THE MACRO SHOW

JUNE 9, 2017

LEGAL

DISCLAIMER

Hedgeye Risk Management is a registered investment advisor, registered with the State of Connecticut. Hedgeye Risk Management is not a broker dealer and does not provide investment advice to individuals. This research does not constitute an offer to sell, or a solicitation of an offer to buy any security. This research is presented without regard to individual investment preferences or risk parameters; it is general information and does not constitute specific investment advice. This presentation is based on information from sources believed to be reliable. Hedgeye Risk Management is not responsible for errors, inaccuracies or omissions of information. The opinions and conclusions contained in this report are those of Hedgeye Risk Management, and are intended solely for the use of Hedgeye Risk Management's clients and subscribers. In reaching these opinions and conclusions, Hedgeye Risk Management and its employees have relied upon research conducted by Hedgeye Risk Management's employees, which is based upon sources considered credible and reliable within the industry. Hedgeye Risk Management is not responsible for the validity or authenticity of the information upon which it has relied.

TERMS OF USE

This report is intended solely for the use of its recipient. Re-distribution or republication of this report and its contents are prohibited. For more detail please refer to the appropriate sections of the Hedgeye Services Agreement and the Terms of Use at www.hedgeye.com.

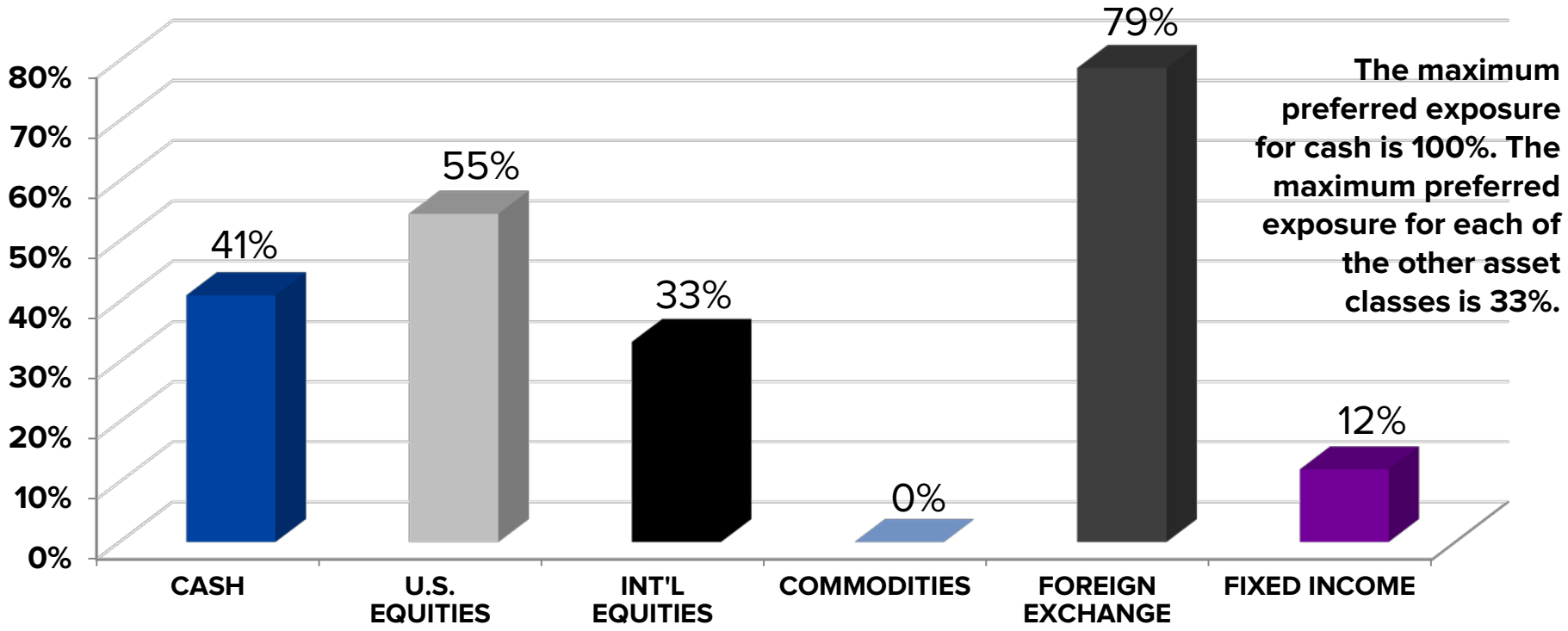
HEDGEYE ASSET ALLOCATION

	CASH	U.S. EQUITIES	INT'L EQUITIES	COMMODITIES	FOREIGN EXCHANGE	FIXED INCOME
6/8/2017	41	18	11	0	26	4
6/9/2017	41	18	11	0	26	4

	CASH	U.S. EQUITIES	INT'L EQUITIES	COMMODITIES	FOREIGN EXCHANGE	FIXED INCOME
6/8/2017	41%	55%	33%	0%	79%	12%
6/9/2017	41%	55%	33%	0%	79%	12%

The maximum preferred exposure for cash is 100%. The maximum preferred exposure for each of the other asset classes is 33%.

