

Stock Index Performance

Index	Week	YTD	12-mo.	2012	5-yr.
Dow Jones Industrial Avg. (16,221)	2.97%	26.87%	24.89%	10.24%	16.75%
S&P 500 (1,818)	2.44%	30.16%	28.64%	16.00%	17.95%
NASDAQ 100 (3,531)	2.17%	34.58%	32.99%	18.35%	25.10%
S&P 500 Growth	2.54%	30.64%	29.47%	14.71%	19.25%
S&P 500 Value	2.33%	29.63%	27.74%	17.77%	16.60%
S&P MidCap 400 Growth	2.44%	30.24%	29.11%	17.62%	23.43%
S&P MidCap 400 Value	2.16%	31.85%	30.60%	19.10%	20.78%
S&P SmallCap 600 Growth	3.36%	41.13%	41.44%	15.27%	23.12%
S&P SmallCap 600 Value	3.16%	37.96%	37.11%	18.88%	20.54%
MSCI EAFE	2.57%	19.49%	18.59%	17.32%	12.05%
MSCI World (ex US)	1.92%	12.53%	12.01%	16.83%	12.39%
MSCI World	2.47%	24.00%	22.83%	15.83%	14.87%
MSCI Emerging Markets	-0.21%	-4.04%	-3.75%	18.22%	13.86%

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 12/20/13.

S&P Sector Performance

Index	Week	YTD	12-mo.	2012	5-yr.
Consumer Discretionary	2.19%	40.43%	39.63%	24.14%	27.32%
Consumer Staples	1.36%	24.81%	22.62%	11.08%	16.09%
Energy	2.37%	22.43%	19.87%	4.64%	13.89%
Financials	2.63%	34.01%	32.48%	28.92%	13.86%
Health Care	2.40%	39.98%	37.92%	17.89%	18.44%
Industrials	3.39%	37.92%	37.02%	15.42%	19.99%
Information Technology	2.77%	25.42%	24.15%	14.82%	21.27%
Materials	2.80%	22.23%	23.00%	15.24%	18.12%
Telecom Services	0.83%	8.97%	7.78%	18.31%	12.53%
Utilities	1.88%	12.74%	11.07%	1.31%	10.62%

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 12/20/13.

Bond Index Performance

Index	Week	YTD	12-mo.	2012	5-yr.
U.S. Treasury: Intermediate	-0.18%	-1.14%	-0.95%	1.71%	2.08%
GNMA 30 Year	0.21%	-1.95%	-1.76%	2.44%	4.09%
U.S. Aggregate	0.10%	-1.72%	-1.48%	4.21%	4.53%
U.S. Corporate High Yield	0.16%	7.18%	7.16%	15.81%	20.58%
U.S. Corporate Investment Grade	0.47%	-1.13%	-0.84%	9.82%	8.91%
Municipal Bond: Long Bond (22+)	-0.20%	-6.05%	-5.92%	11.26%	8.91%
Global Aggregate	-0.24%	-2.53%	-2.90%	4.32%	3.89%

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 12/20/13.

Key Rates

As of 12/20/13

Fed Funds	0.00-0.25%	5-yr CD	1.34%
LIBOR (1-month)	0.17%	2-yr T-Note	0.38%
CPI - Headline	1.20%	5-yr T-Note	1.68%
CPI - Core	1.70%	10-yr T-Note	2.89%
Money Market Accts.	0.45%	30-yr T-Bond	3.82%
Money Market Funds	0.01%	30-yr Mortgage	4.48%
6-mo CD	0.40%	Prime Rate	3.25%
1-yr CD	0.66%	Bond Buyer 40	5.13%

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

Market Indicators

As of 12/20/13

TED Spread	19 bps
Investment Grade Spread (A2)	157 bps
ML High Yield Master II Index Spread	404 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 12/11/13

	Current Week	Previous
Domestic Equity	-\$5.682 Billion	-\$1.048 Billion
Foreign Equity	\$4.590 Billion	\$2.985 Billion
Taxable Bond	-\$4.206 Billion	-\$3.068 Billion
Municipal Bond	-\$2.575 Billion	-\$1.351 Billion

Change in Money Market Fund Assets for the Week Ended 12/18/13

	Current Week	Previous
Retail	\$4.07 Billion	\$2.17 Billion
Institutional	-\$38.45 Billion	\$5.28 Billion

Source: Investment Company Institute.

