

S&P Dow Jones Indices

A Division of S&P Global

S&P U.S. Retiree Spending Index

Tracking the Boomers...and Beyond

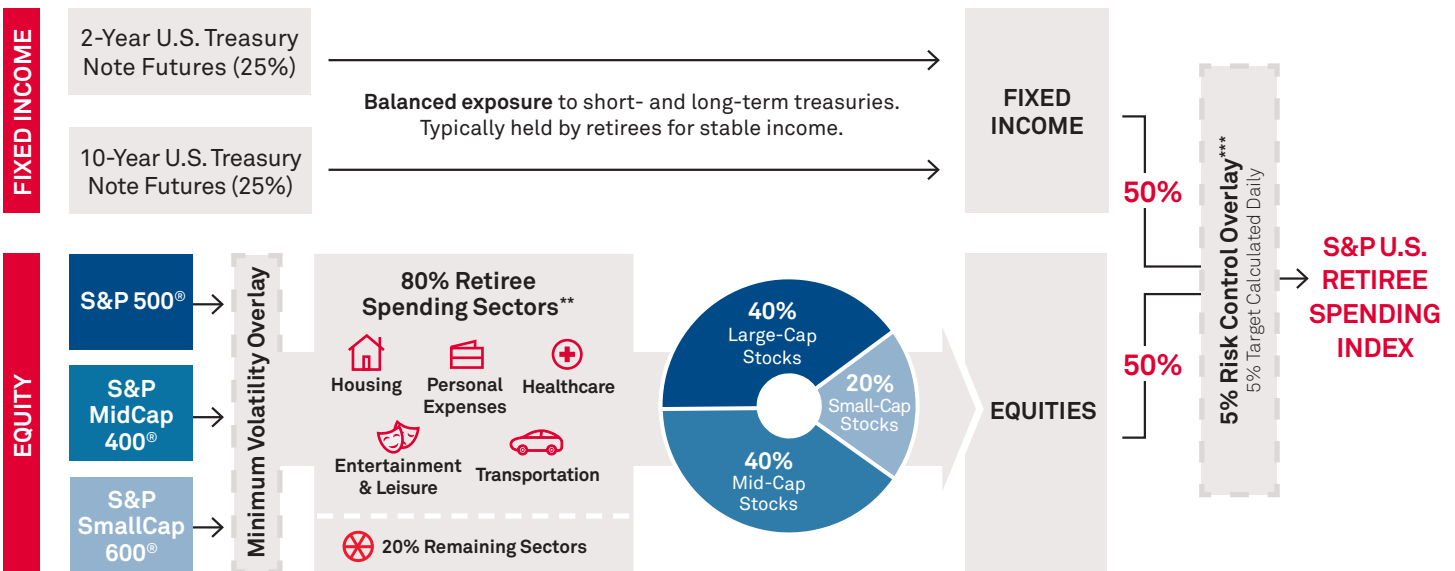
The demographics of the United States are shifting right now in record numbers, with over 76 million baby boomers transitioning to retirement. Every day, 10,000* individuals leave the workforce and bring their spending power and evolving priorities to the broader economy.

The **S&P U.S. Retiree Spending Index** is made up of 50% equities and 50% U.S. Treasuries. It is designed to measure the performance of sectors determined by the U.S. Bureau of Labor Statistics to be impacted by retiree spending, and the performance of a balanced exposure to short- and long-term treasuries.

KEY INDEX BENEFITS

- 1 **Balanced Construction**
- 2 **Sector Diversification**
- 3 **Stock Diversification**
- 4 **Two-Step Volatility Reduction**

WHAT'S INSIDE THE S&P U.S. RETIREE SPENDING INDEX?



Return Performance of the S&P 500 vs. the S&P U.S. Retiree Spending Index



* Boomer Expectations for Retirement 2016. (2016, April). Retrieved from <https://www.myirionline.org/docs/default-source/research/boomer-expectations-for-retirement-2016.pdf>. Pg. 1.

**To form the Retiree Spending Sectors, S&P Dow Jones Indices maps consumer expenditure data for persons 65 and over from the BLS to the Global Industry Classification Standard (GICS®) sector framework. Select subindustries from these sectors are excluded. For full details of screening criteria, refer to the index methodology.

***The risk control framework helps to reduce portfolio volatility towards the 5% target by moving a portion of the portfolio allocation from the index to cash in volatile markets and from cash to the index in less volatile markets.

****Source: S&P Dow Jones Indices LLC. Data from July 1995 to December 2016. Past performance is no guarantee of future results. Chart is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance. The index level of the S&P 500 has been rebased to 100 starting on July 17, 1995.

Contact information

Beijing +86 10-6569-2770

Dubai +971 (0)4 371 7131

Hong Kong +852 2532-8000

London +44 207-176-8888

New York +1 212-438-2046

+1 877-325-5415

Sydney +61 2-9255-9802

Tokyo +81 3-4550-8564

Visit us at spdji.com

PERFORMANCE DISCLOSURES

The S&P U.S. Retiree Spending Index (TR) was launched on Sept. 26, 2016. All information presented prior to an index's Launch Date is hypothetical (back-tested), not actual performance. The back-test calculations are based on the same methodology that was in effect when the index was officially launched. Past performance is not an indication or guarantee of future results. It is not possible to invest directly in an index. Please see the Performance Disclosure at <http://www.spindices.com/regulatory-affairs-disclaimers/> for more information regarding the inherent limitations associated with back-tested performance. Copyright © 2017 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved.

GENERAL DISCLAIMER

Copyright © 2017 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved. Redistribution, reproduction and/or photocopying in whole or in part are prohibited without written permission. Standard & Poor's and S&P are registered trademarks of Standard & Poor's Financial Services LLC, a division of S&P Global ("S&P"); Dow Jones is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); and these trademarks have been licensed for use by S&P Dow Jones Indices LLC. S&P Dow Jones Indices LLC, Dow Jones, S&P and their respective affiliates ("S&P Dow Jones Indices") makes no representation or warranty, express or implied, as to the ability of any index to accurately represent the asset class or market sector that it purports to represent and S&P Dow Jones Indices shall have no liability for any errors, omissions, or interruptions of any index or the data included therein. Past performance of an index is not an indication of future results. This document does not constitute an offer of any services. All information provided by S&P Dow Jones Indices is general in nature and not tailored to the needs of any person, entity or group of persons. S&P Dow Jones Indices receives compensation in connection with licensing its indices to third parties. It is not possible to invest directly in an index. Exposure to an asset class represented by an index may be available through investable instruments offered by third parties that are based on that index. S&P Dow Jones Indices does not sponsor, endorse, sell, promote or manage any investment fund or other investment product or vehicle that seeks to provide an investment return based on the performance of any Index. S&P Dow Jones Indices LLC is not an investment or tax advisor. S&P Dow Jones Indices makes no representation regarding the advisability of investing in any such investment fund or other investment product or vehicle. A tax advisor should be consulted to evaluate the impact of any tax-exempt securities on portfolios and the tax consequences of making any particular investment decision.

For more information on any of our indices please visit www.spdji.com.