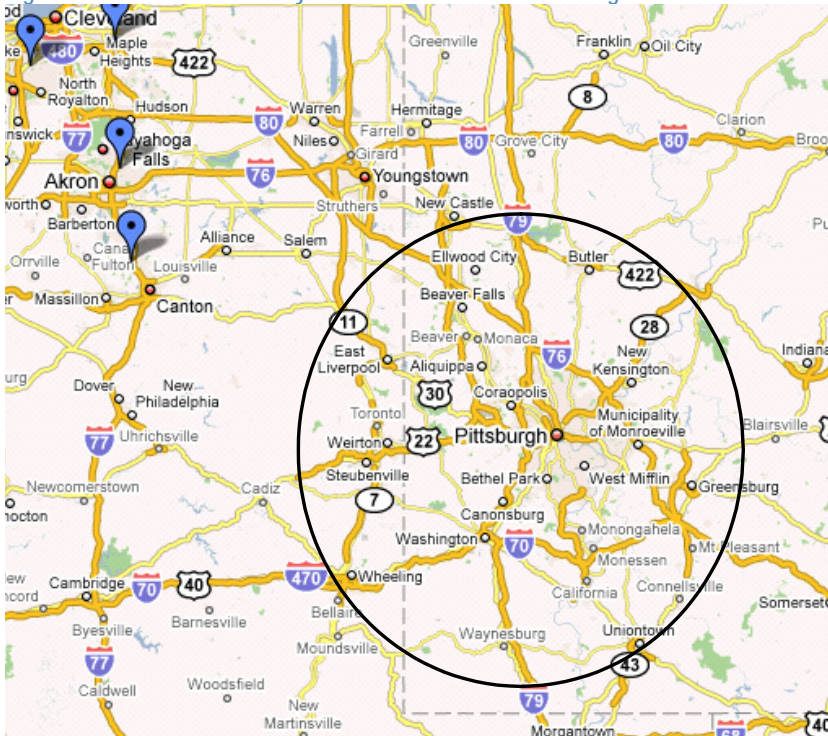


Broadlines & Food Retail

The Weekend Warrior: Get on Your Boots

- Map of the Week – The Not-So-Big Game For Warehouse Club BJ's:** Unlike in years past when the pre-Super Bowl blitz of food platters, beer, and last-minute TV upgrades may have served as a positive catalyst for January sales at BJ's, we see limited opportunity this year given hometown markets in areas where the company does not operate stores. Specifically, as primarily a Northeast retailer (~66% of the chain), BJ's does not operate any stores in Arizona (the NFC champions) nor do they have any clubs in the direct Pittsburgh area (the AFC champs, see map below). Not only does this bode poorly for January sales (as historically SSS average ~6.5% when both Super Bowl teams hail from a BJ's market vs. an average ~3.6% SSS result when one (or none) of the contenders is a local team), but it also comes against one of the toughest recent comparisons (102 hometown clubs last year, +7.8% January comp).

Figure 1: BJ's Doesn't Have Any Clubs In the Immediate Pittsburgh or Arizona Markets



Source: Company reports and J.P. Morgan estimates. Blue pushpins denote BJ warehouse locations.

- Stocks of the Week – Will Circuit City's Liquidation Help WMT, COST, & BJ?** Although it's certainly too early to call the beneficiaries of Circuit City's announced liquidation of its 567 domestic stores, we believe that the CE demand (and supply) up for grabs will likely flow into the discount and warehouse club channel more than any other sector in retail. As a laggard category in 2008, we believe that any additional share previously held by CC can likely be captured by (and accretive to)

See page 10 for analyst certification and important disclosures.

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Broadlines & Food Retailing

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J.P. Morgan Securities Inc.

