

Stock Index Performance

Index	Week	YTD	12-mo.	2015	5-yr.
Dow Jones Industrial Avg. (18,395)	-0.85%	7.53%	16.02%	0.21%	13.10%
S&P 500 (2,169)	-0.67%	7.67%	14.26%	1.37%	15.45%
NASDAQ 100 (4,784)	-0.45%	5.11%	14.85%	9.75%	18.76%
S&P 500 Growth	-0.61%	6.13%	13.23%	5.51%	15.95%
S&P 500 Value	-0.73%	9.29%	15.21%	-3.14%	14.86%
S&P MidCap 400 Growth	0.10%	10.69%	12.24%	2.01%	14.40%
S&P MidCap 400 Value	-0.44%	14.81%	16.63%	-6.66%	15.53%
S&P SmallCap 600 Growth	0.73%	10.42%	12.85%	2.74%	16.04%
S&P SmallCap 600 Value	0.10%	15.71%	18.90%	-6.70%	16.43%
MSCI EAFE	0.18%	1.47%	2.68%	-0.81%	6.17%
MSCI World (ex US)	-0.10%	5.59%	6.40%	-5.66%	4.53%
MSCI World	-0.32%	5.36%	9.00%	-0.87%	10.48%
MSCI Emerging Markets	-0.96%	15.52%	17.29%	-14.92%	0.90%
S&P GSCI	-1.98%	5.42%	-6.55%	-32.86%	-14.38%

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 8/26/16.

S&P Sector Performance

Index	Week	YTD	12-mo.	2015	5-yr.
Consumer Discretionary	-0.67%	4.38%	11.58%	10.11%	19.50%
Consumer Staples	-1.14%	8.88%	18.41%	6.60%	15.45%
Energy	-1.34%	16.48%	17.94%	-21.12%	3.54%
Financials	0.37%	2.25%	6.66%	-1.56%	15.75%
Health Care	-1.80%	2.30%	5.00%	6.89%	19.98%
Industrials	-0.66%	11.05%	19.63%	-2.56%	16.37%
Information Technology	0.05%	9.90%	20.87%	5.92%	17.41%
Materials	-0.56%	13.08%	19.20%	-8.38%	9.94%
Telecom Services	-0.70%	18.45%	25.01%	3.40%	12.27%
Utilities	-2.21%	15.53%	19.30%	-4.84%	12.60%

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 8/26/16.

Bond Index Performance

Index	Week	YTD	12-mo.	2015	5-yr.
U.S. Treasury: Intermediate	-0.27%	2.97%	2.66%	1.18%	1.61%
GNMA 30 Year	0.01%	2.89%	3.65%	1.41%	2.42%
U.S. Aggregate	-0.15%	5.52%	5.60%	0.55%	3.19%
U.S. Corporate High Yield	0.25%	14.27%	9.85%	-4.47%	7.73%
U.S. Corporate Investment Grade	-0.13%	9.00%	9.42%	-0.68%	5.21%
Municipal Bond: Long Bond (22+)	0.21%	6.99%	10.46%	4.52%	7.18%
Global Aggregate	-0.08%	10.32%	8.91%	-3.15%	1.38%

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 8/26/16.

Key Rates

As of 8/26/16

Fed Funds	0.25-0.50%	5-yr CD	1.64%
LIBOR (1-month)	0.52%	2-yr T-Note	0.84%
CPI - Headline	0.80%	5-yr T-Note	1.23%
CPI - Core	2.20%	10-yr T-Note	1.62%
Money Market Accts.	0.49%	30-yr T-Bond	2.29%
Money Market Funds	0.11%	30-yr Mortgage Refinance	3.42%
6-mo CD	0.33%	Prime Rate	3.50%
1-yr CD	1.15%	Bond Buyer 40	3.74%

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

Market Indicators

As of 8/26/16

TED Spread	51 bps
Investment Grade Spread (A2)	150 bps
ML High Yield Master II Index Spread	504 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 8/17/16

	Current Week	Previous
Domestic Equity	-\$6.308 Billion	-\$4.375 Billion
Foreign Equity	-\$1.270 Billion	-\$1.789 Billion
Taxable Bond	\$4.622 Billion	\$4.286 Billion
Municipal Bond	\$1.642 Billion	\$1.465 Billion

Change in Money Market Fund Assets for the Week Ended 8/24/16

	Current Week	Previous
Retail	-\$2.85 Billion	-\$9.70 Billion
Institutional	\$27.48 Billion	-\$25.18 Billion

Source: Investment Company Institute.

Factoids for the week of August 22-26, 2016

Monday, August 22, 2016

For the 12-month period ended July 2016, investors funneled an estimated net \$163.60 billion into passive U.S. Equity mutual funds and exchange-traded products (ETPs), while liquidating an estimated net \$211.01 billion from active U.S. Equity mutual funds and ETPs, according to Morningstar. When you combine June and July, investors liquidated an estimated net \$54.6 billion from active U.S. Equity mutual funds and ETPs. Passive International Equity mutual funds and ETPs reported estimated net inflows totaling \$73.28 billion over the same 12-month period, while active International Equity mutual funds and ETPs reported net outflows totaling \$39.41 billion.

Tuesday, August 23, 2016

A monthly survey by Cowen & Co. found that 26% of U.S. shoppers visited a discount shopping center/outlet mall in July 2016, up four points from March 2016, when domestic traffic to outlet malls was at its lowest level since June 2015, according to CNBC. Cowen's survey does not include foreign tourists, who represent some of the biggest spenders at outlet malls. A total of 24 new U.S. outlet malls are expected to open this year, according to the International Council of Shopping Center's Value Retail News. That will bring the total in the U.S. to 226, compared to 1,200 enclosed malls. Another 19 are expected by 2018.

Wednesday, August 24, 2016

A recent Discover Home Equity Loans survey found that 51.3% of homeowners (owned their home at least three years) between the ages of 30 and 34 have taken out a home equity loan, according to MarketWatch. That is more than 20 percentage points higher than the next age bracket. Many Millennials are opting for less expensive ways to borrow capital than credit cards. Unlike credit card interest, interest on home equity loans is tax deductible. The top two reasons given by the 30 to 34 year-old group for securing home equity loans were to finance their vacations and have an emergency cash fund.

Thursday, August 25, 2016

Aon Benfield Group Ltd. reported that global natural disasters generated nearly \$30 billion in insured losses in the first half of 2016, down slightly from the 10-year average of \$31 billion, but up significantly from the 16-year average of \$24 billion, according to Business Insurance. U.S. losses accounted for 47% of the total. Severe storms in the U.S. have had a big impact on losses in 2016. In July, severe weather caused at least \$1.3 billion of U.S. economic losses, up from \$675 million in July 2015.

Friday, August 26, 2016

The rebound in the price of crude oil is boosting M&A activity in the energy sector, according to Bloomberg. From 2/11/16 (multi-year low) through 8/25/16, the price of a barrel of crude oil rose 80.6%, from \$26.21 to \$47.33. Wood Mackenzie, a consulting firm, reported that more than \$11 billion worth of oil and gas transactions were announced globally in July. It was the highest monthly total so far this year. Since May, deal volume has totaled \$32 billion. Wood Mackenzie believes that M&A activity will continue to accelerate as oil prices stabilize.