

ETF Analyzer

May 2018

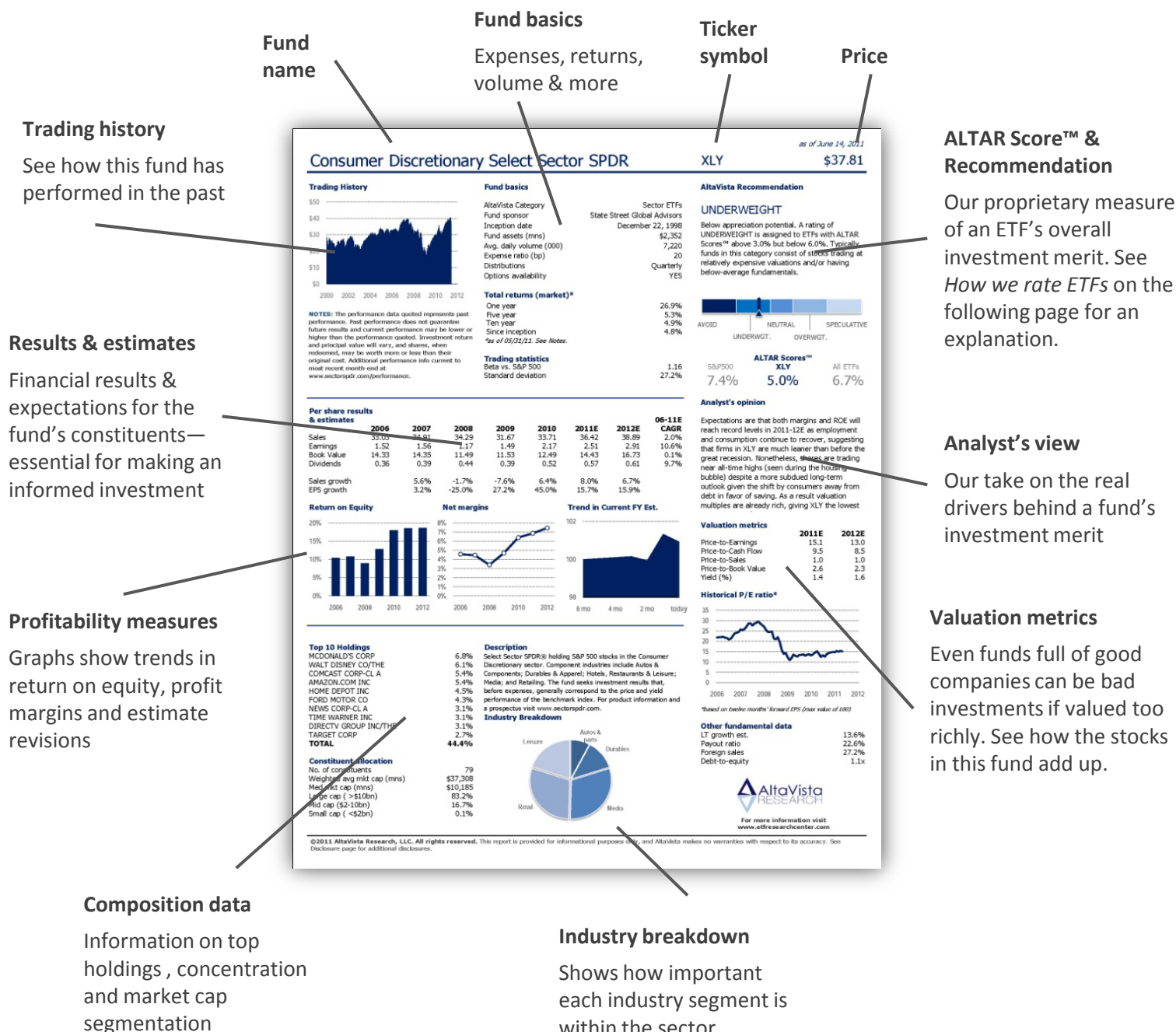
Select Sector SPDR Edition

- ▶ Evaluate Sector SPDRs based on investment merit using fundamental data and analysis
- ▶ Compare Sector SPDRs with ease on a variety of forward-looking valuation metrics
- ▶ Succinct reports in three easy-to-read sections: Investment Summary, Fundamentals, and Composition

How to use this guide

A fundamentally different approach

This guide presents fundamental data and analysis on each of the nine Select Sector SPDR funds so you can view and value them the way you would a single stock. It consists of an “Analyzer” page (shown below) covering each fund, along with a Valuation Guide to facilitate easy comparisons between funds as well as with the S&P500 index. For more on our approach to ETF analysis visit www.etfresearchcenter.com.



Keeping up-to-date

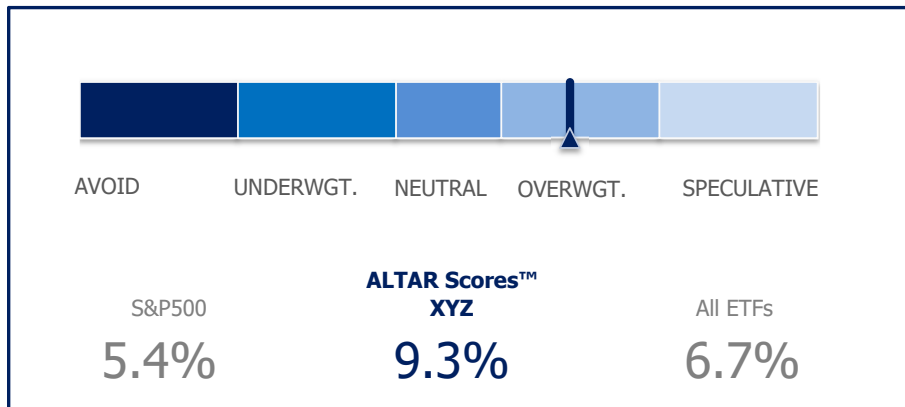
Market conditions and expectations change all the time. Go to the ETF Research Center for daily valuation updates on the Sector SPDRs or any of the other hundreds of ETFs we follow. This report is updated monthly and is available for download free of charge from www.sectspdrs.com under 'Research.'



How we rate ETFs

AltaVista Recommendation

For every ETF under coverage, we calculate an AltaVista Long Term Annual Return forecast, or ALTAR Score™, explained in more detail in the sidebar. Then, we separate the funds into five tiers based on their individual scores as illustrated by the scale below. Although one fund's ALTAR Score™ and recommendation are independent of other funds' rankings, our coverage universe has a roughly normal distribution among the five tiers, with NEUTRAL accounting for the largest number of ETFs.



What they mean...

SPECULATIVE

Deeply undervalued but risky. A rating of SPECULATIVE is assigned to ETFs with ALTAR Scores™ of 11.0% or above, indicating exceptional appreciation potential. However, often these are narrowly-focused funds or in industries with structural issues, which may also make them very risky. Nonetheless they may still be useful as part of a well-diversified portfolio.

OVERWEIGHT

Above average appreciation potential. A rating of OVERWEIGHT is assigned to ETFs with ALTAR Scores™ above 8.0% but less than 11%. Typically, funds in this category consist of stocks trading at attractive valuations and/or having above-average fundamentals.

NEUTRAL

Average appreciation potential. A rating of NEUTRAL is assigned to ETFs with ALTAR Scores™ between 6.0% and 8.0%. This indicates that valuations adequately reflect the fundamentals of stocks in these funds. The majority of funds we cover fall into this category.

UNDERWEIGHT

Below appreciation potential. A rating of UNDERWEIGHT is assigned to ETFs with ALTAR Scores™ above 3.0% but below 6.0%. Typically, funds in this category consist of stocks trading at relatively expensive valuations and/or having below-average fundamentals.

AVOID

Not worthwhile for most investors. A rating of AVOID is assigned to ETFs with ALTAR Scores™ below 3.0%. Often, funds in this category consist of stocks with little if any history or expectation of profitability, and as a result our fundamentally-driven analysis may not be relevant.

ALTAR Score™

The ALTAR Score™, short for AltaVista Long Term Annual Return forecast, is our measure of an ETF's overall investment merit. Its formula is:

$$ROE_{avg} \div \frac{P}{BV} - fees$$

where ROE_{avg} is the average Return on Equity over the course of the business cycle, and P/BV is the price-to-book value multiple for the current forecast year ("FY1"). Finally, we subtract fund fees which diminish investor returns. Results are expressed as a percentage, with higher values better, all else being equal.

Origins

The ALTAR Score relates overall profitability of stocks in a fund to their valuations, using the well-established relationship between Return on Equity and Price-to-Book Value multiples, itself a derivation of the Dividend Discount Model, one of the earliest and most basic approaches to equity valuation.

What it means

The ALTAR Score provides an estimate of a kind of "internal rate of return" from the owner's perspective. One advantage is of this approach is that it is *intrinsic*, rather than a subjective measure of what value a security "deserves." As such, the ALTAR Score of one fund is also independent of the scores of other funds, facilitating comparisons both within and across categories.

What it does not mean

It is not a price target or prediction about how the market will value the fund in the future. There is no time or momentum component to the ALTAR Score, and it is not meant as any sort of short-term indicator.

Bottom line

The ALTAR Score can be used to compare funds based on investment merit, but it is not intended as a prediction of future performance. Investors should also consider the many other data points in each report to assess each fund's suitability. For more information visit www.etfresearchcenter.com.