Table 1: January Comp Snapshot

Company	Rating	Street	JPM
TGT	N	(4.6%)	(5.0%)
WMT	OW	1.2%	1.2%
Division 1		1.0%	1.5%
Sam's		0.0%	0.0%
COST	N	(3.8%)	(4.1%)
BJ	N	1.8%	2.5%
FRED	N	0.3%	0.0%
JCP	N	(12.0%)	(12.0%)
KSS	OW	(16.2%)	(16.0%)
JWN	N	(14.5%)	(8.0%)
M	OW	(7.8%)	(7.5%)
SKS	N	(16.3%)	(15.0%)
DDS		(6.0%)	n/a

Source: J.P. Morgan Estimates & Retail Metrics.

WMT, COST, BJ, and BIG, serving as a tailwind once the chain is shuttered.

- Table of the Week – Credit Terms Due For Revision At JCP:** JCPenney confirmed on Tuesday (1/20) that it is in the process of renegotiating terms of its credit facility by 1H09 (expires April 2010), which we previewed as a likely outcome of declining EBITDA forecasts for 2009, largely due to the P&L impact from pension expense (see 1/20 FC note, *JCPenney: Latest Thoughts, Lowering Est's (Again) on SSS + Pension, Too Early To Bottom Fish, KSS > JCP*). While JCP does not utilize the facility (other than for L/C's), in order to maintain access to the liquidity the company must stay in compliance with a maximum 3.0x leverage ratio (debt/TTM EBITDA) and a 3.2x fixed charge coverage (FCC) ratio. At the end of 4Q08, we are modeling a leverage ratio of 2.2x and FCC of 3.7x (both in compliance), however, given our expectations for EBITDA to compress 44.5% in FY09, JCPenney will likely violate both covenants by the second half of 2009. On sensitivity, as shown in the table below, JCP only needs a 15% decline in EBITDA in FY09 to breach the FCC covenant while a 30% decline in EBITDA would violate the leverage ratio covenant. That said, we expect JCP to circumvent the issue (at a cost, of course) by either revising the credit terms or paying down debt.

Table 2: Further EBITDA Deterioration May Trip Debt Covenants At JCP

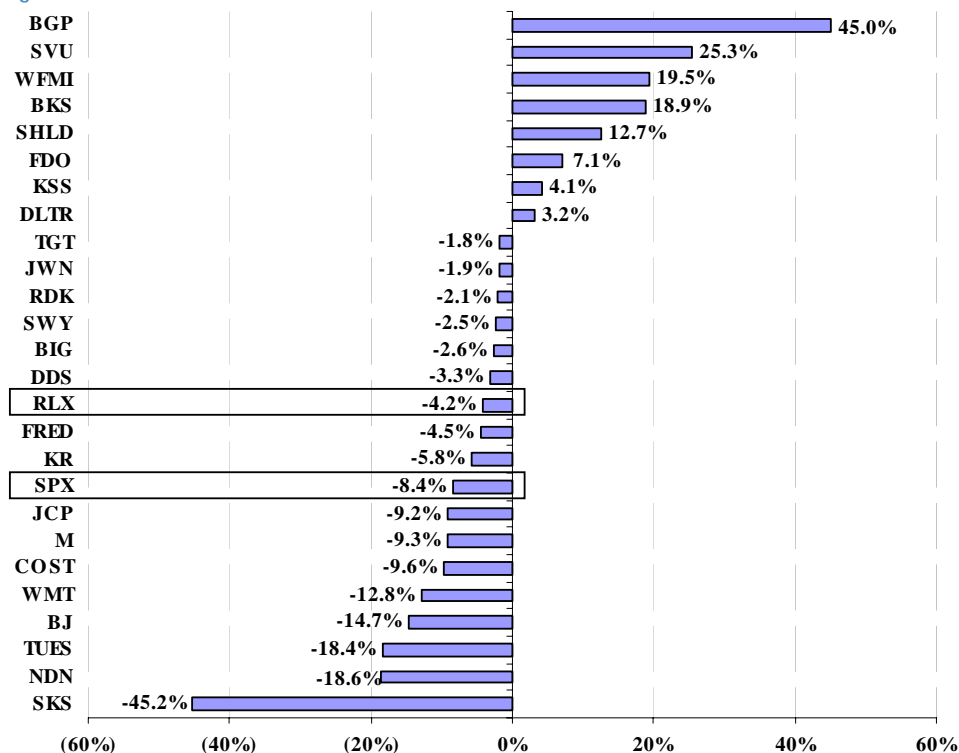
EBITDA Decline	JCPenney		Nordstrom		Macy's	
	Leverage Ratio	Fixed Charge Ratio	Leverage Ratio	Fixed Charge Ratio	Leverage Ratio	Fixed Charge Ratio
0%	2.2x	3.6x	2.5x	NA	3.4x	5.0x
(5%)	2.3x	3.4x	2.6x	NA	3.5x	4.7x
(10%)	2.4x	3.3x	2.7x	NA	3.7x	4.5x
(15%)	2.6x	3.1x	2.9x	NA	4.0x	4.2x
(20%)	2.7x	3.0x	3.1x	NA	4.2x	4.0x
(25%)	2.9x	2.8x	3.3x	NA	4.5x	3.7x
(30%)	3.1x	2.7x	3.5x	NA	4.8x	3.5x
(35%)	3.4x	2.5x	3.7x	NA	5.2x	3.2x
(40%)	3.7x	2.4x	4.0x	NA	5.6x	3.0x
(45%)	4.0x	2.2x	4.4x	NA	6.1x	2.7x

