

Stock Index Performance

Index	Week	YTD	12-mo.	2016	5-yr.
Dow Jones Industrial Avg. (23,329)	2.04%	20.33%	31.65%	16.50%	14.62%
S&P 500 (2,575)	0.88%	16.88%	22.74%	11.95%	14.81%
NASDAQ 100 (6,109)	0.27%	26.71%	27.89%	7.27%	19.44%
S&P 500 Growth	0.68%	22.41%	24.60%	6.89%	15.92%
S&P 500 Value	1.14%	10.64%	19.94%	17.39%	13.41%
S&P MidCap 400 Growth	1.08%	15.16%	22.95%	14.76%	14.79%
S&P MidCap 400 Value	0.64%	8.20%	20.18%	26.52%	14.79%
S&P SmallCap 600 Growth	0.57%	11.75%	26.46%	22.07%	16.55%
S&P SmallCap 600 Value	0.64%	8.34%	24.85%	31.21%	15.89%
MSCI EAFE	-0.31%	21.46%	22.11%	1.00%	8.07%
MSCI World (ex US)	-0.38%	23.28%	22.43%	4.50%	6.93%
MSCI World	0.38%	18.11%	21.76%	7.51%	11.18%
MSCI Emerging Markets	-0.55%	32.31%	25.38%	11.19%	4.61%
S&P GSCI	-0.08%	-3.19%	0.50%	11.37%	-14.03%

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 10/20/17. 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	0.19%	13.51%	17.65%	6.03%	16.32%
Consumer Staples	-1.11%	6.69%	7.16%	5.38%	11.57%
Energy	-0.43%	-7.42%	-0.73%	27.36%	0.73%
Financials	1.98%	15.98%	37.94%	22.75%	17.51%
Health Care	1.82%	23.46%	21.51%	-2.69%	17.59%
Industrials	1.32%	17.13%	28.40%	18.85%	16.64%
Information Technology	0.99%	32.34%	34.56%	13.85%	19.64%
Materials	0.64%	19.74%	27.07%	16.69%	11.83%
Telecom Services	1.07%	-8.09%	-0.10%	23.49%	5.41%
Utilities	1.40%	15.77%	17.65%	16.29%	12.21%

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 10/20/17. 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	-0.35%	1.34%	-0.62%	1.06%	1.04%
GNMA 30 Year	-0.48%	1.62%	-0.07%	1.57%	1.69%
U.S. Aggregate	-0.45%	3.01%	0.31%	2.65%	2.04%
U.S. Corporate High Yield	0.31%	7.53%	8.22%	17.13%	6.19%
U.S. Corporate Investment Grade	-0.42%	5.34%	2.45%	6.11%	3.25%
Municipal Bond: Long Bond (22+)	0.16%	6.72%	2.93%	0.88%	4.25%
Global Aggregate	-0.67%	5.95%	0.58%	2.09%	0.43%

Source: Barclays. Returns are total returns. The 5-yr. return is an average annual. One-week, YTD, 12-mo. and 5-yr. performance returns calculated through 10/20/17. An index cannot be purchased directly by investors. Past performance is no guarantee of future results.

Key Rates

As of 10/20/17

Fed Funds	1.00-1.25%	5-yr CD	2.14%
LIBOR (1-month)	1.24%	2-yr T-Note	1.58%
CPI - Headline	2.20%	5-yr T-Note	2.02%
CPI - Core	1.70%	10-yr T-Note	2.38%
Money Market Accts.	0.72%	30-yr T-Bond	2.90%
Money Market Funds	0.26%	30-yr Mortgage Refinance	3.84%
6-mo CD	0.93%	Prime Rate	4.25%
1-yr CD	1.51%	Bond Buyer 40	3.99%

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

Market Indicators

As of 10/20/17

TED Spread	26 bps
Investment Grade Spread (A2)	112 bps
ML High Yield Master II Index Spread	342 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 10/11/17

	Current Week	Previous
Domestic Equity	-\$4.766 Billion	-\$9.729 Billion
Foreign Equity	\$1.902 Billion	-\$938 Million
Taxable Bond	\$6.601 Billion	\$8.483 Billion
Municipal Bond	\$355 Million	\$120 Million

Change in Money Market Fund Assets for the Week Ended 10/18/17

	Current Week	Previous
Retail	-\$0.87 Billion	-\$1.92 Billion
Institutional	\$3.76 Billion	\$2.20 Billion

Source: Investment Company Institute.

Factoids for the week of October 16, 2017

Monday, October 16, 2017

OPEC Secretary General Mohammad Barkindo announced yesterday that oil market indicators are "rapidly improving," according to Bloomberg. He estimates that the demand for oil will grow by 1.45 billion barrels a day in 2017. He also noted that oil inventories in developed nations are down from 338 million barrels above the five-year average at the start of the year to 159 million barrels in August. The amount of crude oil in floating storage has also declined, down 40 million barrels since the start of the year. OPEC, Russia and other suppliers are debating whether to extend output cuts that are due to expire in March 2018.

Tuesday, October 17, 2017

Worldwide sales of semiconductors totaled \$35.0 billion in August, up 24.1% from the \$28.2 billion sold in August 2016 and up 4.2% from the \$33.6 billion sold in July 2017, according to the Semiconductor Industry Association (SIA). It marked the first time that sales reached \$35 billion. On a year-over-year basis, the percent change in region/country semiconductor sales were as follows (August): the Americas (39.0%); China (23.3%); Asia Pacific/All Other (19.5%); Europe (18.8%); and Japan (16.7%). Year-to-date through 10/17/17, the Philadelphia Semiconductor Index posted a total return of 36.88%, compared to 31.53% for the S&P 500 Information Technology Index and 16.07% for the S&P 500 Index, according to Bloomberg.

Wednesday, October 18, 2017

As of 10/1/17, U.S. investment-grade corporate debt issuance topped \$1 trillion – three weeks ahead of last year's pace, according to Jason Giordano at S&P Dow Jones Indices. Speculative-grade corporate debt issuance is 17% higher than it was through the first three quarters of 2016. Combined, U.S. corporate issuance is on pace for another record year. Companies are not only issuing more debt, they are extending the maturities in an effort to lock in low funding costs for several decades.

Thursday, October 19, 2017

International Data Corporation's (IDC) *Worldwide Semiannual Security Spending Guide* reported that spending on security-related hardware, software and services is expected to reach \$119.9 billion in 2021, according to its own release. IDC sees a compound annual growth rate of 9.6% over its 2016-2021 forecast period. Worldwide spending on security products and services is expected to total \$83.5 billion in 2017, up 10.3% from the amount spent in 2016. Demand for products and services will be driven by ever-changing security threats, fear of data breaches and regulatory compliance.

Friday, October 20, 2017

Zillow reported that the average renter in the U.S. is now paying a record high 29.1% of their monthly income on rent, according to *Forbes*. The U.S. Department of Housing and Urban Development states that families that pay more than 30% of their income on housing are considered cost burdened and may have difficulty affording necessities. A recent survey of 1,300 renters by Hunt.com found that 58% of respondents felt "stressed" about their rent. Many respondents said they are not able to save money in the current climate. The U.S. rental vacancy rate stood at 7.3% in Q2'17, down from a 17-year high of 11.1% in Q3'09, according to data from the Census Bureau.

The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA and the Internal Revenue Code. First Trust has no knowledge of and has not been provided any information regarding any investor. Financial advisors must determine whether particular investments are appropriate for their clients. First Trust believes the financial advisor is a fiduciary, is capable of evaluating investment risks independently and is responsible for exercising independent judgment with respect to its retirement plan clients.