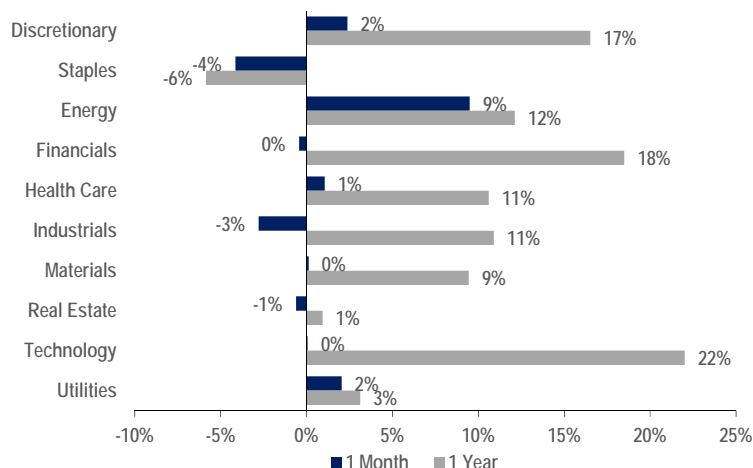


For more information visit
www.etfresearchcenter.com

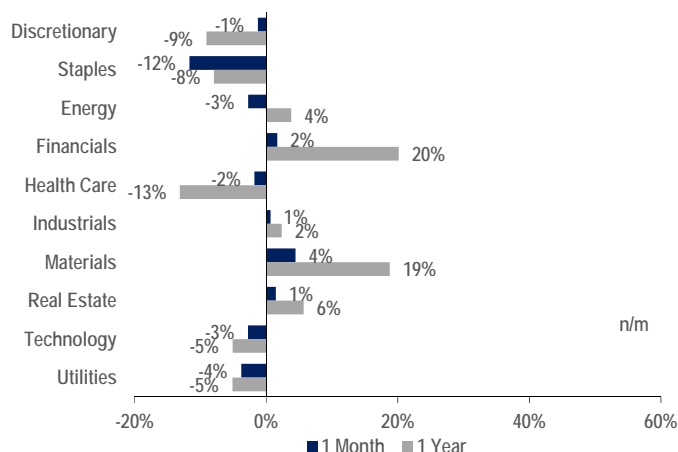
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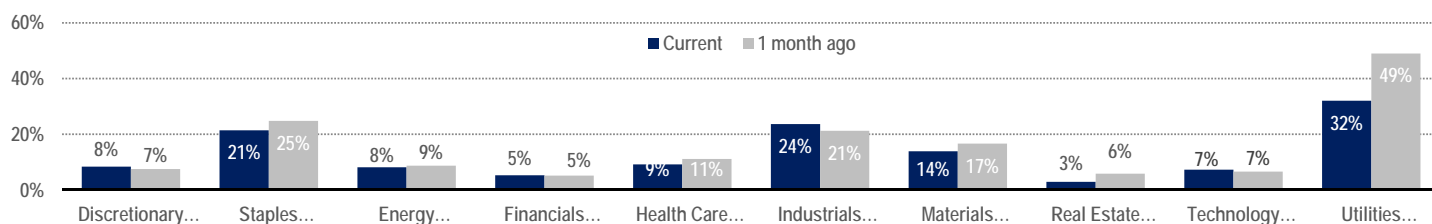
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XLI	Industrial Sector SPDR	13
XLB	Materials Sector SPDR	14
XLRE	Real Estate Sector SPDR	15
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Total Returns* (Price)

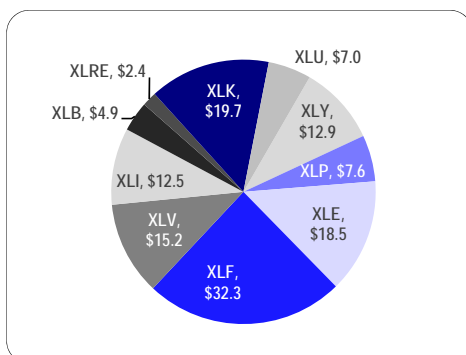
Changes in Shares Outstanding



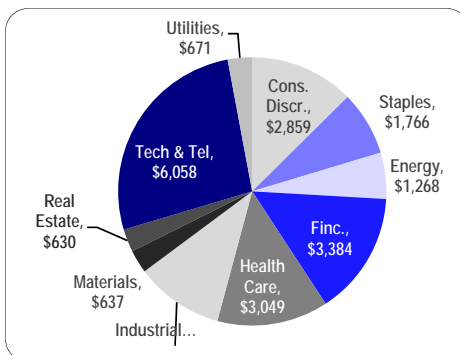
***NOTE:** The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Additional performance info current to most recent month-end at www.sectorspdr.com/performance.

Short Interest (as a percentage of total shares outstanding)

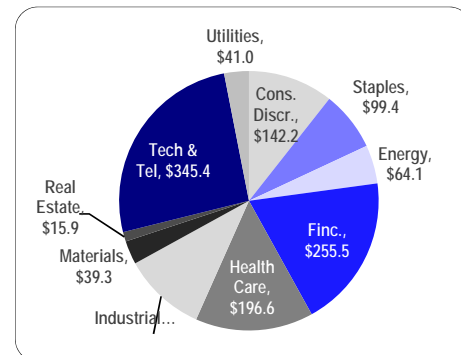
Assets Under Management (\$bns)



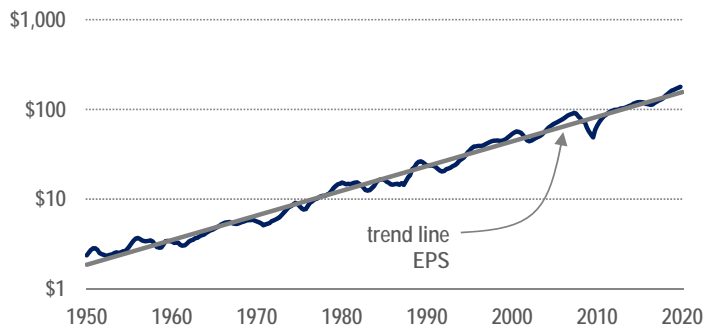
S&P 500 Market Cap by Sector (\$bns)



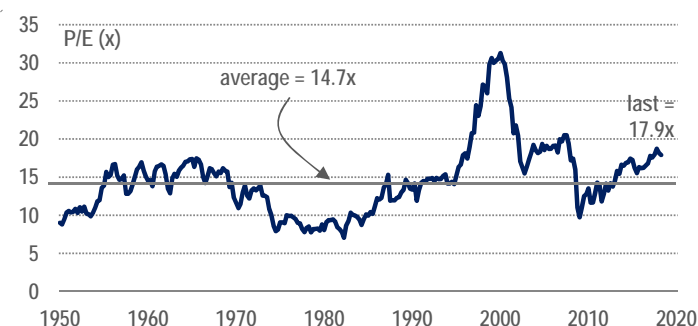
S&P 500 2018E Profits by Sector (\$bns)



S&P500 Operating Earnings (4 qtrs. rolling, 1950-present)



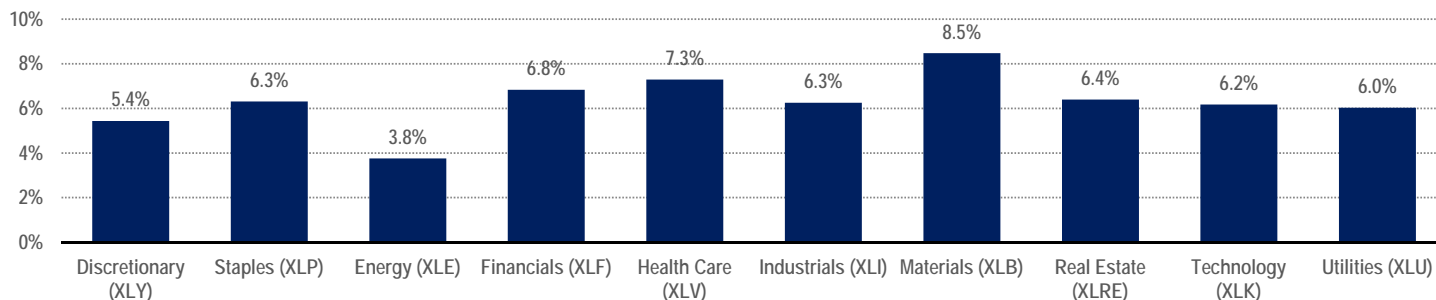
S&P500 Forward P/E multiple on Trend-line EPS



Select Sector SPDRs

This page provides a summary of valuation metrics for the Select Sector SPDRs and S&P 500 which may be considered when buying or selling these funds.

ALTAR Score™



Calculation of ALTAR Score™

	Avg. ROE (14-14E)	Div. by Fwd PBV	Less Exp.	equals ALTAR™
Discretionary (XLY)	21.6%	3.9x	0.13%	5.4%
Staples (XLP)	23.6%	3.7x	0.13%	6.3%
Energy (XLE)	6.7%	1.7x	0.13%	3.8%
Financials (XLF)	10.0%	1.4x	0.13%	6.8%
Health Care (XLV)	22.2%	3.0x	0.13%	7.3%
Industrials (XLI)	23.2%	3.6x	0.13%	6.3%
Materials (XLB)	17.1%	2.0x	0.13%	8.5%
Real Estate (XLRE)	16.1%	2.5x	0.13%	6.4%
Technology (XLK)	25.1%	4.0x	0.13%	6.2%
Utilities (XLU)	10.6%	1.7x	0.13%	6.0%

Risk measures: Standard Deviation

Prices (3yr Ann.)	Earnings Est. 2018-19E
12.1%	5.5%
11.0%	2.7%
19.9%	17.6%
15.4%	4.1%
13.0%	2.8%
12.0%	3.5%
16.3%	7.1%
n/a	12.1%
13.2%	4.3%
13.2%	3.1%

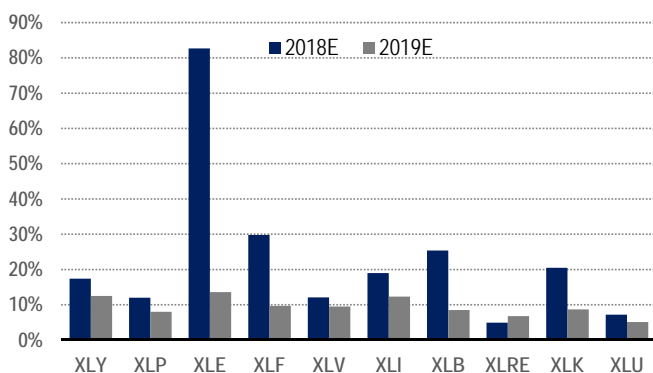
NOTE: The ALTAR Score™ is AltaVista's proprietary measure of an ETF's overall investment merit, based on academic work relating price-to-book value multiples to return on equity (Wilcox, Financial Analysts Journal, Jan-Feb 1984). In general, higher scores suggest better long term investment potential in AltaVista's opinion, but they are not forecasts of future returns. For more information go to www.etfresearchcenter.com.

Valuation multiples (based on 2018 estimates)

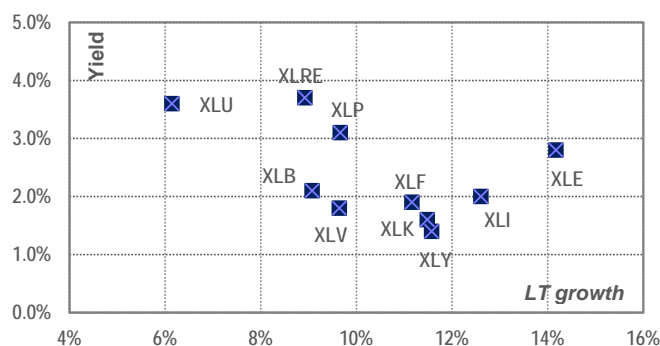
	Price	P/E	PEG	P/CF	P/Sales	P/BV	Yield*
Discretionary (XLY)	\$103.70	20.4	1.8	13.5	1.7	4.1	1.4
Staples (XLP)	\$50.45	17.0	1.8	13.5	1.2	3.8	3.1
Energy (XLE)	\$73.81	20.9	1.5	8.6	1.3	1.8	2.8
Financials (XLF)	\$27.45	13.1	1.2	15.8	2.6	1.5	1.9
Health Care (XLV)	\$82.26	15.7	1.6	13.7	1.8	3.2	1.8
Industrials (XLI)	\$72.22	16.8	1.3	12.5	1.7	3.9	2.0
Materials (XLB)	\$57.01	16.2	1.8	10.8	1.6	2.1	2.1
Real Estate (XLRE)	\$30.89	17.0	1.9	16.6	5.4	2.5	3.7
Technology (XLK)	\$65.46	17.3	1.5	13.0	3.7	4.3	1.6
Utilities (XLU)	\$51.56	16.7	2.7	7.6	1.9	1.8	3.6
S&P500	2,648.05	16.7	1.5	12.5	2.1	2.8	2.0

*Based on consensus dividend forecasts for underlying stocks. May differ from the distribution yield on the ETF.