Source: Company reports and J.P. Morgan estimates. Shading denotes breach of debt covenant.
 Table constructed by Credit Analyst Virginia Chambliss.

- Weather Update –Bundle Up, Bunny:** January is off to the coldest and snowiest start in 10 years with 468 record low temperatures set so far in 2009. Although a temporary turn to favorable weather conditions in the third week of the month may lure some customers out of hibernation, the month will likely close with a return to cold and snow, making for a tough selling overall. Perhaps relief will come in February as WTI is calling for a warm and dry Valentine's Day. Moreover, we note that Spring selling conditions looks materially better year-over-year.

Universe Stock Performance

Figure 2: Broadline & Food Retailers 2009 YTD Performance



Source: FactSet; Prices as of January 22, 2009.

Table 3: Broadline & Food Universe Stock Performance

Company	Rating	WTD	YTD	Company	Rating	WTD	YTD
<u>Discounters:</u>				<u>National Chains:</u>			
WMT	OW	(4.8%)	(12.8%)	SHLD	n/a	(7.3%)	12.7%
TGT	N	(2.9%)	(1.8%)	KSS	OW	(0.0%)	4.1%
Avg:		(3.8%)	(7.3%)	JCP	N	(7.4%)	(9.2%)
<u>Warehouse Clubs:</u>				Avg:			
COST	N	(2.1%)	(9.6%)			(4.9%)	2.5%
BJ	N	(7.8%)	(14.7%)	<u>Department Stores:</u>			
Avg:		(4.9%)	(12.1%)	M	OW	(3.6%)	(9.3%)
<u>Value Retailers/ Hardlines:</u>				DDS	n/a	(6.8%)	(3.3%)
DLTR	OW	(1.2%)	3.2%	JWN	N	3.0%	(1.9%)
FDO	UW	(2.9%)	7.1%	SKS	N	(30.4%)	(45.2%)
NDN	n/a	(6.6%)	(18.6%)	Avg:		(9.5%)	(14.9%)
FRED	N	(1.6%)	(4.5%)	DJII		(1.1%)	(7.4%)
BIG	N	(1.3%)	(2.6%)	S&P 500		(1.9%)	(8.4%)
BKS	N	(3.6%)	(18.4%)	RLX		(2.7%)	(4.2%)
Avg:		(2.9%)	(5.6%)	Total Universe (a)		(4.0%)	(4.1%)
<u>Supermarkets:</u>							
KR	N	1.5%	(5.8%)				
SWY	N	1.4%	(2.5%)				
SVU	N	8.0%	25.3%				
WFMI	UW	(8.8%)	19.5%				
RDK	N	(1.9%)	(2.1%)				
Avg:		0.0%	6.9%				

Source: FactSet. (a)Average Universe represents the equal weighted average stock return across our Broadline universe; Prices as of January 22, 2009.

