

The MarketGrader 100 Index seeks to track the performance of the most fundamentally sound companies with the best growth prospects in the U.S. The objective of MarketGrader 100 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 100 constituents in the U.S. equity universe after filtering for liquidity and diversification over size and sectors.

Index Rules

Underlying Universe

MarketGrader North American coverage universe of approximately 4,800 companies, excluding Canada, listed on U.S. exchanges.

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 February and August.

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 total market cap of USD \$100 million. At least 25 of all index constituents must have a total market cap of at least USD \$10 billion. No more than 25 of all index constituents may have a total market cap below \$1 billion.

Liquidity Requirements

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

Sector Limits

No more than 25 index constituents may belong to the same economic sector while no more than 12 may belong to the same sub-industry. REITs and Utilities are altogether ineligible for selection to the index.

Ticker

MGONE

Index Calculation

New York Stock Exchange

Licensing opportunities

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Performance

Cumulative Price Return, Jan. 2003 - Mar. 2016*

All data as of Mar. 31, 2016



	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
MG 100	51.73	20.56	18.50	6.15	14.04	-45.53	40.86	19.16	-0.59	16.60	41.57	8.54	-6.51
R3000	28.74	10.08	4.28	13.66	3.29	-38.70	25.46	14.75	-0.92	13.98	30.95	10.45	-1.47
S&P 500	26.38	8.99	3.00	13.62	3.53	-38.49	23.45	12.78	-0.00	13.41	29.60	11.39	-0.73

Annualized & Cumulative Returns, Volatility and Sharpe Ratio

	3 Years				5 Years				Since Inception (12/2002)			
	Anlzd Return	Anlzd StdDev	Sharpe Ratio	Cum Rtn	Anlzd Return	Anlzd StdDev	Sharpe Ratio	Cum Rtn	Anlzd Return	Anlzd StdDev	Sharpe Ratio	Cum Rtn
MG 100	8.33	13.66	0.61	27.13	8.61	16.78	0.51	51.14	10.84	19.19	0.50	290.92
R3000	8.99	11.36	0.79	29.47	8.82	12.56	0.70	52.57	7.08	14.44	0.40	147.44
S&P 500	9.49	11.16	0.85	31.26	9.21	12.12	0.76	55.36	6.63	13.94	0.38	134.11

Frequency: Monthly

Upside Capture & Downside Capture Ratios

MG 100 Index	3 Years			5 Years			Since Inception (12/2002)		
	Up Capture	Down Capture	Capture Ratio	Up Capture	Down Capture	Capture Ratio	Up Capture	Down Capture	Capture Ratio
vs. Russell 3000	1.15%	1.20%	0.95	1.20%	1.24%	0.97	1.23%	1.17%	1.05
vs. S&P 500	1.13%	1.19%	0.94	1.18%	1.22%	0.97	1.24%	1.17%	1.07

Frequency: Weekly

Sources: FactSet, MarketGrader.com

* The MarketGrader 100 Index was first published in September 2007 by NYSE. 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). Back-tested 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. The index inception date was December 31, 2002.
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Index composition data as of Apr 9, 2016

Index Bio

Average Market Cap	\$34,252.38
Median Market Cap	\$2,751.87
Average 3 Mo. Dollar Volume	\$224,471,668.81
Average 3 Mo. Trading Volume	3,139,044
Last Rebalance Date	2/22/16
Companies Replaced	49
Biggest Sector Increase	Industrials
Biggest Sector Decrease	Consumer Staples
Companies Overlapping S&P 500	26