HEDGEYE ASSET ALLOCATION



June 9, 2017

THE MACRO SHOW

HEDGEYE TV

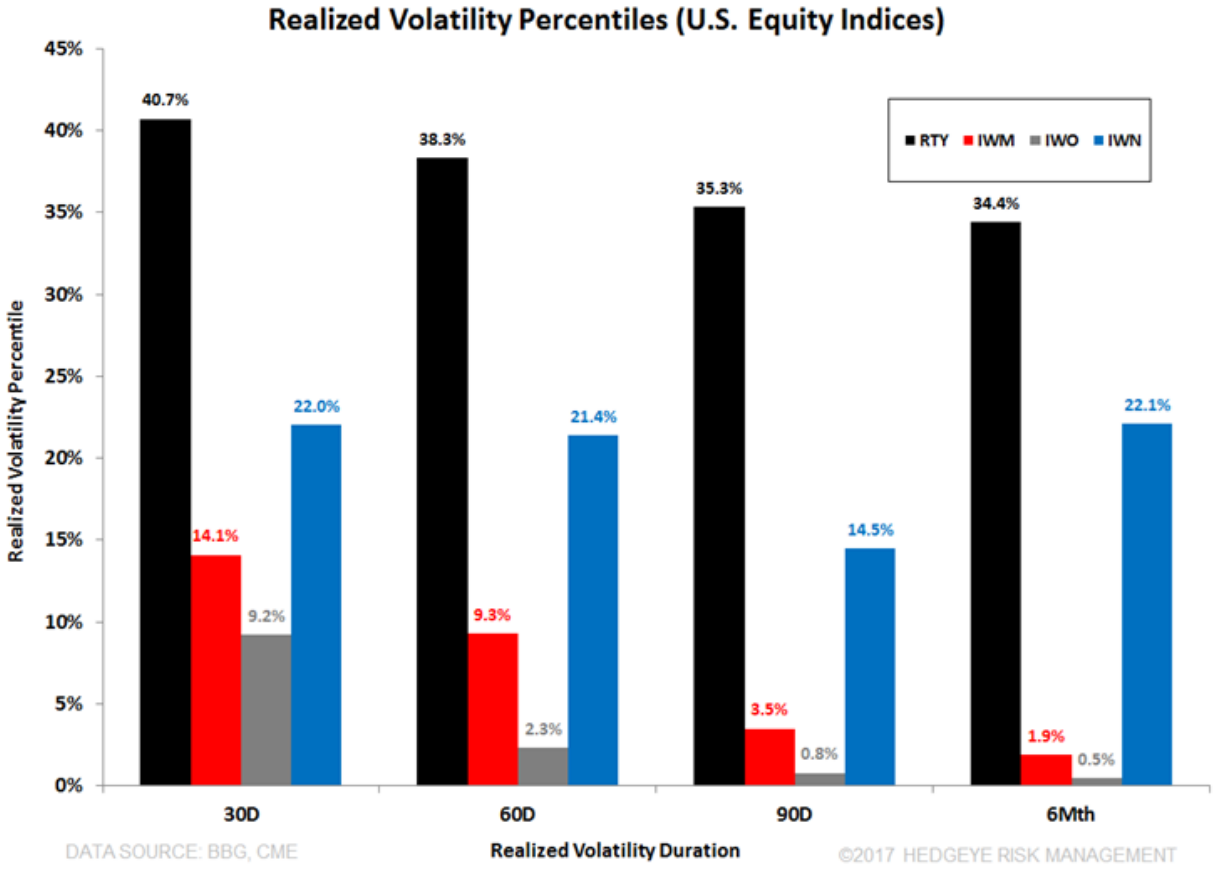
1 STYLE FACTOR FAVORABILITY

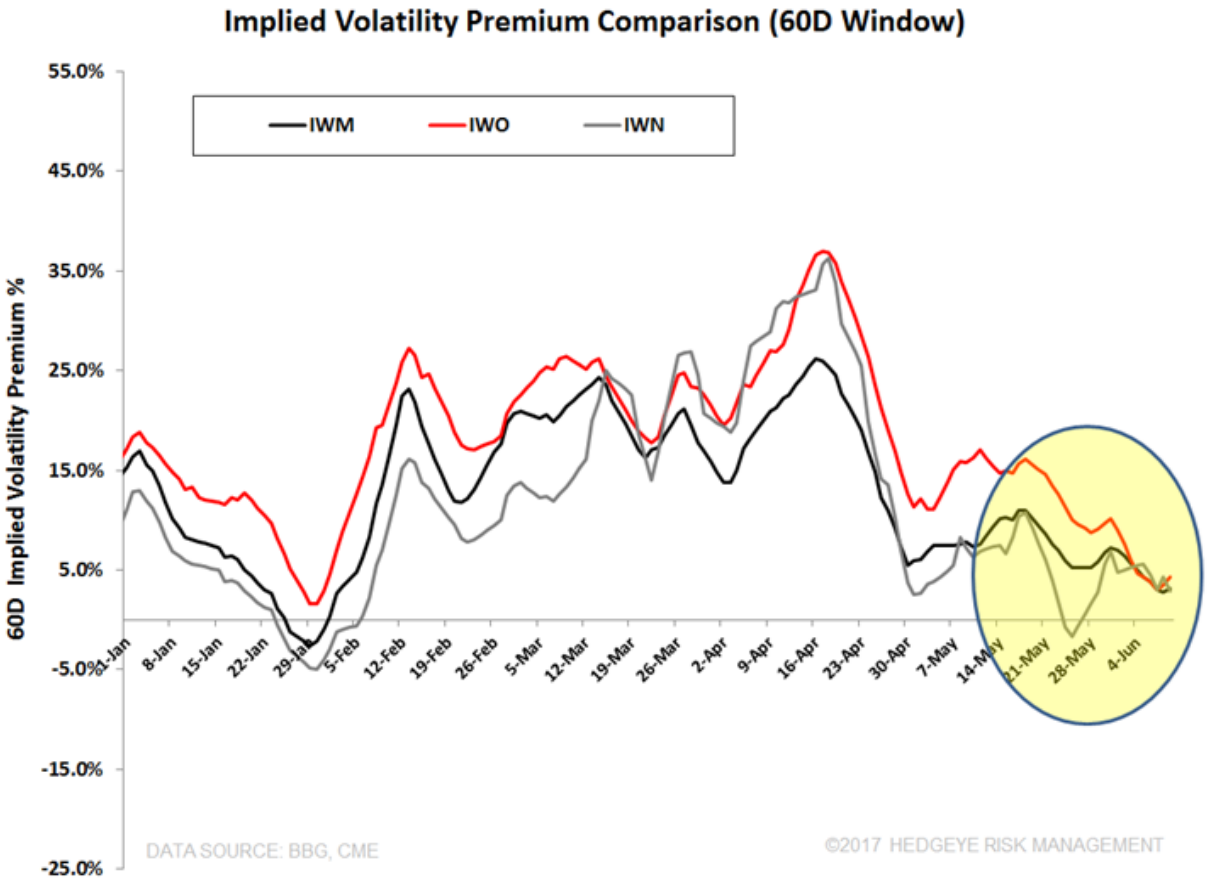
2 LABOR

3 UK

STYLE FACTOR FAVORABILITY

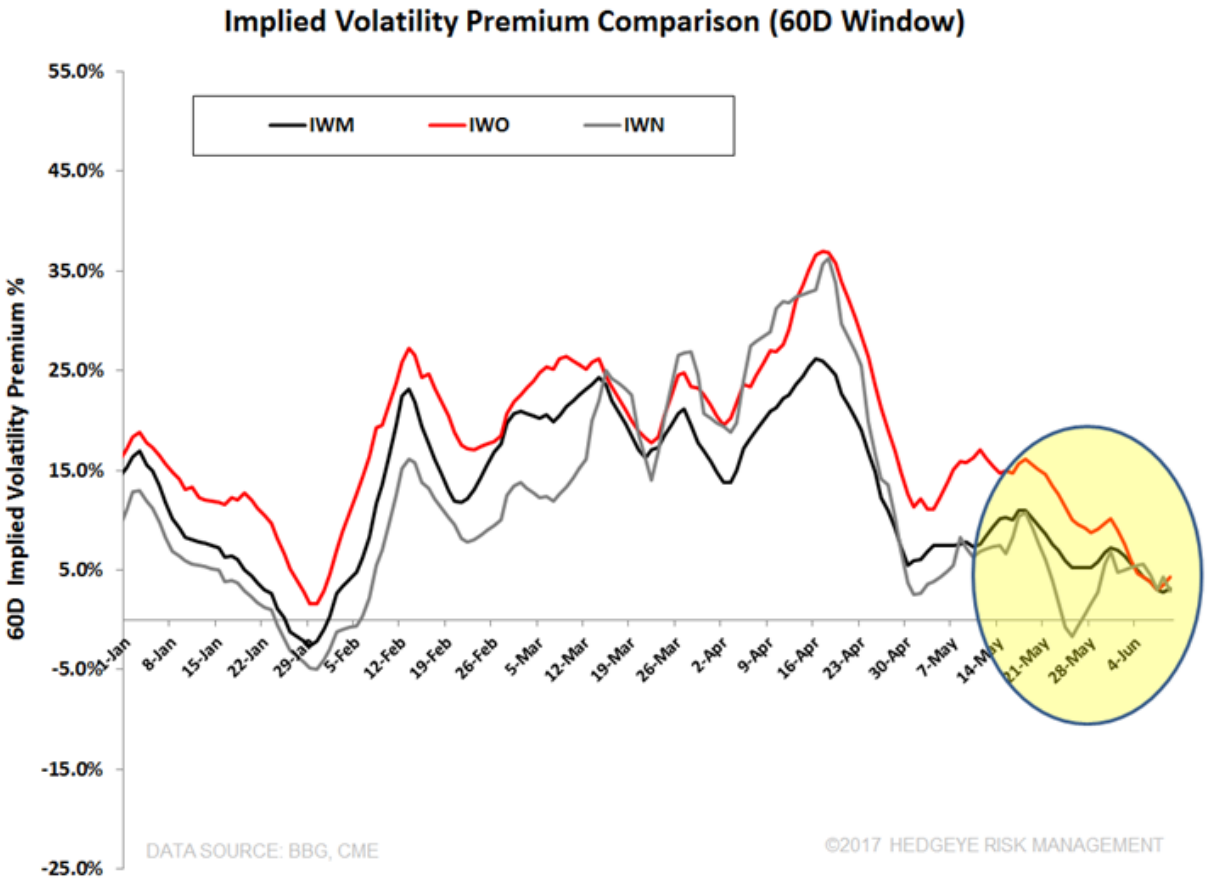
Got growth? the conclusion is that market consensus continues to favor the growth exposure that has outperformed, and the difference in the trading environment between the Russell 2000 ETFs and the index is pretty wide. The two charts on the following slides will show you that 1) The Russell 2000 Growth index is in a much lower vol environment, 2) but the premium paid for protection on top of that market trend is the same as IWM and IWN – this means the market expects the volatility environment between growth and value to remain