

U.S. Equities January 2018

KEY HIGHLIGHTS

- The [S&P 500](#)[®] gained 5.62% in January, bringing its one-year return to 23.91%.
- The [Dow Jones Industrial Average](#)[®] returned 5.79% for the month and was up 31.64% for the one-year period.
- The [S&P MidCap 400](#)[®] was up 2.81% for the month and up 15.81% year-over-year.
- The [S&P SmallCap 600](#)[®] returned 2.47% in January, with a 15.01% return for the one-year period.

Exhibit 1: Index Returns				
INDEX	1-MONTH (%)	3-MONTH (%)	1-YEAR (%)	2-YEAR (%)
S&P 500	5.62	9.65	23.91	45.54
Dow Jones Industrial Average	5.79	11.86	31.64	58.81
S&P MidCap 400	2.81	6.48	15.81	48.28
S&P SmallCap 600	2.47	5.19	15.01	52.30

Source: S&P Dow Jones Indices LLC. Data as of Jan. 31, 2018. Past performance is no guarantee of future results. Table is provided for illustrative purposes. Returns shown are price returns.

MARKET SNAPSHOT

I've been at S&P for over 40 years, on the Street since my dad had to hold my hand walking into Delmonico's; I can quantify the rally, flows, momentum, and fundamentals, can feel the sentiment, can talk the talk, and I think I understand the trades, but this market is different—stay alert and have a plan.

The S&P 500 closed at 2,823.81, up 5.62% for the month (5.73% with dividends), from December 2017's 2,673.61, when it increased 0.98% (2.81%). For the three-month period, the index was up 9.65% (10.18% with dividends); for the one-year period, the index was up 23.91% (26.41% with dividends). It was up 31.98% (35.22%) from the Nov. 8, 2016, election's 2,139.56 close, and it posted 14 new closing highs for the month (the last closing high was on Jan. 26, 2018, at 2,872.87). There were 62 closing highs in 2017, second only to the 77 posted in 1995, and there have been 84 since the election. The Dow[®] closed at 26,149.39, up 5.79% from December's 24,719.22 when it gained 1.84%, and up 31.64% for the one-year period. It posted 11 new closing highs in January (the last closing high was on Jan. 26, 2018, at 26,616.71), with a record-setting 71 in 2017 (from 1896; 1995 had 69) and 99 since the election.

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S&P Dow Jones Indices' Market Attributes[®] series provides market commentary highlighting developments across various asset classes.

The earnings season has gone well so far, supporting stocks and pushing them higher. As of Jan. 31, 2018, 201 issues reported their Q4 2017 results (49.5% of the market value and 39.8% of the issues), with 159 beating estimates, 23 missing, and 19 meeting; 157 of the 200 issues (78.5%) with full compatible reporting beat on sales. Financials beat on 36 of its 43 releases (83.7%), with the sector up 6.4% for the month; 30 of the 34 information technology issues beat (88.2%), with the sector gaining 7.6%. In health care, 21 of the 23 issues reported beats (91.3%), as the sector gained 6.6% for the month. As Reported (GAAP) earnings declined, as charges related to the write-down of tax credits (with a lower tax rate, the savings are less), with a few “normal” Q4 charges. The result was that Q4 2017 As Reported earnings fell 15.5%, as they absorbed the estimated USD 41.3 billion in charges, and estimates for 2018 went up.

For 2018, company guidance has been positive, as most cite savings due to lower income taxes; companies guided higher, and analysts followed. Typically at this time of the year, full-year estimates decline, as analysts face reality and update their target prices, earnings, and buy/sell/hold recommendations. For January 2018, operating estimates have increased 5.1%, with 2019 increasing 5.9%. While the Street liked the higher numbers and showed it in the prices, the question is how much growth is due to income tax reduction and how much is from actual product growth and sales.

Last month, the House and Senate both passed another short-term spending bill on Thursday, Dec. 21, 2017, avoiding a potential government shutdown on Friday, Dec. 22, 2017. This month they took it further. The clock struck midnight on Friday, Jan. 19, 2018, and the government shut down. Negotiations continued over the weekend, as a vote planned for late Sunday night failed. However, it was successful on Monday, which led to the approval of a fourth band-aid (this one good until Feb. 8, 2018), and the short-lived government shutdown (closures and furloughs) ended, but with a chance to return (any more band-aids and we should start to see buy recommendations for Johnson & Johnson, the maker of Band-Aids). The compromise deal would need to be finalized or a fifth band-aid would be needed, as the U.S. government is starting to get close to its debt limit (the current U.S. debt limit is USD 20.455 trillion, and the actual debt is USD 20.6 trillion, with the U.S. Treasury “managing” the difference for now). The market’s reaction was unchanged—the index closed the week at a new high when the government was expected to close, and it closed that Monday, when the government was reopened, with another new closing high. The index went on to add a few more closing and intraday highs, posting 14 new closing highs for the 21 trading days of January, replacing the record of 11 in January 1964 (it was the 84th since the U.S. Nov. 8, 2016, election). The market also gave new meaning to the phrase “thank God it’s Friday,” as the index posted new closing highs on all four Fridays of the month, making for some happy weekends—the things dreams are made of, and sometimes nightmares.

Trump initiated plans to put additional tariffs on imported solar panels and washing machines, which some saw as the start of a trading war via “put America first.” South Korean LG Electronics (LGEAF) responded that prices for its washing machines were expected to increase 15%-20% (USD 70 to USD 100). Trump made the trip to this year’s World Economic Forum in Davos, Switzerland, where he proclaimed the U.S. was “open for business” and that trade must be fair. Trump’s first State of the Union address was controlled and direct, as he pointed to victories over his first year and plans for future economic gains in employment, infrastructure, and trade.

In the ongoing political negotiations for “Dreamers” (children brought to the U.S. illegally), Trump offered a pathway to citizenship for them in return for funding for his wall between the U.S. and Mexico.

On Jan. 20, 2017, Donald Trump took the office of President of the U.S.; his one-year anniversary saw the S&P 500 post a 23.73% year-over-year gain (26.21% with dividends), adding USD 4.43 billion. Since the Nov. 8, 2018 election, the gain was 31.98% (35.22% with dividends), adding USD 5.662 billion. Bitcoin closed 2017 at USD 13,850 (it closed 2016 at USD 968, and reached USD 19,871 in Dec. 2017), trading as high as USD 17,253 and as low as USD 9,205 for the month and closing at USD 10,058. North and South Korea held talks (the first in over two years), reducing tensions (tentatively); the Olympics are scheduled in South Korea from Feb. 9-25, 2018.

