Factoids for the week of October 13 - 17, 2014

Monday, October 13, 2014
Moody's reported that the global speculative-grade default rate stood at 2.1% in September, the same as August, according to its own release. Moody's is forecasting a default rate of 2.3% for December 2014 and 2.6% by September 2015. The historical average for the default rate on speculative-grade debt has been approximately 4.7% since 1993. The U.S. speculative-grade default rate stood at 1.7% in September, down from 1.8% in August. The rate was 2.8% a year ago. The default rate on senior loans stood at 0.64% in September, down from 0.80% in August, according to Standard & Poor's LCD. The historical average is 3.00%.

Tuesday, October 14, 2014
U.S. retirement assets totaled $24.1 trillion in Q2'14, according to the Investment Company Institute (ICI). Retirement assets accounted for 36% of all household financial assets in the U.S. at the end of June. The following breaks down where the assets were held: $7.2 trillion (IRAs); $6.6 trillion (Employer-Based Defined Contribution Plans); $5.1 trillion (Government Defined Benefit Plans); $3.2 trillion (Private-Sector Defined Benefit Plans); and $2.0 trillion (Annuity Reserves). As of the end of June, U.S. retirement entitlements totaled $27.1 trillion, including $24.1 trillion of retirement assets and another $3.0 trillion of unfunded liabilities. The bulk of the unfunded liabilities belong to state, local and federal government Defined Benefit plans, according to the ICI.

Wednesday, October 15, 2014
The price of crude oil closed yesterday's trading session at $80.47 per barrel, 25% below its 2014 closing high of $107.26 on 6/20/14. The International Energy Agency (IEA) commented that the drop in price appears to be a function of more supply, due in large part to increasing U.S. shale output and a reluctance by OPEC members to cut production, and a dip in global demand, according to CNBC. The IEA has trimmed its estimates for global oil demand growth by 250,000 barrels per day for the rest of this year and by 90,000 barrels per day for 2015. The historical average for the default rate on speculative-grade debt has been approximately 4.7% since 1993. The U.S. speculative-grade default rate stood at 1.7% in September, down from 1.8% in August. The rate was 2.8% a year ago. The default rate on senior loans stood at 0.64% in September, down from 0.80% in August, according to Standard & Poor's LCD. The historical average is 3.00%.

Thursday, October 16, 2014
The default rate on the S&P Municipal Bond Index stood at 0.10% in August, according to S&P Dow Jones Indices. The rate has declined steadily over the past three years despite such high profile situations as Detroit, Puerto Rico and tobacco bonds. The default rate stood at 0.227% in 2011, 0.1444% in 2012 and 0.107% in 2013. The Index represents a market value of more than $1 trillion. The default rate on the S&P Municipal Bond High Yield Index stood at 0.78% in August, down from 1.52% in 2011, 1.00% in 2012 and 0.8007% in 2013.

Friday, October 17, 2014
The National Retail Federation's Holiday Consumer Spending Survey found that the average shopper will do 44.4% of their holiday shopping online, the highest percentage in the 13-year history of the survey, according to its own release. Shoppers are planning to spend an average of $804.42 this holiday season, up 4.8% from the $767.27 spent a year ago. Forty percent of those polled plan to begin their holiday shopping before Halloween. The average shopper will be stressing such factors as discounts, quality/selection of merchandise, shipping promotions and easy-to-use mobile websites when choosing where to shop. For the eighth year in a row, gift cards are expected to be the most requested gift item.