



UBB Securities Investment Bulletin

September 3, 2010

From United Bankers' Bank

As we start a new month, consumer confidence climbed more than forecast in August as Americans turned less pessimistic about the outlook for jobs, easing concern households will retrench. The Conference Board's confidence index rose to 53.5 from a five-month low of 51 in July. Other reports showed business activity slowed in August and home prices held up in the three months to June. Also this week, pending sales of existing houses unexpectedly climbed in July from a record low, indicating the real-estate market is steadying following the end of a government tax credit. The index of purchase contracts rose 5.2 percent after a revised 2.8 percent drop the prior month. And lastly, companies in the U.S. added more jobs than forecast in August, easing concern the world's largest economy is sliding back into a recession. Private payrolls climbed 67,000 after a revised 107,000 increase in July that was more than initially estimated. The unemployment rate rose to 9.6 percent as more people looked for work. Stocks climbed around the world and U.S. Treasuries slumped as the employment report bolstered Federal Reserve Chairman Ben S. Bernanke's view that the conditions are in place for a pickup in growth in 2011. While companies are boosting staff as the global economy recovers, payrolls are expanding too slowly to bring down an unemployment rate hovering near a 26-year high.

Calendar of Economic Releases

September 6	CLOSED - Labor Day
September 7	ABC Consumer Confidence
September 8	MBA Mortgage Applications Fed's Beige Book
September 9	Initial Jobless Claims
September 10	Wholesale Inventories

Recent U.S. Gov't Agency Issues

Issue	Structure	Coupon	Maturity
FHLB	1 YR Non-Call	.25%	9/2/11
FHLB	2 YR 1 MO	.75%	9/13/12
FNMA	3 YR 1 YR 1X	1.125%	9/27/13
FHLB	4 YR 6 MO	1.55%	9/15/14
FHLB	5 YR 1 MO	2.05%	9/28/15
FHLB	9 YR 3 MO	3.05%	9/17/19
FHLB	12 YR 3 MO	3.50%	9/20/22

These exact bonds may or may not be available

Spot Rates - U.S. Treasury Issues

Term	9/3/10	8/27/10	8/20/10
3 mo	.13	.14	.15
6 mo	.18	.19	.19
1 year	.23	.25	.27
2 year	.53	.56	.49
3 year	.80	.83	.78
5 year	1.50	1.49	1.47
10 year	2.73	2.66	2.62
30 year	3.83	3.69	3.67

Target Fed Funds Rate .25%

UBBR 3.25%

WSJ Prime Rate 3.25%

Municipal Calendar

All issues listed are Bank Qualified and Tax-Exempt unless otherwise noted

Sale Date	Issuer	Size (000)	Term
9/7/10	City of Mendota Heights, MN G.O.	\$1,055	2013-30
9/7/10	City of Cold Spring, MN G.O.	\$1,540	2012-21
9/9/10	Cass Lake - Bena, MN ISD #115	\$17,195	2014-28

Recent Brokered CD Rates Please call for details

3 mo: .35%	6 mo: .35%	12 mo: .50%	18 mo: .70%
24 mo: .90%	30 mo: 1.05%	36 mo: 1.25%	48 mo: 1.65%

Ben Eskierka
Jim Radtke
Joe Gilboe
Paul Dvorak
Pete Switenki
Brian Clark

800-558-6875
Trading Desk: Eric Sundberg
Trading/Money Desk: Steph
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ALMEdge: Jim Nowak

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Upon Information We Believe To Be Accurate and Reliable.

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