

Stock Index Performance

Index	Week	YTD	12-mo.	2015	5-yr.
Dow Jones Industrial Avg. (17,425)	-0.72%	0.21%	0.21%	0.21%	11.31%
S&P 500 (2,044)	-0.80%	1.37%	1.37%	1.37%	12.54%
NASDAQ 100 (4,593)	-0.63%	9.75%	9.75%	9.75%	17.05%
S&P 500 Growth	-0.56%	5.51%	5.51%	5.51%	14.02%
S&P 500 Value	-1.05%	-3.14%	-3.14%	-3.14%	10.95%
S&P MidCap 400 Growth	-0.81%	2.01%	2.01%	2.01%	10.91%
S&P MidCap 400 Value	-1.58%	-6.66%	-6.66%	-6.66%	10.01%
S&P SmallCap 600 Growth	-1.38%	2.74%	2.74%	2.74%	12.30%
S&P SmallCap 600 Value	-1.93%	-6.70%	-6.70%	-6.70%	10.11%
MSCI EAFE	-0.27%	-0.81%	-0.81%	-0.81%	3.71%
MSCI World (ex US)	-0.57%	-5.66%	-5.66%	-5.66%	1.17%
MSCI World	-0.64%	-0.87%	-0.87%	-0.87%	7.65%
MSCI Emerging Markets	-1.07%	-14.92%	-14.92%	-14.92%	-4.71%
S&P GSCI	-0.74%	-32.86%	-32.86%	-32.86%	-14.91%

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 12/31/15.

S&P Sector Performance

Index	Week	YTD	12-mo.	2015	5-yr.
Consumer Discretionary	-0.37%	10.11%	10.11%	10.11%	17.76%
Consumer Staples	-0.72%	6.60%	6.60%	6.60%	14.50%
Energy	-2.23%	-21.12%	-21.12%	-21.12%	-0.09%
Financials	-0.80%	-1.56%	-1.56%	-1.56%	10.45%
Health Care	-0.57%	6.89%	6.89%	6.89%	20.24%
Industrials	-0.67%	-2.56%	-2.56%	-2.56%	11.53%
Information Technology	-0.81%	5.92%	5.92%	5.92%	13.89%
Materials	-1.51%	-8.38%	-8.38%	-8.38%	5.01%
Telecom Services	-0.94%	3.40%	3.40%	3.40%	8.40%
Utilities	-0.44%	-4.84%	-4.84%	-4.84%	11.02%

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 12/31/15.

Bond Index Performance

Index	Week	YTD	12-mo.	2015	5-yr.
U.S. Treasury: Intermediate	-0.06%	1.18%	1.18%	1.18%	2.11%
GNMA 30 Year	0.15%	1.41%	1.41%	1.41%	3.07%
U.S. Aggregate	-0.03%	0.55%	0.55%	0.55%	3.25%
U.S. Corporate High Yield	0.40%	-4.47%	-4.47%	-4.47%	5.04%
U.S. Corporate Investment Grade	-0.05%	-0.68%	-0.68%	-0.68%	4.53%
Municipal Bond: Long Bond (22+)	0.10%	4.52%	4.52%	4.52%	7.70%
Global Aggregate	-0.32%	-3.15%	-3.15%	-3.15%	0.90%

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 12/31/15.

Key Rates

As of 12/31/15

Fed Funds	0.25-0.50%	5-yr CD	1.90%
LIBOR (1-month)	0.42%	2-yr T-Note	1.05%
CPI - Headline	0.50%	5-yr T-Note	1.76%
CPI - Core	2.00%	10-yr T-Note	2.27%
Money Market Accts.	0.48%	30-yr T-Bond	3.02%
Money Market Funds	0.06%	30-yr Mortgage Refinance	3.94%
6-mo CD	0.35%	Prime Rate	3.50%
1-yr CD	1.12%	Bond Buyer 40	4.21%

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

Market Indicators

As of 12/31/15

TED Spread	44 bps
Investment Grade Spread (A2)	191 bps
ML High Yield Master II Index Spread	695 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 12/22/15

	Current Week	Previous
Domestic Equity	-\$1.378 Billion	-\$7.423 Billion
Foreign Equity	-\$2.557 Billion	-\$3.629 Billion
Taxable Bond	-\$5.798 Billion	-\$12.630 Billion
Municipal Bond	\$1.262 Million	\$647 Million

Change in Money Market Fund Assets for the Week Ended 12/30/15

	Current Week	Previous
Retail	\$5.17 Billion	\$5.75 Billion
Institutional	\$10.87 Billion	\$5.25 Billion

Source: Investment Company Institute.

Factoids for the week of December 28, 2015 – January 1, 2016

Monday, December 28, 2015

MasterCard Advisors SpendingPulse reported that U.S. retail sales, excluding automobiles and gas, grew by 7.9% this holiday shopping season (Black Friday to Christmas Eve), according to Fox Business. Sales grew by 5.5% over the same period a year ago. Strong online sales and demand for furniture and women's apparel drove sales growth. Online sales grew by 20% this season. Sarah Quinlan, senior vice president of Market Insights at MasterCard Advisors, noted that double-digit growth in furniture sales indicates that consumers are willing and able to splurge on big ticket items.

Tuesday, December 29, 2015

Data from FactSet shows that major U.S. banks raised their payout ratio (percentage of earnings paid out as dividends to shareholders) from 10.6% in 2010 to 31.3% in 2014, according to Barron's. Banks have been able to raise their payout ratios thanks to a rebound in profitability following the 2008-2009 financial crisis. While there is the potential for banks to increase their payout ratios even more it is unlikely they will return to peak levels of 50% or above anytime soon due to regulatory constraints. As of this morning, the S&P 500 Banks Index stood 42.6% below its all-time high set on 2/20/07, according to Bloomberg.

Wednesday, December 30, 2015

Bespoke Investment Group reported yesterday that the average year-to-date return (price-only) for the 76 country stock markets (local currency) it tracks was 0.96%, according to its own release. At the time the index returns were calculated, the U.S. stock market (S&P 500 Index) was up 0.76%. Of the 76 markets followed, 18 were up more than 10%, while 22 were down more than 10%. The only BRIC (Brazil, Russia, India and China) country in positive territory was China, up 10.17%. The top five returns were as follows: 92.62% (Jamaica); 44.13% (Latvia); 43.68% (Hungary); 38.49% (Argentina); and Iceland (36.97%).

Thursday, December 31, 2015

Dealogic reported that the total value of global mergers and acquisition (M&A) activity (announced) topped \$5.0 trillion in 2015, surpassing the previous high set in 2007 by around 9%, according to PRNewswire. There were 10 transactions valued at \$50 billion or more in 2015 and seven of them involved U.S. companies. These 10 transactions combined were worth \$798.9 billion. The U.S. accounted for half of all global M&A activity, or about \$2.5 trillion. The two most active sectors were health care (\$723.7 billion) and technology (\$713.1 billion).

Friday, January 1, 2016

No Factoid. Holiday – New Year's Day.