U.S. Equities September 2017

KEY HIGHLIGHTS

- The S&P 500® gained 1.93% in September, bringing its YTD return to 12.53%.
- The Dow Jones Industrial Average® returned 2.08% for the month and was up 13.37% YTD.
- The S&P MidCap 400® was up 3.76% for the month and up 8.15% YTD.
- The S&P SmallCap 600® returned 7.56% in September, with a 7.88% return YTD.

Exhibit 1: Index Returns

INDEX	1-MONTH (%)	YTD (%)	1-YEAR (%)
S&P 500	1.93	12.53	16.19
Dow Jones Industrial Average	2.08	13.37	22.38
S&P MidCap 400	3.76	8.15	15.70
S&P SmallCap 600	7.56	7.88	19.43

Source: S&P Dow Jones Indices LLC. Data as of Sept. 29, 2017. Past performance is no guarantee of future results. Table is provided for illustrative purposes. Returns shown are price returns.

MARKET SNAPSHOT

Mother Nature proved, once again, who was boss this month, even as humanity tried to show its superiority (foolish humans). Reports predicted a busy hurricane season, and Mother Nature easily beat estimates. Hurricane Harvey (category 4 on a 1-5 scale) started the run, battering Houston and other parts of Texas; refineries closed and U.S. pump prices increased to a 30-month high due to regional disruptions in production and pipelines. Hurricane Irma was next (category 5), leaving 7.4 million people without power in Florida and billions in damages, as Hurricane Maria devastated Puerto Rico with a direct hit (as a category 4; it had been a category 5) that left the entire island without electricity. Hurricane damage estimates continued to come in, and on-ground inspections continued, as does the debate over what to rebuild or replace with upgrades to prevent future damage. Damages from Hurricane Harvey were estimated to be from USD 70 billion up to USD 190 billion (mostly in the Houston area); Irma's estimated range was USD 75 to USD 112 billion, and Maria's estimate started at USD 85 billion with most of it in Puerto Rico. Related, home improvement issues went up for the month; Home Depot (HD) was up 9.1% and Lowe's (LOW) was up 8.2%. Reinsurance issues went down; Everest Re Group (RE) was off 9.5% and Exelixis (EXEL) fell 17.1%. In addition to those activities from Mother Nature, there was an 8.1 magnitude earthquake in Mexico, the strongest movement in Mexico in over 100 years, killing over 300 people.

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S&P Dow Jones Indices' Market Attributes® series provides market commentary highlighting developments across various asset classes.

Also this month, a minor shudder, hardly registering in the market (but felt with a slight upward tremor), was the opening round of income tax reform. Currently, the S&P 500 income tax rate is 25.6%, with a wide variance; the statutory rate is 35%. The opening nine-pages of the Republican legislation outlined lower tax brackets: 20% from the current 35% for corporates, and 12%, 25%, and 35% for individuals from the prior seven brackets of 10.0%-39.6%. The outline did away with most tax deductions for individuals, as it attempted to balance it by repealing the alternative minimum tax and inheritance tax. Before tax reform can be finalized, however, Congress needs to settle the budget, with the current stop-gap bill ending in December. Up to that point, income tax reform will use reconciliation, requiring 51 votes to pass; after that, the Senate needs 60 votes (100 members and the vice president votes in a tie). If a 20% rate is approved (excluding repatriation, and potential bells and whistles), S&P 500 earnings could increase up to 6%.

The U.N. passed additional sanctions on North Korea, while the U.S. watered down the sanctions to get China and Russia to agree to the move. North Korea responded the following week with another ballistic missile test, which flew over Japan. Trump then made his first speech before the U.N., blasting North Korea (as well as Iran and Venezuela), and said the U.S. would “totally destroy” North Korea if it threatened the U.S. or its allies. Verbal confrontation grew, as direct attacks between Trump and North Korean leader Kim Jong-un went public. Trump then added sanctions against financial institutions that do business with North Korea, as China took limited actions to constrict financial transactions with North Korea.

German Chancellor Merkel’s center-right party came in first place in the election, winning 33% of the vote, its lowest post-World War II reading, and the ultra-right, anti-immigration Alternatives for Germany party won 13%. The victory should insure Merkel’s fourth term (of four years each) as chancellor, once she forms a coalition. UK Prime Minister May confirmed that the UK would pay tens of billions of British pounds to exit the UK, as negotiations continued on larger issues—work permits, trade, and tariffs. Japan’s Prime Minister Abe called for parliamentary elections (lower house), initially scheduled for Oct. 22, 2017, in what appears to be an effort to increase his support as his approval rate has increased during the current North Korean conflict.

S&P Global Ratings reduced Hong Kong’s credit rating from the highest rating of ‘AAA’ to ‘AA+’, the same as the U.S. (although 14 U.S. states have ‘AAA’ ratings). This left only 11 countries with ‘AAA’ ratings—Australia, Canada, Denmark, Germany, Liechtenstein, Luxembourg, The Netherlands, Norway, Singapore, Sweden, and Switzerland. Within the S&P 500, only two issues have ‘AAA’ ratings—Johnson & Johnson (JNJ) and Microsoft (MSFT). Additionally, China took steps to shut down bitcoin exchanges, demonstrating its control of currency.

The S&P 500 closed the quarter at its 39th new closing high of 2017, with 10 of the 39 occurring on a Friday; the index also posted its 13th quarter-end new high and fourth September quarter-end new high (since 1928)

For September 2017, the S&P 500 posted a 1.93% gain (2.06% with dividends), as it posted its sixth consecutive monthly gain (10 of 11 from November 2016; March 2017 was down 0.4% but up 0.12% with dividends—which would make it 11 for 11). For the quarter, the market set nine new highs (one in September 2017) and it closed on one of them. The three-month gain was 3.96% (4.48%); the YTD gain was 12.53% (14.24%), and the one-year return was 16.19% (18.61%). Since the Nov. 8, 2016, election, the S&P 500 was up 17.75% (19.93% with dividends) and has set 47 new closing highs (39 YTD, 18 in 2016, 10 in 2015, and 52 in 2014).

Consolidated global markets posted a strong September, extending their streak to 11 consecutive months of gains. Emerging markets, however, declined, with one-half of the markets in the red, as developed markets posted broad gains; the U.S. performance was above the average. For September, global markets increased 1.97%, up from August's 0.17% gain; 31 of the 47 markets gained, up from 30 in August. Historically, October posts gains 57.3% of the time, with an average gain of 4.20% for the up months and a 4.66% average decrease for the down months, with an overall average of a 0.47% increase; this month also marks the 30th anniversary of the October 1987 crash.

