



United States: Portfolio Strategy

US Weekly Kickstart

Correction follows historical pattern and beta-adjusted sector returns are as expected

Developments over the past two weeks have not altered our fundamental view. The market has plunged 12% in four weeks, but remains 60% higher than in March 2009. The pull-back has been consistent with sell-offs that occurred in recoveries following bottoms in 1974, 1982, 1987, 1990 and 2002. The correction has been orderly in that sector returns have been exactly in-line with beta-adjusted expected performance.

Performance

The S&P 500 was down 7.4%. Telecom Services was the top performing sector down 3.4% while Financials was the worst performing sector down 9.7%. We expect the S&P 500 to rise to 1300 by mid-year (+21%), before ending 2010 at 1250 (+17%).

S&P 500 Earnings

Our top-down EPS forecasts of \$76 and \$90 for 2010 and 2011 reflect +33% and +20% growth, respectively. Our pre-provision and write-down EPS forecasts are \$81 for 2010 and \$91 for 2011. Bottom-up consensus forecasts a 44% increase in 2010 to \$82, and an 18% increase in 2011 to \$97.

Valuation

Top-down, the S&P 500 trades at an NTM P/E of 13.2X (12.6X on pre-provision EPS). Bottom-up, it trades at an NTM P/E of 12.6 X and LTM P/B of 2.1X.

Sector views and performance

Our recommended sector weightings have generated -25 bp of alpha YTD. Our overweight recommendations (Energy, Materials, Info Tech) have generated -38 bp of alpha while our underweight positions (Health Care, Consumer Staples, Utilities, Telecom) have generated +12 bp of alpha.

US Portfolio Strategy baskets

Our recommended High Sharpe Ratio trade (Long <GTHSHRP> / Short SPX) was up 76 bp for the week.

Our recommended BRICs Sales trade (Long <GTHBRIC> / Short SPX) was down 224 bp.

S&P 500 stock performance this week

Leaders: PTV, DF, DV, APOL, VRSN
Laggards: HAR, MEE, SHLD, ZION, X

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Conversations we are having with clients: The correction and hedge fund positioning

The S&P 500 plunged 12% in four weeks before rallying 1.5% on Friday. However, lost among all the sell tickets, the “flash crash” autopsy, election night vote counting, legislative maneuvering on financial reform, sovereign credit risk in Europe and debates on the future of the Euro, is the fact that **the S&P 500 trades 60% higher than at the market trough in March 2009, just 15 months ago.**

Our *US Equity Views* published on May 7th (“Fundamentals ignored as US equities gripped by contagion fears”) explained our market framework and rationale for why the S&P 500 would reach 1250 by year-end 2010.

Developments over the past two weeks have not altered our fundamental view. We recognize the dramatic decline in the Euro, and the potential impact it may have on reported US corporate earnings if it persists through year-end. We acknowledge the risk that European economic growth may be weaker than many currently expect as a result of pending fiscal tightening. However, we remind equity investors that US companies in the S&P 500 have total annual revenues of \$8.4 trillion and Europe, Middle East and Africa combined explicitly account for just 10% of the total (and if charitably inclined, perhaps as much as 15% of the total if a generous allocation of sales to “Other” regions is allocated to Europe). See *Portfolio Passport: Geography Matters*, April 23, 2010 for details.

What equity investors have not been willing to acknowledge – based on our client conversations – is that the recent correction has been unsurprising in two important respects:

1. The 12% correction represents the fifth market decline of greater than 5% since the current recovery began in March 2009. Studying market recoveries after prior secular bear markets, we find the pattern typical of the rebounds that occurred following bottoms in 1974, 1982, 1987, 1990 and 2002. Multiple sell-offs of between 7% and 15% occurred during the first two years of each of these recoveries (see Exhibits 1 and 3).

2. The correction since April 23rd has been extremely well-ordered in that the returns of the major sectors are exactly in-line with the beta-adjusted expected performance. Simply put, stocks in sectors with lower betas dropped less than stocks in sectors with higher betas (see Exhibit 2). Our conclusion is that although we certainly did not anticipate the timing or the magnitude of the sell-off, the relative performance of sectors since the peak is entirely what one would have expected. Exhibit 4 contains a list of stocks that performed better or worse than a beta-predicted return.

The performance of hedge fund holdings during market pull-backs

We published our latest *Hedge Fund Trend Monitor* that analyzed 629 hedge funds with \$701 billion of long stock-specific and ETF equity assets and an estimated \$400 billion of short single-stock and ETF positions. This quarter we also explored the performance of our hedge fund holdings baskets during the market rallies and corrections since March 2009.

We recommend investors use our hedge fund holdings baskets as a component of risk analysis during periods of elevated market uncertainty. The construction of the baskets is based on hedge fund ownership, but differences in beta, short interest and size help to explain why basket performance diverges during market oscillations.

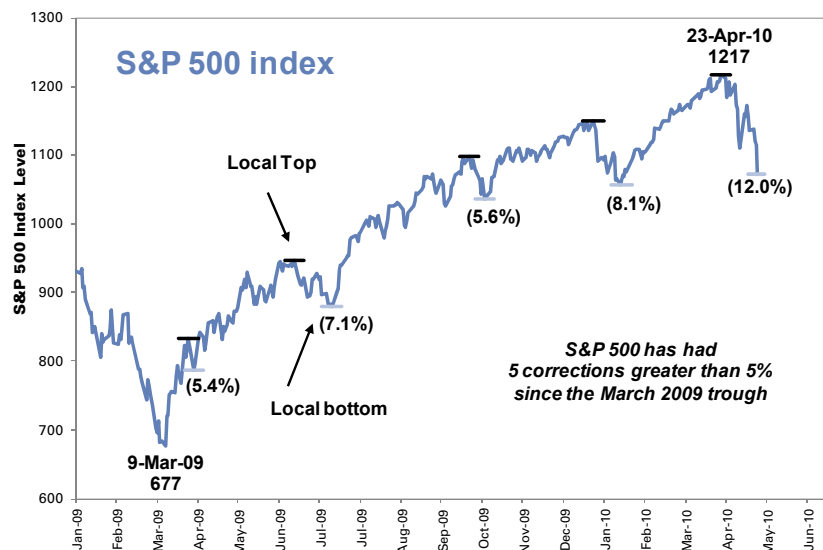
Our Hedge Fund High Concentration basket (Bloomberg ticker: <GSTHHFHI>) consists of “crowded” hedge fund positions and may be used to identify stocks vulnerable to outsized sell-offs during market corrections. The basket typically outperforms during market rallies, but high beta (1.2) contributes to underperformance during market sell-offs. The constituents in this basket have an average equity capitalization of \$7 billion.

Our Hedge Fund Low Concentration basket (<GSTHHFSL>) contains stocks that hedge funds mostly ignore. Hedge funds own less than 1% of the shares outstanding of stocks in this basket compared with 27% for the average stock in our High Concentration basket. A beta of less than 1.0 helps to explain the excess performance vs. the S&P 500 in three of the five market corrections and two of the five rallies since March 2009. The average equity capitalization of constituents in this basket equals \$23 billion vs. \$21 billion for the S&P 500.

Our Hedge Fund VIP list (<GSTHHVIP>) contains the 50 stocks that appear most frequently among the top ten holdings of fundamentally-driven hedge fund portfolios. The basket outpaced the S&P 500 by 9 pp since the current bear market trough (72% vs. 62%). Hedge funds own 10% of the average constituent’s market cap vs. 5% for the S&P 500. The VIP list has the lowest short interest of our holdings baskets and an average beta of 1.0. The Hedge Fund VIP list outperformed the S&P 500 during four of the five rallies and two of the five corrections since the March 2009 trough. This basket lagged the higher-beta “Most Concentrated” basket in all five rallies but outperformed during corrections. Turnover for the basket during 1Q 2010 was below the historical average, with 12 new stocks entering the VIP list compared with an average quarterly turnover of 16 stocks since 2001.

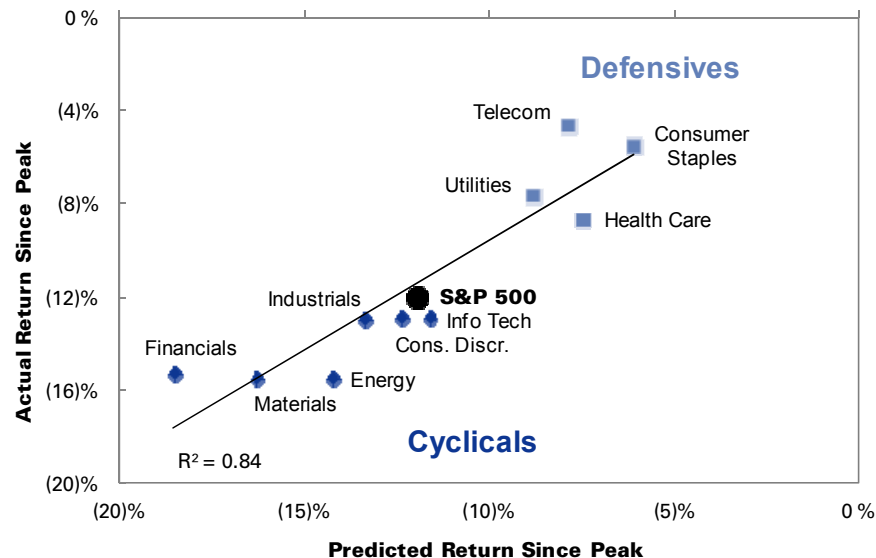
The charts we are watching: The recent market sell-off

Exhibit 1: S&P 500 has had five corrections greater than 5% since March 2009
as of May 20, 2010



Source: Goldman Sachs Global ECS Research.

Exhibit 2: Sector performance has been mostly beta-driven
as of May 20, 2010



Source: Goldman Sachs Global ECS Research.

