

Stock Index Performance					
Index	Week	YTD	12-mo.	2011	5-yr.
Dow Jones Industrial Avg. (13,158)	-0.81%	9.68%	19.50%	8.41%	2.50%
S&P 500 (1,411)	-0.47%	13.83%	22.56%	2.12%	1.27%
NASDAQ 100 (2,778)	-0.07%	22.91%	30.99%	3.69%	8.06%
S&P 500 Growth	-0.34%	14.89%	23.42%	4.70%	4.13%
S&P 500 Value	-0.62%	12.56%	21.58%	-0.48%	-1.67%
S&P MidCap 400 Growth	-0.51%	12.10%	16.95%	-0.95%	5.57%
S&P MidCap 400 Value	-1.03%	11.02%	20.09%	-2.40%	2.38%
S&P SmallCap 600 Growth	-0.97%	11.04%	21.25%	3.67%	4.15%
S&P SmallCap 600 Value	-1.29%	10.79%	23.03%	-1.34%	1.86%
MSCI EAFE	-0.04%	7.77%	4.48%	-12.14%	-4.37%
MSCI World (ex US)	-0.20%	7.47%	3.24%	-13.71%	-3.03%
MSCI World	-0.30%	10.52%	12.65%	-5.54%	-1.55%
MSCI Emerging Markets	-0.53%	7.58%	1.39%	-18.42%	0.90%

Source: Bloomberg. Returns are total returns. The 5-yr. return is an average annual. One-week, YTD, 12-mo. and 5-yr. performance returns calculated through 8/24/12.

S&P Sector Performance					
Index	Week	YTD	12-mo.	2011	5-yr.
Consumer Discretionary	-0.21%	17.21%	28.19%	6.24%	6.09%
Consumer Staples	-0.85%	11.37%	20.61%	14.03%	8.74%
Energy	-0.67%	4.82%	11.99%	4.72%	2.17%
Financials	0.01%	17.54%	21.50%	-17.07%	-13.25%
Health Care	0.74%	13.20%	22.72%	12.77%	4.52%
Industrials	-1.21%	10.42%	22.47%	-0.59%	0.17%
Information Technology	-0.59%	20.65%	31.59%	2.43%	5.69%
Materials	-0.97%	8.33%	10.05%	-9.68%	0.83%
Telecom Services	-1.14%	21.65%	28.63%	6.33%	2.73%
Utilities	-1.35%	3.82%	13.79%	20.02%	2.56%

Source: Bloomberg. Returns are total returns. The 5-yr. return is an average annual. One-week, YTD, 12-mo. and 5-yr. performance returns calculated through 8/24/12.

Bond Index Performance					
Index	Week	YTD	12-mo.	2011	5-yr.
U.S. Treasury: Intermediate	0.36%	1.33%	2.64%	6.57%	5.49%
GNMA 30 Year	0.38%	2.37%	4.33%	7.97%	6.86%
U.S. Aggregate	0.57%	3.34%	5.70%	7.84%	6.62%
U.S. Corporate High Yield	0.43%	10.33%	15.20%	4.98%	9.56%
U.S. Corporate Investment Grade	0.89%	7.09%	10.47%	8.15%	7.98%
Municipal Bond: Long Bond (22+)	0.54%	8.98%	14.31%	14.88%	6.93%
Global Aggregate	1.18%	3.03%	1.03%	5.64%	6.35%

Source: Barclays Capital. Returns are total returns. The 5-yr. return is an average annual. One-week, YTD, 12-mo. and 5-yr. performance returns calculated through 8/24/12.

Key Rates			
As of 8/24/12			
Fed Funds	0.00-0.25%	5-yr CD	1.40%
LIBOR (1-month)	0.24%	2-yr T-Note	0.27%
CPI - Headline	1.40%	5-yr T-Note	0.71%
CPI - Core	2.10%	10-yr T-Note	1.68%
Money Market Accts.	0.49%	30-yr T-Bond	2.80%
Money Market Funds	0.03%	30-yr Mortgage	3.55%
6-mo CD	0.47%	Prime Rate	3.25%
1-yr CD	0.70%	Bond Buyer 40	4.23%

Sources: Bankrate.com, iMoneyNet.com and Bloomberg.

