Stock Index Performance

Index	Week	YTD	12-mo.	2013	5-yr.
Dow Jones Industrial Avg. (16,027)	-2.31%	-2.70%	10.44%	29.65%	17.74%
S&P 500 (1,816)	-2.60%	-1.19%	16.37%	32.38%	18.67%
NASDAQ 100 (3,447)	-2.60%	-3.71%	22.30%	36.94%	22.14%
S&P 500 Growth	-2.95%	-2.33%	16.78%	32.75%	18.74%
S&P 500 Value	-2.23%	0.04%	15.94%	31.97%	18.67%
S&P MidCap 400 Growth	-4.13%	-3.34%	14.31%	32.68%	21.49%
S&P MidCap 400 Value	-2.91%	0.62%	17.67%	34.25%	21.37%
S&P SmallCap 600 Growth	-3.35%	-4.67%	22.65%	42.68%	23.01%
S&P SmallCap 600 Value	-2.88%	-1.66%	23.16%	39.98%	21.76%
MSCI EAFE	-1.81%	-0.26%	13.00%	22.78%	14.29%
MSCI World (ex US)	-1.08%	0.31%	10.00%	15.29%	13.73%
MSCI World	-2.22%	-0.81%	14.29%	26.68%	16.16%
MSCI Emerging Markets	1.38%	1.78%	1.22%	-2.60%	12.45%

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 4/11/14.

S&P Sector Performance

Index	Week	YTD	12-mo.	2013	5-yr.
Consumer Discretionary	-3.68%	-6.54%	16.77%	43.08%	25.21%
Consumer Staples	-0.27%	-0.05%	7.85%	26.14%	17.76%
Energy	-1.62%	0.16%	13.70%	25.05%	14.95%
Financials	-3.97%	-2.15%	16.74%	35.59%	16.72%
Health Care	-3.98%	0.87%	18.40%	41.46%	20.55%
Industrials	-2.96%	-2.43%	23.13%	40.64%	22.33%
Information Technology	-2.03%	-1.30%	21.17%	28.43%	18.65%
Materials	-2.68%	0.22%	19.92%	25.60%	17.45%
Telecom Services	-0.41%	1.28%	-1.96%	11.47%	13.16%
Utilities	0.53%	10.72%	7.91%	13.21%	14.62%

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 4/11/14.

Bond Index Performance

Index	Week	YTD	12-mo.	2013	5-yr.
U.S. Treasury: Intermediate	0.44%	1.15%	-0.52%	-1.34%	2.57%
GNMA 30 Year	0.61%	2.58%	0.23%	-2.17%	4.01%
U.S. Aggregate	0.66%	2.64%	0.17%	-2.02%	4.98%
U.S. Corporate High Yield	0.00%	3.22%	7.05%	7.44%	17.61%
U.S. Corporate Investment Grade	0.81%	4.00%	1.46%	-1.53%	9.84%
Municipal Bond: Long Bond (22+)	0.90%	6.97%	-0.40%	-6.01%	8.25%
Global Aggregate	1.22%	3.52%	2.78%	-2.60%	5.43%

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 4/11/14.

Key Rates

As of 4/11/14

Fed Funds	0.00-0.25%	5-yr CD	1.38%
LIBOR (1-month)	0.15%	2-yr T-Note	0.36%
CPI - Headline	1.10%	5-yr T-Note	1.58%
CPI - Core	1.60%	10-yr T-Note	2.63%
Money Market Accts.	0.45%	30-yr T-Bond	3.49%
Money Market Funds	0.01%	30-yr Mortgage	4.24%
6-mo CD	0.35%	Prime Rate	3.25%
1-yr CD	0.64%	Bond Buyer 40	4.63%

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

Market Indicators

As of 4/11/14

TED Spread	19 bps
Investment Grade Spread (A2)	138 bps
ML High Yield Master II Index Spread	382 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 4/2/14

	Current Week		Previous	
Domestic Equity	$949	Million	-$267	Million
Foreign Equity	$2.190	Billion	$1.501	Billion
Taxable Bond	$3.129	Billion	$1.227	Billion
Municipal Bond	$202	Million	$49	Million

Change in Money Market Fund Assets for the Week Ended 4/9/14

	Current Week		Previous	
Retail	-$4.50	Billion	$1.04	Billion
Institutional	-$13.20	Billion	-$14.17	Billion

Source: Investment Company Institute.

Factoids for the week of April 7 - 11, 2014

Monday, April 7, 2014

The findings of a recent study and survey revealed that a relatively large percentage of taxpayers receiving a refund check intend to use the cash to purchase a new car, according to Fox Business. A study of auto loan details from more than 6,000 financial institutions by GoBankingRates produced an estimate of 25%. A survey of 1,000 people by CarMax found that 17% of those polled planned to buy a vehicle with their refund. The IRS estimates that the average refund will be $3,034. GoBankingRates estimates that the average interest rate on a three-year auto loan in the U.S. is 3.26%.

Tuesday, April 8, 2014

Moody’s reported that the global speculative-grade default rate stood at 2.3% at the end of Q1’14, down from 2.9% at the end of Q4’13, according to its own release. Moody's is forecasting a default rate of 2.2% 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 1.7% at the end of Q1’14, down from 2.2% at the end of Q4’13. The default rate on senior loans stood at 1.02% in March, down from 1.16% in February, according to Standard & Poor's LCD. Leveraged loan portfolio managers expect the default rate to be in the vicinity of 1.90% by the end of 2014, well below the historical average of around 3.20%.

Wednesday, April 9, 2014

The S&P Dow Jones Indices, which tracks approximately 10,000 U.S. traded stocks, announced that total stock dividend distributions (excludes special and extra one-time dividend payments) increased by a net $17.8 billion (y-o-y) in Q1’14, up 22.8% from the $14.5 billion increase in Q1’13, according to its own release. In Q1’14, there were 1,078 dividend increases, up 14.2% from the 944 dividends increased in Q1’13. The 1,078 increases surpassed the previous record (1,069) for a first quarter, which had stood since 1979. The number of dividends cut or suspended in Q1’14 totaled 102, down 26.6% from the 139 cut or suspended in Q1’13. The dividend payout rate, which has historically averaged 52%, stood at 36% in Q1’14.

Thursday, April 10, 2014

RealtyTrac reported that U.S. foreclosure activity declined by 23% (y-o-y) in March, according to MSN Money. March was the 42nd consecutive month where foreclosure activity was down from year-ago levels. Activity has slowed to a level not seen since Q2’07. With the housing market climate steadily improving, banks are expected to devote more resources to selling off the nearly half a million homes already in inventory from previous foreclosures, according to Daren Blomquist, vice president at RealtyTrac. Currently, only around 10% of so-called bank-owned properties are listed for sale.

Friday, April 11, 2014

In 2013, the amount of stock dividends distributed globally totaled $1.03 trillion, according to ETFTrends.com. S&P 500 payouts accounted for nearly $312 billion (record high) of that total, or roughly 30%. The second biggest contributor was the U.K. at $102 billion. Europe (ex U.K.) has lagged in terms of dividend growth. The silver lining is that the Eurozone is now in the midst of an economic recovery and companies have been stockpiling cash. European companies now have a combined $2.8 trillion in cash holdings, the most since 2003. The Stoxx Europe 600 Index is expected to distribute 11.54 euros a share in dividends this year, the most since 2002, according to Bloomberg’s Namitha Jagadeesh.