Exhibit 3: The market correction has been in-line with historical pullbacks
as of May 20, 2010

Corrections Following Bear Market Troughs						
Market Bottom	Subsequent 2 Year Price Return (%)	No. of Corrections 5%+	Corrections			Median Correction Length
			Median	Min	Max	
Previous market recoveries						
Oct-74	67%	3	(13.6)%	(6.6)%	(14.1)%	29 Days
Aug-82	62	3	(7.1)	(6.9)	(14.4)	47 Days
Dec-87	57	6	(7.0)	(5.6)	(7.6)	27 Days
Oct-90	36	6	(5.9)	(5.0)	(8.9)	35 Days
Oct-02	44	3	(8.2)	(5.1)	(14.7)	104 Days
Current recovery to-date						
Mar-09	67	5	(7.1)	(5.4)	(12.0)	20 Days

Source: FactSet and Goldman Sachs Global ECS Research.

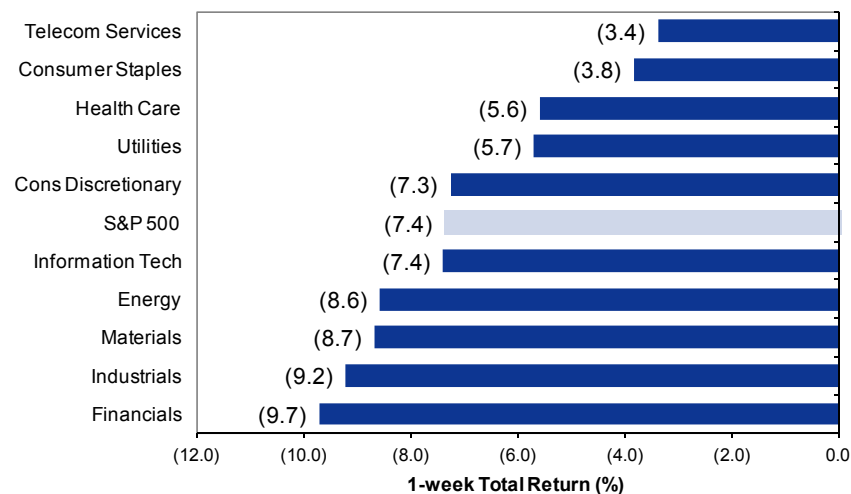
Exhibit 4: Top 10 stocks that did better or worse than beta predicted return
as of May 20, 2010

Ticker	Best Performers			Worst Performers			
	Since Peak	Beta Predicted	Peak less Predicted	Since Peak	Beta Predicted	Peak less Predicted	
PCS	9 %	(20)%	30 %	HAR	(41)%	(15)%	(26)%
S	0	(25)	25	PCLN	(31)	(12)	(19)
PTV	11	(13)	24	V	(24)	(10)	(15)
AKAM	10	(13)	23	SHLD	(27)	(15)	(12)
PWR	3	(18)	21	ANF	(27)	(15)	(12)
DPS	8	(9)	17	APC	(28)	(16)	(12)
NEM	(2)	(18)	16	AFL	(25)	(13)	(11)
TIE	(10)	(26)	16	EK	(34)	(23)	(11)
NOVL	2	(12)	14	NBL	(25)	(14)	(11)
NUE	(7)	(20)	13	ODP	(32)	(21)	(10)

Source: FactSet and Goldman Sachs Global ECS Research.

S&P 500 Performance

Exhibit 2: S&P 500 sector performance over the last week
as of May 20, 2010



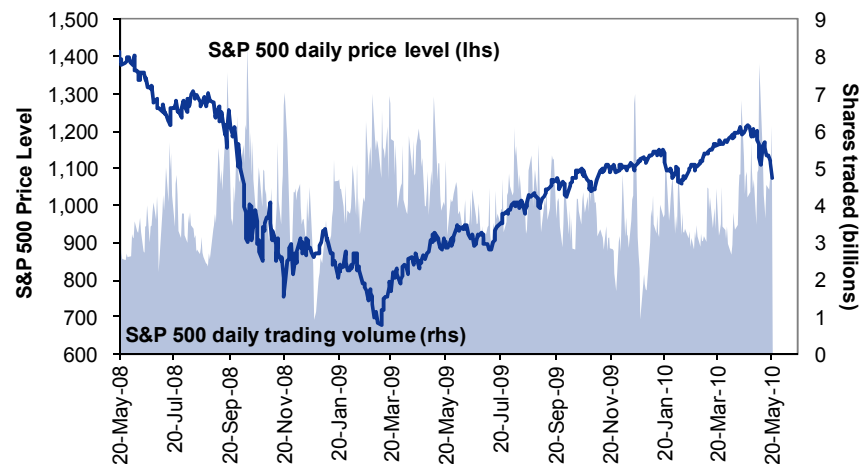
Source: FactSet, and Goldman Sachs Global ECS Research.

Exhibit 4: S&P 500 sector performance over time
as of May 20, 2010

	Total Return Percentage Change (%)					
	1-Week	1-Month	3-Month	6-Month	YTD	12-Month
Cons Discretionary	(7)%	(10)%	3 %	10 %	5 %	38 %
Industrials	(9)	(11)	1	6	5	31
Consumer Staples	(4)	(5)	(2)	(0)	0	19
Financials	(10)	(15)	(1)	(2)	(1)	23
Information Tech	(7)	(12)	(3)	(1)	(6)	30
Utilities	(6)	(6)	(4)	(0)	(7)	15
Health Care	(6)	(10)	(9)	(5)	(8)	15
Telecom Services	(3)	(6)	0	(1)	(8)	6
Energy	(9)	(13)	(8)	(8)	(8)	4
Materials	(9)	(14)	(8)	(8)	(10)	13
S&P 500	(7)%	(11)%	(3)%	(1)%	(3)%	21 %

Source: FactSet, and Goldman Sachs Global ECS Research.

Exhibit 3: S&P 500 price return and daily trading volume LTM
as of May 20, 2010



Source: FactSet, and Goldman Sachs Global ECS Research.

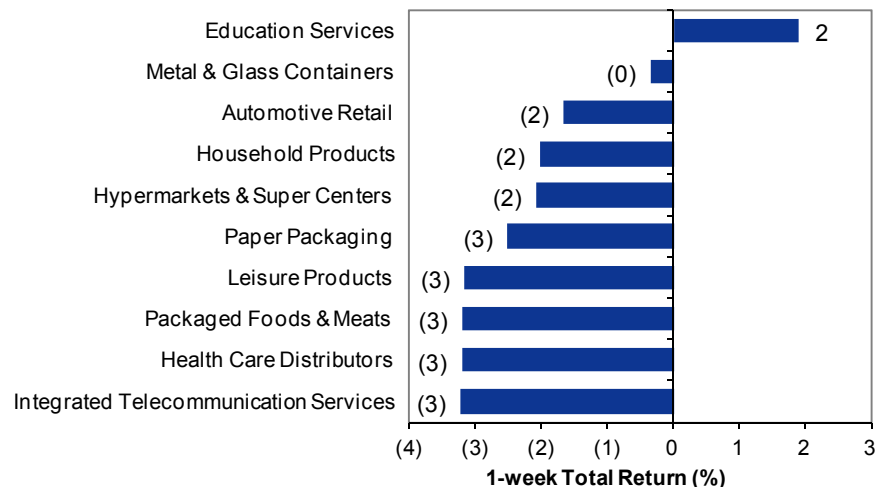
Exhibit 5: BEST and WORST performing S&P 500 STOCKS BY SECTOR
as of May 20, 2010

Sector	Ticker	BEST STOCKS		WORST STOCKS		
		Return (%)		Return (%)		
		1-week	YTD	1-week	YTD	
Cons Discr	DV	2 %	8 %	HAR	(22)%	(13)%
Consumer Staples	DF	6	(43)	WFMI	(10)	40
Energy	MRO	(0)	2	MEE	(21)	(29)
Financials	MCO	(2)	(20)	ZION	(20)	78
Health Care	MIL	(0)	46	ISRG	(11)	3
Industrials	SRCL	(0)	3	TXT	(18)	3
Info Tech	VRSN	2	14	JDSU	(15)	26
Materials	PTV	19	19	X	(18)	(17)
Telecom Services	PCS	(3)	12	AMT	(6)	(10)
Utilities	NU	(2)	2	AES	(15)	(31)
S&P 500	PTV	19 %	19 %	HAR	(22)%	(13)%

Source: FactSet, and Goldman Sachs Global ECS Research.

S&P 500 Performance (cont'd)

Exhibit 6: TOP 10 performing SUB-SECTORS over the last week
as of May 20, 2010



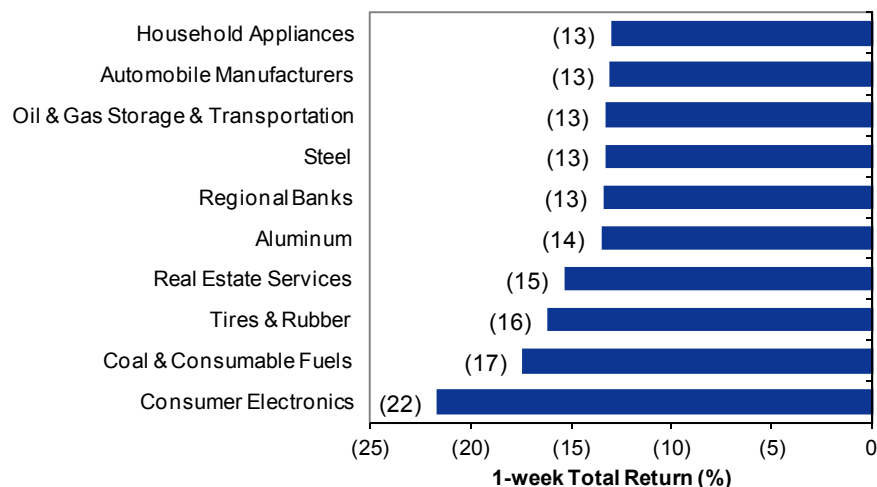
Source: FactSet, and Goldman Sachs Global ECS Research.