The Trump administration announced an end to the Obama-established Deferred Action for Childhood Arrivals (DACA) program in six months if Congress fails to pass legislation that addresses it. Trump issued a new travel ban, replacing his previous one, which expired, and adding Chad, North Korea, and Venezuela to the list (along with Iran, Libya, Somalia, Syria, and Yemen), and Sudan was dropped. Republicans tried again to repeal and/or replace Obamacare, but again fell short (as the leadership did not even permit a vote), and the deadline passed to do so with a simple majority, with 60% needed now.

In a surprise move, Fed Vice Chair Stanley Fischer, age 74, resigned due to personal reasons effective Oct. 13, 2017; Fischer had been expected to resign in mid-2018. Fischer is a strong Yellen supporter. President Trump will nominate Fischer's replacement and a Fed chair (or re-nominate current Chair Yellen, whose term ends in February 2018)—both nominations will need to be approved by the U.S. Senate. The bottom line will be that Trump's nominees will be in for 2018, and while not in control, they will have power. There was no immediate impact on interest rates. The Beige Book said that consumer spending increased but commercial loans declined; concern over the slowdown in the auto industry was noted, and labor markets were still characterized as "tight." The July JOLTS report showed 6.17 million jobs currently open and ready to be filled, up from June's 6.12 million and beating the 6.0 million estimate. The U.S. Fed said it would start to unwind its USD 4.5 trillion balance sheet in October 2017, reducing its holdings by USD 10 billion, as it kept the possibility of a third interest rate cut open for its December 2017 meeting. In its projections, the Fed showed that it anticipated increasing interest rates three times in 2018, twice in 2019, and once in 2020. Yellen spoke in Cleveland, saying that the Fed overestimated inflation, but that it was still on track; most were left with the expectation of a December 2017 interest rate increase of 0.25%. The ECB left its interest rates unchanged, saying it would continue to buy assets (USD 71.5 billion monthly) at least through December 2017, or longer if necessary. The Bank of Japan kept its rates unchanged, but the vote was not unanimous, as there was one vote to ease interest rates.

In global economics, eurozone annual inflation for August increased to 1.5% from July's 1.3%. The IHS Markit Eurozone Flash Services PMI for September came in at 55.6, when 54.8 was estimated, and the manufacturing component came in at 58.2, when 57.2 was expected. S&P Global Ratings reduced China's sovereign credit rating to 'A+' from 'AA-', citing risks due to credit growth. It also downgraded Hong Kong from the highest rating of 'AAA' to 'AA+', the same as the U.S.

In U.S. economics, the August PMI Manufacturing Index declined to 52.8 from July's 53.3, and the ISM Manufacturing Index increased to 58.8 from last month's 56.3. The August Services PMI Services increased to 56.0 from July's 54.7, but it missed the 56.9 estimate; the ISM Non-Manufacturing Index did the same, coming in at 55.3, up from July's 53.9 but shy of the 55.8 estimate. The September PMI Flash Report came in at 54.6; the Flash Manufacturing PMI increased to 53.0 from the previous 52.5 and the Flash Services PMI fell to 55.1 from the previous 56.9. The PPI for August came in at 2.4%

year-over-year, and Core PPI, excluding food and energy, posted a 1.9% gain. The CPI for August increased 1.9%, as expected, and Core CPI was up 1.7%, slightly better than the 1.6% expected. Personal income for August increased 0.2%, as consumer spending increased 0.1%. The PCE Price Index increased 0.2% for August, as the year-over-year rate was up 1.4%. Construction Spending for July declined 0.6%, when a 0.6% gain was expected, and the year-over-year gain was 1.6%. Factory Orders declined 3.3% for July, which was in line with the 3.2% expected fall, and June was restated up to a 3.2% gain from the originally reported increase of 3.0%. Industrial Production for August declined 0.9%, when a 0.1% gain was expected, and Capacity Utilization declined to 86.1% from July's 76.9%. Wholesale Inventories for August increased 1.0%, as Retail Inventories increased 0.7%. Business Inventories for July posted a 0.2% gain, as expected. Durable Goods Orders increased 1.7% when 1.5% was expected, as the year-over-year rate was up 5.1%. International Trade for August showed exports increased 0.2% and imports declined 0.3%, resulting in a USD 62.9 billion trade deficit. Imports for August came in up 0.6%, when a 0.4% gain was expected (up 2.1% year-over-year); exports also came in at 0.6%, when a 0.2% gain was expected (up 2.3% year-over-year). The final Non-Farm Productivity report for Q2 2017 was revised up to 1.5% (from the prior 0.9% gain) when a 1.3% gain was expected, and Labor Costs increased 0.2% when a 0.3% increase was expected. Consumer Sentiment for September decreased to 95.1 from August's 95.3. Consumer Confidence for September came in at 119.8, missing the 120.2 estimate, as August was revised down to 120.4 from the originally reported 122.9. Motor Vehicle Sales for August recovered from their poor July, but they were uneven, as General Motors (GM) reported a 7.5% August sales increase and Ford (F) reported a 2.1% decline. Retail Sales for August posted a 0.2% decline, when a 0.1% gain was expected, and Retail Sales Ex-Autos posted a 0.2% gain, when a 0.5% gain was expected. Leading Indicators for August increased 0.4%, when a lower 0.2% gain was expected. The final Q2 2017 GDP came in at 3.1%, as expected, up from the previous 3.0%. Corporate Profits for Q2 2017 were finalized at a 7.4% year-over-year gain.

Housing Starts for August came in at an annual rate of 1.18 million, slightly ahead of estimates, and Permits came in at 1.3 million, when 1.22 million was expected. Existing Home Sales for August came in at 5.35 million units, a 1.7% decline from July's 5.48 million units and up 0.2% year-over-year. New Home Sales for August came in at an annual 560,000 rate, missing the 583,000 estimate. Pending Home Sales for August were down 2.6%, when a 0.2% decline was expected. Hurricane Harvey was seen as having an impact, but sales were lower throughout most regions. The July FHFA House Price Index posted a 0.2% gain, when 0.4% was expected, and the year-over-year gain was 6.3%. The S&P CoreLogic Case-Shiller Home Price Index for July came in as expected, and the year-over-year gain increased 5.9%, up from June's 5.8%. The September Housing Market Index came in at 64, when it was expected to be 66; it was 67 in August.

