

Stock Index Performance

Index	Week	YTD	12-mo.	2012	5-yr.
Dow Jones Industrial Avg. (14,514)	0.89%	11.44%	12.54%	10.24%	6.94%
S&P 500 (1,561)	0.66%	9.96%	13.82%	16.00%	6.25%
NASDAQ 100 (2,799)	-0.16%	5.49%	4.52%	18.35%	11.30%
S&P 500 Growth	0.40%	8.31%	11.59%	14.71%	7.73%
S&P 500 Value	0.94%	11.72%	16.52%	17.77%	4.77%
S&P MidCap 400 Growth	0.49%	10.82%	13.76%	17.62%	10.77%
S&P MidCap 400 Value	1.51%	13.72%	18.84%	19.10%	9.78%
S&P SmallCap 600 Growth	0.76%	11.65%	15.98%	15.27%	10.71%
S&P SmallCap 600 Value	1.63%	12.02%	17.81%	18.88%	9.45%
MSCI EAFE	1.86%	7.31%	13.00%	17.32%	-0.04%
MSCI World (ex US)	0.81%	4.83%	9.08%	16.83%	0.27%
MSCI World	1.15%	8.33%	12.43%	15.83%	2.79%
MSCI Emerging Markets	-2.20%	-0.99%	0.40%	18.22%	1.45%

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 3/15/13.

S&P Sector Performance

Index	Week	YTD	12-mo.	2012	5-yr.
Consumer Discretionary	0.23%	11.25%	20.58%	24.14%	14.04%
Consumer Staples	0.03%	10.87%	18.58%	11.08%	10.64%
Energy	1.14%	10.50%	8.72%	4.64%	2.95%
Financials	1.38%	12.88%	20.18%	28.92%	-2.79%
Health Care	0.78%	12.54%	24.17%	17.89%	10.26%
Industrials	0.75%	11.31%	13.84%	15.42%	5.00%
Information Technology	0.27%	4.57%	0.10%	14.82%	8.44%
Materials	1.06%	6.38%	10.14%	15.24%	2.22%
Telecom Services	-0.47%	7.89%	22.75%	18.31%	8.93%
Utilities	1.24%	10.17%	14.20%	1.31%	4.71%

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 3/15/13.

Bond Index Performance

Index	Week	YTD	12-mo.	2012	5-yr.
U.S. Treasury: Intermediate	0.19%	-0.19%	2.29%	1.71%	3.60%
GNMA 30 Year	0.32%	-0.44%	1.80%	2.44%	5.53%
U.S. Aggregate	0.27%	-0.50%	3.74%	4.21%	5.54%
U.S. Corporate High Yield	0.35%	2.67%	12.84%	15.81%	11.87%
U.S. Corporate Investment Grade	0.33%	-0.58%	7.48%	9.82%	7.83%
Municipal Bond: Long Bond (22+)	-0.31%	0.08%	7.63%	11.26%	7.34%
Global Aggregate	0.73%	-2.35%	2.24%	4.32%	3.70%

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 3/15/13.

Key Rates

As of 3/15/13

Fed Funds	0.00-0.25%	5-yr CD	1.25%
LIBOR (1-month)	0.20%	2-yr T-Note	0.25%
CPI - Headline	2.00%	5-yr T-Note	0.83%
CPI - Core	2.00%	10-yr T-Note	1.99%
Money Market Accts.	0.49%	30-yr T-Bond	3.21%
Money Market Funds	0.02%	30-yr Mortgage	3.69%
6-mo CD	0.37%	Prime Rate	3.25%
1-yr CD	0.55%	Bond Buyer 40	4.17%

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

Market Indicators

As of 3/15/13

TED Spread	19 bps
Investment Grade Spread (A2)	170 bps
ML High Yield Master II Index Spread	472 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 3/6/13

	Current Week	Previous
Domestic Equity	-\$578 Million	-\$1.130 Billion
Foreign Equity	\$3.519 Billion	\$2.184 Billion
Taxable Bond	\$6.056 Billion	\$4.409 Billion
Municipal Bond	\$361 Million	\$579 Million

Change in Money Market Fund Assets for the Week Ended 3/13/13

	Current Week	Previous
Retail	-\$1.36 Billion	\$0.47 Billion
Institutional	\$6.68 Billion	-\$17.17 Billion

Source: Investment Company Institute

Factoids for the week of March 11 - 15, 2013

Monday, March 11, 2013

The spring selling season for homeowners is approaching and the supply of homes for sale is tight, according to USA TODAY. Zillow reported that the number of homes listed for sale on its website was down nearly 17% (y-o-y) in late February. Homes for sale in what Zillow defines as the top price tier in each market fell by almost 21% in February (y-o-y), compared to 17% for the middle tier and 9% for the bottom tier. Throughout the U.S., the supply of homes for sale (based on pace) stood at 4.2 months in January, close to an eight-year low, according to the National Association of Realtors. A 6-7 month supply is considered balanced between buyers and sellers. Home prices rose 7.3% (y-o-y) in Q4'12, according to Standard & Poor's Case-Shiller data. That is faster than most economists expected.

Tuesday, March 12, 2013

Moody's reported that the global speculative-grade default rate stood at 2.7% in February, according to its own release. The rate was 2.1% a year ago. Moody's is forecasting a default rate of 2.7% for December 2013. The historical average for the default rate on speculative-grade debt has been approximately 4.7% since 1983. The U.S. speculative-grade default rate stood at 3.3% in February. The rate was 2.2% a year ago. The default rate on senior loans stood at 1.52% in February, down from 1.66% in January, and below the historical average of 3.13%, according to Standard & Poor's LCD.

Wednesday, March 13, 2013

While the NFIB Small Business Optimism Index survey just released for March indicated that small business owners continue to feel more upbeat about the U.S. economy, their biggest complaints continue to be government regulations and taxes, according to Bespoke Investment Group. The following is a list of challenges facing small business owners (NFIB survey): Gov't Red Tape (21%); Taxes (21%); Poor Sales (18%); Competition (8%); Insurance Cost (8%); Inflation (6%); Quality of Labor (5%); Cost of Labor (4%) and Interest Rates (2%).

Thursday, March 14, 2013

A new report from the Pew Internet & American Life Project found that approximately 37% of Americans ages 12 to 17 access the Internet via smartphones, according to the Los Angeles Times. Pew's survey revealed that 23% of teens mostly go online using their phones and not a desktop or laptop computer, compared to 15% of adults. Currently, 78% of teens have a cellphone, with 47% of them being smartphones. At home, 93% of teens have access to a computer. Mary Madden, a Pew researcher, noted that teenagers' use of technology is often an indicator of future trends in adult usage patterns. The challenge for parents of teenagers with smartphones is that is tougher to monitor their Internet activity.

Friday, March 15, 2013

Over the past 11 months, the price of natural gas has more than doubled from \$1.90 per million British thermal units on 4/19/12 to \$3.88 as of today's trading session. The combination of improving economic conditions, large production cuts and falling inventories helped push the price of natural gas higher, according to MarketWatch.com. Natural gas inventories are down 440 billion cubic feet from last year's level at this time and total supplies just dipped below 2 trillion cubic feet for the first time since May 2011. Today, there are 40% fewer rigs drilling for natural gas than a year ago, according to James Williams, energy economist at WTRG Economics.