

Stock Index Performance

Index	Week	YTD	12-mo.	2013	5-yr.
Dow Jones Industrial Avg. (16,066)	-2.29%	-2.53%	13.21%	29.65%	20.50%
S&P 500 (1,841)	-1.92%	0.07%	20.27%	32.38%	22.01%
NASDAQ 100 (3,628)	-2.02%	1.29%	31.11%	36.94%	26.83%
S&P 500 Growth	-2.11%	0.82%	23.35%	32.75%	22.17%
S&P 500 Value	-1.70%	-0.74%	17.09%	31.97%	21.94%
S&P MidCap 400 Growth	-2.09%	1.46%	21.06%	32.68%	26.57%
S&P MidCap 400 Value	-1.35%	2.37%	20.93%	34.25%	25.98%
S&P SmallCap 600 Growth	-1.85%	0.62%	28.35%	42.68%	28.65%
S&P SmallCap 600 Value	-1.46%	1.06%	26.58%	39.98%	27.27%
MSCI EAFE	-3.06%	-2.13%	12.93%	22.78%	17.15%
MSCI World (ex US)	-2.86%	-2.80%	7.46%	15.29%	16.50%
MSCI World	-2.33%	-0.84%	16.30%	26.68%	19.29%
MSCI Emerging Markets	-2.98%	-6.22%	-8.22%	-2.60%	14.86%

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 3/14/14.

S&P Sector Performance

Index	Week	YTD	12-mo.	2013	5-yr.
Consumer Discretionary	-2.33%	-1.46%	26.21%	43.08%	31.58%
Consumer Staples	-0.24%	-1.20%	11.86%	26.14%	18.87%
Energy	-1.71%	-2.91%	9.71%	25.05%	16.20%
Financials	-2.48%	-0.09%	20.33%	35.59%	23.76%
Health Care	-1.72%	5.45%	32.11%	41.46%	21.81%
Industrials	-3.21%	-2.13%	23.65%	40.64%	26.95%
Information Technology	-2.25%	0.18%	22.78%	28.43%	22.59%
Materials	-1.83%	1.67%	20.12%	25.60%	21.72%
Telecom Services	-1.26%	-4.88%	-2.78%	11.47%	14.13%
Utilities	2.33%	7.73%	11.41%	13.21%	16.49%

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 3/14/14.

Bond Index Performance

Index	Week	YTD	12-mo.	2013	5-yr.
U.S. Treasury: Intermediate	0.39%	1.06%	0.02%	-1.34%	2.60%
GNMA 30 Year	0.51%	2.17%	0.43%	-2.17%	4.16%
U.S. Aggregate	0.57%	2.01%	0.56%	-2.02%	5.07%
U.S. Corporate High Yield	-0.15%	2.37%	7.22%	7.44%	19.17%
U.S. Corporate Investment Grade	0.71%	2.72%	1.89%	-1.53%	9.91%
Municipal Bond: Long Bond (22+)	1.06%	5.49%	-0.93%	-6.01%	8.22%
Global Aggregate	0.78%	2.90%	3.19%	-2.60%	5.55%

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 3/14/14.

Key Rates

As of 3/14/14

Fed Funds	0.00-0.25%	5-yr CD	1.32%
LIBOR (1-month)	0.16%	2-yr T-Note	0.34%
CPI - Headline	1.60%	5-yr T-Note	1.53%
CPI - Core	1.60%	10-yr T-Note	2.65%
Money Market Accts.	0.46%	30-yr T-Bond	3.59%
Money Market Funds	0.01%	30-yr Mortgage	4.28%
6-mo CD	0.35%	Prime Rate	3.25%
1-yr CD	0.63%	Bond Buyer 40	4.77%

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

Market Indicators

As of 3/14/14

TED Spread	18 bps
Investment Grade Spread (A2)	152 bps
ML High Yield Master II Index Spread	396 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 3/5/14

	Current Week	Previous
Domestic Equity	\$1.945 Billion	\$3.113 Billion
Foreign Equity	\$3.439 Billion	\$1.851 Billion
Taxable Bond	\$2.952 Billion	\$1.660 Billion
Municipal Bond	\$756 Million	\$667 Million

Change in Money Market Fund Assets for the Week Ended 3/12/14

	Current Week	Previous
Retail	-\$2.34 Billion	\$0.17 Billion
Institutional	\$0.31 Billion	-\$4.25 Billion

Source: Investment Company Institute.

Factoids for the week of March 10 - 14, 2014

Monday, March 10, 2014

The Internal Revenue Service (IRS) distributed more than 48 million tax refunds, totaling approximately \$147 billion, between 1/31/14 and 2/28/14, according to CNNMoney.com. The average refund to date was \$3,034, up 3.0% from this point a year ago. The IRS reported that it received nearly 59 million tax returns in February, or around 40% of all the returns it expects to get in 2014. A TD Ameritrade survey found that 61% of taxpayers expecting a refund intend to save or invest it, while 21% plan to use it to pay off debt, according to CNNMoney.com.

Tuesday, March 11, 2014

Moody's reported that the global speculative-grade default rate stood at 2.4% in February, down from 2.6% (revised up) in January, according to its own release. Moody's is forecasting a default rate of 2.1% for December 2014. 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 1.6% in February, down from 1.9% (revised up) in January. The default rate on senior loans stood at 1.16% in February, down slightly from 1.17% in January, according to Standard & Poor's LCD. Leveraged loan portfolio managers expect the default rate to be in the vicinity of 2.0% by the end of 2014 and 2.5% around the close of 2015, remaining below the historical average of around 3.2%.

Wednesday, March 12, 2014

Data (preliminary) compiled by the Rockefeller Institute shows that total state tax collections rose 3.0% (y-o-y) in Q4'13, the 16th consecutive quarter in which revenues were up, according to its own release. Thirty-eight of the 49 states that have reported results experienced gains in total tax revenues. Personal income, sales and corporate tax revenues were up 1.0%, 5.5% and 5.5%, respectively. A few of the states with the highest y-o-y increase in total tax collections were Louisiana (+13.4%), Texas (+12.9%), Minnesota (+10.5%), Connecticut (+7.2%) and California (+7.0%).

Thursday, March 13, 2014

A new survey-driven index from Zillow, which entails polling thousands of residents in major metro areas, found that nearly 10% of renters nationwide would like to purchase a home in the next 12 months, according to CNNMoney.com. If all of those surveyed were to transition from renting to owning it would equate to 4.2 million homes. Qualifying for a mortgage remains a challenge for potential buyers. Many lenders are still requiring solid credit scores and a 20% down payment to acquire a loan. The current average rate for a 30-year fixed is 4.34%, up around 80 basis points from a year ago, according to Bloomberg. Home prices rose 13.42% in 2013, as measured by the S&P/Case-Shiller Composite-20 City Home Price Index. Trulia reported in late February that homeownership, on average, is 38% cheaper than renting in all of the 100 largest metro areas in the U.S., according to its own release.

Friday, March 14, 2014

For the past five months, margin debt levels have been ascending to all-time highs, according to MarketWatch.com. While some pundits may interpret such high levels of margin debt as a signal that stocks are on the verge of topping out, Bespoke Investment Group says the data doesn't support that mindset. In those periods where margin debt has reached record highs for five or more months, the performance of the S&P 500 has been positive 91% of the time three months later (average gain of 4.0%), positive 64% of the time six months later (average gain of 5.3%) and positive 55% of the time 12 months later (average gain of 9.3%).