In employment, this month brought a disappointing employment report, as August net new jobs missed the 180,000 estimate, posting 156,000 new jobs, and July was restated downward from the beat of 209,000 to 180,000 (the original estimate was 178,000, which is now in line with the restatement). The Unemployment Rate increased to 4.4%, when it was expected to be unchanged at 4.3% (it declined in July from 4.4%); the Participation Rate was unchanged at 62.9%. The Average Work Week was flat (again) at 34.5 hours, as expected. Average Hourly Wages increased 0.1%, when 0.2% was expected, to USD 26.39 (from USD 26.36), and the year-over-year gain remained at 2.5%. The overall take from the Street was little impact, as the report was viewed as an adjustment to recent gains, or a "one-off." Family-oriented department store Target (TGT) said it would hire 100,000 temporary holiday seasonal workers, up from 70,000 last year, attempting to create an easier store experience (and compete with the web). Macy's (M) said it would increase its specific seasonal worker hiring by 20%, but that full

season hiring would slightly decline to 80,000 from last year's 83,000. Web retailer Amazon.com (AMZN) said it was looking to build a second U.S. headquarters, capable of housing up to 50,000 employees, for an estimated cost of USD 5 billion—individual states appeared eager to court them for the site. In layoffs, technology solutions issue Hewlett Packard Enterprise (HPE) said it would lay off 5,000 workers globally (of its approximately 50,000) as part of cost-cutting measures. Ethical drug maker Eli Lilly (LLY) said it would lay off 3,500 of its employees (8% of its work force) and close one plant (in Iowa) and two research faculties (in New Jersey and China) in 2018.

In the deal or no deal category, aerospace and building systems maker United Technologies (UTX) was rumored to have said that it would buy aviation communications issue Rockwell Collins (COL) for USD 23 billion. Defense product maker Northrop Grumman (NOC) said it would buy aerospace and defense product maker Orbital ATK (OA) for USD 7.8 billion in cash. Adhesive and sealant maker H.B. Fuller (FUL) said it would buy Royal Adhesives & Sealants; it signed a deal to pay USD 1.58 billion. Telecommunication services issues Sprint (S) and T-Mobile (TMUS) were reported to again be in merger talks, which appear to have been on and off for years. Toshiba (TOSYY) said it would sell its chip business to a consortium led by Bail Capital for USD 18 billion. General Electric (GE) said it would sell its industrial solution business to ABB (ABB) for USD 2.6 billion. A private group headed by U.S. Hellman & Friedman said it would buy Danish payments issue Nets for USD 5.3 billion.

Overall for the S&P 500, the Q2 2017 earnings season was a winner, as companies beat not only their estimates, but also their whisper numbers, even though they had less support from buybacks, which reduce share count and add a tailwind to EPS. The beat was just what the Street needed, as multiples have become a major concern, along with the ability to justify them, and forward growth remained cloudy due to events—or the lack thereof—in Washington, as well as the continued uncertainty in geopolitical issues. The market result was a slow continuance of new closing highs for the S&P 500, which have kept the multiples high. For the upcoming Q3 2017 season, Street operating estimates have held their ground, declining a minor 1.5% from where they stood at the end of June 2017 and only 2.5% from where they were in December 2016. At this point, they are calculating out to a 7.8% gain over the Q2 2017 record and a 14.7% year-over-year gain. The gains, however, are not uniform, and their numbers don't always tell the full story. Energy, which is expected to post a 300% gain, is still recovering; last year's Q2 2016 EPS was the first positive earnings report for the sector after six negative quarters. The Q3 2017 estimate is 71% lower than energy's Q3 2014 results, when oil was in the USD 100 range, with the 2017 P/E ratio expected to be high, at 36. Health care is expected to post a 26% year-over-year gain and set a record for Q3 2017. Its overall price has done well this year, but the sub-groups have varied; its P/E ratio of 19 is more justifiable, but again, groups vary greatly. Information technology has become the group to watch. For Q3 2017, it is expected to post a 33% gain in earnings year-over-year, setting a record, and Q4 2017 (the fourth quarter is typically its best quarter), is expected to beat the expected Q3 record by 27%. It's not just how many of us will be watching it on our iPhone 8, but all the electronic toys for kids and grown-ups. Information technology is the largest sector, making up 23% of the index, contributing the most to dividends (16%), and expected to contribute the most to earnings for Q3 2017 (23%). The sector's YTD P/E ratio is 21, and its stock did the best of any group this year—after just getting by from the election to the end of 2016. Overall, and similar to Q2, a lot is expected of Q3, and it is needed to justify the multiples, especially as YTD gains mount up. While it's never too early to take profits, the fear of money managers is of getting off the bandwagon, especially as the prospects for income tax start to play, which are helping to keep money in the market, as well as in some more risk-oriented groups.

On an issue level, insurer Anthem (ANTM) said it would cut its coverage of Obamacare in Kentucky for 2018 (it has cut back on 10 of the 14 states it serves). Credit reporting company Equifax (EFX) reported a breach of 143 million accounts in the U.S.; its response—and ability to handle the situation—also became an issue. The issue fell 26.3% for the month, but was down 36.9% at one point, and it was off 11.2% YTD. The Securities and Exchange Commission said it was hacked in 2016, with some of the data potentially being used for illegal stock trades. Toys "R" Us filed for Chapter 11 bankruptcy, as its debt payments became due. Social media issue Twitter (TWTR), said it was testing a 240 character allowance, compared to its current 140 limit. The U.S. government removed insurance issue American International Group (AIG) from its “too big to fail” list, removing restrictions. Also of note, median U.S. household income increased 3.2% in 2016 (over 2015) to USD 59,039, and after adjusting for inflation, it was finally higher than its 1999 level (USD 58,665). U.S. Household Net Worth set a record in Q2 2017, at USD 96.2 trillion. Multiple telephoned bomb threats in Russia caused the evacuation of over 100,000 people in different locations; no bomb was found. A “terrorist incident” occurred on a London subway, as a bomb blew up prematurely (no one was killed). New accounting guidelines urged U.S. states and municipalities to use full health care costs on their books for retirees; the change could add USD 645 billion to the books, representing an expected cost that was not previously recognized for accounting. Private car service Uber continued to negotiate with London officials after it was found unfit to operate in that city.

Yields, rates, and commodities were active. Interest rates moved up in September, as the U.S. Fed said it would start its USD 4.5 trillion wind-down and hinted at a December interest rate hike (Dec. 12-13, 2017). The 10-year U.S. Treasury Bond closed at 2.34%, up from last month’s 2.12% and down from year-end 2016’s 2.45%. The 30-year U.S. Treasury Bond closed at 2.86%, up from last month’s 2.73% (3.07% at year-end 2016). The euro closed at 1.1814, down from last month’s 1.1904 (1.0520 at year-end 2016); the British pound sterling shone and closed at 1.3399, up from last month’s 1.2929 (1.2345); the yen closed at 112.50 from last month’s 109.95 (117.00; reverse reference, which is usually used); and the yuan closed at 6.6366, up from last month’s 6.5906 (6.9448). Gold closed at USD 1,282.50, down from last month’s USD 1,327.90 (year-end 2016 was USD 1,152.00). Oil moved up, as hurricanes had local impacts but supply concerns continued, to close the month at USD 51.64 (it’s one-year range was USD 43-58), up from last month’s USD 47.07 (USD 53.89). U.S. gasoline pump prices (all grades) increased due to several hurricanes, closing the month at USD 2.701, up from last month’s USD 2.513 per U.S. gallon (USD 2.419). VIX®, “the fear factor,” closed the month at 9.51, up from last month’s 10.69 close (14.04 at year-end 2016; 23 before the U.S. Nov. 8, 2016, election); it traded as high as 14.06 and as low as 9.36.

