

Stock Index Performance

Index	Week	YTD	12-mo.	2017	5-yr.
Dow Jones Industrial Avg. (24,191)	-5.08%	-1.90%	22.79%	28.11%	14.34%
S&P 500 (2,620)	-5.10%	-1.84%	15.77%	21.82%	13.86%
NASDAQ 100 (6,413)	-5.07%	0.37%	24.40%	32.99%	19.70%
S&P 500 Growth	-4.85%	-0.24%	21.50%	27.43%	15.66%
S&P 500 Value	-5.38%	-3.51%	9.35%	15.35%	11.70%
S&P MidCap 400 Growth	-5.22%	-2.64%	12.59%	19.91%	12.45%
S&P MidCap 400 Value	-4.82%	-5.65%	3.29%	12.30%	11.49%
S&P SmallCap 600 Growth	-4.77%	-2.73%	10.11%	14.71%	13.95%
S&P SmallCap 600 Value	-3.80%	-4.29%	6.75%	11.43%	12.86%
MSCI EAFE	-6.19%	-2.80%	17.94%	25.03%	6.37%
MSCI World (ex US)	-6.40%	-2.75%	18.80%	27.19%	5.51%
MSCI World	-5.53%	-2.40%	15.61%	22.40%	9.90%
MSCI Emerging Markets	-7.14%	-1.28%	26.20%	37.28%	3.95%
S&P GSCI	-6.42%	-3.21%	3.16%	5.77%	-13.51%

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 2/9/18. 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.
Consumer Discretionary	-4.57%	2.28%	20.04%	22.98%	16.58%
Consumer Staples	-5.09%	-5.72%	3.24%	13.49%	10.31%
Energy	-8.15%	-7.57%	-4.62%	-1.01%	-0.54%
Financials	-5.78%	-0.85%	18.76%	22.14%	16.27%
Health Care	-5.63%	-0.62%	16.50%	22.08%	15.51%
Industrials	-5.38%	-2.55%	14.83%	21.01%	14.51%
Information Technology	-4.33%	-0.11%	29.43%	38.83%	20.04%
Materials	-3.41%	-3.38%	15.08%	23.84%	10.37%
Real Estate	-4.11%	-8.62%	0.21%	10.85%	4.40%
Telecom Services	-5.73%	-5.36%	-2.67%	-1.25%	5.50%
Utilities	-2.65%	-7.79%	2.54%	12.11%	9.69%

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 2/9/18. 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	0.28%	-0.99%	-0.25%	1.14%	0.77%
GNMA 30 Year	-0.04%	-1.76%	-0.03%	1.87%	1.48%
U.S. Aggregate	-0.10%	-1.92%	1.04%	3.54%	1.83%
U.S. Corporate High Yield	-1.47%	-1.27%	4.12%	7.51%	5.29%
U.S. Corporate Investment Grade	-0.54%	-2.28%	3.28%	6.42%	3.15%
Municipal Bond: Long Bond (22+)	0.21%	-2.07%	4.96%	8.19%	3.70%
Global Aggregate	-0.45%	0.00%	6.29%	7.40%	1.11%

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 2/9/18. 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	2.31%
LIBOR (1-month)	1.58%	2-yr T-Note	2.07%
CPI - Headline	2.10%	5-yr T-Note	2.54%
CPI - Core	1.80%	10-yr T-Note	2.85%
Money Market Accts.	0.83%	30-yr T-Bond	3.16%
Prime Money Funds	0.98%	30-yr Mortgage Refinance	4.26%
1-yr CD	1.85%	Prime Rate	4.50%
3-yr CD	1.96%	Bond Buyer 40	3.99%

Sources: Bankrate.com, Barron's and Bloomberg. The rate shown for Prime Money Funds is as of 2/7/18. All other rates are as of 2/9/18.

Market Indicators

As of 2/9/18

TED Spread	25 bps
Investment Grade Spread (A2)	110 bps
ML High Yield Master II Index Spread	382 bps

Source: Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 1/31/18

	Current Week	Previous
Domestic Equity	-\$4.806 Billion	-\$5.118 Billion
Foreign Equity	\$2.622 Billion	\$3.956 Billion
Taxable Bond	\$4.654 Billion	\$11.749 Billion
Municipal Bond	\$1.891 Billion	\$2.392 Billion

Change in Money Market Fund Assets for the Week Ended 2/7/18

	Current Week	Previous
Retail	\$12.23 Billion	-\$4.33 Billion
Institutional	\$15.41 Billion	-\$21.05 Billion

Source: Investment Company Institute.

Factoids for the week of February 5, 2018

Monday, February 5, 2018

The number of bank branches in the U.S. shrank by more than 1,700 for the 12-month period ended June 2017, the biggest decline on record, according to *The Wall Street Journal*. The number of U.S. bank branches peaked in 2009. Many of the closings were in big cities and suburbs, where branches were consolidated largely due to falling foot traffic. Some of the closures involved banks leaving rural areas because branches there aren't profitable enough. Banks are still opening new branches, just not enough to offset the ones they are closing.

Tuesday, February 6, 2018

Worldwide sales of semiconductors totaled a record high \$37.99 billion in December, up 22.5% from the \$31.01 billion sold in December 2016 and up 0.8% from the \$37.69 billion sold in November 2017, according to the Semiconductor Industry Association (SIA). In 2017, global sales topped \$400 billion for the first time. On a year-over-year basis, the percent change in region/country semiconductor sales were as follows (December): the Americas (41.4%); Europe (20.2%); China (18.1%); Asia Pacific/All Other (17.4%); and Japan (14.0%). Year-to-date through 2/5/18, the Philadelphia Semiconductor Index posted a total return of 0.27%, compared to 0.20% for the S&P 500 Information Technology Index and a loss of 0.80% for the S&P 500 Index, according to Bloomberg.

Wednesday, February 7, 2018

Baker Hughes reported that a total of 765 crude oil rigs were active in the U.S. on 2/2/18, up from 583 on 2/3/17, according to Bloomberg. The price of crude oil closed at \$65.45 per barrel on 2/2/18, up from \$53.83 on 2/3/17. Over the past 20 years, the peak in the number of active crude oil rigs was 1,609, set on 10/10/14, when the price of crude oil was \$85.82. Baker Hughes also reported that 181 natural gas rigs were active in the U.S. on 2/2/18, up from 145 on 2/3/17. The price of natural gas closed at \$2.85 per million British thermal units on 2/2/18, down from \$3.06 on 2/3/17. Over the past 20 years, the peak in the number of active natural rigs was 1,606, set on 8/29/08, when the price of natural gas was \$7.94.

Thursday, February 8, 2018

Bespoke Investment Group co-founder Paul Hickey pointed out in a CNBC interview that buying stocks at the three worst times over the past 30 years still proved to be a good investment. Hickey is referring to buying stocks at their highest point prior to the crash in October 1987, the popping of the dot-com bubble in March 2000 and in October 2007, just before the 2008 financial crisis. The S&P 500 Index has posted average annualized total returns of 9.5%, 5.2% and 7.6%, respectively, since the peak in the market in 1987, 2000 and 2007, according to Bloomberg. The all-time closing high (2,872.87) for the S&P 500 Index was set on 1/26/18.

Friday, February 9, 2018

The Census Bureau reported that the U.S. homeownership rate hit 64.2% in Q4'17, up from 63.7% in Q4'16, according to MarketWatch. The all-time high was 69.2% in Q2'04. The October through December period marked the fourth quarter in a row in which the growth in the number of new owner households outpaced the number of new renter households. In Q4'17, there were 1.52 million more households compared to a year ago, and 76,000 fewer rental households.

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