Earnings per share growth



Yield* vs. long-term EPS growth of fund constituents



Note: All valuation metrics on this page calculated based on consensus estimates of current fund constituents, as collected by Thomson/Reuters and Bloomberg. Definitions of technical terms can be found on page 19 of this document.

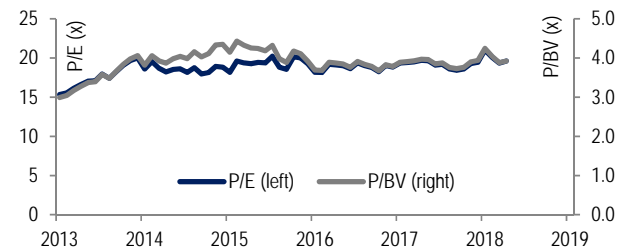
Select Sector SPDRs

Trends in P/E and P/BV multiples

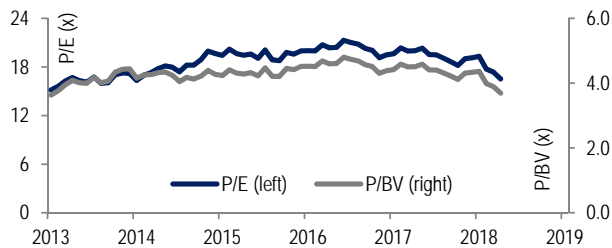
This page contains historical price-to-earnings (P/E) and price-to-book value (P/BV) multiples based on rolling twelve-months' earnings and book value per share figures, respectively, for each Sector SPDR (maximum value of 100). It illustrates how these funds have traded in the recent past in relation to these two valuation metrics.

Investors may consider this along with other data and information when buying or selling these funds.

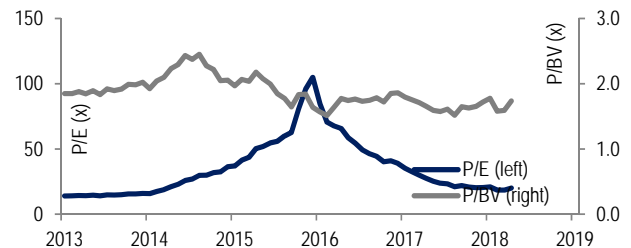
Consumer Discretionary Sector (XLY)



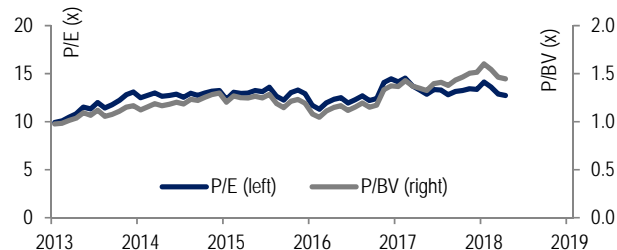
Consumer Staples Sector (XLP)



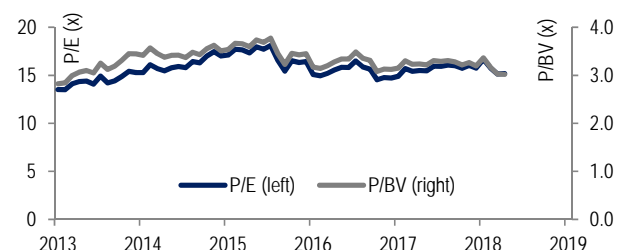
Energy Sector (XLE)



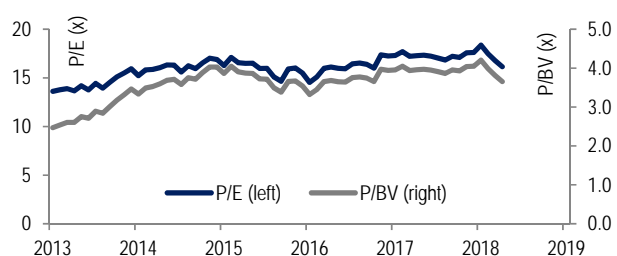
Financial Sector (XLF)



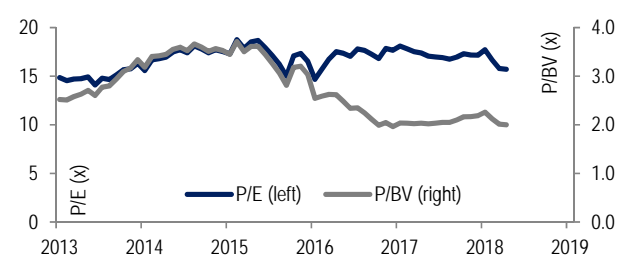
Health Care Sector (XLV)



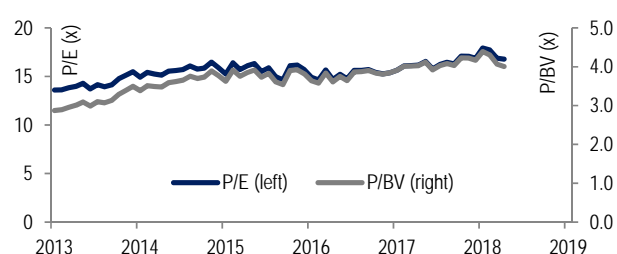
Industrials Sector (XLI)



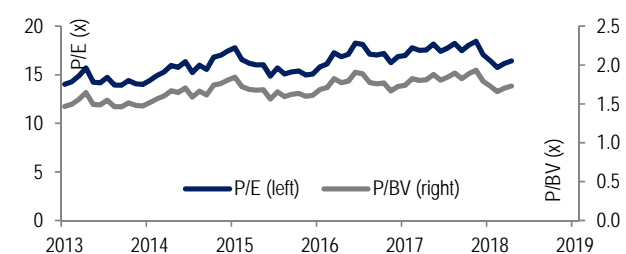
Materials Sector (XLB)



Technology Sector (XLV)



Utilities Sector (XLU)



Consumer Discretionary Select Sector SPDR

XLY

\$103.70

Trading History



NOTES: The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Additional performance info current to most recent month-end at www.secterspdr.com/performance.

Fund basics

AltaVista Category
Fund sponsor
Inception date
Fund assets (mns)
Avg. daily volume (000)
Expense ratio
Distributions
Options availability

Sector ETFs
State Street Global Advisors
December 22, 1998
\$13,051
6,498
0.13%
Quarterly
YES

Total returns (price)*

One year
Five year
Ten year
Since inception
*as of 04/30/18. See Notes.

16.6%
15.3%
14.4%
8.8%

Trading statistics

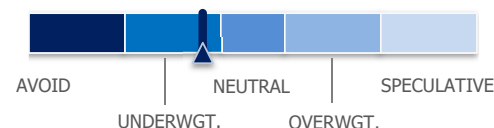
Beta vs. S&P 500
Standard deviation

1.07
12.1%

AltaVista Recommendation

UNDERWEIGHT

Below average appreciation potential. A rating of UNDERWEIGHT is assigned to funds with ALTAR Scores™ above 3.0% but below 6.0%. Typically, funds in this category consist of stocks trading at relatively expensive valuations and/or having below-average fundamentals.



ALTAR Scores™

S&P500

6.1%

XLY

5.4%

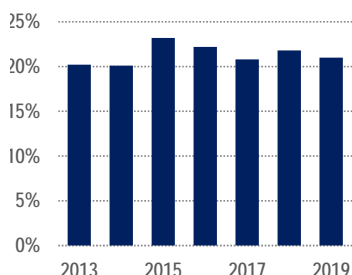
All ETFs

6.1%

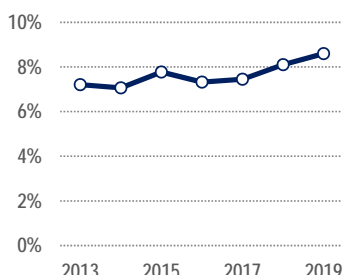
Per share results & estimates

	2013	2014	2015	2016	2017	2018E	2019E	13-18E CAGR
Sales	45.30	47.25	49.36	55.46	58.04	62.67	66.45	6.7%
Earnings	3.26	3.34	3.84	4.06	4.32	5.08	5.71	9.2%
Book Value	16.80	16.46	16.60	19.96	21.52	25.07	29.23	8.3%
Dividends	0.86	1.02	1.23	1.25	1.31	1.43	1.53	10.7%
Sales growth		4.2%	4.4%	12.3%	4.6%	7.9%	6.0%	
EPS growth		2.2%	14.9%	5.7%	6.5%	17.4%	12.5%	

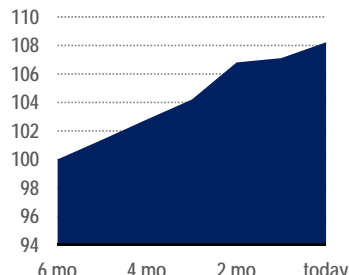
Return on Equity



Net margins



Trend in Current FY Est.



Analyst's opinion

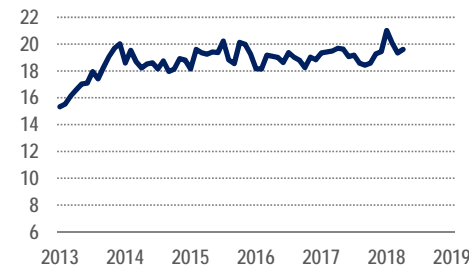
Better GDP growth, tax cuts and good consumer confidence provide a solid fundamental outlook, tempered perhaps by rising interest rates. However forecasts for rising margins appear optimistic to us in light of unrelenting competition between bricks-and-mortar retailers and online firms like Amazon. Meanwhile the sector's P/E has retreated to the 18-20x range of recent years (see Historical P/E graph below), but remains richly valued in our view.

