

Stock Index Performance

Index	Week	YTD	12-mo.	2012	5-yr.
Dow Jones Industrial Avg. (14,565)	-0.06%	11.87%	14.53%	10.24%	5.88%
S&P 500 (1,553)	-0.98%	9.52%	13.60%	16.00%	4.85%
NASDAQ 100 (2,772)	-1.63%	4.53%	1.73%	18.35%	9.22%
S&P 500 Growth	-1.20%	8.02%	10.38%	14.71%	6.50%
S&P 500 Value	-0.75%	11.13%	17.57%	17.77%	3.19%
S&P MidCap 400 Growth	-2.62%	9.19%	13.02%	17.62%	8.81%
S&P MidCap 400 Value	-2.49%	11.96%	19.71%	19.10%	7.93%
S&P SmallCap 600 Growth	-2.82%	8.77%	13.18%	15.27%	8.41%
S&P SmallCap 600 Value	-2.40%	9.04%	16.45%	18.88%	7.36%
MSCI EAFE	-0.77%	4.32%	13.57%	17.32%	-1.82%
MSCI World (ex US)	-1.42%	1.71%	9.14%	16.83%	-1.45%
MSCI World	-1.05%	6.61%	12.50%	15.83%	1.24%
MSCI Emerging Markets	-2.54%	-4.12%	-0.26%	18.22%	-0.16%

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 4/5/13.

S&P Sector Performance

Index	Week	YTD	12-mo.	2012	5-yr.
Consumer Discretionary	-0.74%	11.32%	19.29%	24.14%	12.53%
Consumer Staples	-0.20%	14.34%	20.45%	11.08%	10.21%
Energy	-2.20%	7.75%	10.54%	4.64%	1.67%
Financials	-0.94%	10.37%	18.52%	28.92%	-5.26%
Health Care	0.83%	16.78%	26.54%	17.89%	10.21%
Industrials	-1.78%	8.70%	14.10%	15.42%	2.99%
Information Technology	-2.45%	2.03%	-3.62%	14.82%	6.74%
Materials	-2.37%	2.31%	7.55%	15.24%	0.34%
Telecom Services	2.40%	12.08%	29.78%	18.31%	7.79%
Utilities	1.22%	14.40%	18.31%	1.31%	4.60%

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 4/5/13.

Bond Index Performance

Index	Week	YTD	12-mo.	2012	5-yr.
U.S. Treasury: Intermediate	0.34%	0.49%	2.57%	1.71%	3.89%
GNMA 30 Year	0.55%	0.33%	2.20%	2.44%	5.52%
U.S. Aggregate	0.80%	0.67%	4.51%	4.21%	5.61%
U.S. Corporate High Yield	0.10%	2.99%	13.25%	15.81%	11.33%
U.S. Corporate Investment Grade	1.33%	1.22%	8.88%	9.82%	8.05%
Municipal Bond: Long Bond (22+)	0.86%	1.15%	8.44%	11.26%	7.27%
Global Aggregate	0.68%	-1.43%	2.63%	4.32%	3.90%

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 4/5/13.

Key Rates

As of 4/5/13

Fed Funds	0.00-0.25%	5-yr CD	1.20%
LIBOR (1-month)	0.20%	2-yr T-Note	0.22%
CPI - Headline	2.00%	5-yr T-Note	0.68%
CPI - Core	2.00%	10-yr T-Note	1.71%
Money Market Accts.	0.46%	30-yr T-Bond	2.87%
Money Market Funds	0.02%	30-yr Mortgage	3.54%
6-mo CD	0.34%	Prime Rate	3.25%
1-yr CD	0.50%	Bond Buyer 40	4.07%

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

Market Indicators

As of 4/5/13

TED Spread	21 bps
Investment Grade Spread (A2)	175 bps
ML High Yield Master II Index Spread	495 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 3/27/13