Exhibit 8: TOP 10 performing S&P 500 STOCKS over the last week
as of May 20, 2010

Company Name	Ticker	Sector	Return (%)	
			1-week	YTD
Pactiv Corp.	PTV	Materials	19	19
Dean Foods	DF	Consumer Staples	6	(43)
DeVry Inc.	DV	Cons Discr	2	8
Apollo Group	APOL	Cons Discr	2	(8)
VeriSign Inc.	VRSN	Info Tech	2	14
Novell Inc.	NOVL	Info Tech	1	42
Marathon Oil Corp.	MRO	Energy	(0)	2
Millipore Corp.	MIL	Health Care	(0)	46
Family Dollar Stores	FDO	Cons Discr	(0)	45
Stericycle Inc.	SRCL	Industrials	(0)	3
S&P 500 Average			(8)	0

Source: FactSet, and Goldman Sachs Global ECS Research.

Exhibit 7: BOTTOM 10 performing SUB-SECTORS over the last week
as of May 20, 2010



Source: FactSet, and Goldman Sachs Global ECS Research.

Exhibit 9: BOTTOM 10 performing S&P 500 STOCKS over the last week
as of May 20, 2010

Company Name	Ticker	Sector	Return (%)	
			1-week	YTD
Harman International Industries II	HAR	Cons Discr	(22)	(13)
Massey Energy Co.	MEE	Energy	(21)	(29)
Sears Holding Corp.	SHLD	Cons Discr	(20)	6
Zions Bancorp	ZION	Financials	(20)	78
United States Steel Corp.	X	Materials	(18)	(17)
Consol Energy Inc.	CNX	Energy	(18)	(32)
Textron Inc.	TXT	Industrials	(18)	3
Regions Financial Corp.	RF	Financials	(17)	37
Host Hotels & Resorts Inc.	HST	Financials	(17)	15
Flowserve Corp.	FLS	Industrials	(16)	(1)
S&P 500 Average			(8)	0

Source: FactSet, and Goldman Sachs Global ECS Research.

Earnings and Sales

Exhibit 10: EARNINGS GROWTH: S&P 500 bottom-up consensus estimates
as of May 20, 2010

	2010E Earnings Per Share Growth				Annual	
	1QE	2QE	3QE	4QE	2010E	2011E
Financials	806	303	199	177	277	35
Energy	1751	76	46	48	99	21
Materials	207	123	39	41	83	27
Consumer Discretionary	984	43	17	9	54	16
Information Technology	88	66	43	16	45	14
S&P 500	92	43	32	29	44	18
Industrials	13	4	26	7	12	18
Utilities	19	5	4	19	11	3
Consumer Staples	9	2	3	3	4	11
Health Care	(5)	2	1	20	4	12
Telecom Services	(4)	(3)	1	11	1	10
S&P 500 (ex-Financials)	65	27	20	17	29	15

Source: FactSet, and Goldman Sachs Global ECS Research.

Exhibit 12: TOP-DOWN vs. BOTTOM-UP: Goldman Sachs vs. Consensus
as of May 20, 2010

	Contribution to EPS				Annual earnings growth rates			
	GS Top-Down EPS		Bottom-up		GS Top-Down		Bottom-Up	
	2010E	2011E	2010E	2011E	2010E	2011E	2010E	2011E
Energy	\$10	\$15	\$10	\$13	93 %	45 %	99 %	21 %
Materials	2	3	3	3	69	15	83	27
Telecom Services	3	3	2	2	32	1	1	10
Consumer Discretionary	5	5	8	9	5	5	54	16
Utilities	3	4	3	3	15	1	11	3
Information Technology	11	12	15	17	7	10	45	14
Industrials	7	8	8	9	6	16	12	18
Health Care	12	13	11	13	10	4	4	12
Consumer Staples	9	9	9	10	4	3	4	11
S&P 500 ex-Financials	63	71	69	79	18	13	29	15
Financials Operating EPS	12	19	13	18	251	54	277	35
S&P 500 Operating EPS	\$76	\$90	\$82	\$97	33 %	20 %	44 %	18 %
+ Provisions & Writedowns	5	1	NA	NA	(63)	(82)	NA	NA
S&P 500 EPS ex-P&W	81	91	NA	NA	13	13	NA	NA

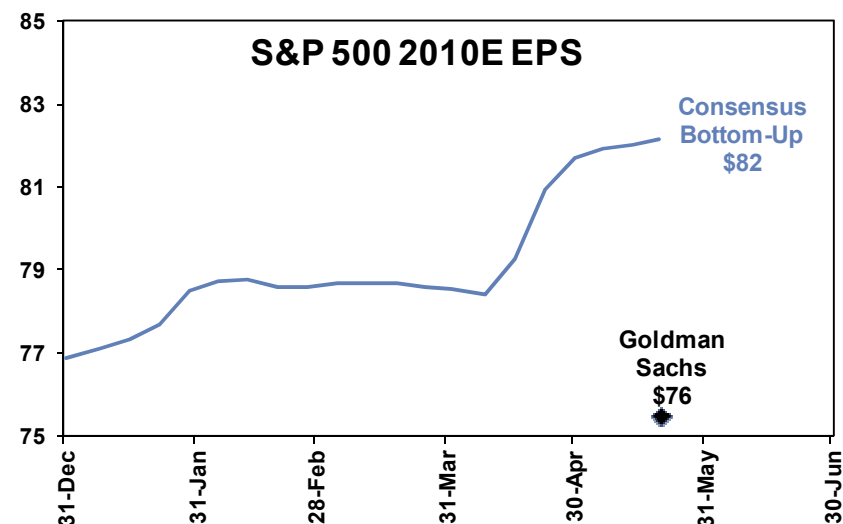
Source: FactSet, and Goldman Sachs Global ECS Research.

Exhibit 11: SALES GROWTH: S&P 500 bottom-up consensus estimates
as of May 20, 2010

	2010E Sales Per Share Growth				Annual	
	1QE	2QE	3QE	4QE	2010E	2011E
Energy	30	35	30	25	30	15
Materials	17	23	10	7	14	8
Information Technology	13	15	11	7	11	7
S&P 500	5	9	8	7	7	7
Consumer Discretionary	(1)	5	4	2	2	6
Health Care	2	3	(0)	4	2	4
Consumer Staples	1	2	2	3	2	4
Industrials	(6)	(1)	5	3	1	6
Telecom Services	(3)	(3)	(2)	(1)	(2)	1

Source: FactSet, and Goldman Sachs Global ECS Research.

Exhibit 13: REVISIONS: S&P 500 consensus EPS revisions
as of May 20, 2010



Source: FactSet, and Goldman Sachs Global ECS Research.

Revisions

Exhibit 14: EARNINGS and SALES REVISIONS

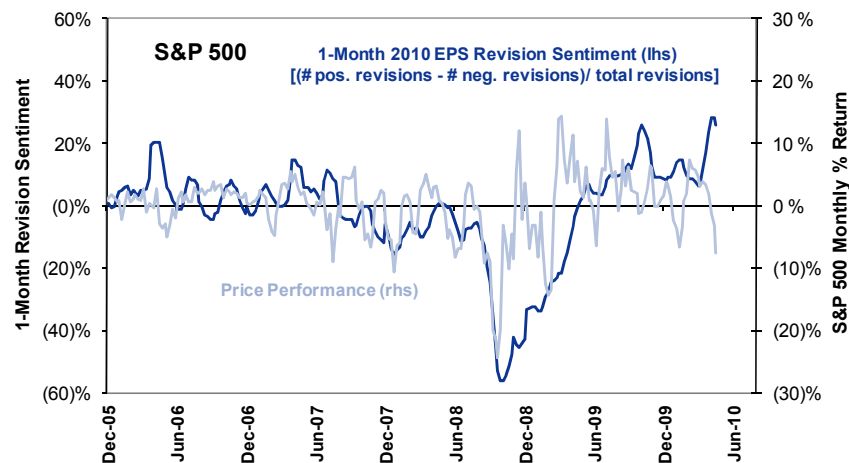
Aggregate dollars % change, as of May 20, 2010

	EPS REVISIONS				SALES REVISIONS			
	1 month		3 month		1 month		3 month	
	10E	11E	10E	11E	10E	11E	10E	11E
Financials	5.7 %	1.9 %	9.4 %	1.9 %	NM	NM	NM	NM
Consumer Discretionary	4.9	3.6	7.1	5.6	(0.2)	0.3	1.6	2.9
Materials	4.0	3.2	6.5	3.1	1.9	1.7	2.7	2.0
Industrials	3.9	4.1	5.7	7.3	1.1	1.4	1.5	2.1
Information Technology	3.7	3.3	6.9	6.3	1.5	1.9	2.7	3.1
Energy	3.2	(0.3)	2.0	(1.5)	0.8	0.7	4.0	2.3
S&P 500	2.8	1.5	4.0	2.2	0.5	0.6	1.6	1.5
Telecommunication Services	(0.1)	1.5	(1.0)	1.7	(0.0)	0.3	0.0	0.3
Consumer Staples	(0.2)	(0.4)	(0.3)	(0.2)	(0.2)	(0.3)	0.0	(0.6)
Health Care	(0.4)	(1.0)	(0.6)	(1.4)	(0.0)	(0.0)	0.0	(0.2)
Utilities	(0.6)	(0.8)	(1.5)	(2.1)	NM	NM	NM	NM