Valuation metrics

	2018E	2019E
Price-to-Earnings	20.4	18.2
Price-to-Cash Flow	13.5	12.1
Price-to-Sales	1.7	1.6
Price-to-Book Value	4.1	3.6
Yield* (%)	1.4	1.5

*Based on consensus dividend forecasts for underlying stocks. May differ significantly from distribution yield on the ETF.

Historical P/E ratio*



Other fundamental data

LT EPS growth est.	11.6%
Payout ratio	28.2%
Debt-to-equity	1.4x

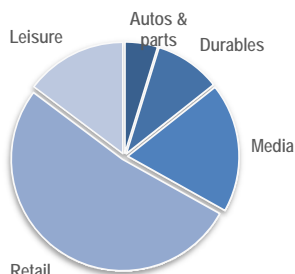
Top 10 Holdings

AMAZON.COM INC
HOME DEPOT INC
WALT DISNEY CO/THE
COMCAST CORP-CL A
NETFLIX INC
MCDONALD'S CORP
BOOKING HOLDINGS INC.
STARBUCKS CORP
TIME WARNER INC
TOTAL

21.5%
7.4%
5.2%
5.0%
4.6%
4.6%
3.6%
2.8%
2.5%
60.1%

Description

Select Sector SPDR® holding S&P 500 stocks in the Consumer Discretionary sector. Component industries include Autos & Components; Durables & Apparel; Hotels, Restaurants & Leisure; Media; and Retailing. The fund seeks investment results that, before expenses, generally correspond to the price and yield performance of the benchmark index. For product information and a prospectus visit www.secterspdr.com.



Constituent allocation

No. of constituents	82
Weighted avg mkt cap (mns)	\$226,344
Med mkt cap (mns)	\$12,373
Large cap (>\$10bn)	96.2%
Mid cap (\$2-10bn)	3.8%
Small cap (<\$2bn)	0.0%



For more information visit
www.etfresearchcenter.com

Consumer Staples Select Sector SPDR

XLP

\$50.45

Trading History



NOTES: The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Additional performance info current to most recent month-end at www.secterspdr.com/performance.

Fund basics

AltaVista Category	Sector ETFs
Fund sponsor	State Street Global Advisors
Inception date	December 22, 1998
Fund assets (mns)	\$7,559
Avg. daily volume (000)	16,387
Expense ratio (bp)	13
Distributions	Quarterly
Options availability	YES

Total returns (price)*

One year	-6.0%
Five year	7.0%
Ten year	9.1%
Since inception	5.7%

*as of 04/30/18. See Notes.

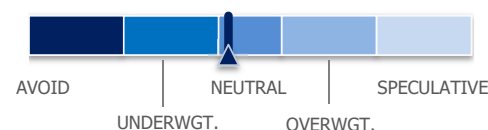
Trading statistics

Beta vs. S&P 500	0.59
Standard deviation	11.0%

AltaVista Recommendation

NEUTRAL

Average appreciation potential. A rating of NEUTRAL is assigned to funds with ALTAR Scores™ between 6.0% and 8.0%. This indicates that valuations adequately reflect the fundamentals of stocks in these funds. The majority of funds we cover fall into this category.

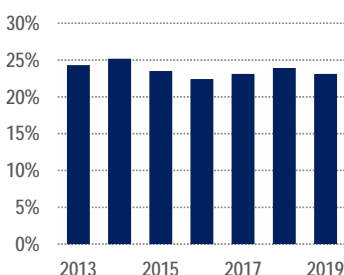


S&P500	ALTAR Scores™ XLP	All ETFs
6.1%	6.3%	6.1%

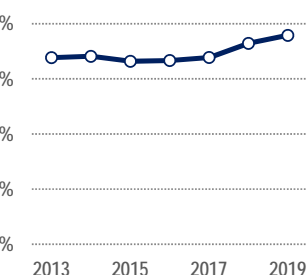
Per share results & estimates

	2013	2014	2015	2016	2017	2018E	2019E	13-18E CAGR
Sales	35.87	36.65	37.15	37.93	39.16	40.80	42.41	2.6%
Earnings	2.43	2.50	2.47	2.53	2.65	2.97	3.21	4.1%
Book Value	10.20	9.67	11.36	11.18	11.80	13.13	14.73	5.2%
Dividends	1.24	1.24	1.39	1.39	1.56	1.58	1.68	5.0%
Sales growth		2.1%	1.3%	2.1%	3.2%	4.2%	3.9%	
EPS growth		2.9%	-1.3%	2.5%	4.9%	12.0%	8.0%	

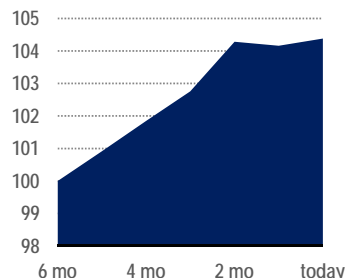
Return on Equity



Net margins



Trend in Current FY Est.



Analyst's opinion

Consensus forecasts for margin expansion both this year and next seem optimistic to us in light of accelerating cost pressures. Meanwhile investors have been revaluing the sector with lower P/E multiples since mid-2016 (see historical chart below) reflecting caution on interest rate-sensitive sectors. The result of cheaper multiples is that Consumer Staples is starting to look attractive versus the broader S&P 500 for the first time in several years.

Valuation metrics

	2018E	2019E
Price-to-Earnings	17.0	15.7
Price-to-Cash Flow	13.5	12.3
Price-to-Sales	1.2	1.2
Price-to-Book Value	3.8	3.4
Yield* (%)	3.1	3.3

*Based on consensus dividend forecasts for underlying stocks. All differ significantly from distribution yield on the ETF.

Historical P/E ratio*



*based on twelve months' forward EPS (max value of 100)

Other fundamental data

LT growth est.	9.7%
Payout ratio	53.0%
Debt-to-equity	1.0x

Top 10 Holdings

PROCTER & GAMBLE CO/THE	11.6%
COCA-COLA CO/THE	10.5%
PEPSICO INC	9.1%
WAL-MART STORES INC	8.1%
PHILIP MORRIS INTERNATIONAL	8.1%
COSTCO WHOLESALE CORP	5.3%
ALTRIA GROUP INC	4.3%
MONDELEZ INTERNATIONAL INC-A	4.0%
COLGATE-PALMOLIVE CO	3.8%
WALGREENS BOOTS ALLIANCE INC	3.8%
TOTAL	68.7%

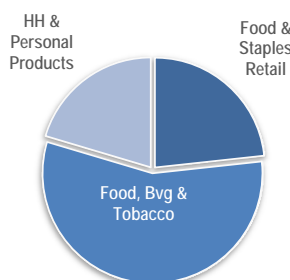
Constituent allocation

No. of constituents	33
Weighted avg mkt cap (mns)	\$114,989
Med mkt cap (mns)	\$20,209
Large cap (>\$10bn)	96.6%
Mid cap (\$2-10bn)	3.4%
Small cap (<\$2bn)	0.0%

Description

Select Sector SPDR® holding S&P 500 stocks in the Consumer Staples sector. Component industries include Food & Staples Retailing, Food, Beverage & Tobacco producers, and Household and Personal Products companies. The fund seeks investment results that, before expenses, generally correspond to the price and yield performance of the benchmark index. For product information and a prospectus visit www.secterspdr.com.

Industry Breakdown



For more information visit
www.etfresearchcenter.com

Energy Select Sector SPDR

XLE

\$73.81

Trading History



NOTES: The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Additional performance info current to most recent month-end at www.secterspdr.com/performance.

Fund basics

AltaVista Category
Fund sponsor
Inception date
Fund assets (mns)
Avg. daily volume (000)
Expense ratio (bp)
Distributions
Options availability

Sector ETFs
State Street Global Advisors
December 22, 1998
\$18,535
15,620
13
Quarterly
YES

Total returns (price)*

One year
Five year
Ten year
Since inception

*as of 04/30/18. See Notes.

12.4%
1.4%
1.1%
8.1%

Trading statistics

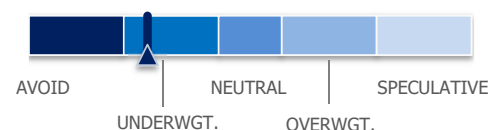
Beta vs. S&P 500
Standard deviation

1.08
19.9%

AltaVista Recommendation

UNDERWEIGHT

Below average appreciation potential. A rating of UNDERWEIGHT is assigned to funds with ALTAR Scores™ above 3.0% but below 6.0%. Typically, funds in this category consist of stocks trading at relatively expensive valuations and/or having below-average fundamentals.



ALTAR Scores™

S&P500
6.1%

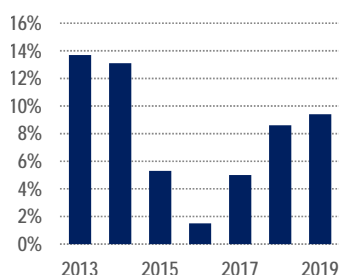
XLE
3.8%

All ETFs
6.1%

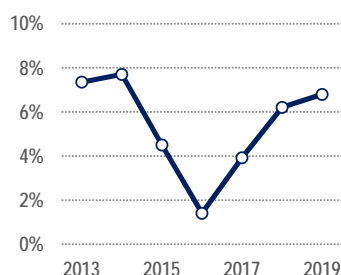
Per share results & estimates

	2013	2014	2015	2016	2017	2018E	2019E	13-18E CAGR
Sales	75.43	72.53	48.45	40.93	49.37	56.94	59.10	-5.5%
Earnings	5.55	5.59	2.18	0.58	1.94	3.54	4.02	n/m
Book Value	41.69	43.76	38.54	36.80	40.51	41.97	43.75	0.1%
Dividends	1.79	2.07	2.21	1.93	1.94	2.10	2.21	3.2%
Sales growth		-3.8%	-33.1%	-15.5%	20.6%	15.3%	3.7%	
EPS growth		0.7%	-60.9%	-73.6%	236.4%	82.7%	13.6%	

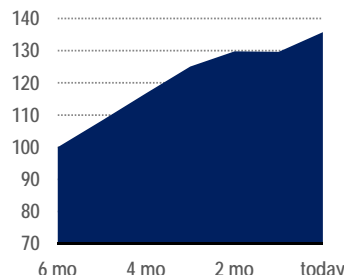
Return on Equity



Net margins



Trend in Current FY Est.



Analyst's opinion

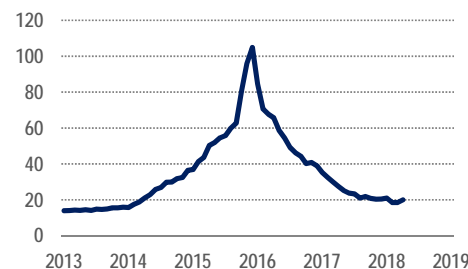
Profits are rebounding from very depressed levels of the last few years--and revisions have soared--but investors should be prepared for oil prices staying "lower for longer" as most shale producers can further ramp up production on any spike in prices. Energy stocks might be attractive if the lousy profitability for 2015-17 is temporary rather than a "new normal," but we don't think that's likely to be the case. Energy has the lowest rating of any sector.

