

Stock Index Performance					
Index	Week	YTD	12-mo.	2011	5-yr.
Dow Jones Industrial Avg. (12,815)	-1.99%	7.31%	11.78%	8.41%	2.50%
S&P 500 (1,380)	-2.32%	11.82%	14.80%	2.12%	1.18%
NASDAQ 100 (2,584)	-2.59%	14.63%	13.08%	3.69%	5.78%
S&P 500 Growth	-2.14%	11.31%	13.43%	4.70%	3.31%
S&P 500 Value	-2.52%	12.45%	15.24%	-0.48%	-1.02%
S&P MidCap 400 Growth	-1.62%	12.06%	11.81%	-0.95%	5.20%
S&P MidCap 400 Value	-1.88%	11.87%	15.80%	-2.40%	2.94%
S&P SmallCap 600 Growth	-1.88%	8.32%	12.13%	3.67%	4.30%
S&P SmallCap 600 Value	-2.29%	10.20%	16.72%	-1.34%	3.05%
MSCI EAFE	-2.03%	9.38%	7.49%	-12.14%	-5.33%
MSCI World (ex US)	-1.87%	9.41%	6.32%	-13.71%	-4.53%
MSCI World	-2.20%	10.15%	10.63%	-5.54%	-2.24%
MSCI Emerging Markets	-1.34%	10.85%	3.82%	-18.42%	-2.66%

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 11/9/12.

S&P Sector Performance					
Index	Week	YTD	12-mo.	2011	5-yr.
Consumer Discretionary	-2.29%	18.02%	21.64%	6.24%	7.92%
Consumer Staples	-1.61%	8.95%	15.90%	14.03%	7.36%
Energy	-2.24%	1.95%	3.09%	4.72%	0.33%
Financials	-2.97%	21.06%	23.04%	-17.07%	-10.53%
Health Care	-2.26%	15.04%	21.57%	12.77%	4.57%
Industrials	-1.56%	10.01%	14.87%	-0.59%	0.25%
Information Technology	-2.26%	11.33%	10.41%	2.43%	3.61%
Materials	-1.31%	8.11%	7.51%	-9.68%	-0.49%
Telecom Services	-3.60%	16.71%	22.76%	6.33%	2.60%
Utilities	-4.42%	-0.66%	4.42%	20.02%	0.43%

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 11/9/12.

Bond Index Performance					
Index	Week	YTD	12-mo.	2011	5-yr.
U.S. Treasury: Intermediate	0.35%	1.80%	2.15%	6.57%	4.94%
GNMA 30 Year	-0.18%	2.16%	3.09%	7.97%	6.31%
U.S. Aggregate	0.33%	4.38%	4.98%	7.84%	6.28%
U.S. Corporate High Yield	-0.27%	13.06%	14.54%	4.98%	9.66%
U.S. Corporate Investment Grade	0.28%	10.04%	10.17%	8.15%	7.98%
Municipal Bond: Long Bond (22+)	0.93%	11.72%	14.01%	14.88%	6.81%
Global Aggregate	0.28%	4.52%	4.04%	5.64%	5.43%

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 11/9/12.

Key Rates			
As of 11/9/12			
Fed Funds	0.00-0.25%	5-yr CD	1.33%
LIBOR (1-month)	0.21%	2-yr T-Note	0.26%
CPI - Headline	2.00%	5-yr T-Note	0.64%
CPI - Core	2.00%	10-yr T-Note	1.61%
Money Market Accts.	0.49%	30-yr T-Bond	2.75%
Money Market Funds	0.03%	30-yr Mortgage	3.41%
6-mo CD	0.47%	Prime Rate	3.25%
1-yr CD	0.73%	Bond Buyer 40	4.14%

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

Market Indicators	
As of 11/9/12	
TED Spread	21 bps
Investment Grade Spread (A2)	181 bps
ML High Yield Master II Index Spread	577 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows				
Estimated Flows to Long-Term Mutual Funds for the Week Ended 10/31/12				
	Current Week		Previous	
Domestic Equity	-\$1.885	Billion	-\$1.867	Billion
Foreign Equity	-\$548	Million	-\$620	Million
Taxable Bond	\$2.231	Billion	\$5.663	Billion
Municipal Bond	\$385	Million	\$952	Million
Change in Money Market Fund Assets for the Week Ended 11/7/12				
	Current Week		Previous	
Retail	\$2.97	Billion	\$0.66	Billion
Institutional	\$28.27	Billion	-\$23.37	Billion

Source: Investment Company Institute

Factoids for the week of November 5th – 9th

Monday, November 5, 2012

One of the silver linings for municipalities in these fiscally challenging times has been the ability to refund (issuer refinances outstanding bonds by issuing new bonds) debt at lower interest rates. On average, refundings accounted for 38.4% of new issuance from 2001-2011, according to Thomson Reuters. With the Federal Reserve providing some additional tailwind through its quantitative easing initiatives, the percentage of refundings increased to 48.8% (10-year high) in 2011 and 63.0% through the first three-quarters of 2012.

Tuesday, November 6, 2012

U.S. M&A activity totaled \$105.1 billion (112 deals) in October, the highest monthly volume since the \$83.0 billion announced in August 2012, and the first month to top \$100 billion since July 2011, according to S&P Capital IQ. There were 21 M&A deals in October valued at \$1 billion or more, the highest since July 2007, when 28 deals valued at \$1 billion or more were announced.

Wednesday, November 7, 2012

The National Association of Realtors reported that single-family home prices increased in 81% (120 out of 149) of U.S. cities in Q3'12, according to Businessweek.com. The 120 metropolitan areas that posted gains topped the 110 cities up in Q2'12. U.S. home prices spiked 5% (y-o-y) in September alone, the biggest 12-month increase since July 2006, according to CoreLogic Inc. As of the close of Q3, 2.32 million homes were available for sale, down 20% (y-o-y). The share of all-cash home purchases fell from 29% a year ago to 27%. Year-to-date through 11/6, the S&P Homebuilders Select Industry Index was up 53.04%, on a total return basis, compared to 18.17% for the S&P 500.

Thursday, November 8, 2012

It has been well-documented that Corporate America is cash-rich. Federal Reserve data indicated that at the end of Q1'12, U.S. non-financial companies held \$1.7 trillion in cash and equivalents, according to Reuters. S&P's Capital IQ Global Markets Intelligence group just released research showing a big increase in the number of special dividend announcements in 2012. To date, a record-high 60 companies have announced they will pay one. The previous record was 46 in 2010. The average from 2005 through 2011 was 34. More than half of the announcements are concentrated in Energy (13), Industrials (11) and Financials (10).

Friday, November 9, 2012

In October, the dividend-payers (403) in the S&P 500 (equal weight) posted a total return of -0.31%, vs. -3.58% for the non-payers (97), according to Standard & Poor's. Year-to-date, the payers were up 12.83%, vs. a gain of 11.61% for the non-payers. For the 12-month period ended October 2012, payers were up 13.07%, vs. a gain of 6.70% for the non-payers. Equity Income funds (open-end) reported net inflows totaling \$21.14 billion through the first three-quarters of 2012, according to Strategic Insight. U.S. Diversified Equity funds, as a group, reported net outflows totaling \$36.8 billion.