

Stock Index Performance

Index	Week	YTD	12-mo.	2016	5-yr.
Dow Jones Industrial Avg. (22,872)	0.43%	17.92%	29.54%	16.50%	14.20%
S&P 500 (2,553)	0.17%	15.86%	22.20%	11.95%	14.69%
NASDAQ 100 (6,092)	0.46%	26.38%	28.33%	7.27%	19.00%
S&P 500 Growth	0.56%	21.58%	24.21%	6.89%	15.67%
S&P 500 Value	-0.33%	9.39%	19.18%	17.39%	13.43%
S&P MidCap 400 Growth	0.10%	13.93%	21.95%	14.76%	14.74%
S&P MidCap 400 Value	-0.03%	7.52%	20.42%	26.52%	15.01%
S&P SmallCap 600 Growth	-0.72%	11.11%	24.68%	22.07%	16.43%
S&P SmallCap 600 Value	-0.72%	7.65%	24.50%	31.21%	15.79%
MSCI EAFE	1.63%	21.84%	24.41%	1.00%	8.67%
MSCI World (ex US)	1.70%	23.75%	25.10%	4.50%	7.43%
MSCI World	0.71%	17.66%	22.35%	7.51%	11.37%
MSCI Emerging Markets	2.08%	33.04%	29.28%	11.19%	4.94%
S&P GSCI	2.63%	-3.11%	0.12%	11.37%	-14.26%

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 10/13/17. An index cannot be purchased directly by investors. Past performance is no guarantee of future results.

S&P Sector Performance

Index	Week	YTD	12-mo.	2016	5-yr.
Consumer Discretionary	-0.62%	13.30%	17.46%	6.03%	16.46%
Consumer Staples	1.51%	7.89%	7.60%	5.38%	11.70%
Energy	0.17%	-7.02%	0.48%	27.36%	1.17%
Financials	-0.86%	13.73%	37.54%	22.75%	17.50%
Health Care	-0.63%	21.26%	19.74%	-2.69%	17.34%
Industrials	-0.05%	15.60%	26.71%	18.85%	16.51%
Information Technology	1.33%	31.04%	34.10%	13.85%	18.82%
Materials	0.73%	18.97%	28.85%	16.69%	12.16%
Telecom Services	-4.64%	-9.07%	-2.81%	23.49%	5.15%
Utilities	1.33%	14.17%	16.64%	16.29%	12.31%

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 10/13/17. An index cannot be purchased directly by investors. Past performance is no guarantee of future results.

Bond Index Performance

Index	Week	YTD	12-mo.	2016	5-yr.
U.S. Treasury: Intermediate	0.26%	1.69%	-0.20%	1.06%	1.05%
GNMA 30 Year	0.37%	2.11%	0.49%	1.57%	1.74%
U.S. Aggregate	0.48%	3.48%	0.85%	2.65%	2.10%
U.S. Corporate High Yield	0.03%	7.20%	8.64%	17.13%	6.26%
U.S. Corporate Investment Grade	0.60%	5.78%	3.10%	6.11%	3.37%
Municipal Bond: Long Bond (22+)	0.56%	6.55%	2.62%	0.88%	4.20%
Global Aggregate	0.89%	6.66%	1.06%	2.09%	0.51%

Source: Barclays. Returns are total returns. The 5-yr. return is an average annual. One-week, YTD, 12-mo. and 5-yr. performance returns calculated through 10/13/17. An index cannot be purchased directly by investors. Past performance is no guarantee of future results.

Key Rates

As of 10/13/17

Fed Funds	1.00-1.25%	5-yr CD	2.13%
LIBOR (1-month)	1.24%	2-yr T-Note	1.49%
CPI - Headline	2.20%	5-yr T-Note	1.90%
CPI - Core	1.70%	10-yr T-Note	2.27%
Money Market Accts.	0.72%	30-yr T-Bond	2.81%
Money Market Funds	0.26%	30-yr Mortgage Refinance	3.78%
6-mo CD	0.93%	Prime Rate	4.25%
1-yr CD	1.47%	Bond Buyer 40	4.00%

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

Market Indicators

As of 10/13/17

TED Spread	27 bps
Investment Grade Spread (A2)	116 bps
ML High Yield Master II Index Spread	360 bps

Sources: Bloomberg and Merrill Lynch via Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 10/4/17

	Current Week	Previous
Domestic Equity	-\$9.729 Billion	-\$7.085 Billion
Foreign Equity	-\$938 Million	\$346 Million
Taxable Bond	\$8.483 Billion	\$4.328 Billion
Municipal Bond	\$120 Million	\$643 Million

Change in Money Market Fund Assets for the Week Ended 10/11/17

	Current Week	Previous
Retail	-\$1.92 Billion	\$1.22 Billion
Institutional	\$2.20 Billion	-\$0.83 Billion

Source: Investment Company Institute.

Factoids for the week of October 9, 2017

Monday, October 9, 2017

Year-to-date through 10/6/17, the S&P 500 Index posted a total return of 15.67%. The index has been up in 18 of the past 19 quarters. While stocks have been consistently profitable of late, volatility has been remarkably low, according to Bloomberg. In 2017, the S&P 500 Index has yet to register a 2% move up or down in a single trading session. For comparative purposes, in 2009, there were 55 separate 2% daily moves and there were 35 in 2011.

Tuesday, October 10, 2017

Moody's reported that its global speculative-grade default rate stood at 2.8% in September 2017, according to its own release. Moody's sees the rate falling to 1.9% by September 2018. Year-to-date through September, a total of 64 Moody's-rated issuers defaulted, down from 118 defaults over the same period a year ago. Moody's puts the historical average default rate at around 4.3% since 1983. The U.S. speculative-grade default rate stood at 3.3% in September. It sees the U.S. rate falling to 2.3% by September 2018. The default rate on senior loans stood at 1.41% in September, according to S&P Global Market Intelligence.

Wednesday, October 11, 2017

The U.S. Food and Drug Administration (FDA), under Commissioner Scott Gottlieb, has approved 34 new medicines so far this year, according to Bloomberg. That is on pace to nearly double last year's approvals. The FDA's approval process has become more streamlined. Legislation passed in 2012, such as the Breakthrough Therapy designation, created new mechanisms to accelerate approvals. It has helped reduce review times for new drugs seen as providing a substantial improvement to patients with dire need. Year-to-date through 10/10/17, the S&P 500 Biotechnology Index posted a total return of 30.04%, according to Bloomberg.

Thursday, October 12, 2017

The U.S. Energy Information Administration (EIA) has raised its forecast for the price of Brent crude oil for this year to an average of \$52.00 per barrel, up from \$51.00 in last month's forecast, according to 24/7 Wall St. Its forecast for West Texas Intermediate crude was raised from an average of \$49.00 to \$50.57 per barrel. The EIA expects average household expenditures on all major home heating fuels to rise this winter due to forecasts calling for temperatures to be around 13% colder than last year. It sees spending on natural gas rising by 12%, while home heating oil and propane are expected to jump by 17% and 18%, respectively.

Friday, October 13, 2017

The market for cyberinsurance is soaring, according to MarketWatch. In June, Fitch Ratings reported that the industry grew by 35% in 2016, with total premiums of \$1.35 billion. Fitch noted that the \$1.35 billion could be understated because it is difficult to break out cyberinsurance coverage from multifaceted policies. Allied Market Research estimates that the global market for cyberinsurance could reach \$14 billion by 2022.

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