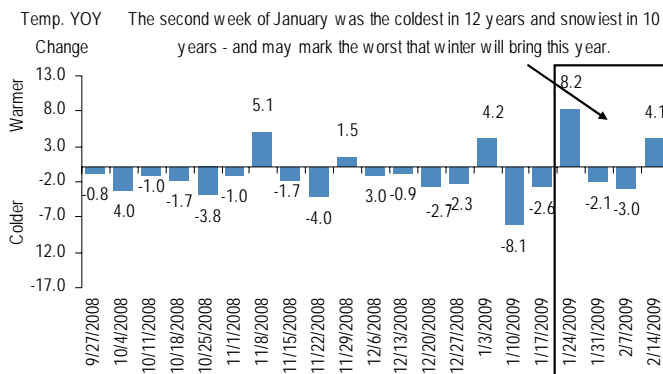
Short Interest Trends

Company	Mid	End	Mid	End	Mid	End	Mid	End	Mid	End	Mid	End	Avg.
	Jul '08	Jul '08	Aug '08	Aug '08	Sep '08	Sep '08	Oct '08	Oct '08	Nov '08	Nov '08	Dec '08	Dec '08	
99 Cents Only Stores	23.1%	19.2%	17.0%	17.6%	18.0%	14.2%	11.7%	12.3%	12.8%	12.7%	12.5%	11.6%	17.5%
Barnes & Noble	17.7%	18.2%	18.3%	18.6%	19.0%	17.0%	16.3%	15.0%	15.7%	15.1%	15.5%	12.8%	14.7%
Big Lots	46.1%	53.7%	46.9%	45.2%	45.9%	42.0%	38.0%	33.2%	25.4%	27.0%	29.5%	27.0%	36.6%
BJ's	22.2%	20.7%	18.9%	18.6%	23.2%	20.1%	20.5%	19.1%	18.8%	25.6%	25.0%	23.3%	19.3%
Borders	19.6%	19.9%	18.5%	17.7%	16.2%	11.3%	9.5%	7.5%	5.4%	5.4%	4.7%	4.3%	16.4%
Costco	4.3%	3.6%	3.8%	3.7%	3.8%	3.7%	3.8%	4.1%	4.6%	4.0%	4.5%	4.2%	3.7%
Dillard's Inc	25.2%	23.6%	16.6%	16.1%	17.1%	18.8%	22.5%	18.6%	17.6%	12.6%	11.3%	15.0%	17.5%
Dollar Tree	9.4%	9.5%	9.3%	9.5%	9.4%	6.2%	6.3%	7.4%	8.0%	9.0%	10.9%	8.9%	7.5%
Family Dollar	11.5%	11.1%	9.3%	9.7%	10.5%	9.5%	7.1%	6.8%	7.8%	9.2%	10.8%	9.3%	9.8%
Fred's	18.3%	18.0%	18.8%	19.9%	19.3%	16.6%	13.8%	15.1%	13.4%	11.6%	13.3%	12.8%	14.5%
J.C. Penney Co.	8.4%	7.4%	6.6%	6.2%	5.6%	6.8%	7.0%	7.5%	7.8%	9.1%	9.2%	8.8%	7.2%
Kohl's Corp	7.0%	7.9%	7.4%	7.4%	6.6%	5.8%	4.1%	4.2%	4.9%	4.9%	5.7%	4.7%	5.8%
Kroger	3.7%	3.8%	3.0%	2.3%	2.4%	2.1%	2.2%	2.4%	2.3%	2.3%	2.4%	2.1%	2.6%
Macy's	7.0%	7.8%	5.5%	4.6%	4.8%	4.2%	5.6%	6.1%	6.4%	6.6%	9.6%	7.4%	5.3%
Nordstrom	12.7%	10.9%	9.4%	10.9%	10.5%	12.2%	8.9%	9.3%	9.5%	11.7%	11.3%	10.1%	10.0%
Ruddick	8.2%	7.5%	7.4%	7.0%	7.6%	7.2%	6.7%	6.4%	5.6%	6.1%	7.1%	6.6%	6.7%
Safeway	3.5%	3.5%	3.6%	3.6%	3.7%	3.0%	2.6%	2.3%	2.3%	2.1%	2.6%	2.3%	3.2%
Saks Incorporated	20.3%	19.2%	18.6%	17.7%	17.4%	16.2%	14.4%	14.8%	15.6%	12.7%	11.5%	11.4%	15.9%
Sears Holdings Corp.	28.2%	26.1%	25.5%	24.8%	25.6%	17.8%	15.4%	15.0%	14.3%	15.3%	14.2%	12.7%	19.5%
Supervalu	5.4%	6.5%	6.5%	5.5%	5.4%	5.4%	4.0%	3.2%	2.9%	2.5%	2.4%	2.5%	4.5%
Target Corp	6.4%	6.9%	6.9%	6.5%	6.5%	5.1%	6.1%	7.2%	6.9%	6.3%	6.1%	5.7%	5.9%
Tuesday Morning	9.7%	8.8%	7.6%	7.1%	6.9%	6.1%	3.9%	3.5%	3.1%	3.2%	3.2%	3.0%	8.6%
Wal-Mart	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.2%	1.3%	1.3%	1.2%	1.3%	1.3%	1.3%
Whole Foods	18.0%	19.5%	19.4%	18.6%	20.3%	18.3%	18.2%	17.0%	16.5%	13.3%	13.0%	12.1%	16.9%
Average	14.0%	13.9%	12.8%	12.5%	12.8%	11.3%	10.4%	9.6%	9.5%	9.2%	9.9%	8.8%	11.4%

