

Stock Index Performance

Index	Week	YTD	12-mo.	2017	5-yr.
Dow Jones Industrial Avg. (24,753)	0.18%	1.07%	20.13%	28.11%	12.79%
S&P 500 (2,721)	0.33%	2.58%	14.85%	21.82%	12.82%
NASDAQ 100 (6,961)	1.39%	9.33%	21.53%	32.99%	19.85%
S&P 500 Growth	0.97%	6.95%	19.86%	27.43%	15.19%
S&P 500 Value	-0.40%	-2.02%	9.42%	15.35%	10.06%
S&P MidCap 400 Growth	0.32%	4.64%	16.61%	19.91%	12.43%
S&P MidCap 400 Value	0.08%	1.32%	12.23%	12.30%	11.45%
S&P SmallCap 600 Growth	0.40%	9.49%	23.00%	14.71%	14.94%
S&P SmallCap 600 Value	0.06%	6.05%	19.90%	11.43%	13.24%
MSCI EAFE	-1.53%	-0.23%	9.73%	25.03%	5.84%
MSCI World (ex US)	-1.16%	-0.69%	10.92%	27.19%	5.38%
MSCI World	-0.43%	1.28%	12.47%	22.40%	9.28%
MSCI Emerging Markets	-0.02%	-1.27%	14.30%	37.28%	4.47%
S&P GSCI	-1.41%	9.00%	23.48%	5.77%	-9.85%

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 5/25/18. 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	1.24%	8.03%	18.62%	22.98%	15.13%
Consumer Staples	0.68%	-12.15%	-9.53%	13.49%	6.38%
Energy	-4.54%	4.04%	15.71%	-1.01%	0.99%
Financials	-0.38%	0.11%	19.91%	22.14%	13.79%
Health Care	-0.26%	0.95%	11.40%	22.08%	12.91%
Industrials	0.54%	0.36%	12.54%	21.01%	13.39%
Information Technology	1.32%	11.14%	28.07%	38.83%	21.19%
Materials	-1.43%	-2.02%	13.42%	23.84%	9.99%
Real Estate	2.04%	-4.69%	0.74%	10.85%	3.80%
Telecom Services	1.20%	-9.47%	-1.04%	-1.25%	2.80%
Utilities	3.11%	-3.36%	-2.23%	12.11%	9.29%

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 5/25/18. 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	0.51%	-1.08%	-1.23%	1.14%	0.71%
GNMA 30 Year	0.69%	-1.40%	-0.75%	1.87%	1.62%
U.S. Aggregate	0.75%	-2.01%	-0.59%	3.54%	1.73%
U.S. Corporate High Yield	-0.01%	-0.22%	2.47%	7.51%	4.71%
U.S. Corporate Investment Grade	0.81%	-3.14%	0.01%	6.42%	2.74%
Municipal Bond: Long Bond (22+)	0.59%	-1.20%	2.61%	8.19%	3.85%
Global Aggregate	0.41%	-1.42%	1.77%	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 5/25/18. 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	2.68%
LIBOR (1-month)	1.97%	2-yr T-Note	2.48%
CPI - Headline	2.50%	5-yr T-Note	2.77%
CPI - Core	2.10%	10-yr T-Note	2.93%
Money Market Accts.	0.99%	30-yr T-Bond	3.09%
Prime Money Funds	1.39%	30-yr Mortgage Refinance	4.42%
1-yr CD	2.21%	Prime Rate	4.75%
3-yr CD	2.34%	Bond Buyer 40	3.98%

Sources: Bankrate.com, Barron's and Bloomberg. The rate shown for Prime Money Funds is as of 5/23/18. All other rates are as of 5/25/18.

Market Indicators

As of 5/25/18

TED Spread	41 bps
Investment Grade Spread (A2)	132 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 5/16/18

	Current Week	Previous
Domestic Equity	-\$3.834 Billion	-\$2.863 Billion
Foreign Equity	\$1.023 Billion	\$2.322 Billion
Taxable Bond	\$2.718 Billion	\$2.064 Billion
Municipal Bond	\$527 Million	\$306 Million

Change in Money Market Fund Assets for the Week Ended 5/23/18

	Current Week	Previous
Retail	-\$0.67 Billion	\$3.66 Billion
Institutional	\$1.49 Billion	\$7.82 Billion

Source: Investment Company Institute.

Factoids for the week of May 21, 2018

Monday, May 21, 2018

Charles Schwab's second annual Modern Wealth Index survey found that Americans define "wealthy" as having an average net worth of \$2.4 million, no change from last year's survey, according to Bloomberg. In order to feel financially "comfortable" one would need an average net worth of \$1.4 million, up from \$1.2 million a year ago.

Tuesday, May 22, 2018

Data compiled by the Rockefeller Institute shows that total state tax collections (personal income, corporate, general sales and motor fuel) increased by 9.4% year-over-year in Q4'17, the best showing since the 10.1% y-o-y increase in Q2'13, according to its own release. Tax collections were higher in 30 of the past 32 quarters. Over the past 32 quarters (thru Q4'17), the average quarterly gain in total tax collections was 4.6%. In Q4'17, tax collections grew the most in the Rocky Mountain region (13.2%), while the region with the worst showing was the Great Lakes (5.2%).

Wednesday, May 23, 2018

The Federal Deposit Insurance Corporation (FDIC) announced that U.S. commercial banks and savings institutions insured by the FDIC reported aggregate net income totaling \$56.0 billion in Q1'18, up 27.5% from the \$43.9 billion posted in Q1'17, according to its own release. Higher net operating revenue and a lower effective tax rate boosted Q1'18 net income. Of the 5,606 insured institutions that reported, more than 70.0% posted year-over-year growth in quarterly earnings. Community banks reported net income totaling \$6.1 billion, up 17.7% from a year ago. The number of institutions on the FDIC's list of "problem banks" stood at 92 in Q1'18, down from 95 in Q4'17. The post-crisis high for the list was 888 in Q1'11.

Thursday, May 24, 2018

LIMRA Secure Retirement Institute reported that U.S. annuity sales totaled \$51.8 billion in Q1'18, in line with what was sold in Q1'17, according to its own release. Variable annuity and fixed annuity sales totaled \$24.6 billion and \$27.2 billion, respectively, in Q1'18. Indexed annuities posted a strong growth rate in the quarter, up 11% year-over year to \$14.5 billion.

Friday, May 25, 2018

Data from Thomson Reuters Deals Intelligence indicates that global mergers and acquisitions (M&A) volume will surpass the \$2 trillion mark this week, according to CNBC. In Q1'18, the value of global M&A deals was up 67% year-over year to \$1.2 trillion, the strongest start to a calendar year ever. The cut in the federal corporate tax rate from 35% to 21% last December has definitely contributed to the boom in M&A activity in 2018. The hottest sectors have been media, telecom, consumer staples, health care and retail.

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