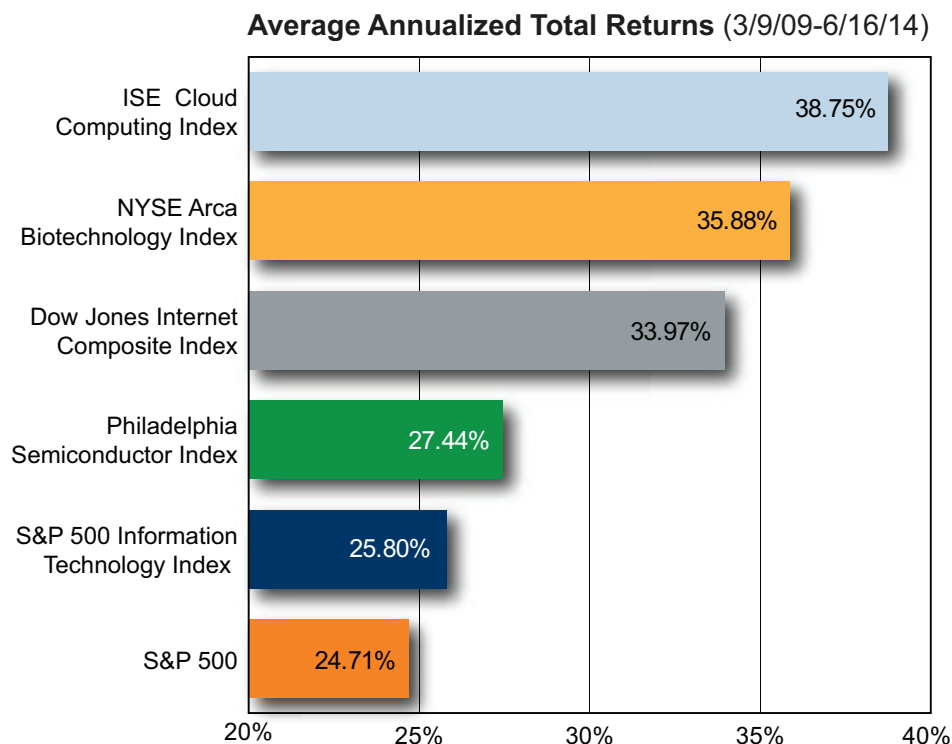


The Revolution In Technology Rolls On



View from the Observation Deck

1. Today's blog post is intended to shine a spotlight on the performance of technology ("tech") stocks in the current bull market.
2. All five of the tech indices featured in the chart have outperformed the S&P 500 since the bull market began on 3/9/09.
3. The indices in the chart represent the so-called "new tech" (cloud computing), "old tech" (semiconductors), the Internet, diversified tech and biotech, which is actually a component of the health care sector.
4. While many equity investors may already have some exposure to technology stocks in their portfolio, we believe that this sector warrants at least a market weighting (tech currently represents 18.9% of the S&P 500) moving forward.
5. Using the two broader indices to compare price-to-earnings (P/E) ratios, the S&P 500 Information Technology Index is currently trading at a more attractive valuation than the S&P 500.
6. Bloomberg's 2014 P/E estimate for the S&P 500 Information Technology Index was 16.01 (6/17), below its 5-year average of 16.70 and significantly less than its 10-year average of 19.22.
7. Bloomberg's 2014 P/E estimate for the S&P 500 was 16.42 (6/17), above its 5-year average of 15.78 and above its 10-year average of 16.17.
8. Bloomberg's 2014 estimated earnings growth rates (6/17) for the S&P 500 Information Technology Index and S&P 500 were 16.03% and 8.38%, respectively.
9. There are many vehicles available to investors to participate in the ongoing tech revolution. We believe that the bull market in tech stocks has legs.

The chart and performance data referenced are for illustrative purposes only and not indicative of any actual investment. The index performance data excludes the effects of taxes and brokerage commissions or other expenses incurred when investing. Investors cannot invest directly in an index. There can be no assurance that any of the projections cited will occur. The S&P 500 Index is a capitalization-weighted index comprised of 500 stocks used to measure large-cap U.S. stock market performance. The ISE Cloud Computing Index is a modified equal-dollar weighted index designed to track the performance of companies actively involved in the cloud computing industry. The NYSE Arca Biotechnology Index is an equal-dollar weighted index designed to measure the performance of a cross section of companies in the biotechnology industry. The Dow Jones Internet Composite Index is a modified capitalization-weighted index designed to track companies involved in Internet-related activities. The Philadelphia Semiconductor Index is a modified capitalization-weighted index comprised of companies that are involved in the design, distribution, manufacturing, and sale of semiconductors. The S&P 500 Information Technology Index is capitalization-weighted and comprised of S&P 500 constituents representing the technology sector.