

Stock Index Performance

Index	Week	YTD	12-mo.	2014	5-yr.
Dow Jones Industrial Avg. (16,460)	-5.71%	-6.12%	-1.04%	10.04%	12.84%
S&P 500 (1,971)	-5.71%	-2.99%	0.97%	13.68%	15.35%
NASDAQ 100 (4,197)	-7.30%	-0.10%	4.94%	19.49%	19.61%
S&P 500 Growth	-5.83%	-0.29%	4.22%	14.89%	16.81%
S&P 500 Value	-5.57%	-5.91%	-2.54%	12.35%	13.83%
S&P MidCap 400 Growth	-5.19%	3.13%	5.94%	7.57%	16.57%
S&P MidCap 400 Value	-5.21%	-5.57%	-3.70%	12.04%	14.80%
S&P SmallCap 600 Growth	-4.41%	3.00%	7.94%	3.85%	18.36%
S&P SmallCap 600 Value	-4.04%	-6.62%	-2.56%	7.54%	15.76%
MSCI EAFE	-4.53%	0.89%	-6.40%	-4.90%	7.21%
MSCI World (ex US)	-4.94%	-3.68%	-11.65%	-3.87%	4.74%
MSCI World	-5.29%	-2.15%	-3.43%	4.94%	10.86%
MSCI Emerging Markets	-5.94%	-13.56%	-23.12%	-2.19%	-1.43%

Source: Bloomberg. Returns are total returns. The 5-yr. return is an average annual. One-week, YTD, 12-mo. and 5-yr. performance returns calculated through 8/21/15.

S&P Sector Performance

Index	Week	YTD	12-mo.	2014	5-yr.
Consumer Discretionary	-5.19%	3.73%	10.15%	9.68%	21.21%
Consumer Staples	-4.79%	-0.46%	8.83%	15.98%	15.44%
Energy	-8.48%	-19.53%	-32.86%	-7.79%	5.81%
Financials	-5.88%	-3.02%	4.32%	15.18%	13.42%
Health Care	-4.88%	5.49%	15.57%	25.34%	22.42%
Industrials	-5.33%	-7.76%	-3.25%	9.80%	14.46%
Information Technology	-7.30%	-4.11%	0.55%	20.12%	15.64%
Materials	-5.41%	-10.16%	-12.86%	6.91%	9.64%
Telecom Services	-2.63%	0.15%	-2.21%	2.99%	11.15%
Utilities	-1.16%	-2.93%	9.63%	28.98%	12.61%

Source: Bloomberg. Returns are total returns. The 5-yr. return is an average annual. One-week, YTD, 12-mo. and 5-yr. performance returns calculated through 8/21/15.

Bond Index Performance

Index	Week	YTD	12-mo.	2014	5-yr.
U.S. Treasury: Intermediate	0.55%	1.68%	2.44%	2.57%	1.99%
GNMA 30 Year	0.44%	0.87%	2.62%	6.03%	3.03%
U.S. Aggregate	0.59%	1.10%	2.61%	5.97%	3.20%
U.S. Corporate High Yield	-0.78%	-0.26%	-3.15%	2.45%	7.24%
U.S. Corporate Investment Grade	0.62%	0.10%	1.03%	7.46%	4.53%
Municipal Bond: Long Bond (22+)	0.42%	1.66%	5.03%	15.39%	5.71%
Global Aggregate	1.06%	-1.82%	-5.27%	0.59%	1.52%

Source: Barclays Capital. Returns are total returns. The 5-yr. return is an average annual. One-week, YTD, 12-mo. and 5-yr. performance returns calculated through 8/21/15.

Key Rates

As of 8/21/15

Fed Funds	0.00-0.25%	5-yr CD	1.77%
LIBOR (1-month)	0.20%	2-yr T-Note	0.62%
CPI - Headline	0.20%	5-yr T-Note	1.43%
CPI - Core	1.80%	10-yr T-Note	2.04%
Money Market Accts.	0.44%	30-yr T-Bond	2.72%
Money Market Funds	0.02%	30-yr Mortgage	3.98%
6-mo CD	0.36%	Prime Rate	3.25%
1-yr CD	1.06%	Bond Buyer 40	4.38%

Sources: Bankrate.com, iMoneyNet.com and Bloomberg.

