

Stock Index Performance

Index	Week	YTD	12-mo.	2015	5-yr.
Dow Jones Industrial Avg. (17,535)	-1.04%	1.66%	-0.35%	0.21%	9.59%
S&P 500 (2,047)	-0.44%	0.96%	-0.32%	1.37%	11.22%
NASDAQ 100 (4,327)	-0.07%	-5.32%	-1.01%	9.75%	14.19%
S&P 500 Growth	-0.12%	-0.59%	1.00%	5.51%	12.29%
S&P 500 Value	-0.77%	2.58%	-2.03%	-3.14%	10.05%
S&P MidCap 400 Growth	-0.28%	1.86%	-2.16%	2.01%	9.00%
S&P MidCap 400 Value	-1.25%	5.44%	-4.79%	-6.66%	9.56%
S&P SmallCap 600 Growth	-1.05%	-1.10%	-3.05%	2.74%	9.86%
S&P SmallCap 600 Value	-1.97%	4.05%	-2.84%	-6.70%	10.26%
MSCI EAFE	-0.28%	-3.50%	-13.36%	-0.81%	1.84%
MSCI World (ex US)	-0.43%	-1.66%	-15.11%	-5.66%	-0.01%
MSCI World	-0.35%	-0.71%	-6.76%	-0.87%	6.20%
MSCI Emerging Markets	-1.12%	0.78%	-21.11%	-14.92%	-4.70%
S&P GSCI	2.59%	7.03%	-30.05%	-32.86%	-14.81%

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 5/13/16.

S&P Sector Performance

Index	Week	YTD	12-mo.	2015	5-yr.
Consumer Discretionary	-1.38%	0.41%	5.03%	10.11%	15.93%
Consumer Staples	0.05%	6.09%	11.71%	6.60%	13.67%
Energy	-0.23%	9.49%	-14.50%	-21.12%	0.02%
Financials	-1.05%	-3.47%	-4.93%	-1.56%	9.81%
Health Care	0.01%	-3.55%	-3.73%	6.89%	16.07%
Industrials	-0.96%	3.83%	0.42%	-2.56%	10.44%
Information Technology	-0.03%	-2.69%	-0.60%	5.92%	12.19%
Materials	-0.49%	6.08%	-7.26%	-8.38%	6.03%
Telecom Services	-0.03%	14.12%	12.20%	3.40%	9.67%
Utilities	1.09%	15.01%	18.45%	-4.84%	12.14%

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 5/13/16.

Bond Index Performance

Index	Week	YTD	12-mo.	2015	5-yr.
U.S. Treasury: Intermediate	0.13%	2.65%	3.07%	1.18%	2.33%
GNMA 30 Year	0.13%	2.11%	3.17%	1.41%	2.97%
U.S. Aggregate	0.28%	3.89%	4.21%	0.55%	3.56%
U.S. Corporate High Yield	0.45%	6.88%	-1.57%	-4.47%	5.21%
U.S. Corporate Investment Grade	0.38%	5.78%	5.08%	-0.68%	5.01%
Municipal Bond: Long Bond (22+)	0.42%	4.26%	9.11%	4.52%	7.71%
Global Aggregate	-0.66%	6.71%	4.86%	-3.15%	1.51%

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 5/13/16.

Key Rates

As of 5/13/16			
Fed Funds	0.25-0.50%	5-yr CD	1.67%
LIBOR (1-month)	0.44%	2-yr T-Note	0.75%
CPI - Headline	0.90%	5-yr T-Note	1.21%
CPI - Core	2.20%	10-yr T-Note	1.70%
Money Market Accts.	0.52%	30-yr T-Bond	2.55%
Money Market Funds	0.10%	30-yr Mortgage Refinance	3.61%
6-mo CD	0.33%	Prime Rate	3.50%
1-yr CD	1.11%	Bond Buyer 40	3.88%

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

Market Indicators

As of 5/13/16	
TED Spread	35 bps
Investment Grade Spread (A2)	174 bps
ML High Yield Master II Index Spread	641 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 5/4/16