	Current Week	Previous
Domestic Equity	\$958 Million	\$1.250 Billion
Foreign Equity	\$2.848 Billion	\$3.748 Billion
Taxable Bond	\$3.443 Billion	\$6.231 Billion
Municipal Bond	\$51 Million	-\$278 Million

Change in Money Market Fund Assets for the Week Ended 4/3/13

	Current Week	Previous
Retail	-\$1.17 Billion	-\$3.24 Billion
Institutional	\$3.79 Billion	\$6.92 Billion

Source: Investment Company Institute

Factoids for the week of April 1 - 5, 2013

Monday, April 1, 2013

In March, the dividend-payers (406) in the S&P 500 (equal weight) posted a total return of 4.23%, vs. 4.18% for the non-payers (94), according to Standard & Poor's. Y-T-D, the payers were up 12.22%, vs. a gain of 12.85% for the non-payers. For the 12-month period ended March, payers were up 16.98%, vs. a gain of 15.43% for the non-payers. The number of dividend increases y-t-d (Q1'13) totaled 129. There were 333 increases for all of 2012. Six dividends were cut in Q1'13, compared to 11 for all of 2012. Net cash inflows to Equity Income mutual funds and ETFs totaled \$4.0 billion and \$1.6 billion, respectively, in the first two months of 2013, according to data from Lipper.

Tuesday, April 2, 2013

Since 1928, the S&P 500 has posted a first quarter price-only return of 10.0% or greater 13 times, according to Bespoke Investment Group. The range of returns stretches from this year's 10.0% gain to 21.6% in the first quarter of 1975. It includes the 12.0% gain posted in Q1'12. Only once out of the 12 previous instances did the S&P 500 finish the calendar year with a negative total return. In 1930, the index was up 17.2% in Q1, but then proceeded to plunge 39.0% over the next nine months to finish down 28.5% for the year. The best subsequent nine month showing came in 1936, when the S&P 500 rose 11.1% in Q1 and then appreciated another 15.1% over the next nine months.

Wednesday, April 3, 2013

Standard & Poor's changed 25% of sovereign foreign-currency ratings in 2012, with downgrades outnumbering upgrades, according to S&P Capital IQ. S&P downgraded 22 rated sovereigns and upgraded 11. Over the past 18 years, however, upgrades have outnumbered downgrades 13 times. The four previous years where downgrades outpaced upgrades were 1998, 2008, 2009 and 2011. S&P expects sovereign credit conditions to "worsen" in 2013. At the end of 2012, S&P had assigned negative outlooks to, or placed on CreditWatch with negative implications, the ratings of 37 sovereigns. Only five sovereigns had positive outlooks.

Thursday, April 4, 2013

Data from the Investment Company Institute showed that retail investors poured a net \$1.3 billion into U.S. equity mutual funds last week, according to the Los Angeles Times. U.S. equity funds have reported net inflows in 9 of the first 11 weeks of 2013. So far this year, investors have funneled a net \$22.5 billion into the category, compared to \$9 billion in net outflows over the same period a year ago. Investors, however, have funneled twice that amount into foreign stock funds. To date, net inflows to this category totaled nearly \$45.0 billion, up from \$7.4 billion over the same period a year ago.

Friday, April 5, 2013

REITs delivered another strong quarter in Q1'13. The FTSE NAREIT Equity REIT Index posted a total return of 8.10%. While the index's return lagged the S&P 500's 10.60% gain, it did outperform the S&P 500 for the 12-month period ended 3/28/13 (17.11% vs. 13.96%). REITs continued to raise a significant amount of capital in Q1'13, according to REIT.com. REITs raised a total of \$22.6 billion, with \$16.1 billion of that amount coming from equity offerings. That amount topped Q4'12's capital raise of \$19.0 billion and Q1'12's \$21.2 billion. NAREITs analysis indicates that REITs have used the capital for acquisitions and to reduce balance sheet debt. At the start of 2013, the debt ratio for equity REITs was 35.1%, near its historical low.