

Stock Index Performance

Index	Week	YTD	12-mo.	2015	5-yr.
Dow Jones Industrial Avg. (18,124)	0.25%	6.13%	11.20%	0.21%	12.33%
S&P 500 (2,139)	0.59%	6.34%	9.60%	1.37%	14.37%
NASDAQ 100 (4,818)	2.94%	5.91%	11.34%	9.75%	17.41%
S&P 500 Growth	1.47%	5.16%	9.05%	5.51%	14.80%
S&P 500 Value	-0.30%	7.57%	10.03%	-3.14%	13.89%
S&P MidCap 400 Growth	-0.03%	8.46%	6.34%	2.01%	12.90%
S&P MidCap 400 Value	-0.77%	11.77%	8.92%	-6.66%	14.29%
S&P SmallCap 600 Growth	0.48%	9.58%	7.90%	2.74%	15.10%
S&P SmallCap 600 Value	-0.26%	13.27%	12.68%	-6.70%	15.24%
MSCI EAFE	-2.48%	-0.70%	-0.90%	-0.81%	5.96%
MSCI World (ex US)	-2.47%	3.37%	1.92%	-5.66%	4.24%
MSCI World	-0.65%	3.64%	4.70%	-0.87%	9.84%
MSCI Emerging Markets	-2.59%	13.65%	10.22%	-14.92%	0.51%
S&P GSCI	-2.16%	0.56%	-18.22%	-32.86%	-15.11%

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 9/16/16.

S&P Sector Performance

Index	Week	YTD	12-mo.	2015	5-yr.
Consumer Discretionary	0.51%	1.68%	4.43%	10.11%	17.75%
Consumer Staples	0.84%	6.61%	13.65%	6.60%	14.31%
Energy	-2.90%	13.34%	7.95%	-21.12%	2.50%
Financials	-1.19%	0.83%	3.29%	-1.56%	15.11%
Health Care	1.29%	1.40%	2.86%	6.89%	19.09%
Industrials	-0.38%	7.75%	11.36%	-2.56%	14.78%
Information Technology	3.05%	11.14%	17.48%	5.92%	16.31%
Materials	-0.95%	9.09%	11.27%	-8.38%	8.65%
Telecom Services	0.53%	17.28%	21.92%	3.40%	11.74%
Utilities	2.50%	16.73%	21.89%	-4.84%	11.97%

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 9/16/16.

Bond Index Performance

Index	Week	YTD	12-mo.	2015	5-yr.
U.S. Treasury: Intermediate	0.05%	3.07%	3.15%	1.18%	1.59%
GNMA 30 Year	0.15%	3.08%	3.99%	1.41%	2.31%
U.S. Aggregate	-0.11%	5.18%	5.63%	0.55%	3.02%
U.S. Corporate High Yield	-0.59%	13.72%	8.21%	-4.47%	7.38%
U.S. Corporate Investment Grade	-0.30%	8.11%	8.56%	-0.68%	4.93%
Municipal Bond: Long Bond (22+)	-0.60%	6.03%	9.96%	4.52%	6.68%
Global Aggregate	-0.34%	8.68%	7.97%	-3.15%	1.28%

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 9/16/16.

Key Rates

As of 9/16/16

Fed Funds	0.25-0.50%	5-yr CD	1.65%
LIBOR (1-month)	0.52%	2-yr T-Note	0.76%
CPI - Headline	1.10%	5-yr T-Note	1.20%
CPI - Core	2.30%	10-yr T-Note	1.69%
Money Market Accts.	0.46%	30-yr T-Bond	2.45%
Money Market Funds	0.12%	30-yr Mortgage Refinance	3.46%
6-mo CD	0.77%	Prime Rate	3.50%
1-yr CD	1.15%	Bond Buyer 40	3.82%

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

Market Indicators

As of 9/16/16

TED Spread	60 bps
Investment Grade Spread (A2)	158 bps
ML High Yield Master II Index Spread	527 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 9/7/16

	Current Week	Previous
Domestic Equity	-\$4.542 Billion	-\$3.780 Billion
Foreign Equity	-\$1.537 Billion	-\$1.728 Billion
Taxable Bond	\$4.750 Billion	\$174 Million
Municipal Bond	\$1.459 Billion	\$1.148 Billion

Change in Money Market Fund Assets for the Week Ended 9/14/16

	Current Week	Previous
Retail	-\$4.43 Billion	\$2.75 Billion
Institutional	-\$34.09 Billion	-\$32.23 Billion

Source: Investment Company Institute.

Factoids for the week of September 12-16, 2016

Monday, September 12, 2016

Moody's reported that its global speculative-grade default rate stood at 4.8% in August, according to its own release. It sees the rate increasing to 5.0% by November 2016, but then falling to 3.6% by August 2017. Moody's puts the historical average default rate at 4.2% since 1983. Year-to-date, the number of defaults totaled 110. The U.S. speculative-grade default rate stood at 5.7% in August. In the coming year, with respect to U.S. issuers, Moody's expects the default rate to be highest in Metals & Mining (8.3%) and Oil & Gas (6.4%). The default rate on senior loans stood at 2.25% in August, according to S&P Capital IQ. The historical average has been 2.80% since 2003.

Tuesday, September 13, 2016

A study by Wealth-X, a global wealth consultant, and NFP, an insurance brokerage and consulting firm, states that more than 14,000 ultra-high-net-worth individuals (UHNW) worldwide are expected to transfer \$3.9 trillion, or 13% of all UHNW assets globally, to the next generation by 2026, according to its own release. A person needs to have assets valued at \$30 million or more to achieve this status. On average, these individuals have assets totaling \$272 million.

Wednesday, September 14, 2016

Industrial REITs are one of the top-performing equity REIT sectors/subsectors in 2016. Year-to-date through 9/13, the FTSE NAREIT Subsector Industrial TR Index posted a total return of 24.60%, compared to 8.78% for the FTSE NAREIT All Equity REITs TR Index, according to Bloomberg. Jack Rosenberg, national director of logistics and transportation with Colliers, reported that the growth in absorption of industrial space has been strong and has been matched by healthy build-to-suit and speculative construction across the U.S., according to REIT.com. Rosenberg noted that speculative construction across North America amounted to just 600,000 square feet in 2011, compared to 60 million square feet today.

Thursday, September 15, 2016

International Data Corporation's (IDC) Worldwide Quarterly Wearable Device Tracker reported that wearable device shipments will reach an estimated 102.2 million by the end of 2016, according to its own release. Basic wearables (wristbands, clothing and watches) will account for 80.7 million of the units shipped, while smart wearables (smart glasses, certain wristbands and watches) will make up the other 21.5 million units. Smartwatches, which can run third party applications, will account for 20.1 million of the 21.5 million smart wearables shipped. IDC sees basic wearable shipments rising from 80.7 million units in 2016 to 147.8 million units in 2020. It sees smart wearable shipments rising from 21.5 million units in 2016 to 76.6 million units in 2020.

Friday, September 16, 2016

RealtyTrac reported that house flipping reached a six-year high in Q2'16, according to Money. Over 51,000 single family homes and condos were flipped, 14% more than in Q1'16 and 3% more than in Q2'15. Close to 40,000 investors flipped a house in Q2'16, also a six-year high. Flipping activity has been fueled by low mortgage rates and an increasingly competitive lending climate with more loan options for real estate investors.