

Stock Index Performance

Index	Week	YTD	12-mo.	2017	5-yr.
Dow Jones Industrial Avg. (24,100)	-1.17%	-0.28%	0.58%	28.11%	11.53%
S&P 500 (2,599)	-1.22%	-0.91%	-0.05%	21.82%	10.15%
NASDAQ 100 (6,594)	-0.26%	4.18%	4.31%	32.99%	15.13%
S&P 500 Growth	-0.56%	3.72%	4.09%	27.43%	12.27%
S&P 500 Value	-2.00%	-5.78%	-4.46%	15.35%	7.65%
S&P MidCap 400 Growth	-2.25%	-6.69%	-5.51%	19.91%	8.01%
S&P MidCap 400 Value	-3.03%	-8.25%	-5.95%	12.30%	7.22%
S&P SmallCap 600 Growth	-2.58%	-0.33%	1.70%	14.71%	9.23%
S&P SmallCap 600 Value	-3.26%	-9.39%	-7.18%	11.43%	6.82%
MSCI EAFE	-0.89%	-12.22%	-10.67%	25.03%	1.96%
MSCI World (ex US)	-0.96%	-12.82%	-10.80%	27.19%	1.87%
MSCI World	-1.14%	-5.93%	-4.71%	22.40%	6.15%
MSCI Emerging Markets	-0.95%	-14.24%	-11.21%	37.28%	1.99%
S&P GSCI	-2.41%	-6.61%	-1.28%	5.77%	-12.89%

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 12/14/18. 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.	2017	5-yr.
Communication Services	0.51%	-9.02%	-7.12%	-1.25%	4.03%
Consumer Discretionary	-1.18%	4.18%	5.37%	22.98%	11.29%
Consumer Staples	-0.55%	-2.71%	-1.60%	13.49%	8.05%
Energy	-3.22%	-11.94%	-7.78%	-1.01%	-3.33%
Financials	-3.51%	-12.04%	-10.88%	22.14%	9.18%
Health Care	-1.78%	9.14%	8.93%	22.08%	12.43%
Industrials	-1.48%	-10.34%	-8.49%	21.01%	7.77%
Information Technology	0.01%	3.44%	3.41%	38.83%	16.94%
Materials	-1.05%	-13.99%	-11.47%	23.84%	5.15%
Real Estate	-1.63%	4.16%	3.69%	10.85%	8.69%
Utilities	0.68%	10.83%	6.47%	12.11%	12.64%

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 12/14/18. An index cannot be purchased directly by investors. Past performance is no guarantee of future results.

Bond Index Performance

Index	Week	YTD	12-mo.	2017	5-yr.
U.S. Treasury: Intermediate	-0.05%	0.44%	0.28%	1.14%	1.20%
GNMA 30 Year	-0.02%	0.01%	-0.12%	1.87%	2.15%
U.S. Aggregate	0.06%	-0.90%	-1.01%	3.54%	2.29%
U.S. Corporate High Yield	0.12%	0.03%	0.23%	7.51%	4.36%
U.S. Corporate Investment Grade	0.34%	-2.85%	-2.85%	6.42%	3.21%
Municipal Bond: Long Bond (22+)	-0.58%	-0.62%	-0.33%	8.19%	5.48%
Global Aggregate	-0.32%	-2.62%	-2.22%	7.40%	0.72%

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 12/14/18. An index cannot be purchased directly by investors. Past performance is no guarantee of future results.

Key Rates

Fed Funds	2.00-2.25%	2-yr T-Note	2.73%
LIBOR (1-month)	2.43%	5-yr T-Note	2.73%
CPI - Headline	2.20%	10-yr T-Note	2.89%
CPI - Core	2.20%	30-yr T-Bond	3.14%
Money Market Accts.	1.51%	30-yr Mortgage Refinance	4.61%
1-yr CD	2.69%	Prime Rate	5.25%
3-yr CD	2.92%	Bond Buyer 40	4.15%
5-yr CD	3.06%		

Sources: Bankrate.com, Federal Reserve Bank NY, & US Bureau of Labor Statistics. All data as of 12/14/18.

Market Indicators

TED Spread	39 bps
Investment Grade Spread (A2)	167 bps
ML High Yield Master II Index Spread	447 bps

Source: Bloomberg as of 12/14/18.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds the Six-Day Period Ended 12/4/18

	Current Week	Previous
Domestic Equity	-\$5.818 Billion	-\$6.426 Billion
Foreign Equity	-\$4.191 Billion	-\$3.701 Billion
Taxable Bond	-\$6.527 Billion	-\$5.358 Billion
Municipal Bond	-\$1.057 Billion	-\$1.029 Billion

Change in Money Market Fund Assets for the Eight-Day Period Ended 12/12/18

	Current Week	Previous
Retail	\$11.47 Billion	\$10.86 Billion
Institutional	\$82.03 Billion	-\$4.70 Billion

Source: Investment Company Institute.

Factoids for the week of December 10, 2018

Monday, December 10, 2018

Adobe Analytics reported that consumers spent \$80.3 billion shopping online from 11/1/18 through 12/6/18, up 18.6% from the same period a year ago, according to *Fortune*. Mobile transactions accounted for \$23.7 billion of that total, up 54.8% from the same period a year ago. Adobe estimates that holiday online spending will hit \$124.1 billion this year, up 14.8% from last year's shopping season.

Tuesday, December 11, 2018

Year-to-date through 12/10/18, the FTSE Nareit All Equity REITs Index posted a total return of 3.84%, compared to 0.50% for the S&P 500 Index, according to Bloomberg. Lori Marks, a senior credit officer at Moody's Investors Service, Inc., believes that the overall credit conditions for REITs are stable due to solid real estate fundamentals, access to capital and healthy balance sheets, according to Nareit.

Wednesday, December 12, 2018

The Stockholm International Peace Research Institute reported that global military spending rose by 3.9% in 2017, according to 24/7 Wall St. Last year, total arms sales among the world's 100 largest defense contractors topped \$398 billion, with U.S. companies accounting for around 57% of that total, according to SIPRI data. The U.S. is home to five of the world's 10 largest defense contractors.

Thursday, December 13, 2018

Moody's reported that its global speculative-grade default rate stood at 2.3% in November, its lowest level since May 2015, according to its own release. It sees the rate inching up to 2.4% in November 2019. Moody's puts the historical average default rate at around 4.2% since 1983. The U.S. speculative-grade default rate stood at 2.9% in November. It sees the rate dipping to 2.6% in November 2019. There were 66 defaults registered in the first 11 months of 2018, down from 91 at this point a year ago. The default rate on senior loans stood at 1.56% in November, according to S&P Global Market Intelligence.

Friday, December 14, 2018

The Food and Drug Administration (FDA) approved 55 new molecular entities (drugs) in the first 11 months of 2018, the most approvals ever for a calendar year, according to FierceBiotech. The previous all-time high for FDA drug approvals was 53 in 1996. The new drug pipeline is deep. In 2018, there were 7,201 Investigational New Drug (IND) applications on the FDA's books, up 25% from a decade ago. An IND is a request for authorization to administer an investigational drug or biological product to humans.

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