

Stock Index Performance

Index	Week	YTD	12-mo.	2017	5-yr.
Dow Jones Industrial Avg. (24,831)	2.51%	1.26%	21.45%	28.11%	13.15%
S&P 500 (2,728)	2.49%	2.72%	16.15%	21.82%	13.10%
NASDAQ 100 (6,953)	2.77%	9.11%	23.86%	32.99%	19.90%
S&P 500 Growth	2.73%	6.74%	21.72%	27.43%	15.31%
S&P 500 Value	2.21%	-1.51%	10.08%	15.35%	10.50%
S&P MidCap 400 Growth	2.20%	4.13%	16.77%	19.91%	12.25%
S&P MidCap 400 Value	2.27%	0.85%	11.07%	12.30%	11.37%
S&P SmallCap 600 Growth	3.07%	7.55%	19.96%	14.71%	14.65%
S&P SmallCap 600 Value	2.82%	4.08%	16.53%	11.43%	13.09%
MSCI EAFE	1.60%	1.80%	13.90%	25.03%	6.00%
MSCI World (ex US)	1.88%	1.33%	15.07%	27.19%	5.50%
MSCI World	2.13%	2.17%	14.89%	22.40%	9.45%
MSCI Emerging Markets	2.52%	1.03%	19.00%	37.28%	4.50%
S&P GSCI	1.17%	9.45%	26.41%	5.77%	-9.91%

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 5/11/18. 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	0.86%	6.75%	18.18%	22.98%	14.87%
Consumer Staples	-0.37%	-12.77%	-7.74%	13.49%	6.49%
Energy	4.02%	7.12%	16.69%	-1.01%	1.90%
Financials	3.62%	1.61%	21.48%	22.14%	14.71%
Health Care	2.54%	0.98%	12.12%	22.08%	13.35%
Industrials	3.48%	-0.96%	12.09%	21.01%	13.38%
Information Technology	3.54%	11.33%	30.90%	38.83%	21.41%
Materials	1.96%	-2.18%	13.69%	23.84%	9.94%
Real Estate	0.70%	-3.63%	3.59%	10.85%	3.74%
Telecom Services	0.91%	-9.38%	-1.91%	-1.25%	2.39%
Utilities	-2.16%	-3.49%	1.32%	12.11%	8.70%

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 5/11/18. 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	-0.13%	-1.42%	-1.02%	1.14%	0.59%
GNMA 30 Year	-0.08%	-1.65%	-0.26%	1.87%	1.40%
U.S. Aggregate	-0.01%	-2.28%	-0.01%	3.54%	1.59%
U.S. Corporate High Yield	0.28%	-0.02%	3.30%	7.51%	4.62%
U.S. Corporate Investment Grade	0.19%	-3.34%	0.83%	6.42%	2.61%
Municipal Bond: Long Bond (22+)	0.22%	-1.18%	4.01%	8.19%	3.76%
Global Aggregate	-0.03%	-0.75%	4.40%	7.40%	1.18%

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 5/11/18. An index cannot be purchased directly by investors. Past performance is no guarantee of future results.

Key Rates

Fed Funds	1.50-1.75%	5-yr CD	2.62%
LIBOR (1-month)	1.93%	2-yr T-Note	2.54%
CPI - Headline	2.50%	5-yr T-Note	2.84%
CPI - Core	2.10%	10-yr T-Note	2.97%
Money Market Accts.	1.14%	30-yr T-Bond	3.10%
Prime Money Funds	1.37%	30-yr Mortgage Refinance	4.42%
1-yr CD	2.17%	Prime Rate	4.75%
3-yr CD	2.35%	Bond Buyer 40	3.97%

Sources: Bankrate.com, Barron's and Bloomberg. The rate shown for Prime Money Funds is as of 5/9/18. All other rates are as of 5/11/18.

Market Indicators

As of 5/11/18

TED Spread	43 bps
Investment Grade Spread (A2)	130 bps
ML High Yield Master II Index Spread	340 bps

Source: Bloomberg.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 5/2/18

	Current Week	Previous
Domestic Equity	-\$6.654 Billion	-\$2.994 Billion
Foreign Equity	\$281 Million	\$913 Million
Taxable Bond	\$991 Million	\$1,845 Billion
Municipal Bond	-\$255 Million	-\$32 Million

Change in Money Market Fund Assets for the Week Ended 5/9/18

	Current Week	Previous
Retail	\$2.32 Billion	\$7.41 Billion
Institutional	\$4.59 Billion	\$0.18 Billion

Source: Investment Company Institute.

Factoids for the week of May 7, 2018

Monday, May 7, 2018

If California was an independent country, it would rank as the fifth largest economy (\$2.7 trillion) in the world behind the U.S., China, Japan and Germany, according to *Fortune*. Texas (\$1.7 trillion) and New York (\$1.5 trillion) would rank 11th and 13th, respectively. California's prosperity is largely due to its thriving technology sector and Hollywood, according to the Associated Press. Its gross domestic product increased by \$127 billion from 2016 to 2017.

Tuesday, May 8, 2018

The Global Findex database indicates that 515 million adults worldwide opened an account at a financial institution or through a mobile money provider between 2014 and 2017, according to the World Bank Group. Currently, 69% of adults now have an account, up from 62% in 2014 and 51% in 2011. Globally, around 1.7 billion adults remain unbanked and the majority of them live in developing nations. Nearly half live in just seven emerging economies: Bangladesh, China, India, Indonesia, Mexico, Nigeria, and Pakistan.

Wednesday, May 9, 2018

The 23 U.S. scheduled service passenger airlines reported an after-tax net profit of \$15.5 billion in 2017, up from \$14.0 billion in 2016, according to the U.S. Department of Transportation. It was the fifth consecutive year in which the group registered an after-tax net profit. The 18 U.S. airlines that operate internationally reported an after-tax net profit of \$2.1 billion on that segment of their business, down from \$3.8 billion in 2016. While profits were lower year-over-year, it did mark the eighth consecutive year in which the group registered an after-tax profit.

Thursday, May 10, 2018

Moody's reported that its global speculative-grade default rate stood at 3.0% in April, according to its own release. Moody's sees the rate falling to 1.2% by April 2019. Moody's puts the historical average default rate at 4.2% since 1983. The U.S. speculative-grade default rate stood at 3.7% in April. It sees the U.S. rate falling to 1.5% by April 2019. Over the next year, Moody's expects the default rate for U.S. issuers to be highest in Media, Advertising, Printing & Publishing, Durable Consumer Goods and Retail. The default rate on senior loans stood at 1.95% in April, according to S&P Global Market Intelligence.

Friday, May 11, 2018

The Intralinks Deal Flow Predictor, an indicator of future mergers and acquisitions (M&A) announcements, projects that the year-over-year growth in M&A announcements worldwide will increase from 5% in Q1'18 to 8% for Q2-Q3 2018, according to Cision. The strongest activity in the U.S. is expected to occur in the industrials, TMT (technology, media and telecoms) and real estate sectors. The Asia-Pacific region is expected to reflect the strongest growth globally.

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