

The Barron's 400 Index, or B400, seeks to track the performance of the most fundamentally sound companies with the best growth prospects in the U.S. The objective of B400 is to provide a benchmark to investors seeking long-term capital appreciation through diversified exposure to U.S. equities. The Index uses fundamental analysis and a growth at a reasonable price (GARP) methodology to select the top 400 constituents in the U.S. equity universe after filtering for liquidity and diversification over size and sectors. B400 was created jointly by Barron's, MarketGrader, and Dow Jones Indexes, and launched on the cover of Barron's in 2007.

## Index Rules

### Underlying Universe

All companies domiciled and listed in the United States.

### Objective

Designed to serve as the basis of investment funds providing access to investors to some of the most promising stocks in the U.S.

### Weighting

The Index is market capitalization weighted.

### Rebalance Frequency

Semi-annually on the third Friday of March and September.

### Selection Criteria

Stocks are selected based on their overall MarketGrader fundamental score on a scale of one hundred (100). Score is calculated based on 24 fundamental factors across Growth, Value, Profitability and Cash Flow.

### Market Cap Requirements

All selections must have a minimum float-adjusted market cap of \$250 million. At least 25% of all selections (100 companies) must have a total market cap above \$3 billion.

### Liquidity Requirements

All selections must have a minimum three month average daily traded dollar volume of \$2 million.

### Sector Limits

The number of selections in a single economic sector cannot exceed 20% of the

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## Performance

### Cumulative Total Return Jan. 1998 - Aug. 2023

All data as of August 31, 2023



### Calendar Year Returns (%)

	B400 TR	DWCF TR	SPX TR
2023*	23.4	18.1	18.7
2022	-22.9	-19.5	-18.1
2021	33.3	25.7	28.7
2020	22.7	20.8	18.4
2019	36.1	30.9	31.5
2018	-5.5	-5.3	-4.4
2017	30.4	21.2	21.8
2016	11.3	12.6	12.0
2015	1.5	0.4	1.4
2014	16.3	12.5	13.7
2013	30.4	33.5	32.4
2012	13.6	16.4	16.0
2011	5.7	1.1	2.1
2010	12.8	17.5	15.1
2009	29.0	28.6	26.5
2008	-34.8	-37.2	-37.0
2007	12.1	5.6	5.5
2006	12.7	15.8	15.8
2005	8.7	6.4	4.9
2004	13.1	12.5	10.9
2003	27.0	31.7	28.7
2002	-17.1	-20.9	-22.1
2001	-7.5	-11.0	-11.9
2000	-9.6	-10.9	-9.1
1999	33.8	23.6	21.0
1998	43.6	23.4	28.6

\*YTD values through 08/31/2023

### Annualized Returns (%)

	B400 TR	DWCF TR	SPX TR
3-Years	10.2	9.7	10.5
5 -Years	11.7	10.1	11.1
Since 08/31/07	11.0	9.2	9.4
Since 12/31/97	10.6	8.2	8.2

### Cumulative Returns (%)

	B400 TR	DWCF TR	SPX TR
3-Years	33.8	32.0	35.0
5 -Years	73.8	61.9	69.4
Since 08/31/07	427.9	311.3	322.2
Since 12/31/97	1239.0	656.5	647.6

### Standard Deviation (%)

	B400 TR	DWCF TR	SPX TR
3-Years	18.9	18.0	17.6
5 -Years	19.9	19.2	18.5
Since 08/31/07	16.0	16.5	16.0
Since 12/31/97	15.9	16.0	15.5

Frequency: Monthly

### Sharpe Ratio

	B400 TR	DWCF TR	SPX TR
3-Years	0.54	0.54	0.60
5 -Years	0.59	0.53	0.60
Since 08/31/07	0.68	0.56	0.59
Since 12/31/97	0.67	0.51	0.52

Frequency: Monthly

DWCF = Dow Jones U.S. Total Stock Market Index  
SPX = S&P 500 Index

\*The Barron's 400 index was first published on August 29, 2007. All estimated daily historical closing prices prior to that date are based on back-testing (i.e., calculations of how the index might have performed in the past if it had existed). Backtested performance information is purely hypothetical and is solely for informational purposes. Backtested performance does not represent actual performance, and should not be interpreted as an indication of actual performance. Past performance is not indicative of future results.

