

Stock Index Performance

Index	Week	YTD	12-mo.	2018	5-yr.
Dow Jones Industrial Avg. (23,996)	2.42%	2.93%	-4.02%	-3.48%	10.49%
S&P 500 (2,596)	2.58%	3.63%	-4.35%	-4.39%	9.31%
NASDAQ 100 (6,601)	2.78%	4.31%	-0.53%	0.04%	14.45%
S&P 500 Growth	2.67%	3.55%	-0.48%	-0.01%	11.35%
S&P 500 Value	2.47%	3.72%	-8.42%	-8.97%	6.89%
S&P MidCap 400 Growth	4.63%	4.94%	-9.32%	-10.34%	7.18%
S&P MidCap 400 Value	4.82%	7.28%	-7.86%	-11.90%	6.89%
S&P SmallCap 600 Growth	4.66%	5.83%	-1.52%	-4.09%	8.83%
S&P SmallCap 600 Value	4.57%	7.83%	-8.82%	-12.68%	6.87%
MSCI EAFE	2.89%	3.90%	-13.08%	-13.79%	1.36%
MSCI World (ex US)	3.23%	4.08%	-13.28%	-14.20%	1.68%
MSCI World	2.81%	3.93%	-8.13%	-8.71%	5.43%
MSCI Emerging Markets	3.76%	3.70%	-14.29%	-14.58%	3.06%
S&P GSCI	4.04%	7.54%	-9.23%	-13.82%	-12.64%

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 1/11/19. 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.	2018	5-yr.
Communication Services	2.33%	6.26%	-4.65%	-12.53%	4.34%
Consumer Discretionary	3.74%	6.00%	1.61%	0.82%	11.11%
Consumer Staples	0.65%	1.64%	-6.51%	-8.39%	6.86%
Energy	3.35%	8.07%	-16.67%	-18.10%	-3.79%
Financials	1.04%	2.85%	-13.79%	-13.04%	8.54%
Health Care	2.26%	1.63%	3.71%	6.47%	10.96%
Industrials	4.09%	5.38%	-13.19%	-13.32%	7.19%
Information Technology	3.37%	2.55%	-2.19%	-0.29%	15.74%
Materials	1.90%	3.42%	-15.72%	-14.70%	4.77%
Real Estate	3.98%	3.16%	5.73%	-2.23%	7.09%
Utilities	0.84%	0.61%	9.11%	4.11%	10.73%

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 1/11/19. An index cannot be purchased directly by investors. Past performance is no guarantee of future results.

Bond Index Performance

Index	Week	YTD	12-mo.	2018	5-yr.
U.S. Treasury: Intermediate	-0.12%	0.00%	1.76%	1.41%	1.40%
GNMA 30 Year	-0.01%	0.19%	1.56%	1.03%	2.21%
U.S. Aggregate	-0.04%	0.18%	0.66%	0.01%	2.41%
U.S. Corporate High Yield	1.89%	3.13%	0.30%	-2.08%	4.33%
U.S. Corporate Investment Grade	0.33%	0.50%	-1.60%	-2.51%	3.17%
Municipal Bond: Long Bond (22+)	-0.28%	0.20%	1.28%	0.34%	5.42%
Global Aggregate	0.17%	0.59%	-0.52%	-1.20%	1.11%

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 1/11/19. An index cannot be purchased directly by investors. Past performance is no guarantee of future results.

Key Rates

Fed Funds	2.25-2.50%	2-yr T-Note	2.54%
LIBOR (1-month)	2.52%	5-yr T-Note	2.53%
CPI - Headline	1.90%	10-yr T-Note	2.70%
CPI - Core	2.20%	30-yr T-Bond	3.03%
Money Market Accts.	1.26%	30-yr Mortgage Refinance	4.43%
1-yr CD	2.73%	Prime Rate	5.50%
3-yr CD	2.92%	Bond Buyer 40	4.09%
5-yr CD	3.09%		

Sources: Bankrate.com, Federal Reserve Bank NY, & US Bureau of Labor Statistics. All data as of 1/11/19.

Market Indicators

TED Spread	35 bps
Investment Grade Spread (A2)	175 bps
ML High Yield Master II Index Spread	456 bps

Source: Bloomberg as of 1/11/19.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 1/2/19			
	Current Week		Previous
Domestic Equity	-\$6.202	Billion	-\$13.515 Billion
Foreign Equity	-\$8.268	Billion	-\$11.600 Billion
Taxable Bond	-\$17.260	Billion	-\$13.036 Billion
Municipal Bond	-\$235	Million	\$268 Million

Change in Money Market Fund Assets for the Week Ended 1/9/19			
	Current Week		Previous
Retail	\$4.11	Billion	\$20.01 Billion
Institutional	\$14.97	Billion	-\$11.50 Billion

Source: Investment Company Institute.

Factoids for the week of January 7, 2019

Monday, January 7, 2019

Baker Hughes reported that 877 crude oil rigs were active in the U.S. on 1/4/19, up 135 rigs from 1/5/18, according to Bloomberg. The price of crude oil (WTI) closed at \$47.96 per barrel on 1/4/19, down from \$61.44 per barrel on 1/5/18. Baker Hughes also reported that 198 natural gas rigs were active in the U.S. on 1/4/19, up 16 rigs from 1/5/18. The price of natural gas closed at \$3.04 per million British thermal units (BTUs) on 1/4/19, up from \$2.80 per million BTUs on 1/5/18.

Tuesday, January 8, 2019

Global mergers and acquisitions (M&A) deal activity totaled \$3.5 trillion in 2018, the third-largest year on record by value, according to Mergermarket. While the number of deals struck in 2018 declined year-over-year for the first time since 2010, the average deal size was the second-highest on record. China's M&A buys in the U.S. plunged 94.6% to \$3 billion. Its most active year was 2016, when it spent \$55.3 billion on U.S. companies. China boosted its M&A activity in Europe in 2018 by 81.7% to \$60.4 billion.

Wednesday, January 9, 2019

The 34rd annual Barclays E&P Spending Survey (released on 1/8/19) estimates that global E&P expenditures will increase by 8% in 2018, matching the 8% increase in 2018, according to its own release. The expected rise in global spending in 2019 assumes average crude oil prices of around \$50 per barrel for WTI and \$59 for Brent. Spending in North America is expected to increase by 9% in 2019, half the 18% pop registered in 2018. International spending is expected to increase by 8% in 2019, double the 4% spent in 2018. Offshore spending is expected to fall for the fifth consecutive year.

Thursday, January 10, 2019

Moody's reported that its global speculative-grade default rate stood at 2.3% in December, according to its own release. It sees the rate rising to 3.0% in December 2019. Moody's puts the historical average default rate at around 4.2% since 1983. The U.S. speculative-grade default rate stood at 2.8% in December. It sees the rate rising to 3.4% in December 2019. There were 77 defaults registered in 2018, down from 104 a year ago and 144 in 2016. The default rate on senior loans stood at 1.56% in December, according to S&P Global Market Intelligence.

Friday, January 11, 2019

International Data Corporation's (IDC) *Worldwide Quarterly Cloud IT Infrastructure Tracker* reported that vendor revenue from sales of infrastructure products (server, storage and Ethernet switch) for cloud IT grew 47.2% year-over-year to \$16.8 billion in Q3'18, according to its own release. Public and private cloud IT infrastructure revenue totaled \$12.1 billion and \$4.7 billion, respectively. IDC notes that Q3'18 marked the first time that vendor revenues from infrastructure product sales into cloud environments topped revenues from sales into traditional IT environments.

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