

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

MarketGrader North American coverage universe of approximately 6,000 companies.

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 equally 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 index (80 companies). REITs are ineligible.

Ticker: **B400**

Index Calculation:

The New York Stock Exchange

Email: barrons400@marketgrader.com

Toll Free: **888.529.1767**

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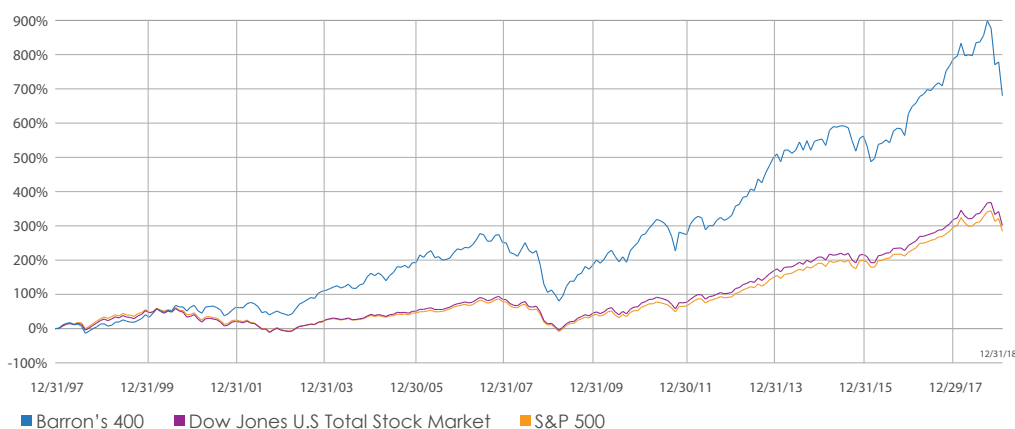
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Performance

Cumulative total return Jan. 1998 - Dec. 2018*

All data as of Dec. 31, 2018



Calendar Year Returns

	B400 TR	DWCF TR	SPX TR
2018	-12.96%	-5.30%	-4.38%
2017	19.66%	21.16%	21.83%
2016	18.26%	12.62%	11.96%
2015	-3.10%	0.44%	1.38%
2014	7.05%	12.48%	13.69%
2013	41.60%	33.47%	32.39%
2012	15.08%	16.38%	16.00%
2011	0.52%	1.07%	2.11%
2010	23.97%	17.51%	15.06%
2009	41.12%	28.55%	26.46%
2008	-39.21%	-37.23%	-37.00%
2007	6.15%	5.61%	5.49%
2006	12.73%	15.78%	15.79%
2005	11.96%	6.38%	4.91%
2004	23.46%	12.46%	10.88%
2003	45.10%	31.67%	28.68%
2002	-9.83%	-20.86%	-22.10%
2001	-0.64%	-10.98%	-11.89%
2000	15.89%	-10.90%	-9.10%
1999	24.24%	23.57%	21.04%
1998	13.14%	23.42%	28.58%

YTD values through 12/31/2018

Annualized Returns

	B400 TR	DWCF TR	SPX TR
3-Years	7.2%	8.9%	9.3%
5 -Years	5.0%	7.9%	8.5%
Since 08/31/07	7.2%	7.1%	7.1%
Since 12/31/97	10.3%	6.8%	6.6%

Cumulative Returns

	B400 TR	DWCF TR	SPX TR
3-Years	23.2%	29.2%	30.4%
5 -Years	27.8%	46.0%	50.3%
Since 08/31/07	119.5%	117.9%	116.7%
Since 12/31/97	679.7%	300.7%	283.7%

Standard Deviation

	B400 TR	DWCF TR	SPX TR
3-Years	14.4%	11.2%	10.7%
5 -Years	13.5%	11.0%	10.8%
Since 08/31/07	18.0%	15.3%	14.9%
Since 12/31/97	18.0%	15.3%	14.8%

Frequency: Monthly

Sharpe Ratio

	B400 TR	DWCF TR	SPX TR
3-Years	0.50	0.80	0.87
5 -Years	0.37	0.72	0.79
Since 08/31/07	0.40	0.46	0.48
Since 12/31/97	0.57	0.45	0.45

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 Dec 31, 2018

Index Bio

Average Market Cap	\$18,130.76
Median Market Cap	\$3,487.64
Average 3 Mo. Volume (Dollars)	\$180,067,388.77
Average 3 Mo. Volume (Shares)	2,377,616.00
Most Recent Rebalance	9/24/18
Companies Replaced	149
Sector with Biggest Increase	Consumer Discretionary
Sector with Biggest Decrease	Consumer Staples
Companies Overlapping S&P 500	108

