



# Investing just got social

## SUMMARY OF CHANGES

### IN

COMPANY	TICKER
American Express Co.	AXP
Blackstone Group LP	BX
Chevron Corp.	CVX
General Motors Co.	GM
Goldman Sachs Group	GS
Incyte Corp.	INCY
Morgan Stanley	MS
Newmont Mining Corp.	NEM
Regeneron Pharmaceuticals Inc.	REGN
United Technologies Corp.	UTX

### OUT

COMPANY	TICKER
ConocoPhillips	COP
Costco Wholesale Corp.	COST
Home Depot Inc.	HD
Las Vegas Sands Corp.	LVS
Monsanto Co.	MON
Priceline Group Inc.	PCLN
Skyworks Solutions Inc.	SWKS
Ulta Salon, Cosmetics & Fragrance, Inc.	ULTA
Whole Foods Market Inc.	WFM
Williams Cos Inc.	WMB

## SECTOR COMPARISON

SECTOR	OCTOBER 2016 INDEX WEIGHT (%)	NOVEMBER 2016 INDEX WEIGHT (%)
Consumer Discretionary	20.8	17.4
Consumer Staples	5.1	4.4
Energy	5.5	4.8
Financials	1.5	4.8
Health Care	21.9	24.4
Industrials	7.0	6.4
Information Technology	31.0	30.4
Materials	4.8	2.7
Telecommunication Services	2.4	4.7
Utilities	0.0	0.0

## STOCK SPOTLIGHT U.S. PRESIDENTIAL ELECTION EDITION

## Biotechnology

While most areas of the financial markets seesawed wildly following Donald Trump<sup>1</sup>'s victory in the U.S. presidential elections, there was little doubt in investors<sup>1</sup> minds that the result would be a net positive for the beaten down biotechnology sector. Hillary Clinton was a well-known advocate against price-gouging practices that she believed to be taking place within the sector; supporting increased regulation for the industry. One of the largest biotech ETFs, the iShares Nasdaq Biotechnology ETF (NASDAQ: IBB), declined over 10% in a single month as Clinton appeared to gain momentum heading into the November election. When it was Trump who emerged as the victor, IBB spiked up 10% the next day as investors piled back into biotech stocks. Social sentiment on the sector, which had already been bullish leading up to the election, jumped even further. In the days following Trump<sup>1</sup>'s victory, the weighting of the biotechnology and pharmaceutical sector in the BUZZ Index increased to 22.7%, 2% higher than if it had been pre-election, with names such as Amgen Inc. (NASDAQ: AMGN) and Celgene Corporation (NASDAQ: CELG) leading the way.

## Financials

Trump has been a vocal supporter of decreasing regulations in the banking sector, challenging the reforms created by the Dodd-Frank Act. Following the election, financial stocks broke out to their highest levels since 2008 as investors poured in on hopes that Trump<sup>1</sup>'s policies would provide a major boost to the industry. Within a week, the SPDR Financial Select Sector ETF (NYSE: XLF) had surged 10% and bullish discussion surrounding financial stocks had increased notably. Unlike biotech stocks, which have historically been much more volatile and prone to large swings, bank stocks were unaccustomed to the amount of hype that followed Trump<sup>1</sup>'s victory. Social sentiment on Bank of America (NYSE: BAC) rose sharply and was one of the top movers this month in the BUZZ Index. Reflecting the positive tone of the sector, the weighting of financial stocks in the BUZZ index nearly tripled to 4.8%.

