

Market Watch

Week of June 4th

Stock Index Performance						
Index	Week	YTD	12-mo.	2017	5-yr.	
Dow Jones Industrial Avg. (24,635)	-0.38%	0.69%	19.21%	28.11%	12.98%	
S&P 500 (2,735)	0.54%	3.13%	14.74%	21.82%	13.20%	
NASDAQ 100 (7,084)	1.78%	11.28%	23.10%	32.99%	20.35%	
S&P 500 Growth	1.07%	8.10%	20.35%	27.43%	15.73%	
S&P 500 Value	-0.07%	-2.09%	8.69%	15.35%	10.25%	
S&P MidCap 400 Growth	0.44%	5.11%	15.93%	19.91%	12.64%	
S&P MidCap 400 Value	0.83%	2.17%	11.57%	12.30%	11.64%	
S&P SmallCap 600 Growth	1.45%	11.07%	23.38%	14.71%	15.29%	
S&P SmallCap 600 Value	0.82%	6.92%	19.55%	11.43%	13.48%	
MSCI EAFE	-1.00%	-1.23%	8.02%	25.03%	5.99%	
MSCI World (ex US)	-0.81%	-1.50%	9.78%	27.19%	5.54%	
MSCI World	-0.02%	1.27%	11.76%	22.40%	9.56%	
MSCI Emerging Markets	-0.51%	-1.77%	14.63%	37.28%	4.70%	
S&P GSCI	-0.99%	7.92%	24.88%	5.77%	-9.76%	

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 6/1/18. 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	0.34%	8.40%	17.60%	22.98%	15.49%	
Consumer Staples	-0.40%	-12.51%	-10.81%	13.49%	7.16%	
Energy	2.49%	6.63%	19.78%	-1.01%	1.77%	
Financials	-1.23%	-1.12%	18.82%	22.14%	13.39%	
Health Care	0.44%	1.39%	10.26%	22.08%	13.49%	
Industrials	-0.65%	-0.29%	10.95%	21.01%	13.36%	
Information Technology	2.08%	13.45%	30.35%	38.83%	21.54%	
Materials	0.09%	-1.93%	11.99%	23.84%	10.15%	
Real Estate	-0.74%	-10.14%	-4.12%	10.85%	3.70%	
Telecom Services	-0.55%	-3.89%	-4.29%	-1.25%	9.83%	
Utilities	1.68%	-3.09%	2.51%	12.11%	5.30%	

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 6/1/18. 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	0.14%	-0.94%	-1.21%	1.14%	0.82%	
GNMA 30 Year	0.21%	-1.19%	-0.58%	1.87%	1.80%	
U.S. Aggregate	0.16%	-1.85%	-0.64%	3.54%	1.91%	
U.S. Corporate High Yield	0.07%	-0.15%	2.33%	7.51%	4.88%	
U.S. Corporate Investment Grade	0.04%	-3.10%	-0.27%	6.42%	2.97%	
Municipal Bond: Long Bond (22+)	0.50%	-0.71%	2.56%	8.19%	4.12%	
Global Aggregate	0.07%	-1.36%	1.61%	7.40%	1.27%	

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 6/1/18. 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	2.72%			
LIBOR (1-month)	1.98%	2-yr T-Note	2.47%			
CPI - Headline	2.50%	5-yr T-Note	2.75%			
CPI - Core	2.10%	10-yr T-Note	2.90%			
Money Market Accts.	1.13%	30-yr T-Bond	3.05%			
Prime Money Funds	1.41%	30-yr Mortgage Refinance	4.39%			
1-yr CD	2.23%	Prime Rate	4.75%			
3-yr CD	2.40%	Bond Buyer 40	3.96%			

Sources: Bankrate.com, Barron's and Bloomberg. The rate shown for Prime Money Funds is as of 5/30/18 All other rates are as of 6/1/18

Market Indicators	
As of 6/1/18	
TED Spread	40 bps
Investment Grade Spread (A2)	137 bps
ML High Yield Master II Index Spread	355 bps

Source: Bloomberg.

Weekly Fund Flows						
Estimated Flows to Long-Term Mutual Funds for the Week Ended 5/23/18						
	Current Week		Previous			
Domestic Equity	-\$2.928	Billion	-\$3.834	Billion		
Foreign Equity	\$883	Million	\$1.023	Billion		
Taxable Bond	\$2.652	Billion	\$2.718	Billion		
Municipal Bond	\$9	Million	\$527	Million		
Change in Money Market Fund Assets for the Week Ended 5/30/18						
	Current	Week	Previ	Previous		
Retail	\$0.02	Billion	-\$0.67	Billion		
Institutional	\$14.95	Billion	\$1.49	Billion		

Source: Investment Company Institute.

Factoids for the week of May 28, 2018

Monday, May 28, 2018

No Factoid. Holiday – Memorial Day.

Tuesday, May 29, 2018

Data from Renaissance Capital shows that a total of 75 equity IPOs (market caps in excess of \$50 million) have been priced in the U.S. so far this year (as of 5/29), up 21.0% from the same period a year ago, according to its own release. The 75 companies raised a combined \$24.1 billion, up 40.2% from the same period a year ago. The most active sectors have been health care, technology, financials and energy.

Wednesday, May 30, 2018
In 2017, the 25 highest-earning hedge fund managers took in a combined \$15.38 billion, or an average of \$615 million per manager, according to Institutional Investor. That is an increase of 40% from 2016. It took \$225 million to earn a spot on the list, compared to \$130 million in 2016. Four of the 25 managers earned at least \$1 billion in 2017.

Thursday, May 31, 2018

The percentage of U.S. job seekers who opted to start a business in Q1'18 was the highest since late 2013, with nearly 8% of searchers starting ventures of their own, according to The Motley Fool. Entrepreneurs have had more access to capital than in years past. More than \$8 billion in small business loans has been divvied up so far in 2018. Operating a small business is challenging. An estimated 20% of small businesses fail in their first year and 50% are gone after five years, according to Fundera.

Friday, June 1, 2018

Hurricane season officially begins today and runs through November 30. The National Oceanic and Atmospheric Administration (NOAA) is forecasting a 75% chance that the season will be near normal or above normal, according to CNBC. It is anticipating 10 to 16 named storms, with five to nine of them potentially becoming hurricanes. Subtropical storm Alberto, which hit Florida on Monday, was the first named storm of 2018. Last year, total damages from Harvey, Irma and Maria, all major hurricanes, reached \$265 billion. The costliest U.S. hurricane on record was Katrina in 2005 (\$161 billion).

The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA and the Internal Revenue Code. First Trust has no knowledge of and has not been provided any information regarding any investor. Financial advisors must determine whether particular investments are appropriate for their clients. First Trust believes the financial advisor is a fiduciary, is capable of evaluating investment risks independently and is responsible for exercising independent judgment with respect to its retirement plan clients.