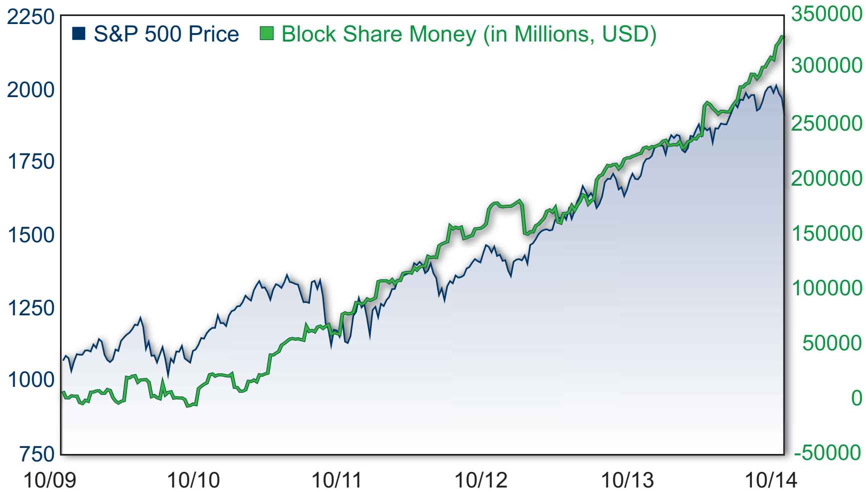
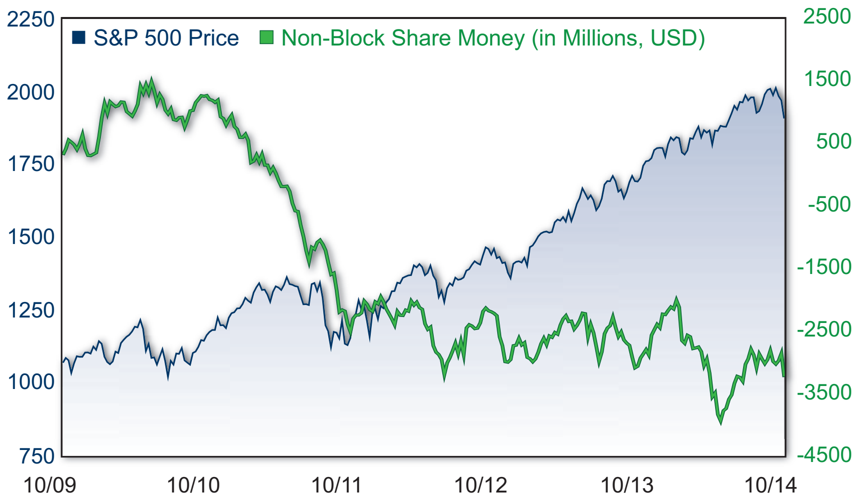
Retail Investors Still Leery Of U.S. Stocks

Block Trades *(10,000 shares or more)* **vs. Non-Block** *(<10,000)*





Source: Bloomberg. Past performance is no guarantee of future results. Data from 10/9/09 through 10/10/14.

View from the Observation Deck

1. From 3/9/09-10/13/14 (current bull market), the S&P 500 posted a cumulative total return of 212.05%, or an average annualized gain of 22.53%, according to Bloomberg.
2. The green line in the first chart shows large blocks of capital consistently flowing into the stock market over the past five years. The vast majority of said flows was institutional money.
3. The second chart shows money flowing out of the stock market over the same period. The vast majority of those outflows are from retail investors.
4. While there have been brief periods over the past couple of years when retail investors did commit capital to large-cap domestic stocks, it has been choppy at best.
5. Despite the S&P 500 being up in 2014, Domestic Equity mutual funds have reported net outflows in each of the past six months (April-September), according to the Investment Company Institute.

This chart is for illustrative purposes only and not indicative of any actual investment The illustration excludes the effects of taxes and brokerage commissions or other expenses incurred when investing. Investors cannot invest directly in an index. The S&P 500 is a capitalization-weighted index comprised of 500 stocks used to measure large-cap U.S. stock market performance.