

Stock Index Performance

Index	Week	YTD	12-mo.	2015	5-yr.
Dow Jones Industrial Avg. (17,873)	2.15%	3.81%	1.20%	0.21%	10.28%
S&P 500 (2,099)	2.32%	3.66%	1.16%	1.37%	11.90%
NASDAQ 100 (4,513)	3.47%	-1.14%	0.81%	9.75%	15.58%
S&P 500 Growth	2.49%	1.98%	1.95%	5.51%	12.96%
S&P 500 Value	2.16%	5.43%	0.03%	-3.14%	10.73%
S&P MidCap 400 Growth	2.79%	5.40%	-0.65%	2.01%	9.82%
S&P MidCap 400 Value	3.11%	9.48%	-1.79%	-6.66%	10.46%
S&P SmallCap 600 Growth	3.51%	3.13%	-0.64%	2.74%	10.71%
S&P SmallCap 600 Value	3.02%	7.57%	-0.63%	-6.70%	11.10%
MSCI EAFE	2.21%	-1.06%	-10.32%	-0.81%	2.42%
MSCI World (ex US)	2.38%	0.62%	-11.92%	-5.66%	0.43%
MSCI World	2.27%	1.88%	-4.53%	-0.87%	6.80%
MSCI Emerging Markets	2.97%	2.40%	-18.00%	-14.92%	-4.48%
S&P GSCI	1.25%	10.05%	-24.33%	-32.86%	-14.72%

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 5/27/16.

S&P Sector Performance

Index	Week	YTD	12-mo.	2015	5-yr.
Consumer Discretionary	2.13%	1.95%	5.04%	10.11%	16.51%
Consumer Staples	1.56%	5.54%	10.60%	6.60%	13.63%
Energy	1.50%	13.06%	-9.68%	-21.12%	0.05%
Financials	2.65%	0.51%	-1.92%	-1.56%	10.79%
Health Care	2.19%	-0.74%	-3.65%	6.89%	17.01%
Industrials	1.60%	5.44%	2.29%	-2.56%	11.05%
Information Technology	3.64%	2.38%	2.22%	5.92%	13.76%
Materials	1.99%	9.00%	-5.18%	-8.38%	6.23%
Telecom Services	1.68%	13.61%	10.73%	3.40%	9.50%
Utilities	1.23%	13.84%	13.79%	-4.84%	12.11%

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 5/27/16.

Bond Index Performance

Index	Week	YTD	12-mo.	2015	5-yr.
U.S. Treasury: Intermediate	0.08%	2.14%	2.32%	1.18%	2.10%
GNMA 30 Year	0.07%	1.97%	2.75%	1.41%	2.82%
U.S. Aggregate	0.15%	3.40%	3.14%	0.55%	3.34%
U.S. Corporate High Yield	0.77%	7.91%	-0.88%	-4.47%	5.43%
U.S. Corporate Investment Grade	0.38%	5.24%	3.72%	-0.68%	4.80%
Municipal Bond: Long Bond (22+)	-0.10%	4.14%	8.84%	4.52%	7.51%
Global Aggregate	0.21%	6.05%	5.84%	-3.15%	1.27%

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 5/27/16.

Key Rates

As of 5/27/16

Fed Funds	0.25-0.50%	5-yr CD	1.63%
LIBOR (1-month)	0.45%	2-yr T-Note	0.91%
CPI - Headline	1.10%	5-yr T-Note	1.39%
CPI - Core	2.10%	10-yr T-Note	1.85%
Money Market Accts.	0.54%	30-yr T-Bond	2.65%
Money Market Funds	0.10%	30-yr Mortgage Refinance	3.66%
6-mo CD	0.33%	Prime Rate	3.50%
1-yr CD	1.09%	Bond Buyer 40	3.90%

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

Market Indicators

As of 5/27/16

TED Spread	38 bps
Investment Grade Spread (A2)	169 bps
ML High Yield Master II Index Spread	608 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 5/18/16

	Current Week		Previous	
Domestic Equity	-\$2.013	Billion	-\$4.877	Billion
Foreign Equity	\$844	Million	\$430	Million
Taxable Bond	\$1.494	Billion	\$2.127	Billion
Municipal Bond	\$2.183	Billion	\$2.014	Billion

Change in Money Market Fund Assets for the Week Ended 5/25/16

	Current Week		Previous	
Retail	-\$3.14	Billion	-\$0.33	Billion
Institutional	\$17.34	Billion	\$4.62	Billion

Source: Investment Company Institute.

Factoids for the week of May 23-27, 2016

Monday, May 23, 2016

The Pharmaceutical Research and Manufacturers of America reported that its member companies invested an estimated \$58.8 billion in research and development (R&D) in 2015, up 10.3% from 2014, according to its own release. The biopharmaceutical industry accounted for an estimated 17% of all U.S. business R&D spending in 2015. Long-term R&D investments (more than \$500 billion since 2000) have led to more medicines in clinical development than ever before. Currently, there are more than 7,000 medicines in development worldwide. A record 56 medicines were approved by the Food & Drug Administration in 2015. Only 12% of medicines in clinical trials ever make it to patients.

Tuesday, May 24, 2016

The Wireless Association reported that Americans used 9.6 trillion megabytes (MB) of data in 2015, three times the 3.2 trillion MB used in 2013, according to 24/7 Wall St. There were more than 228 million smartphones in the U.S. in 2015, up nearly 10% from 2014. There were more than 41 million tablets on wireless networks, up 16% from 2014. To handle the increase in usage, U.S. wireless carriers invested close to \$32 billion in 2015, including adding almost 10,000 new cell sites. Since 2010, carriers have invested more than \$177 billion in infrastructure.

Wednesday, May 25, 2016

A new study from Bank of America U.S. Trust found that 77% of the firm's clients rose from the middle class and poorer backgrounds to become high net worth (HNW) individuals by building their wealth slowly over time, according to Yahoo! Finance. HNW clients have at least \$3 million in investable assets. The study also revealed the following about HNW individuals: 86% of those polled said they made their biggest gains through long-term buy and hold strategies; 89% via traditional stocks and bonds; and 83% benefitted from a series of small wins versus taking big investment risks.

Thursday, May 26, 2016

A white paper from the Tax Policy Center revealed that retirement plans own the most U.S. corporate stock, with the two largest types being IRAs and defined-benefit plans, according to Business Insider. In 2015, retirement accounts held approximately 37% of stock outstanding. From 1965 through 2015, the amount of U.S. stock owned by individual investors and funds outside retirement and nontaxable accounts, such as 529 college-savings plans, declined from over 80% (1965) to about 25% (2015). Foreigners now account for 25% of U.S. stock ownership.

Friday, May 27, 2016

The 22st Edition of Dalbar's Quantitative Analysis of Investor Behavior revealed that equity fund investors, on average, continue to earn returns significantly below those posted by the S&P 500 Index, according to MarketWatch. Over the past 20 years (thru 2015), the S&P 500 Index posted an average annual total return of 8.19%, compared to an annual gain of 4.67% for the average equity fund investor. Dalbar estimates that the 3.52 percentage point annual disparity over that 20-year period cost investors approximately \$286 billion.