

Stock Index Performance

Index	Week	YTD	12-mo.	2013	5-yr.
Dow Jones Industrial Avg. (17,805)	3.04%	9.93%	12.63%	29.65%	14.41%
S&P 500 (2,071)	3.43%	14.27%	16.78%	32.38%	15.83%
NASDAQ 100 (4,282)	1.97%	20.76%	24.02%	36.94%	20.27%
S&P 500 Growth	3.05%	15.78%	18.27%	32.75%	16.59%
S&P 500 Value	3.88%	12.62%	15.15%	31.97%	15.06%
S&P MidCap 400 Growth	3.28%	7.51%	10.70%	32.68%	17.09%
S&P MidCap 400 Value	3.52%	11.54%	14.88%	34.25%	16.60%
S&P SmallCap 600 Growth	3.38%	2.42%	5.47%	42.68%	17.93%
S&P SmallCap 600 Value	3.10%	5.92%	9.39%	39.98%	17.08%
MSCI EAFE	0.85%	-4.55%	-1.41%	22.78%	6.03%
MSCI World (ex US)	1.11%	-4.01%	-1.32%	15.29%	5.08%
MSCI World	2.52%	5.34%	8.17%	26.68%	10.75%
MSCI Emerging Markets	0.69%	-3.54%	-2.33%	-2.60%	2.33%

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 12/19/14.

S&P Sector Performance

Index	Week	YTD	12-mo.	2013	5-yr.
Consumer Discretionary	1.69%	7.67%	10.12%	43.08%	21.08%
Consumer Staples	2.13%	16.29%	17.97%	26.14%	16.33%
Energy	9.74%	-6.18%	-4.06%	25.05%	9.38%
Financials	2.90%	15.12%	17.01%	35.59%	13.60%
Health Care	3.02%	29.22%	31.16%	41.46%	20.17%
Industrials	3.81%	9.86%	12.84%	40.64%	17.50%
Information Technology	2.95%	20.98%	24.91%	28.43%	15.62%
Materials	5.00%	7.34%	10.57%	25.60%	11.99%
Telecom Services	3.77%	3.16%	4.87%	11.47%	11.87%
Utilities	2.85%	27.93%	29.63%	13.21%	12.97%

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 12/19/14.

Bond Index Performance

Index	Week	YTD	12-mo.	2013	5-yr.
U.S. Treasury: Intermediate	-0.38%	2.48%	2.26%	-1.34%	2.67%
GNMA 30 Year	-0.14%	5.87%	5.91%	-2.17%	3.89%
U.S. Aggregate	-0.27%	5.77%	5.65%	-2.02%	4.20%
U.S. Corporate High Yield	1.08%	1.86%	2.17%	7.44%	9.06%
U.S. Corporate Investment Grade	-0.30%	7.19%	7.08%	-1.53%	6.25%
Municipal Bond: Long Bond (22+)	-0.18%	14.96%	14.98%	-6.01%	6.86%
Global Aggregate	-0.66%	0.70%	0.75%	-2.60%	2.47%

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 12/19/14.

Key Rates

As of 12/19/14

Fed Funds	0.00-0.25%	5-yr CD	1.50%
LIBOR (1-month)	0.16%	2-yr T-Note	0.64%
CPI - Headline	1.30%	5-yr T-Note	1.65%
CPI - Core	1.70%	10-yr T-Note	2.16%
Money Market Accts.	0.48%	30-yr T-Bond	2.76%
Money Market Funds	0.01%	30-yr Mortgage	4.04%
6-mo CD	0.39%	Prime Rate	3.25%
1-yr CD	0.70%	Bond Buyer 40	4.30%

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

Market Indicators

As of 12/19/14

TED Spread	23 bps
Investment Grade Spread (A2)	164 bps
ML High Yield Master II Index Spread	509 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 12/10/14

	Current Week	Previous
Domestic Equity	-\$4.969 Billion	-\$2.953 Billion
Foreign Equity	\$1.685 Billion	\$271 Million
Taxable Bond	-\$4.401 Billion	-\$667 Million
Municipal Bond	\$1.105 Billion	\$841 Million

Change in Money Market Fund Assets for the Week Ended 12/17/14

	Current Week	Previous
Retail	\$7.82 Billion	-\$2.65 Billion
Institutional	-\$21.23 Billion	\$21.12 Billion

Source: Investment Company Institute.

Factoids for the week of December 15 - 19, 2014

Monday, December 15, 2014

Buying a home is now twice as affordable as renting, according to MarketWatch.com. Data from Zillow shows that U.S. home buyers making the nation's median income (approximately \$52,000) and purchasing the typical U.S. home spend around 15% of their income on their monthly house payment, excluding insurance and taxes. That is down from 22%, on average, during the pre-bubble period in housing from 1985 to 1999. Renters in the U.S. currently spend an average of 30% of their monthly income on rent, up from the historical norm of 25%. Rents in the U.S. rose 6.1% (y-o-y) in November, according to data released by Trulia.

Tuesday, December 16, 2014

Fitch Ratings announced that secular changes within the U.S. Equity REIT sector have enhanced credit profiles and led to a "Positive Sector Outlook for 2015," according to the *Rock Hill Herald*. Fitch cited portfolio focus and tactical diversification, lower risk growth strategies, good liquidity management, access to capital and improving property-level fundamentals across nearly all asset classes as reasons for its optimistic outlook. Equity REITs have performed quite well so far in 2014. Year-to-date through 12/15, the FTSE NAREIT Equity REITs Index posted a total return of 24.46%.

Wednesday, December 17, 2014

Data from the College Board shows that the average 2014-2015 sticker price for an in-state, four-year public institution, including tuition, fees, and room and board, rose 3%, to \$18,943, according to *Kiplinger*. The average price (2014-2015) for a four-year private nonprofit college or university rose 3.6%, to \$42,419. On average, only 33% of students attending public colleges or universities graduate in four years, versus 53% for private schools.

Thursday, December 18, 2014

Analysts at Credit Suisse revealed that in the 21 midterm election years since 1930, the S&P 500 posted an average return of 7.4% in the 100 days following general election day and returned an average of 17.8% in the subsequent calendar year, according to MarketWatch.com. Sam Stovall, U.S. Equity Strategist at S&P Capital IQ, notes that the combination of a Democratic president and a unified Republican Congress has been accompanied by the best average performance (15.1% average spanning 8 years) for the S&P 500 since 1945. Liz Ann Sonders, Chief Investment Strategist at Charles Schwab, notes that, since 1905, the stock market has always posted positive returns in years ending in "5." Here were the total returns posted by the S&P 500 since 1945: +36.44% (1945); +31.56% (1955); +12.45% (1965); +37.20% (1975); +32.16% (1985); +37.43% (1995); and +4.91% (2005).

Friday, December 19, 2014

Data (preliminary) compiled by the Rockefeller Institute shows that total state tax collections increased by 4.0% (y-o-y) in Q3'14, according to its own release. Tax collections rose 0.5% (y-o-y) in Q1'14, but fell 1.2% (y-o-y) in Q2'14. Collections were up in 17 of the past 18 quarters. Corporate income, sales, and personal income tax revenues, which are the three biggest categories, rose by 8.9%, 5.9% and 4.3%, respectively. The states that posted the highest year-over-year increases in total tax collections were Maine (+10.1%), Oklahoma (+9.7%), Colorado (+9.2%), California (+8.7%) and Utah (+8.4%).