## INDEX FUNDAMENTALS

1.5%

Dividend Yield

18.2

P/E Ratio

\$129.8B

Average Market Cap

\$5.8B

Smallest Market Cap

\$586.3B

Largest Market Cap

**INDEX HOLDINGS**

COMPANY	WEIGHT (%)	COMPANY	WEIGHT (%)
Advanced Micro Devices	3.00	Boeing Co.	0.89
Alphabet Inc.	3.00	Southwest Airlines Co.	0.88
Twitter Inc.	3.00	Allergan PLC	0.87
Apple Inc.	3.00	CVS Health Corp.	0.82
Facebook Inc.	3.00	Ford Motor Co.	0.79
Microsoft Corp.	3.00	Procter & Gamble Co.	0.71
Walt Disney Co.	3.00	Marathon Oil Corp.	0.70
Tesla Motors Inc.	3.00	QUALCOMM Inc.	0.67
Amazon.com Inc.	3.00	Coca-Cola Co.	0.66
NVIDIA Corp.	3.00	salesforce.com Inc.	0.65
Under Armour Inc.	3.00	Merck & Co Inc.	0.65
Gilead Sciences Inc.	3.00	Kroger Co.	0.63
Valeant Pharmaceuticals International Inc.	3.00	Regeneron Pharmaceuticals Inc.	0.62
Bristol-Myers Squibb Co.	3.00	Citigroup Inc.	0.60
AbbVie Inc.	3.00	Blackstone Group LP	0.57
Celgene Corp.	2.88	American Express Co.	0.54
Sprint Corp.	2.57	Goldman Sachs Group Inc.	0.54
Intel Corp.	2.43	Wynn Resorts Ltd	0.51
NIKE Inc.	2.09	JPMorgan Chase & Co.	0.51
Freeport-McMoRan Inc.	1.95	Wal-Mart Stores Inc.	0.50
AT&T Inc.	1.84	Devon Energy Corp.	0.49
Bank of America Corp.	1.66	Delta Air Lines Inc.	0.49
Amgen Inc.	1.51	Newmont Mining Corp.	0.46
Biogen Inc.	1.47	General Motors Co.	0.46
JetBlue Airways Corp.	1.47	Mallinckrodt PLC	0.45
Energy Transfer Equity LP	1.37	Chevron Corp.	0.43
PayPal Holdings Inc.	1.30	United Technologies Corp.	0.41
OPKO Health Inc.	1.29	Schlumberger Ltd.	0.40
Visa Inc.	1.28	Micron Technology Inc.	0.40
General Electric Co.	1.28	Western Digital Corp.	0.38
Johnson & Johnson	1.26	Morgan Stanley	0.35
Activision Blizzard Inc.	1.17	McDonald's Corp.	0.34
Pfizer Inc.	1.12	Incyte Corp.	0.34
Altria Group Inc.	1.10	Exxon Mobil Corp.	0.33
International Business Machines Corp.	1.07	Verizon Communications Inc.	0.32
Kinder Morgan Inc.	1.07	Alcoa Corp.	0.32
Lockheed Martin Corp.	0.96	MGM Resorts International	0.28
Starbucks Corp.	0.93	<b>Total:</b>	<b>100.00</b>

**TOP U.S. STOCKS DISCUSSED ON SOCIAL MEDIA**



**TOP FIVE POSITIVELY TRENDING STOCKS IN THE INDEX**

- Advanced Micro Devices
- Under Armour
- Microsoft
- NVIDIA
- Sprint

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

- Monsanto
- Netflix
- Chipotle Mexican Grill
- Caterpillar
- Skyworks Solutions

**Sprott Buzz Social Media Insights Exchange Traded Fund ('Buzz ETF')** tracks the BUZZ Social Media Insights Index, which identifies the 75 most bullish U.S. stocks based on investment insights derived from the Social Media's Big Data.

- Over 50 million unique stock-specific data points from Social Media comments, 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 across the Social Media landscape.

### 2. What's the BUZZ?

The BUZZ Index looks at what the Social community is saying about these most-mentioned and whether the sentiment is positive, negative or neutral on a collective basis.

### 3. Who is creating the BUZZ?

The BUZZ Index then measures the influence within the social media community of those individuals who are discussing each stock and their historical 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.**

Sprott Buzz Social Media Insights ETF shares are not individually redeemable. Investors buy and sell shares of the Sprott Buzz Social Media Insights 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 Fund is new with a limited operating History.

The ability to invest based on social media 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 social media analytics involves the potential for market manipulation because social media 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 social media postings may prove inaccurate; that is, high positive sentiment may not correlate with negative 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 social media 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).

<sup>1</sup>Big Data is a term for data sets that are so large or complex that traditional data processing applications are inadequate.

Social media, as it relates to the ETF, refers to social media sites.

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

Social community refers to the users of the social media sites.

Hedge Funds are alternative investments using pooled funds that may use a number of different strategies in order to earn active return, or alpha, for their investors.

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

Relative Value is a method of determining an asset's value that takes into account the value of similar assets.

Technical Indicator is any class of metrics whose value is derived from generic price activity in a stock or asset.

Capital Asset Theory is a model that describes the relationship between risk and expected return and that is used in the pricing of risky securities.

ALPS Portfolio Solutions Distributor, Inc. is the Distributor for the Sprott Buzz Social Media Insights ETF.