

Stock Index Performance

Index	Week	YTD	12-mo.	2013	5-yr.
Dow Jones Industrial Avg. (15,699)	-1.14%	-5.19%	16.07%	29.65%	17.58%
S&P 500 (1,783)	-0.41%	-3.46%	21.51%	32.38%	19.16%
NASDAQ 100 (3,522)	-0.54%	-1.91%	30.84%	36.94%	25.82%
S&P 500 Growth	-0.44%	-2.95%	23.95%	32.75%	19.69%
S&P 500 Value	-0.38%	-4.00%	18.95%	31.97%	18.66%
S&P MidCap 400 Growth	-0.03%	-2.56%	20.81%	32.68%	24.03%
S&P MidCap 400 Value	-0.08%	-1.65%	22.89%	34.25%	22.28%
S&P SmallCap 600 Growth	-1.21%	-4.11%	28.99%	42.68%	24.58%
S&P SmallCap 600 Value	-1.19%	-3.61%	27.90%	39.98%	22.87%
MSCI EAFE	-2.31%	-4.03%	11.93%	22.78%	13.83%
MSCI World (ex US)	-2.02%	-4.55%	5.75%	15.29%	13.84%
MSCI World	-1.21%	-3.70%	16.07%	26.68%	16.25%
MSCI Emerging Markets	-1.34%	-6.49%	-10.17%	-2.60%	14.77%

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 1/31/14.

S&P Sector Performance

Index	Week	YTD	12-mo.	2013	5-yr.
Consumer Discretionary	-0.95%	-5.91%	27.37%	43.08%	28.95%
Consumer Staples	-1.65%	-5.13%	13.06%	26.14%	16.43%
Energy	-1.47%	-6.30%	8.88%	25.05%	12.65%
Financials	-0.25%	-3.62%	23.32%	35.59%	19.97%
Health Care	0.57%	0.93%	32.85%	41.46%	18.78%
Industrials	0.42%	-4.48%	27.16%	40.64%	21.95%
Information Technology	-0.90%	-2.51%	23.52%	28.43%	22.00%
Materials	0.47%	-4.57%	15.40%	25.60%	19.43%
Telecom Services	0.04%	-3.14%	4.59%	11.47%	14.30%
Utilities	2.99%	3.00%	11.19%	13.21%	10.96%

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 1/31/14.

Bond Index Performance

Index	Week	YTD	12-mo.	2013	5-yr.
U.S. Treasury: Intermediate	0.24%	0.85%	-0.09%	-1.34%	2.59%
GNMA 30 Year	0.34%	1.83%	0.23%	-2.17%	4.39%
U.S. Aggregate	0.29%	1.48%	0.12%	-2.02%	4.94%
U.S. Corporate High Yield	-0.04%	0.70%	6.77%	7.44%	17.72%
U.S. Corporate Investment Grade	0.39%	1.81%	1.15%	-1.53%	8.92%
Municipal Bond: Long Bond (22+)	-0.39%	3.09%	-3.93%	-6.01%	8.12%
Global Aggregate	-0.11%	1.06%	-0.67%	-2.60%	4.82%

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 1/31/14.

Key Rates

As of 1/31/14

Fed Funds	0.00-0.25%	5-yr CD	1.32%
LIBOR (1-month)	0.16%	2-yr T-Note	0.33%
CPI - Headline	1.50%	5-yr T-Note	1.49%
CPI - Core	1.70%	10-yr T-Note	2.65%
Money Market Accts.	0.46%	30-yr T-Bond	3.60%
Money Market Funds	0.01%	30-yr Mortgage	4.26%
6-mo CD	0.40%	Prime Rate	3.25%
1-yr CD	0.68%	Bond Buyer 40	4.90%

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

Market Indicators

As of 1/31/14

TED Spread	26 bps
Investment Grade Spread (A2)	159 bps
ML High Yield Master II Index Spread	421 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 1/22/14

	Current Week	Previous
Domestic Equity	\$2.450 Billion	\$4.237 Billion
Foreign Equity	\$3.960 Billion	\$4.043 Billion
Taxable Bond	-\$375 Million	\$684 Million
Municipal Bond	\$128 Million	\$228 Million

Change in Money Market Fund Assets for the Week Ended 1/29/14

	Current Week	Previous
Retail	-\$4.72 Billion	-\$2.79 Billion
Institutional	\$2.90 Billion	\$9.17 Billion

Source: Investment Company Institute.

Factoids for the week of January 27 - 31, 2014

Monday, January 27, 2014

Citi recently turned bullish on gold mining stocks for the first time in three years, according to MarketWatch.com. From 12/31/10-12/31/13, the Philadelphia Gold & Silver Index posted a cumulative total return of -60.8%, compared to a 15.4% decline in the price of gold bullion. Year-to-date through 1/24, the Philadelphia Gold & Silver Index was up 10.27%, compared to a 5.2% rise in the price of gold bullion. Citi's outlook turned positive as a result of cost-cutting efforts and improving balance sheets. While earnings on the Philadelphia Gold & Silver Index declined by 37.33% and 55.17%, respectively, in 2012 and 2013, estimates for 2014 (-5.70%) and 2015 (+32.06%) suggest a rebound could be coming, according to data from Bloomberg.

Tuesday, January 28, 2014

International Data Corporation reported that vendors shipped slightly more than one billion smartphones worldwide in 2013, exceeding the billion unit mark for the first time, according to its own release. Shipments were up 38.4% from the 725.3 million units posted in 2012. Shipments totaled 494.4 million in 2011. With respect to the entire mobile handset market, which totaled 1.82 billion units in 2013, smartphones accounted for 55.1% of all shipments, up from 41.7% in 2012.

Wednesday, January 29, 2014

EvaluatePharma reported that the biopharma industry spent \$75.6 billion on acquisitions in 2013, well above the \$43.2 billion committed to M&A in 2012, according to FierceBiotech. The size of the deals rose notably as only 169 were announced, the fewest since 2009. The bulk of the deals were in the mid-market level. The IPO market for biotech companies looks like it could remain hot at the start of Q1'14. The buzz at this month's J.P. Morgan Healthcare Conference was that at least 25 companies were drawing up S-1s, embarking on roadshows and queuing up to get out in the first quarter.

Thursday, January 30, 2014

Total global spending on medicines is expected to rise from \$965 billion in 2012 to \$1 trillion in 2014, according to a report from IMS Health (*The Global Use of Medicines: Outlook through 2017*). It sees spending rising to \$1.2 trillion by 2017. It cites greater access to medicines by the world's rapidly expanding middle class and stronger growth prospects in developed nations as reasons for the anticipated growth in spending. One of the niches expected to drive growth is specialty medicines, particularly for the treatment of cancer. Spending is expected to rise from \$171 billion in 2012 to \$230-\$240 billion by 2017.

Friday, January 31, 2014

January has been a strong month for foreign acquisitions of U.S. information technology companies, according to S&P Capital IQ. To date, 30 U.S. technology companies valued at a combined \$5.9 billion were acquired by foreign parties, which is a record pace and already more than half of all the tech-related foreign M&A deals announced throughout 2013 (\$10.7 billion). The all-time high was set in 2000 at \$56.4 billion.