MarketGrader 100 Index

MarketGrader RESEARCH & INDEXES

The MarketGrader 100 Index seeks to track the performance of the most fundamentally sound companies with the best growth prospects in the U.S. The objective of MarketGrader 100 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 100 constituents in the U.S. equity universe after filtering for liquidity and diversification over size and sectors.

Index Rules

Underlying Universe
MarketGrader North American coverage universe of approximately 6,000 companies, excluding Canada, listed on U.S. exchanges.

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 February and August.

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 total market cap of USD $100 million. At least 25 of all index constituents must have a total market cap of at least USD $10 billion. No more than 25 of all index constituents may have a total market cap below $1 billion.

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

Sector Limits
No more than 25 index constituents may belong to the same economic sector while no more than 12 may belong to the same sub-industry. REITs and Utilities are altogether ineligible for selection to the index.

Ticker
MGONE

Index Calculation
New York Stock Exchange

Licensing opportunities
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Performance

Cumulative Price Return, Sep. 2002 - Dec. 2023

All data as of December 31, 2023

Legend: ■ MG 100 Index ■ Russell 3000 ■ S&P 500 Index

Calendar Year Returns

	MG100	R3000	S&P500
2023*	18.6	24.0	24.2
2022	-15.1	-20.5	-19.4
2021	25.7	19.4	21.6
2020	5.9	18.8	16.3
2019	25.1	28.5	28.9
2018	-14.3	-7.0	-6.2
2017	26.6	18.9	19.4
2016	8.3	10.4	9.5
2015	-6.5	-1.5	-0.7
2014	8.5	10.5	11.4
2013	41.6	31.0	29.6
2012	16.6	14.0	13.4
2011	-0.6	-0.9	0.0
2010	19.2	14.8	12.8
2009	40.9	25.5	23.5
2008	-45.5	-38.7	-38.5
2007	14.0	3.3	3.5
2006	6.2	13.7	13.6
2005	18.5	4.3	3.0

All values in USD. *YTD Values as of 12/31/23.
Sources: FactSet, MarketGrader.com

Annualized Returns

	MG100	R3000	S&P500
3-Years	8.5	7.2	8.6
5-Years	11.1	13.5	13.9
Since 12/'02	10.0	8.2	8.0

Cumulative Returns

	MG100	R3000	S&P500
3-Years	27.8	23.1	28.0
5-Years	69.1	88.3	91.9
Since 12/'02	659.2	439.3	420.7

Standard Deviation

	MG100	R3000	S&P500
3-Years	20.2	18.2	17.8
5-Years	21.3	19.2	18.6
Since 12/'02	19.0	15.5	15.0

Sharpe Ratio

	MG100	R3000	S&P500
3-Years	0.42	0.39	0.48
5-Years	0.52	0.70	0.75
Since 12/'02	0.52	0.53	0.53

Frequency: Monthly.
Sources: FactSet, MarketGrader.com

MarketGrader 100 Index

Index composition data as of December 31, 2023

**MarketGrader**
RESEARCH & INDEXES

Index Bio

Average Market Cap (millions of USD)	$33,661
Median Market Cap (millions of USD)	$4,408
Average 3 Mo. Dollar Volume	$138,125,063
Average 3 Mo. Trading Volume	1,547,743
Last Rebalance Date	8/21/23
Companies Replaced	83
Biggest Sector Increase	Financials
Biggest Sector Decrease	Energy
Companies Overlapping S&P 500	21

Fundamental Attributes

	Median
Trailing P/E Ratio	13.5
Forward P/E Ratio	13.7
Earnings Yield	8.6%
Price/Book Ratio	2.7
Revenue Change - 3 Years	52.2%
Operating Income Change - 3 Years	115.5%
Operating Margin	17.3%
Earnings per Share (EPS) 3-Year Growth	27.4%
Long-Term Debt to Capital	32.9%
Return on Equity	22.4%
Dividend Yield	0.97%
Beta	1.19