Source: Bloomberg, FactSet. Average calculated based on rolling past 12-months of data, including mid-month and month-end reporting releases.

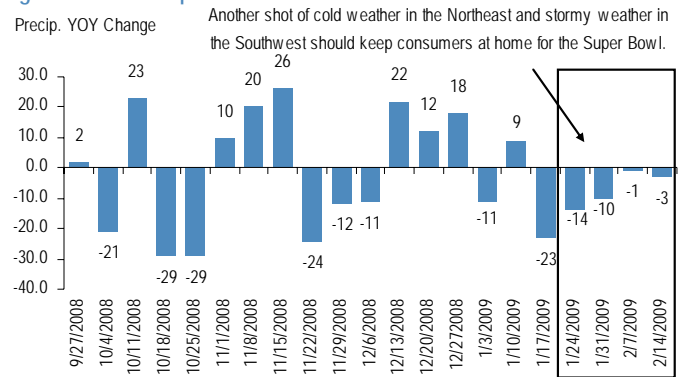
Weather Update

Figure 3: WTI Temperature Outlook



Source: Weather Trends International (WTI).

Figure 4: WTI Precipitation Outlook



Source: Weather Trends International (WTI).

JP Morgan Research

Table 2: J.P. Morgan Featured Research

Date	Title
1/20/2009	JCPenney: Latest Thoughts, Lowering Est's (Again) on SSS + Pension, Too Early To Bottom Fish
1/16/2009	Food Retailing: Lateral Implications from Ahold and Delhaize
1/16/2009	Barnes & Noble: Upgrading to Neutral, Time To Take Profits
1/16/2009	The Weekend Warrior: Balances Approach; M + KSS > JCP + SKS + JWN
1/15/2009	SuperValue: 3Q Wrap, Not Buying the Rally, Neutral
1/15/2009	Dollar Tree Stores, Inc. : Latest Thoughts, DLTR > FDO, Overweight
1/15/2009	Macy's Inc. : Goodwill Impairment Scenario Analysis, Risk < Reward, Stay OW (
1/13/2009	BJ's Wholesale Club : What Does BJ's Have in Common with Patriots & Giants Fans?
1/12/2009	Costco Wholesale Corporation : Winner, Winner, Chicken Dinner! CES Meeting Notes
1/9/2009	Broadlines & Food Retailing : December SSS Wrap: And The Award Goes To . . .
1/8/2009	Broadlines Retailing: Not Dead Till They Shoot Them All, Adjusting Estimates WMT, JWN, M, BJ, & SKS
1/8/2009	Broadlines & Food Retailing : December Comp Review: Winners & Losers
1/7/2009	Family Dollar Stores, Inc. : Respectable 1Q . . . But December Comp Misleading, Stay Underweight
1/6/2009	Broadlines Retailing : Pricing Study #34: Costco & Target Fight Back
1/6/2009	SuperValu, Inc. : 3Q Reading the Print, EPS Risk Exists, Neutral
1/6/2009	Dollar Stores : Pricing Study: Wal-Mart Still The Low-Price Leader
1/5/2009	Family Dollar Stores, Inc. : 1Q Reading the Print, Rich Stock, Underweight
1/5/2009	Broadlines Retailing : New Year, Same Approach: December Comp Preview
12/22/2008	Target Corporation : Latest Trust Filing - Credit Stats Deteriorate Further, Neutral
12/19/2008	Broadlines & Food Retailing : Which Retailers Don't Want A White Christmas
12/19/2008	Macy's Inc.: Laugh with Sinners > Cry With Saints, Meeting Notes, Doing All The Right Things, OW