Market Indicators	
As of 8/24/12	
TED Spread	32 bps
Investment Grade Spread (A2)	212 bps
ML High Yield Master II Index Spread	587 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows			
Estimated Flows to Long-Term Mutual Funds for the Week Ended 8/15/12			
	Current Week	Previous	
Domestic Equity	-\$2.671 Billion	-\$3.563	Billion
Foreign Equity	-\$556 Million	-\$122	Million
Taxable Bond	\$6.014 Billion	\$5.680	Billion
Municipal Bond	\$1.592 Billion	\$1.490	Billion

Change in Money Market Fund Assets for the Week Ended 8/22/12			
	Current Week	Previous	
Retail	\$1.12 Billion	-\$1.40	Billion
Institutional	-\$1.06 Billion	\$13.17	Billion

Source: Investment Company Institute

Factoids for the week of August 20th – 24th

Monday, August 20, 2012

A recent study from LIMRA found that 75% of variable annuity buyers, 83% of indexed annuity buyers and 86% of traditional fixed annuity buyers are satisfied with their purchase, according to its own release. Of those who claimed to be satisfied, 67% of the variable annuity households (61% for indexed and 50% for traditional fixed) own two or more annuities. The study also revealed that five out of six deferred annuity buyers would recommend an annuity to their friends or family.

Tuesday, August 21, 2012

The drought in the U.S. has revived the commodities trade following a sluggish start to 2012. The Standard & Poor's GSCI Index of 24 raw materials has jumped 21% from this year's lowest close on June 21, according to Bloomberg. Historically speaking, a gain of 20% or more qualifies as a bull market. Due to the drought, the grains have experienced the biggest jump in prices year-to-date with soybeans, wheat and corn up 45.0%, 36.9% and 27.7%, respectively, according to the CBOT. When you factor in the latest message from government leaders in China claiming that they now have the flexibility to stimulate their economy via monetary policy since inflation has eased, it could mean this rally has legs. For the week ended August 14, hedge fund managers were bullish on 18 U.S. futures and options contracts, according to data from the U.S. Commodity Futures Trading Commission.

Wednesday, August 22, 2012

The current bull market has lasted 1,261 days, the ninth longest on record, according to Bespoke Investment Group. The longest bull on record lasted 4,494 days (12/4/87-3/24/00). The S&P 500's price-only return from 3/9/09-8/21/12 was 108.9%, also the ninth best on record. The aforementioned longest rally also posted the best return at 582.1%. In the 25 bull markets prior to this one, the average length was 890 days with an average price-only return of 101.6%.

Thursday, August 23, 2012

The U.S. consumer credit default rate is currently at its lowest point since late 2006, according to the S&P/Experian Consumer Credit Default Composite Index. The default rate stood at 1.5% in July, below the 2.0% level it registered in August 2007, which was just before the start of the financial crisis. Auto loan and second mortgage defaults are at their lowest levels since 2004. Bankcard and first mortgage defaults have not been this low since the second half of 2007. S&P Capital IQ believes these improvements are particularly encouraging considering the economic recovery has been a modest one.

Friday, August 24, 2012

International Data Corporation (IDC) estimates that 367 million PCs will be shipped globally in 2012, up 0.9% over units shipped in 2011, according to FoxBusiness.com. IDC estimates that worldwide PC shipment growth will average 7.1% from 2013-2016. PC sales have been under pressure as more consumers have opted for tablets and/or smartphones. Demand for PCs also softened due to a slowdown in global economic growth, especially in Q2'12. Sales are expected to remain subdued until Windows 8 products hit the shelves in Q4'12.