In central bank (and related) news, the FOMC minutes spoke of continued gradual interest rate increases, but they also revealed a wider debate on the future of inflation and the impact of income tax reform than the 7-2 vote to raise interest rates would indicate (the last increase was in December, for the third time in 2017, with the Street expecting another one in March 2018). Jerome Powell was approved by Congress to become the 16th Chair of the Federal Reserve next month. The Beige Book spoke of modest growth, modest wage gains, and modest inflation, as none appeared to be accelerating. The Bank of Japan met and kept its policy unchanged; it appeared to rule out change in the first half of 2018, leaving any action open for the second half. The FOMC met (as Chair Yellen's rule ended) with no change, as expected, saying little and preparing for the new management of Chair Powell.

In global economics, eurozone inflation declined to 1.4% in December from 1.5% in November, and Core inflation was 0.9%. European Factory Orders for November declined 0.4%. German Industrial Production for November increased 3.4%, its best showing since 2009; German Q4 2017 GDP was up 2.2%, marking the eighth consecutive year of growth. China's GDP was 6.9% in 2017 (6.8% for Q4 2017), up from 2016's 6.7% and beating the official government target of 6.5%; it was the first annual increase in seven years.

In U.S. economics, the Manufacturing PMI for December came in at 55.1, up from November's 53.9 reading. The ISM Manufacturing Index for December came in at 59.7, when a decline to 58.1 was expected. The Services PMI for December came in at 53.7, down from November's 54.5 but higher than the 52.4 estimate. The ISM Non-Manufacturing Index decreased to 55.9 for December, when an increase to 57.6 from November's 57.4 was expected. The December PPI posted a 0.1% decline when a 0.2% gain was expected; the year-over-year gain was 2.6%. The PMI Composite Flash Report for January came in at 53.8 when a 54.0 reading was expected. The Manufacturing posting was 55.5 (55.0 was expected) and the Services component was 53.3 (54.0 was expected). The CPI for December came in up 0.1%, as expected, with a year-over-year rate of 2.1%; Core CPI came in up 0.3%, when 0.2% was expected, and the year-over-year rate was 1.8%. Personal Income for December posted a 0.4% gain, when a 0.3% gain was expected, and Consumer Spending also increased 0.4%, when a 0.5% gain was expected. The PCE advanced 0.1% for December, and the year-over-year rate was 1.7%; Core PCE was up 0.2% for December and up 1.5% year-over-year. Wholesale Trade for November increased 0.8%, when a 0.7% gain was expected, as October was restated to a decline of 0.4% from the originally reported 0.5% gain. International Trade for November came in with a USD 50.5 billion deficit (USD 50.0 billion was expected); Exports increased 2.4% for the month and Imports increased 2.5%. Import Prices for December increased 0.1%, when a 0.4% gain was expected, and the year-over-year gain was 3.0%. Exports declined 0.1%, when a gain of 0.3% was expected, with a year-over-year change of 2.6%. International Trade in Goods posted USD 71.6 billion for December, as Exports increased 2.7% and Imports increased 2.5%. Business Inventories for November came in up 0.4%, when a 0.3% gain was expected, after October's 0.1% decline. Retail

Inventories increased 0.2% in December, when it was expected to increase 0.1%. Wholesale Inventories increased 0.2%, when it was expected to increase 0.3%. Construction Spending for November posted a 0.8% increase, when a 0.6% gain was expected, and the year-over-year-gain was 2.4%. Durable Goods Orders for December surged, coming in at 2.9%, with a year-over-year rate of 8.2%. Factory Orders for November came in up 1.3%, when 1.1% was expected, after October's 0.1% decline. Motor Vehicles sales beat estimates, coming in at an annualized 17.9 million units year-over-year when 17.5 million were expected; the domestic component was 14 million, when 13.4 million were expected. Consumer Confidence for January came in at 125.46, when a lower 123.6 was expected; December was 123.1. Leading Indicators came in at 0.6%, when a 0.5% gain was expected. Consumer Sentiment for January was 94.0, when 97.0 was expected, down from December's 95.9.

The first Q4 2017 GDP reading came in at 2.6%, when 2.9% was expected (with a few hopes of 3%, which would have made it three in a row at 3%, not seen since 2005). While the reading was disappointing, the rate still portrayed growth, and most expect 2018 to grow more due to income tax rate reductions and new tax credits and schedules. The GDP Price Index increased 2.4%, as Real Consumer Spending increased 3.8%. In housing, the FHFA House Price Index for November came in up 0.4%, when a 0.5% gain was expected, and the year-over-year gain was 6.5%. Housing Starts for December came in at an annual rate of 1.192 million, down from November's 1.299 million rate and the expected 1.280 million. Permits beat the 1.300 million estimate, coming in at 1.302 million, flat from last month. Existing Home Sales for December came in at an annual rate of 5.57 million, down 3.6% from November's 5.78 million rate; the year-over-year change was up 1.1%. New Home Sales for December came in at an annual rate of 625,000, when 680,000 was expected (November was 689,000). The Housing Market Index for January came in at 72, down from December's 74 and missing the 73 estimate. The Pending Homes Sales Index for December increased 0.5%, as expected, and November was restated up to 0.3% from the originally reported 0.2%. The S&P CoreLogic Case-Shiller Home Price Index increased 0.2% for November, and the year-over-year increase was 6.4%. Home ownership in Q4 2017 rose to 64.2% from Q3 2017's 63.7% and was the highest in 13 years.

In employment, the ADP Private Employment Report posted a net gain of 250,000, up from November's 185,000 (restated downward from the originally reported 190,000), when a much lower 188,000 was expected. Employment posted 148,200 net new jobs in December, when 191,000 was expected. The miss was caused by private jobs (especially in the retail sector), which came in short at 146,000 when 185,000 were expected; public jobs posted a net gain of 25,000 when 15,000 were expected. November was restated upward to 252,000 from the originally reported 228,000. The unemployment rate was unchanged at 4.1%, and the participation rate was also unchanged, at 62.7%—both as expected. Average hourly wages increased 0.3% (as expected) to USD 26.63, with a year-over-year increase of 2.5% (flat from November). The Average Hours Worked was also unchanged at 34.5 hours. The market had expected more on the top-line employment number, especially after the ADP report, but it did not react significantly, as the rest of the report came in as expected. The JOLTS November Report posted its second monthly decline to show that 5.879 million jobs were currently available to be filled, down from October's revised 5.925 million (and the 6.038 million estimate); the results were still considered strong. The January ADP Private Employment Report posted 234,000 net new jobs, beating the 195,000 estimate, after last month's 250,000 gain (which easily beat the 188,000 estimate). Employment Costs for Q4 2017 came in up 0.6%, as expected, and the year-over-year rate was up 2.6%.

