

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 total return Jan. 1998 - Sep. 29 2017*

All data as of Sep. 29, 2017



Calendar Year Returns

	B400 TR	DWCF TR	SPX TR
YTD	13.79%	13.95%	14.24%
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 = through 09/29/17

Annualized Returns

	B400 TR	DWCF TR	SPX TR
3-Years	10.7%	10.5%	10.7%
5 -Years	14.9%	14.2%	14.2%
Since 08/31/07	9.1%	4.0%	3.9%
Since 12/31/97	11.5%	7.2%	6.9%

Cumulative Returns

	B400 TR	DWCF TR	SPX TR
3-Years	35.7%	35.1%	35.7%
5 -Years	100.6%	93.9%	94.4%
Since 08/31/07	139.8%	116.4%	112.5%
Since 12/31/97	751.8%	298.0%	276.3%

Volatility

	B400 TR	DWCF TR	SPX TR
3-Years	12.4%	10.1%	9.9%
5 -Years	11.8%	9.7%	9.4%
Since 08/31/07	18.1%	15.4%	15.0%
Since 12/31/97	18.0%	15.4%	14.9%

Frequency: Monthly

Sharpe Ratio

	B400 TR	DWCF TR	SPX TR
3-Years	0.86	1.04	1.08
5 -Years	1.26	1.47	1.51
Since 08/31/07	0.5	0.26	0.26
Since 12/31/97	0.64	0.47	0.46

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 Sep 29, 2017

Index Bio

Average Market Cap	\$19,498.62
Median Market Cap	\$3,426.61
Average 3 Mo. Volume (Dollars)	\$115,719,807.19
Average 3 Mo. Volume (Shares)	1,514,808.00
Most Recent Rebalance	9/18/17
Companies Replaced	157
Sector with Biggest Increase	Energy
Sector with Biggest Decrease	Consumer Discretionary
Companies Overlapping S&P 500	93

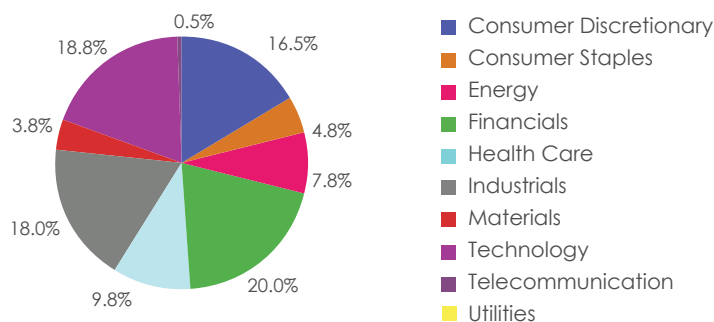
Fundamental Attributes

	Median
Trailing P/E Ratio	21.3
Forward P/E Ratio	18.4
Earnings Yield	5.1%
Price/Tangible Book Ratio	5.8
Revenue Change - 3 Years	38.7%
Operating Income Change - 3 Years	74.0%
Operating Margin	22.7%
Earnings per Share (EPS) 3-Year Growth	19.6%
Total Debt to Capital	28.1%
Return on Equity	21.2%
Dividend Yield	0.75%
Beta	1.21

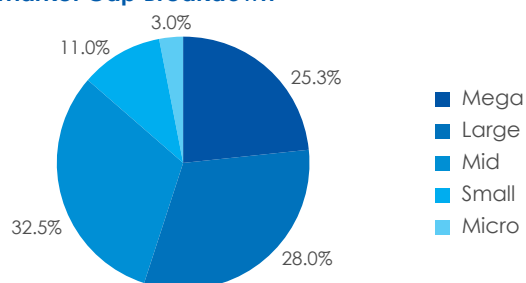
Median and Average grades

	Median	Average
Barron's 400 Index	66.3	67.4
S&P 500	53.0	51.2
Dow Jones Industrial Average	52.9	53.9
NASDAQ Composite	57.6	56.7

Sector Breakdown



Market Cap Breakdown



Top 20 Stocks by Fundamentals

Ticker	Name	Grade
SUPN	Supernus Pharmaceuticals, Inc.	● 87.55
AAOI	Applied Optoelectronics, Inc.	● 84.69
MU	Micron Technology, Inc.	● 84.42
AMAT	Applied Materials, Inc.	● 84.36
EGRX	Eagle Pharmaceuticals, Inc.	● 84.32
FB	Facebook, Inc. Class A	● 83.65
CNNX	CONE Midstream Partners LP	● 83.24
IDCC	InterDigital, Inc.	● 83.03
CRUS	Cirrus Logic, Inc.	● 82.82
STMP	Stamps.com Inc.	● 82.50
MKSI	MKS Instruments, Inc.	● 82.28
SAFM	Sanderson Farms, Inc.	● 81.82
AGX	Argan, Inc.	● 81.77
VLP	Valero Energy Partners LP	● 81.54
LRCX	Lam Research Corporation	● 81.24
EQM	EQT Midstream Partners LP	● 80.81
THO	Thor Industries, Inc.	● 80.73
HDSN	Hudson Technologies, Inc.	● 80.10
SWKS	Skyworks Solutions, Inc.	● 79.78
ANET	Arista Networks, Inc.	● 79.76

Most Selections Since Inception

Ticker	Name	Times
AMGN	Amgen Inc.	36
MSFT	Microsoft Corporation	36
NKE	NIKE, Inc. Class B	35
HD	Home Depot, Inc.	35
FDS	FactSet Research Systems Inc.	31
ROST	Ross Stores, Inc.	31
TJX	TJX Companies Inc	29
CTSH	Cognizant Technology Solutions	29
JNJ	Johnson & Johnson	29
AAPL	Apple Inc.	28
WAT	Waters Corporation	28
TROW	T. Rowe Price Group	26
DLTR	Dollar Tree, Inc.	26
EWBC	East West Bancorp, Inc.	26
INTC	Intel Corporation	26
GILD	Gilead Sciences, Inc.	25
FAST	Fastenal Company	25
AMAT	Applied Materials, Inc.	24
NVR	NVR, Inc.	24
MO	Altria Group, Inc.	24