



# Investing just got social

## SUMMARY OF CHANGES

### IN

COMPANY	TICKER
ULTA Salon, Cosmetics & Fragrance, Inc.	ULTA
Home Depot Inc.	HD
Costco Wholesale Corp.	COST
Applied Materials Inc.	AMAT
Palo Alto Networks Inc.	PANW
American Airlines Group Inc.	AAL
Southwestern Energy Co.	SWN
Las Vegas Sands Corp.	LVS
Sirius XM Holdings Inc.	SIRI
Target Corp.	TGT
Monsanto Co.	MON

### OUT

COMPANY	TICKER
Southwest Airlines Co.	LUV
Regeneron Pharmaceuticals Inc.	REGN
American Express Co.	AXP
Devon Energy Corp.	DVN
Newmont Mining Corp.	NEM
General Motors Co.	GM
Schlumberger Ltd.	SLB
McDonald's Corp.	MCD
Incyte Corp.	INCY
Verizon Communications Inc.	VZ
Alcoa Corp.	AA

## SECTOR COMPARISON

SECTOR	NOVEMBER 2016 INDEX WEIGHT (%)	DECEMBER 2016 INDEX WEIGHT (%)
Consumer Discretionary	17.4	20.8
Consumer Staples	4.4	5.7
Energy	4.8	4.4
Financial Services	4.8	6.9
Health Care	24.4	23.2
Industrials	6.4	5.0
Information Technology	30.4	30.0
Materials	2.7	2.0
Telecommunication Services	4.7	2.0
Utilities	0.0	0.0

## STOCK SPOTLIGHT U.S. PRESIDENTIAL ELECTION EDITION

## Bank of America

While many accepted that Donald Trump as the U.S. president would be good for the banking sector, few could have imagined how far the financial stocks would run up. Since we highlighted the 10% surge in financials in our November index rebalance, Bank of America Corp. (NYSE: BAC) has gained another 10%. While Trump has yet to be officially sworn in and able to implement policies, it has been his choices for his cabinet that has been drawing attention. So far, the most relevant pick for Wall Street has been Trump's pick for treasury secretary, Steven Mnuchin. A former partner at Goldman Sachs and founder of several hedge funds, Mnuchin is well connected and heavily involved on Wall Street, albeit with no history in politics or public policy. Nonetheless, his appointment as treasury secretary signals Trump's intention to run a pro-Wall Street administration. Mnuchin's support for policies aimed at lending to the middle class, coupled with Trump's views on fewer regulations, have continued to propel bank stocks such as BAC to new multi-year highs, with no sign of stopping. Sentiment on social media has followed suit as bullish discussion on bank stocks continue to rise, signalling the financials rally may still have more room to go.

## Biotechnology Stocks

The post-election euphoria in biotech stocks appears to be slowing down. The initial rally which propelled the iShares Nasdaq Biotechnology ETF (NASDAQ: IBB) 17% higher following the elections, was based more so on the defeat of Hillary Clinton, who had publicly spoken out against high drug prices, rather than the victory of Donald Trump, who had been relatively quiet on the topic. Since then, IBB slowly retraced, giving back approximately 7% of its gains. On December 7<sup>th</sup>, Trump's stance became more clear when he stated his intentions to bring down drug prices, dealing another blow to the biotech rally. Although the Republican-led Congress will likely not give the government the authority to negotiate and set drug prices, Trump's views indicated he would not actively be a positive catalyst for the industry as he would be for the financial sector. The news sent IBB down over 4% on the day, and while it has stabilized since then, bullish sentiment on the sector appears to be stalling, with names such as Regeneron Pharmaceuticals (NASDAQ: REGN) among the most negatively trending stocks this month. For the most part, social sentiment on the sector remains positive; however, the waning momentum suggests more people are taking a wait-and-see approach on the sector.