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

Exhibit 16: S&P 500 Sales and Earnings Diffusion Indices

as of May 20, 2010



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

Exhibit 15: Stocks with the most POSITIVE and NEGATIVE EPS REVISIONS

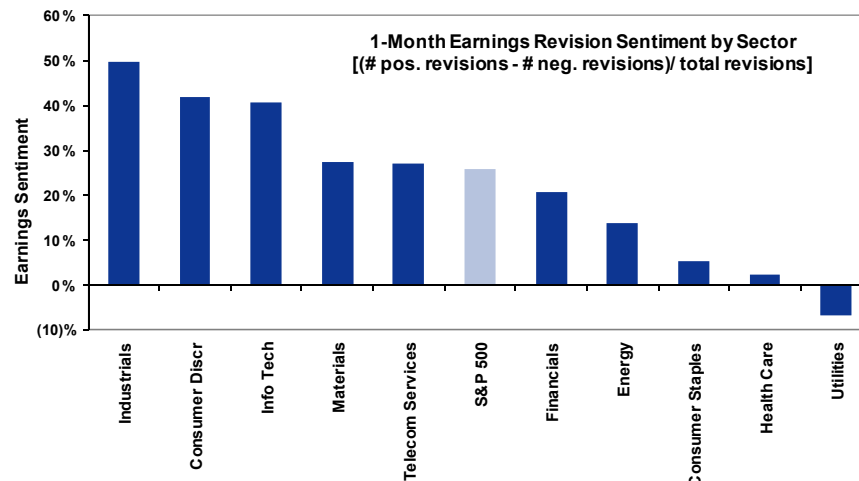
as of May 20, 2010

Ticker	POSITIVE EPS REVISIONS				Ticker	NEGATIVE EPS REVISIONS			
	1 month		3 month			1 month		3 month	
	Revis.	Return	Revis.	Return		Revis.	Return	Revis.	Return
HBAN	97 %	0 %	97 %	21 %	AIG	(34)%	(16)%	(51)%	31 %
PHM	95	(6)	94	(6)	DF	(31)	(38)	(32)	(29)
TIE	85	(5)	195	24	VMC	(27)	(9)	(33)	7
TER	59	(13)	62	5	BSX	(24)	(14)	(35)	(18)
MOT	56	(10)	56	(4)	MWW	(23)	(12)	(74)	(3)
COF	53	(7)	59	9	KG	(20)	(26)	(29)	(27)
KEY	52	(13)	53	10	POM	(20)	(4)	(21)	(8)
C	47	(27)	754	6	AKS	(20)	(31)	(31)	(43)
CMI	47	(5)	54	10	S	(19)	4	(23)	24
DHI	46	(5)	102	(6)	PLD	(17)	(19)	(24)	(12)
S&P 500	3 %	(11)%	4 %	(3)%	3 %	(11)%	4 %	(3)%	

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

Exhibit 17: 1-Month Earnings Revision Sentiment by SECTOR

as of May 20, 2010



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

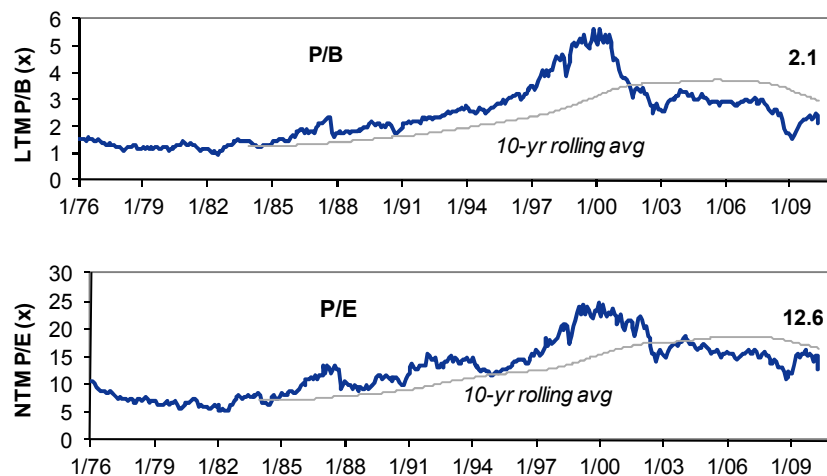
Valuation

Exhibit 18: Aggregate valuation metrics for S&P 500 and sectors
bottom-up consensus valuation, as of May 20, 2010

	EV/ Sales	EV/ EBITDA	Price/ Book	FCF Yield	PEG Ratio	NTM P/E
S&P 500	1.3x	7.7x	2.1x	7.3 %	1.2x	12.6x
Industrials	1.7	10.9	2.6	8.6	1.1	14.6
Consumer Discretionary	1.2	7.4	2.6	9.4	1.0	14.5
Consumer Staples	1.2	8.6	3.4	7.1	1.5	13.7
Telecommunication Services	1.7	5.2	1.6	14.0	2.8	13.7
Materials	1.3	8.2	2.5	6.6	1.1	13.1
Information Technology	2.0	8.7	3.6	7.5	1.0	12.9
Financials	NM	NM	1.2	NM	1.6	12.3
Utilities	NM	6.6	1.4	2.3	3.1	11.5
Health Care	1.1	7.1	2.4	7.9	1.2	10.8
Energy	0.9	5.8	1.9	2.9	0.9	10.5

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

Exhibit 20: Historical NTM P/E and LTM P/B values for the S&P 500
aggregate bottom-up consensus valuation, as of May 20, 2010



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

Exhibit 19: Standard deviation vs. 10-year history (Z-Score)
bottom-up consensus, as of May 20, 2010

	EV/ Sales	EV/ EBITDA	Price/ Book	FCF Yield	PEG Ratio	Median Z-Score
S&P 500	(1.0)	(1.3)	(1.0)	(1.7)	(1.2)	(0.3)
Health Care	(1.7)	(1.6)	(1.2)	(0.1)	(1.5)	(0.2)
Information Technology	0.1	(0.9)	1.0	(0.1)	(1.3)	(1.2)
Consumer Staples	1.4	0.3	(0.6)	0.0	(0.1)	(0.2)
Telecommunication Services	(0.8)	(0.2)	0.2	(0.6)	0.5	1.9
Energy	(0.7)	0.5	(0.4)	1.0	0.8	(0.5)
Utilities	NM	(0.2)	0.0	NM	0.5	2.9
Consumer Discretionary	2.6	0.8	2.8	(1.0)	0.0	(0.7)
Materials	0.8	0.4	1.3	0.4	0.1	(0.7)
Financials	NM	NM	(1.1)	NM	0.8	2.1
Industrials	1.0	1.8	2.1	0.6	2.1	0.2

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

Exhibit 21: Top stocks by fastest 2010 earnings growth and lowest NTM P/E
by sector, as of May 20, 2010

Sector	Ticker	GROWTH Fastest EPS Growth (%)		VALUE Lowest P/E (x)		
		2010E	2011E	Ticker	NTM	Rel to SPX
Cons Discr	WHR	97	6	GCI	6.7	0.5
Consumer Staples	WFMI	75	15	SVU	7.0	0.6
Energy	CVX	80	18	COP	7.2	0.6
Financials	AXP	95	14	HIG	6.4	0.5
Health Care	THC	86	4	PFE	7.0	0.6
Industrials	ETN	75	30	PBI	9.3	0.7
Info Tech	MOLX	98	32	WDC	5.5	0.4
Materials	IP	98	43	CLF	5.2	0.4
Telecom Services	FTR	61	3	CTL	10.2	0.8
Utilities	PPL	69	(8)	PPL	7.6	0.6

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

S&P 500 Factor Performance

Exhibit 22: S&P 500 factor return ranking for the week ended May 20, 2010 ^(a)

	Last Week Spread (%)								Performance Spread of Top Quintile Less Bottom Quintile (%)							
	(4)	(3)	(2)	(1)	0	1	2	3	Last Week	Last Five Trading Days					Last Month	Last Quarter
										14-May	17-May	18-May	19-May	20-May		
Growth Metrics ^(b)																
Sales Growth									(2.0)	(0.5)	(0.5)	(0.2)	(0.4)	(0.3)	(1.0)	1.2
EPS Growth									(2.8)	(0.7)	(0.3)	(0.3)	(0.3)	(1.4)	(1.0)	4.0
GROWTH									(3.2)	(0.9)	(0.8)	(0.2)	(0.5)	(1.0)	(2.6)	1.5
EBITDA Growth									(3.3)	(0.8)	(0.8)	(0.0)	(0.7)	(1.1)	(2.3)	0.7
Value Metrics ^(b)																
P/B									2.1	(0.1)	0.9	0.1	0.1	1.2	3.5	8.5
EV/DACF									1.5	0.3	0.9	0.1	0.1	0.2	5.4	9.4
EV/EBITDA									1.3	(0.1)	0.9	0.0	0.4	0.2	5.2	9.3
VALUATION									0.3	0.0	0.6	0.1	(0.1)	(0.3)	4.3	11.4
P/E									0.0	(0.3)	0.7	(0.2)	0.1	(0.2)	4.1	12.4
EV/FCF									(0.5)	0.3	(0.4)	0.4	(0.1)	(0.8)	3.0	2.9
P/div									(1.9)	(0.5)	(0.3)	(0.2)	(0.1)	(1.0)	(3.3)	1.7
Profitability Metrics ^(b)																
PROFITABILITY									2.7	(0.1)	1.0	(0.0)	0.6	1.4	0.3	(0.4)
ROE									2.6	0.0	0.7	0.3	0.3	1.4	(0.3)	(1.5)
CROCI									2.0	0.1	0.5	0.1	0.3	1.2	0.8	1.6
ROCE									1.4	(0.5)	0.6	(0.3)	0.5	1.2	(1.8)	(1.3)
Other Metrics ^(c)																
Short Interest Level									(2.4)	(0.9)	0.1	(0.9)	(0.0)	(0.8)	(3.5)	1.3
Equity Capitalization									1.3	0.5	(0.4)	0.4	0.3	0.7	1.7	(1.9)

(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.

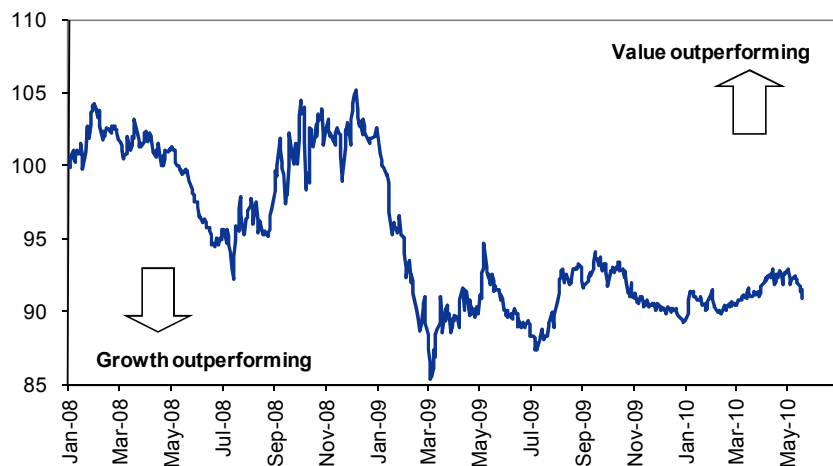
Style and Size

Exhibit 23: Total return by style and size over time
as of May 20, 2010

	Total Return Percentage Change (%)				
	1-Week	1-Month	3-Month	6-Month	YTD
Large Cap vs. Small Cap					
S&P 500	(7)	(11)	(3)	(1)	(3)
Russell 2000	(10)	(11)	2	10	3
Large vs. Small (bps)	245	16	(459)	(1,102)	(596)
Growth vs. Value					
Russell 1000 Growth	(7)	(10)	(3)	(0)	(4)
Russell 1000 Value	(8)	(12)	(3)	0	(2)
Growth vs. Value (bps)	133	153	(61)	(64)	(162)

Source: FactSet, and Goldman Sachs Global ECS Research.

