

Stock Index Performance					
Index	Week	YTD	12-mo.	2012	5-yr.
Dow Jones Industrial Avg. (13,488)	0.45%	3.02%	11.35%	10.24%	4.27%
S&P 500 (1,472)	0.43%	3.28%	16.49%	16.00%	3.27%
NASDAQ 100 (2,748)	0.87%	3.28%	17.34%	18.35%	8.44%
S&P 500 Growth	0.61%	3.20%	16.23%	14.71%	5.12%
S&P 500 Value	0.23%	3.38%	17.02%	17.77%	1.40%
S&P MidCap 400 Growth	0.42%	3.82%	18.28%	17.62%	8.38%
S&P MidCap 400 Value	-0.06%	3.57%	18.71%	19.10%	6.87%
S&P SmallCap 600 Growth	0.38%	3.68%	16.80%	15.27%	8.04%
S&P SmallCap 600 Value	-0.59%	2.86%	17.18%	18.88%	7.37%
MSCI EAFE	1.41%	3.26%	20.54%	17.32%	-2.19%
MSCI World (ex US)	0.92%	2.84%	18.53%	16.83%	-1.53%
MSCI World	0.88%	3.28%	17.42%	15.83%	0.39%
MSCI Emerging Markets	-0.45%	1.70%	16.10%	18.22%	-0.07%

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 1/11/13.

S&P Sector Performance					
Index	Week	YTD	12-mo.	2012	5-yr.
Consumer Discretionary	0.35%	3.09%	23.84%	24.14%	12.14%
Consumer Staples	0.32%	2.99%	15.66%	11.08%	7.91%
Energy	-0.01%	3.29%	6.44%	4.64%	1.12%
Financials	0.26%	4.34%	26.02%	28.92%	-7.06%
Health Care	2.02%	4.55%	20.43%	17.89%	5.00%
Industrials	-0.03%	3.03%	13.29%	15.42%	3.11%
Information Technology	0.58%	2.41%	14.13%	14.82%	6.16%
Materials	0.89%	3.81%	11.72%	15.24%	2.12%
Telecom Services	-0.98%	2.54%	21.83%	18.31%	4.34%
Utilities	-1.02%	1.32%	5.55%	1.31%	0.28%

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 1/11/13.

Bond Index Performance					
Index	Week	YTD	12-mo.	2012	5-yr.
U.S. Treasury: Intermediate	0.15%	-0.22%	1.41%	1.71%	4.28%
GNMA 30 Year	-0.07%	-0.30%	1.86%	2.44%	5.71%
U.S. Aggregate	0.17%	-0.27%	3.76%	4.21%	5.64%
U.S. Corporate High Yield	0.58%	1.29%	15.95%	15.81%	10.99%
U.S. Corporate Investment Grade	0.33%	-0.13%	9.21%	9.82%	7.69%
Municipal Bond: Long Bond (22+)	0.90%	0.70%	9.94%	11.26%	6.18%
Global Aggregate	0.66%	-0.48%	4.38%	4.32%	4.99%

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 1/11/13.

Key Rates			
As of 1/11/13			
Fed Funds	0.00-0.25%	5-yr CD	1.33%
LIBOR (1-month)	0.21%	2-yr T-Note	0.25%
CPI - Headline	1.80%	5-yr T-Note	0.78%
CPI - Core	1.90%	10-yr T-Note	1.87%
Money Market Accts.	0.51%	30-yr T-Bond	3.05%
Money Market Funds	0.02%	30-yr Mortgage	3.51%
6-mo CD	0.44%	Prime Rate	3.25%
1-yr CD	0.69%	Bond Buyer 40	4.02%

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

Market Indicators	
As of 1/11/13	
TED Spread	24 bps
Investment Grade Spread (A2)	167 bps
ML High Yield Master II Index Spread	493 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows			
Estimated Flows to Long-Term Mutual Funds for the Week Ended 1/2/13			
	Current Week	Previous	
Domestic Equity	-\$8.288 Billion	-\$3.637	Billion
Foreign Equity	-\$1.213 Billion	\$363	Million
Taxable Bond	\$2.924 Billion	\$3.141	Billion
Municipal Bond	\$291 Million	-\$685	Million

Change in Money Market Fund Assets for the Week Ended 1/9/13			
	Current Week	Previous	
Retail	-\$2.70 Billion	\$13.89	Billion
Institutional	\$14.20 Billion	\$23.89	Billion

Source: Investment Company Institute

Factoids for the week of January 7 - 11, 2013

Monday, January 7, 2013

The Consumer Electronics Association (CEA) estimates that global spending on consumer electronics will reach \$1.1 trillion in 2013, up approximately 4% from the amount spent in 2012, according to the *Los Angeles Times*. Spending was down by about 1% in 2012. The CEA expects nearly all of the growth in demand to come from emerging markets. It estimates that tablet and smartphone sales will account for 40% of all global spending on consumer electronics. By the end of 2013, the CEA estimates that 44% of all U.S. households will own a tablet. The tablet is one of the fastest growing devices in history.

Tuesday, January 8, 2013

The S&P Dow Jones Indices, which tracks approximately 10,000 U.S. traded stocks, announced that total stock dividend distributions (excludes special and extra one-time dividend payments) increased by a net \$8.4 billion in Q4'12, down slightly from \$8.8 billion in Q3'12, according to its own release. In Q4, 1,262 companies increased their dividend payouts, up 94.5% over the 649 increases in Q4'11. The number of companies decreasing their dividend payouts rose from 27 in Q4'11 to 154 in Q4'12. In 2012, there were 2,883 dividend increases, up from 1,953 in 2011, and 275 decreases, up from 101 in 2011. The dividend payout rate, which has historically averaged 52%, was just 36% in 2012.

Wednesday, January 9, 2013

U.S. equity REITs outperformed the S&P 500 for the fourth consecutive year in 2012. The FTSE NAREIT All Equity REITs Index posted a total return of 19.8%, compared to 16.0% for the S&P 500. The FTSE NAREIT All Equity REITs Index has also outperformed the S&P 500 for the 3-, 5-, 10-, 15-, 20-, 25-, 30-, 35- and 40-year periods ended December 2012, according to REIT.com. The yield on the FTSE NAREIT All Equity REITs index was 3.63% as of yesterday's close, compared to 2.19% for the S&P 500. Investors funneled a net \$3.8 billion into Real Estate mutual funds (open-end) in the first 11 months of 2012.

Thursday, January 10, 2013

Moody's reported that the global speculative-grade default rate stood at 2.6% in December, down slightly from 2.7% in November, according to Bloomberg. The rate was 1.9% a year ago. Moody's is forecasting a default rate of 3.0% for December 2013. The historical average for the default rate on speculative-grade debt has been approximately 4.8% since 1983. The U.S. speculative-grade default rate stood at 3.2% in December, up slightly from 3.1% in November. The rate was 1.9% a year ago. Moody's is forecasting a default rate of 3.0% for December 2013. The default rate on senior loans stood at 1.36% in December, unchanged from November, but below the historical average of 3.2%, according to Standard & Poor's LCD.

Friday, January 11, 2013

Emerging markets debt was the top performing bond category in 2012, up 18.14%, as measured by the Barclays Capital Global Emerging Markets Index. Investor demand for yield was met with a 30% jump (y-o-y) in issuance by emerging entities, according to JP Morgan. New issuance totaled \$411 billion. JP Morgan expects returns to be in the 5.00% to 6.00% (USD) range in 2013. It sees issuance falling to \$359.0 billion.