

Stock Index Performance					
Index	Week	YTD	12-mo.	2012	5-yr.
Dow Jones Industrial Avg. (15,400)	1.12%	19.88%	16.65%	10.24%	14.88%
S&P 500 (1,745)	2.44%	24.41%	22.37%	16.00%	15.67%
NASDAQ 100 (3,354)	3.71%	27.42%	24.26%	18.35%	21.95%
S&P 500 Growth	2.78%	24.00%	21.20%	14.71%	17.24%
S&P 500 Value	2.09%	24.85%	23.75%	17.77%	14.03%
S&P MidCap 400 Growth	2.40%	26.62%	29.41%	17.62%	21.28%
S&P MidCap 400 Value	2.28%	29.17%	32.22%	19.10%	19.10%
S&P SmallCap 600 Growth	2.90%	34.99%	37.55%	15.27%	20.03%
S&P SmallCap 600 Value	2.73%	33.02%	37.13%	18.88%	17.95%
MSCI EAFE	2.77%	20.01%	23.52%	17.32%	11.60%
MSCI World (ex US)	2.57%	14.20%	17.57%	16.83%	12.21%
MSCI World	2.63%	21.49%	21.83%	15.83%	13.41%
MSCI Emerging Markets	1.88%	1.02%	5.41%	18.22%	15.65%

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 10/18/13.

S&P Sector Performance					
Index	Week	YTD	12-mo.	2012	5-yr.
Consumer Discretionary	2.14%	32.24%	33.23%	24.14%	25.73%
Consumer Staples	2.28%	20.96%	17.85%	11.08%	15.03%
Energy	2.67%	20.34%	14.65%	4.64%	14.04%
Financials	2.99%	29.25%	30.72%	28.92%	8.14%
Health Care	2.68%	33.60%	29.85%	17.89%	17.19%
Industrials	1.94%	27.63%	29.36%	15.42%	16.83%
Information Technology	2.43%	17.46%	14.34%	14.82%	17.16%
Materials	2.40%	17.74%	17.49%	15.24%	14.91%
Telecom Services	3.24%	11.65%	6.03%	18.31%	15.47%
Utilities	0.88%	13.37%	7.17%	1.31%	11.58%

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 10/18/13.

Bond Index Performance					
Index	Week	YTD	12-mo.	2012	5-yr.
U.S. Treasury: Intermediate	0.28%	-0.70%	-0.19%	1.71%	3.45%
GNMA 30 Year	0.60%	-1.22%	-0.94%	2.44%	5.23%
U.S. Aggregate	0.55%	-1.39%	-0.95%	4.21%	5.93%
U.S. Corporate High Yield	0.91%	5.48%	7.52%	15.81%	17.92%
U.S. Corporate Investment Grade	0.84%	-1.53%	-1.32%	9.82%	10.92%
Municipal Bond: Long Bond (22+)	0.06%	-6.76%	-5.90%	11.26%	9.70%
Global Aggregate	0.94%	-1.27%	-1.78%	4.32%	5.72%

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 10/18/13.

Key Rates			
As of 10/18/13			
Fed Funds	0.00-0.25%	5-yr CD	1.35%
LIBOR (1-month)	0.18%	2-yr T-Note	0.31%
CPI - Headline	1.50%	5-yr T-Note	1.33%
CPI - Core	1.80%	10-yr T-Note	2.58%
Money Market Accts.	0.45%	30-yr T-Bond	3.64%
Money Market Funds	0.01%	30-yr Mortgage	4.23%
6-mo CD	0.40%	Prime Rate	3.25%
1-yr CD	0.67%	Bond Buyer 40	5.20%

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

Market Indicators	
As of 10/18/13	
TED Spread	21 bps
Investment Grade Spread (A2)	176 bps
ML High Yield Master II Index Spread	446 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows			
Estimated Flows to Long-Term Mutual Funds for the Week Ended 10/9/13			
	Current Week	Previous	
Domestic Equity	-\$5.189 Billion	-\$4.126	Billion
Foreign Equity	\$2.076 Billion	\$739	Million
Taxable Bond	-\$1.519 Billion	\$468	Million
Municipal Bond	-\$1.029 Billion	-\$868	Million

Change in Money Market Fund Assets for the Week Ended 10/16/13			
	Current Week	Previous	
Retail	\$0.89 Billion	\$1.78	Billion
Institutional	-\$53.19 Billion	-\$21.56	Billion

Source: Investment Company Institute.