divergent going forward which mirrors the psychology that follows divergent returns YTD: IWO is +9.3% YTD vs. -0.8% for IWN (our view remains the same on growth exposures, but knowing the set-up to manage that exposure daily is a key part of the process).


Realized Volatility Percentiles (U.S. Equity Indices)
Realized Volatility Percentile
45%
40%
35%
30%
25%
20%
15%
10%
5%
0%
RTY
IWM
IWO
IWN
40.7%
14.1%
9.2%
22.0%
38.3%
9.3%
2.3%
21.4%
35.3%
3.5%
0.8%
14.5%
34.4%
1.9%
0.5%
22.1%
30D
60D
90D
6Mth
Realized Volatility Duration
DATA SOURCE: BBG, CME
©2017 HEDGEYE RISK MANAGEMENT


Implied Volatility Premium Comparison (60D Window)
IWM
IWO
IWN
60D Implied Volatility Premium %
55.0%
45.0%
35.0%
25.0%
15.0%
5.0%
-5.0%
-15.0%
-25.0%
1-Jan
8-Jan
15-Jan
22-Jan
29-Jan
5-Feb
12-Feb
19-Feb
26-Feb
5-Mar
12-Mar
19-Mar
26-Mar
2-Apr
9-Apr
16-Apr
23-Apr
30-Apr
7-May
14-May
21-May
28-May
4-Jun
DATA SOURCE: BBG, CME
©2017 HEDGEYE RISK MANAGEMENT

LABOR

The Fed Flow of Funds data for1Q showed labor's share of national income rising +3bps to 67% vs revised 4Q16 estimates. As we've highlighted, we've been in a little bit of a goldilocks setup the last quarter or two as labor's share of income has remained solid as corporate margins and profits have expanded against trough profit recession comps. From here, in the face of still weak productivity trends and near full employment, further improvement in returns to labor are paid for via corporate margin compression. The nascent upturn in productivity growth will need to persist to keep goldilocks going for both companies and consumers.


