

Stock Index Performance

Index	Week	YTD	12-mo.	2017	5-yr.
Dow Jones Industrial Avg. (25,790)	0.51%	5.90%	21.09%	28.11%	14.15%
S&P 500 (2,875)	0.88%	8.87%	20.15%	21.82%	13.86%
NASDAQ 100 (7,485)	1.47%	17.86%	29.63%	32.99%	20.51%
S&P 500 Growth	1.19%	14.48%	26.00%	27.43%	16.46%
S&P 500 Value	0.52%	2.96%	13.88%	15.35%	10.84%
S&P MidCap 400 Growth	1.20%	9.11%	23.13%	19.91%	12.95%
S&P MidCap 400 Value	1.31%	7.05%	19.70%	12.30%	11.84%
S&P SmallCap 600 Growth	2.02%	21.83%	37.86%	14.71%	15.71%
S&P SmallCap 600 Value	1.55%	13.37%	30.65%	11.43%	13.46%
MSCI EAFE	1.56%	-2.55%	4.73%	25.03%	4.98%
MSCI World (ex US)	1.75%	-3.82%	3.49%	27.19%	4.84%
MSCI World	1.12%	4.15%	13.55%	22.40%	9.55%
MSCI Emerging Markets	2.70%	-7.73%	-0.71%	37.28%	4.84%
S&P GSCI	2.73%	6.45%	23.13%	5.77%	-11.29%

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 8/24/18. 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	2.06%	17.20%	31.73%	22.98%	16.24%
Consumer Staples	-1.79%	-3.95%	1.84%	13.49%	8.97%
Energy	2.68%	4.90%	22.87%	-1.01%	1.15%
Financials	0.26%	2.00%	16.22%	22.14%	13.75%
Health Care	0.76%	12.13%	18.38%	22.08%	14.91%
Industrials	0.57%	2.08%	14.67%	21.01%	12.94%
Information Technology	1.70%	18.61%	32.93%	38.83%	22.10%
Materials	1.17%	-1.14%	11.09%	23.84%	9.68%
Real Estate	-1.05%	3.54%	6.35%	10.85%	8.39%
Telecom Services	-0.73%	-1.82%	4.71%	-1.25%	5.78%
Utilities	-1.42%	3.84%	1.24%	12.11%	11.32%

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 8/24/18. 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	0.15%	-0.29%	-1.06%	1.14%	1.22%
GNMA 30 Year	0.23%	-0.25%	-0.01%	1.87%	2.41%
U.S. Aggregate	0.26%	-0.84%	-0.58%	3.54%	2.60%
U.S. Corporate High Yield	0.36%	1.92%	3.76%	7.51%	5.67%
U.S. Corporate Investment Grade	0.27%	-1.76%	-0.35%	6.42%	3.95%
Municipal Bond: Long Bond (22+)	0.19%	-0.18%	1.65%	8.19%	6.27%
Global Aggregate	0.55%	-1.53%	-1.01%	7.40%	1.31%

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 8/24/18. An index cannot be purchased directly by investors. Past performance is no guarantee of future results.

Key Rates

Fed Funds	1.75-2.00%	2-yr T-Note	2.62%
LIBOR (1-month)	2.07%	5-yr T-Note	2.71%
CPI - Headline	2.90%	10-yr T-Note	2.81%
CPI - Core	2.40%	30-yr T-Bond	2.96%
Money Market Accts.	1.16%	30-yr Mortgage Refinance	4.39%
1-yr CD	2.45%	Prime Rate	5.00%
3-yr CD	2.46%	Bond Buyer 40	4.01%
5-yr CD	2.75%		

Sources: Bankrate.com and Bloomberg. All other rates are as of 8/24/18.

Market Indicators

As of 8/24/18

TED Spread	21 bps
Investment Grade Spread (A2)	135 bps
ML High Yield Master II Index Spread	346 bps

Source: Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 8/15/18

	Current Week	Previous
Domestic Equity	-\$2.997 Billion	-\$4.855 Billion
Foreign Equity	\$736 Million	\$17 Million
Taxable Bond	\$1.319 Billion	\$3.482 Billion
Municipal Bond	\$555 Million	\$629 Million

Change in Money Market Fund Assets for the Week Ended 8/22/18

	Current Week	Previous
Retail	\$6.35 Billion	-\$0.53 Billion
Institutional	-\$2.61 Billion	-\$3.20 Billion

Source: Investment Company Institute.

Factoids for the week of August 20, 2018

Monday, August 20, 2018

The 2016 Census survey found that the median age of owner-occupied homes in the U.S. was 37, up sharply from 31 in 2005, according to MarketWatch. Homes are getting older in part due to a decline in new construction. From 1985 to 2000, there were 3.9 single-family home permits issued per 1,000 U.S. residents, compared to 1.9 per 1,000 residents over the past decade, according to Zillow. It estimates that the U.S. currently has a deficit of more than six million single-family homes.

Tuesday, August 21, 2018

Census data shows that approximately 3.5 million people in the U.S. relocated for a new job in 2017, down from around 3.8 million in 2015, according to *The Wall Street Journal*. These figures have ranged from 2.8 million to 4.5 million per year since the government began tracking them in 1999. Family obligations, real estate values and moving expenses are often cited as reasons why some workers can't or won't relocate for a job.

Wednesday, August 22, 2018

LIMRA Secure Retirement Institute reported that U.S. annuity sales totaled \$59.5 billion in Q2'18, up 10% from what was sold in Q2'17, according to its own release. The \$59.5 billion is the highest for any quarter since Q1'15. Variable annuity and fixed annuity sales totaled \$25.8 billion and \$33.7 billion, respectively, in Q2'18. VA sales were up 2% year-over-year in the quarter. Prior to Q2'18, VA sales had declined for 17 consecutive quarters.

Thursday, August 23, 2018

Shipments of manufactured homes in the U.S. are expected to exceed 100,000 units in 2018, according to Bloomberg. The last time that happened was in 2006 (117,300 units). The pinnacle for manufactured housing was the 580,000 units shipped in 1973. Six years of steady price gains have made traditional homes unaffordable for many Americans. Sale prices for new double-wide manufactured homes averaged \$91,400 in March, according to Census Bureau data. The average price of a new single-family home sold in June was \$363,300.

Friday, August 24, 2018

The Federal Deposit Insurance Corporation (FDIC) announced that U.S. commercial banks and savings institutions insured by the FDIC reported aggregate net income totaling \$60.2 billion in Q2'18, up 25.1% from the \$48.1 billion posted in Q2'17, according to its own release. Of the 5,542 insured institutions that reported, more than 70.0% posted year-over-year growth in quarterly earnings. Community banks reported net income totaling \$6.5 billion, up 21.1% from a year ago. The number of institutions on the FDIC's list of "problem banks" stood at 82 in Q2'18, down from 92 in Q1'18. The post-crisis high for the list was 888 in Q1'11.

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