In M&A, energy issue Dominion Energy (D) said it would buy SCANA Corp (SCG; holder of South Carolina Electric & Gas) for USD 7.7 billion in an all-share deal. Canadian Brookfield Business Partners said it would purchase nuclear firm Western Electric for USD 4.6 billion; Western Electric is in Chapter 11 bankruptcy, and the deal is subject to court approval. Cancer treatment issue Celgene (CELG) said it would purchase privately held Impact Biomedical for USD 7 billion. French drug maker Sanofi (SNY) said it would buy hemophilia drug maker Bioverativ (BIVV), which was spun off from Biogen in February 2017 for USD 11.5 billion. Celgene also said it would buy blood cancer drug maker Juno Therapeutics (JUNO) for USD 9 billion. Insurance issue American International Group (AIG) said it would buy Bermuda-based reinsurer Validus (VR) for USD 5.6 billion. Privately held rum maker Bacardi said it would buy the 70% of privately held Patron Tequila it does not own in a deal valued at USD 5.1 billion. Soft drink company Dr Pepper Snapple (DPS) said it would merge with privately held Keurig Green Mountain in a deal where Dr Pepper holders would receive a special dividend of USD 103.75 and shares equal to a 13% interest in the new company. Investment manager BlackRock (BLK) said it would purchase a 55% interest in Thomson Reuters' (TRI) financial information unit for USD 17 billion. Reports said Xerox (XRX) was close to a deal to form a joint venture with Japanese FUJIFILM Holdings (FUJII), which would result in the current Xerox shareholders owning less than one-half of the combined venture's stock.

On an issue level, Intel (INTC) revealed a security flaw in its computer processors. The CEO (Brian Krzanich) sold a significant part of his holdings after the flaw was known, but before it was made public; the sale took his holdings down to the minimum number of shares that the CEO of Intel is required to hold. One-time Nifty 50 issue, camera maker Eastman Kodak (KODK) gained 192% (from USD 3.15 to USD 9.20, it was as high as USD 13.28), as it announced it would create KodakCoin, a cyber currency that can be used for digital photography. Retail discount giant Wal-Mart (WMT) said it would raise its minimum hourly wage to USD 11 (the U.S. federal minimum wage is USD 7.25, but individual states vary) and give bonuses of up to USD 1,000 per employee. France finalized orders for 184 new Airbus (EADSY) airplanes. Industrials issue General Electric (GE) said it would take a USD 6.2 billion charge against its insurance issue, and the CEO said the company would consider a breakup, with the Street speculation being that it would be a sale of assets as opposed to a distribution to shareholders. Business systems issue International Business Machines (IBM) posted its first quarterly sales increase (up 3.5%) after 22 quarters of declines. Online entertainment issue Netflix (NFLX) said it ended the year with 118 million paid subscribers (up 2 million for the quarter), as it entered the USD 100 billion market club of the S&P 500. The EU cell phone maker Qualcomm (QCOM) was fined USD 1.2 billion for improper payments to Apple (AAPL) to not use rival chips. More costly to Apple were equity analysts' predictions that their current iPhone sales may be lower than expected, while Apple said it would pull back on production of its iPhone X due to weak sales. Unrelated, Apple said it would hire an additional 20,000 U.S. workers, as it builds another corporate campus. Toy store Toys "R" Us said it would close 180 stores as part of its bankruptcy proceedings. Reports accused Wynn Resorts' (WYNN) CEO and founder Steve Wynn of sexual misconduct, as he resigned as the chair of the Republican finance committee.

Also of note, Brazilian state-run oil company Petróleo Brasileiro SA said it would settle a U.S. class-action lawsuit by paying USD 2.95 billion. Telecommunication services issue AT&T (T) said it would start 5G mobile network service in selected cities in late 2018; competitor Verizon (VZ) plans to offer 5G residential broadband in several markets this year. S&P Global Ratings downgraded Brazil's rating to 'BB-' from 'BB.' Venezuela will hold elections in April, as President Maduro looks to consolidate power in an economic crisis. Retail giant Amazon (AMZN), Warren Buffett investment issue Berkshire

Hathaway (BRK.B), and bank JPMorgan Chase (JPM) announced that the three would create a free-standing, non-profit independent company to tackle healthcare costs for their U.S. employees (approximately 1.2 million people). “And now MacHeath spends just like a sailor, could it be our boy's done somethin' rash?” with companies deciding to react, but these can, and may, have their own agendas.

S&P Dow Jones Indices and MSCI said they would rename and expand the telecommunication services sector (under the Global Industrial Classification System [GICS®]) to communication services, moving 21 S&P 500 issues into the group, including Alphabet (GOOG/GOOGL) and Facebook (FB) from information technology, and Comcast (CMCSA) and Walt Disney (DIS) from consumer discretionary.

The S&P 500 added USD 1.278 trillion in market value in January, with global markets adding USD 2.916 trillion (with USD 1.441 trillion coming from the U.S.) The S&P 500 added USD 5.622 trillion since the U.S. Nov. 8, 2016, election, while global markets added USD 13.780 trillion (with USD 6.663 coming from the U.S.) The 10-year U.S. Treasury Bond closed at 2.72%, up from last month's 2.41% and the 2.45% 2016 year-end level. The 30-year U.S. Treasury Bond closed at 2.94%, up from last month's 2.75% (3.07% at year-end 2016). The euro closed at 1.2412, up from last month's 1.2000 (1.0520 at year-end 2016); the British pound closed at 1.4191, up from last month's 1.3498 (1.2345); the yen closed at 109.20 from last month's 112.68 (117.00; reverse reference, which is usually used); and the yuan closed at 6.2893, down from last month's 6.5030 (6.9448). Gold closed at USD 1,348.70, up from last month's USD 1,305.00 (year-end 2016 USD 1,152.00). Oil moved up to close the month at USD 64.85 from last month's USD 60.09 (USD 53.89). U.S. gasoline pump prices (all grades) increased, closing the month at USD 2.723 from last month's USD 2.589 per gallon (USD 2.364). VIX®, “the fear factor,” closed the month at 13.69, up from last month's 11.04 close (15.42 at year-end 2016; 23 before the U.S. Nov. 8, 2016, election); it traded as high as 12.92 and as low as 8.92. Bitcoin closed at USD 10,058, trading as high as USD 17,253 and as low as USD 9,205, down from December's USD 13,850 and up from USD 968 at year-end 2016. The one-year, bottom-up S&P 500 target price was 2,956 (4.7% from where it currently stands), and The Dow's was 27,844 (6.5%).