Factoids for the week of October 14 - 18, 2013

Monday, October 14, 2013

The Tax Foundation's 2014 State Business Tax Climate Index graded all 50 states using more than 100 variables to determine how favorable a state's tax policies are to both large and small businesses, according to its own release. The criteria included state income, corporate, property, sales, and unemployment tax policies. The findings were released on 10/9. Wyoming had the best tax climate for the second year in a row. The following nine states rounded out the top 10: South Dakota (#2); Nevada (#3); Alaska (#4); Florida (#5); Washington (#6); Montana (#7); New Hampshire (#8); Utah (#9); and Indiana (#10). Here were the 10 lowest ranked states: Maryland (#41); Connecticut (#42); Wisconsin (#43); North Carolina (#44); Vermont (#45); Rhode Island (#46); Minnesota (#47); California (#48); New Jersey (#49) and New York (#50).

Tuesday, October 15, 2013

U.S. corporations continue to hoard cash. Moody's puts total cash holdings on the balance sheets of nonfinancial companies at \$1.48 trillion, up 81% since 2006, according to Bloomberg Businessweek. It cites weak demand and "zero clarity" with respect to U.S. fiscal policy as reasons why companies are sitting on their cash instead of investing more of it to grow their businesses. A new report by Macroeconomic Advisers estimates that fiscal policy uncertainty has cost the U.S. 900,000 jobs since 2009 and shaved 0.3 percentage points from economic growth per year.

Wednesday, October 16, 2013

The U.S. stock market is up big this morning on the news that Congress may strike a deal today to reopen all of the federal government. Six months ago, the Treasury Department had approximately \$151 billion to spend, following its 2012 tax collection haul, according to Chief Executive. Today, that figure is closer to \$32 billion. David Yanofsky at QZ.com, identified nine S&P 500 companies that have more cash and equivalents on hand here in the U.S. than the U.S. government does. Those nine companies are as follows: General Electric (\$88.86 Billion); Microsoft (\$77.02 Billion); Google (\$54.43 Billion); Cisco (\$50.61 Billion); Apple (\$42.61 Billion); Oracle (\$39.10 Billion); Ford (\$36.71 Billion); Berkshire Hathaway (\$35.70 Billion); and Pfizer (\$33.71 Billion).

Thursday, October 17, 2013

CB Insights reported that, over the past 12 months, 78 cybersecurity start-up firms have either been acquired via M&A activity or launched IPOs, according to USA TODAY. The increase in cyber threats has attracted investors to this space. Investors have funneled nearly \$1.4 billion into cybersecurity firms ranging from mobile app security platforms to online auction infrastructure. SiNet reported there are 1,100 technology start-ups focused on security innovation. There were 132 cybersecurity companies funded by venture capital firms in 2012, up from 72 in 2011, according to Signal Hill. Cyber IT budgets are expected to grow from \$65 billion this year to \$93 billion in 2017, according to USA TODAY. Over the past few years, industry estimates put cyber theft of intellectual property at more than \$400 billion.

Friday, October 18, 2013

In the U.S. commercial banking industry, non-performing loans as a percentage of total loans decreased from 3.4% in Q1'13 to 3.1% in Q2'13, according to the Federal Reserve Bank of New York. It was the 14th consecutive quarterly decline. Loan loss provisions and net charge-offs as a percentage of total loans also fell. The net charge-off ratio for the industry is at its lowest level since Q3'07. The S&P 500 Banks Index posted a total return of 26.81% year-to-date through 10/17, compared to 23.59% for the S&P 500.