Exhibit 25: GROWTH vs. VALUE relative performance over time
Russell 1000 Growth vs. Value, as of May 20, 2010



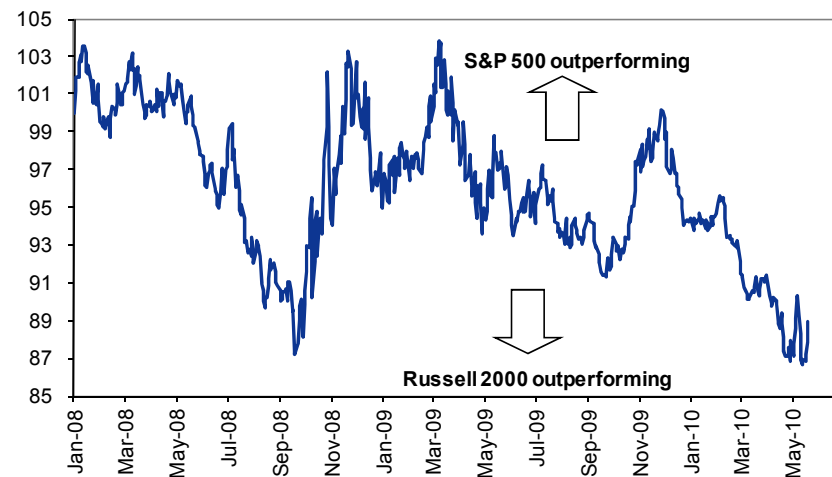
Source: FactSet, and Goldman Sachs Global ECS Research.

Exhibit 24: Total return by SECTOR for S&P 500 vs. Russell 2000
as of May 20, 2010

Sector	Weight (%)		1-Week (% Return)			YTD (% Return)		
	SP500	R2000	SP500	R2000	Δ (bps)	SP500	R2000	Δ (bps)
Energy	11	5	(9)	(15)	652	(8)	(9)	105
Materials	3	5	(9)	(14)	482	(10)	(2)	(752)
Telecom Services	3	1	(3)	(8)	411	(8)	(7)	(72)
Consumer Staples	12	3	(4)	(7)	297	0	5	(447)
Cons Discretionary	10	15	(7)	(10)	258	5	14	(869)
Health Care	12	14	(6)	(8)	217	(8)	0	(806)
Information Tech	19	17	(7)	(9)	170	(6)	(0)	(599)
Industrials	11	15	(9)	(10)	110	5	3	166
Utilities	4	3	(6)	(6)	64	(7)	0	(788)
Financials	16	21	(10)	(10)	57	(1)	5	(558)
Index	100	100	(7)	(10)	245	(3)	3	(596)

Source: FactSet, and Goldman Sachs Global ECS Research.

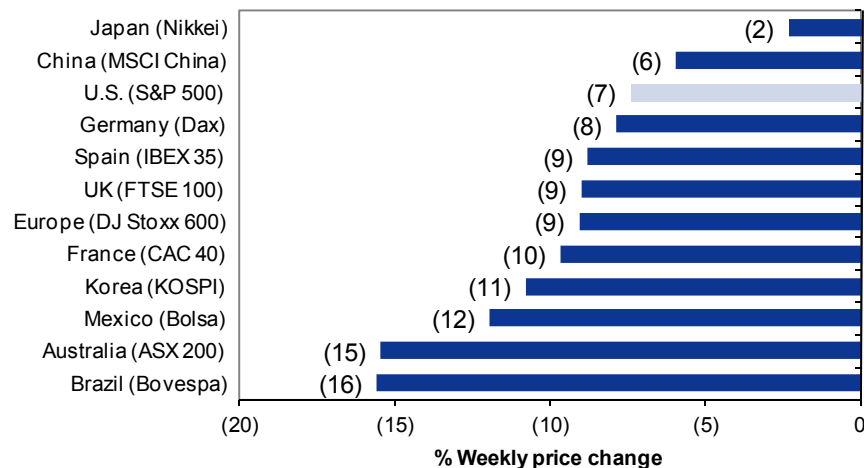
Exhibit 26: LARGE CAP vs. SMALL CAP relative performance over time
S&P 500 vs. Russell, as of May 20, 2010



Source: FactSet, and Goldman Sachs Global ECS Research.

Global Equity Market and Mutual Fund Performance

Exhibit 27: GLOBAL EQUITY MARKET performance over the past week
as of May 20, 2010



Source: FactSet and Goldman Sachs Global ECS Research.

Exhibit 29: GLOBAL EQUITY MARKET performance over time
as of May 20, 2010

	Price Return (%) USD				
	1-Week	1-Month	3-Month	2010 YTD	2009
Japan (Nikkei)	(2)	(4)	2	(1)	16
U.S. (S&P 500)	(7)	(11)	(3)	(4)	23
Mexico (Bolsa)	(12)	(17)	(8)	(6)	52
Korea (KOSPI)	(11)	(13)	(2)	(7)	62
China (MSCI China)	(6)	(11)	(2)	(11)	63
Germany (Dax)	(8)	(14)	(6)	(15)	28
UK (FTSE 100)	(9)	(18)	(12)	(17)	37
Australia (ASX 200)	(15)	(23)	(15)	(19)	69
Europe (DJ Stoxx 600)	(9)	(19)	(13)	(19)	32
Brazil (Bovespa)	(16)	(22)	(17)	(22)	144
France (CAC 40)	(10)	(22)	(17)	(25)	26
Spain (IBEX 35)	(9)	(25)	(21)	(33)	34
Average	(10)	(17)	(10)	(15)	49

Source: FactSet, and Goldman Sachs Global ECS Research.

Exhibit 28: US EQUITY MUTUAL FUND performance vs. benchmark
as of May 20, 2010

Lipper Indices	Avg. Total Return (%)		Stdev		No. of Funds	AUM \$ bil
	1-week	YTD	1-Week	YTD		
Large-Cap Core Funds	(7.4)	(4.3)	0.7	1.7	30	241
Benchmark: S&P 500	(7.4)	(3.2)				
Out / (Underperformance) (bps)	(1)	(113)				
Large-Cap Growth Funds	(7.8)	(5.4)	0.7	2.2	30	352
Benchmark: Russell 1000 Growth	(6.9)	(3.6)				
Out / (Underperformance) (bps)	(97)	(178)				
Large-Cap Value Funds	(7.3)	(3.6)	0.7	1.3	30	219
Benchmark: Russell 1000 Value	(8.2)	(2.0)				
Out / (Underperformance) (bps)	86	(158)				
Small-Cap Core Funds	(9.0)	1.5	0.9	2.8	30	112
Benchmark: Russell 2000	(9.8)	2.8				
Out / (Underperformance) (bps)	81	(132)				

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

Exhibit 30: International and other MUTUAL FUND performance
as of May 20, 2010

Lipper Indices	Avg. Total Return (%)		Stdev		No. of Funds	AUM \$ bil
	1-week	YTD	1-week	YTD		
International Equity						
Global Funds	(7)	(8)	1.8	2.6	30	156
International Funds	(8)	(11)	1.1	3.8	30	344
European Funds	(8)	(15)	1.1	4.5	10	16
Emerging Market Funds	(10)	(10)	1.0	2.5	29	NA
Real Estate and Natural Resources						
Real Estate	(11)	5	2.1	1.6	30	37
Natural Resource	(11)	(13)	0.3	1.4	9	NA
Fixed Income						
General U.S. Government Funds Index	1	5	1.9	3.0	29	NA
A Rated Bond Funds Index	0	4	0.7	1.1	30	0
BBB Rated Funds Index	(0)	4	2.1	2.8	30	0

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

ETF Analysis: Composition, Valuation, Growth and Ownership

Exhibit 31: Selected ETF analysis for the week ended May 20, 2010 (a) (b)