Valuation metrics

	2018E	2019E
Price-to-Earnings	20.9	18.4
Price-to-Cash Flow	8.6	7.7
Price-to-Sales	1.3	1.3
Price-to-Book Value	1.8	1.7
Yield* (%)	2.8	3.0

*Based on consensus dividend forecasts for underlying stocks. All differ significantly from distribution yield on the ETF.

Historical P/E ratio*



*based on twelve months' forward EPS (max value of 100)

Top 10 Holdings

EXXON MOBIL CORP	22.1%
CHEVRON CORP	17.2%
SCHLUMBERGER LTD	6.8%
CONOCOPHILLIPS	4.9%
EOG RESOURCES INC	4.8%
OCCIDENTAL PETROLEUM CORP	4.3%
VALERO ENERGY CORP	3.5%
PHILLIPS 66	3.4%
HALLIBURTON CO	3.4%
MARATHON PETROLEUM	2.6%
TOTAL	73.2%

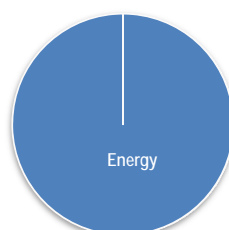
Constituent allocation

No. of constituents	31
Weighted avg mkt cap (mns)	\$140,941
Med mkt cap (mns)	\$15,313
Large cap (>\$10bn)	96.4%
Mid cap (\$2-10bn)	3.6%
Small cap (<\$2bn)	0.0%

Description

Select Sector SPDR® holding S&P 500 stocks in the Energy sector. The fund seeks investment results that, before expenses, generally correspond to the price and yield performance of the benchmark index. For product information and a prospectus visit www.secterspdr.com.

Industry Breakdown



Other fundamental data

LT growth est.	14.2%
Payout ratio	59.3%
Debt-to-equity	0.6x



For more information visit
www.etfresearchcenter.com

Financials Select Sector SPDR

XLF

\$27.45

Trading History



NOTES: The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Additional performance info current to most recent month-end at www.secterspdr.com/performance.

Fund basics

AltaVista Category
Fund sponsor
Inception date
Fund assets (mns)
Avg. daily volume (000)
Expense ratio (bp)
Distributions
Options availability

Sector ETFs
State Street Global Advisors
December 22, 1998
\$32,100
61,793
13
Quarterly
YES

Total returns (price)*

One year
Five year
Ten year
Since inception
*as of 04/30/18. See Notes.

18.5%
14.6%
4.4%
3.9%

Trading statistics

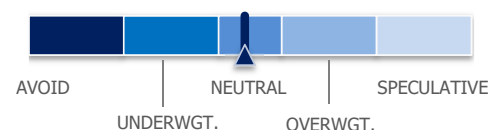
Beta vs. S&P 500
Standard deviation

1.17
15.4%

AltaVista Recommendation

NEUTRAL

Average appreciation potential. A rating of NEUTRAL is assigned to funds with ALTAR Scores™ between 6.0% and 8.0%. This indicates that valuations adequately reflect the fundamentals of stocks in these funds. The majority of funds we cover fall into this category.

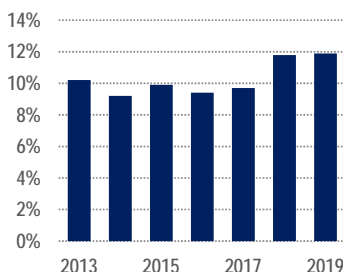


ALTAR Scores™
S&P500 XLF All ETFs
6.1% 6.8% 6.1%

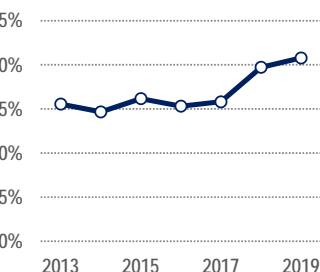
Per share results & estimates

	2013	2014	2015	2016	2017	2018E	2019E	13-18E CAGR
Sales	9.20	9.25	9.39	9.79	10.17	10.59	11.04	2.9%
Earnings	1.43	1.36	1.52	1.50	1.61	2.09	2.29	7.9%
Book Value	14.40	15.22	15.48	16.27	16.94	18.43	20.13	5.1%
Dividends	0.27	0.37	0.37	0.39	0.45	0.53	0.60	14.8%
Sales growth		0.5%	1.4%	4.2%	3.9%	4.1%	4.1%	
EPS growth		-5.1%	11.8%	-1.2%	7.2%	29.8%	9.7%	

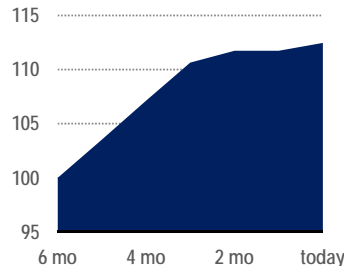
Return on Equity



Net margins



Trend in Current FY Est.



Analyst's opinion

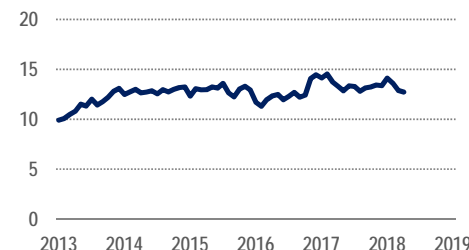
Higher interest rates ahead should help banks realize the higher margins and ROE forecast for 2018-19E, and tax cuts, regulatory relief and faster GDP growth could boost profits still further. Estimate revisions have also been nicely positive. Our ratings framework suggests Financials continue to look relatively attractive vs the S&P 500, but sell-side consensus ratings show increasing pessimism for the sector.

Valuation metrics

	2018E	2019E
Price-to-Earnings	13.1	12.0
Price-to-Cash Flow	15.8	14.2
Price-to-Sales	2.6	2.5
Price-to-Book Value	1.5	1.4
Yield* (%)	1.9	2.2

*Based on consensus dividend forecasts for underlying stocks. All differ significantly from distribution yield on the ETF.

Historical P/E ratio*



*based on twelve months' forward EPS (max value of 100)

Other fundamental data

LT growth est.	11.2%
Payout ratio	25.6%
Debt-to-equity	1.3x

Top 10 Holdings

JPMORGAN CHASE & CO	11.3%
BERKSHIRE HATHAWAY INC-CL B	11.2%
BANK OF AMERICA CORP	8.6%
WELLS FARGO & CO	6.9%
CITIGROUP INC	5.3%
GOLDMAN SACHS GROUP INC	2.5%
US BANCORP	2.4%
MORGAN STANLEY	2.1%
AMERICAN EXPRESS CO	2.1%
PNC FINANCIAL SERVICES GROUP	2.1%
TOTAL	54.6%

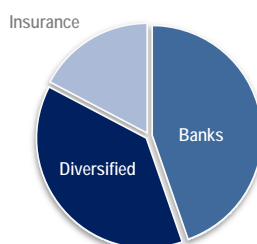
Constituent allocation

No. of constituents	69
Weighted avg mkt cap (mns)	\$188,849
Med mkt cap (mns)	\$16,947
Large cap (>\$10bn)	98.5%
Mid cap (\$2-10bn)	1.5%
Small cap (<\$2bn)	0.0%

Description

Select Sector SPDR® holding S&P 500 stocks in the Financial sector. Component industries include diversified financial services, insurance, banks, capital markets, consumer finance, thrifts and mortgage finance, and mortgage REITs. The fund seeks investment results that, before expenses, generally correspond to the price and yield performance of the benchmark index. For product information and a prospectus visit www.secterspdr.com.

Industry Breakdown



For more information visit
www.etfresearchcenter.com

Health Care Select Sector SPDR

XLV

\$82.26

Trading History



NOTES: The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Additional performance info current to most recent month-end at www.sectorspdr.com/performance.

Fund basics

AltaVista Category
Fund sponsor
Inception date
Fund assets (mns)
Avg. daily volume (000)
Expense ratio (bp)
Distributions
Options availability

Sector ETFs
State Street Global Advisors
December 22, 1998
\$15,285
7,977
13
Quarterly
YES

Total returns (price)*

One year 10.6%
Five year 13.4%
Ten year 12.0%
Since inception 7.8%

*as of 04/30/18. See Notes.

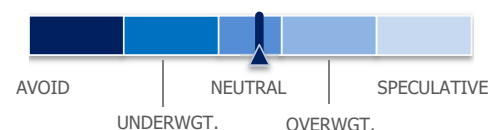
Trading statistics

Beta vs. S&P 500 1.06
Standard deviation 13.0%

AltaVista Recommendation

NEUTRAL

Average appreciation potential. A rating of NEUTRAL is assigned to funds with ALTAR Scores™ between 6.0% and 8.0%. This indicates that valuations adequately reflect the fundamentals of stocks in these funds. The majority of funds we cover fall into this category.

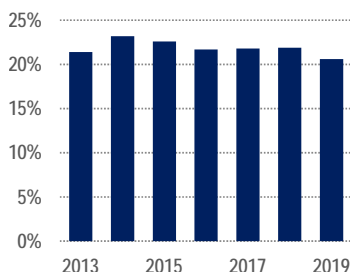


ALTAR Scores™
S&P500 6.1%
XLV 7.3%
All ETFs 6.1%

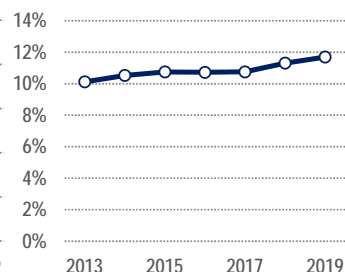
Per share results & estimates

	2013	2014	2015	2016	2017	2018E	2019E	13-18E CAGR
Sales	30.99	34.47	37.40	40.88	43.56	46.45	49.21	8.4%
Earnings	3.14	3.63	4.02	4.38	4.69	5.25	5.75	10.9%
Book Value	15.12	16.10	19.49	20.88	22.08	25.87	30.03	11.3%
Dividends	0.90	1.00	1.09	1.20	1.33	1.45	1.54	10.0%
Sales growth		11.2%	8.4%	9.3%	6.5%	6.6%	5.9%	
EPS growth		15.7%	10.7%	9.0%	6.8%	12.1%	9.5%	

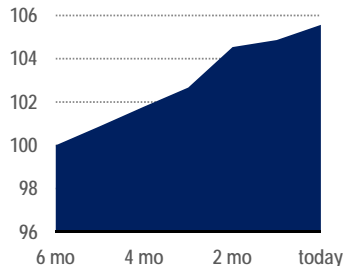
Return on Equity



Net margins



Trend in Current FY Est.