Index composition data as of August 31, 2023

### Index Bio

Average Market Cap (millions of USD)	\$54,143
Median Market Cap (millions of USD)	\$10,287
Average 3 Mo. Volume (Dollars)	\$337,283,388
Average 3 Mo. Volume (Shares)	2,551,106
Most Recent Rebalance	3/20/23
Companies Replaced	152
Sector with Biggest Increase	Technology
Sector with Biggest Decrease	Energy
Companies Overlapping S&P 500	174

### Fundamental Attributes

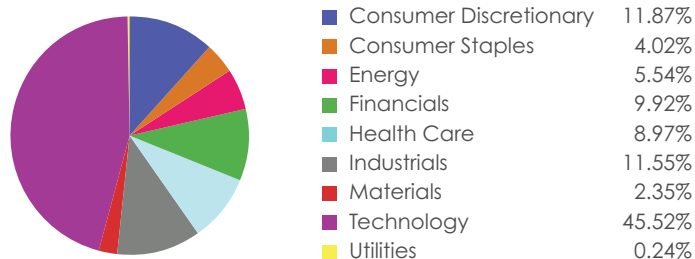
Median

Trailing P/E Ratio	13.7
Forward P/E Ratio	13.9
Earnings Yield	7.4%
Price/Tangible Book Ratio	3.1
Revenue Change - 3 Years	51.0%
Operating Income Change - 3 Years	112.4%
Operating Margin	20.6%
Earnings per Share (EPS) 3-Year Growth	29.6%
Total Debt to Capital	38.0%
Return on Equity	24.7%
Dividend Yield	1.15%
Beta	0.99

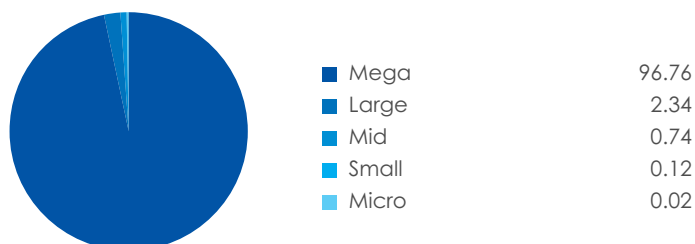
### Median and Average Grades

	Median	Average
Barron's 400 Index	63.6	64.1
S&P 500	52.2	55.3
Dow Jones Industrial Average	54.0	57.0
NASDAQ Composite	50.7	52.2

### Sector Breakdown (based on aggregate weight)



### Market Cap Breakdown (based on aggregate weight)



### Top 20 Stocks by Fundamentals

Ticker	Name	Grade
ALB	Albemarle Corporation	● 88.6
INSW	International Seaways, Inc.	● 87.7
CPRX	Catalyst Pharmaceuticals, Inc.	● 86.8
TEX	Terex Corporation	● 86.4
PFBC	Preferred Bank	● 86.2
OFG	OFG Bancorp	● 85.9
LBRT	Liberty Energy, Inc. Class A	● 83.1
PHM	PulteGroup, Inc.	● 82.2
CALM	Cal-Maine Foods, Inc.	● 82.1
AGCO	AGCO Corporation	● 82.1
IBOC	International Bancshares Corpo-	● 81.7
TH	Target Hospitality Corp.	● 81.6
NYCB	New York Community Bancorp,	● 81.6
SMCI	Super Micro Computer, Inc.	● 81.4
RES	RPC, Inc.	● 81.3
ANET	Arista Networks, Inc.	● 81.1
CAT	Caterpillar Inc.	● 79.7
WIRE	Encore Wire Corporation	● 79.0
COKE	Coca-Cola Consolidated, Inc.	● 78.8
BBW	BuildABear Workshop, Inc.	● 78.3

### Most Selections Since Inception

Ticker	Name	Times
MSFT	Microsoft Corporation	46
NKE	NIKE, Inc. Class B	41
HD	Home Depot, Inc.	41
AAPL	Apple Inc.	39
FDS	FactSet Research Systems Inc.	38
BBY	Best Buy Co., Inc.	37
PEP	PepsiCo, Inc.	37
ROST	Ross Stores, Inc.	37
TJX	TJX Companies Inc	36
WAT	Waters Corporation	35
AMAT	Applied Materials, Inc.	35
CTSH	Cognizant Technology Solutions	35
FAST	Fastenal Company	35
NVR	NVR, Inc.	35
EWBC	East West Bancorp, Inc.	32
DLTR	Dollar Tree, Inc.	32
RMD	ResMed Inc.	32
CPRT	Copart, Inc.	30
ADBE	Adobe Incorporated	30
APH	Amphenol Corporation Class A	29