

Stock Index Performance

Index	Week	YTD	12-mo.	2017	5-yr.
Dow Jones Industrial Avg. (26,617)	2.09%	7.77%	35.60%	28.11%	16.70%
S&P 500 (2,873)	2.23%	7.55%	27.59%	21.82%	16.21%
NASDAQ 100 (7,023)	2.76%	9.83%	37.72%	32.99%	22.25%
S&P 500 Growth	2.48%	8.82%	33.72%	27.43%	17.94%
S&P 500 Value	1.97%	6.21%	20.66%	15.35%	14.13%
S&P MidCap 400 Growth	1.06%	6.56%	24.12%	19.91%	14.67%
S&P MidCap 400 Value	0.56%	3.41%	13.32%	12.30%	13.91%
S&P SmallCap 600 Growth	0.77%	5.56%	19.96%	14.71%	15.92%
S&P SmallCap 600 Value	-0.05%	3.76%	15.60%	11.43%	14.96%
MSCI EAFE	1.50%	6.54%	28.93%	25.03%	8.24%
MSCI World (ex US)	1.86%	7.09%	30.83%	27.19%	7.47%
MSCI World	1.89%	6.97%	27.05%	22.40%	12.02%
MSCI Emerging Markets	3.29%	9.93%	41.91%	37.28%	6.05%
S&P GSCI	2.93%	4.96%	11.25%	5.77%	-11.71%

Source: Bloomberg. Returns are total returns. 5-yr. return is an average annual. One-week, YTD, 12-mo. and 5-yr. performance returns calculated through 1/26/18. 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.	2017	5-yr.
Consumer Discretionary	3.24%	10.59%	29.62%	22.98%	18.33%
Consumer Staples	1.16%	3.22%	14.99%	13.49%	12.78%
Energy	1.54%	7.51%	7.34%	-1.01%	2.76%
Financials	2.19%	8.14%	29.42%	22.14%	18.50%
Health Care	3.54%	10.86%	34.74%	22.08%	18.35%
Industrials	1.17%	6.46%	24.66%	21.01%	16.62%
Information Technology	2.00%	8.88%	43.20%	38.83%	22.62%
Materials	1.25%	6.01%	23.02%	23.84%	12.23%
Real Estate	2.28%	-2.31%	7.72%	10.85%	5.59%
Telecom Services	3.52%	1.69%	3.33%	-1.25%	7.71%
Utilities	2.07%	-3.08%	9.11%	12.11%	11.06%

Source: Bloomberg. Returns are total returns. 5-yr. return is an average annual. One-week, YTD, 12-mo. and 5-yr. performance returns calculated through 1/26/18. An index cannot be purchased directly by investors. Past performance is no guarantee of future results.

Bond Index Performance

Index	Week	YTD	12-mo.	2017	5-yr.
U.S. Treasury: Intermediate	-0.11%	-0.81%	0.33%	1.14%	0.83%
GNMA 30 Year	-0.10%	-0.84%	1.41%	1.87%	1.66%
U.S. Aggregate	-0.02%	-0.95%	2.66%	3.54%	2.03%
U.S. Corporate High Yield	0.27%	0.89%	6.91%	7.51%	5.55%
U.S. Corporate Investment Grade	0.18%	-0.79%	5.53%	6.42%	3.46%
Municipal Bond: Long Bond (22+)	-0.40%	-1.11%	6.71%	8.19%	3.89%
Global Aggregate	0.92%	1.37%	8.64%	7.40%	1.26%

Source: Bloomberg Barclays. Returns are total returns. 5-yr. return is an average annual. One-week, YTD, 12-mo. and 5-yr. performance returns calculated through 1/26/18. An index cannot be purchased directly by investors. Past performance is no guarantee of future results.

Key Rates

Fed Funds	1.25-1.50%	5-yr CD	2.31%
LIBOR (1-month)	1.56%	2-yr T-Note	2.12%
CPI - Headline	2.10%	5-yr T-Note	2.47%
CPI - Core	1.80%	10-yr T-Note	2.66%
Money Market Accts.	0.82%	30-yr T-Bond	2.91%
Prime Money Funds	0.96%	30-yr Mortgage Refinance	4.06%
1-yr CD	1.85%	Prime Rate	4.50%
3-yr CD	2.00%	Bond Buyer 40	3.90%

Sources: Bankrate.com, Barron's and Bloomberg. The rate shown for Prime Money Funds is as of 1/24/18. All other rates are as of 1/26/18.

Market Indicators

As of 1/26/18

TED Spread	36 bps
Investment Grade Spread (A2)	101 bps
ML High Yield Master II Index Spread	323 bps

Source: Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 1/17/18

	Current Week	Previous
Domestic Equity	-\$2.696 Billion	\$6.505 Billion
Foreign Equity	\$5.182 Billion	\$6.848 Billion
Taxable Bond	\$7.297 Billion	\$4.749 Billion
Municipal Bond	\$2.286 Billion	\$39 Million

Change in Money Market Fund Assets for the Week Ended 1/24/18

	Current Week	Previous
Retail	-\$1.68 Billion	-\$2.99 Billion
Institutional	\$10.06 Billion	-\$17.13 Billion

Source: Investment Company Institute.

Factoids for the week of January 22, 2018

Monday, January 22, 2018

Goldman Sachs' private wealth management advisors are telling their wealthiest clients that stocks are not in a bubble and that the bull market is likely to continue, according to Yahoo Finance. Goldman notes that bull markets do not die of old age, but from recessions. Its model currently places the probability of a U.S. recession at 17.6% over the next two years. For 2018, the likelihood is just 10%. Goldman puts the probability of stocks posting positive returns in 2018 at 87%, with a 63% probability those returns top 10% and a 31% probability they surpass 20%.

Tuesday, January 23, 2018

A study just released by Oxfam revealed that the richest 1% scooped up 82% of the world's wealth in 2017, while the bottom half of the world's population got nothing, according to MarketWatch. It noted that a new billionaire was created every two days. Nine out of 10 billionaires are men. The 2,043 billionaires throughout the globe increased their wealth by \$762 billion.

Wednesday, January 24, 2018

The number of Fidelity 401(k) accounts with a balance of \$1 million or more rose from 89,000 in Q3'16 to 133,000 in Q3'17, according to CNBC. That number stood at 34,000 in Q3'12. Fidelity reported that the percentage of female 401(k) millionaires has doubled over the past dozen years to 20%. In addition to the strong performance in the markets, plan participants are funneling more money into their accounts. The average 401(k) contribution rate was 8.5% in Q3'17, the highest percentage in nearly a decade.

Thursday, January 25, 2018

International Data Corporation's (IDC) *Worldwide Semiannual Blockchain Spending Guide* reported that global spending on blockchain solutions is forecast to reach \$2.1 billion in 2018, more than double the \$945 million spent in 2017, according to its own release. IDC sees blockchain spending hitting \$9.2 billion in 2021. It is projecting a five-year compound annual growth rate of 81.2% through 2021. The U.S. is expected to account for 40% of worldwide spending over the period, followed by Western Europe and China.

Friday, January 26, 2018

The National Council on Aging reported that chronic diseases account for 75% of health care spending in the U.S., according to MarketWatch. Roughly 80% of older adults have at least one chronic disease, but 77% have at least two. A recent study published in the British scientific journal *Age and Aging* revealed that the number of seniors with four or more chronic diseases is expected to double by 2035. Chronic diseases include such conditions as hypertension, high cholesterol, arthritis, coronary heart disease, diabetes, chronic kidney disease, depression, Alzheimer's disease and dementia.

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