Q4 2017 EPS, which have supported and pushed the market to new highs, are expected to continue in February, as positive reports and higher expectations of earnings (due to lower income tax rates) are expected to continue. Retail reports are expected to dominate the second half of the month, as lower margins are expected for the holiday reporting period. Higher guidance is also expected from the group, as the lower income tax rates on individuals (required by Feb. 15, 2018) are expected to add money into consumer's pockets, with the expectation being that they will spend some of it. First, however, the market (and country) needs to deal with the pending U.S. government Feb. 8, 2018, spending deadline or face another shutdown; working its way into the situation will also be the U.S. debt limit, which is currently past the limit but is being “managed” by the U.S. Treasury (via accounting). Historically, February posts gains 53.9% of the time, with an average gain of 2.88% for the up months and a 3.33% average decrease for the down months, with an overall average gain of 0.02%. As for 2018, the old Street saying is “so goes January, so goes the year,” which has been correct 71.9% of the time (since 1928). With this January up 5.62%, it adds to the momentum and hopes.

This is expected to be a banner year for dividends, as income tax reduction and repatriation are expected to “push” companies to return some of their new-found wealth to shareholders via dividends (with more expected via buybacks). January opened the year with a 16.65% gain in actual cash

payments over January 2017, while companies reported their annual earnings. Typically, January and February are busy times for dividend increases, as companies prepare their annual reports and for their shareholders meetings (no better time to increase the payment than right before you meet). The trailing 12-month payment was up 7.49%. At this point, based solely on the declared dividend rates and policies, 2018 has a 3.2% increase baked into its payments, which would be another record year, excluding any additional 2018 increases (328 issues in the S&P 500 increased their dividends 356 times in 2017, with 320 doing 351 increases in 2016). For January, the median dividend increase was 10.09%, a slight tick up from December's 10.07% (November was 10.30%), with 2017 at 8.70%. The average increase was 14.97%, up from December's 11.20%, and 2017 was 11.36%. S&P Dow Jones Indices announced its annual review of the S&P 500 Dividend Aristocrats® and added three issues: Praxair (PX; which increased in January), Roper Technologies (ROP), and Smith A.O. (AOS; which increased in January). No issues were removed from the index, and the changes were effective before the opening of Feb. 1, 2018.

INDEX REVIEW

S&P 500

January not only picked up where 2017 left off (62 new closing highs, with a 19.42% stock return), but improved upon it, posting 14 new closing highs for its 21 trading days and resulting in a 5.62% gain (5.73% with dividends)—the best opening to a year since the 6.13% gain of 1997 when the market posted a 33.36% stock return for the year. For those who study history, January tends to be an indicator of how the year will go, with a 71.9% accuracy rate since 1928 (better than any broker or analyst I know); the Wall Street saying is “so goes January, so goes the year”—all I can say is “let it be so.” The market appeared to be running on momentum, as inflows, income tax expectations, good earnings reports, and stronger guidance for 2018 and 2019 fueled strong optimism, with some saying it was too strong. At times, the market appeared to be a one-way street, as few funds pulled out, reducing selling and permitting upward movement. There were two days (Jan. 29 and 30, 2018) that saw downturns (-0.67% and -1.09%, respectively), but trading was mostly balanced, albeit on the downside, permitting those wanting to get out to do so.

For January 2018, the S&P 500 posted a 5.62% gain (5.73% with dividends), its best January performance since January 1997 (6.13), as it posted its 10th consecutive monthly gain, and 15th on a total return basis, which ties the 1960 record (March 2017 was down 0.04% but up 0.12% with dividends). The market set 12 new highs (five last month) as has posted 84 since the Nov. 8, 2016, election. The three-month gain was 9.65% (10.18%), the one-year return was 23.91% (26.41%), and the gain since the Nov. 8, 2016, election was up 31.98% (35.22% with dividends).

Sector returns continued to vary significantly; the spread between the best and worst sector for the month was 12.34%, slightly up from last month's 12.13% (it averaged 8.88% per month for 2017). For the month, 8 of the 11 sectors gained, up from 7 last month but down from all 11 in November 2017. Consumer discretionary issues did the best, adding 9.24% for the month, as higher disposable income (expected via lower income taxes) fueled the group. Consumer staples, however, did not share in the gains, posting a sub-par 1.41% for the month. Information technology added 7.57%, as earnings came in positive, with financials up 6.36% on expectations of higher interest rates. Earnings guidance for 2018 increased, as charges related to the reduced value of deferred tax items were charged off for Q4 2017—“pain before the gain.” Health care issues did well, adding 6.56%, even though they declined at

month's end (off 2.13% on Jan. 30, 2018, and off 1.45% on Jan. 31, 2018), due to concern over a growing desire of companies to rein in healthcare costs. Utilities did the worst, off 3.10%, as risk was off and the cost of financing up. Telecommunication services declined 0.64% for the month (it was down 5.97% for 2017) compared with its November and December recoveries (5.90% and 5.77%, respectively) after its steep decline in October (-8.68%).

Breadth was strong for January; 381 issues gained (an average of 7.28%), up from December's 281 gainers (November had 385), with 85 of them up at least 10% (26 last month), and 124 declined (an average of 4.51%), down from December's 224 (and 119 in November). For the three-month period, 406 issues gained (an average of 13.47%), up from last month's 371 (and 164 the month before that), as 98 declined (an average of 7.25%), down from December's 133 (and 38 in November); 246 issues were up at least 10% (average 18.77%) and 24 were down at least 10% (average 15.99%).

The Dow

The Dow continued to set new highs and outperform the other headline indices, grabbing the press headlines. The Dow posted 11 new closing highs in January (the last on Jan. 26, 2018, at 26,616.71), its best since 12 in 1994, after setting a record of 71 in 2017. The index has posted 99 new highs since the U.S. Nov. 8, 2016, election. For the month, The Dow closed at 26,149.39, up 5.79% (5.88% with dividends) from December's 24,719.22 when it gained 1.84% (up 3.83% in November). For the month, 25 of the 30 Dow members increased (an average gain of 6.28%) as five declined (off an average of 3.22%), with three issues moving at least 10%.

The Dow continues to owe its high-flying movement to airplane and missile maker Boeing (BA), which was up 20.2% in January, accounting for 28.6% of The Dow's gains (386 points). From the Nov. 8, 2016, U.S. election Boeing was up 149%, accounting for 18.7% of The Dow's gain (1,438 points). The size of Boeing's dominance and impact on the index was emphasized by the distance to the number two contribution contender (the same for both periods)—managed care issue UnitedHealth Group (UNH). It was up 7.4% for the month, contributing 7.9% of The Dow's gain, and up 65.7% since the election, contributing 8.3% to index. Information technology issues did well, as Microsoft (MSFT) gained 11.1% ahead of its earnings release, which was after the close on the last day of the month (they beat, while taking a tax-related charge). Network product maker Cisco Systems (CSCO) added 8.5%, as International Business Machines gained 6.7%. On the bottom, again, was industrials issue General Electric, which declined 7.3% for the month (48.8% from the election), but due to The Dow's price weighting, the decline only cost the index 1 point (and 91 points from the election). The issue with the highest negative impact for January was household product maker Proctor & Gamble (PG), which declined 6.0% for the month, taking The Dow down 3 points. Notable was Apple, which declined 1.1% for the month after setting a new high during the month, as concern over its iPhone X sales increased; the company said it would pull back on its production.

