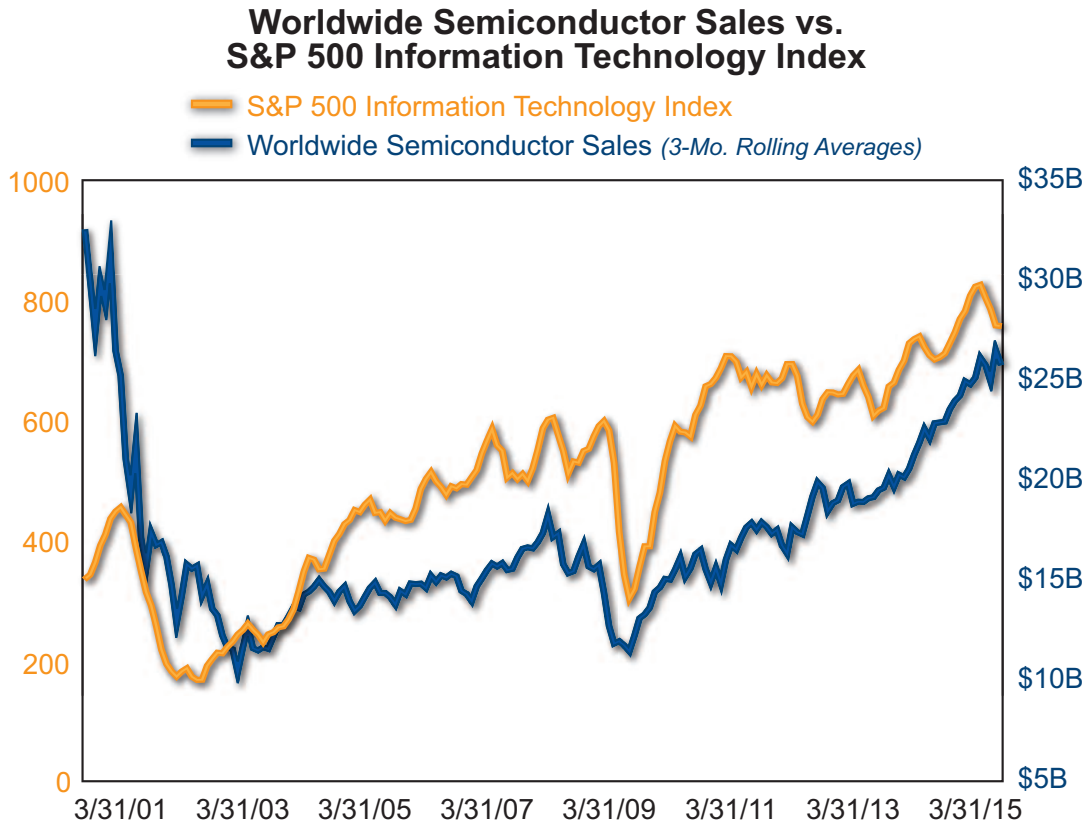


Semiconductor Sales Still Robust



Sources: Bloomberg, Semiconductor Industry Association. Monthly data points are from 3/31/00 through 3/31/15.

View from the Observation Deck

1. Semiconductors play an integral role in most tech-oriented products, especially in today's high-demand mobile device product lines, such as smartphones and tablets.
2. Tracking the direction of worldwide semiconductor sales can provide investors with some additional insight into the potential demand for products and the overall climate for technology stocks, in our opinion.
3. The latest data for semiconductor sales is as of March 2015. In March, the Semiconductor Industry Association reported that global sales had increased, on a year-over-year (y-o-y) basis, for the 23rd consecutive month.
4. In Q1'15, global sales were up 6.0% (y-o-y). Sales were also up 6.0% (y-o-y) in March. These gains are encouraging considering the \$335 billion in global sales posted in 2014 was a record high for the industry.
5. As of 6/2/15, Bloomberg's estimate for the price-to-earnings (P/E) ratio on the S&P 500 Information Technology Index for 2015 was 17.19. The index's 10- and 20-year average P/E ratios were 18.67 and 29.17, respectively, as of 6/2/15.

This chart is for illustrative purposes only and not indicative of any actual investment. There can be no assurance that any of the projections cited will occur. The illustration excludes the effects of taxes and brokerage commissions or other expenses incurred when investing. Investors cannot invest directly in an index. The S&P 500 Information Technology Index is capitalization-weighted and comprised of S&P 500 constituents representing the technology sector.