12/16/2008	Costco Wholesale Corporation : The Bull-vs.-Bear Case: Cutting Estimates + Target to \$50
12/16/2008	Ruddick Corporation : Assume Coverage and Downgrade to Neutral, No Appetite For Growth
12/16/2008	Whole Foods : Assume Coverage and Downgrade to Underweight, Stuck Between Rock & Hard Place
12/16/2008	Kroger: Assume Coverage and Upgrade to Neutral, Shades of Costco + Wal-Mart: Sentiment Too Bullish
12/16/2008	SuperValu, Inc. : Assume Coverage at Neutral, Binary Outcome Likely
12/16/2008	Safeway : Assume at Neutral, Still Some Price to Chop
12/12/2008	Broadlines Retailing : Another Potential Hit To Retail: Exposure To GM
12/11/2008	Costco Wholesale Corporation : Should Have Been Better, 1Q Wrap, Uninvolved, Neutral
12/10/2008	JCPenney Corporation : CEO Talk II, Takeaways from Holiday Call
12/10/2008	BJ's Wholesale Club : Getting Out While the Gettin's Good: Cut to Neutral
12/9/2008	Wal-Mart Stores, Inc. : Suspension of Buyback Is Old News (
12/5/2008	Target Corporation : Nov SSS Weak, Lowering Estimates, \$29 PT
12/5/2008	Big Lots, Inc. : 3Q Wrap, Music Has Stopped (for Now); Neutral, at Best
12/5/2008	Broadlines Retailing : November SSS Wrap: And The Award Goes To . . .
12/5/2008	Family Dollar Stores: "Hiding" in FDO Was So 08, Lowering Estimates & Adding To Focus List w/\$19 PT
12/4/2008	Broadlines Retailing : November Comp Review: Winners & Losers
12/3/2008	Broadlines Retailing : Holiday Jingle - WMT Price Lead Widens in November
12/3/2008	Saks, Inc. : CEO Talk, 5 Key Takes, Raising November SSS
12/2/2008	Barnes & Noble, Inc : Cutting Estimates, PT to \$12, Underweight
12/1/2008	Broadlines Retailing : Black Friday & November Comp Thoughts

In The News

WMT (OW): Wal-Mart successfully completed its tender offer for Chile's largest food retailer, Distribucion y Servicio D&S S.A., as announced on Friday (1/23). Wal-Mart now controls 58% of D&S as a result of the \$2.8 billion deal and becomes the largest grocer in Chile.

JCP (N): JCPenney said on Tuesday (1/20) that it expects to have more than \$2.0 billion of cash on its balance sheet at the end of FY08, does not face any debt maturities during 2009, and that the company is currently in discussions with banks to modify or replace its existing credit facility in 1H09 (expires April 2010).

