

Powered by Artificial Intelligence

SUMMARY OF CHANGES

IN

COMPANY	TICKER
Snap Inc	SNAP
Macy's Inc	M
Cisco Systems Inc	CSCO
Mattel Inc	MAT
Wells Fargo & Co	WFC
Western Digital Corp	WDC
Chipotle Mexican Grill Inc	CMG
Under Armour Inc	UAA
General Motors Co	GM
United Parcel Service Inc	UPS
salesforce.com Inc	CRM
Domino's Pizza Inc	DPZ
Splunk Inc	SPLK
CenturyLink Inc	CTL
eBay Inc	EBAY
Aetna Inc	AET
Goldman Sachs Group Inc/The	GS

OUT

COMPANY	TICKER
QUALCOMM Inc	QCOM
Ionis Pharmaceuticals Inc	IONS
Walgreens Boots Alliance Inc	WBA
United Continental Holdings In	UAL
Skyworks Solutions Inc	SWKS
Wynn Resorts Ltd	WYNN
International Business Machine	IBM
Lockheed Martin Corp	LMT
Procter & Gamble Co/The	PG
General Electric Co	GE
Starbucks Corp	SBUX
T-Mobile US Inc	TMUS
Harley-Davidson Inc	HOG
Electronic Arts Inc	EA
Texas Instruments Inc	TXN
Arista Networks Inc	ANET
Pfizer Inc	PFE

SECTOR COMPARISON

SECTOR	NOVEMBER 2017 INDEX WEIGHT (%)	DECEMBER 2017 INDEX WEIGHT (%)
Consumer Discretionary	13.6	18.9
Consumer Staples	5.4	5.5
Energy	0.7	0.5
Financial Services	3.1	5.0
Health Care	18.6	13.2
Industrials	5.2	3.8
Information Technology	46.1	47.1
Materials	1.4	0.9
Telecommunication Services	5.9	5.1
Utilities	0.0	0.0

STOCK SPOTLIGHT

Consumer Discretionary Sector

This month, we noticed a meaningful increase in the weight of consumer discretionary stocks in the Buzz Index, just as shoppers flock to stores during the Holiday season. After declining approximately 7% in October, and another 4% in November, the Consumer Discretionary weight in the Index reversed course, increasing by 5% in December. Retailers demonstrated the most positive sentiment changes within the group. Macy's (NYSE: M), one of the most well-known US department stores, was the largest addition to the Index this month, re-entering the Index with a weight of 1.53%. Mattel (NASDAQ: MAT), one of the largest toy manufacturers, also re-entered the index with a 1% weight. Other high-quality retail companies such as Target (NYSE: TGT) and Home Depot (NYSE: HD) also saw meaningful increases in positive investor sentiment. Even fast-food restaurant stocks such as Chipotle Mexican Grill (NYSE: CMG) and Domino's Pizza (NYSE: DPZ) received a boost in positive sentiment, presumably as investors expected the shopper crowds to be eating out more often. What remains to be seen is whether the sentiment uptick in consumer discretionary sector is a temporary holiday seasonal effect or the beginning of a longer term trend for 2018.

Health Care Sector

While investor sentiment on consumer stocks was rising, the opposite was occurring in the health care space. After hovering around 20% for several months, the weight of health care sector in the Buzz Index has been in a downtrend since August as investors grew cautious of valuations as health care stocks marked their highest levels of the year. This month, sentiment continues to wane, with the sector representing a weight of 13.2% in the Index. The declining healthcare sector weighting in the Index has coincided with a pullback in the biotech sector, with the iShares Nasdaq Biotech ETF (NASDAQ: IBB) now 5% lower than its October high. Biotech had been one of the biggest sentiment stories for much of 2017, and we highlighted elevated sentiment levels on several occasions in our Flash Notices. In many of those cases, biotech stocks rallied to new highs in the following months. Now that we have observed several months of downward trending sentiment in the sector, we note an elevated potential for a reversal in biotech stocks as investors appear cautious ahead of the New Year.

INDEX FUNDAMENTALS

1.3%

Dividend Yield

19.9

P/E Ratio

\$186.3B

Average Market Cap

\$5.4B

Smallest Market Cap

\$898.6B

Largest Market Cap

INDEX HOLDINGS

COMPANY	WEIGHT (%)	COMPANY	WEIGHT (%)
Advanced Micro Devices Inc	3.00%	Costco Wholesale Corp	0.82%
Square Inc	3.00%	Viacom Inc	0.78%
Apple Inc	3.00%	Ford Motor Co	0.74%
Micron Technology Inc	3.00%	Take-Two Interactive Software	0.74%
Tesla Inc	3.00%	CVS Health Corp	0.68%
Valeant Pharmaceuticals Intern	3.00%	Caterpillar Inc	0.68%
NVIDIA Corp	3.00%	Wells Fargo & Co	0.68%
Amazon.com Inc	3.00%	Western Digital Corp	0.68%
Facebook Inc	3.00%	Chipotle Mexican Grill Inc	0.68%
Alphabet Inc	3.00%	Adobe Systems Inc	0.66%
PayPal Holdings Inc	3.00%	Citigroup Inc	0.65%
Microsoft Corp	2.97%	Visa Inc	0.65%
Applied Materials Inc	2.93%	Verizon Communications Inc	0.64%
AT&T Inc	2.92%	Johnson & Johnson	0.62%
Wal-Mart Stores Inc	2.54%	Under Armour Inc	0.62%
Twitter Inc	2.33%	General Motors Co	0.61%
Bank of America Corp	2.23%	Amgen Inc	0.61%
Gilead Sciences Inc	2.17%	United Parcel Service Inc	0.58%
Walt Disney Co/The	2.17%	NIKE Inc	0.57%
Boeing Co/The	1.95%	Merck & Co Inc	0.55%
Snap Inc	1.92%	salesforce.com Inc	0.55%
Celgene Corp	1.78%	Raytheon Co	0.54%
Netflix Inc	1.68%	Universal Display Corp	0.54%
Intel Corp	1.65%	Kinder Morgan Inc/DE	0.53%
Broadcom Ltd	1.57%	Intuitive Surgical Inc	0.52%
Macy's Inc	1.53%	Altria Group Inc	0.52%
Activision Blizzard Inc	1.37%	Domino's Pizza Inc	0.51%
AbbVie Inc	1.13%	Splunk Inc	0.51%
Mastercard Inc	1.13%	CenturyLink Inc	0.49%
Home Depot Inc/The	1.09%	eBay Inc	0.48%
Cisco Systems Inc	1.05%	Aetna Inc	0.48%
Sprint Corp	1.03%	Albemarle Corp	0.46%
Lam Research Corp	1.03%	Goldman Sachs Group Inc/The	0.45%
JPMorgan Chase & Co	1.02%	Freeport-McMoRan Inc	0.45%
Regeneron Pharmaceuticals Inc	1.00%	Biogen Inc	0.45%
Mattel Inc	0.99%	Oracle Corp	0.39%
Target Corp	0.95%	Total:	100.00
Kroger Co/The	0.93%		
Exelixis Inc	0.84%		

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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