ETF Description			Market Cap \$ mil	No. of Stocks	Composition			Performance (%)		Valuation			Growth (%)		Ownership			
Sector / sub-sector	Index	ETF			Top Stocks as % of ETF			Price Change ^(a)		Valuation			Sales Growth		Earnings Growth		Short Interest Days	Median Hedge Fund Own (%) ^(c)
					1	5	10	1 Wk	YTD	P/E NTM	P/B LTM	Div Yield	2010	2011	2010	2011		
S&P 500	SPX	SPY	72,080	500	3	11	19	(7)	(4)	13	2.1	2.1	10	7	34	18	2.0	3.0
S&P 100	OEX	OEF	2,302	100	5	17	30	(7)	(5)	12	2.1	2.3	12	7	35	18	1.5	1.8
Nasdaq-100	NDX	QQQQ	18,976	100	18	35	46	(7)	(3)	15	3.5	0.7	16	9	28	15	1.7	3.3
Consumer Discretionary	IXY	XLY	1,693	81	7	28	45	(7)	4	15	2.4	1.5	6	6	36	17	2.6	4.0
Homebuilders	SPHOME	XHB	815	25	5	23	44	(10)	10	30	1.8	1.1	6	10	NM	86	3.2	4.0
Retail	IRH	RTH	375	18	19	58	82	(6)	2	14	2.7	1.7	5	5	13	14	1.9	3.0
Retail	SPSIRETR	XRT	538	62	2	10	19	(6)	2	14	2.4	1.0	5	5	22	16	2.7	6.7
Consumer Staples	IXR	XLP	2,606	41	16	45	66	(1)	3	14	3.2	3.1	4	4	7	9	2.3	2.0
Energy	IXE	XLE	5,332	39	18	49	63	(9)	(9)	11	1.8	2.1	23	15	46	26	2.4	3.1
Clean Energy	ECO	PBW	526	53	4	15	29	(13)	(23)	46	1.7	0.5	39	38	NM	149	3.6	4.9
Natural Resources	SPGSSINR	IGE	1,543	131	8	30	43	(10)	(9)	12	1.9	1.7	23	14	42	29	2.3	4.1
Oil & Gas E&P	SPSIOP	XOP	549	33	4	17	34	(11)	(6)	14	1.7	0.9	26	15	41	46	2.5	4.6
Oil Services	OXH	OIH	1,806	15	13	58	88	(12)	(15)	11	1.6	0.8	8	12	(11)	22	2.8	3.1
Financials	IXM	XLF	6,080	79	10	41	56	(10)	(1)	12	1.1	1.2	NM	NM	184	37	1.5	2.9
Banks	BKX	KBE	872	24	9	36	59	(12)	13	22	1.1	0.9	NM	NM	NM	150	1.1	3.6
Broker-Dealers	DJSINV	IAI	91	25	10	38	62	(9)	(8)	13	1.3	1.1	NM	NM	230	29	1.6	4.0
Insurance	KIX	KIE	202	24	7	34	57	(10)	5	9	1.1	2.0	NM	NM	89	54	1.8	4.2
Real Estate	DJUSRE	IYR	2,565	75	9	26	42	(11)	2	14	1.9	4.7	NM	NM	0	8	4.1	2.9
Regional Banks	KRX	KRE	866	50	3	14	26	(11)	12	26	1.3	1.8	NM	NM	NM	154	7.5	2.7
REITs	RMZ	VNQ	5,131	97	10	28	44	(11)	4	14	1.9	4.2	NM	NM	(3)	8	4.2	2.6
Health Care	IXV	XLV	2,273	52	14	44	60	(2)	(5)	11	2.5	2.3	10	4	7	9	2.1	4.0
Biotech	SPSIBI	XBI	472	27	5	22	41	(3)	4	NM	4.6	0.0	14	19	(193)	NM	3.2	9.8
Pharmaceuticals	IPH	PPH	568	16	27	79	95	(3)	(8)	10	2.7	3.7	17	3	7	9	2.0	3.2
Industrials	IXI	XLI	2,864	57	12	34	51	(9)	4	15	2.8	2.3	5	7	18	20	2.4	1.9
Transportation	TRAN	IYT	526	20	11	43	70	(9)	1	18	2.3	1.8	11	8	118	34	2.7	3.5
Information Technology	IXT	XLK	4,203	84	10	41	63	(7)	(7)	13	3.1	1.7	11	6	28	12	1.6	3.2
Semiconductors	SPGSTISM	IGW	289	51	9	36	54	(7)	(8)	12	2.9	1.4	35	9	231	14	2.1	3.4
Semiconductors	XSH	SMH	649	18	23	67	87	(6)	(5)	11	3.1	2.1	34	7	186	11	1.4	2.9
Software	SPGSTISO	IGV	275	50	8	36	56	(8)	(4)	16	3.3	0.4	7	9	13	15	2.2	3.5
Telecom Services	DJSTELT	IYZ	661	31	19	51	70	(6)	(5)	26	1.7	4.3	3	2	1	52	2.8	4.6
Materials	IXB	XLB	1,772	31	10	44	65	(9)	(11)	13	2.6	2.1	17	7	81	27	2.0	2.2
Gold Miners	GDM	GDV	6,622	31	16	50	72	(10)	2	20	2.4	0.6	27	10	57	14	1.2	4.3
Metals & Mining	SPSIMM	XME	856	25	5	25	47	(15)	(9)	13	1.9	1.1	27	14	NM	74	1.8	4.6
Steel	STEEL	SLX	308	27	12	43	68	(16)	(16)	10	1.5	1.4	34	16	453	46	1.8	1.9
Utilities	IXU	XLU	3,055	36	8	34	54	(6)	(9)	11	1.4	4.7	NM	NM	1	5	2.9	2.0

(a) Performance of the underlying index.

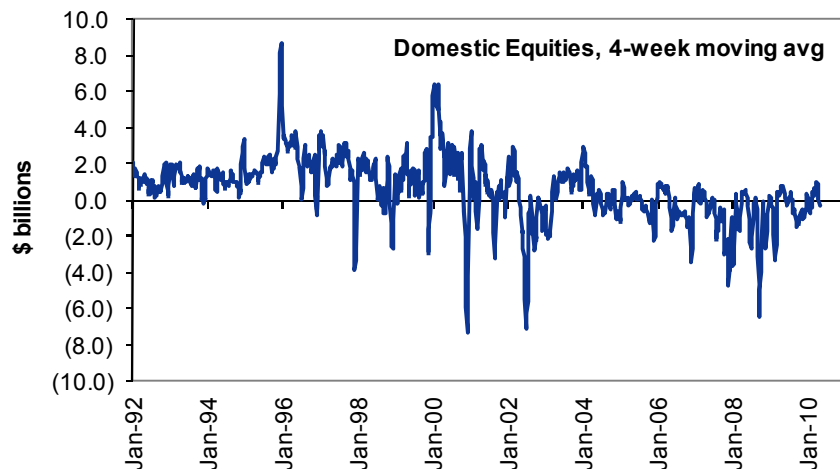
(b) Valuation, growth and ownership metrics are bottom-up aggregations of consensus forecasts, except where noted.

(c) Hedge Fund ownership data based on 4Q 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.

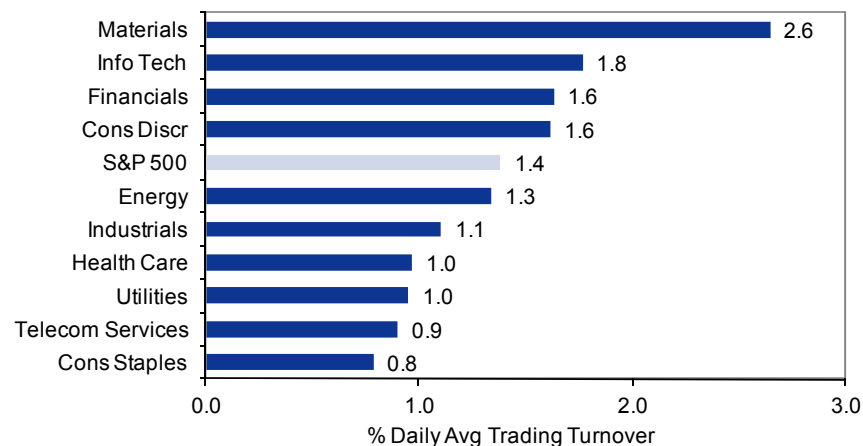
Fund Flows

Exhibit 32: Domestic equity mutual fund flows, 4-week moving average
week ended May 19, 2010



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

Exhibit 34: Average daily TRADING TURNOVER over the last week
by sector, as of May 20, 2010



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

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

Exhibit 33: Weekly mutual fund flows and assets tracked by AMG
Week ended May 19, 2010; excluding ETFs

	AMG Weekly Mutual Fund Flows, ex-ETFs (\$ billions)				
	Total AMG Assets	Weekly Flows		1-Week Flow % of Assets	Inflow/(Outflow) (Cons. Weeks)
		4-Week Avg	This week		
All Equity	1,724	(0.6)	(0.3)	(0.0)%	(2)
U.S. Equity	1,319	(0.3)	0.0	0.0	1
Int'l Equity	326	(0.4)	(0.3)	(0.1)	(3)
Global	80	0.0	(0.0)	(0.1)	(2)
Equity Income	63	0.1	0.1	0.1	1
Gold & Nat Res	31	0.1	0.2	0.6	7
Money Market	2,597	(8.5)	(27.1)	(1.0)	(1)
All Bonds	942	1.5	1.4	0.2	1
Govt Treasury	21	(0.4)	(0.0)	(0.1)	(1)

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

Exhibit 35: Top ten S&P 500 STOCKS by daily average trading turnover
as of May 20, 2010

Company	Ticker	Sector	Avg Daily Trading Turnover (%)	1-Week Total Return (%)
United States Steel Corp.	X	Materials	19.2	(18)
AK Steel	AKS	Materials	12.1	(16)
Massey Energy Co.	MEE	Energy	9.4	(21)
Cliffs Natural	CLF	Materials	7.8	(16)
American Int'l. Group	AIG	Financials	6.5	(14)
Abercrombie & Fitch	ANF	Consumer Discretionary	6.3	(14)
Zions Bancorp	ZION	Financials	5.7	(20)
Advanced Micro Devices	AMD	Information Technology	5.6	(14)
Dean Foods	DF	Consumer Staples	5.5	6
Mastercard	MA	Information Technology	5.5	(12)
S&P 500 Average			1.8	(8)

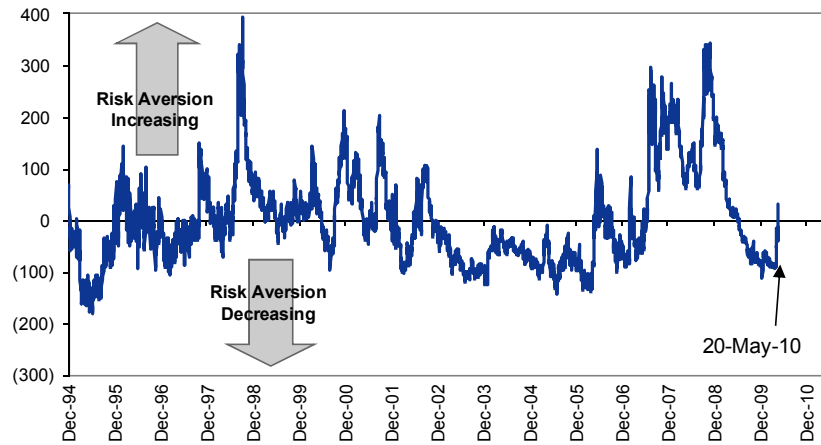
Daily average turnover = daily avg trading value / avg market cap (over the past 5 trading days).

