2017 was a banner year for U.S. equities. Large caps were the winners, with the S&P 500 up 22%, marking 14 consecutive months of gains. Smaller caps were also positive as the S&P MidCap 400 and the S&P SmallCap 600 registered gains of 16% and 13%, respectively. Equity volatility was at extremely low levels, with the VIX closing the year at 11.04.

All sectors were positive in 2017, with the exception of Energy and Telecom. Info Tech was the leader, up a staggering 39%, while Telecom lagged, down 1%.

The best performing factors were Momentum, Growth, and Quality.

Developing markets performed even better, particularly in the EM space, with the S&P Developed Ex-U.S. BMI and the S&P Emerging BMI posting gains in 2017 of 27% and 36%, respectively.

2017 performance in U.S. fixed income was positive across the board, with preferred stock and high yield as the winners.

Commodities finished the year positively, with the S&P GSCI up 6% and the DJCI up 4%.

Source: S&P Dow Jones Indices LLC and/or its affiliates. Data as of December 29, 2017 except * as of December 28, 2017. Index performance based on total return (USD). Charts and graphs are provided for illustrative purposes. Past performance is no guarantee of future results.
The back-test period does not necessarily correspond to the entire available history of the index(es). Please refer to the index methodology for the particular index in question, available at www.spdji.com, for more details about such index, including the manner in which it is rebalanced, the timing of such rebalancing, criteria for additions and deletions, as well as all index information.

Prospective application of the methodology used to construct the index(es) as well as revisions to economic data may not result in performance commensurate with the back-test returns shown. The back-test period does not necessarily correspond to the entire available history of the index(es). Please refer to the index methodology for the particular index in question, available at www.spdji.com, for more details about such index, including the manner in which it is rebalanced, the timing of such rebalancing, criteria for additions and deletions, as well as all index information.

Another limitation of using back-tested information is that the back-tested calculation is generally prepared with the benefit of hindsight. Back-tested data and/or information reflects the application of the index methodology and selection of index constituents in hindsight. No hypothetical record can completely account for the impact of financial risk in actual trading. For example, there are numerous factors related to the equities, fixed income, or commodities markets in general which cannot be, and have not been accounted for in the preparation of the index information set forth, all of which can affect actual performance.

The index returns shown do not represent the results of actual trading of investable assets/securities. S&P Dow Jones Indices LLC maintains the index(es) and calculates the index levels and performance shown or discussed, but does not manage actual assets. Index returns do not reflect payment of any sales charges or fees an investor may pay to purchase the securities underlying the index(es) or investment funds that are intended to track the performance of the index(es). The imposition of these fees and charges would cause actual and back-tested performance of the securities/fund to be lower than the index performance shown. As a simple example, if an index returned 10% on a US $100,000 investment for a 12-month period (or US $10,000) and an actual asset-based fee of 1.5% was imposed at the end of the period on the investment plus accrued interest (or US $1,500), the net return would be 8.35% (or US $8,350) for the year. Over a three year period, an annual 1.5% fee taken at year end with an assumed 10% return per year would result in a cumulative gross return of 33.10%, a total fee of US $5,375, and a cumulative net return of 27.2% (or US $27,200).

S&P Dow Jones Indices keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P Dow Jones Indices may have information that is not available to other business units. S&P Dow Jones Indices has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

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Performance Disclosure
Charts and graphs are provided for illustrative purposes. Past performance is not an indication or guarantee of future results. The charts and graphs may reflect hypothetical historical performance. All information presented prior to the launch date is back-tested. Back-tested performance is not actual performance, but is hypothetical. The back-test calculations are based on the same methodology that was in effect when the index(es) was officially launched. However, it should be noted that the historic calculations of an Economic Index may change from month to month based on revisions to the underlying economic data used in the calculation of the index. Complete index methodology details are available at www.spdji.com. It is not possible to invest directly in any index.

S&P Dow Jones Indices defines various dates to assist our clients in providing transparency on their products. The First Value Date is the first day for which there is a calculated value (either live or back-tested) for a given index. The Base Date is the date at which a given index is set at a fixed value for calculation purposes. The Launch Date designates the date upon which the values of a given index are first considered live: index values provided for any date or time period prior to the index’s Launch Date are considered back-tested. S&P Dow Jones Indices defines the Launch Date as the date by which the values of an index are known to have been released to the public, for example via S&P Dow Jones Indices’s public website or its datafeed to external parties. For Dow Jones-branded indices introduced prior to May 31, 2013, the Launch Date (which prior to May 31, 2013, was termed "Date of introduction") is set at a date upon which no further changes were permitted to be made to the index methodology, but that may have been prior to the index’s public release date.

Prospective application of the methodology used to construct the index(es) as well as revisions to economic data may not result in performance commensurate with the back-test returns shown. The back-test period does not necessarily correspond to the entire available history of the index(es). Please refer to the index methodology for the particular index in question, available at www.spdji.com, for more details about such index, including the manner in which it is rebalanced, the timing of such rebalancing, criteria for additions and deletions, as well as all index calculations.

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