BARRON'S 400

powered by **MarketGrader** RESEARCH & INDEXES

The Barron's 400 Index, or B400, seeks to track the performance of the most fundamentally sound companies with the best growth prospects in the U.S. The objective of B400 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 400 constituents in the U.S. equity universe after filtering for liquidity and diversification over size and sectors. B400 was created jointly by Barron's, MarketGrader, and Dow Jones Indexes, and launched on the cover of Barron's in 2007.

Index Rules

Underlying Universe
MarketGrader North American coverage universe of approximately 6,000 companies.

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 March and September.

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 float-adjusted market cap of $250 million. At least 25% of all selections (100 companies) must have a total market cap above $3 billion.

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

Sector Limits
The number of selections in a single economic sector cannot exceed 20% of the index (80 companies). REITs are ineligible.

Ticker: **B400**

Index Calculation:

The New York Stock Exchange

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Performance

Cumulative total return Jan. 1998 - Aug. 2021

All data as of August 31, 2021

● Barron's 400   ● Dow Jones U.S Total Stock Market   ● S&P 500

Calendar Year Returns (%)

	B400 TR	DWCF TR	SPX TR
2021*	23.3	20.6	21.6
2020	18.3	20.8	18.4
2019	22.1	30.9	31.5
2018	-13.0	-5.3	-4.4
2017	19.7	21.2	21.8
2016	18.3	12.6	12.0
2015	-3.1	0.4	1.4
2014	7.1	12.5	13.7
2013	41.6	33.5	32.4
2012	15.1	16.4	16.0
2011	0.5	1.1	2.1
2010	24.0	17.5	15.1
2009	41.1	28.6	26.5
2008	-39.2	-37.2	-37.0
2007	6.2	5.6	5.5
2006	12.7	15.8	15.8
2005	12.0	6.4	4.9
2004	23.5	12.5	10.9
2003	45.1	31.7	28.7
2002	-9.8	-20.9	-22.1
2001	-0.6	-11.0	-11.9
2000	15.9	-10.9	-9.1
1999	24.2	23.6	21.0
1998	13.1	23.4	28.6

*YTD values through 08/31/2021

Annualized Returns (%)

	B400 TR	DWCF TR	SPX TR
3-Years	11.6	17.8	18.1
5-Years	15.2	18.0	18.0
Since 08/31/07	10.2	10.7	10.6
Since 12/31/97	11.8	9.0	8.7

Cumulative Returns (%)

	B400 TR	DWCF TR	SPX TR
3-Years	39.0	63.6	64.6
5-Years	103.0	128.3	129.0
Since 08/31/07	291.0	315.5	310.2
Since 12/31/97	1288.0	664.2	626.3

Standard Deviation (%)

	B400 TR	DWCF TR	SPX TR
3-Years	22.7	18.9	18.0
5-Years	18.6	15.4	14.7
Since 08/31/07	18.8	16.0	15.5
Since 12/31/97	18.4	15.7	15.2

Fequency: Monthly

Sharpe Ratio

	B400 TR	DWCF TR	SPX TR
3-Years	0.51	0.94	1.00
5-Years	0.82	1.17	1.22
Since 08/31/07	0.54	0.67	0.69
Since 12/31/97	0.64	0.57	0.57

Fequency: Monthly

DWCF = Dow Jones U.S. Total Stock Market Index
SPX = S&P 500 Index

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Index composition data as of Aug 31, 2021

Index Bio

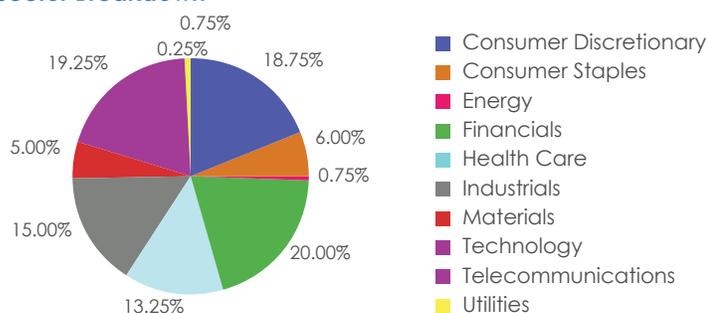|	
Average Market Cap (millions of USD)	$58,273
Median Market Cap (millions of USD)	$12,010
Average 3 Mo. Volume (Dollars)	$286,730,022
Average 3 Mo. Volume (Shares)	1,897,002
Most Recent Rebalance	3/22/21
Companies Replaced	167
Sector with Biggest Increase	Consumer Discretionary
Sector with Biggest Decrease	Industrials
Companies Overlapping S&P 500	170