S&P MidCap 400

The S&P MidCap 400 posted a 2.81% gain in January, up from its slight gain of 0.07% in December, but still lower than its November 3.39% gain. For the three-month period, the index posted a 6.48% gain, with a one-year return of 15.81% and a five-year return of 78.71%—the lowest of any of the major indices. Seven of the eleven sectors posted gains for the month, up from six in December, but down from ten in November. Sector returns continued to vary based on earnings and guidance, as well as overall market preferences.

Health care did the best, adding 8.54%, as it boosted its three-month return to 9.61% and its one-year return to 26.81%. Information technology was next, adding 6.55%, with its three-month return moving up to 7.12% and its one-year return was 29.77%. Real estate did the worst, off 4.11% and bringing its three-month return into the red, off 1.80%; its one-year decline was 4.71%. Utilities continued to fall, declining 4.04% for January and leaving it off 6.50% for the three-month period, but it was still up 2.22% for the 10-year period. Energy pulled back, giving up 1.91%, as it remained up 11.50% for the three-month period but down 15.84% over the one-year period.

Breadth turned positive for the month, as 247 issues gained (an average of 7.09%), up from December's 191 (287 in November), while 152 issues declined (average loss of 5.04%), down from last month's 287 (and 206 in the prior month). For the month, 56 issues gained at least 10% (average 16.57%), as 13 declined at least 10% (average -14.23%). Over the three-month period, 281 issues were up, with 116 down; 135 were up at least 10% and 33 were down at least 10%.

S&P SmallCap 600

The S&P SmallCap 600 did the worst of the core indices for the month, but it still posted a 2.47% gain after a 0.71% decline for December (its first decline since August's fall of 2.69%). For the three-month period, the index was up 5.19%, also the lowest of the headline indices, and the one-year return was 15.01%—again the lowest, and half of The Dow's 31.64% one-year return. Over the 10-year period, the S&P SmallCap 600's 155% return was still the highest of the core indices.

Eight of the eleven sectors gained for the month, compared to only three last month (and ten in November). Health care easily did the best in January, up 11.09%, as it was up 19.50% over the three-month period and up 48.47% over the one-year period—the best of any sector in any of the headline indices. Energy, a long way down, was next, adding 4.15% for the month and up 12.57% over the three-month period, but it was down 23.35% over the one-year period (the worst sector in the small-cap index). Utilities did the worst, off 5.80%, as it was down 8.44% over the three-month period and up 9.55% over the one-year period. Real estate declined 4.98% for the month; it was off 5.16% over the three-month period and off 4.21% over the one-year period.

Breadth turned positive for the month, as 337 issues gained an average of 8.08% each, up from December's 237 winners (November had 417 gainers). On the down side, 261 issues fell, with an average loss of 6.59%, down from 357 decliners in December (but up from 182 in November). Major gains of at least 10% were posted by 92 issues, with an average gain of 18.29%, up from 51 issues last month. Major decliners of at least 10% increased to 58 issues (off an average of 16.18%) from last month's 62. Extreme movements had 15 issues up at least 25% (one last month), with 15 down at least 25% (versus none last month). For the three-month period, breadth was positive but ticked down, as 336 issues were up (342 last month) and 264 were down (256 last month), while 62 issues were up at least 25% and 18 were down at least 25%.

S&P Global BMI

Global markets continued with their winning ways, as they posted their 15th consecutive monthly stock gain and continued to set a new consecutive record (their last monthly drop was in October 2016, a 1.99% decline). For January 2018, the S&P Global Broad Market Index (BMI) added USD 2.916 trillion in market value into shareholders' hands (USD 1.441 trillion in the U.S. and USD 1.475 trillion outside the U.S.) to close with a market value of USD 57.706 trillion.

Global markets added a broad 5.33% for the month after December's 1.54% and November's 1.82%. Of the 47 markets, 46 posted gains, up from 41 last month and 28 the month before that. The U.S. was a tick under par for the month, posting a 5.21% gain after December's 0.87% gain and November's 2.79% gain; the global ex-U.S. gain for January was 5.44% (December was 2.23%). For the three-month period, global markets gained 8.89% and the U.S. posted a 9.09% gain, leaving global markets up 8.68% excluding the U.S. For the one-year period, the U.S. underperformed, as global markets were up 24.76%, but absent the U.S.'s 22.83% return (hard to complain) they were up 27.20%. Since the U.S. election (Nov. 8, 2016), the non-U.S. global market has outperformed the U.S. gain, returning 32.10% as the U.S. gained 31.92%. Over the longer term, the U.S. still has done better; the global three-year return was 32.86%, but absent the U.S.'s 39.96%, the three-year return was 25.81% (as it continues to narrow the gap with the U.S.).

Sector returns continued to vary significantly; the spread between the best and worst sector for the month was 8.07%, slightly down from last month's 8.41%. For the month, 10 of the 11 sectors posted gains, up from last month's 9 of 11 and down from the prior month's perfect 11. Information technology did the best, up 7.39% and up an impressive 42.60% over the one-year period, the best of any sector. Financials was next, up 6.84%, and its one-year return was 25.84. Utilities was the lone decliner, off 0.68%, as it remained up 10.04% for the one-year period. Telecommunication services posted a 1.49% gain; it was up 5.25% for the one-year period, the lowest return in the group.

Emerging markets continued to vary, as most did well and outperformed the general global indices, posting an 8.55% overall gain after December's 3.30% gain (up 0.22% in November). For January, 21 of the 22 markets posted gains, up from December's 21 (and 11 in November). For the three-month period, emerging markets added 12.82% and their one-year return was 36.54%. Over the two-year period, they increased 67.97%, while the three-year return was up 30.31%, still showing effects from prior declines. Brazil did the best, up 15.81%, as its one-year return was 28.18%, followed by China, which added 12.19% and was up 54.35% over the one-year period. Russia was third, adding 12.17% and up 15.32% over the one-year period. The Philippines was the only market in the red for January, off 0.41%, but it was up 15.24% over the one-year period.

