



Contact Information

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Information about the index, including rule book, company description and historic data, can be found at: www.snetmedicalindexes.com

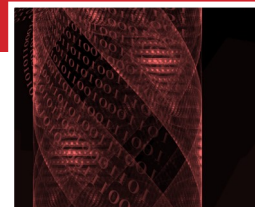
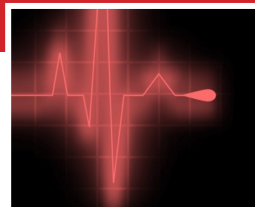
TICKERS:

S-Network Healthcare Innovation Index: PHIX

S-Network Healthcare Innovation Total Return Index: PHIXTR

June 2019

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Q2 2019 Review: S-Network Healthcare Innovation Index

Index Performance. The S-Network Healthcare Innovation Total Return Index (TICKER: PHIXTR) decreased -6.78% from 2505.33 to 2335.38 in the quarter ended June 30, 2019. This compares to an increase in S-Network US Equity Large-Cap 500 Total Return Index (TICKER: SN500T) of +4.38% and a decrease in the Dynamic Biotech & Genome Intellidex Total Return Index (TICKER: DZOTR) of -2.81%.

The S-Network Healthcare Innovation Total Return Index fell -1.26% in the past 12 months. This compares to a +10.36% rise in the S-Network US Equity Large-Cap 500 Total Return Index and a -1.66% fall in the Dynamic Biotech & Genome Intellidex Total Return Index.

Index Description. The S-Network Healthcare Innovation Index (TICKER: PHIX) is designed to capture merger and acquisition opportunities in the biotech and pharmaceutical industry. PHIX consists of companies included in the S-Network Biopharma Merger & Acquisition Index (PBMA) that pass additional screens.

Inclusion Criteria. PHIX consists of companies listed on a US stock exchange and principally engaged in one of the following healthcare sectors: a) biotechnology and b) pharmaceuticals. Constituents must have a market capitalization of no less than \$1 billion and no more than \$50 billion. Constituents must sustain an average daily trading volume in excess of \$1 million for the 90-day period preceding a reconstitution. Constituents must have one or more drugs in either Phase II or Phase III US Food and Drug Administration (FDA) clinical trials which are not in a partnership. Constituents must also have one or more drugs that meet at least one of the following criteria:

- I. Breakthrough, Fast Track or Orphan drug status
- II. Expected Catalyst within the next 24 months

The number of stocks contained in the PHIX is fixed at 30. If more than 30 companies exhibit the above criteria, the index selects the 30 companies with the highest ratio of peak forecasted sales for the drugs in clinical trials to full market capitalization. If fewer than 30 companies exhibit the above criteria, the index selects the remaining companies to meet the fixed count based on the highest ratios of peak forecasted sales for the drugs in clinical trials to full market capitalization.

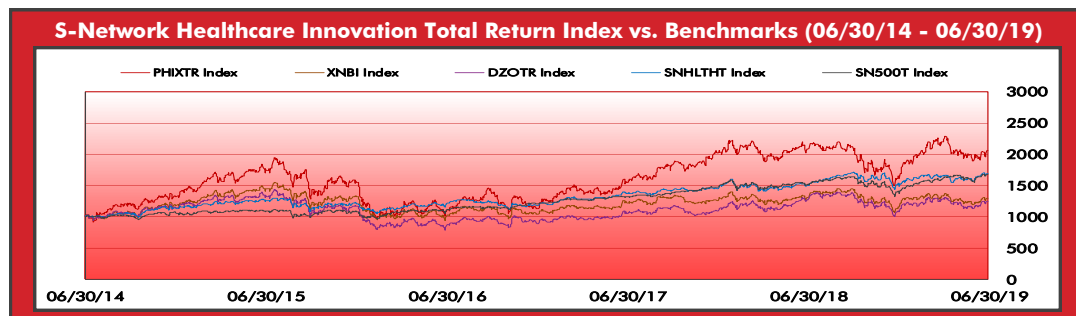
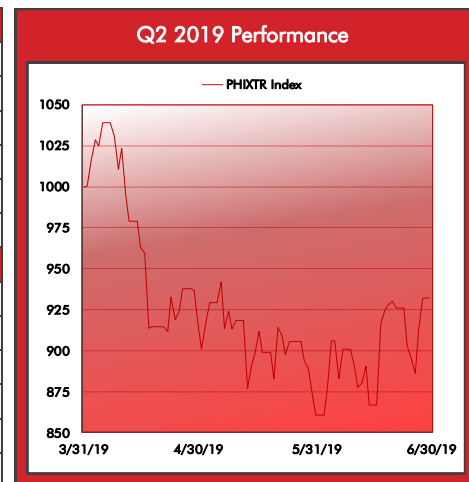
Weighting Methodology. The constituents of PHIX are equal weighted.

Rebalancing. PHIX is reconstituted and rebalanced quarterly at the close of trading on the third Friday of the last month of each calendar quarter.

Index Data. PHIX is calculated daily by S-Network Global Indexes. Daily values from December 31, 2013 are available on the index website and through various data vendors. End-of-day index values are distributed daily via the NYSE Global Index Feed (GIF).