S&P Dow Jones Indices added S&P MidCap 400 application software issue Cadence Design System (CDNS) to the S&P 500, and it deleted Staples (SPLS), which was acquired by Sycamore Partners.

September dividends increased 5.6% year-over-year, with Q3 2017 setting a record for actual payments, up 7.2% year-over-year. However, many expect Q4 2017 to beat it. September dividend year-over-year payments increased 5.63% after August’s 7.96% increase and July’s 12.68% gain (June declined 1.66%—calendar impact), and YTD payments were up 7.19%. S&P 500 Q3 2017 payments set a new record, paying USD 12.31 per share, or USD 105.4 billion, surpassing the previous Q2 2017 record of USD 12.12 per share and USD 104.1 billion in aggregate. At this point, Q4 2017 appears ready to set another record, which would result in a record year. The average dividend increase for September was 8.78%, down after the bank-inspired leaps of August (13.78%) and July (16.62%; June was 7.66%). Year-to-date, the average decreased to 11.69% from August’s 11.89% YTD (11.64% YTD

in July). For the remainder of the year, 2017 continues to be expected to beat 2016 and set a new payment record, with an expected growth rate in the upper 7% range, up from 2016's 5.4% gain. One key question now being played out in Washington is income tax reform and repatriation (together or separate), which could be retroactive for all of 2017 (otherwise the impact would not be felt until at least Q1 2018).

INDEX REVIEW

S&P 500

The index beat the odds this month, despite September's poor track record of declining 56.2% of the time, with the S&P 500 posting a broad gain, as it posted its sixth consecutive monthly gain (up 10 of the last 11 months; 11 for 11 if you add in dividends) and crossed (and closed) above the 2,500 mark for the first time.

In September, the S&P 500 closed at 2,519.36, posting a broad 1.93% gain (2.06% with dividends, up from last month's 2,471.65, when it gained 0.05% (up 1.93% in July), as it posted a 3.96% (4.48%) quarterly gain, which should result in some nice quarterly statements. Year-to-date, the index was up 12.53% (14.24% with dividends). From the Nov. 8, 2016, election, the market was up 17.75% (19.93% with dividends).

Of the 11 sectors, 8 gained in September (five gained the previous month), with energy rebounding, as it did the best and was up 9.77% for the month; the sector remained down 8.62% YTD—the worst of any sector. Utilities did the worst for the month, off 3.00%, as interest rates rose and investors were risk-on; the sector was up 8.97% YTD.

Breadth was strongly positive, as the rising tide (and expectations of income taxes) helped with the lifting. For the month, 334 issues gained (an average of 6.04% each), up from last month's 232 gainers (326 the prior month), with 49 of them down at least 10% (12 last month), as 170 were down (an average decline of 5.65%), down from August's (272 in the prior month), with 9 of them down at least 10% (44 last month). For Q3 2017, 323 issues gained (an average of 8.81% each), with 111 up at least 10% (average 16.36%), as 180 declined (an average decline of 7.70%), with 55 down at least 10% (average loss of 16.27%). Year-to-date, breadth remained strongly positive, as 355 issues were up (average 21.86%), with 113 of them up at least 25%, and 147 issues were down (average loss of 13.51%), with 23 of them down at least 25%.

The S&P 500 closed at a new closing high, which will be tested, as news from Washington (income taxes, budget, and debt) will likely continue to dominate the headlines in the first week of October. After that, earnings season will creep in, with releases dominating the news (and trades) starting in mid-month and continuing into early November (subject to global events, such as North Korea).

The Dow®

The Dow Jones Industrial Average did the best of any of the covered indices this month, as it beat the S&P 500 for the month, quarter, YTD, and one-year period. The Dow set seven new closing highs (42 YTD and 59 from the U.S. Nov. 8, 2016, election) on strong breadth.

For the month, The Dow closed at 22,405.09, up 2.08% (2.16% with dividends) from August's 21,948.10 close, when it was up 0.26% (up 2.54% in July's 2.54%). The gain left The Dow 0.03% away

from its Sept. 20, 2017 closing high of 22,412.59, as the quarter was up 4.94% (5.58% with dividends), the YTD return was 13.37% (15.45% with dividends), and the one-year period was up 22.38% (25.45% with dividends). The five-year-return was 66.74%, below the S&P 500's 74.87%.

The Dow did well, even as it was payback time for Apple (AAPL), which had been a major driver for The Dow. For the month, Apple fell 6.02%, the worst of any issue in The Dow, as it dragged the index's return down 14.9% for September. One month, however, does not an index make, as Apple was up 7.01% for the quarter and up 33.07% YTD. More telling was that Apple's YTD gain ranked only fourth best in the index, behind airline maker Boeing (BA; up 63.29%), charge card issue Visa (V; up 34.89%), and earth-moving machinery maker Caterpillar (CAT; up 34.07%).

Helping The Dow out in September was Boeing, which added 6.07%, but since it has the largest weight in the price-weighted index (7.81% at the end of September), it contributed 21.92% to The Dow's monthly gain. Energy issue Chevron did the best in The Dow, up 9.18% for the month but off 0.17% YTD, as oil moved up (with a little help from hurricane disruptions), and Exxon Mobil was up 8.59% (off 9.17% YTD). Home improvement store Home Depot added 9.13% for the month (up 21.99% YTD), as the multiple hurricanes were seen as adding to their business. Financials did well, as interest rates moved higher, with Goldman Sachs (GS) adding 6.01% for the month. Goldman remains in the red YTD, off 0.94%, but was up 30.38% since the U.S. Nov. 8, 2016, election. JPMorgan Chase added 5.08% in September (up 10.68% YTD), as charge card and travel issue American Express (AXP) was up 5.06% (up 22.11%YTD).

For the month, 19 issues gained, an average of 4.56% each (14 did so last month), as 11 declined, an average loss of 2.23% each (16 declined in August), and 23 were up YTD (average 17.07%; 21 were up last month), with 7 down (average 8.44% decline; 9 last month). More telling was that 15 issues were up at least 10%, while two were down at least that amount.

S&P MidCap 400

The S&P MidCap 400 posted a 3.76% gain for the month, after last month's 1.69% decline and July's 0.80% gain, leaving the index up 2.82% for the quarter—the lowest of the core indices. Year-to-date, the mid-cap index was up 8.15%, with the one-year return up 15.70%

Of the 11 sectors, 8 posted gains, up from last month's 2. Energy easily did the best, up 17.43% for the month, pushing its Q3 2017 return into the black, up 8.94%, but leaving its YTD return off 24.09%. Industrials added 6.81% and was up 5.93% for the quarter and up 12.82% YTD. Financials added 6.39%, with a 3.40% quarterly return, and turned positive YTD, up 5.85%. Health care managed a sub-par 1.16% gain, as it posted a loss for the quarter, off 1.82%, but it maintained a strong 19.99% YTD gain. Telecommunication services did the worst, off 7.03% for September, as it posted a 10.80% third quarter loss and a 39.91% YTD decline—the worst of sector in any of the four headline indices.

