

Stock Index Performance					
Index	Week	YTD	12-mo.	2013	5-yr.
Dow Jones Industrial Avg. (16,776)	-0.84%	2.36%	13.19%	29.65%	16.79%
S&P 500 (1,936)	-0.63%	5.76%	20.81%	32.38%	17.83%
NASDAQ 100 (3,776)	-0.47%	5.77%	29.24%	36.94%	21.83%
S&P 500 Growth	-0.85%	5.67%	22.84%	32.75%	18.11%
S&P 500 Value	-0.39%	5.85%	18.69%	31.97%	17.60%
S&P MidCap 400 Growth	-0.70%	2.72%	18.49%	32.68%	20.10%
S&P MidCap 400 Value	-0.34%	7.68%	23.46%	34.25%	20.57%
S&P SmallCap 600 Growth	-0.30%	-0.77%	20.99%	42.68%	21.02%
S&P SmallCap 600 Value	-0.75%	2.28%	21.76%	39.98%	20.31%
MSCI EAFE	-0.26%	4.45%	20.50%	22.78%	11.02%
MSCI World (ex US)	0.05%	4.99%	18.78%	15.29%	10.24%
MSCI World	-0.38%	5.13%	20.33%	26.68%	14.05%
MSCI Emerging Markets	0.51%	5.73%	13.71%	-2.60%	8.36%

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 6/13/14.

S&P Sector Performance					
Index	Week	YTD	12-mo.	2013	5-yr.
Consumer Discretionary	-1.72%	-1.22%	18.19%	43.08%	24.54%
Consumer Staples	-1.10%	4.65%	12.28%	26.14%	17.07%
Energy	1.71%	10.97%	23.56%	25.05%	14.22%
Financials	-0.89%	3.97%	16.21%	35.59%	14.46%
Health Care	-0.83%	8.04%	24.86%	41.46%	20.82%
Industrials	-1.35%	4.50%	27.31%	40.64%	20.65%
Information Technology	-0.10%	7.68%	26.10%	28.43%	18.07%
Materials	-1.19%	6.96%	24.91%	25.60%	15.44%
Telecom Services	-0.21%	4.10%	3.30%	11.47%	14.46%
Utilities	-1.28%	13.05%	16.73%	13.21%	13.31%

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 6/13/14.

Bond Index Performance					
Index	Week	YTD	12-mo.	2013	5-yr.
U.S. Treasury: Intermediate	-0.10%	1.23%	0.43%	-1.34%	3.06%
GNMA 30 Year	0.04%	3.54%	2.99%	-2.17%	4.40%
U.S. Aggregate	0.00%	3.34%	2.52%	-2.02%	5.03%
U.S. Corporate High Yield	0.24%	5.10%	10.19%	7.44%	13.64%
U.S. Corporate Investment Grade	0.11%	5.00%	5.07%	-1.53%	8.31%
Municipal Bond: Long Bond (22+)	0.03%	9.46%	4.48%	-6.01%	7.94%
Global Aggregate	-0.12%	3.78%	3.21%	-2.60%	4.71%

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 6/13/14.

Key Rates			
As of 6/13/14			
Fed Funds	0.00-0.25%	5-yr CD	1.37%
LIBOR (1-month)	0.15%	2-yr T-Note	0.45%
CPI - Headline	2.00%	5-yr T-Note	1.69%
CPI - Core	1.80%	10-yr T-Note	2.60%
Money Market Accts.	0.45%	30-yr T-Bond	3.41%
Money Market Funds	0.01%	30-yr Mortgage	4.22%
6-mo CD	0.36%	Prime Rate	3.25%
1-yr CD	0.65%	Bond Buyer 40	4.56%

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

Market Indicators	
As of 6/13/14	
TED Spread	20 bps
Investment Grade Spread (A2)	125 bps
ML High Yield Master II Index Spread	348 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows				
Estimated Flows to Long-Term Mutual Funds for the Week Ended 6/4/14				
	Current Week		Previous	
Domestic Equity	-\$1.132	Billion	-\$2.596	Billion
Foreign Equity	\$3.246	Billion	\$149	Million
Taxable Bond	\$371	Million	\$1.259	Billion
Municipal Bond	\$785	Million	\$812	Million

Change in Money Market Fund Assets for the Week Ended 6/11/14				
	Current Week		Previous	
Retail	-\$4.13	Billion	-\$0.04	Billion
Institutional	\$6.69	Billion	-\$7.21	Billion

Source: Investment Company Institute.

Factoids for the week of June 9 - 13, 2014

Monday, June 9, 2014
 LIMRA Secure Retirement Institute data shows that U.S. insurer's sales of variable annuities (VAs) declined by 3.0% (y-o-y) to \$34.2 billion in Q1'14, according to its own release. The S&P 500 posted a total return of 1.81% in Q1'14. Fixed annuity sales surged 43% (y-o-y) to \$23.5 billion. The yield on the 10-Year T-Note declined from 3.03% to 2.72% in Q1'14. Total annuity sales for the quarter increased 11% (y-o-y) to \$57.7 billion. VA sales accounted for 59% of total annuity sales in Q1'14, down from the latest 10-year average of 64% (2004-2013).

Tuesday, June 10, 2014
 Moody's reported that the global speculative-grade default rate stood at 2.3% in May, down from 2.5% (revised up from 2.4%) in April, 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 default rate on senior loans stood at 0.99% in May (two-year low), down from 1.01% in April, according to Standard & Poor's LCD. Leveraged loan portfolio managers expect the default rate to be in the vicinity of 1.87% by the end of 2014, well below the historical average of around 3.20%. Year-to-date through June 4, net inflows to high yield and loan participation (senior loan) funds totaled \$5.83 billion and \$3.63 billion, respectively, according to data from Lipper.

Wednesday, June 11, 2014
 So far in Q2'14, global M&A deal volume, including completed, pending and proposed transactions, has totaled \$992 billion, according to Bloomberg. M&A deal volume has not been this robust since Q3'07. Bloomberg notes that 2007 was the best year ever for M&A deal volume at \$4.8 trillion. There were three quarters in 2007 where volume topped \$1 trillion, but it took over 9,000 deals in each case to eclipse that mark. Since 2007, average total volume per quarter has been around \$650 billion. There have only been 5,626 transactions to date in Q2'14.

Thursday, June 12, 2014
 At the end of 2013, U.S. businesses held a record \$1.53 trillion in cash and equivalents, according to *Fortune*. The top 1% of businesses accounted for \$535 billion of that total, or 35%. The top 20% accounted for 89% of total cash. The 35% share was up from 27% at the end of 2008. The top 1% of companies had 83% of their cash holdings sitting in accounts overseas, according to Andrew Chang, credit analyst at Standard & Poor's.

Friday, June 13, 2014
 REITs continue to raise large amounts of capital in the equity and debt markets, a sign that investors have confidence in the sector, according to Zacks Equity Research. Year-to-date through April, REITs raised \$17.6 billion via equity and debt offerings. Listed REITs raised \$76.96 billion in 2013 and another \$73.33 billion in 2012, according to Zacks. Year-to-date through 6/12, the FTSE NAREIT Equity REIT Index posted a total return of 14.12%, compared to 5.43% for the S&P 500. The outlook for earnings growth is also encouraging. As of 6/12, the 2014 and 2015 estimated earnings growth rates on the FTSE NAREIT Equity REIT Index were 32.53% and 13.03%, respectively, according to Bloomberg.