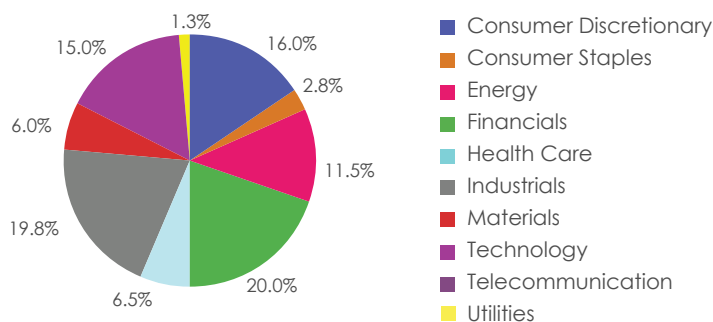
Fundamental Attributes

	Median
Trailing P/E Ratio	12.4
Forward P/E Ratio	12.1
Earnings Yield	6.5%
Price/Tangible Book Ratio	3.4
Revenue Change - 3 Years	42.3%
Operating Income Change - 3 Years	71.9%
Operating Margin	22.1%
Earnings per Share (EPS) 3-Year Growth	27.0%
Total Debt to Capital	31.9%
Return on Equity	25.5%
Dividend Yield	1.15%
Beta	1.02

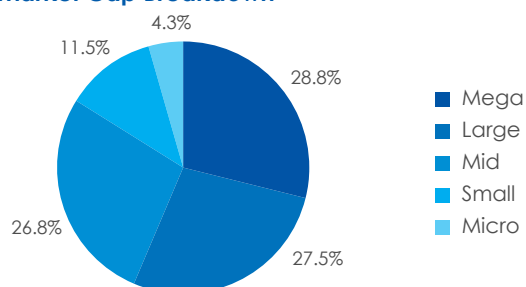
Median and Average grades

	Median	Average
Barron's 400 Index	68.7	68.7
S&P 500	56.9	54.9
Dow Jones Industrial Average	55.6	56.7
NASDAQ Composite	59.0	57.9

Sector Breakdown



Market Cap Breakdown



Top 20 Stocks by Fundamentals

Ticker	Name	Grade
EXEL	Exelixis, Inc.	● 93.44
CORT	Corcept Therapeutics Incorporat-	● 92.42
ESIO	Electro Scientific Industries, Inc.	● 88.26
XEC	Cimarex Energy Co.	● 87.13
PUMP	ProPetro Holding Corp.	● 87.08
TUSK	Mammoth Energy Services, Inc.	● 86.03
SUPN	Supernus Pharmaceuticals, Inc.	● 86.01
NANO	Nanometrics Incorporated	● 85.67
FB	Facebook, Inc. Class A	● 85.65
WHD	Cactus, Inc. Class A	● 85.54
NFX	Newfield Exploration Company	● 85.39
VNOM	Viper Energy Partners LP	● 84.75
MU	Micron Technology, Inc.	● 84.23
STLD	Steel Dynamics, Inc.	● 83.68
EOG	EOG Resources, Inc.	● 81.89
FND	Floor & Decor Holdings, Inc. Class	● 81.76
CLR	Continental Resources, Inc.	● 81.65
SRCI	SRC Energy Inc	● 81.63
LPI	Laredo Petroleum, Inc.	● 81.49
HFC	HollyFrontier Corporation	● 81.43

Most Selections Since Inception

Ticker	Name	Times
MSFT	Microsoft Corporation	37
ROST	Ross Stores, Inc.	33
TJX	TJX Companies Inc	31
AAPL	Apple Inc.	30
TROW	T. Rowe Price Group	28
EWBC	East West Bancorp, Inc.	27
FAST	Fastenal Company	27
INTC	Intel Corporation	27
NVR	NVR, Inc.	26
AMAT	Applied Materials, Inc.	26
SBUX	Starbucks Corporation	26
BIIB	Biogen Inc.	24
GNTX	Gentex Corporation	24
JKHY	Jack Henry & Associates, Inc.	23
UNP	Union Pacific Corporation	23
VLO	Valero Energy Corporation	22
GGG	Graco Inc.	22
ORLY	O'Reilly Automotive, Inc.	22
FFIV	F5 Networks, Inc.	22
EOG	EOG Resources, Inc.	21