Breadth turned strongly positive from strongly negative last month, as 293 issues gained an average of 7.68% each, up from last month's 148 issues (228 gained in July), and 107 issues declined an average of 3.91% each, down from 251 decliners in August and 168 in July.

Moves of at least 10% increased, as 83 gained at least 10% (an average 14.74% each), up from 14 last month, and eight declined at least 10% (an average loss of 14.24%), down from 56 in August. Year-to-

date, breadth remained positive (and gained), as 241 issues were up (204 were up in August), and 154 issues declined (192 were down last month).

S&P SmallCap 600

The roller coaster continued for the S&P SmallCap 600, as it posted the highest monthly return of the core indices—a 7.56% gain—after posting the worst performance last month, off 2.69%. For the quarter, the small-cap index posted a 2.82% gain, which was also the lowest of the four headline indices, as was its 7.88% YTD gain; for the one-year period it was up 19.43%, second only to The Dow's 22.38%.

The gains were broad, as 9 of the 11 sectors gained, up from 3 last month (and 10 in July). Energy did the best, up 22.47%, pushing its quarterly return to 11.47%, which was not enough to push it into the black YTD, as it remained 29.65% in the red, the worst of any small-cap sector. Telecommunication services, which did the best last month with a 6.09% rebound, returned to the red in September, as it posted a 2.03% decline, the worst of any sector for the month, and it was flat YTD. Industrials added 10.58%, as it turned its YTD return positive, up 9.73%. Financials added 8.73% for September, also turning its YTD return positive, up 1.24%. Health care gained 5.25% and was up 26.71% YTD, the best in the small-cap index.

For the month, breadth was strongly positive, as 506 issues gained, an average of 11.25% each, up from last month's negative breadth of 220 issues (July had 324 gainers). On the down side, 93 issues declined, off an average 5.09%, down from last month's 381 (and July's 274 issues). Major gains of at least 10% were posted by 248 issues (41% of the issues), with an average gain of 16.78%, up from 59 issues last month. Major decliners of at least 10% decreased to 16 issues (off an average of 16.32%) from last month's 117 (and 59 in July). Extreme movements had 26 issues up at least 25% (14 last month), with 2 down at least 25% (versus 26 last month). Year-to-date, breadth was positive, as 327 issues were up (252 last month) and 241 were down (347 last month), while 132 issues were up at least 25% and 86 were down at least 25%.

S&P Global BMI

Global markets posted a strong September, extending their streak to 11 consecutive months of gains. Emerging markets declined, with half the markets in the red, as developed markets posted broad gains; the U.S. performance was above the average. For September, global markets increased 1.97%, up from August's 0.17% gain; 31 of the 47 markets gained, up from 30 in August. The U.S. stopped its sub-par performance, posting a 2.30% gain after last month's 0.04% decline (and July's 1.79% gain), and global markets increased 1.64% excluding the U.S. For Q3 2017, global markets gained 4.82%, and the U.S. posted a sub-par 4.08%, leaving global markets up 5.58% ex-the U.S. A similar statistic was posted for the YTD return; global markets were up 15.54% and absent the U.S.'s 12.35% return, they were up 18.99%. The non-U.S. global gains continued to outperform the U.S. gain from the post-election Nov. 8, 2016, period, as non-U.S. markets gained 19.43% and the U.S. gained 18.48%. The variance is attributed to the timing of the global recovery, which trailed the U.S. Over the longer term, the U.S. still dominates the gains; global markets' three-year return was 18.08%, but absent the U.S.'s 27.84%, their three-year return was 8.83%. Sectors continued to vary greatly; 7 of the 11 sectors posted gains, up from 6 in August. Energy turned around, as oil increased (to over USD 50), rebounding 8.08% for the month after last month's 3.13% decline. It remains the only sector in the red YTD, off 3.11%. Industrials was up 3.68% for September and up 17.84% YTD. Utilities, which did the

best last month with a 2.57% gain, declined the most this month, off 2.18%, as risk was on; year-to-date, the group was up 12.39%. Information technology posted a 1.35% gain (up 2.44% in August), remaining the best sector YTD, up 29.45%.

Emerging markets underperformed developed markets for the month, declining 0.73% after last month's 2.78% gain, as 11 of the 22 markets increased, down from 17 gainers in August (and 20 in July). For Q3 2017, emerging markets added 7.68% (still dominating the developed markets), and their YTD gain was 24.06%, leaving their one-year gain at 19.19%. Over the two-year period, they increased 37.24%, and the three-year return was 8.21%—showing the speed of the recovery. Brazil did the best, up 4.26%; its YTD gain was 26.22%. Russia was next, up 3.97% for the month and in the black YTD, up 2.02%. The Philippines were next, adding 3.33% for the month (up 15.77% YTD). Greece did the worst, down 10.26%, though it remained up 19.10% YTD. Turkey was next, falling 9.56% for September; it was still up 27.42% YTD but down 13.10% over the three-year period. Notably, China added 3.14%, with a 39.08% YTD gain), as India fell 3.05% (up 27.88% YTD). Developed markets posted a broad 2.29% gain, after last month's 0.13% decline, and the ex-U.S. return was a tick lower, at 2.28%. For the month, developed market gains were broader than emerging; 20 of 25 markets were up, compared with 13 last month (23 were up in July). Developed markets were up 4.51% for the three-month period (5.06% ex-the U.S.), up 14.66% YTD (17.77%) and up 18.97% from the Nov. 8, 2016, election (19.56% ex-the U.S.). Germany did the best, as Chancellor Merkel's party won the election (but lost ground), adding 5.55% for the month and up 24.42% YTD. France was next, moving up 4.30% (up 25.30% YTD), with Ireland placing third, adding 4.29% for the month (and up 20.90% YTD). Luxembourg did the worst, declining 2.04% (but up 13.29% YTD), as Australia fell 1.56% (up 9.13% YTD), and Singapore fell 0.66% (up 19.62% YTD). Of note was the UK, which added 3.51% (up 13.19% YTD), as it said it would pay to exit the EU. Japan underperformed, gaining 1.27%, and it was up 13.76% YTD. Hong Kong fell 0.08% and was up 20.85% YTD, as S&P Global Ratings reduced the country's rating from 'AAA' to 'AA+', the same rating as the U.S.

