

Stock Index Performance

Index	Week	YTD	12-mo.	2014	5-yr.
Dow Jones Industrial Avg. (17,713)	-2.29%	-0.05%	11.46%	10.04%	13.15%
S&P 500 (2,061)	-2.20%	0.60%	13.75%	13.68%	14.42%
NASDAQ 100 (4,333)	-2.81%	2.57%	23.09%	19.49%	18.72%
S&P 500 Growth	-2.47%	2.40%	17.45%	14.89%	15.84%
S&P 500 Value	-1.90%	-1.35%	9.81%	12.35%	12.98%
S&P MidCap 400 Growth	-1.97%	6.52%	14.60%	7.57%	16.17%
S&P MidCap 400 Value	-2.01%	1.67%	11.70%	12.04%	14.86%
S&P SmallCap 600 Growth	-1.80%	5.85%	11.96%	3.85%	17.28%
S&P SmallCap 600 Value	-1.57%	0.39%	7.98%	7.54%	14.74%
MSCI EAFE	-0.73%	6.04%	1.39%	-4.90%	6.59%
MSCI World (ex US)	-0.83%	3.93%	0.77%	-3.87%	5.16%
MSCI World	-1.58%	2.54%	7.60%	4.94%	10.20%
MSCI Emerging Markets	-1.11%	0.50%	0.70%	-2.19%	1.75%

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 3/27/15.

S&P Sector Performance

Index	Week	YTD	12-mo.	2014	5-yr.
Consumer Discretionary	-2.34%	4.20%	19.30%	9.68%	19.77%
Consumer Staples	-0.33%	0.92%	17.58%	15.98%	15.00%
Energy	-0.72%	-3.97%	-11.07%	-7.79%	8.19%
Financials	-2.99%	-2.71%	10.68%	15.18%	10.27%
Health Care	-2.48%	7.03%	27.89%	25.34%	20.34%
Industrials	-2.66%	-1.27%	10.20%	9.80%	14.49%
Information Technology	-2.64%	0.33%	19.37%	20.12%	14.45%
Materials	-1.26%	0.53%	6.32%	6.91%	10.86%
Telecom Services	-1.88%	1.61%	4.29%	2.99%	12.74%
Utilities	-2.45%	-6.34%	11.06%	28.98%	12.84%

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 3/27/15.

Bond Index Performance

Index	Week	YTD	12-mo.	2014	5-yr.
U.S. Treasury: Intermediate	0.04%	1.15%	3.01%	2.57%	2.96%
GNMA 30 Year	0.02%	0.58%	4.58%	6.03%	3.84%
U.S. Aggregate	0.01%	1.49%	5.41%	5.97%	4.41%
U.S. Corporate High Yield	0.28%	2.36%	1.97%	2.45%	8.57%
U.S. Corporate Investment Grade	-0.03%	2.21%	6.42%	7.46%	6.56%
Municipal Bond: Long Bond (22+)	-0.13%	1.57%	10.57%	15.39%	6.91%
Global Aggregate	0.27%	-1.51%	-3.39%	0.59%	2.48%

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 3/27/15.

Key Rates

As of 3/27/15

Fed Funds	0.00-0.25%	5-yr CD	1.48%
LIBOR (1-month)	0.17%	2-yr T-Note	0.60%
CPI - Headline	0.00%	5-yr T-Note	1.44%
CPI - Core	1.70%	10-yr T-Note	1.96%
Money Market Accts.	0.45%	30-yr T-Bond	2.54%
Money Market Funds	0.02%	30-yr Mortgage	3.91%
6-mo CD	0.38%	Prime Rate	3.25%
1-yr CD	0.71%	Bond Buyer 40	4.22%

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

Market Indicators

As of 3/27/15

TED Spread	24 bps
Investment Grade Spread (A2)	154 bps
ML High Yield Master II Index Spread	476 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 3/18/15

	Current Week	Previous
Domestic Equity	-\$1.759 Billion	\$326 Million
Foreign Equity	\$3.706 Billion	\$3.914 Billion
Taxable Bond	\$259 Million	\$1.023 Billion
Municipal Bond	\$190 Million	\$278 Million

Change in Money Market Fund Assets for the Week Ended 3/25/15

	Current Week	Previous
Retail	\$0.08 Billion	\$1.29 Billion
Institutional	\$16.89 Billion	-\$20.47 Billion

Source: Investment Company Institute.

Factoids for the week of March 23 - 27, 2015

Monday, March 23, 2015

S&P 500 stock buybacks totaled \$132.6 billion in Q4'14, up 2.5% from the \$129.4 billion executed in Q4'13, according to S&P Dow Jones Indices. In 2014, buyback expenditures totaled \$553.3 billion, up 16.3% from the \$475.6 billion spent in 2013. The 12-month peak for buybacks was set in 2007 (\$589.1 billion). Information Technology accounted for 24.2% of all buyback expenditures in Q4'14. Consumer Discretionary and Financials were the second and third most active sectors at 17.2% and 14.6%, respectively. In Q4'14, S&P 500 companies distributed \$92.8 billion in dividends, up 9.2% from the \$85.0 billion paid out in Q4'13. In 2014, companies distributed a record \$350.4 billion in dividends.

Tuesday, March 24, 2015

The S&P 500 (ex-Financials) cash and marketable securities balance stood at a record-high \$1.43 trillion at the end of Q4'14, according to FactSet. The previous record was \$1.41 trillion, set in Q4'13. In Q4'14, the two sectors that grew their cash balances the most were Consumer Staples and Health Care, up 18.7% and 18.0%, respectively, on a year-over-year basis. Telecommunication Services posted the largest decrease in Q4'14, with a 62.0% drop in its cash balance.

Wednesday, March 25, 2015

The Insured Retirement Institute (IRI) reported that variable annuity (VA) sales in the U.S. totaled \$33.6 billion in Q4'14, according to its own release. The IRI uses data provided by Beacon Research and Morningstar. The \$33.6 billion represented a 6.2% decline from the \$35.8 billion posted in Q4'13. In 2014, VA sales totaled \$137.9 billion, a 3.4% decline from the \$142.8 billion posted in 2013. Fixed annuity (FA) sales totaled \$91.5 billion in 2014, up 17.2% from the \$78.1 billion posted in 2013. FA sales were the highest they have been since 2009.

Thursday, March 26, 2015

The recently released United Nations World Water Assessment Program report for 2015 stated that the world will have 40% less fresh water than it needs in 15 years, according to MarketWatch.com. The report cited strong income growth and rising living standards of an expanding middle class for most of the sharp increase in water use. While close to 70% of the demand for fresh water comes from agricultural needs, rising urban populations can also strain water supplies. The report estimates that 6.3 billion people, or approximately 69% of the world's population, will be living in urban areas by 2050, up from the current 50%.

Friday, March 27, 2015

Data from Bespoke Investment Group shows that, since the 3/9/09 market low, the S&P 500 has experienced 20 declines of 5% or more but less than 20%, according to USA TODAY. The smallest pullback was 5.30% (8/31/11-9/9/11). The biggest drop reached 17.27% (7/7/11-8/8/11). In 2014, the S&P 500 posted 53 record closes. The index, however, also suffered four pullbacks ranging from 4% to 7%. The S&P 500 has not endured a 10% correction in more than three years. Historically, 10% sell-offs occur about every 18 months or so.