Analyst's opinion

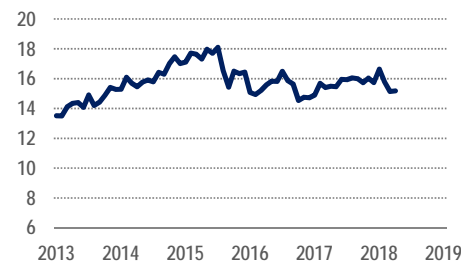
Tax cuts should help boost EPS this year, but forecast revenue growth remains anemic while ROE seems to be drifting downward. We expect M&A activity in the sector to intensify in an attempt to remedy these concerns. That said, Health Care trades well below its peak multiple of mid-2015 (see Historical P/E chart below), in contrast to the broader market--which is only slightly off its highs after the recent correction--making Health Care appear a relative bargain.

Valuation metrics

	2018E	2019E
Price-to-Earnings	15.7	14.3
Price-to-Cash Flow	13.7	12.4
Price-to-Sales	1.8	1.7
Price-to-Book Value	3.2	2.7
Yield* (%)	1.8	1.9

*Based on consensus dividend forecasts for underlying stocks. Ma differ significantly from distribution yield on the ETF.

Historical P/E ratio*



*based on twelve months' forward EPS (max value of 100)

Other fundamental data

LT growth est. 9.6%
Payout ratio 27.6%
Debt-to-equity 0.8x

Top 10 Holdings

JOHNSON & JOHNSON	10.6%
UNITEDHEALTH GROUP INC	7.2%
PFIZER INC	6.8%
MERCK & CO. INC.	5.0%
ABBVIE INC	4.8%
AMGEN INC	3.7%
MEDTRONIC PLC	3.4%
ABBOTT LABORATORIES	3.2%
GILEAD SCIENCES INC	3.0%
BRISTOL-MYERS SQUIBB CO	2.7%
TOTAL	50.3%

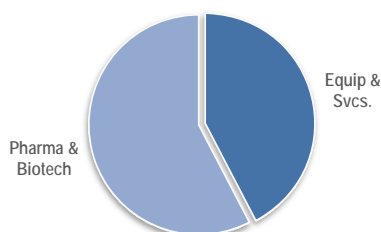
Constituent allocation

No. of constituents	62
Weighted avg mkt cap (mns)	\$130,158
Med mkt cap (mns)	\$19,731
Large cap (>\$10bn)	98.9%
Mid cap (\$2-10bn)	1.0%
Small cap (<\$2bn)	0.1%

Description

Select Sector SPDR® holding S&P 500 stocks in the Health Care sector. Component industries include Health Care Equipment & Services; and Pharmaceutical & Biotechnology. The fund seeks investment results that, before expenses, generally correspond to the price and yield performance of the benchmark index. For product information and a prospectus visit www.sectorspdr.com.

Industry Breakdown



For more information visit
www.etfresearchcenter.com

Industrials Select Sector SPDR

XLI

\$72.22

Trading History



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Fund basics

AltaVista Category
Fund sponsor
Inception date
Fund assets (mns)
Avg. daily volume (000)
Expense ratio (bp)
Distributions
Options availability

Sector ETFs
State Street Global Advisors
December 22, 1998
\$12,377
14,981
13
Quarterly
YES

Total returns (price)*

One year 10.9%
Five year 14.0%
Ten year 8.8%
Since inception 8.0%

*as of 04/30/18. See Notes.

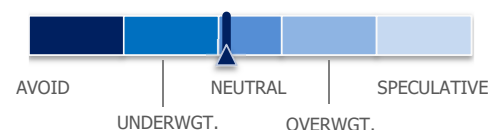
Trading statistics

Beta vs. S&P 500 1.04
Standard deviation 12.0%

AltaVista Recommendation

NEUTRAL

Average appreciation potential. A rating of NEUTRAL is assigned to funds with ALTAR Scores™ between 6.0% and 8.0%. This indicates that valuations adequately reflect the fundamentals of stocks in these funds. The majority of funds we cover fall into this category.

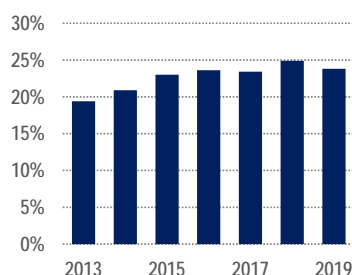


ALTAR Scores™
S&P500 6.1%
XLI 6.3%
All ETFs 6.1%

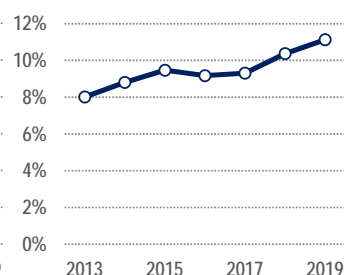
Per share results & estimates

	2013	2014	2015	2016	2017	2018E	2019E	13-18E CAGR
Sales	36.34	37.26	35.37	37.32	38.76	41.42	43.36	2.7%
Earnings	2.91	3.28	3.35	3.42	3.61	4.30	4.83	8.1%
Book Value	16.33	15.09	14.05	14.99	15.79	18.69	21.91	2.7%
Dividends	1.01	1.14	1.28	1.36	1.51	1.47	1.57	7.8%
Sales growth		2.5%	-5.0%	5.5%	3.8%	6.8%	4.6%	
EPS growth		12.6%	2.1%	2.1%	5.4%	19.0%	12.3%	

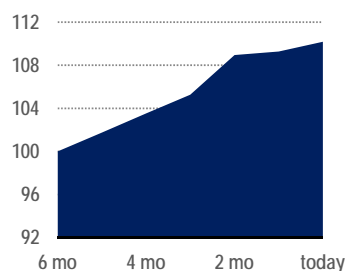
Return on Equity



Net margins



Trend in Current FY Est.



Analyst's opinion

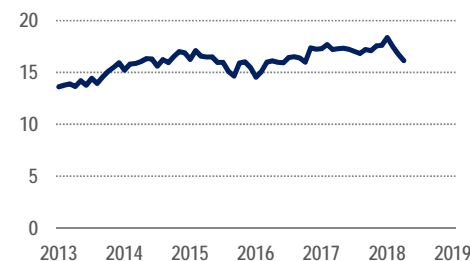
A manufacturing renaissance--thanks in part to cheaper domestic energy and corporate tax reform--appears to be resulting in rising margins and faster long-term EPS growth expectations. Additional infrastructure spending could boost the sector's outlook still further. The recent decline in P/E's (see historical chart below) has brought valuations back in line with historical norms, and put the sector slightly ahead of the S&P 500 in our ratings framework.

Valuation metrics

	2018E	2019E
Price-to-Earnings	16.8	15.0
Price-to-Cash Flow	12.5	11.1
Price-to-Sales	1.7	1.7
Price-to-Book Value	3.9	3.3
Yield* (%)	2.0	2.2

*Based on consensus dividend forecasts for underlying stocks. Ma differ significantly from distribution yield on the ETF.

Historical P/E ratio*



*based on twelve months' forward EPS (max value of 100)

Other fundamental data

LT growth est.	12.6%
Payout ratio	34.2%
Debt-to-equity	1.2x

Top 10 Holdings

BOEING CO	8.3%
GENERAL ELECTRIC CO	5.5%
3M CO	5.2%
HONEYWELL INTERNATIONAL INC	4.9%
UNION PACIFIC CORP	4.7%
UNITED TECHNOLOGIES CORP	4.0%
CATERPILLAR INC	3.9%
LOCKHEED MARTIN CORP	3.6%
UNITED PARCEL SERVICE-CL B	3.5%
FEDEX CORP	2.7%
TOTAL	46.2%

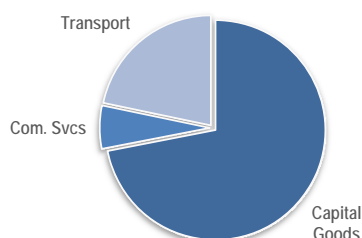
Constituent allocation

No. of constituents	70
Weighted avg mkt cap (mns)	\$78,939
Med mkt cap (mns)	\$13,105
Large cap (>\$10bn)	95.0%
Mid cap (\$2-10bn)	5.0%
Small cap (<\$2bn)	0.0%

Description

Select Sector SPDR® holding S&P 500 stocks in the Industrials sector. Component industries include Capital Goods; Commercial Services & Supplies; and Transportation firms. The fund seeks investment results that, before expenses, generally correspond to the price and yield performance of the benchmark index. For product information and a prospectus visit www.sectorspdr.com.

Industry Breakdown



For more information visit
www.etfresearchcenter.com

Materials Select Sector SPDR

XLB
\$57.01

Trading History



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Fund basics

AltaVista Category
Fund sponsor
Inception date
Fund assets (mns)
Avg. daily volume (000)
Expense ratio (bp)
Distributions
Options availability

Sector ETFs
State Street Global Advisors
December 22, 1998
\$4,836
6,764
13
Quarterly
YES

Total returns (price)*

One year
Five year
Ten year
Since inception
**as of 04/30/18. See Notes.*

9.4%
9.8%
5.4%
7.8%

Trading statistics

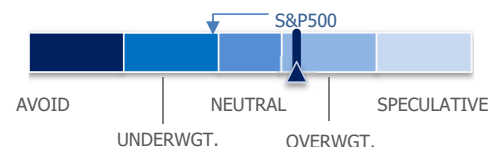
Beta vs. S&P 500
Standard deviation

1.29
16.3%

AltaVista Recommendation

OVERWEIGHT

Above average appreciation potential. A rating of OVERWEIGHT is assigned to funds with ALTAR Scores™ above 8.0% but less than 11%. Typically, funds in this category consist of stocks trading at attractive valuations and/or having above-average fundamentals.

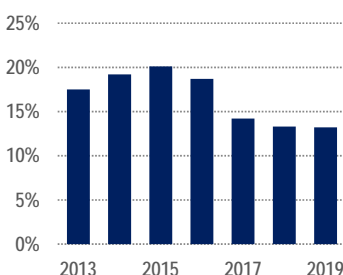


ALTAR Scores™
S&P500
6.1%
XLB
8.5%
All ETFs
6.1%

Per share results & estimates

	2013	2014	2015	2016	2017	2018E	2019E	13-18E CAGR
Sales	31.28	31.80	28.57	28.11	33.74	36.52	37.44	3.1%
Earnings	2.61	2.83	2.77	2.63	2.81	3.53	3.83	6.2%
Book Value	15.64	13.84	13.78	14.32	25.31	27.65	30.22	12.1%
Dividends	1.12	1.12	1.07	1.12	1.09	1.18	1.25	1.1%
Sales growth		1.6%	-10.1%	-1.6%	20.0%	8.2%	2.5%	
EPS growth		8.5%	-2.1%	-5.1%	7.1%	25.4%	8.5%	

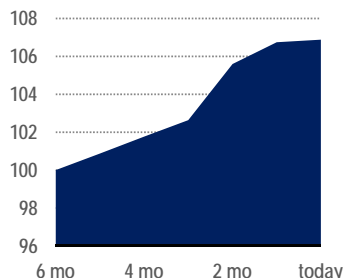
Return on Equity



Net margins



Trend in Current FY Est.



