How Pairing Related Sectors In The Current Bull Market Would Have Fared

50/50 Split-Tickets Using S&P 500 Index Sectors
Cumulative Total Returns (3/9/09-3/30/16)

<table>
<thead>
<tr>
<th>Sector Index</th>
<th>Cumulative Total Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>S&amp;P 500 Consumer Discretionary Index</td>
<td>459.27%</td>
</tr>
<tr>
<td>S&amp;P 500 Consumer Staples Index</td>
<td>236.11%</td>
</tr>
<tr>
<td>Average Return</td>
<td>347.69%</td>
</tr>
<tr>
<td>S&amp;P 500 Financials Index</td>
<td>310.19%</td>
</tr>
<tr>
<td>S&amp;P 500 Health Care Index</td>
<td>256.95%</td>
</tr>
<tr>
<td>Average Return</td>
<td>283.57%</td>
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<tr>
<td>S&amp;P 500 Industrials Index</td>
<td>329.82%</td>
</tr>
<tr>
<td>S&amp;P 500 Materials Index</td>
<td>204.47%</td>
</tr>
<tr>
<td>Average Return</td>
<td>267.15%</td>
</tr>
<tr>
<td>S&amp;P 500 Information Technology Index</td>
<td>307.26%</td>
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<tr>
<td>S&amp;P 500 Telecom. Services Index</td>
<td>182.67%</td>
</tr>
<tr>
<td>Average Return</td>
<td>244.97%</td>
</tr>
<tr>
<td>S&amp;P 500 Utilities Index</td>
<td>194.63%</td>
</tr>
<tr>
<td>S&amp;P 500 Energy Index</td>
<td>75.72%</td>
</tr>
<tr>
<td>Average Return</td>
<td>135.18%</td>
</tr>
</tbody>
</table>

Source: Bloomberg. Past performance is no guarantee of future results, particularly with respect to investing in a limited number of sectors.

View from the Observation Deck

1. Think of today's post as one example of thinking outside of the box.
2. In today's post, our goal is to show investors that it is possible to combine two sectors (equal weight) sharing a common business niche or theme in an effort to potentially outperform the S&P 500 Index.
3. We should note that this an example of an investment approach solely comprised of two similar sectors within the S&P 500 Index, which significantly decreases diversification and therefore significantly increases risk.
4. At first glance, the only pair of major sectors in the chart that do not share a direct link is Health Care/Financials. After some further analysis, however, it appears they might be linked in an important way after all.
5. In 2015, Prudential released a white paper ("Financial Wellness: The Next Frontier In Wellness Programs") discussing the link between health and financial well-being.
6. In the white paper, in addition to the threat of outliving one's assets in retirement, it references the following three challenges during one's working years: premature death, illness or injury and out-of-pocket medical and non-medical expenses.
7. From 3/9/09-3/30/16, the S&P 500 Index posted a cumulative total return of 254.20%, according to Bloomberg.

This chart is for illustrative purposes only and not indicative of any actual investment. The illustration excludes the effects of taxes and brokerage commissions or other expenses incurred when investing. Investors cannot invest directly in an index. The S&P 500 Index is a capitalization-weighted index comprised of 500 stocks used to measure large-cap U.S. stock market performance, while the 10 major S&P 500 Sector Indices are capitalization-weighted and comprised of S&P 500 constituents representing a specific sector.