Developed markets did well but still underperformed emerging markets, as they gained 4.95% for the month (up 4.60% without the U.S.) after their 1.28% return in December (and 2.00% gain in November). For the month, all 25 markets gained, up from 20 last month and 16 the month before that. Overall, developed markets were up 8.43% for the three-month period (7.57% ex-the U.S.), up 23.70% for the one-year period (24.84%), and up 31.46% from the Nov. 8, 2016, election (30.79% ex-the U.S.). Italy did the best, up 11.05% for January and up 44.85% over the one-year period, as Luxembourg was next, up 9.29% and up 29.58% for the one-year period. Canada did the worst, up 0.58% and up 10.44% for the one-year period, followed by the UK, which added 2.89% and was up 20.88% over the one-year period. Japan was up 4.48%, with a one-year return of 24.30%, as Germany added 6.07% and was up 31.64% for the one-year period. Korea was up 4.85% and up 41.20% over the one-year period, as it prepares to host the Winter Olympic Games.

PERFORMANCE RECAP

Exhibit 2: Monthly Returns							
S&P 500	PRICE	1-MONTH (%)	3-MONTH (%)	1-YEAR (%)	3-YEAR (%)	5-YEAR (%)	FR 12/99 (%)
Energy	553.45	3.76	10.01	3.58	-0.81	-3.48	160.18
Materials	394.50	4.11	6.71	20.83	31.84	60.01	146.62
Industrials	671.32	5.25	10.91	23.08	43.28	93.34	145.56
Consumer Discretionary	857.88	9.24	17.20	27.11	54.63	115.94	186.62
Consumer Staples	595.65	1.41	8.98	10.41	20.76	56.29	186.30
Health Care	1019.08	6.56	8.60	25.18	27.19	105.24	211.85
Financials	493.45	6.36	11.85	27.50	59.17	110.86	53.38
Information Technology	1189.88	7.57	8.54	41.14	78.95	153.14	47.36
Telecommunication Services	165.00	-0.64	11.29	-3.19	10.64	10.57	-48.89
Utilities	259.07	-3.10	-7.26	3.70	5.41	39.26	81.89
Real Estate	199.90	-1.94	-0.32	5.22	0.56	28.63	-
S&P 500	2823.81	5.62	9.65	23.91	41.55	88.49	92.19
DOW JONES INDUSTRIAL AVERAGE	PRICE	1-MONTH (%)	3-MONTH (%)	1-YEAR (%)	3-YEAR (%)	5-YEAR (%)	FR 12/99 (%)
Dow Jones Industrial Average	26149.39	5.79	11.86	31.64	52.34	88.66	127.44
S&P MIDCAP 400	PRICE	1-MONTH (%)	3-MONTH (%)	1-YEAR (%)	3-YEAR (%)	5-YEAR (%)	FR 12/99 (%)
Energy	414.11	-1.91	11.50	-15.84	-31.91	-45.46	136.01
Materials	526.12	2.77	5.53	17.61	46.94	75.37	374.11
Industrials	1057.16	3.18	8.59	23.21	58.19	101.76	493.85
Consumer Discretionary	814.52	2.37	10.25	19.88	21.04	70.67	309.48
Consumer Staples	1750.32	1.36	7.52	2.39	12.07	88.63	904.68
Health Care	1734.09	8.54	9.61	26.81	52.38	158.34	880.18
Financials	1049.57	3.84	7.96	15.29	49.36	91.94	217.24
Information Technology	2463.78	6.55	7.12	29.77	62.65	106.50	192.39
Telecommunication Services	145.53	-1.34	-11.12	-47.66	-42.03	-29.90	-69.24
Utilities	506.51	-4.04	-6.50	2.22	16.04	54.58	265.66
Real Estate	218.42	-4.11	-1.80	-4.71	-	-	-
S&P MidCap 400	1953.97	2.81	6.48	15.81	36.16	78.71	339.42
S&P SMALLCAP 600	PRICE	1-MONTH (%)	3-MONTH (%)	1-YEAR (%)	3-YEAR (%)	5-YEAR (%)	FR 12/99 (%)
Energy	585.10	4.15	12.57	-23.35	-39.18	-53.91	276.51
Materials	544.11	2.97	5.29	13.03	37.23	56.88	294.68
Industrials	1077.13	1.74	5.41	17.95	50.62	91.39	438.73
Consumer Discretionary	564.84	0.97	10.65	20.04	22.99	74.83	316.76
Consumer Staples	1722.45	-2.86	0.65	9.51	34.87	91.75	764.03
Health Care	2618.81	11.09	19.50	48.47	81.19	197.69	1346.54
Financials	1064.53	2.59	3.53	9.34	47.47	80.11	263.43
Information Technology	679.76	1.85	-3.91	9.05	60.36	141.18	148.57
Telecommunication Services	2.95	3.87	-2.32	1.03	31.11	27.94	-95.98
Utilities	903.86	-5.80	-8.44	9.95	32.57	76.74	381.55
Real Estate	193.29	-4.98	-5.16	-4.21	-	-	-
S&P SmallCap 600	959.39	2.47	5.19	15.01	43.11	90.41	385.05

Source: S&P Dow Jones Indices LLC. Data as of Jan. 31, 2018. Past performance is no guarantee of future results. Table is provided for illustrative purposes. Returns shown are price returns.

Exhibit 3: Total Returns

INDEX	1-MONTH (%)	3-MONTH (%)	1-YEAR (%)	3-YEAR (%)	5-YEAR (%)	10-YEAR (%)
S&P 500	5.73	10.18	26.41	50.73	109.22	154.22
S&P MidCap 400	2.87	6.89	17.61	42.85	93.04	183.46
S&P SmallCap 600	2.53	5.59	16.56	49.25	103.49	190.73
S&P Composite 1500	5.43	9.81	25.44	50.11	107.80	157.94
Dow Jones Industrial Average	5.88	12.49	34.80	64.23	113.32	169.19

Source: S&P Dow Jones Indices LLC. Data as of Jan. 31, 2018. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