Leading Movers				
Company Name	Ticker	Opening	Closing	Change
ATHENEX INC	ATNX US	12.25	19.80	61.63%
MIRATI THERAPEUTICS INC	MRTX US	73.30	103.00	40.52%
EIDOS THERAPEUTICS, INC.	EIDX US	23.45	31.08	32.54%
UNIQUE B.V.	QURE US	59.65	78.15	31.01%
ARENA PHARMACEUTICALS INC	ARNA US	44.83	58.63	30.78%

Lagging Movers				
Company Name	Ticker	Opening	Closing	Change
ATARA BIOTHERAPEUTICS INC.	ATRA US	39.75	20.11	-49.41%
INTERCEPT PHARMACEUTICALS INC	ICPT US	111.86	79.57	-28.87%
THERAVANCE BIOPHARMA INC	TBPH US	22.67	16.33	-27.97%
IMMUNOMEDICS INC	IMMU US	19.21	13.87	-27.80%
HERON THERAPEUTICS INC.	HRTX US	24.44	18.59	-23.94%



*Note: This chart is a normalized historical graph
Data Source: Bloomberg Data as of June 30, 2019

This chart is for illustrative purposes only. Historical information is not indicative of future results; current data may differ from data quoted. Investors cannot invest directly in index. Index returns do not reflect any management fees or brokerage expenses.

Index Statistical Profile

Capitalization Profile	
Number of Constituents	30
TOTAL MARKET CAPITALIZATION	73.50 Billion USD
LARGEST MARKET CAPITALIZATION	7.48 Billion USD
SMALLEST MARKET CAPITALIZATION	916.72 Million USD
AVERAGE MARKET CAPITALIZATION	2.45 Billion USD
MEDIAN MARKET CAPITALIZATION	2.05 Billion USD

Total Return Appreciation					
	PHIXTR	XNBI	DZOTR	SNHLTHT	SN500T
Since Inception	133.54%	47.93%	48.74%	86.84%	78.81%
5 Year	105.77%	30.32%	25.01%	68.93%	67.55%
3 Year	89.54%	29.15%	46.52%	39.18%	50.73%
1 Year	-1.26%	-0.20%	-1.66%	12.87%	10.36%

Compound Annual Growth Rate (CAGR)					
	PHIXTR	XNBI	DZOTR	SNHLTHT	SN500T
Since Inception	16.67%	7.38%	7.49%	12.04%	11.14%
5 Year	15.52%	5.44%	4.57%	11.06%	10.87%
3 Year	23.76%	8.90%	13.58%	11.65%	14.66%
1 Year	-1.26%	-0.20%	-1.66%	12.87%	10.36%

Annualized Standard Deviation (Monthly)					
	PHIXTR	XNBI	DZOTR	SNHLTHT	SN500T
Since Inception	31.74%	23.39%	25.13%	13.32%	11.89%
5 Year	32.23%	23.26%	24.67%	13.68%	12.18%
3 Year	29.88%	22.11%	22.79%	13.95%	12.35%
1 Year	33.62%	28.70%	27.72%	18.91%	19.25%

Sharpe Ratio					
	PHIXTR	XNBI	DZOTR	SNHLTHT	SN500T
Since Inception	0.6271	0.3889	0.3832	0.8616	0.8818
5 Year	0.5892	0.3077	0.2712	0.7715	0.8370
3 Year	0.8181	0.4305	0.6101	0.7587	1.0581
1 Year	0.0492	0.0466	-0.0138	0.6091	0.4842

Top Ten Constituents			
Company	Ticker	Country	Weight
APELLIS PHARMACEUTICALS INC	APLS US	United States	3.83%
REATA PHARMACEUTICALS INC-A	RETA US	United States	3.70%
TRICIDA, INC.	TCDA US	United States	3.66%
IMMUNOMEDICS INC	IMMU US	United States	3.59%
ATHENEX INC	ATNX US	United States	3.56%
FIBROGEN INC	FGEN US	United States	3.56%
ACADIA PHARMACEUTICALS INC	ACAD US	United States	3.53%
GOSSAMER BIO INC	GOSS US	United States	3.51%
MIRATI THERAPEUTICS INC	MRTX US	United States	3.50%
ACCELERON PHARMA INC.	XLRN US	United States	3.50%

Beta Matrix** (5 Year/Monthly)					
	PHIXTR	XNBI	DZOTR	SNHLTHT	SN500T
PHIXTR	1.0000	0.6726	0.7106	0.3278	0.2351
XNBI	1.2919	1.0000	1.0359	0.5260	0.3757
DZOTR	1.2129	0.9204	1.0000	0.4798	0.3499
SNHLTHT	1.8188	1.5195	1.5597	1.0000	0.7178
SN500T	1.6466	1.3701	1.4358	0.9060	1.0000

Correlation Matrix** (5 Year/Monthly)					
	PHIXTR	XNBI	DZOTR	SNHLTHT	SN500T
PHIXTR	1.0000				
XNBI	0.9321	1.0000			
DZOTR	0.9284	0.9765	1.0000		
SNHLTHT	0.7721	0.8940	0.8651	1.0000	
SN500T	0.6222	0.7175	0.7088	0.8064	1.0000

R-Square Matrix** (5 Year/Monthly)					
	PHIXTR	XNBI	DZOTR	SNHLTHT	SN500T
PHIXTR	1.0000				
XNBI	0.8689	1.0000			
DZOTR	0.8619	0.9535	1.0000		
SNHLTHT	0.5962	0.7993	0.7484	1.0000	
SN500T	0.3871	0.5148	0.5024	0.6503	1.0000

*All data as of June 30, 2019

**Dependent variable shown in Column Headers, Independent shown in Row Headers

Index Composition

