

Stock Index Performance

Index	Week	YTD	12-mo.	2012	5-yr.
Dow Jones Industrial Avg. (15,426)	-1.35%	19.54%	20.34%	10.24%	8.65%
S&P 500 (1,691)	-0.98%	20.14%	23.29%	16.00%	7.84%
NASDAQ 100 (3,119)	-0.66%	18.24%	16.62%	18.35%	11.28%
S&P 500 Growth	-0.90%	18.39%	19.39%	14.71%	8.88%
S&P 500 Value	-1.07%	22.00%	27.85%	17.77%	6.74%
S&P MidCap 400 Growth	-1.38%	20.76%	28.41%	17.62%	10.86%
S&P MidCap 400 Value	-1.12%	23.87%	33.01%	19.10%	9.94%
S&P SmallCap 600 Growth	-0.46%	25.28%	30.62%	15.27%	10.63%
S&P SmallCap 600 Value	-0.72%	24.88%	34.70%	18.88%	9.88%
MSCI EAFE	0.34%	12.43%	23.15%	17.32%	2.14%
MSCI World (ex US)	0.17%	6.39%	15.96%	16.83%	1.89%
MSCI World	-0.39%	15.65%	22.09%	15.83%	4.67%
MSCI Emerging Markets	-0.36%	-8.19%	-0.44%	18.22%	1.67%

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 8/9/13.

S&P Sector Performance

Index	Week	YTD	12-mo.	2012	5-yr.
Consumer Discretionary	-1.10%	27.58%	37.09%	24.14%	16.57%
Consumer Staples	-0.48%	20.55%	19.70%	11.08%	11.07%
Energy	-0.86%	15.03%	14.39%	4.64%	4.63%
Financials	-1.83%	25.71%	39.59%	28.92%	0.57%
Health Care	-0.86%	28.80%	34.93%	17.89%	11.19%
Industrials	-1.17%	21.15%	27.24%	15.42%	6.98%
Information Technology	-0.58%	12.00%	8.72%	14.82%	8.07%
Materials	0.90%	11.22%	17.39%	15.24%	4.16%
Telecom Services	-2.46%	9.47%	5.33%	18.31%	9.42%
Utilities	-1.01%	14.33%	9.08%	1.31%	5.44%

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 8/9/13.

Bond Index Performance

Index	Week	YTD	12-mo.	2012	5-yr.
U.S. Treasury: Intermediate	0.05%	-1.06%	-0.61%	1.71%	3.73%
GNMA 30 Year	0.37%	-2.49%	-2.55%	2.44%	5.16%
U.S. Aggregate	0.15%	-2.16%	-1.28%	4.21%	5.25%
U.S. Corporate High Yield	-0.10%	3.10%	8.52%	15.81%	11.67%
U.S. Corporate Investment Grade	0.06%	-2.56%	0.05%	9.82%	7.55%
Municipal Bond: Long Bond (22+)	-0.41%	-7.09%	-4.86%	11.26%	5.43%
Global Aggregate	0.93%	-2.77%	-0.91%	4.32%	4.41%

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 8/9/13.

Key Rates

As of 8/9/13

Fed Funds	0.00-0.25%	5-yr CD	1.26%
LIBOR (1-month)	0.19%	2-yr T-Note	0.30%
CPI - Headline	1.80%	5-yr T-Note	1.36%
CPI - Core	1.60%	10-yr T-Note	2.58%
Money Market Accts.	0.44%	30-yr T-Bond	3.64%
Money Market Funds	0.01%	30-yr Mortgage	4.31%
6-mo CD	0.39%	Prime Rate	3.25%
1-yr CD	0.58%	Bond Buyer 40	5.12%

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

Market Indicators

As of 8/9/13

TED Spread	21 bps
Investment Grade Spread (A2)	181 bps
ML High Yield Master II Index Spread	480 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 7/31/13

	Current Week	Previous
Domestic Equity	-\$926 Million	\$2.724 Billion
Foreign Equity	\$1.641 Billion	\$1.444 Billion
Taxable Bond	-\$4.069 Billion	\$4.079 Billion
Municipal Bond	-\$2.867 Billion	-\$2.012 Billion

Change in Money Market Fund Assets for the Week Ended 8/7/13

	Current Week	Previous
Retail	\$5.29 Billion	-\$1.54 Billion
Institutional	\$2.37 Billion	-\$8.11 Billion

Source: Investment Company Institute.

Factoids for the week of August 5-9, 2013

Monday, August 5, 2013

Total assets invested in ETFs stood at \$1.42 trillion at the close of June 2013, according to the Investment Company Institute. The breakdown by asset class was as follows: \$851.2 billion/582 Funds (Domestic Equity); \$321.0 billion/418 Funds (Global/International Equity); \$244.1 billion/218 Funds (Bond); and \$1.3 billion/14 Funds (Hybrid). A Spectrem's Millionaire Corner study found that ETFs, due to their cost structures and trading opportunities, are becoming more popular with high net worth investors, according to its own release. The study targeted three wealth segments (not including primary residence): Mass Affluent (\$100,000 to \$1 million); Millionaire (\$1 million to \$5 million); and Ultra High Net Worth (\$5 million to \$25 million). While only 28% of all investors studied own ETFs, 47% of investors in the Ultra High Net Worth group own them. Only 15% of Mass Affluent investors own ETFs.

Tuesday, August 6, 2013

Worldwide sales of semiconductors rose from \$70.45 billion in Q1'13 to \$74.65 billion in Q2'13, according to the Semiconductor Industry Association. The 6.0% increase was the largest quarterly gain in three years. Sales outpaced the 4.6% estimate from the World Semiconductor Trade Statistics (WSTS) organization. On a regional basis, sales strengthened the most in the Americas. Sales were up 8.6% (q-o-q) in Q2'13, well above the WSTS's 3.4% estimate. Sales were also up an impressive 10.6% (y-o-y) in the Americas in June 2013.

Wednesday, August 7, 2013

R.L. Polk & Co. reported that the average age of the 247 million vehicles in the U.S. stands at 11.4 years, eclipsing last year's record-high of 11.3 years, according to the Los Angeles Times. That figure stood at 9.7 years in 2003. The weak labor market is partly responsible for drivers owning their vehicles longer. The unemployment rate rose from 4.7% in 7/07 to 7.4% in 7/13, but peaked at 10.0% in 10/09, according to data from the Bureau of Labor Statistics. One of the other factors impacting vehicle longevity is quality. Cars and trucks have become more reliable over the past decade.

Thursday, August 8, 2013

On a percentage basis, foreign acquisitions of U.S. businesses are up notably since the start of 2012, according to the S&P Capital IQ Global Markets Intelligence group. In its 8/6/13 release, S&P reported that 27.60% of all U.S. M&A volume to date in 2013 involved a foreign acquirer, matching S&P's 27.60% forecast for all of 2013. In 2012, foreign acquirers accounted for 23.60% of total volume. Activity is trending well above the recent historical average. From 2001-2012, the average was 15.87%.

Friday, August 9, 2013

Moody's reported that the global speculative-grade default rate stood at 2.9% in July, up slightly from 2.8% in June, according to its own release. Moody's is forecasting a default rate of 3.0% for December 2013. The rate stood at 2.8% a year ago. 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 2.8% in July, down slightly from 2.9% in June. The rate stood at 3.3% a year ago. The default rate on senior loans stood at 1.65% in July, up from 1.49% in June, according to Standard & Poor's LCD. Leveraged loan managers expect the default rate to be in the vicinity of 1.81% in December. The historical average is around 3.3%.