Exhibit 4: S&P Global BMI, Emerging, Sorted by January Performance

BMI MEMBER	1-MONTH (%)	3-MONTH (%)	6-MONTH (%)	1-YEAR (%)	2-YEAR (%)	3-YEAR (%)
Global	5.33	8.89	13.41	24.96	45.44	32.86
Global Ex-U.S.	5.44	8.68	12.94	27.20	44.31	25.81
Emerging	8.55	12.82	18.03	36.54	67.97	30.31
Brazil	15.81	16.46	24.74	28.18	150.09	38.79
China	12.19	15.89	26.00	54.35	85.50	49.64
Russia	12.17	16.28	29.47	15.32	77.74	76.64
Greece	11.40	23.00	10.25	50.15	68.08	-2.61
Colombia	9.13	18.42	11.29	18.14	53.27	-3.22
Peru	8.73	10.06	25.05	32.88	124.83	53.03
Poland	8.05	10.97	15.90	46.26	79.94	31.55
Czech Republic	8.04	13.37	21.93	44.71	39.73	28.80
Mexico	7.73	6.42	-4.90	19.78	11.55	-3.43
Thailand	7.68	12.24	23.17	30.61	61.26	21.44
Hungary	7.39	9.05	16.45	39.14	88.64	163.11
Chile	7.24	10.08	23.44	45.36	76.63	49.89
Malaysia	7.20	15.49	17.32	29.63	23.33	1.17
Qatar	6.94	12.49	-2.82	-12.27	0.69	-23.16
Taiwan	6.37	5.92	10.01	27.41	57.04	26.82
Indonesia	6.22	12.37	11.86	24.19	43.81	11.82
Turkey	4.51	10.07	3.19	36.07	25.83	-13.08
U.A.E.	3.86	-1.59	-2.41	0.34	22.29	-5.73
South Africa	3.40	22.49	20.25	31.27	65.82	11.44
India	2.67	8.05	11.94	40.74	60.38	31.42
Egypt	1.77	5.77	12.73	24.23	11.59	-33.56
Philippines	-0.41	4.77	6.15	15.24	24.96	-1.94

Source: S&P Dow Jones Indices LLC. Data as of Jan. 31, 2018. Past performance is no guarantee of future results. Table is provided for illustrative purposes. Returns shown are price returns.

Exhibit 5: S&P Global BMI, Developed, Sorted by January Performance						
BMI MEMBER	1-MONTH (%)	3-MONTH (%)	6-MONTH (%)	1-YEAR (%)	2-YEAR (%)	3-YEAR (%)
Developed	4.95	8.43	12.87	23.70	43.18	33.01
Developed Ex-U.S.	4.60	7.57	11.61	24.84	38.95	24.50
Italy	11.05	9.94	14.99	44.85	44.12	28.38
Luxembourg	9.29	17.49	13.25	29.58	70.99	14.48
Austria	9.21	13.21	20.85	60.76	97.37	86.75
Spain	8.08	6.55	5.46	29.70	37.63	11.74
Portugal	6.97	7.64	13.05	35.93	27.06	22.11
France	6.82	6.71	13.79	34.37	44.44	35.17
Belgium	6.54	3.07	5.77	23.85	19.27	21.53
Netherlands	6.43	6.92	10.63	37.42	49.72	44.73
Finland	6.35	6.91	6.10	26.30	29.51	24.15
Singapore	6.16	9.94	12.96	27.77	49.15	12.71
Germany	6.07	7.66	16.11	31.64	50.19	31.49
Sweden	5.92	3.08	6.26	18.91	34.29	18.79
Norway	5.75	6.75	12.37	19.29	53.76	19.69
United States	5.21	9.09	13.85	22.83	46.45	39.96
Korea	4.85	9.14	16.34	41.20	61.90	41.89
New Zealand	4.83	12.20	6.49	16.64	45.63	33.77
Hong Kong	4.62	9.40	11.66	25.33	44.49	17.52
Switzerland	4.62	8.51	7.85	21.68	28.49	16.97
Japan	4.48	8.56	15.06	24.30	42.11	38.84
Israel	4.22	9.78	1.36	11.68	2.48	0.27
Denmark	3.48	3.86	8.42	31.37	23.79	43.13
Australia	3.09	8.15	7.62	15.35	40.03	14.26
Ireland	3.02	5.92	11.20	24.86	28.01	50.95
United Kingdom	2.89	7.51	10.06	20.88	23.76	7.08
Canada	0.58	4.85	7.82	10.44	44.64	13.39

Source: S&P Dow Jones Indices LLC. Data as of Jan. 31, 2018. Past performance is no guarantee of future results. Table is provided for illustrative purposes. Returns shown are price returns.

Exhibit 6: Price-to-Earnings Ratios				
INDEX	2015	2016	2017	ESTIMATED 2018
S&P 500	14.73	22.69	22.75	18.43
S&P 500 Consumer Discretionary	16.89	22.17	24.84	21.78
S&P 500 Consumer Staples	15.96	22.18	21.89	19.65
S&P 500 Energy	12.03	-38.97	37.80	22.55
S&P 500 Financials	13.46	16.83	18.46	14.36
S&P 500 Health Care	14.68	21.02	22.21	16.99
S&P 500 Industrials	14.76	19.49	22.97	19.20
S&P 500 Information Technology	14.19	22.20	24.20	19.59
S&P 500 Materials	16.20	38.50	22.30	18.45
S&P 500 Telecommunication Services	43.21	14.02	15.29	12.15
S&P 500 Utilities	14.84	22.21	17.54	16.69
S&P 500 Real Estate	-	-	-	39.27
INDEX	2015	2016	2017	ESTIMATED 2018
S&P MidCap 400	18.71	30.41	24.97	18.83
S&P 400 Consumer Discretionary	18.19	20.80	18.92	15.74
S&P 400 Consumer Staples	16.80	23.84	23.25	18.91
S&P 400 Energy	22.82	-4.95	-81.20	53.16
S&P 400 Financials	18.61	25.05	20.08	15.46
S&P 400 Health Care	21.24	27.39	29.80	19.48
S&P 400 Industrials	15.55	21.56	23.40	19.80
S&P 400 Information Technology	23.60	40.03	30.69	20.25
S&P 400 Materials	17.93	28.08	19.73	14.88
S&P 400 Telecommunication Services	34.07	13.29	-14.39	105.46
S&P 400 Utilities	15.52	23.42	20.58	19.12
S&P 400 Real Estate	-	-	-	30.42
INDEX	2015	2016	2017	ESTIMATED 2018
S&P SmallCap 600	22.04	42.43	29.21	20.06
S&P 600 Consumer Discretionary	21.45	23.16	23.92	16.96
S&P 600 Consumer Staples	18.26	20.41	26.95	29.00
S&P 600 Energy	77.57	-2.48	-42.03	28.89
S&P 600 Financials	20.10	26.37	20.26	15.19
S&P 600 Health Care	21.59	43.30	106.59	38.02
S&P 600 Industrials	17.85	24.72	24.60	20.06
S&P 600 Information Technology	31.37	41.01	28.10	17.87
S&P 600 Materials	22.56	46.69	24.79	17.34
S&P 600 Telecommunication Services	24.20	36.50	-295.00	-98.33
S&P 600 Utilities	16.69	23.40	25.48	21.67
S&P 600 Real Estate	-	-	-	-

Source: S&P Dow Jones Indices LLC. Data as of Jan. 31, 2018. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

