

Stock Index Performance

Index	Week	YTD	12-mo.	2016	5-yr.
Dow Jones Industrial Avg. (24,754)	0.42%	28.28%	27.28%	16.50%	16.23%
S&P 500 (2,683)	0.30%	22.23%	21.07%	11.95%	15.78%
NASDAQ 100 (6,465)	-0.01%	34.41%	32.51%	7.27%	20.88%
S&P 500 Growth	-0.12%	28.00%	26.71%	6.89%	17.05%
S&P 500 Value	0.75%	15.59%	14.58%	17.39%	14.17%
S&P MidCap 400 Growth	0.50%	20.22%	19.87%	14.76%	14.92%
S&P MidCap 400 Value	1.46%	12.37%	11.57%	26.52%	14.76%
S&P SmallCap 600 Growth	0.40%	14.98%	14.75%	22.07%	16.49%
S&P SmallCap 600 Value	1.10%	11.79%	11.33%	31.21%	15.53%
MSCI EAFE	1.25%	23.87%	24.64%	1.00%	7.67%
MSCI World (ex US)	1.45%	25.69%	26.95%	4.50%	6.60%
MSCI World	0.69%	22.13%	21.71%	7.51%	11.55%
MSCI Emerging Markets	2.07%	35.03%	38.50%	11.19%	4.26%
S&P GSCI	2.32%	2.61%	4.26%	11.37%	-12.49%

Source: Bloomberg. Returns are total returns. 5-yr. return is an average annual. One-week, YTD, 12-mo. and 5-yr. performance returns calculated through 12/22/17. 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	0.98%	23.44%	21.51%	6.03%	17.81%
Consumer Staples	-0.02%	13.45%	12.88%	5.38%	13.06%
Energy	4.54%	-1.20%	-2.64%	27.36%	2.54%
Financials	0.81%	22.79%	21.28%	22.75%	18.28%
Health Care	-0.98%	22.52%	22.44%	-2.69%	17.53%
Industrials	1.08%	20.72%	19.30%	18.85%	16.61%
Information Technology	-0.22%	40.29%	38.36%	13.85%	21.09%
Materials	2.18%	23.61%	22.40%	16.69%	12.46%
Real Estate	-2.28%	9.17%	10.75%	3.39%	6.82%
Telecom Services	1.43%	-0.84%	-1.28%	23.49%	7.76%
Utilities	-4.70%	11.68%	11.56%	16.29%	12.30%

Source: Bloomberg. Returns are total returns. 5-yr. return is an average annual. One-week, YTD, 12-mo. and 5-yr. performance returns calculated through 12/22/17. 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	-0.33%	0.88%	1.36%	1.06%	0.89%
GNMA 30 Year	-0.34%	1.56%	2.36%	1.57%	1.67%
U.S. Aggregate	-0.61%	3.01%	3.75%	2.65%	2.01%
U.S. Corporate High Yield	0.00%	7.28%	7.61%	17.13%	5.75%
U.S. Corporate Investment Grade	-0.76%	5.66%	6.54%	6.11%	3.34%
Municipal Bond: Long Bond (22+)	-0.50%	7.31%	8.07%	0.88%	4.19%
Global Aggregate	-0.40%	6.48%	7.39%	2.09%	0.54%

Source: Bloomberg Barclays. Returns are total returns. 5-yr. return is an average annual. One-week, YTD, 12-mo. and 5-yr. performance returns calculated through 12/22/17. An index cannot be purchased directly by investors. Past performance is no guarantee of future results.

Key Rates

Fed Funds	1.25-1.50%	5-yr CD	2.21%
LIBOR (1-month)	1.51%	2-yr T-Note	1.89%
CPI - Headline	2.20%	5-yr T-Note	2.25%
CPI - Core	1.70%	10-yr T-Note	2.48%
Money Market Accts.	0.85%	30-yr T-Bond	2.83%
Prime Money Funds	0.85%	30-yr Mortgage Refinance	3.87%
1-yr CD	1.70%	Prime Rate	4.50%
3-yr CD	1.89%	Bond Buyer 40	3.94%

Sources: Bankrate.com, Barron's and Bloomberg. The rate shown for Prime Money Funds is as of 12/20/17. All other rates are as of 12/22/17.

Market Indicators

As of 12/22/17

TED Spread	36 bps
Investment Grade Spread (A2)	108 bps
ML High Yield Master II Index Spread	356 bps

Source: Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 12/13/17

	Current Week	Previous
Domestic Equity	-\$13.292 Billion	-\$9.284 Billion
Foreign Equity	-\$312 Million	\$1.858 Billion
Taxable Bond	\$3.617 Billion	\$4.900 Billion
Municipal Bond	-\$111 Million	-\$553 Million

Change in Money Market Fund Assets for the Week Ended 12/20/17

	Current Week	Previous
Retail	\$5.32 Billion	\$4.58 Billion
Institutional	-\$26.47 Billion	\$29.17 Billion

Source: Investment Company Institute.

Factoids for the week of December 18, 2017

Monday, December 18, 2017

The 33rd annual Barclays E&P Spending Survey (released on 12/14/17) estimates that global E&P expenditures will increase by 8% in 2018, according to its own release. E&P spending was up 4% in 2017. The expected rise in global spending in 2018 assumes average crude oil prices of around \$55 per barrel for WTI and \$60 per barrel for Brent. The biggest jump in spending by far is expected to occur in North America (21%). International spending is expected to increase by 4%, while offshore spending is poised to fall 14%.

Tuesday, December 19, 2017

Chief Executive's CEO Confidence Index in Business Conditions 12 Months Out just registered its second most optimistic year (7.08 out of 10) since the index commenced in late 2002, according to its own release. The highest mark ever achieved for a calendar year was 7.47 in 2004. The anticipated passage of corporate tax reform appears to be the main reason for the boost in optimism. The monthly survey of 267 CEOs just revealed that two-thirds of those polled plan to add to their workforce in 2018, while only 5% forecast a decrease in headcount. CEOs are also expecting to increase both profitability and revenue in 2018.

Wednesday, December 20, 2017

The Dow Jones Industrial Average closed the trading session on 12/18/17 at an all-time high of 24,792.20. It marked the 70th record closing high this year, according to Bespoke Investment Group. Prior to this year, 1995 held the record for the most closing highs at 69. In the past 117 years, there have only been three years (1925, 1995 and 2017) in which the index registered more than 60 record closing highs. In the years following 1925 and 1995, the index posted price-only returns (not including dividends) of 0.35% (1926) and 26.01% (1996).

Thursday, December 21, 2017

All 24 S&P 500 Index industry groups were trading above their 200-day moving-average as of 12/18/17, according to Bespoke Investment Group. Since 1990, there have been ten periods where this has occurred. In those instances, over the following three, six, and twelve month periods, the S&P 500 Index showed positive returns 100% of the time, with average price-only returns (not including dividends) of 4.83%, 9.85%, and 14.25%, respectively.

Friday, December 22, 2017

The Interactive Advertising Bureau (IAB) announced that digital advertising revenues in the U.S. surged to an all-time high of \$40.1 billion in the first half of 2017, up 23% year-over-year from the \$32.7 billion spent in the first half of 2016, according to its own release. The IAB noted that mobile captured 54% of total digital ad revenues. Advertisers spent \$21.7 billion on mobile in the first half of 2017, up 40% from the \$15.5 billion spent in the same period a year ago and up 164% from the \$8.2 billion spent in the first half of 2015.

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