PERFORMANCE RECAP

Exhibit 2: Monthly Returns

S&P 500	PRICE	1-MONTH (%)	YTD (%)	1-YEAR (%)	3-YEAR (%)	5-YEAR (%)	FR 12/99 (%)
Energy	506.72	9.77	-8.62	-2.62	-23.35	-8.07	138.21
Materials	356.15	3.33	14.09	18.77	13.94	52.93	122.65
Industrials	604.38	3.84	12.32	19.71	31.93	89.28	121.08
Consumer Discretionary	717.47	0.75	10.75	12.82	35.65	93.77	139.71
Consumer Staples	555.39	-1.14	4.44	1.62	19.42	50.12	166.95
Health Care	946.31	0.86	18.75	13.50	27.89	103.38	189.59
Financials	429.08	5.05	11.01	33.74	37.40	104.25	33.37
Information Technology	1018.15	0.59	26.02	27.00	54.28	105.88	26.10
Telecommunication Services	162.37	3.52	-8.06	-4.81	0.77	3.33	-49.70
Utilities	268.97	-3.00	8.97	8.11	25.69	45.47	88.84
Real Estate	199.20	-1.86	4.72	-0.80	19.62	35.31	-
S&P 500	2519.36	1.93	12.53	16.19	27.74	74.87	71.47
DOW JONES INDUSTRIAL AVERAGE	**PRICE**	**1-MONTH (%)**	**YTD (%)**	**1-YEAR (%)**	**3-YEAR (%)**	**5-YEAR (%)**	**FR 12/99 (%)**
Dow Jones Industrial Average	22405.09	2.08	13.37	22.38	31.46	66.74	94.88
S&P MIDCAP 400	**PRICE**	**1-MONTH (%)**	**YTD (%)**	**1-YEAR (%)**	**3-YEAR (%)**	**5-YEAR (%)**	**FR 12/99 (%)**
Energy	385.17	17.43	-24.09	-18.46	-55.00	-42.59	119.51
Materials	484.30	3.69	13.12	19.92	33.50	75.95	336.43
Industrials	946.15	6.81	12.82	26.72	39.69	115.48	431.49
Consumer Discretionary	726.06	5.56	7.54	12.75	15.94	65.82	265.01
Consumer Staples	1644.60	1.94	-2.71	-0.62	15.10	115.58	844.00
Health Care	1568.53	1.16	19.99	18.63	57.98	149.45	786.60
Financials	955.84	6.39	5.86	25.85	49.62	87.88	188.91
Information Technology	2174.25	1.21	16.94	24.91	52.20	98.79	158.03
Telecommunication Services	157.38	-7.03	-39.91	-36.18	-41.15	-21.83	-66.74
Utilities	518.26	-2.41	6.10	10.32	32.88	66.79	274.14
Real Estate	225.28	-0.60	-1.71	-4.25	-	-	-
S&P MidCap 400	1795.94	3.76	8.15	15.70	31.00	81.59	303.88
S&P SMALLCAP 600	**PRICE**	**1-MONTH (%)**	**YTD (%)**	**1-YEAR (%)**	**3-YEAR (%)**	**5-YEAR (%)**	**FR 12/99 (%)**
Energy	538.95	22.47	-29.65	-18.80	-65.35	-55.98	246.81
Materials	503.71	8.96	3.70	23.06	15.03	64.99	265.38
Industrials	1000.37	10.58	9.73	22.50	46.79	104.39	400.34
Consumer Discretionary	518.72	8.73	7.36	16.17	28.08	72.67	282.73
Consumer Staples	1700.22	6.01	3.17	8.09	36.91	91.80	752.88
Health Care	2221.05	5.25	26.71	25.22	73.30	159.83	1126.83
Financials	1006.84	8.63	1.21	24.60	49.84	81.89	243.74
Information Technology	688.14	6.01	13.22	24.26	76.35	163.99	151.63
Telecommunication Services	2.90	-2.03	0.00	16.94	32.98	8.61	-96.05
Utilities	953.95	-0.97	15.09	20.29	70.60	88.07	408.23
Real Estate	206.28	1.07	2.62	5.29	-	-	-
S&P SmallCap 600	903.98	7.56	7.88	19.43	42.36	93.16	357.04

Source: S&P Dow Jones Indices LLC. Data as of Sept. 29, 2017. Past performance is no guarantee of future results. Table is provided for illustrative purposes. Returns shown are price returns.

Exhibit 3: Total Returns

INDEX	1-MONTH (%)	YTD (%)	1-YEAR (%)	3-YEAR (%)	5-YEAR (%)	10-YEAR (%)
S&P 500	2.06	14.24	18.61	36.07	94.44	104.88
S&P MidCap 400	3.92	9.40	17.52	37.42	96.19	136.72
S&P SmallCap 600	7.71	8.92	21.05	48.43	106.42	142.69
S&P Composite 1500	2.36	13.70	18.61	36.57	95.01	108.60
Dow Jones Industrial Average	2.16	15.45	25.45	41.80	88.95	110.30

Source: S&P Dow Jones Indices LLC. Data as of Sept. 29, 2017. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

Exhibit 4: S&P Global BMI, Emerging, Sorted by September Performance

BMI MEMBER	1-MONTH (%)	3-MONTH (%)	YTD (%)	1-YEAR (%)	2-YEAR (%)	3-YEAR (%)
Global	1.97	4.82	15.54	16.55	28.30	18.08
Global Ex-U.S.	1.64	5.58	18.99	16.66	25.43	8.83
Emerging	-0.73	7.68	24.06	19.19	37.24	8.21
Brazil	4.26	23.23	26.22	27.99	96.54	-3.60
Russia	3.97	14.80	2.02	18.66	47.48	1.30
Philippines	3.33	3.05	15.77	2.57	12.34	-0.09
Thailand	3.25	8.59	16.80	16.61	35.78	2.19
Czech Republic	2.78	11.68	27.96	24.93	8.80	-11.91
Egypt	2.31	4.74	13.44	-12.30	-16.45	-42.65
Chile	1.55	16.92	31.82	34.28	51.18	18.97
China	1.11	13.06	36.34	27.74	46.94	31.26
Peru	0.96	13.62	23.28	29.21	74.48	18.08
Malaysia	0.52	1.36	16.05	4.88	16.12	-24.62
Colombia	0.30	6.00	12.62	8.86	27.32	-35.78
Indonesia	-1.00	-1.12	9.60	2.28	52.78	-2.19
U.A.E.	-1.88	2.65	1.40	1.85	-3.58	-27.48
India	-3.05	3.01	27.88	18.21	28.54	25.80
Taiwan	-3.07	-0.30	19.96	16.76	36.87	14.26
Poland	-3.34	7.96	43.36	47.08	30.81	-1.84
Mexico	-3.47	0.42	24.07	12.61	8.15	-18.93
Hungary	-4.77	9.67	26.58	38.74	86.64	89.48
Qatar	-5.20	-6.87	-18.83	-17.82	-24.06	-37.45
South Africa	-6.92	2.47	8.45	3.93	13.37	-3.59
Turkey	-9.56	-0.08	27.42	11.00	15.58	-13.10
Greece	-10.26	-8.38	19.10	33.30	3.73	-55.01

Source: S&P Dow Jones Indices LLC. Data as of Sept. 29, 2017. Past performance is no guarantee of future results. Table is provided for illustrative purposes. Returns shown are price returns.