	Current Week		Previous	
Domestic Equity	-\$2.359	Billion	-\$5.485	Billion
Foreign Equity	-\$649	Million	-\$2.441	Billion
Taxable Bond	\$2.033	Billion	\$6.376	Billion
Municipal Bond	\$1.503	Billion	\$1.883	Billion

Change in Money Market Fund Assets for the Week Ended 5/11/16

	Current Week		Previous	
Retail	-\$2.41	Billion	\$0.04	Billion
Institutional	\$8.08	Billion	\$1.61	Billion

Source: Investment Company Institute.

Factoids for the week of May 9-13, 2016

Monday, May 9, 2016

The Reshoring Initiative estimates that more than 100,000 factory jobs have returned from overseas in the past five years, according to Chief Executive. Since 2000, approximately five million U.S. manufacturing jobs were sent overseas, according to the Bureau of Labor Statistics. While 12.3 million Americans still work in the manufacturing sector, it only equates to 8% of the workforce, down from 24% in 1960. Government incentives, proximity to customers and an increasingly skilled workforce were cited as reasons for bringing jobs back. Companies also factored in quality issues, supply interruption and high freight costs.

Tuesday, May 10, 2016

Moody's reported that its global speculative-grade default rate stood at 4.0% in April, up from 3.9% in March and 2.1% in April 2015, according to its own release. It sees the rate increasing to 5.0% by November 2016. Year-to-date, the number of defaults totaled 46 (18 are from Oil & Gas and nine are from Metals & Mining), up from 29 defaults over the same four months in 2015. Moody's puts the historical average default rate at 4.2% since 1983. The U.S. speculative-grade default rate stood at 4.4% in April, up from 4.3% in March and 1.7% in April 2015. The default rate on senior loans stood at 1.93% in April, down from 2.03% in March, according to S&P Capital IQ. Year-to-date, the number of defaults totaled 11, compared to 10 defaults for all of 2015.

Wednesday, May 11, 2016

A recent survey of 2,000 wealth management clients by EY (Ernst & Young) found that 40% of clients are open to switching wealth managers under the right circumstances, according to its own release. The survey also found that client experience is the new growth engine in wealth management. Nearly three-quarters (73%) of the clients surveyed have relationships with multiple wealth managers and 57% of those clients would be willing to consolidate their assets with fewer managers. In addition to pricing and performance, clients are looking for more transparency, broader advice channels, including digital, and an expanded role for the advisor, such as helping clients with their spending habits.

Thursday, May 12, 2016

Year-to-date through 5/11, the price of gold bullion rose 20.31% to \$1,275.50 per ounce, according to Bloomberg. Over the same period, the Philadelphia Stock Exchange Gold & Silver Index, which is comprised of mining companies, posted a total return of 95.23%. Mining stocks have not participated in the current bull market. From 3/9/09 through 4/30/16, the Philadelphia Stock Exchange Gold & Silver Index posted a cumulative total return of -11.75%, according to Bloomberg. A lot of the demand for gold bullion is coming from central banks. Data from the World Gold Council showed that central banks purchased a net 45 tonnes of gold in Q1'16, according to Business Insider. Capital Economics noted that central bank demand in Q1'16 was up 28% on a year-over-year basis.

Friday, May 13, 2016

A new report from the American Society of Civil Engineers (ASCE) revealed that the U.S. is in need of \$3.3 trillion in infrastructure funding (10 categories) over the next 10 years, including a \$1.4 trillion investment gap. The biggest need involves upgrading the surface transportation network, including roads, bridges, transit, and commuter rail, which will require an estimated \$1.1 trillion. The next two biggest need categories are electricity infrastructure and water/wastewater infrastructure, requiring an estimated \$177 billion and \$105 billion, respectively. If improvements are not made, the inadequate infrastructure is projected to cost every American household \$3,400 a year in disposable income from 2016 through 2025.