

Stock Index Performance

Index	Week	YTD	12-mo.	2017	5-yr.
Dow Jones Industrial Avg. (23,533)	-5.67%	-4.28%	16.61%	28.11%	12.87%
S&P 500 (2,588)	-5.93%	-2.76%	12.51%	21.82%	13.01%
NASDAQ 100 (6,508)	-7.28%	2.00%	22.86%	32.99%	19.83%
S&P 500 Growth	-6.47%	0.28%	18.70%	27.43%	15.18%
S&P 500 Value	-5.32%	-5.94%	5.72%	15.35%	10.46%
S&P MidCap 400 Growth	-4.72%	-0.49%	14.92%	19.91%	12.45%
S&P MidCap 400 Value	-5.23%	-5.44%	5.16%	12.30%	10.72%
S&P SmallCap 600 Growth	-4.56%	0.81%	15.40%	14.71%	14.08%
S&P SmallCap 600 Value	-4.95%	-3.16%	10.94%	11.43%	12.31%
MSCI EAFE	-2.58%	-2.54%	13.93%	25.03%	6.15%
MSCI World (ex US)	-2.73%	-1.93%	15.67%	27.19%	5.74%
MSCI World	-4.54%	-2.82%	12.48%	22.40%	9.40%
MSCI Emerging Markets	-3.36%	1.45%	23.80%	37.28%	5.39%
S&P GSCI	2.41%	2.66%	17.65%	5.77%	-11.55%

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 3/23/18. 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	-4.78%	1.94%	17.71%	22.98%	15.58%
Consumer Staples	-4.52%	-10.28%	-4.62%	13.49%	8.12%
Energy	-0.92%	-6.82%	0.56%	-1.01%	-0.48%
Financials	-7.21%	-3.57%	15.77%	22.14%	14.83%
Health Care	-6.77%	-3.13%	9.26%	22.08%	14.02%
Industrials	-4.97%	-3.54%	12.35%	21.01%	13.58%
Information Technology	-7.87%	1.77%	26.93%	38.83%	20.30%
Materials	-5.31%	-6.98%	9.41%	23.84%	9.64%
Real Estate	-3.79%	-8.11%	-0.88%	10.85%	4.48%
Telecom Services	-5.64%	-10.27%	-8.37%	-1.25%	3.56%
Utilities	-2.50%	-6.11%	-1.84%	12.11%	9.03%

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 3/23/18. 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	0.16%	-0.98%	-0.28%	1.14%	0.72%
GNMA 30 Year	0.13%	-1.66%	0.18%	1.87%	1.45%
U.S. Aggregate	0.03%	-1.97%	0.85%	3.54%	1.75%
U.S. Corporate High Yield	-0.38%	-0.97%	4.74%	7.51%	5.00%
U.S. Corporate Investment Grade	-0.25%	-3.05%	2.14%	6.42%	2.89%
Municipal Bond: Long Bond (22+)	0.09%	-2.01%	4.55%	8.19%	3.86%
Global Aggregate	0.61%	1.45%	7.01%	7.40%	1.50%

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 3/23/18. An index cannot be purchased directly by investors. Past performance is no guarantee of future results.

Key Rates

Fed Funds	1.50-1.75%	5-yr CD	2.46%
LIBOR (1-month)	1.85%	2-yr T-Note	2.25%
CPI - Headline	2.20%	5-yr T-Note	2.60%
CPI - Core	1.80%	10-yr T-Note	2.81%
Money Market Accts.	1.00%	30-yr T-Bond	3.06%
Prime Money Funds	1.14%	30-yr Mortgage Refinance	4.28%
1-yr CD	2.02%	Prime Rate	4.50%
3-yr CD	2.15%	Bond Buyer 40	4.01%

Sources: Bankrate.com, Barron's and Bloomberg. The rate shown for Prime Money Funds is as of 3/21/18. All other rates are as of 3/23/18.

Market Indicators

As of 3/23/18

TED Spread	55 bps
Investment Grade Spread (A2)	128 bps
ML High Yield Master II Index Spread	374 bps

Source: Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 3/14/18

	Current Week	Previous
Domestic Equity	-\$6.300 Billion	-\$1.312 Billion
Foreign Equity	\$2.545 Billion	\$4.175 Billion
Taxable Bond	\$5.739 Billion	\$3.122 Billion
Municipal Bond	\$613 Million	\$266 Million

Change in Money Market Fund Assets for the Week Ended 3/21/18

	Current Week	Previous
Retail	\$0.13 Billion	\$0.88 Billion
Institutional	\$4.81 Billion	-\$38.64 Billion

Source: Investment Company Institute.

Factoids for the week of March 19, 2018

Monday, March 19, 2018

Goldman Sachs reported that U.S. households currently have \$900 billion less invested in equities than in 2007, according to Reuters. In 401(k) retirement plans, investors now hold 52.4% of their savings in equity-only funds, down from 64.7% in 2007, according to Fidelity. Investors who have bought stocks have funneled a lot of capital into passive mutual funds and exchange-traded funds (ETFs). Lipper data shows there are currently 1,400 passively managed equity mutual funds and ETFs holding \$5.4 trillion in assets, up from the 707 funds that held \$1.2 trillion in 2007.

Tuesday, March 20, 2018

Charles Schwab research shows that millennials are far more likely to invest in exchange-traded funds (ETFs) than baby boomers, according to Fox Business. While 24% of baby boomers have adopted ETFs, the rate for millennials is 33%. Schwab found that 63% of millennials believe that ETFs will be their primary investment vehicle in the future, compared to just 23% of baby boomers. Millennials' attraction to ETFs is attributed to their desire for lower cost, transparent and tax-efficient investments.

Wednesday, March 21, 2018

S&P 500 Index stock buybacks totaled \$136.97 billion (preliminary) in Q4'17, up 1.24% from the \$135.29 billion executed in Q4'16 and up 6.04% from the \$129.17 billion spent on buybacks in Q3'17, according to S&P Dow Jones Indices. In 2017, buybacks totaled \$519.40 billion, down 3.17% from the \$536.38 billion repurchased in 2016. In Q4'17, Information Technology, Financials and Consumer Discretionary were the most active sectors accounting for 26.15%, 24.76% and 15.17%, respectively, of all buyback expenditures. In Q4'17, S&P 500 Industrials (Old), defined as the S&P 500 minus Financials, Utilities and Transportation companies, had cash and equivalent holdings totaling an all-time high of \$1.636 trillion.

Thursday, March 22, 2018

Business Insider estimates that there will be around 3,600 retail store closings in 2018, on top of the roughly 7,000 closings in 2017, according to *Kiplinger*. Marketing and data analysis firm Cushman & Wakefield thinks it could be much worse than 3,600. It is anticipating more than 12,000 store closings. S&P Capital IQ data shows that the number of retailers that filed for bankruptcy in 2017 rose to 40, the highest level since 2011, according to *USA TODAY*.

Friday, March 23, 2018

The Recording Industry Association of America reported that U.S. revenues from recorded music rose by an estimated 16.5% to \$8.7 billion (retail value) in 2017, according to 24/7 Wall St. Revenue growth was driven by more than a 50% increase in paid music subscriptions. Streaming music platforms accounted for nearly two-thirds of total U.S. music industry revenues in 2017.

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