Exhibit 7: Operating EPS Changes							
INDEX	Q1 2017 OVER Q1 2016 (%)	Q2 2017 OVER Q2 2016	Q3 2017 OVER Q3 2016	Q4 2017E OVER Q4 2016	Q1 2018E OVER Q1 2017	2017E OVER 2016 (%)	2018E OVER 2017 (%)
S&P 500	20.23	18.72	9.20	19.96	23.42	16.82	23.42
S&P 500 Consumer Discretionary	4.55	1.75	3.75	4.82	8.20	3.69	14.07
S&P 500 Consumer Staples	4.90	6.67	5.60	12.25	13.69	7.42	11.43
S&P 500 Energy	243.17	233.50	328.74	943.90	45.88	519.48	67.62
S&P 500 Financials	24.86	27.84	-12.29	15.70	20.64	12.36	28.58
S&P 500 Health Care	0.29	7.68	6.36	18.41	37.55	8.13	30.73
S&P 500 Industrials	8.33	12.32	7.33	3.51	13.34	7.94	19.68
S&P 500 Information Technology	28.27	30.71	32.18	27.31	35.44	29.44	23.58
S&P 500 Materials	176.65	-0.41	9.92	50.55	22.51	35.87	20.86
S&P 500 Telecommunication Services	-3.57	45.83	5.38	0.39	24.44	9.43	25.86
S&P 500 Utilities	2.46	14.18	-5.48	37.50	5.60	8.05	5.08
S&P 500 Real Estate	-	-	-	-	-	-	-
INDEX	Q1 2017 OVER Q1 2016 (%)	Q2 2017 OVER Q2 2016	Q3 2017 OVER Q3 2016	Q4 2017E OVER Q4 2016	Q1 2018E OVER Q1 2017	2017E OVER 2016 (%)	2018E OVER 2017 (%)
S&P MidCap 400	34.11	20.82	-2.15	38.03	27.74	21.26	32.62
S&P 400 Consumer Discretionary	7.07	19.91	14.21	11.89	33.99	13.35	20.24
S&P 400 Consumer Staples	1.16	0.61	16.98	8.77	24.59	6.95	22.92
S&P 400 Energy	101.77	116.18	-138.67	99.73	237.93	90.40	252.75
S&P 400 Financials	50.32	47.46	-25.51	10.69	11.68	16.62	29.85
S&P 400 Health Care	1.12	-33.62	37.27	72.84	62.53	16.59	52.98
S&P 400 Industrials	3.85	7.93	14.90	23.05	21.18	12.44	18.15
S&P 400 Information Technology	68.15	27.26	19.04	37.65	65.85	34.52	51.58
S&P 400 Materials	93.36	32.97	48.01	42.31	46.84	49.16	32.55
S&P 400 Telecommunication Services	-450.00	-267.40	-569.86	-42.22	104.91	-416.93	113.65
S&P 400 Utilities	14.54	0.00	1.67	-11.81	-1.30	1.07	7.64
S&P 400 Real Estate	-	-	-	-	-	-15.68	5.12
INDEX	Q1 2017 OVER Q1 2016 (%)	Q2 2017 OVER Q2 2016	Q3 2017 OVER Q3 2016	Q4 2017E OVER Q4 2016	Q1 2018E OVER Q1 2017	2017E OVER 2016 (%)	2018E OVER 2017 (%)
S&P SmallCap 600	34.14	15.96	9.94	56.26	42.14	28.27	45.57
S&P 600 Consumer Discretionary	-19.44	-6.72	-8.01	22.88	40.14	-1.09	41.08
S&P 600 Consumer Staples	-40.92	8.32	-34.07	12.63	50.65	-16.01	-7.09
S&P 600 Energy	85.61	95.50	63.43	107.20	140.06	88.30	245.47
S&P 600 Financials	40.02	12.00	-2.22	11.32	21.42	14.12	33.42
S&P 600 Health Care	-119.35	-101.70	897.92	982.35	1155.07	77.14	180.34
S&P 600 Industrials	21.23	-5.23	11.55	61.97	14.82	17.97	22.66
S&P 600 Information Technology	92.43	39.13	18.85	44.44	75.36	42.71	57.26
S&P 600 Materials	84.11	17.57	-16.88	12.05	3.21	14.98	42.92
S&P 600 Telecommunication Services	-150.00	-50.00	-50.00	-300.00	-100.00	-114.29	-200.00
S&P 600 Utilities	0.51	58.27	-32.44	-2.82	11.97	-0.56	17.59
S&P 600 Real Estate	-	-	-	-	-	-10.71	-

Source: S&P Dow Jones Indices LLC. Data as of Jan. 31, 2018. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

Exhibit 8: Breadth of Change (Issues With Monthly Price Changes as Described by Type)

S&P 500				
TYPE	JANUARY 2018	AVERAGE % CHANGE	3-MONTH	AVERAGE % CHANGE
Up	381	7.28	406	13.47
Down	124	-4.51	98	-7.25
Up >= 10%	85	14.31	246	18.77
Down <= -10%	9	-13.27	24	-15.99
Up >= 25%	4	33.36	46	33.86
Down <= -25%	0	0.00	2	-30.86
Up >= 50%	0	0.00	2	59.25
Down <= -50%	0	0.00	0	0.00
S&P MIDCAP 400				
TYPE	JANUARY 2018	AVERAGE % CHANGE	3-MONTH	AVERAGE % CHANGE
Up	247	7.09	281	12.37
Down	152	-5.04	116	-7.97
Up >= 10%	56	16.47	135	20.21
Down <= -10%	13	-14.23	33	-16.80
Up >= 25%	5	40.55	28	35.56
Down <= -25%	0	0.00	5	-34.39
Up >= 50%	1	91.14	2	66.73
Down <= -50%	0	0.00	0	0.00
S&P SMALLCAP 600				
TYPE	JANUARY 2018	AVERAGE % CHANGE	3-MONTH	AVERAGE % CHANGE
Up	337	8.08	336	16.09
Down	261	-6.59	264	-9.43
Up >= 10%	92	18.29	188	25.07
Down <= -10%	58	-16.18	92	-18.57
Up >= 25%	15	36.35	62	43.31
Down <= -25%	8	-28.10	18	-31.64
Up >= 50%	1	52.67	14	78.11
Down <= -50%	0	0.00	0	0.00
DOW JONES INDUSTRIAL AVERAGE				
TYPE	JANUARY 2018	AVERAGE % CHANGE	3-MONTH	AVERAGE % CHANGE
Up	25	6.28	26	12.52
Down	5	-3.22	3	-7.21
Up >= 10%	3	13.92	15	17.60
Down <= -10%	0	0.00	1	-19.79
Up >= 25%	0	0.00	1	37.36
Down <= -25%	0	0.00	0	0.00
Up >= 50%	0	0.00	0	0.00
Down <= -50%	0	0.00	0	0.00

Source: S&P Dow Jones Indices LLC. Data as of Jan. 31, 2018. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

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