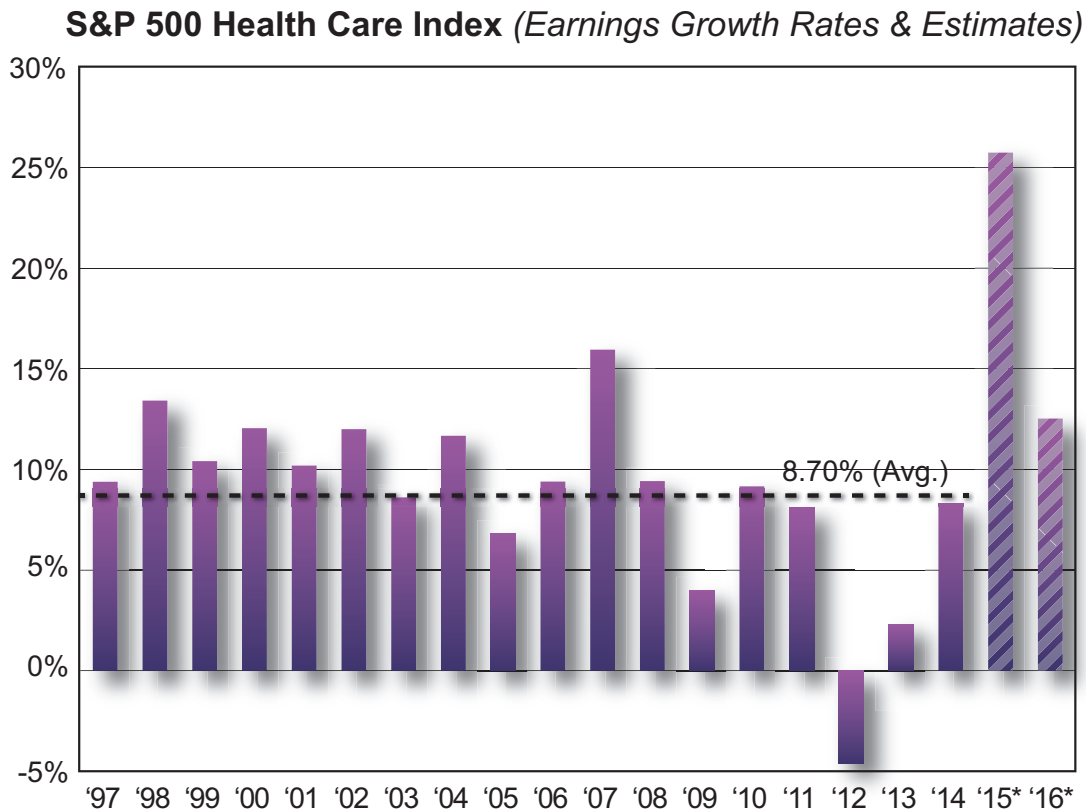


Health Care Has Momentum And The Earnings Projections To Back It Up



Source: Bloomberg. *2015 and 2016 are estimates as of 7/29/15.

View from the Observation Deck

1. The only sector that has outperformed the S&P 500 Index in each of the past five calendar years (including this one) is Health Care, according to S&P Dow Jones Indices.
2. From 12/31/14-7/29/15, the S&P 500 Health Care Index posted a total return of 12.25%, the highest of any sector and well above the 3.61% gain posted by the S&P 500 Index, according to Bloomberg. Past performance is no guarantee of future results.
3. For the 12-month period ended June 2015, investors funneled a net \$30.76 billion into Health mutual funds and exchange-traded funds, according to Morningstar.
4. Venture capital (VC) firms invested \$2.3 billion (126 deals) into the field of biotechnology in Q2'15, according to FierceBiotech and the MoneyTree™ Report from PricewaterhouseCoopers LLP and the National Venture Capital Association.
5. It was the largest quarterly dollar amount for biotechnology since record-keeping began in Q1'95. VC firms poured approximately \$4 billion into the sector in the first half of 2015. The sector is on track to crush last year's VC funding record of \$6 billion.
6. As of 7/30/15, the estimated price-to-earnings (P/E) ratios on the S&P 500 Health Care Index for 2015 and 2016 were 18.63 and 16.62, respectively, according to Bloomberg. Both are well below the index's 20-year average P/E of 21.66.

This chart is for illustrative purposes only and not indicative of any actual investment. The illustration excludes the effects of taxes and brokerage commissions and other expenses incurred when investing. Investors cannot invest directly in an index. There can be no assurance that any of the projections cited will occur. The S&P 500 Health Care Index is a capitalization-weighted index comprised of S&P 500 constituents operating in the health care sector. The S&P 500 Index is a capitalization-weighted index comprised of 500 stocks used to measure large-cap U.S. stock market performance.