

# Powered by Artificial Intelligence

## SUMMARY OF CHANGES

### IN

COMPANY	TICKER
Square Inc	SQ
Valeant Pharmaceuticals Intern	VRX
Kite Pharma Inc	KITE
Target Corp	TGT
Oracle Corp	ORCL
Ionis Pharmaceuticals Inc	IONS
Blackstone Group LP/The	BX
Lam Research Corp	LRCX
Exxon Mobil Corp	XOM
United Parcel Service Inc	UPS
Foot Locker Inc	FL
Intuitive Surgical Inc	ISRG
Nucor Corp	NUE
Wells Fargo & Co	WFC
Raytheon Co	RTN
Walgreens Boots Alliance Inc	WBA
Take-Two Interactive Software	TTWO

### OUT

COMPANY	TICKER
Mastercard Inc	MA
Ulta Beauty Inc	ULTA
salesforce.com Inc	CRM
T-Mobile US Inc	TMUS
Electronic Arts Inc	EA
Nordstrom Inc	JWN
Coca-Cola Co/The	KO
Cisco Systems Inc	CSCO
Merck & Co Inc	MRK
JetBlue Airways Corp	JBLU
Macy's Inc	M
McDonald's Corp	MCD
Chipotle Mexican Grill Inc	CMG
Colgate-Palmolive Co	CL
American Airlines Group Inc	AAL
CVS Health Corp	CVS
UnitedHealth Group Inc	UNH

## SECTOR COMPARISON

SECTOR	JUNE 2017 INDEX WEIGHT (%)	JULY 2017 INDEX WEIGHT (%)
Consumer Discretionary	23.7	17.6
Consumer Staples	4.1	6.8
Energy	0.6	1.1
Financial Services	5.1	7.1
Health Care	15.2	21.0
Industrials	3.5	3.1
Information Technology	43.4	39.8
Materials	0.7	1.3
Telecommunication Services	3.7	2.3
Utilities	0.0	0.0

## STOCK SPOTLIGHT

## Biotech

Earlier this month we highlighted the recent strength of biotech stocks, evident in the breakout in shares of IBB, the major biotech ETF, after a year and a half of consolidation. This month we saw that positive sentiment follow through to several stocks in the sector. Valeant Pharmaceuticals (NYSE: VRX) jumped back into the index with a 3% weight, and Kite Pharma (NASDAQ: KITE) was a first time addition to the BUZZ Index along with Ionis Pharmaceuticals (NASDAQ: IONS). Health care's weight in the index jumped from 15% to 21% this month, one of the larger increases in a sector weight that we've seen over the past year. The fact that the strong price action has been accompanied by increasing bullish online sentiment is a further positive, as it suggests the broader community is providing support to the rally. Given the amount of time that IBB has spent trading range-bound, it's not surprising that investors are looking for the breakout to continue longer term and are now eyeing a return to the 2015 highs.

## Volume of Online Data

Shifting to a broader perspective, this month we highlight an interesting move in the overall amount of stock related discussion across online platforms. Over the past three months, there has been a steady increase in the number of stocks that now meet the "volume" threshold consideration utilized to generate the universe of stocks eligible for inclusion in the BUZZ NextGen AI US Sentiment Leaders Index. The "volume" or "mentions" criterion is a key feature of the Index construction process as the measure provides for greater confidence in the predictive nature of sentiment measurements. As a result of the increase in the size of the eligible universe, turnover this month in the Index was above average at 17 names.

The growing amount of conversation is a great sign. More conversation means more data, and more data allows the BUZZ artificial intelligence engines to provide insights with even greater conviction. Furthermore, a broader universe provides more stock-specific opportunities from which to extract sentiment insights. We expect this trend to continue as more people adopt and engage in financial related discussions across the numerous and growing investment focused online platforms.