Median and Average Grades

	Median	Average
MarketGrader 100 Index	65.4	64.3
S&P 500	52.5	50.9
Dow Jones Industrial Average	55.3	53.0
NASDAQ Composite	57.0	54.7
Russell 3000	45.5	44.8

Sector Breakdown

- 18% Consumer Discretionary
- 1% Consumer Staples
- 13% Energy
- 25% Financials
- 4% Health Care
- 25% Industrials
- 3% Materials
- 10% Technology
- 1% Telecommunications

Market Cap Breakdown

- 23% Mega (> $10B)
- 36% Large ($3B to $10B)
- 26% Mid ($1B to $3B)
- 11% Small ($500M to $1B)
- 4% Micro (< $500M)
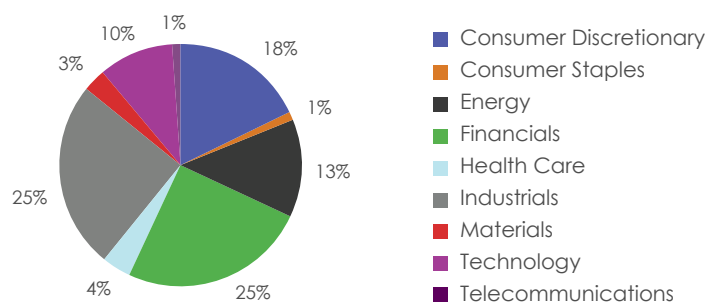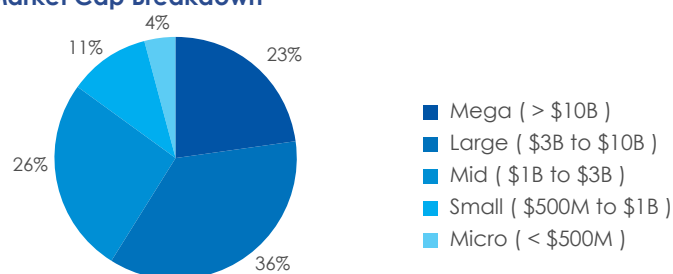
Top 20 Stocks by Fundamentals

Ticker	Name	Grade
AMPH	Amphastar Pharmaceuticals, Inc.	81.3
TEX	Terex Corporation	80.0
PHM	PulteGroup, Inc.	79.7
PFBC	Preferred Bank	79.0
CEIX	CONSOL Energy Inc	78.4
JPM	JPMorgan Chase & Co.	77.6
THR	Thermon Group Holdings, Inc.	76.9
GPOR	Gulfport Energy Corp	75.6
AAON	AAON, Inc.	75.1
CASH	Pathward Financial, Inc.	74.8
ELF	e.l.f. Beauty, Inc.	74.2
FBP	First Bancorp	73.1
WTS	Watts Water Technologies, Inc.	73.0
ONB	Old National Bancorp	71.6
SNA	Snap-on Incorporated	71.3
GLAD	Gladstone Capital Corporation	71.3
AIT	Applied Industrial Technologies,	70.9
GOLF	Acushnet Holdings Corp.	70.3
GWW	W.W. Grainger, Inc.	70.2
MCFT	Mastercraft Boat Holdings, Inc.	70.2

Most Selections Since Inception

Ticker	Name	Times
ROST	Ross Stores, Inc.	13
MTH	Meritage Homes Corporation	10
LEN	Lennar Corporation Class A	9
AMAT	Applied Materials, Inc.	9
VLO	Valero Energy Corporation	9
GES	Guess?, Inc.	8
PHM	PulteGroup, Inc.	7
SNA	Snap-on Incorporated	7
SYK	Stryker Corporation	6
SM	SM Energy Company	6
VMI	Valmont Industries, Inc.	6
NMIH	NMI Holdings, Inc. Class A	6
TOL	Toll Brothers, Inc.	5
SWN	Southwestern Energy Company	5
IEX	IDEX Corporation	4
JPM	JPMorgan Chase & Co.	4
GNTX	Gentex Corporation	4
AIT	Applied Industrial Technologies,	4
GOOGL	Alphabet Inc. Class A	4
GPOR	Gulfport Energy Corp	4