Fundamental Attributes

	Median
Trailing P/E Ratio	20.0
Forward P/E Ratio	17.6
Earnings Yield	5.1%
Price/Tangible Book Ratio	4.3
Revenue Change - 3 Years	36.6%
Operating Income Change - 3 Years	73.1%
Operating Margin	21.1%
Earnings per Share (EPS) 3-Year Growth	25.8%
Total Debt to Capital	37.8%
Return on Equity	27.0%
Dividend Yield	0.68%
Beta	1.13

Median and Average Grades

	Median	Average
Barron's 400 Index	70.7	69.4
S&P 500	59.7	57.8
Dow Jones Industrial Average	61.0	58.6
NASDAQ Composite	64.1	61.0

Sector Breakdown

- 18.75% Consumer Discretionary
- 6.00% Consumer Staples
- 0.75% Energy
- 20.00% Financials
- 13.25% Health Care
- 15.00% Industrials
- 5.00% Materials
- 19.25% Technology
- 0.25% Telecommunications
- 0.75% Utilities

Market Cap Breakdown

- 49.50 Mega
- 21.50% Large
- 17.75% Mid
- 7.00% Small
- 3.25% Micro
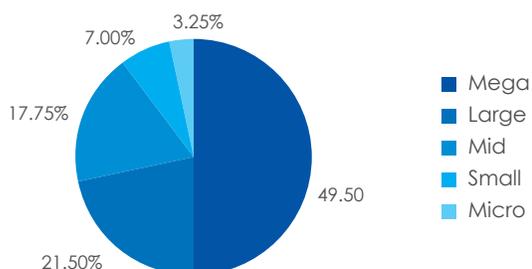
Top 20 Stocks by Fundamentals

Ticker	Name	Grade
LPX	Louisiana-Pacific Corporation	92.9
SWBI	Smith & Wesson Brands, Inc.	91.2
RGR	Sturm, Ruger & Company, Inc.	91.0
FBC	Flagstar Bancorp, Inc.	89.6
HOLX	Hologic, Inc.	89.5
ATKR	Atkore Inc	88.1
BCC	Boise Cascade Co.	88.1
CPRX	Catalyst Pharmaceuticals, Inc.	87.9
PKI	PerkinElmer, Inc.	87.8
FLGT	Fulgent Genetics, Inc.	87.7
SAGE	SAGE Therapeutics, Inc.	87.5
GOOGL	Alphabet Inc. Class A	87.0
MC	Moelis & Co. Class A	87.0
WIRE	Encore Wire Corporation	86.9
LH	Laboratory Corporation of Ameri-	86.5
JOUT	Johnson Outdoors Inc. Class A	86.5
WSM	Williams-Sonoma, Inc.	86.0
SCCO	Southern Copper Corporation	85.6
MATX	Matson, Inc.	85.0
EVR	Evercore Inc Class A	84.9

Most Selections Since Inception

Ticker	Name	Times
MSFT	Microsoft Corporation	42
HD	Home Depot, Inc.	38
PEP	PepsiCo, Inc.	35
AAPL	Apple Inc.	35
FDS	FactSet Research Systems Inc.	34
JNJ	Johnson & Johnson	34
BBY	Best Buy Co., Inc.	33
TROW	T. Rowe Price Group	33
ORCL	Oracle Corporation	32
NVR	NVR, Inc.	31
INTC	Intel Corporation	31
AMAT	Applied Materials, Inc.	31
FAST	Fastenal Company	31
WAT	Waters Corporation	31
RMD	ResMed Inc.	30
DLTR	Dollar Tree, Inc.	30
EMR	Emerson Electric Co.	30
CPRT	Copart, Inc.	26
ADBE	Adobe Inc.	26
ORLY	O'Reilly Automotive, Inc.	26