First Trust — Market Watch

Week of March 27th

Stock Index Performance

Index	Week	YTD	12-mo.	2016	5-yr.
Dow Jones Industrial Avg. (20,597)	-1.52%	4.85%	20.68%	16.50%	12.30%
S&P 500 (2,344)	-1.42%	5.20%	17.60%	11.95%	13.28%
NASDAQ 100 (5,364)	-0.82%	10.59%	23.29%	7.27%	15.95%
S&P 500 Growth	-1.07%	7.59%	16.12%	6.89%	13.80%
S&P 500 Value	-1.84%	2.51%	18.78%	17.39%	12.58%
S&P MidCap 400 Growth	-1.79%	3.80%	20.60%	14.76%	12.32%
S&P MidCap 400 Value	-2.49%	0.76%	22.34%	26.52%	13.52%
S&P SmallCap 600 Growth	-2.59%	0.38%	26.31%	22.07%	14.04%
S&P SmallCap 600 Value	-3.05%	-2.97%	24.47%	31.21%	13.43%
MSCI EAFE	-0.04%	7.25%	14.15%	1.00%	5.83%
MSCI World (ex US)	0.03%	8.06%	16.12%	4.50%	4.39%
MSCI World	-0.91%	5.81%	16.08%	7.51%	9.33%
MSCI Emerging Markets	0.41%	12.64%	21.87%	11.19%	1.02%
S&P GSCI	-1.29%	-7.54%	4.17%	11.37%	-15.79%

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 3/24/17. 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.	2016	5-yr.
Consumer Discretionary	-1.00%	6.68%	13.56%	6.03%	16.07%
Consumer Staples	-0.63%	6.47%	7.74%	5.38%	13.18%
Energy	-1.74%	-8.70%	11.93%	27.36%	1.17%
Financials	-3.81%	1.65%	32.62%	22.75%	15.23%
Health Care	-1.28%	8.20%	12.12%	-2.69%	17.23%
Industrials	-1.76%	3.60%	18.21%	18.85%	14.10%
Information Technology	-0.85%	11.37%	25.87%	13.85%	14.60%
Materials	-1.50%	4.31%	18.21%	16.69%	9.18%
Telecom Services	-1.91%	-3.21%	3.55%	23.49%	10.13%
Utilities	1.30%	7.67%	9.87%	16.29%	12.65%

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 3/24/17. An index cannot be purchased directly by investors. Past performance is no guarantee of future results.

Bond Index Performance

Index	Week	YTD	12-mo.	2016	5-yr.
U.S. Treasury: Intermediate	0.38%	0.48%	-0.19%	1.06%	1.26%
GNMA 30 Year	0.49%	0.11%	0.41%	1.57%	1.79%
U.S. Aggregate	0.60%	0.75%	1.00%	2.65%	2.35%
U.S. Corporate High Yield	-0.22%	1.80%	15.76%	17.13%	6.64%
U.S. Corporate Investment Grade	0.72%	1.15%	4.02%	6.11%	3.97%
Municipal Bond: Long Bond (22+)	0.85%	1.49%	0.69%	0.88%	4.50%
Global Aggregate	0.90%	1.93%	-0.56%	2.09%	0.49%

Source: Barclays. Returns are total returns. The ***5-yr. return is an average annual.*** One-week, YTD, 12-mo. and 5-yr. performance returns calculated through 3/24/17. An index cannot be purchased directly by investors. Past performance is no guarantee of future results.

Key Rates

As of 3/24/17

Fed Funds	0.75-1.00%	5-yr CD	1.95%
LIBOR (1-month)	0.98%	2-yr T-Note	1.26%
CPI - Headline	2.70%	5-yr T-Note	1.95%
CPI - Core	2.20%	10-yr T-Note	2.41%
Money Market Accts.	0.68%	30-yr T-Bond	3.01%
Money Market Funds	0.26%	30-yr Mortgage Refinance	4.04%
6-mo CD	0.75%	Prime Rate	4.00%
1-yr CD	1.25%	Bond Buyer 40	4.24%

