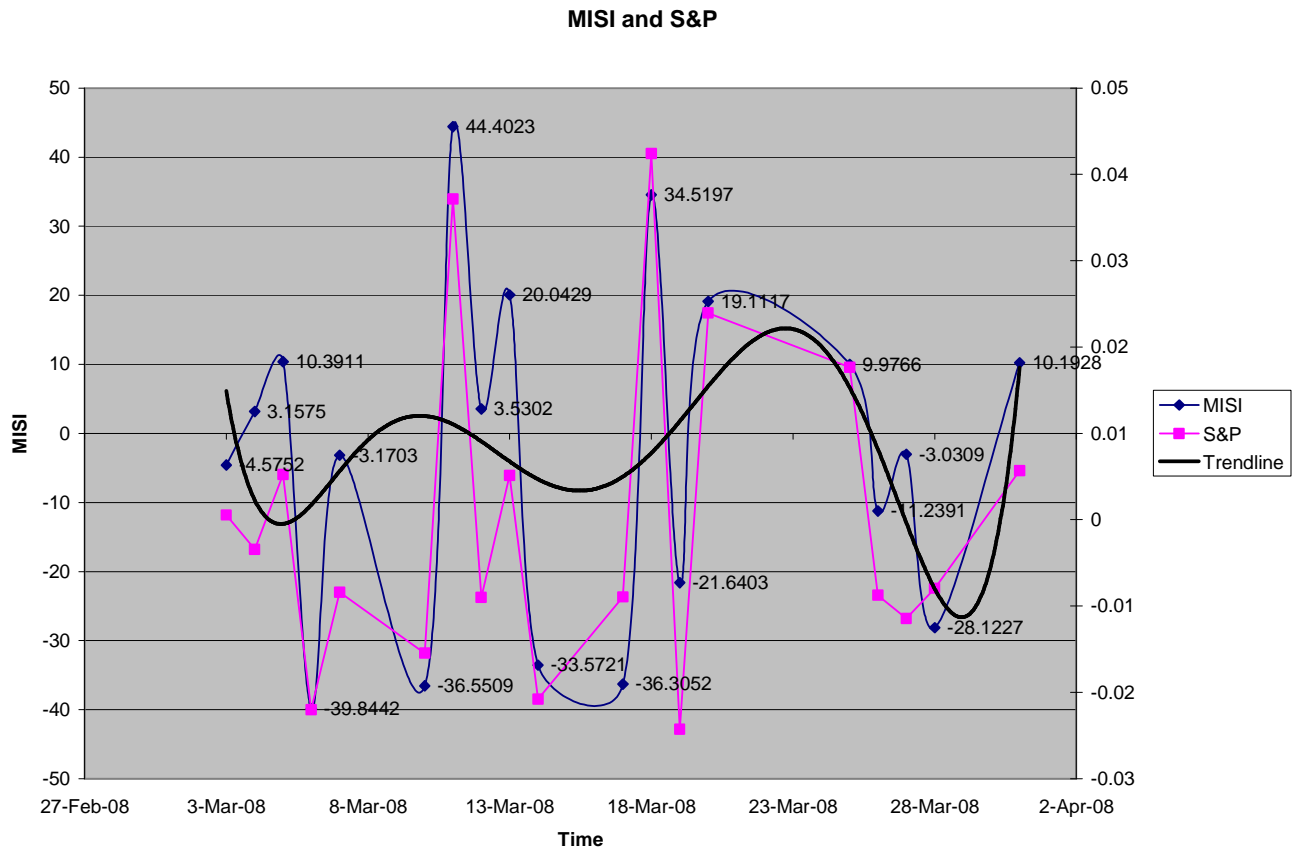
The Massachusetts Investor Sentiment Index

The Massachusetts Investment Sentiment Index (MISI) is a market-based measure of investor sentiment for firms that either are headquartered in Massachusetts or have a significant presence in the state. The MISI is constructed using firms that are in the [Massachusetts Bloomberg Index \(BBMX\)](#), which follows 240-250 firms which span more than 50 industries and range in size from \$2 million to \$42 billion in market capitalization. Daily returns for each of the securities in the BBMX and the average standard deviation of daily returns over the previous five days (the "historic volatility") are computed. The MISI is constructed every day using a correlation of the daily returns and the historic volatility.

The MISI can range from a low of -100 to a high of +100. For values between -10 to +10 the market is classified as risk-neutral, for values between -10 and -30 the market is labeled moderately risk-averse, and for values less than -30 the market is considered highly risk-averse. Similarly, if MISI falls between +10 and +30, the market is labeled moderately risk-seeking, and if the index exceeds +30, the market is considered highly risk-seeking.

Movements in the MISI capture both positive and negative news concerning Massachusetts firms and the region's economy. Also, changes in the MISI closely replicate changes in the BBMX. The MISI and the BBMX return for the same trading day has, on average, a significant correlation coefficient of about seventy-five percent.

Massachusetts Investor Sentiment Index (MISI) and the S&P Index from March, 2008 to March 31, 2008.