Retail Calendar – January/February 2009

January/February '09				
Monday	Tuesday	Wednesday	Thursday	Friday
26 10:00: Existing Home Sales 10:00: Leading Indicators	27 8:30: Redbook Weekly Sales 10:00: Consumer Confidence FOMC Meeting	28 FOMC Meeting COST Shareholder Meeting	29 8:30: Initial Jobless Claims 8:30: Durable Goods 10:00: New Home Sales 4:00: RDK 1Q09 EPS	30 8:30: Real GDP
2 9:00: Personal Income 10:00: ISM Manufacturing 10:00: Construction Spending	3 10:00: Pending Home Sales 10:00: Housing Vacancies	4 10:00: ISM Non-Manufacturing	5 6:00: Jan SSS 6:00: BIG 4Q08 Sales 7:00: DLTR 4Q08 Sales 8:30: Initial Jobless Claims	6 8:30: Employment 10:00: Consumer Credit
9	10	11	12 8:30: Initial Jobless Claims 8:30: Retail Sales	13 9:55: Consumer Sentiment
16 Washington's Birthday Markets Closed	17 7:30: WMT 4Q08 EPS	18 8:30: Housing Starts 9:15: Industrial Production 4:00: WFMI 4Q08 EPS FOMC Minutes	19 8:30: Initial Jobless Claims 8:30: PPI 10:00: Philadelphia Fed 4:00: Leading Indicators	20 7:30: JCP 4Q08 EPS
23 10:30: Dallas Fed	24 8:00: TGT 4Q08 EPS 8:00: M 4Q08 EPS 9:00: S&P/Case-Shiller HPI 10:00: Consumer Confidence	25 8:00: DLTR 4Q08 EPS 10:00: Existing home sales	26 8:00: SWY 4Q08 EPS 10:00: New Home Sales 4:00: KSS 4Q08 EPS 4:05: JWN 4Q08 EPS	27 8:30: Real GDP 9:55: Consumer Sentiment 12:00: Lunch w/ JCP

Source: Bloomberg, Company reports, and J.P. Morgan.

