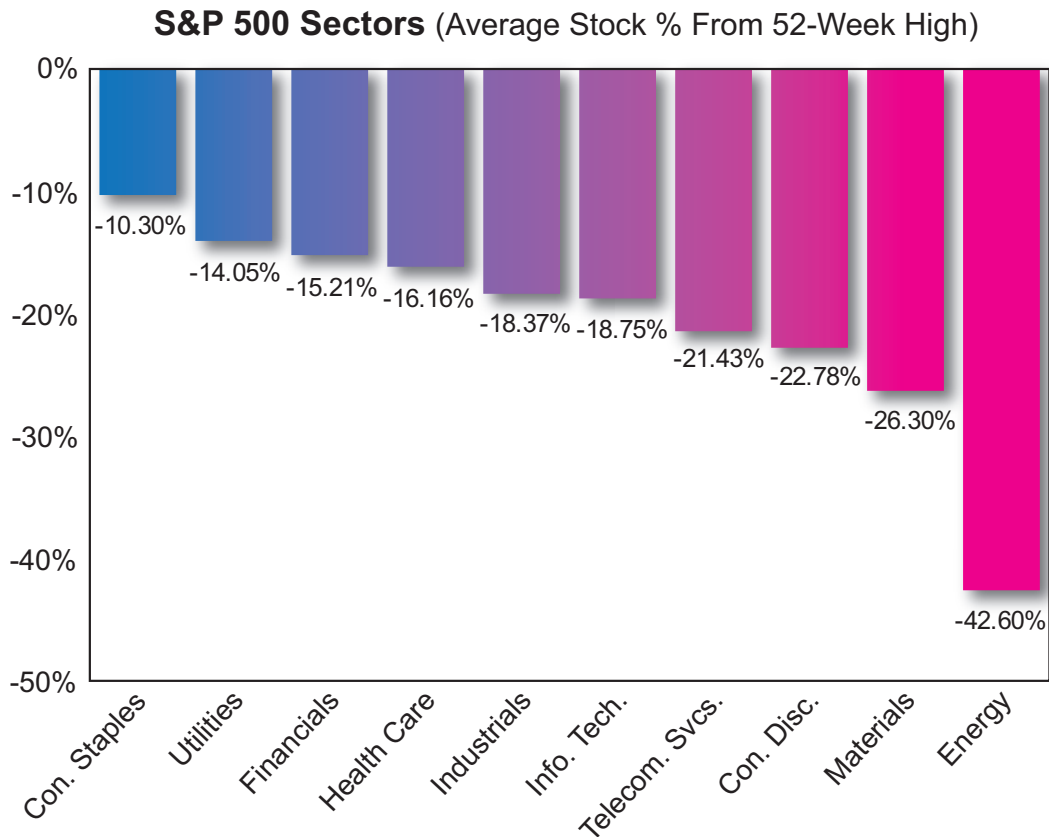


# The Average Stock In The S&P 500 Index May Be Down More Than You Think



Source: Bloomberg. As of 1/6/16.

## View from the Observation Deck

1. The S&P 500 Index, which is capitalization-weighted, posted a total return of 1.38% in 2015, according to Bloomberg. On a price-only basis, which excludes dividends, the index was down 0.73%.
2. While the S&P 500 Index was down 0.73% (price-only), the top 50 stocks, by market value, were up an average of 8.40% in 2015, according to S&P Dow Jones Indices. The top 10 stocks were up an average of 16.52%.
3. This indicates that the bulk of the remaining 450 stocks that comprise the S&P 500 Index dragged down the index's return in 2015. This is supported by the averages referenced in the chart.
4. With respect to the rough start to 2016, the S&P 500 Index, on a cap-weighted basis, closed trading on 1/6/16 at 1990.26, or 2.63% below its closing value of 2043.94 on 12/31/15, according to Bloomberg.
5. As of 1/6/16, the S&P 500 Index, on a cap-weighted basis, stood 6.60% below its all-time high of 2130.82, which was established on 5/21/15.
6. The averages in the chart simply reflect where each of the 500 stocks stood, by sector, relative to their 52-week high as of 1/6/16. Their respective cap-weightings were not factored into the calculations.

*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. There can be no assurance that any of the projections cited will occur. Investors cannot invest directly in an index. The S&P 500 Index is a capitalization-weighted index comprised of 500 stocks used to measure large-cap U.S. stock market performance, while the 10 major S&P 500 Sector Indices are capitalization-weighted and comprised of S&P 500 constituents representing a specific sector.*