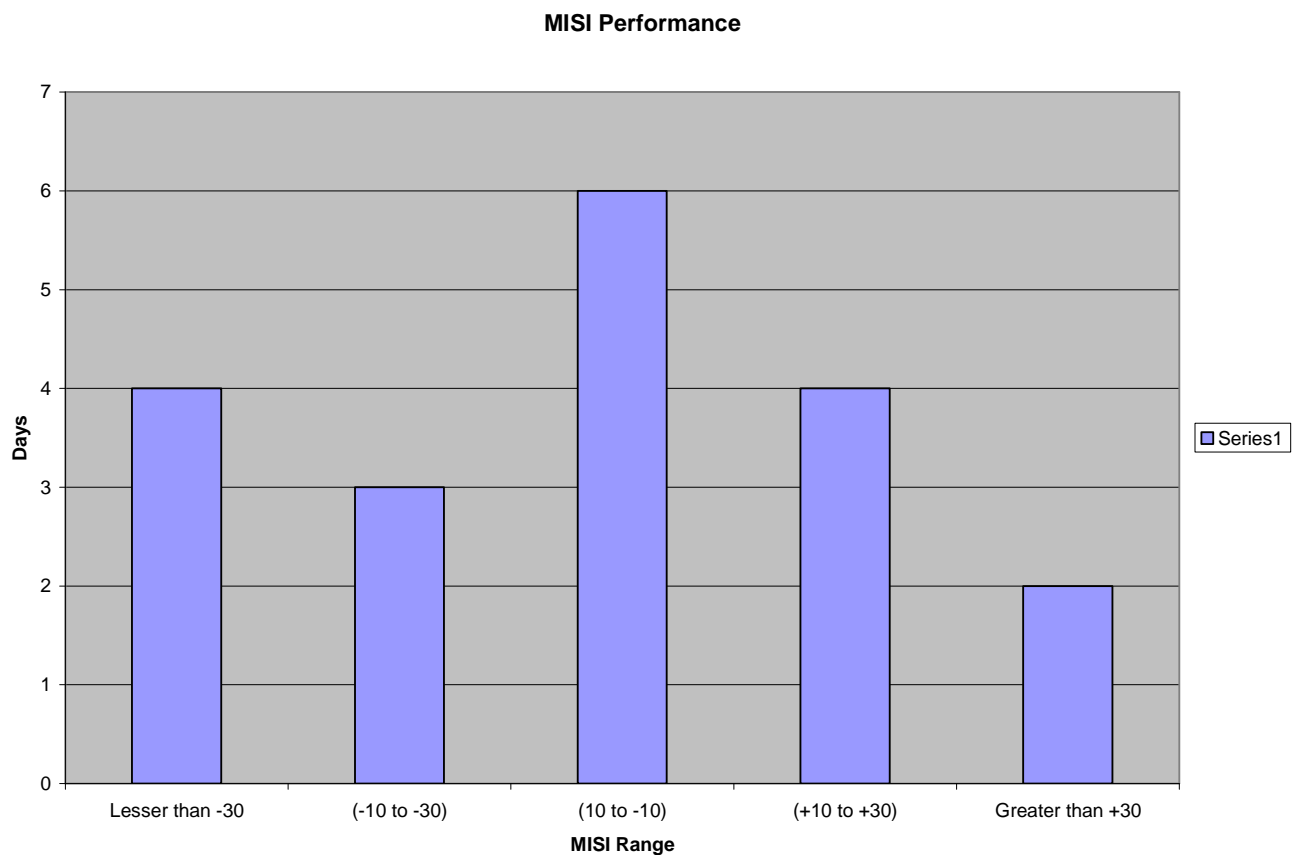


EXECUTIVE SUMMARY

Analysis based on Massachusetts Investor Sentiment Index (MISI) and the S&P Index from March 3, 2008 to March 31, 2008.

- The Massachusetts Investment Sentiment Index (MISI) is a market based measure of investor sentiment for firms that are either headquartered in Massachusetts or have a significant presence in the state.
- The MISI is constructed using firms that are in the Massachusetts Bloomberg Index (MBI).

In the last 30 days the market sentiment was:



High:

- Two days or 11% of the days, it was high risk-seeking with an average score of 39.46.
- Four days or 21% of the days, it was highly risk-averse with an average score of -36.57.

Moderate:

- Three days or 16% of the days, it was moderately risk-averse with an average score of -20.33.
- Four days or 21% of the days, it was of moderately risk-seeking with an average score of 14.93.

Neutral:

- Six days or 31% of the days, the market's sentiment was risk-neutral with an average score of 0.98.

Conclusion:

- Daily price movements in MBI & S&P Index are significantly related to investor sentiment.
- The trend in market sentiment has been generally been in the negative region, although the trend is on the rise towards the end of the month.
- As market volatility persists, market sentiment has been impulsive. There have been days when the market is highly risk averse and the consecutive day it is seen to be highly risk seeking. This trend is mostly seen in the period from 10th to 20th March 2008.
- On March 11th, spurred by the actions of the Federal Reserve the market rebounded, albeit temporarily, and the market sentiment reached its highest level in 2008.