Fundamental Attributes

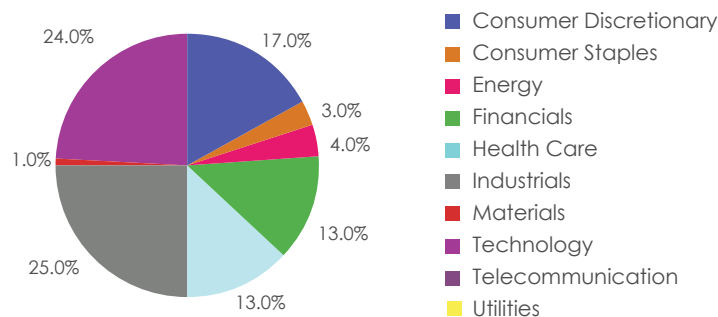
Median

Trailing P/E Ratio	16.7
Forward P/E Ratio	15.4
Earnings Yield	6.0
Price/Book Ratio	4.0
Revenue Change - 3 Years	53.8%
Operating Income Change - 3 Years	97.2%
Operating Margin	23.5%
Earnings per Share (EPS) 3-Year Growth	23.2%
Long-Term Debt to Capital	23.3%
Return on Equity	23.7%
Dividend Yield	0.5%
Beta	1.15

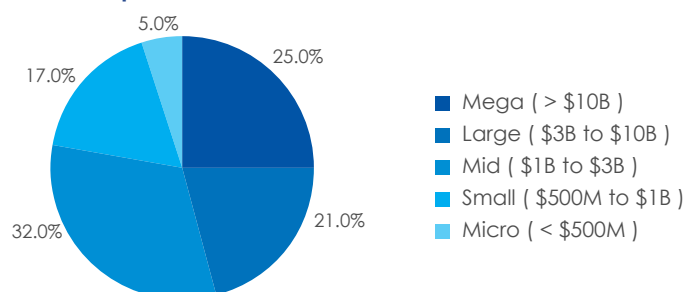
Median and Average grades

	Median	Average
MarketGrader 100 Index	70.3	69.9
Russell 3000	47.4	46.0
S&P 500	52.1	50.8
Dow Jones Industrial Average	54.3	52.7
NASDAQ Composite	54.5	54.4

Sector Breakdown



Market Cap Breakdown



Top 20 Stocks by Fundamentals

Ticker	Name	Grade
NHTC	Natural Health Trend	● 94.6
GILD	Gilead Sciences, Inc	● 86.3
EQM	EQT Midstream Partne	● 85.2
INSY	Insys Therapeutics,	● 85.0
WETF	Wisdomtree Investmen	● 82.8
AHS	AMN Healthcare Servi	● 81.7
SWKS	Skyworks Solutions,	● 81.1
ANIK	Anika Therapeutics,	● 80.5
VLP	Valero Energy Partne	● 80.2
GBX	Greenbrier Companies	● 79.6
MMI	Marcus & Millichap,	● 79.4
UVE	Universal Insurance	● 79.3
LOPE	Grand Canyon Educati	● 78.1
ALK	Alaska Air Group, In	● 78.1
UBNT	Ubiquiti Networks, I	● 78.0
FIVE	Five Below, Inc.	● 77.9
SAVE	Spirit Airlines, Inc	● 77.7
DRIL	Diamond Resorts Inte	● 77.6
GMED	Globus Medical, Inc.	● 77.2
ALGT	Allegiant Travel Com	● 76.7

Most Selections Since Inception

Ticker	Name	Times
NKE	Nike Inc	20
CTSH	Cognizant Technology Solutions	20
SYNT	Syntel Inc	16
UNH	Unitedhealth Group Inc	14
INTC	Intel Corp	13
AAPL	Apple Inc	13
GILD	Gilead Sciences Inc	13
LOPE	Grand Canyon Education Inc	12
AMGN	Amgen Inc	10
ROST	Ross Stores Inc	9
GOOGL	Alphabet Inc	9
NVR	NVR Inc	9
HD	Home Depot Inc	8
ULTA	Ulta Salon Cosmetics & Fragrance	8
UTHR	United Therapeutics Corp	8
TROW	T Rowe Price Group Inc	8
BIIB	Biogen Inc	8
SWKS	Skyworks Solutions Inc	7
MKTX	Marketaxess Holdings Inc	7
NSR	Neustar Inc	7