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

Market Indicators

As of 3/24/17

TED Spread	39 bps
Investment Grade Spread (A2)	134 bps
ML High Yield Master II Index Spread	407 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 3/15/17

	Current Week		Previous	
Domestic Equity	-$2.866	Billion	-$5.578	Billion
Foreign Equity	-$1.199	Billion	$1.730	Billion
Taxable Bond	$3.502	Billion	$6.517	Billion
Municipal Bond	-$249	Million	$41	Million

Change in Money Market Fund Assets for the Week Ended 3/22/17

	Current Week		Previous	
Retail	$0.82	Billion	$2.81	Billion
Institutional	-$24.08	Billion	-$14.47	Billion

Source: Investment Company Institute.

Factoids for the week of March 20, 2017

Monday, March 20, 2017
NAREIT's Total REIT Industry Tracker Series (NAREIT T-Tracker) results for Q4'16 reflected improvement in REIT operating performance, according to REIT.com. The NAREIT T-Tracker encompasses the entire U.S. stock exchange-listed REIT industry. Funds from operations (FFO) of U.S. listed Equity REITs recorded a 20.5% year-over-year gain in Q4'16. FFO was 7.4% higher than in Q3'16. FFO is derived by taking a REIT's net income, excluding gains or losses from sales of property, and adding back real estate depreciation, according to REIT.com. Dividends paid by Equity and Mortgage REITs totaled $12.2 billion in Q4'16, up 4.2% from Q4'15. Equity REITs paid out $10.5 billion and Mortgage REITs accounted for the remaining $1.7 billion. Occupancy rates of all REIT-owned properties reached a record high 94.5% in Q4'16.

Tuesday, March 21, 2017
Mexico's central bank reported that Mexico received $27.0 billion in remittances in 2016, a record high, and the vast majority of that money came from people working in the U.S., according to CNNMoney. The money flowing from the U.S. helps support millions of low-income families in Mexico. It is Mexico's biggest source of foreign revenue. The $27.0 billion was significantly higher than the $18.7 billion the country took in from its oil exports. Last year's total may have been driven up by people strategically front-loading transfers in anticipation of potential restrictions by the U.S. government, according to Alberto Ramos, head of Latin America research at Goldman Sachs. While running for office, President Trump mentioned the possibility of taxing remittances to pay for the proposed border wall.

Wednesday, March 22, 2017
A recent study indicates that a high percentage of Americans are likely going to die in debt. Data provided by Experian shows that 73% of those Americans who died over the two-month period ended December 2016 had outstanding debt, according to Credit.com. The average debt balance was $61,554, including mortgage debt. The average debt balance stood at $12,875 for those without home loans. Among the 73% who were in debt when they died, approximately 68% had credit card balances. The next most common type of debt was mortgage debt (37%), followed by auto loans (25%), personal loans (12%) and student loans (6%).

Thursday, March 23, 2017
S&P 500 Index stock buybacks totaled $135.29 billion (preliminary) in Q4'16, down 7.26% from the $145.88 billion executed in Q4'15, but 20.58% more than the $112.20 billion spent on buybacks in Q3'16, according to S&P Dow Jones Indices. In 2016, buybacks totaled $536.38 billion, down 6.25% from the $572.15 billion repurchased in 2015. In Q4'16, Health Care, Information Technology, Financials and Consumer Discretionary were the most active sectors accounting for 21.36%, 21.24%, 19.79% and 15.23%, respectively, of all buyback expenditures. In Q4'16, S&P 500 Industrials (Old), defined as the S&P 500 minus Financials, Utilities and Transportation companies, had cash and equivalent holdings totaling $1.48 trillion, down slightly from the all-time high of $1.49 trillion, set in Q3'16.

Friday, March 24, 2017
Spectrem Group, a wealth research firm, reported that the number of millionaire households in the U.S. increased by 400,000 in 2016, according to CNBC. The total now stands at an all-time high of 10.8 million households. Spectrem defines millionaire households as having $1 million or more in investible assets, not including a primary residence. Since the 2008 financial crisis, the number of millionaire households has increased by four million. There are now 1.4 million households worth $5 million or more and 156,000 households worth $25 million or more.