Exhibit 5: S&P Global BMI, Developed, Sorted by September Performance

BMI MEMBER	1-MONTH (%)	3-MONTH (%)	YTD (%)	1-YEAR (%)	2-YEAR (%)	3-YEAR (%)
Developed	2.29	4.51	14.66	16.26	27.37	19.14
Developed Ex-U.S.	2.28	5.06	17.77	16.03	22.72	8.91
Germany	5.55	8.87	24.42	25.44	34.40	21.87
France	4.30	8.10	25.30	27.90	29.87	18.50
Ireland	4.29	5.55	20.90	19.37	21.26	43.01
Israel	4.19	-8.00	4.73	-3.70	-7.28	-11.41
Italy	4.01	13.61	32.13	44.46	13.54	3.89
United Kingdom	3.51	4.48	13.19	11.00	7.06	-6.15
Canada	3.26	7.11	9.73	11.80	27.24	-6.91
Norway	3.25	16.90	18.27	21.35	32.48	-14.01
Portugal	3.20	10.53	25.90	20.74	17.84	-10.34
Netherlands	2.88	9.11	29.55	26.83	38.11	34.68
Sweden	2.75	5.07	22.17	19.65	26.52	15.45
Austria	2.42	10.82	44.04	46.55	57.88	44.29
Belgium	2.40	8.73	19.31	6.77	22.62	20.34
United States	2.30	4.08	12.35	16.39	31.02	27.84
Switzerland	1.87	2.02	18.63	14.20	13.89	8.56
Japan	1.27	3.70	13.76	13.15	26.03	22.34
New Zealand	1.05	1.04	15.54	2.85	48.88	24.83
Finland	0.91	3.20	20.85	16.18	30.56	17.80
Korea	0.70	1.10	27.30	15.94	33.27	13.27
Spain	0.54	3.48	24.93	24.37	15.98	-10.93
Denmark	-0.04	7.95	30.90	20.65	20.20	29.19
Hong Kong	-0.08	4.23	20.85	10.86	23.04	12.46
Singapore	-0.66	2.00	19.62	14.19	22.99	-5.54
Australia	-1.56	2.12	9.13	7.53	27.88	-3.60
Luxembourg	-2.04	5.44	13.29	14.02	21.49	-11.32

Source: S&P Dow Jones Indices LLC. Data as of Sept. 29, 2017. Past performance is no guarantee of future results. Table is provided for illustrative purposes. Returns shown are price returns.

Exhibit 6: Price-to-Earnings Ratios

INDEX	2014	2015	2016	ESTIMATED 2017
S&P 500	14.73	22.69	23.71	19.83
S&P 500 Consumer Discretionary	16.89	22.17	21.55	20.76
S&P 500 Consumer Staples	15.96	22.18	21.93	20.44
S&P 500 Energy	12.03	-38.97	-145.19	36.22
S&P 500 Financials	13.46	16.83	18.04	15.34
S&P 500 Health Care	14.68	21.02	22.30	19.28
S&P 500 Industrials	14.76	19.49	22.33	19.50
S&P 500 Information Technology	14.19	22.20	26.81	20.82
S&P 500 Materials	16.20	38.50	27.35	19.48
S&P 500 Telecommunication Services	43.21	14.02	16.47	14.19
S&P 500 Utilities	14.84	22.21	19.68	18.56
S&P 500 Real Estate	-	-	-	37.94
INDEX	**2014**	**2015**	**2016**	**ESTIMATED 2017**
S&P MidCap 400	18.71	30.41	27.83	21.63
S&P 400 Consumer Discretionary	18.19	20.80	19.12	17.01
S&P 400 Consumer Staples	16.80	23.84	23.36	21.10
S&P 400 Energy	22.82	-4.95	-7.25	258.50
S&P 400 Financials	18.61	25.05	21.33	16.93
S&P 400 Health Care	21.24	27.39	31.43	24.94
S&P 400 Industrials	15.55	21.56	23.55	21.03
S&P 400 Information Technology	23.60	40.03	36.43	23.94
S&P 400 Materials	17.93	28.08	27.09	18.00
S&P 400 Telecommunication Services	34.07	13.29	49.34	-12.90
S&P 400 Utilities	15.52	23.42	21.28	21.13
S&P 400 Real Estate	-	-	-	31.73
INDEX	**2014**	**2015**	**2016**	**ESTIMATED 2017**
S&P SmallCap 600	22.04	42.43	35.31	25.51
S&P 600 Consumer Discretionary	21.45	23.16	21.73	19.98
S&P 600 Consumer Staples	18.26	20.41	22.34	25.08
S&P 600 Energy	77.57	-2.48	-4.53	-55.79
S&P 600 Financials	20.10	26.37	21.87	18.67
S&P 600 Health Care	21.59	43.30	160.13	66.54
S&P 600 Industrials	17.85	24.72	26.97	22.77
S&P 600 Information Technology	31.37	41.01	40.60	25.30
S&P 600 Materials	22.56	46.69	26.39	21.20
S&P 600 Telecommunication Services	24.20	36.50	41.43	72.50
S&P 600 Utilities	16.69	23.40	26.74	25.72
S&P 600 Real Estate	-	-	-	33.11

Source: S&P Dow Jones Indices LLC. Data as of Sept. 29, 2017. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

