

Stock Index Performance

Index	Week	YTD	12-mo.	2017	5-yr.
Dow Jones Industrial Avg. (25,336)	3.34%	3.02%	24.33%	28.11%	14.74%
S&P 500 (2,787)	3.59%	4.63%	20.17%	21.82%	14.77%
NASDAQ 100 (7,101)	4.28%	11.26%	33.84%	32.99%	21.91%
S&P 500 Growth	4.07%	8.38%	28.24%	27.43%	17.08%
S&P 500 Value	3.04%	0.69%	11.42%	15.35%	12.07%
S&P MidCap 400 Growth	4.28%	5.15%	21.16%	19.91%	13.81%
S&P MidCap 400 Value	3.24%	0.36%	11.03%	12.30%	12.29%
S&P SmallCap 600 Growth	4.45%	5.90%	21.21%	14.71%	15.27%
S&P SmallCap 600 Value	3.67%	1.69%	16.21%	11.43%	13.62%
MSCI EAFE	1.86%	-0.15%	19.86%	25.03%	6.74%
MSCI World (ex US)	1.94%	0.61%	22.30%	27.19%	6.09%
MSCI World	2.89%	2.48%	19.28%	22.40%	10.65%
MSCI Emerging Markets	2.17%	4.43%	33.74%	37.28%	5.00%
S&P GSCI	0.64%	0.20%	13.09%	5.77%	-12.07%

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 3/9/18. 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	3.09%	7.79%	24.30%	22.98%	16.93%
Consumer Staples	1.74%	-4.14%	2.46%	13.49%	10.02%
Energy	2.18%	-5.17%	1.29%	-1.01%	-0.09%
Financials	4.42%	6.46%	21.89%	22.14%	17.10%
Health Care	3.43%	4.82%	16.39%	22.08%	16.12%
Industrials	4.45%	3.54%	19.81%	21.01%	15.18%
Information Technology	4.30%	11.52%	39.63%	38.83%	22.50%
Materials	4.13%	1.47%	20.30%	23.84%	11.36%
Real Estate	3.68%	-5.93%	4.19%	10.85%	4.98%
Telecom Services	1.81%	-4.28%	-2.33%	-1.25%	5.03%
Utilities	0.90%	-6.17%	1.08%	12.11%	9.31%

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 3/9/18. 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	-0.07%	-1.24%	0.21%	1.14%	0.74%
GNMA 30 Year	-0.06%	-1.95%	0.82%	1.87%	1.46%
U.S. Aggregate	-0.12%	-2.22%	1.69%	3.54%	1.80%
U.S. Corporate High Yield	0.35%	-0.40%	5.20%	7.51%	5.20%
U.S. Corporate Investment Grade	-0.15%	-2.96%	3.50%	6.42%	3.05%
Municipal Bond: Long Bond (22+)	-0.11%	-2.28%	5.65%	8.19%	3.78%
Global Aggregate	-0.20%	0.55%	8.22%	7.40%	1.53%

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 3/9/18. 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	2.38%
LIBOR (1-month)	1.71%	2-yr T-Note	2.26%
CPI - Headline	2.10%	5-yr T-Note	2.65%
CPI - Core	1.80%	10-yr T-Note	2.89%
Money Market Accts.	0.78%	30-yr T-Bond	3.16%
Prime Money Funds	1.07%	30-yr Mortgage Refinance	4.31%
1-yr CD	1.93%	Prime Rate	4.50%
3-yr CD	2.03%	Bond Buyer 40	4.02%

Sources: Bankrate.com, Barron's and Bloomberg. The rate shown for Prime Money Funds is as of 3/7/18. All other rates are as of 3/9/18.

Market Indicators

As of 3/9/18

TED Spread	43 bps
Investment Grade Spread (A2)	117 bps
ML High Yield Master II Index Spread	353 bps

Source: Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 2/28/18

	Current Week	Previous
Domestic Equity	-\$6.364 Billion	\$707 Million
Foreign Equity	-\$2.729 Billion	\$3.063 Billion
Taxable Bond	\$2.875 Billion	\$2.418 Billion
Municipal Bond	\$85 Million	\$497 Million

Change in Money Market Fund Assets for the Week Ended 3/7/18

	Current Week	Previous
Retail	\$2.05 Billion	-\$6.18 Billion
Institutional	\$12.28 Billion	\$4.14 Billion

Source: Investment Company Institute.

Factoids for the week of March 5, 2018

Monday, March 5, 2018

LIMRA Secure Retirement Institute reported that U.S. annuity sales totaled \$50.8 billion in Q4'17, unchanged from Q4'16, according to its own release. Variable annuity (VA) sales totaled \$24.7 billion in Q4'17, down 2% from the amount sold in Q4'16. Fixed annuity (FA) sales totaled \$26.1 billion in Q4'17, up 2% from the amount sold in Q4'16. LIMRA noted that annuity sales were negatively impacted by the implementation of the Department of Labor's fiduciary rule in 2017, particularly with respect to IRA contracts. In 2017, U.S. annuity sales fell 8% year-over-year to \$203.5 billion (\$95.6 billion VA/\$107.9 billion FA).

Tuesday, March 6, 2018

Freddie Mac's weekly survey revealed that the benchmark 30-year fixed-rate mortgage averaged 4.43% for the week ended 3/1/18, up nearly 50 basis points since the start of the year, according to MarketWatch. Data from the Mortgage Bankers Association shows that mortgage applications to refinance existing loans held steady in January, but dipped nearly 10% year-over-year for the week ended 2/23/18. The Urban Institute reported that refinancing activity accounted for about 35% of all mortgages in 2017. That rate is expected to decline to around 27% in 2018.

Wednesday, March 7, 2018

Worldwide sales of semiconductors totaled \$37.59 billion in January, up 22.7% from the \$30.64 billion sold in January 2017, but down 1.1% from the \$37.99 billion sold in December 2017 (normal seasonal market trend), according to the Semiconductor Industry Association (SIA). Global sales have been up year-over-year for 18 consecutive months. On a year-over-year basis, the percent change in region/country semiconductor sales were as follows (January): the Americas (40.6%); Europe (19.9%); Asia Pacific/All Other (18.6%); China (18.3%); and Japan (15.1%). Year-to-date through 3/6/18, the Philadelphia Semiconductor Index posted a total return of 11.76%, compared to 8.20% for the S&P 500 Information Technology Index and 2.40% for the S&P 500 Index, according to Bloomberg.

Thursday, March 8, 2018

President Trump's proposal calling for 25% and 10% tariffs on imported steel and aluminum could negatively impact the value of the U.S. dollar. TD Securities notes that when Presidents George W. Bush and Bill Clinton introduced tariffs in 2002 and 1995 currency markets sold the dollar, driving its value lower by about 15%, according to Yahoo Finance.

Friday, March 9, 2018

Moody's reported that its global speculative-grade default rate stood at 3.1% in February, according to its own release. Moody's sees the rate falling to 1.5% by February 2019. Moody's puts the historical average default rate at 4.2% since 1983. The U.S. speculative-grade default rate stood at 3.6% in February. It sees the U.S. rate falling to 2.0% by February 2019. The default rate on senior loans stood at 1.94% in February, according to S&P Global Market Intelligence.

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