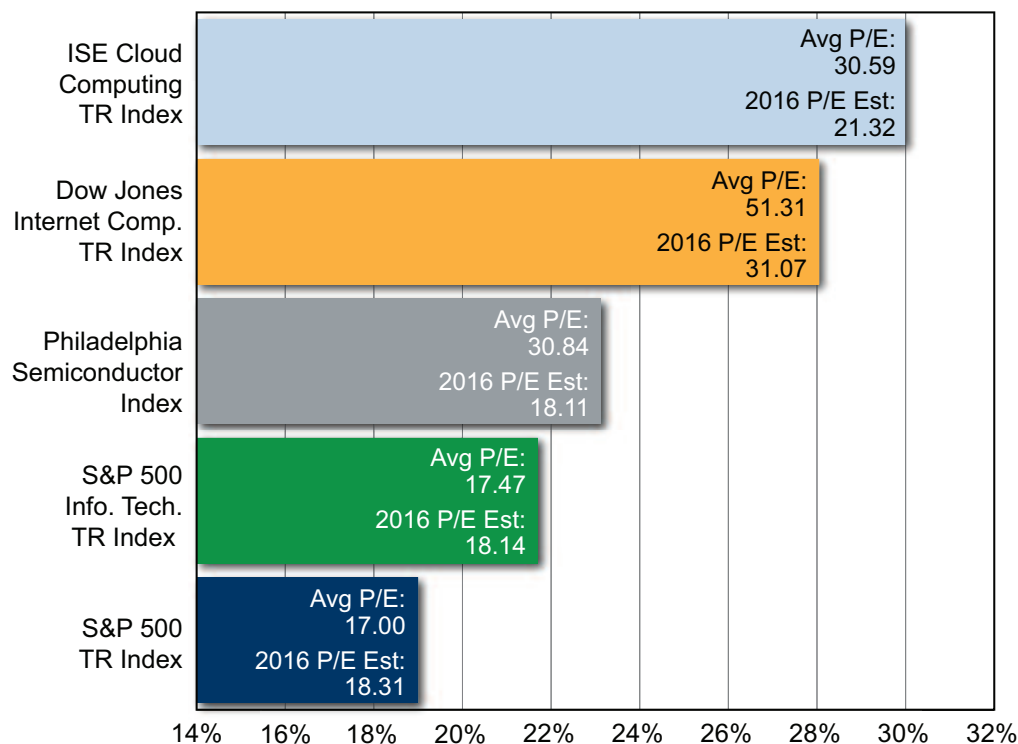


Technology Stocks Have Delivered Strong Returns In The Current Bull Market

Average Annualized Total Returns (3/9/09-9/19/16)



Source: Bloomberg. Average Price-to-Earnings (P/E) Ratios from 3/9/09-9/19/16. 2016 P/E Estimates as of 9/20/16. Past performance is no guarantee of future results.

View from the Observation Deck

1. From 3/9/09-9/19/16 (current bull), all four of the technology-related indices featured in the chart outperformed the S&P 500 TR Index.
2. The average annualized total returns for the period were as follows: ISE Cloud Computing TR Index (+29.99%); Dow Jones Internet Composite TR Index (+28.05%); Philadelphia Semiconductor Index (+23.12%); S&P 500 Information Technology TR Index (+21.70%); and S&P 500 TR Index (+19.00%), according to Bloomberg.
3. The so-called "new tech" (cloud computing) subsector posted the best showing since the bull began, followed by the Internet subsector, which happened to be the last major "new tech" wave back in the mid-1990s.
4. As of 8/31/16, technology stocks accounted for 21.0% of the S&P 500 Index, the largest weighting of the major sectors that comprise the index, according to S&P Dow Jones Indices.
5. Year-to-date through 9/19/16, the S&P 500 Information Technology TR Index posted a total return of 10.88%, compared to 6.34% for the S&P 500 TR Index, according to Bloomberg. Despite technology stocks outperforming the broader market to date, investors have shied away from them, in our opinion.
6. Year-to-date through 8/31/16, investors liquidated an estimated net \$7.3 billion from Technology mutual funds and exchange-traded funds, according to Morningstar.

The chart and performance data referenced are for illustrative purposes only and not indicative of any actual investment. The index performance data excludes the effects of taxes and brokerage commissions or 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 TR Index is a capitalization-weighted index comprised of 500 stocks used to measure large-cap U.S. stock market performance. The ISE Cloud Computing TR Index is a modified equal-dollar weighted index designed to track the performance of companies actively involved in the cloud computing industry. The Dow Jones Internet Composite TR Index is a modified capitalization-weighted index designed to track companies involved in Internet-related activities. The Philadelphia Semiconductor Index is a modified capitalization-weighted index comprised of companies that are involved in the design, distribution, manufacturing, and sale of semiconductors. The S&P 500 Information Technology Index is capitalization-weighted and comprised of S&P 500 constituents representing the technology sector.