Market Indicators

As of 8/21/15

TED Spread	31 bps
Investment Grade Spread (A2)	194 bps
ML High Yield Master II Index Spread	586 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 8/12/15

	Current Week	Previous
Domestic Equity	-\$2.294 Billion	-\$7.303 Billion
Foreign Equity	\$3.842 Billion	\$3.459 Billion
Taxable Bond	-\$2.679 Billion	-\$4.293 Billion
Municipal Bond	-\$10 Million	-\$106 Million

Change in Money Market Fund Assets for the Week Ended 8/19/15

	Current Week	Previous
Retail	\$4.59 Billion	\$0.58 Billion
Institutional	\$6.41 Billion	\$4.75 Billion

Source: Investment Company Institute.

Factoids for the week of August 17-21, 2015

Monday, August 17, 2015

Moody's reported that the global speculative-grade default rate stood at 2.4% in July, up from 2.3% in June, according to its own release. Moody's is forecasting a default rate of 2.7% for December 2015. The historical average for the default rate on global speculative-grade debt has been 4.5% since 1983. The U.S. speculative-grade default rate stood at 2.2% in July, up from 2.0% in June. The default rate on senior loans stood at 0.57% (7.5-year low) in July, down from 0.81% in June, according to S&P Capital IQ.

Tuesday, August 18, 2015

The S&P/Experian Consumer Credit Default Composite Index stood at 0.92% in July 2015, down from 1.01% in July 2014, according to the S&P Dow Jones Indices. The 0.92% default rate sits just above the record low of 0.88% set in May 2015. The default rate on first mortgages stood at 0.80%, down from 0.88% a year ago. The default rate on second mortgages stood at 0.55%, up from 0.52% a year ago. The bank card default rate stood at 2.79%, down from 2.86% a year ago. The auto loans default rate stood at 0.86%, down from 0.96% a year ago. Job growth was cited as one of the main reasons for the drop in consumer credit default rates. A new report released by Georgetown University stated that 44% of the nearly three million U.S. jobs created from 2010 to 2014 paid salaries in excess of \$53,000, according to USA TODAY.

Wednesday, August 19, 2015

LIMRA Secure Retirement Institute reported that U.S. annuity sales fell 2.75% (y-o-y) in Q2'15, according to its own data release. Annuity sales totaled \$60.2 billion. Variable annuity (VA) sales totaled \$36.0 billion, down from \$36.2 billion in Q2'14. Fixed annuity (FA) sales totaled \$24.2 billion, down from \$25.7 billion in Q2'14. In the first half of 2015, annuity sales totaled \$114.6 billion (\$68.4 billion VA vs. \$46.2 billion FA), down 4.50% from the first half of 2014.

Thursday, August 20, 2015

As of this week, there were 95 large fires active across 10 states, according to CNBC. Year-to-date, more than seven million acres of U.S. land has been scorched by wildfires. The Forest Service, which is responsible for most of the fire-fighting efforts in the U.S., was budgeted \$708 million for fire suppression in 2015. It has access to another \$303 million sitting in a special account created in 2009 to fight fires. Costs have exceeded annual budgets in 10 of the last 13 years, according to the Forest Service. In fiscal year 2014, the Forest Service spent around \$1.2 billion on fire suppression. It has spent close to \$830 million so far in 2015.

Friday, August 21, 2015

Borrell Associates reported that it sees political ad spending reaching \$11.4 billion in 2016, up 20% from 2012, the last presidential election, according to MarketWatch.com. While the vast majority of the spending will continue to favor television ads, Borrell believes 2016 will be the first year in which digital media advertising tops the \$1 billion mark. When you add in 2015 spending, Borrell estimates that total ad spending in this election cycle will reach \$16.5 billion, with roughly half being spent on national elections and half on local contests.