

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

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Performance

Cumulative price return Jan. 1998 - October 31, 2015*

All data as of Oct. 31, 2015



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
B400 TR	-0.6	-9.8	45.1	23.5	12.0	12.7	6.2	-39.2	41.1	24.0	0.5	15.1	41.6	7.1
DJUSTSM TR	-11.0	-20.9	31.6	12.5	6.4	15.8	5.6	-37.2	28.6	17.5	1.1	16.4	33.5	12.5
S&P 500 TR	-11.9	-22.1	28.7	10.9	4.9	15.8	5.5	-37.0	26.5	15.1	2.1	16.0	32.4	13.7

Annualized Returns, Volatility and Sharpe Ratio

	3 Years			5 Years			Since Launch*			
	Anlzd Return	Anlzd StdDev	Sharpe Ratio	Anlzd Return	Anlzd StdDev	Sharpe Ratio	Anlzd Return	Anlzd StdDev	Sharpe Ratio	Cumlv Return
B400 TR	16.23	11.83	1.37	14.11	15.15	0.93	7.75	19.26	0.38	85.10
DJUSTSM TR	15.99	10.41	1.53	14.11	12.17	1.15	6.91	16.63	0.39	73.52
S&P 500 TR	16.20	10.34	1.56	14.33	11.81	1.21	6.71	16.19	0.38	70.86

Frequency: Monthly

Upside Capture & Downside Capture Ratios

B400 TR vs.	3 Years			5 Years			Since Launch*		
	Up Capture	Down Capture	Capture Ratio	Up Capture	Down Capture	Capture Ratio	Up Capture	Down Capture	Capture Ratio
DJUSTSM TR	107.87%	103.90%	1.04	129.14%	105.14%	1.23	163.29%	100.70%	1.62
S&P 500 TR	103.13%	101.72%	1.01	124.20%	104.88%	1.18	165.57%	100.77%	1.64

Frequency: Weekly

*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 November 16, 2015

Index Bio

Average Market Cap	\$18,335 M
Median Market Cap	\$3,268 M
Average 3 Mo. Volume (Dollars)	\$127,811,735
Average 3 Mo. Volume (Shares)	2,111,531
Most Recent Rebalance	9/21/15
Companies Replaced	165
Sector with Biggest Increase	Consumer Staples
Sector with Biggest Decrease	Energy
Companies Overlapping S&P 500	122

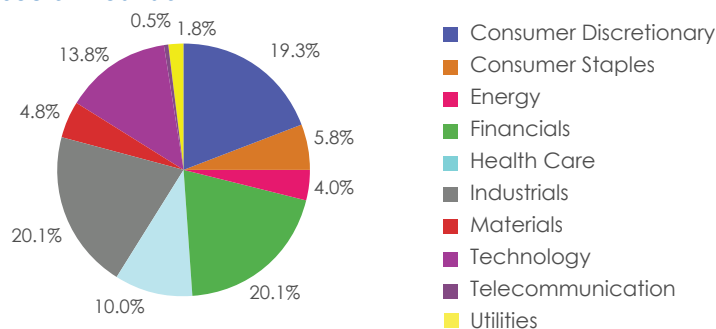
Fundamental Attributes

Avg. Trailing P/E Ratio (12 Mo.)	20.7
Avg. Forward P/E Ratio (12 Mo.)	18.4
Avg. Price/Book Ratio	6.0
Avg. Revenue Chg. - 3 Yr	48.9%
Avg. Operating Income Chg. - 3 Yr.	183.8%
Avg. EPS Growth - 3 Yr.	28.7%
Avg. EPS Growth - 5 Yr.	22.3%
Avg. Operating Margin	22.1%
Avg. LT Debt to Total Capital	34.0%
Avg. Return on Equity	30.0%
Avg. Dividend Yield	1.6%
Avg. Beta to S&P 500	0.9

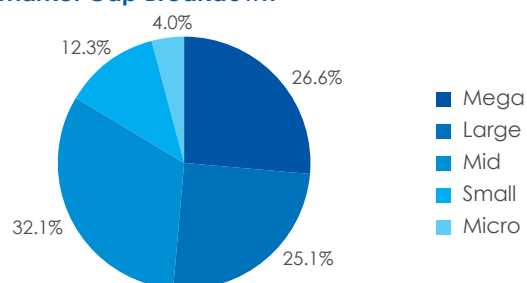
Average Index Grades

Barron's 400 Index	66.3
S&P 500 Index	52.1
Dow Jones Industrial Average	59.7
NASDAQ	53.4
DJ U.S. TSM	43.7

Sector Breakdown



Market Cap Breakdown



Top 20 Stocks by Fundamentals

Ticker	Name	Grade
GBX	Greenbrier Companies, Inc	● 88.8
AAPL	Apple Inc.	● 88.2
GILD	Gilead Sciences, Inc.	● 87.7
FNHC	Federated National Holding Co.	● 86.6
CALM	Cal-Maine Foods, Inc.	● 85.9
AMBA	Ambarella, Inc.	● 84.5
LCI	Lannett Company, Inc.	● 83.8
SCMP	Sucampo Pharmaceuticals, Inc	● 82.4
UVE	Universal Insurance Holdings, Inc	● 82.4
NLNK	Newlink Genetics Corporation	● 82.2
IPGP	IPG Photonics Corporation	● 81.5
NLS	Nautilus, Inc.	● 81.4
LOPE	Grand Canyon Education, Inc	● 81.2
MMI	Marcus & Millichap, Inc.	● 81.0
BIIB	Biogen Inc.	● 80.9
SWKS	Skyworks Solutions, Inc.	● 80.8
VLP	Valero Energy Partners LP	● 80.5
EQM	EQT Midstream Partners LP	● 80.1
IDTI	Integrated Device Technology, Inc	● 79.6
PLOW	Douglas Dynamics, Inc.	● 79.0

Most Selections Since Inception

Ticker	Name	Times
AMGN	Amgen Inc	32
BBBY	Bed Bath & Beyond Inc	31
HD	Home Depot Inc	31
NKE	Nike Inc	31
PEP	Pepsico Inc	31
FDS	Factset Research Systems Inc	27
ROST	Ross Stores Inc	27
CTSH	Cognizant Technology Solutions	26
EMR	Emerson Electric Co	26
JNJ	Johnson & Johnson	26
BBY	Best Buy Co Inc	25
HOG	Harley Davidson Inc	25
TJX	TJX Cos Inc	25
UNH	Unitedhealth Group Inc	25
WAT	Waters Corp	25
AAPL	Apple Inc	24
FAST	Fastenal Co	24
INTC	Intel Corp	24
RMD	Resmed Inc	24
TROW	T Rowe Price Group Inc	24