## INDEX FUNDAMENTALS

1.2%

Dividend Yield

22.9

P/E Ratio

\$159.9B

Average Market Cap

\$6.0B

Smallest Market Cap

\$783.8B

Largest Market Cap

## INDEX HOLDINGS

COMPANY	WEIGHT (%)	COMPANY	WEIGHT (%)
Advanced Micro Devices Inc	3.00%	Wynn Resorts Ltd	0.85%
Apple Inc	3.00%	Boeing Co/The	0.85%
Amazon.com Inc	3.00%	Freeport-McMoRan Inc	0.84%
Micron Technology Inc	3.00%	Starbucks Corp	0.81%
Square Inc	3.00%	Amgen Inc	0.79%
Valeant Pharmaceuticals Intl	3.00%	Bristol-Myers Squibb Co	0.78%
Alphabet Inc	3.00%	General Electric Co	0.73%
Tesla Inc	3.00%	Home Depot Inc/The	0.70%
Facebook Inc	3.00%	Lam Research Corp	0.68%
Microsoft Corp	3.00%	Exxon Mobil Corp	0.67%
Twitter Inc	2.95%	TESARO Inc	0.66%
Gilead Sciences Inc	2.90%	Regeneron Pharmaceuticals Inc	0.65%
Bank of America Corp	2.65%	Broadcom Ltd	0.64%
NVIDIA Corp	2.54%	United Parcel Service Inc	0.63%
Kroger Co/The	2.52%	Johnson & Johnson	0.63%
Walt Disney Co/The	2.24%	Netflix Inc	0.60%
Celgene Corp	2.05%	Pfizer Inc	0.56%
NIKE Inc	2.04%	Foot Locker Inc	0.54%
Kite Pharma Inc	2.00%	Altria Group Inc	0.54%
Costco Wholesale Corp	1.98%	Priceline Group Inc/The	0.53%
Exelixis Inc	1.88%	Intuitive Surgical Inc	0.52%
Intel Corp	1.83%	Palo Alto Networks Inc	0.52%
Applied Materials Inc	1.64%	eBay Inc	0.51%
Activision Blizzard Inc	1.58%	Sirius XM Holdings Inc	0.50%
Ford Motor Co	1.44%	QUALCOMM Inc	0.49%
AbbVie Inc	1.43%	Nucor Corp	0.48%
Western Digital Corp	1.39%	Wells Fargo & Co	0.47%
Adobe Systems Inc	1.39%	Biogen Inc	0.46%
Sprint Corp	1.37%	AT&T Inc	0.46%
Target Corp	1.36%	Raytheon Co	0.45%
Wal-Mart Stores Inc	1.34%	Walgreens Boots Alliance Inc	0.45%
Alexion Pharmaceuticals Inc	1.28%	Take-Two Interactive Software	0.44%
Oracle Corp	1.18%	Marathon Oil Corp	0.44%
JPMorgan Chase & Co	1.09%	Incyte Corp	0.44%
Citigroup Inc	1.03%	Lockheed Martin Corp	0.43%
PayPal Holdings Inc	0.96%	Verizon Communications Inc	0.43%
Goldman Sachs Group Inc/The	0.96%	<b>Total:</b>	<b>100.00</b>
Ionis Pharmaceuticals Inc	0.94%		
Blackstone Group LP/The	0.87%		

## TOP U.S. STOCKS DISCUSSED ACROSS ONLINE PLATFORMS



### TOP FIVE POSITIVELY TRENDING STOCKS IN THE INDEX

COMPANY	TICKER
Advanced Micro Devices Inc	AMD
Micron Technology Inc	MU
Kroger Co/The	KR
Gilead Sciences Inc	GILD
Costco Wholesale Corp	COST

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

COMPANY	TICKER
Caterpillar Inc	CAT
salesforce.com Inc	CRM
Ulta Beauty Inc	ULTA
Mastercard Inc	MA
Snap Inc	SNAP

The **BUZZ NextGen AI US Sentiment Leaders Index** identifies the 75 most bullish U.S. stocks based on investment insights derived from the vast content generated across online platforms.

Millions of unique stock-specific data points aggregated from online sources including social media, 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 discussed across online platforms. The more active the conversation, the greater the reliability of the BUZZ.

### 2. What's the BUZZ?

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

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