Factoids for the week of December 16 - 20, 2013

Monday, December 16, 2013

Commodities, as a group, are closing in on their third consecutive year of declining prices, according to MarketWatch.com. Year-to-date through 12/13, the Dow Jones-UBS Commodity Index posted a loss of 9.32%, compared to a total return of 27.05% for the S&P 500. From 12/31/10-12/13/13, the Dow Jones-UBS Commodity Index posted a cumulative loss of 22.34%, compared to a cumulative total return of 50.47% for the S&P 500. Prior to the past three years, the Dow Jones-UBS Commodity Index had never posted three consecutive yearly declines (since 1991), according to data from FactSet. Phil Flynn, senior market analyst at the Price Futures Group, believes that the "biggest story in the markets" in 2014 will be the direction of commodity prices relative to stock prices. Either stocks are priced way too high or commodities are priced way too low, according to Flynn.

Tuesday, December 17, 2013

TD Ameritrade's Self-Employment and Retirement Survey found that 40% of the self-employed are not saving regularly for retirement, and 28% are not saving at all, according to USA TODAY. This problem impacts all age groups as 29% of those categorized as Generation X and 32% of Generation Y are currently not saving for retirement. An even bigger concern is that 83% of responders who said they were saving for retirement noted that they have had to either stop or cut back on their savings due to various obstacles. A survey of financial advisors by Russell Investments (findings released in Sep. 2013) revealed that "running out of money in retirement" was one of the top three topics advisors were conversing about with their clients.

Wednesday, December 18, 2013

Worldwide sales of semiconductors rose 7.2% (y-o-y) to \$27.06 billion in October, according to the Semiconductor Industry Association. Prior to October, monthly sales had never reached the \$27 billion mark. Sales have increased in each of the past eight months. The World Semiconductor Trade Statistics (WSTS) organization is forecasting annual sales of \$304.3 billion in 2013, which would represent a record high and a 4.4% gain over 2012. It sees sales rising 4.0% to \$316.6 billion in 2014, followed by a 3.4% gain to \$327.3 billion in 2015. The WSTS expects the wireless and automotive markets to grow faster than the overall semiconductor market.

Thursday, December 19, 2013

The combination of sluggish economic growth, high unemployment, high gas prices, increased urbanization and more transportation alternatives has resulted in fewer miles being driven in the U.S., according to Fox Business. A research report by the Frontier Group and the U.S. PIRG Education Fund ("Transportation and the New Generation: Why Young People are Driving Less and What It Means for Transportation Policy") revealed that Americans, on average, drove 9,455 miles in 2011, down 6% from 2004, according to data from the Federal Highway Administration. It also noted that drivers between the ages of 16 and 34 reduced their miles driven by 25% between 2001 and 2009. A survey this summer by the AAA Foundation for Traffic Safety found that only 54% of teens had obtained a license prior to their 18th birthday, compared to 70% in 1990.

Friday, December 20, 2013

A report out this week from U.S. Trust revealed that more than half of the world's immigrant inventors who moved from one country to another between 2006 and 2010 landed in the U.S., according to the Los Angeles Times. The U.S. attracted 117,244 immigrant inventors, or 57.1% of the total (205,446). Germany was a distant second at 14,547, or 7.1%. Immigrant inventors are highly sought-after, according to Joseph Quinlan, chief marketing strategist at U.S. Trust. Immigrants make up 12% of the U.S. labor force, but constitute 25% of U.S. scientists and engineers, 60% of post-doctoral students and 26% of U.S.-based Nobel laureates, according to U.S. Trust.