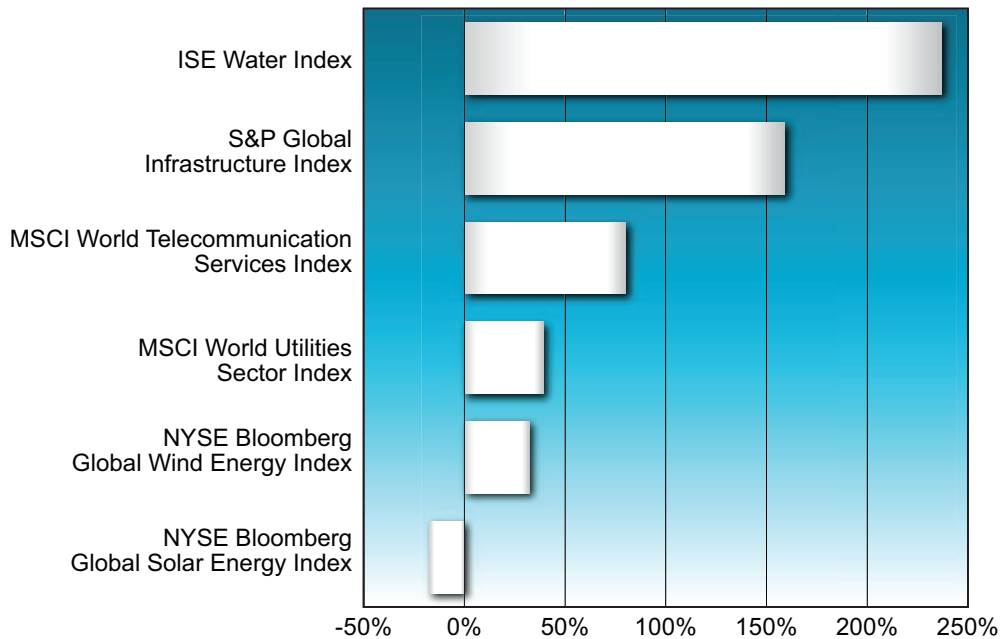


# A Snapshot Of Utility & Infrastructure-Related Stocks

**Global Utility & Infrastructure-Related Indices (USD)**  
**Cumulative Total Returns (3/9/09-5/17/16)**



Source: Bloomberg.  
 Past performance is no guarantee of future results.

## View from the Observation Deck

1. Today's blog post provides a global snapshot of how various utility and infrastructure-related indices have performed in the current bull market.
2. As indicated in the chart, water and water infrastructure stocks have garnered much more interest from investors than the other major utilities.
3. The need for new infrastructure and upgrades to existing infrastructure worldwide is well documented.
4. As much as \$78 trillion is projected to be spent on infrastructure worldwide between 2014 and 2025, according to Forbes. Estimates on spending may vary depending on the source.
5. A new report from the American Society of Civil Engineers (ASCE) revealed that the U.S. is in need of \$3.3 trillion in infrastructure funding (10 categories) over the next 10 years, according to its own release.
6. The biggest need involves upgrading the surface transportation network, including roads, bridges, transit, and commuter rail, which will require an estimated \$1.1 trillion. The next two biggest need categories are electricity infrastructure and water/wastewater infrastructure, requiring an estimated \$177 billion and \$105 billion, respectively.
7. As a theme, infrastructure perked up about a decade or so ago for two main reasons: emerging markets were growing fast and in need of new infrastructure, while developed nations mostly needed to repair existing infrastructure.
8. Today, emerging markets are still growing, but at a slower pace. Global growth has slowed in general. That can impede spending, even when the need appears to be of an urgent nature.
9. Some U.S. politicians, including those running for president, are talking up infrastructure in their campaigns. We intend to monitor this theme moving forward.

*This chart is for illustrative purposes only and not indicative of any actual investment. There can be no assurance that any of the projections cited will occur. The illustration excludes the effects of taxes and brokerage commissions or other expenses incurred when investing. Investors cannot invest directly in an index. The ISE Water Index includes companies engaged in water distribution, water filtration, flow technology and other water solutions. The S&P Global Infrastructure Index provides liquid and tradable exposure to 75 companies from around the world that represent the listed infrastructure universe. The MSCI World Telecommunication Services Index is designed to capture the large- and mid-capitalization segments across 23 developed markets in the Telecommunication Services sector. The MSCI World Utilities Index is designed to capture the large- and mid-capitalization segments across 23 developed markets in the Utilities sector. The NYSE Bloomberg Global Wind Energy Index is comprised of companies active across the wind energy value chain, including the manufacturing of wind energy equipment and the financing, development and operation of wind projects. The NYSE Bloomberg Global Solar Energy Index is comprised of companies active across the solar energy value chain, including the manufacturing of solar energy equipment and the financing, development and operation of solar projects.*