

# 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**

<b>COMPANY</b>	<b>WEIGHT (%)</b>	<b>COMPANY</b>	<b>WEIGHT (%)</b>
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%	<b>Total:</b>	<b>100.00</b>
Kroger Co/The	0.93%		
Exelixis Inc	0.84%		

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



### TOP FIVE POSITIVELY TRENDING STOCKS IN THE INDEX

COMPANY	TICKER
Square Inc	SQ
Tesla Inc	TSLA
Micron Technology Inc	MU
Snap Inc	SNAP
Valeant Pharmaceuticals Intern	VRX

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

COMPANY	TICKER
United Continental Holdings In	UAL
Electronic Arts Inc	EA
Ionis Pharmaceuticals Inc	IONS
Foot Locker Inc	FL
General Electric Co	GE

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.

### 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.



## IMPORTANT DISCLOSURES & DEFINITIONS

**An investor should consider the investment objectives, risks, charges and expenses carefully before investing. To obtain a prospectus, which contain this and other information please contact your financial professional or call 1.855.215.1425. Read the prospectus carefully before investing.**

**BUZZ US Sentiment Leaders ETF shares are not individually redeemable. Investors buy and sell shares of the BUZZ US Sentiment Leaders ETF on a secondary market. Only market makers or “authorized participants” may trade directly with the Fund, typically in blocks of 50,000 shares.**

The ability to invest based on artificial intelligence analytics is relatively new and untested. The Fund may invest a significant portion of its assets in securities issued by companies in the information technology sector in order to track the Underlying index’s allocation to that sector.

These types of funds typically have a high portfolio turnover that could increase transaction costs and cause short-term capital gains to be realized.

The Fund is not suitable for all investors. There are risks involved with investing in ETFs including the loss of money. The Fund is considered non-diversified and can invest a greater portion of assets in securities of individual issuers than a diversified fund. As a result, changes in the market value of a single investment could cause greater fluctuations in share price than would occur in a diversified fund. Funds that emphasize investment in small/mid cap companies will generally experience greater price volatility. Diversification does not eliminate the risk of experiencing investment losses. ETFs are considered to have continuous liquidity because they allow for an individual to trade throughout the day.

Defined investment universe of US stocks – in order to be eligible for inclusion in the Underlying Index, a company’s stock must be traded on one or more major U.S. exchanges, have a minimum market capitalization of at least \$5 billion, and have a 3 month minimum average daily trading volume of \$1 million.

Investing in companies based on artificial intelligence analytics involves the potential for market manipulation because online posts may be made with an intent to inflate, or otherwise manipulate, the public perception of a stock or other investment.

Text and sentiment analysis of online postings may prove inaccurate; that is, high positive sentiment may not correlate with positive change in the value of a company’s stock.

Natural language processing (NLP) deals with the application of computational models to text or speech data. NLP algorithms can be used in Sentiment analysis to identify and extract subjective information in source materials. Sentiment analysis is widely applied to reviews and other online content for a variety of applications, ranging from marketing to customer service.

Artificial intelligence (AI) is the intelligence exhibited by machines or software. One of the central problems (or goals) of AI research include natural language processing (communication).

Online Platforms, as it relates to the ETF, refers to social media, news articles and blog posts.

Some examples of social media sites may include, but are not limited to, the following: Facebook, Twitter, LinkedIn, StockTwits, blogs, Investopedia, stock forums, etc.

Online community refers to the users of the online sites.

Fundamental Analysis is a method of evaluating a security that entails attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors

ALPS Portfolio Solutions Distributor, Inc. is the Distributor for the BUZZ US Sentiment Leaders ETF.