Table 4: Broadline & Food Retail Valuation

	TKR	JPM Rtg.	Price (b)	52-wk		Market Cap	Div Yield	EPS		P/E		5-yr Fwd P/E	Premium/ Discount	PEG 2008	P/ Sales 2008	EV/ EBITDA 2008E	Short Int. Dec '08	Days to Cover
				Hi	Lo			2007	2008E	2007	2008E							
Discount Stores:																		
Wal-Mart	WMT	OW	\$48.87	63.9	46.1	193,867	1.9%	\$3.12	\$3.38	15.7x	14.5x	20.0x	(21.5%)	1.9x	0.5x	7.8x	1.3%	2.4
Target Corp	TGT	N	\$33.92	59.6	25.6	27,462	1.9%	\$3.33	\$2.93	10.2x	11.6x	18.6x	(45.2%)	-2.8x	0.4x	7.1x	5.7%	3.4
Average										12.9x	13.0x	19.3x	(33.4%)	-0.5x	0.5x	7.4x	3.5%	2.9
Warehouse Clubs:																		
BJ's	BJ	N	\$29.24	44.3	26.8	1,744	0.0%	\$1.83	\$2.23	16.0x	13.1x	16.2x	(1.6%)	0.7x	0.2x	5.0x	23.3%	7.2
Costco (a)	COST	N	\$47.45	75.2	43.9	21,034	1.3%	\$2.71	\$2.97	17.5x	16.0x	21.6x	(19.1%)	1.3x	0.3x	7.6x	4.2%	3.0
Average										16.7x	14.5x	18.9x	(10.3%)	1.0x	0.2x	6.3x	13.7%	2.2
Dollar /Hardlines:																		
Family Dollar (a)	FDO	UW	\$27.91	32.5	16.5	3,925	1.9%	\$1.63	\$1.69	17.2x	16.5x	19.2x	(10.9%)	2.3x	0.6x	7.6x	9.3%	3.4
Dollar Tree	DLTR	OW	\$43.04	44.1	21.6	3,882	0.0%	\$2.09	\$2.55	20.6x	16.9x	16.9x	22.0%	1.0x	0.8x	7.4x	8.9%	3.6
Fred's	FRED	N	\$10.28	15.9	7.7	411	0.8%	\$0.52	\$0.71	19.6x	14.4x	21.4x	(8.2%)	2.6x	0.2x	5.5x	12.8%	9.0
Big Lots	BIG	N	\$14.11	35.3	12.9	1,153	0.0%	\$1.41	\$1.84	10.0x	7.7x	26.4x	(71.0%)	0.2x	0.2x	3.5x	27.0%	8.1
Barnes & Noble	BKS	N	\$17.83	34.2	10.8	1,027	5.6%	\$1.84	\$1.54	9.7x	11.6x	16.9x	(31.6%)	-0.7x	0.2x	2.3x	12.8%	10.9
Average										18.0x	15.7x	27.1x	-25.8%	1.0x	0.4x	5.3x	14.1%	7.0
Department Stores:																		
Kohl's	KSS	OW	\$37.68	56.0	24.3	11,658	0.0%	\$3.40	\$2.77	11.1x	13.6x	21.2x	(35.8%)	-1.7x	0.7x	6.5x	4.7%	2.7
J.C. Penney	JCP	N	\$17.89	51.4	14.0	3,989	4.5%	\$4.77	\$2.53	3.8x	7.1x	15.6x	(54.6%)	-0.3x	0.2x	3.2x	8.8%	4.0
Nordstrom	JWM	N	\$13.06	40.6	6.6	2,895	4.9%	\$2.80	\$1.82	4.7x	7.2x	17.4x	(58.6%)	-0.6x	0.3x	4.6x	10.1%	3.4
Macy's	M	OW	\$9.39	28.5	5.1	3,952	5.6%	\$2.14	\$1.18	4.4x	8.0x	14.2x	(44.0%)	-0.3x	0.2x	4.9x	7.4%	2.4
Saks	SKS	N	\$2.40	19.0	2.3	331	0.0%	-\$0.53	-\$1.00	5.7x	-4.5x	25.1x	(118.0%)	0.1x	0.0x	13.6x	11.4%	8.2
Average										10.3x	16.2x	18.2x	23.8%	-0.7x	0.2x	6.6x	8.0%	3.1
Supermarkets:																		
Kroger	KR	N																
Safeway	SWY	N	\$24.87	31.0	22.3	16,521	1.4%	\$1.68	\$1.91	14.8x	13.0x	14.7x	(11.3%)	1.8x	0.2x	6.1x	2.1%	1.8
SuperValu	SVU	N	\$23.18	34.3	17.2	10,206	1.4%	\$2.00	\$2.21	11.6x	10.5x	14.8x	(29.0%)	1.0x	0.2x	5.2x	2.3%	2.5
Whole Foods	WFMI	UW	\$18.30	35.9	8.6	3,916	3.8%	\$2.97	\$2.82	6.2x	6.5x	12.8x	(49.3%)	1.5x	0.1x	4.7x	2.3%	2.0
Ruddick	RDK	N	\$11.28	42.5	7.0	1,581	0.0%	\$1.31	\$0.82	8.6x	13.7x	36.2x	(43.1%)	-0.4x	0.2x	4.6x	12.1%	6.0
Average			\$27.07	39.8	23.8	1,307	1.8%	\$1.78	\$2.00	15.2x	13.5x	15.8x	(14.5%)	1.0x	0.4x	5.6x	6.6%	8.5
S&P 500	SP50		\$27.5					\$85.12	\$68.78	9.7x	12.0x	16.8x	(42.2%)	-1.1x				

Source: Reuters, Factset, Company Reports, and JPM Estimates. JPM Ratings: OW = Overweight; N = Neutral; UW = Underweight; NR = Not rated. First Call Consensus Estimates used for companies not rated (NR). Note: BKS is covered by Aaron Stein and FRED is covered by Paul Trussell. (a) EPS estimates are based on Calendar Year. (b) Prices and valuation as of January 22, 2009 Intraday.

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