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

Risk and Dispersion

Exhibit 36: Goldman Sachs Risk Barometer

Index is number of standard deviations from the average * 100

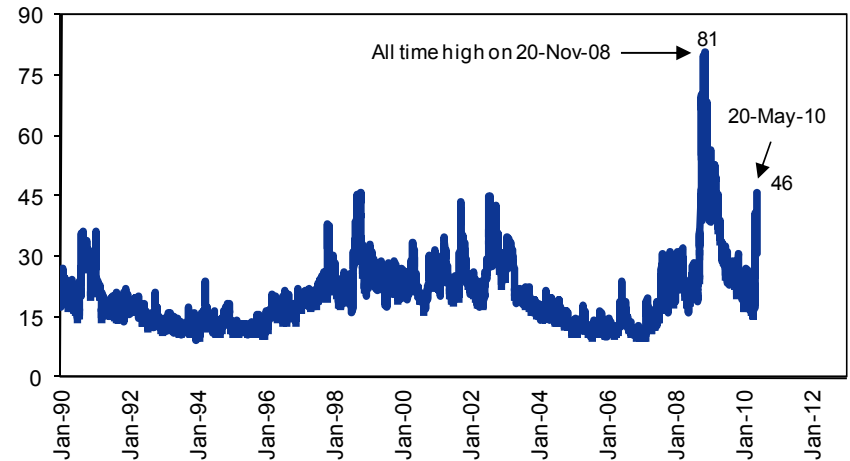


Note: Metrics included are implied option volatility (S&P 500 and NASDAQ 100), normalized skew, high yield credit spreads, credit derivative swap spreads, mutual fund net flows, and cash levels.

Source: Goldman Sachs Global ECS Research.

Exhibit 37: VIX Volatility Index

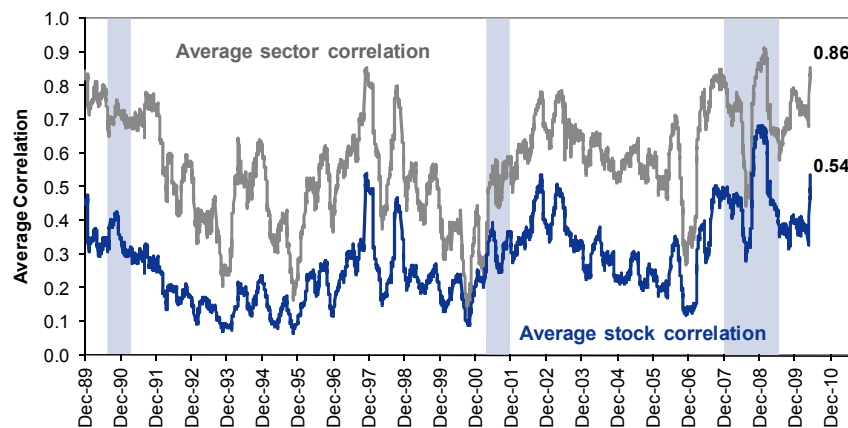
as of May 20, 2010



Source: Goldman Sachs Global ECS Research.

Exhibit 38: S&P 500 stock and sector average correlation

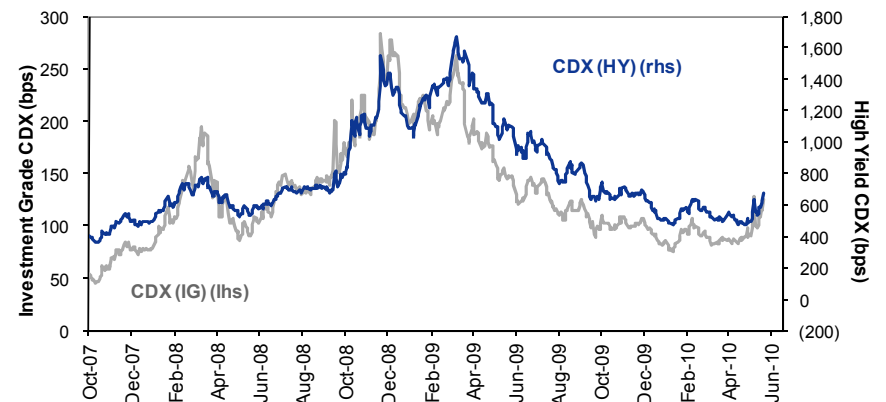
as of May 20, 2010



Source: Goldman Sachs Global ECS Research.

Exhibit 39: Credit Default Swaps, 5-Year On-the-run Spreads

as of May 20, 2010



Source: Goldman Sachs Global ECS Research.

Goldman Sachs Recommendations and Forecasts

Exhibit 40: Goldman Sachs Recommended Sector Weightings (a)
as of May 20, 2010

Sectors	Total Return YTD	Goldman Sachs Recommended Sector Weightings	Current S&P 500 Weight	GS Overweight / Underweight	GS Alpha YTD
Information Technology	(6)%	Overweight	19 %	300 bp	(10)bp
Energy	(8)		11	300	(15)
Materials	(10)		3	200	(13)
Consumer Staples	0	Neutral	12	0	0
Industrials	5		11	0	0
Financials	(1)		16	0	0
Telecom Services	(8)	Underweight	3	(100)	5
Consumer Discretionary	5		10	(200)	(17)
Utilities	(7)		4	(200)	9
Health Care	(8)		12	(300)	15
S&P 500	(3)%			100 %	0 bp

(a) Sector weightings last rebalanced December 7, 2009.

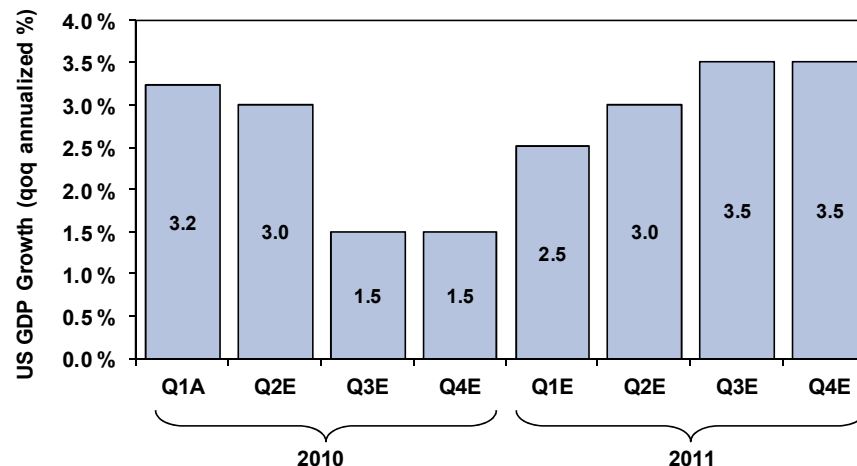
Source: Goldman Sachs Global ECS Research.

Exhibit 42: Goldman Sachs COMMODITY and CURRENCY forecasts
as of May 20, 2010

	units	Current	Forecasts		
			3m	6m	12m
Energy					
WTI Crude Oil	\$/bbl	70.80	96.00	93.00	102.00
NYMEX Nat. Gas	\$/mmBtu	4.11	5.50	5.70	6.00
RBOB Gasoline	\$/gal	1.96	2.50	2.27	2.64
Metals					
LME Copper	\$/mt	6610	8125	7755	7850
London Gold	\$/troy oz	1189	1180	1240	1335
London Silver	\$/troy oz	17.93	19.70	20.70	22.30
Currencies					
Euro / US Dollar	EUR/\$	1.23	1.35	1.35	1.35
US Dollar / Yen	\$/¥	89.6	92.0	94.0	98.0
Sterling / US Dollar	£/\$	1.43	1.61	1.61	1.61

Source: Goldman Sachs Global ECS Research.

Exhibit 41: Goldman Sachs US Economics quarterly GDP forecasts
as of May 20, 2010



Source: Goldman Sachs Global ECS Research.

Exhibit 43: Goldman Sachs US Economics forecasts
as of May 20, 2010

	% Annual Change		
	2009A	2010E	2011E
Real GDP	(2.4)%	2.9%	2.5%
Consumer Spending	(0.6)	2.3	2.3
Total Fixed Investment	(18.3)	0.6	4.6
Business Fixed Investment	(17.8)	1.2	3.4
Residential Investment	(20.5)	(1.6)	8.7
Federal Government Spending	5.2	2.9	2.5
Exports of Goods and Services	(9.6)	10.0	7.4
Imports of Goods and Services	(13.9)	7.9	4.7
Core CPI	1.7	0.8	0.2
Unemployment Rate	9.3	9.7	9.8
Fed Funds Rate	0.1	0.2	0.2
2-year Treasury Rate	0.9	0.9	2.0
10-year Treasury Rate	3.8	3.3	4.0

Source: Goldman Sachs Global ECS Research.

Goldman Sachs Strategy Baskets ¹

US 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.

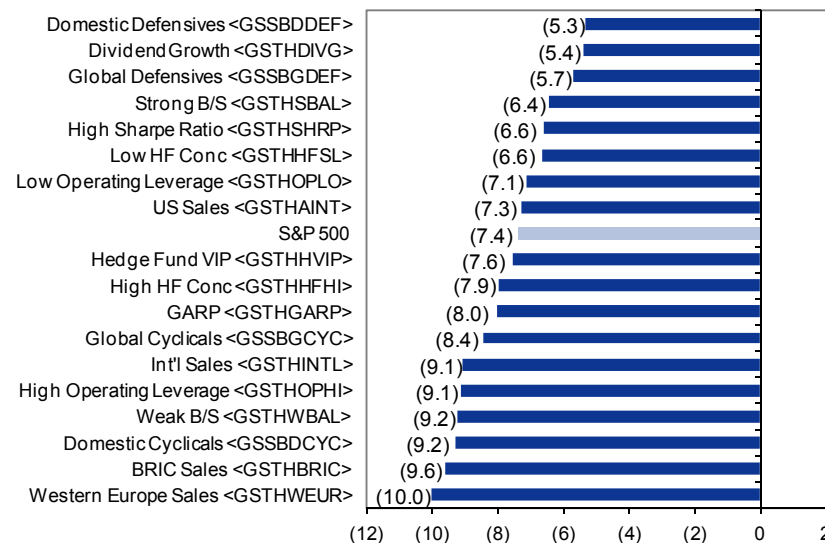
To obtain access to our baskets on Bloomberg, please contact your Goldman Sachs salesperson.