Top 10 Holdings

DOWDUPONT INC	21.6%
MONSANTO CO	8.7%
PRAXAIR INC	6.9%
AIR PRODUCTS & CHEMICALS INC	5.6%
LYONDELLBASELL INDU-CL A	5.4%
ECOLAB INC	5.2%
PPG INDUSTRIES INC	4.4%
SHERWIN-WILLIAMS CO/THE	4.2%
INTERNATIONAL PAPER CO	3.5%
NEWMONT MINING CORP	3.4%
TOTAL	69.0%

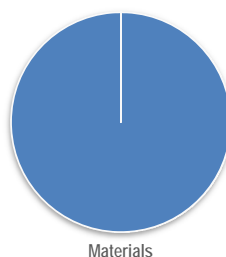
Constituent allocation

No. of constituents	25
Weighted avg mkt cap (mns)	\$46,180
Med mkt cap (mns)	\$11,653
Large cap (>\$10bn)	93.5%
Mid cap (\$2-10bn)	6.5%
Small cap (<\$2bn)	0.0%

Description

Select Sector SPDR® holding S&P 500 stocks in the Basic Materials sector. The fund seeks investment results that, before expenses, generally correspond to the price and yield performance of the benchmark index. For product information and a prospectus visit www.secterspdr.com.

Industry Breakdown



Analyst's opinion

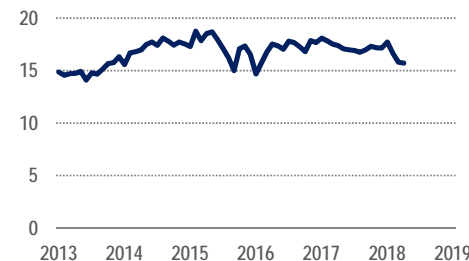
Abundant domestic energy supplies are spurring an investment boom among the chemical firms that comprise about 70% of the sector. However, comparisons between forecasts and historical results are distorted by the recent merger of DowDupont (>20% of the fund) and our rating probably overstates the sector's attractiveness. Sell-side analysts' consensus ratings put the sector about on par with the S&P 500.

Valuation metrics

	2018E	2019E
Price-to-Earnings	16.2	14.9
Price-to-Cash Flow	10.8	9.9
Price-to-Sales	1.6	1.5
Price-to-Book Value	2.1	1.9
Yield* (%)	2.1	2.2

**Based on consensus dividend forecasts for underlying stocks. May differ significantly from distribution yield on the ETF.*

Historical P/E ratio*



**based on twelve months' forward EPS (max value of 100)*

Other fundamental data

LT growth est.	9.1%
Payout ratio	33.6%
Debt-to-equity	1.1x



For more information visit
www.etfresearchcenter.com

Real Estate Select Sector SPDR

XLRE

\$30.89

Trading History



NOTES: The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Additional performance info current to most recent month-end at www.secterspdr.com/performance.

Fund basics

AltaVista Category
Fund sponsor
Inception date
Fund assets (mns)
Avg. daily volume (000)
Expense ratio (bp)
Distributions
Options availability

Sector ETFs
State Street Global Advisors
October 8, 2015
\$2,338
3,960
13
Quarterly
YES

Total returns (price)*

One year
Five year
Ten year
Since inception
*as of 04/30/18. See Notes.

0.8%
n/a
n/a
n/a

Trading statistics

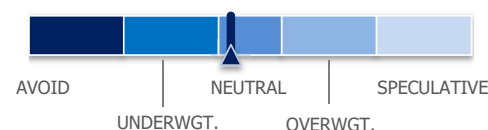
Beta vs. S&P 500
Standard deviation

0.81
12.8%

AltaVista Recommendation

NEUTRAL

Average appreciation potential. A rating of NEUTRAL is assigned to funds with ALTAR Scores™ between 6.0% and 8.0%. This indicates that valuations adequately reflect the fundamentals of stocks in these funds. The majority of funds we cover fall into this category.

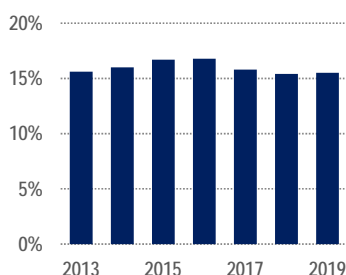


ALTAR Scores™
S&P500
6.1%
XLRE
6.4%
All ETFs
6.1%

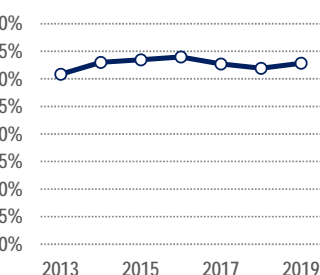
Per share results & estimates

	2013	2014	2015	2016	2017	2018E	2019E	13-18E CAGR
Sales	4.06	4.28	4.56	4.86	5.30	5.70	5.92	7.0%
Earnings	1.25	1.41	1.53	1.65	1.73	1.82	1.94	7.8%
Book Value	8.68	8.96	9.34	10.36	11.54	12.14	12.98	6.9%
Dividends	0.73	0.93	0.99	1.24	1.09	1.14	1.21	9.4%
Sales growth		5.4%	6.5%	6.5%	9.0%	7.5%	3.8%	
EPS growth		12.7%	8.0%	8.2%	4.9%	4.9%	6.8%	

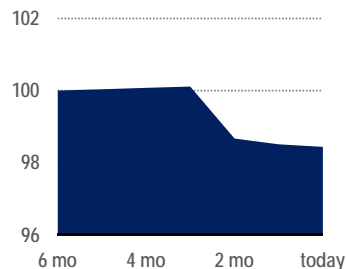
Return on Equity



Net margins



Trend in Current FY Est.



Analyst's opinion

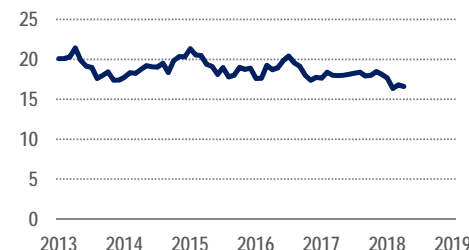
Unlike most other sectors, profit forecasts (based on funds from operations) did not get a boost from tax reform, while the threat of higher interest rates has hurt share prices. But strong GDP growth could support rental rates, even for beleaguered retail properties. With P/E's hovering near their lowest in at least 5 years, and yields on par with Utilities, Real Estate is now starting to look attractive versus the S&P 500 for the first time in years.

Valuation metrics

	2018E	2019E
Price-to-Earnings	17.0	15.9
Price-to-Cash Flow	16.6	15.6
Price-to-Sales	5.4	5.2
Price-to-Book Value	2.5	2.4
Yield* (%)	3.7	3.9

*Based on consensus dividend forecasts for underlying stocks. May differ significantly from distribution yield on the ETF.

Historical P/E ratio*



*based on twelve months' forward EPS (max value of 100)

Other fundamental data

LT growth est.	8.9%
Payout ratio	62.7%
Debt-to-equity	1.3x

Top 10 Holdings

AMERICAN TOWER CORP-CL A	9.7%
SIMON PROPERTY GROUP INC	7.8%
CROWN CASTLE INTL CORP	6.7%
PROLOGIS INC	5.6%
EQUINIX INC	5.4%
PUBLIC STORAGE	4.9%
WEYERHAEUSER CO	4.5%
EQUITY RESIDENTIAL	3.7%
AVALONBAY COMMUNITIES INC	3.6%
DIGITAL REALTY TRUST INC	3.5%
TOTAL	55.3%

Constituent allocation

No. of constituents	33
Weighted avg mkt cap (mns)	\$24,953
Med mkt cap (mns)	n/a
Large cap (>\$10bn)	84.4%
Mid cap (\$2-10bn)	15.6%
Small cap (<\$2bn)	0.0%

Description

Select Sector SPDR® holding S&P 500 stocks in the Real Estate sector. Component industries Real Estate Investment Trusts, excluding Mortgage REITs. The fund seeks investment results that, before expenses, generally correspond to the price and yield performance of the benchmark index. For product information and a prospectus visit www.secterspdr.com.

Industry Breakdown



For more information visit
www.etfresearchcenter.com

Technology Select Sector SPDR

XLK

\$65.46

Trading History



NOTES: The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Additional performance info current to most recent month-end at www.secterspdr.com/performance.

Fund basics

AltaVista Category
Fund sponsor
Inception date
Fund assets (mns)
Avg. daily volume (000)
Expense ratio (bp)
Distributions
Options availability

Sector ETFs
State Street Global Advisors
December 22, 1998
\$19,815
16,358
13
Quarterly
YES

Total returns (price)*

One year 22.0%
Five year 18.3%
Ten year 12.5%
Since inception 4.9%

*as of 04/30/18. See Notes.

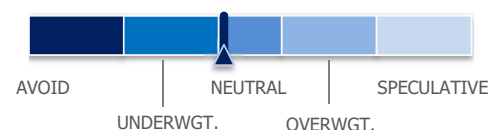
Trading statistics

Beta vs. S&P 500 1.08
Standard deviation 13.2%

AltaVista Recommendation

NEUTRAL

Average appreciation potential. A rating of NEUTRAL is assigned to funds with ALTAR Scores™ between 6.0% and 8.0%. This indicates that valuations adequately reflect the fundamentals of stocks in these funds. The majority of funds we cover fall into this category.



ALTAR Scores™
S&P500 6.1%
XLK 6.2%
All ETFs 6.1%

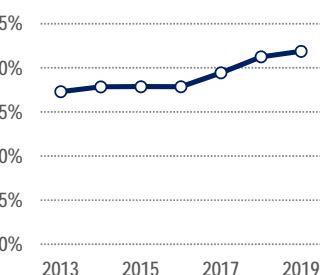
Per share results & estimates

	2013	2014	2015	2016	2017	2018E	2019E	13-18E CAGR
Sales	12.42	12.94	14.58	15.29	16.19	17.85	18.85	7.5%
Earnings	2.15	2.31	2.61	2.73	3.15	3.79	4.12	12.0%
Book Value	10.24	10.22	10.98	11.22	12.58	15.35	18.31	8.4%
Dividends	0.71	0.74	0.84	0.89	0.96	1.05	1.13	8.3%
Sales growth		4.1%	12.7%	4.8%	5.8%	10.2%	5.6%	
EPS growth		7.4%	12.8%	4.7%	15.2%	20.5%	8.7%	

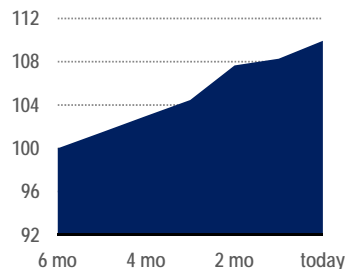
Return on Equity



Net margins



Trend in Current FY Est.