Exhibit 7: Operating EPS Changes

INDEX	Q3 2016 OVER Q3 2015 (%)	Q4 2016 OVER Q4 2015 (%)	Q1 2017 OVER Q1 2016 (%)	Q2 2017E OVER Q2 2016	Q3 2017E OVER Q3 2016	2016 OVER 2015 (%)	2017E OVER 2016 (%)
S&P 500	12.78	20.99	20.23	18.72	14.67	5.78	19.56
S&P 500 Consumer Discretionary	5.69	1.92	4.55	1.75	-1.52	9.40	3.78
S&P 500 Consumer Staples	8.99	8.83	4.90	6.67	5.01	4.15	7.26
S&P 500 Energy	119.25	105.00	243.17	233.50	311.49	74.54	500.86
S&P 500 Financials	17.25	16.50	24.86	27.84	-0.14	3.43	17.61
S&P 500 Health Care	11.47	10.97	0.29	7.68	25.63	9.61	15.62
S&P 500 Industrials	-2.98	-7.62	8.33	12.32	12.40	-3.29	14.48
S&P 500 Information Technology	2.78	13.28	28.27	30.71	32.72	0.00	28.78
S&P 500 Materials	198.40	674.29	176.65	-0.41	15.55	53.54	40.40
S&P 500 Telecommunication Services	-9.09	-26.59	-3.57	45.83	20.38	-18.91	16.02
S&P 500 Utilities	15.19	1400.00	2.46	14.18	-3.25	21.51	6.00
S&P 500 Real Estate	-	-	-	-	-16.89	-	-
INDEX	**Q3 2016 OVER Q3 2015 (%)**	**Q4 2016 OVER Q4 2015 (%)**	**Q1 2017 OVER Q1 2016 (%)**	**Q2 2017E OVER Q2 2016**	**Q3 2017E OVER Q3 2016**	**2016 OVER 2015 (%)**	**2017E OVER 2016 (%)**
S&P MidCap 400	17.84	54.76	34.11	20.82	18.57	16.33	28.66
S&P 400 Consumer Discretionary	16.43	13.17	7.07	19.91	6.96	16.22	12.40
S&P 400 Consumer Staples	-3.77	4.23	1.16	0.61	17.26	-1.84	10.72
S&P 400 Energy	68.94	66.05	101.77	116.18	93.67	46.60	102.81
S&P 400 Financials	44.52	43.21	50.32	47.46	9.32	23.34	25.99
S&P 400 Health Care	-14.98	-11.62	1.12	-33.62	60.79	-0.04	25.99
S&P 400 Industrials	4.97	-8.27	3.85	7.93	9.38	0.95	11.97
S&P 400 Information Technology	44.10	33.38	68.15	27.26	59.20	25.83	52.20
S&P 400 Materials	37.16	38.99	93.36	32.97	48.41	12.24	50.45
S&P 400 Telecommunication Services	-82.86	-400.00	-450.00	-267.40	-438.36	-84.76	-482.45
S&P 400 Utilities	5.44	55.19	14.54	0.00	-1.52	15.08	0.74
S&P 400 Real Estate	-	-	-	-	-26.43	-	-
INDEX	**Q3 2016 OVER Q3 2015 (%)**	**Q4 2016 OVER Q4 2015 (%)**	**Q1 2017 OVER Q1 2016 (%)**	**Q2 2017E OVER Q2 2016**	**Q3 2017E OVER Q3 2016**	**2016 OVER 2015 (%)**	**2017E OVER 2016 (%)**
S&P SmallCap 600	55.56	37.74	34.14	15.96	34.17	30.21	38.44
S&P 600 Consumer Discretionary	-4.69	48.74	-19.44	-6.72	16.94	17.47	8.76
S&P 600 Consumer Staples	10.61	-34.26	-40.92	8.32	-19.34	-1.26	-10.92
S&P 600 Energy	78.34	77.89	85.61	95.50	97.12	61.30	91.88
S&P 600 Financials	31.68	24.71	40.02	12.00	9.44	24.70	17.14
S&P 600 Health Care	-89.44	-116.95	-119.35	-101.70	1561.46	-65.95	140.66
S&P 600 Industrials	15.15	-23.24	21.23	-5.23	6.89	0.41	18.44
S&P 600 Information Technology	12.50	27.97	92.43	39.13	57.34	11.51	60.47
S&P 600 Materials	68.66	421.43	84.11	17.57	-14.61	85.16	24.46
S&P 600 Telecommunication Services	-33.33	0.00	-150.00	-50.00	0.00	-12.50	-42.86
S&P 600 Utilities	103.56	-20.45	0.51	58.27	-8.75	1.54	3.98
S&P 600 Real Estate	-	-	-	-	5.00	-	-

Source: S&P Dow Jones Indices LLC. Data as of Sept. 29, 2017. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

Exhibit 8: Breadth of Change (Issues With Monthly Price Changes as Described by Type)

S&P 500

TYPE	SEPTEMBER 2017	AVERAGE % CHANGE	3-MONTH	AVERAGE % CHANGE	YTD	AVERAGE % CHANGE
Up	334	6.04	323	8.81	355	21.86
Down	170	-3.79	180	-7.70	147	-13.51
Up >= 10%	49	15.02	111	16.36	263	27.55
Down <= -10%	9	-15.45	55	-16.27	74	-22.39
Up >= 25%	1	25.02	10	31.27	113	41.24
Down <= -25%	1	-25.61	6	-27.34	23	-34.58
Up >= 50%	0	0.00	0	0.00	21	68.83
Down <= -50%	0	0.00	0	0.00	1	-50.32

S&P MIDCAP 400

TYPE	SEPTEMBER 2017	AVERAGE % CHANGE	3-MONTH	AVERAGE % CHANGE	YTD	AVERAGE % CHANGE
Up	293	7.68	241	10.05	241	20.50
Down	107	-3.91	158	-8.36	154	-15.04
Up >= 10%	83	14.93	99	18.19	158	28.74
Down <= -10%	8	-14.24	47	-18.27	74	-26.18
Up >= 25%	7	32.18	18	32.16	72	43.19
Down <= -25%	0	0.00	8	-33.20	34	-37.67
Up >= 50%	0	0.00	0	0.00	16	71.78
Down <= -50%	0	0.00	0	0.00	5	-56.96

S&P SMALLCAP 600

TYPE	SEPTEMBER 2017	AVERAGE % CHANGE	3-MONTH	AVERAGE % CHANGE	YTD	AVERAGE % CHANGE
Up	506	11.25	406	13.95	327	30.83
Down	93	-5.09	192	-12.68	270	-20.22
Up >= 10%	248	16.78	213	22.21	241	39.98
Down <= -10%	16	-16.32	94	-20.60	165	-29.92
Up >= 25%	26	35.97	59	38.09	132	58.56
Down <= -25%	2	-35.71	20	-38.73	86	-41.84
Up >= 50%	3	58.57	10	66.02	56	89.62
Down <= -50%	0	0.00	2	-58.03	22	-61.61

DOW JONES INDUSTRIAL AVERAGE

TYPE	SEPTEMBER 2017	AVERAGE % CHANGE	3-MONTH	AVERAGE % CHANGE	YTD	AVERAGE % CHANGE
Up	19	4.56	22	7.97	23	18.07
Down	11	-2.12	8	-5.68	7	-8.44
Up >= 10%	0	0.00	6	15.52	15	24.48
Down <= -10%	0	0.00	2	-11.30	2	-18.04
Up >= 25%	0	0.00	1	28.55	5	38.89
Down <= -25%	0	0.00	0	0.00	0	0.00
Up >= 50%	0	0.00	0	0.00	1	63.29
Down <= -50%	0	0.00	0	0.00	0	0.00

Source: S&P Dow Jones Indices LLC. Data as of Sept. 29, 2017. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

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