## INDEX FUNDAMENTALS

1.4%

Dividend Yield

18.3

P/E Ratio

\$141.4B

Average Market Cap

\$4.8B

Smallest Market Cap

\$618.4B

Largest Market Cap

**INDEX HOLDINGS**

COMPANY	WEIGHT (%)	COMPANY	WEIGHT (%)
Advanced Micro Devices Inc.	3.00	Home Depot Inc.	0.93
Alphabet Inc.	3.00	General Electric Co.	0.90
Apple Inc.	3.00	Wal-Mart Stores Inc.	0.86
Twitter Inc.	3.00	Wynn Resorts Ltd.	0.85
Facebook Inc.	3.00	Goldman Sachs Group Inc.	0.83
Walt Disney Co.	3.00	Marathon Oil Corp.	0.80
Microsoft Corp.	3.00	Kinder Morgan Inc.	0.77
Bank of America Corp.	3.00	Starbucks Corp.	0.74
Valeant Pharmaceuticals International	3.00	Costco Wholesale Corp.	0.72
Amazon.com Inc.	3.00	Applied Materials Inc.	0.70
Gilead Sciences Inc.	3.00	Lockheed Martin Corp.	0.69
Under Armour Inc.	3.00	International Business Machine	0.68
Tesla Motors Inc.	3.00	PayPal Holdings Inc.	0.67
NVIDIA Corp.	2.96	AT&T Inc.	0.67
AbbVie Inc.	2.91	Palo Alto Networks Inc.	0.65
Celgene Corp.	2.30	Biogen Inc.	0.63
OPKO Health Inc.	2.25	American Airlines Group Inc.	0.62
Allergan PLC	2.04	Procter & Gamble Co.	0.58
Ford Motor Co.	1.84	QUALCOMM Inc.	0.57
Mallinckrodt PLC	1.74	Exxon Mobil Corp.	0.55
NIKE Inc.	1.74	Southwestern Energy Co.	0.54
Intel Corp.	1.69	Merck & Co. Inc.	0.54
Freeport-McMoRan Inc.	1.65	Morgan Stanley	0.52
Activision Blizzard Inc.	1.61	Las Vegas Sands Corp.	0.51
JetBlue Airways Corp.	1.51	JPMorgan Chase & Co.	0.49
Bristol-Myers Squibb Co.	1.41	MGM Resorts International	0.48
Energy Transfer Equity LP	1.37	Visa Inc.	0.48
Sprint Corp.	1.35	Kroger Co.	0.48
Johnson & Johnson	1.31	salesforce.com Inc.	0.47
Micron Technology Inc.	1.16	Boeing Co.	0.46
Amgen Inc.	1.11	Delta Air Lines Inc.	0.42
Coca-Cola Co.	1.07	Sirius XM Holdings Inc.	0.39
Blackstone Group LP	1.04	Target Corp.	0.38
CVS Health Corp.	1.01	Chevron Corp.	0.37
Altria Group Inc.	0.99	Western Digital Corp.	0.37
Citigroup Inc.	0.99	United Technologies Corp.	0.35
Pfizer Inc.	0.98	Monsanto Co.	0.34
ULTA Salon, Cosmetics & Fragrance, Inc.	0.95	<b>Total:</b>	<b>100.00</b>

**TOP U.S. STOCKS DISCUSSED ON SOCIAL MEDIA**



**TOP FIVE POSITIVELY TRENDING STOCKS IN THE INDEX**

- AMD
- BAC
- MNK
- AGN
- ULTA

**BOTTOM FIVE NEGATIVELY TRENDING STOCKS NOT IN THE INDEX**

- NEM
- DVN
- AXP
- REGN
- LUV

The **BUZZ Social Media Insights Index** identifies the 75 most bullish U.S. stocks based on investment insights derived from the Social Media's Big Data.

- Over 50 million unique stock-specific data points from Social Media comments, news articles and blog posts are processed on a monthly basis.
- The data is filtered through an analytics model which utilizes Natural Language Processing Algorithms and Artificial Intelligence applications.

## HOW IT WORKS:



### 1. Where's the BUZZ?

First, from a defined investment universe of U.S. stocks, the BUZZ Index targets the most mentioned stocks across the Social Media landscape. The more active the conversation, the greater the reliability of the BUZZ.

### 2. What's the BUZZ?

The BUZZ Index looks at what the Social community is saying about these most-mentioned stocks and whether the BUZZ is positive, negative or neutral on a collective basis.

### 3. Who is creating the BUZZ?

The BUZZ Index pinpoints influencers within the Social community and identifies whose tweets and posts are most likely to impact collective opinion. It also identifies and scores which members of the Social community have historically been the most successful in their forecasting accuracy.

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