Analyst's opinion

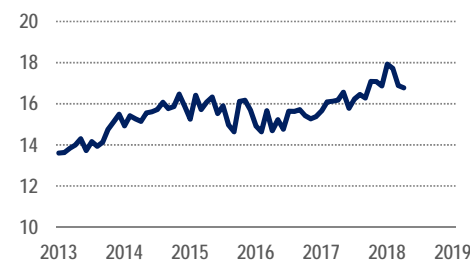
Although Tech was the best performing sector by far last year, investors discovered early this year that the sector can also go down, and even celebrated "FAANG" stocks can have political risk. Expectations for this year are for acceleration on the top line as corporations boost capital spending following the tax cut, but analysts also foresee a substantial slowdown for 2019E. Overall we rate Tech on par with the S&P 500.

Valuation metrics

	2018E	2019E
Price-to-Earnings	17.3	15.9
Price-to-Cash Flow	13.0	11.5
Price-to-Sales	3.7	3.5
Price-to-Book Value	4.3	3.6
Yield* (%)	1.6	1.7

*Based on consensus dividend forecasts for underlying stocks. All differ significantly from distribution yield on the ETF.

Historical P/E ratio*



*based on twelve months' forward EPS (max value of 100)

Other fundamental data

LT growth est.	11.5%
Payout ratio	27.7%
Debt-to-equity	0.7x

Top 10 Holdings

APPLE INC	13.9%
MICROSOFT CORP	12.0%
FACEBOOK	6.8%
ALPHABET INC. CLASS C	5.1%
ALPHABET INC. CLASS A	5.0%
INTEL CORP	4.0%
VISA INC-CLASS A SHARES	3.8%
CISCO SYSTEMS INC	3.5%
VERIZON COMMUNICATIONS INC	3.4%
AT&T INC	3.3%
TOTAL	61.0%

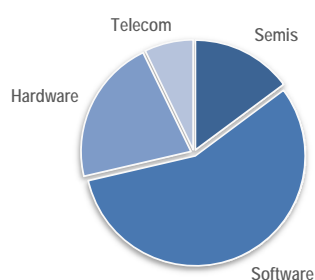
Constituent allocation

No. of constituents	72
Weighted avg mkt cap (mns)	\$401,518
Med mkt cap (mns)	\$13,718
Large cap (>\$10bn)	99.4%
Mid cap (\$2-10bn)	0.6%
Small cap (<\$2bn)	0.0%

Description

Select Sector SPDR® holding S&P 500 stocks in the Technology sector. Component industries include Semiconductors & Semi Equipment; Software & Services; Tech Hardware & Equipment; and Telecommunication Services. The fund seeks investment results that, before expenses, generally correspond to the price and yield performance of the benchmark index. For product information and a prospectus visit www.secterspdr.com.

Industry Breakdown



For more information visit
www.etfresearchcenter.com

Utilities Select Sector SPDR

XLU

\$51.56

Trading History



NOTES: The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Additional performance info current to most recent month-end at www.secterspdr.com/performance.

Fund basics

AltaVista Category
Fund sponsor
Inception date
Fund assets (mns)
Avg. daily volume (000)
Expense ratio (bp)
Distributions
Options availability

Sector ETFs
State Street Global Advisors
December 22, 1998
\$7,181
14,617
13
Quarterly
YES

Total returns (price)*

One year 3.0%
Five year 8.2%
Ten year 6.6%
Since inception 6.6%

*as of 04/30/18. See Notes.

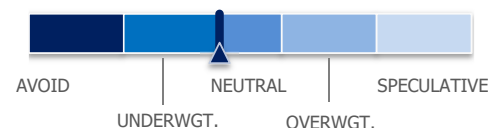
Trading statistics

Beta vs. S&P 500 0.21
Standard deviation 13.2%

AltaVista Recommendation

NEUTRAL

Average appreciation potential. A rating of NEUTRAL is assigned to funds with ALTAR Scores™ between 6.0% and 8.0%. This indicates that valuations adequately reflect the fundamentals of stocks in these funds. The majority of funds we cover fall into this category.

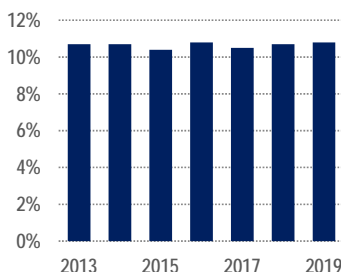


ALTAR Scores™
S&P500 6.1%
XLU 6.0%
All ETFs 6.1%

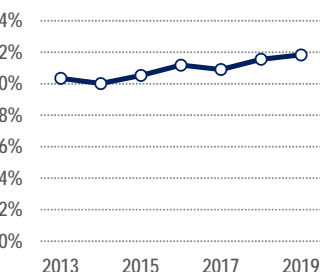
Per share results & estimates

	2013	2014	2015	2016	2017	2018E	2019E	13-18E CAGR
Sales	25.15	27.09	25.71	25.69	26.41	26.73	27.43	1.2%
Earnings	2.60	2.71	2.71	2.87	2.88	3.09	3.25	3.5%
Book Value	24.87	25.77	26.15	26.87	28.17	29.39	30.65	3.4%
Dividends	1.58	1.60	1.66	1.74	1.84	1.86	1.96	3.3%
Sales growth		7.7%	-5.0%	0.0%	2.8%	1.2%	2.6%	
EPS growth		4.3%	-0.2%	6.1%	0.2%	7.2%	5.1%	

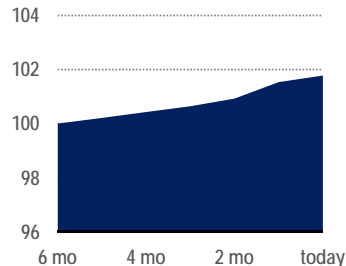
Return on Equity



Net margins



Trend in Current FY Est.



Analyst's opinion

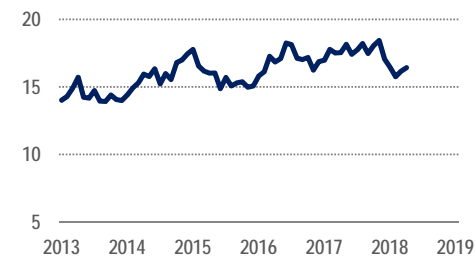
Higher interest rates remain a threat to share prices as the recent drop in P/E multiples (see chart below) can attest. Longer term we think distributed generation and improved battery technology are bigger threats to Utilities' underlying profitability. In any case based on current forecasts and with valuations towards the lower end of their range of the last few years, Utilities rate on par with the S&P 500.

Valuation metrics

	2018E	2019E
Price-to-Earnings	16.7	15.9
Price-to-Cash Flow	7.6	7.3
Price-to-Sales	1.9	1.9
Price-to-Book Value	1.8	1.7
Yield* (%)	3.6	3.8

*Based on consensus dividend forecasts for underlying stocks. May differ significantly from distribution yield on the ETF.

Historical P/E ratio*



*based on twelve months' forward EPS (max value of 100)

Top 10 Holdings

NEXTERA ENERGY GROUP	11.7%
DUKE ENERGY CORP	8.5%
SOUTHERN CO	7.1%
DOMINION RESOURCES INC/VA	6.6%
EXELON CORP	5.8%
AMERICAN ELECTRIC POWER	5.2%
SEMPRA ENERGY	4.3%
PUBLIC SERVICE ENTERPRISE GP	4.0%
CONSOLIDATED EDISON INC	3.8%
XCEL ENERGY INC	3.6%
TOTAL	60.7%

Constituent allocation

No. of constituents	28
Weighted avg mkt cap (mns)	\$32,744
Med mkt cap (mns)	\$11,737
Large cap (>\$10bn)	93.8%
Mid cap (\$2-10bn)	6.2%
Small cap (<\$2bn)	0.0%

Description

Select Sector SPDR® holding S&P 500 stocks in the Utilities sector. The fund seeks investment results that, before expenses, generally correspond to the price and yield performance of the benchmark index. For product information and a prospectus visit www.secterspdr.com.

Industry Breakdown



Utilities

Other fundamental data

LT growth est.	6.1%
Payout ratio	60.3%
Debt-to-equity	1.5x



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www.etfresearchcenter.com

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Data Definitions & Reliability

AltaVista believes the information contained in this report to be reasonably accurate at the time of publication, but makes no warranties with respect to its accuracy. Calculations of fundamental data are based on a weighted average of consensus estimates and reported results for current index constituents. As a result, historical figures for fundamental data such as dividends per share may not reflect those actually paid by firms in the index. To the extent that index reconstitution and rebalancing have altered index composition, these differences may be significant. Definitions for some commonly used financial terms are as follows:

Earnings/Net Income: Unless denoted as a GAAP figure, earnings are calculated on a "pro forma" basis using consensus EPS results/estimates for the individual constituents of each index, multiplied by the float-adjusted shares in the index. For Real Estate Investment Trusts (REITs), the consensus per-share figure for funds from operations, or FFO, is used in place of EPS data.

Cash Flow: Adds depreciation and amortization to consensus earnings estimates

Standard deviation: Statistical measure of price volatility using 3 years of monthly return data. Figures are annualized.

Beta: Measures relative volatility of a given sector index versus the S&P500 by comparing 3 years of monthly return data.

Book Value: Common Equity as reported by index constituents according to GAAP. Forecasts reflect pro-forma calculations using most recently reported figures, plus earnings less dividends.

Dividends per share: Dividends paid by companies in the index on a pro forma basis.

Payout ratio: Dividends as a percentage of Earnings/Net Income in a given year.

Return on Equity: Net income divided by average common equity over the period.

Debt-to-equity: Ratio of long- and short-term debt to owners equity.

Long-term growth: Uses consensus estimates of 3-5 year earnings growth for individual constituents of each index to calculate a float-adjusted earnings-weighted growth rate for the index as a whole.

Trend in Current FY Estimates: Illustrates changes in consensus estimates over time by examining the monthly change in current fiscal year EPS estimates for individual constituents of each index. Base period is set equal to 100.

Price-to-Earnings, -Cash Flow, -Sales and -Book Value: Valuation multiples derived by dividing the index price by the per-share figures for earnings, cash flow, sales and book value, respectively, as per the 'per share results & estimates' for each index.

Additional information is available upon request.



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