

Stock Index Performance

Index	Week	YTD	12-mo.	2016	5-yr.
Dow Jones Industrial Avg. (19,964)	1.07%	1.07%	21.29%	16.50%	12.87%
S&P 500 (2,277)	1.76%	1.76%	16.93%	11.95%	14.65%
NASDAQ 100 (5,007)	2.97%	2.97%	14.14%	7.27%	17.82%
S&P 500 Growth	2.20%	2.20%	12.21%	6.89%	14.73%
S&P 500 Value	1.27%	1.27%	21.91%	17.39%	14.46%
S&P MidCap 400 Growth	1.15%	1.15%	19.18%	14.76%	14.40%
S&P MidCap 400 Value	1.48%	1.48%	32.07%	26.52%	15.95%
S&P SmallCap 600 Growth	0.20%	0.20%	26.58%	22.07%	16.20%
S&P SmallCap 600 Value	0.37%	0.37%	35.76%	31.21%	16.47%
MSCI EAFE	1.78%	1.78%	6.92%	1.00%	6.99%
MSCI World (ex US)	1.95%	1.95%	10.92%	4.50%	5.38%
MSCI World	1.85%	1.85%	13.04%	7.51%	10.63%
MSCI Emerging Markets	2.19%	2.19%	18.75%	11.19%	1.47%
S&P GSCI	0.00%	0.00%	16.49%	11.37%	-13.56%

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 1/6/17. An index cannot be purchased directly by investors. Past performance is no guarantee of future results.

S&P Sector Performance

Index	Week	YTD	12-mo.	2016	5-yr.
Consumer Discretionary	2.33%	2.33%	11.75%	6.03%	17.74%
Consumer Staples	0.68%	0.68%	7.09%	5.38%	13.09%
Energy	0.55%	0.55%	32.41%	27.36%	3.70%
Financials	1.27%	1.27%	28.39%	22.75%	18.97%
Health Care	2.96%	2.96%	2.42%	-2.69%	17.19%
Industrials	1.38%	1.38%	23.77%	18.85%	15.31%
Information Technology	2.49%	2.49%	20.51%	13.85%	16.35%
Materials	1.87%	1.87%	24.09%	16.69%	10.10%
Telecom Services	-0.11%	-0.11%	23.43%	23.49%	11.95%
Utilities	0.46%	0.46%	16.44%	16.29%	11.04%

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 1/6/17. An index cannot be purchased directly by investors. Past performance is no guarantee of future results.

Bond Index Performance

Index	Week	YTD	12-mo.	2016	5-yr.
U.S. Treasury: Intermediate	0.02%	0.02%	0.68%	1.06%	1.06%
GNMA 30 Year	-0.10%	-0.10%	1.20%	1.57%	1.80%
U.S. Aggregate	0.17%	0.17%	2.36%	2.65%	2.29%
U.S. Corporate High Yield	0.97%	0.97%	18.28%	17.13%	7.39%
U.S. Corporate Investment Grade	0.32%	0.32%	5.91%	6.11%	4.22%
Municipal Bond: Long Bond (22+)	0.55%	0.55%	0.58%	0.88%	4.89%
Global Aggregate	-0.02%	-0.02%	1.82%	2.09%	0.38%

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 1/6/17. An index cannot be purchased directly by investors. Past performance is no guarantee of future results.

Key Rates

As of 1/6/17

Fed Funds	0.50-0.75%	5-yr CD	1.80%
LIBOR (1-month)	0.77%	2-yr T-Note	1.21%
CPI - Headline	1.70%	5-yr T-Note	1.92%
CPI - Core	2.10%	10-yr T-Note	2.42%
Money Market Accts.	0.59%	30-yr T-Bond	3.00%
Money Market Funds	0.24%	30-yr Mortgage Refinance	4.02%
6-mo CD	0.77%	Prime Rate	3.75%
1-yr CD	1.19%	Bond Buyer 40	4.23%

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

Market Indicators

As of 1/6/17

TED Spread	51 bps
Investment Grade Spread (A2)	137 bps
ML High Yield Master II Index Spread	398 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 12/28/16

	Current Week	Previous
Domestic Equity	-\$3.803 Billion	-\$5.106 Billion
Foreign Equity	-\$1.632 Billion	-\$1.428 Billion
Taxable Bond	\$2.566 Billion	\$1.295 Billion
Municipal Bond	-\$2.961 Billion	-\$4.467 Billion

Change in Money Market Fund Assets for the Week Ended 1/4/17

	Current Week	Previous
Retail	\$4.47 Billion	\$0.82 Billion
Institutional	-\$15.72 Billion	\$15.11 Billion

Source: Investment Company Institute.

Factoids for the week of January 2, 2017

Monday, January 2, 2017

No Factoid. Holiday - New Year's Day.

Tuesday, January 3, 2017

In December, the dividend-payers (418) in the S&P 500 (equal weight) posted a total return of 1.30% vs. -0.14% for the non-payers (87), according to S&P Dow Jones Indices. There are currently 505 stocks in the index. In 2016, the payers were up 15.64%, vs. a gain of 7.58% for the non-payers. The number of dividend increases in December totaled 29, up from 26 in December 2015. In 2016, there were 342 increases, down from 344 a year ago. In 2016, there were 17 dividend cuts, up from 16 a year ago.

Wednesday, January 4, 2017

The boom in the construction of luxury apartments in the U.S. has reached the point of outpacing demand, according to The Wall Street Journal. More than 50,000 new units were rented by tenants in Q4'16, six times the number rented in Q4'15. The challenge for landlords is that there were 88,000 new units completed in Q4'16, the most since the mid-1980s, according to MPF Research. Real estate tracker Axiometrics Inc. estimates that more than 378,000 new apartments will be completed nationwide in 2017, nearly 35% more than the 20-year average. From Q4'15 through Q3'16, 84% of the multifamily rental units completed were in the luxury category (rents in the top 20% of the market), according to CoStar Group Inc.

Thursday, January 5, 2017

The S&P GSCI Total Return Index, a leading measure of general commodity price movements, was up 11.37% in 2016, according to Bloomberg. Over the previous four years (2012-2015), the index had declined by 55.57%. When commodity prices rise after a downturn, they tend to go on to post multi-year gains. Since 1970, the average number of consecutive positive years is 3.5, according to S&P Dow Jones Indices. The only single positive years were 1992 and 2007.

Friday, January 6, 2017

In 2016, the FTSE NAREIT All Equity REITs Index posted a total return of 8.63%, compared to 11.96% for the S&P 500 Index, according to Bloomberg. After declining 11.95% over the four months prior to December, the FTSE NAREIT All Equity REITs Index posted a gain of 4.46% in December, compared to 1.98% for the S&P 500 Index. Brad Case, NAREIT's senior vice president for research and industry information, believes the rebound was likely caused by investors seeking out undervalued assets, according to REIT.com. The dividend yield on the FTSE NAREIT All Equity REITs Index was 4.44% on 12/30/16, essentially two percentage points above the 2.45% yield on the 10-year Treasury note. Case noted that such a yield spread is generally a "very optimistic signal" for returns going forward.