Exhibit 44: Strategy basket performance and average valuation data
as of May 20, 2010

Bloomberg Ticker	Total Return %			P/E	P/B	Div Yld	
	1 wk	1 mo	YTD	NTM	LTM	(%)	
Macroeconomic Baskets							
International Sales	GSTHINTL	(9)%	(15)%	(6)%	15x	4.7x	1.7 %
US Sales	GSTHAINT	(7)	(9)	(3)	15	3.5	1.7
Western Europe Sales	GSTHWEUR	(10)	(15)	(5)	15	3.1	1.1
BRICs Sales	GSTHBRIC	(10)	(16)	(6)	14	3.5	1.0
Strong Balance Sheet	GSTHSBAL	(6)	(10)	(1)	18	6.0	1.2
Weak Balance Sheet	GSTHWBAL	(9)	(13)	(2)	15	3.7	2.0
High Op Leverage	GSTHOPHI	(9)	(12)	3	17	3.7	1.4
Low Op Leverage	GSTHOPLO	(7)	(10)	(3)	14	6.1	2.0
Hedge Fund Baskets							
High HF Concentration	GSTHHFHI	(8)%	(13)%	(2)%	15x	3.6x	0.6 %
Low HF Concentration	GSTHHFSL	(7)	(9)	0	13	2.8	3.7
Hedge Fund VIP	GSTHHVIP	(8)	(13)	(4)	15	3.7	1.1
Sector Baskets							
Global Cyclical	GSSBGCYC	(8)%			15x	3.4x	1.4 %
Global Defensives	GSSBGDEF	(6)			16	5.3	1.6
Domestic Cyclical	GSSBDCYC	(9)			14	2.0	1.8
Domestic Defensives	GSSBDDEF	(5)			14	2.7	2.5
Valuation Baskets							
GARP	GSTHGARP	(8)%	(13)%	(5)%	14x	4.1x	0.9 %
High Sharpe Ratio	GSTHSHRP	(7)	(13)	(6)	14	2.8	1.3
Use of Cash Baskets							
Dividend Growth	GSTHDIVG	(5)%	(10)%	(2)%	12x	5.1x	3.8 %
S&P 500		(7)%	(11)%	(3)%	13x	2.1x	2.1 %
S&P 500 Average					15	3.3	1.8
S&P 500 Median					14	2.3	1.4

Source: FactSet, and Goldman Sachs Global ECS Research.

Exhibit 45: Strategy basket total return performance over the last week
last week % total return, as of May 20, 2010



Source: FactSet, and Goldman Sachs Global ECS Research.

Exhibit 46: US Portfolio Strategy thematic trade recommendations
as of May 20, 2010

Thematic Trade Recommendations			
	Initiation		Weekly Return
	Date	Return	
BUY High Sharpe Ratio Basket (GSTHSHRP); SELL S&P 500 <i>See 2010 Outlook: Cyclical start; defensive finish (7-Dec-09).</i>	8-Dec-09	1.0 %	0.8 %
BUY High Oper. Leverage (GSTHOPHI); SELL Low Oper. Leverage (GSTHOPLO) <i>See Macro to Micro Shift Part II: 2H 2009 Update (20-Jul-09).</i>	20-Jul-09	7.0 %	(2.0)%
BUY BRICs Sales Basket (GSTHBRIC); SELL S&P 500 <i>See Portfolio Passport: Coming to America (5-Nov-08).</i>	4-May-09	5.9 %	(2.2)%
BUY Global Cyclical (GSSBGCYC); SELL Domestic Defensives (GSSBDDEF) <i>See US Sector Views (26-April-10).</i>	26-Apr-10	(5.6)%	(3.1)%

Source: FactSet, 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 the trade.

Constituents of Hedge Fund Very Important Position (VIP) Basket <GSTHHVIP>

Exhibit 47: Hedge Fund VIP Basket

as of May 20, 2010

Company	Ticker	No. of funds with 10 to 200 positions owning stock	No. of funds with stock as Top 10 holding	Average portfolio weight when stock ranks among Top 10 holdings	Company	Ticker	No. of funds with 10 to 200 positions owning stock	No. of funds with stock as Top 10 holding	Average portfolio weight when stock ranks among Top 10 holdings	
		31-Mar-10	31-Mar-10	Top 10 holdings			31-Mar-10	31-Mar-10	Top 10 holdings	
Information Technology (34% of the Basket)					Consumer Staples (12% of the Basket)					
Apple Inc	AAPL	92	72	7 %	Cvs Caremark Corp	CVS	36	22	6 %	
Google Inc	GOOG	71	43	5	Wal-Mart Stores Inc	WMT	28	16	5	
Microsoft Corp	MSFT	68	40	5	Coca-Cola Enterprises Inc	CCE	30	14	5	
Intel Corp	INTC	40	25	7	Philip Morris International	PM	24	13	5	
Qualcomm Inc	QCOM	45	25	4	Kraft Foods Inc	KFT	29	12	6	
Cisco Systems Inc	CSCO	45	22	4	Mead Johnson Nutrition Co	MJN	22	12	8	
Mastercard Inc	MA	44	21	8	Basket median		29	14	5 %	
Visa Inc	V	42	21	5	Financials (12% of the Basket)					
Hewlett-Packard Co	HPQ	44	19	6	Bank Of America Corp	BAC	87	46	8 %	
Oracle Corp	ORCL	35	17	4	Jpmorgan Chase & Co	JPM	75	39	5	
Yahoo Inc	YHOO	36	16	5	Cit Group Inc	CIT	48	31	10	
Emc Corp/Ma	EMC	25	15	4	Wells Fargo & Co	WFC	38	21	7	
Intl Business Machines Corp	IBM	23	14	5	Citigroup Inc	C	41	20	10	
Ebay Inc	EBAY	28	12	4	Assured Guaranty Ltd	AGO	16	11	5	
Xerox Corp	XRX	18	12	7	Basket median		45	26	7 %	
Baidu Inc -Adr	BIDU	15	11	8	Energy (4% of the Basket)					
Equinix Inc	EQIX	18	11	6	Exxon Mobil Corp	XOM	36	22	5 %	
Basket median		40	19	5 %	Anadarko Petroleum Corp	APC	21	12	5	
Health Care (18% of the Basket)					Basket median		29	17	5 %	
Pfizer Inc	PFE	62	34	6 %	Materials (2% of the Basket)					
Wellpoint Inc	WLP	43	21	5	Cf Industries Holdings Inc	CF	39	20	5 %	
Alcon Inc	ACL	30	19	14	Telecom Services (2% of the Basket)					
Teva Pharmaceuticals	TEVA	25	17	5	NII Holdings Inc.	APC	21	12	5 %	
Johnson & Johnson	JNJ	24	13	4						
Express Scripts Inc	ESRX	23	12	4						
Merck & Co	MRK	27	12	6						
Thermo Fisher Scientific Inc	TMO	15	12	6						
Gilead Sciences Inc	GILD	18	11	5						
Basket median		25	13	5 %						
Consumer Discretionary (16% of the Basket)										
Directv	DTV	36	20	5 %						
Lear Corp	LEA	30	19	10						
Mcdonald'S Corp	MCD	30	18	5						
Liberty Media Starz Group	LSTZA	25	14	7						
Ford Motor Co	F	19	12	7						
Amazon.Com Inc	AMZN	18	11	5						
Liberty Global Inc	LBTYA	20	11	6						
News Corp	NWSA	16	11	5						
Basket median		23	13	6 %						
							Average	35	20	6 %
							Median	30	17	5

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

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Recent US Portfolio Strategy Publications

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Exhibit 48: Recent research from US Portfolio Strategy

Latest Market Research		Publication Date	
US Equity View s: Fundamentals ignored as US equities gripped by contagion fears		May 7, 2010	
US Thematic View s: GARP Update		May 2, 2010	
US Sector View s: Overw eight Global Cyclical s; Underw eight Domestic Defensive s		April 26, 2010	
US Portfolio Strategy: Portfolio Passport: Geography Matters		April 23, 2010	
US Equity View s: 1Q Earnings preview : S&P 500 has already traded near-term new s		April 12, 2010	
US Sector View s: Global vs. Domestic tug-of-w ar w ithin the US equity market		March 25, 2010	
US Portfolio Strategy: Using Sharpe Ratios to enhance fund returns		March 19, 2010	
US Equity View s: 4Q Earnings preview : Earnings rise, sales trough, margins expand		January 19, 2010	
US Portfolio Strategy 2010 Outlook: Cyclical start; defensive finish		December 7, 2009	
Franchise Research		Publication Date	
Portfolio Strategy: Revisiting our BRICs Nifty 50 baskets		May 7, 2010	
Portfolio Strategy: GOAL: Global Opportunity Asset Locator		April 15, 2010	
Global Dividend Sw ap Monitor: Trading opportunities in European second-tier indices		April 29, 2010	
Periodical Research	Description	Frequency	Timing / Recent Release
Hedge Fund Trend Monitor	<i>Analysis of hedge fund holdings and positioning</i>	Quarterly	May 21, 2010
S&P 500 Beige Book	<i>Qualitative assessment of S&P 500 quarterly earnings reports</i>	Quarterly	May 11, 2010
Strategy Baskets	<i>Overview of US Portfolio Strategy thematic baskets</i>	Quarterly	August 19, 2009
US Monthly Chartbook	<i>Monthly report on where to invest in the S&P 500</i>	Monthly	May 4, 2010
US Weekly Kickstart	<i>Five minute guide to the US equity market</i>	Weekly	Friday PM
Where to Invest Now	<i>Marketing presentation highlighting recent research and best trade ideas</i>	Monthly	April 26, 2010

Source: Goldman Sachs Global ECS Research.

Reg AC

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