

Nasdaq US Shareholder Yield Index

A Robust & Sustainable Yield Strategy

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With the recent concern of rising interest rates and the market correction in February, there is growing disarray amongst investors with regards to dividend paying stocks. Although interest rates can be a headwind for dividend paying stocks, there are opportunities within this space in which investors can potentially gain excess returns. Specifically, companies that not only pay sustainable dividends but also ones that offer stock buybacks and strong positive cash flow generation are important to consider in achieving a total return that exceeds benchmarks. The Nasdaq US Shareholder Yield Index (NQSHYL) does just that. The following are the factors that this index considers when selecting companies.

#	FACTOR
1	Buyback Yield
2	Dividend Yield
3	Dividend Payout Per Share
4	Dividend Yield Historical Valuation (3-Year & 5-Year)
5	Dividend Growth (1-Year, 3-Year, 5-Year)
6	Free Cash Flow to Price
7	Free Cash Flow Growth 3-Year Sharpe Ratio
8	Free Cash Flow Growth (1-Year, 3-Year, & 5-Year)
9	EBITDA to Debt

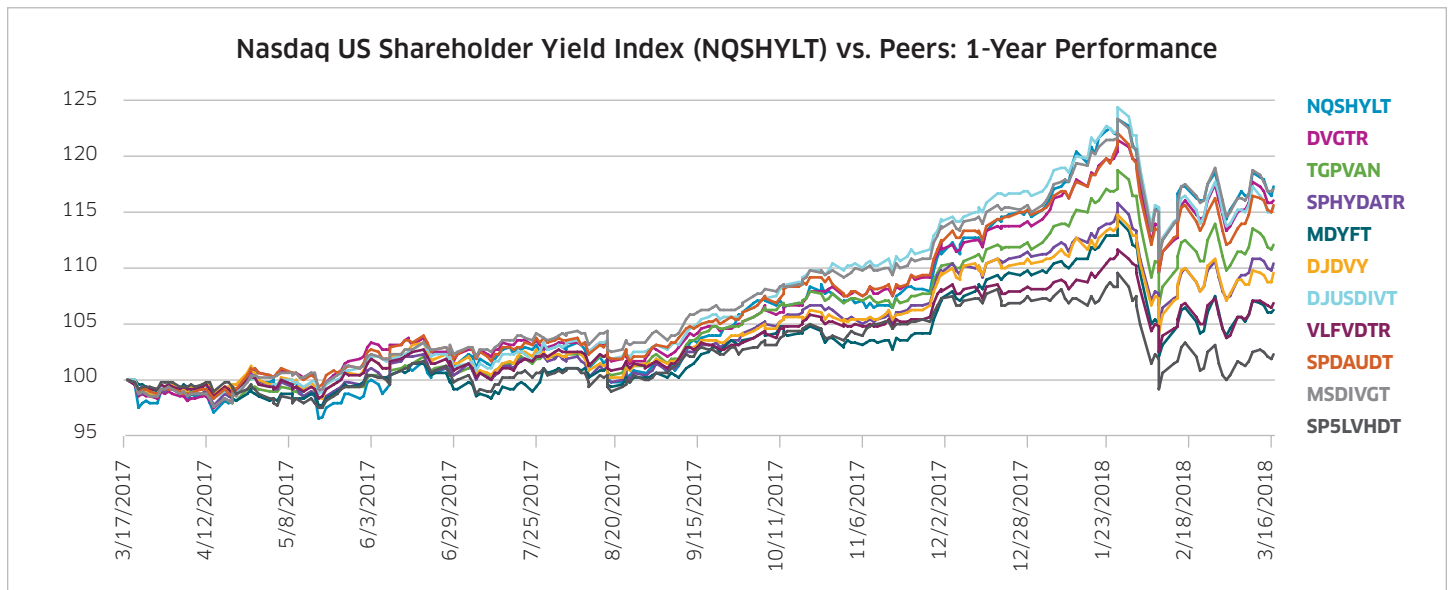
For additional information on NQSHYL, please refer to the following link:

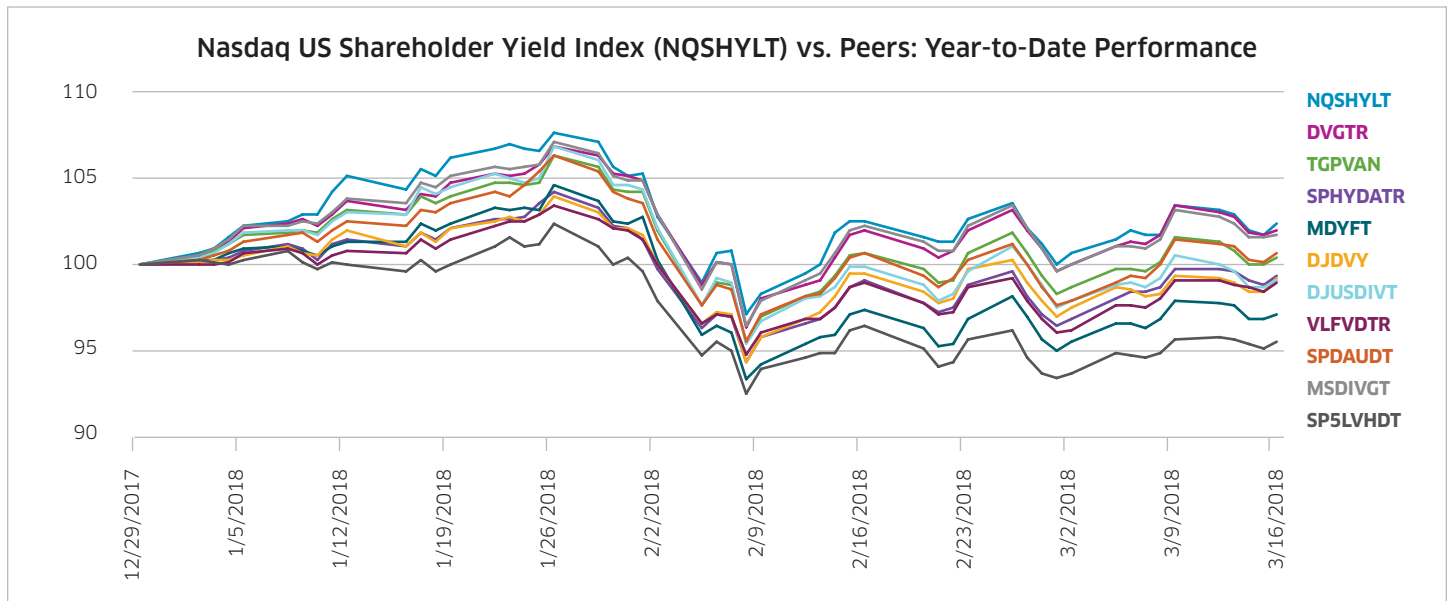
<http://business.nasdaq.com/ShareholderYieldResearch>

It is evident from the factors above that NQSHYL follows a robust methodology when selecting companies that exhibit high degrees of sustainable shareholder yield. While rising interest rates is a potential headwind for dividend yields, this index considers many other factors besides dividend yield which can offer investors a strong total yield.

The information below compares the Nasdaq US Shareholder Yield Total Return Index (NQSHYLT) with 10 other dividend strategy indexes (all on a total return basis to show performance with dividends reinvested).

TOTAL RETURN INDEX TICKER	INDEX NAME
NQSHYLT	Nasdaq US Shareholder Yield Index
DVGTR	Nasdaq Dividend Achievers Select Index
TGPVAN	FTSE High Dividend Yield Index
SPHYDATR	S&P High Yield Dividend Aristocrats Index
MDYFT	Morningstar Dividend Yield Focus Index
DJDVY	Dow Jones US Select Dividend Index
DJUSDIVT	Dow Jones US Dividend 100 Index
VLFVDTR	Value Line Dividend Index
SPDAUDT	S&P 500 Dividend Aristocrats Index
MSDIVGT	Morningstar US Dividend Growth Index
SP5LVHDT	S&P 500 Low Volatility High Dividend Index





INDEX TICKER	2018 YTD	1 YEAR
NQSHYLT	2.37%	17.19%
DVGTR	2.00%	16.04%
MSDIVGT	1.74%	17.01%
SPDAUDT	0.58%	15.49%
TGPVAN	0.35%	12.09%
SPHYDATR	-0.66%	10.34%
DJDVY	-0.85%	9.52%
DJUSDIVT	-0.90%	15.46%
VLFVDTR	-1.05%	6.92%
MDYFT	-2.93%	6.14%
SP5LVHDT	-4.46%	2.34%

As the charts and the table above show, on a year-to-date and 1-year basis, NQSHYLT has outperformed every one of the other peer indexes outlined. This illustrates the robustness and uniqueness of the Nasdaq US Shareholder Yield Index and the various factors that it utilizes in selecting companies that provide strong, sustainable shareholder yield.

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