Implied Volatility Premium Comparison (60D Window)
IWM
IWO
IWN
60D Implied Volatility Premium %
55.0%
45.0%
35.0%
25.0%
15.0%
5.0%
-5.0%
-15.0%
-25.0%
1-Jan
8-Jan
15-Jan
22-Jan
29-Jan
5-Feb
12-Feb
19-Feb
26-Feb
5-Mar
12-Mar
19-Mar
26-Mar
2-Apr
9-Apr
16-Apr
23-Apr
30-Apr
7-May
14-May
21-May
28-May
4-Jun
DATA SOURCE: BBG, CME
©2017 HEDGEYE RISK MANAGEMENT

UK

And so could PM May follow the likes of David Cameron and Matteo Renzi in voting themselves out of office? At least for now, yesterday's general election delivered a hung parliament, with the Conservatives failing to obtain an overall majority, in fact early estimates suggest 8 seats short. May has called for the formation of a new government, but the stronger performance of Labour calls into question just who (and what voice) will lead the UK going forward, and the outcome will surely shape the Brexit path forward. The Pound/Dollar fell -2% overnight and we expect the cross to continue to bleed lower given the increased uncertainty around the structure of the government.

ANDERW FREEDMAN & ALEX ROSS

Healthcare

MAJOR THEMES 2Q17

- TRUMP RALLY BLUES FOR OUR SHORTS, MULTIPLE MADNESS
- INSURED MEDICAL CONSUMER GROWTH SLOWING
- HARD AND SOFT DATA, DOES IT MATTER TO HEALTH CARE?
- PROVIDER LABOR COST PRESSURE EMERGING AS A CRITICAL HEADWIND
- MATERNITY TRENDS WORSENING
- BIO-DOLLARS, CLINCIAL TRIAL TREND, WEAKNESS EMERGING
- REPEAL AND REPLACE, THE PATH FORWARD
- LEGISLATION NOT NEEDED, REGULATION TOOLS IN PLACE
- MEDICAID IS OVER-ENROLLED AND LIKELY TO DECLINE
- EXPANSION FROM HERE NEUTRAL TO NEGATIVE

© Hedgeye Risk Management LLC. All Rights Reserved.

HEALTH CARE POSITION MONITOR

Sentiment Score[1]	Investment Ideas - Longs		Trade	Trend	Tail
	LONG				
35	ATHN	athenahealth, Inc.	✓	✓	✓
41	EXAS	Exact Sciences Corporation	✓	✓	✓

Sentiment Score[1]	Investment Ideas - Shorts		Trade	Trend	Tail
	SHORT				
100	QSII	Quality Systems, Inc.	---	×	×
97	HOLX	Hologic, Inc.	×	×	×
82	HQY	HealthEquity Inc	×	×	---
65	CERN	Cerner Corporation	×	×	×
46	HCA	HCA Holdings, Inc.	×	×	×
46	ZBH	Zimmer Biomet Holdings, Inc.	---	×	×
23	AMN	AMN Healthcare Services, Inc.	×	×	×
18	MDRX	Allscripts Healthcare Solutions, Inc.	×	×	×
1	MD	MEDNAX, Inc.	×	×	×
1	CPSI	Computer Programs and Systems, Inc.	---	×	×

Sentiment Score[1]	Long Bench		Trade	Trend	Tail
	LONG				
12	EVH	Evolent Health Inc Class A	---	---	---
55	ILMN	Illumina, Inc.	---	---	---
82	HQY	HealthEquity Inc	---	---	---

Sentiment Score[1]	Short Bench		Trade	Trend	Tail
	SHORT				
71	OMCL	Omnicell, Inc.	---	---	---
69	LH	Laboratory Corporation of America Holdings	---	---	---
62	ABCO	Advisory Board Company	---	---	---
38	DGX	Quest Diagnostics Incorporated	---	---	---
24	TDOC	Teladoc Inc	---	---	---
15	CYH	Community Health Systems, Inc.	---	---	---
10	LPNT	LifePoint Health, Inc.	---	---	---
5	THC	Tenet Healthcare Corporation	---	---	---

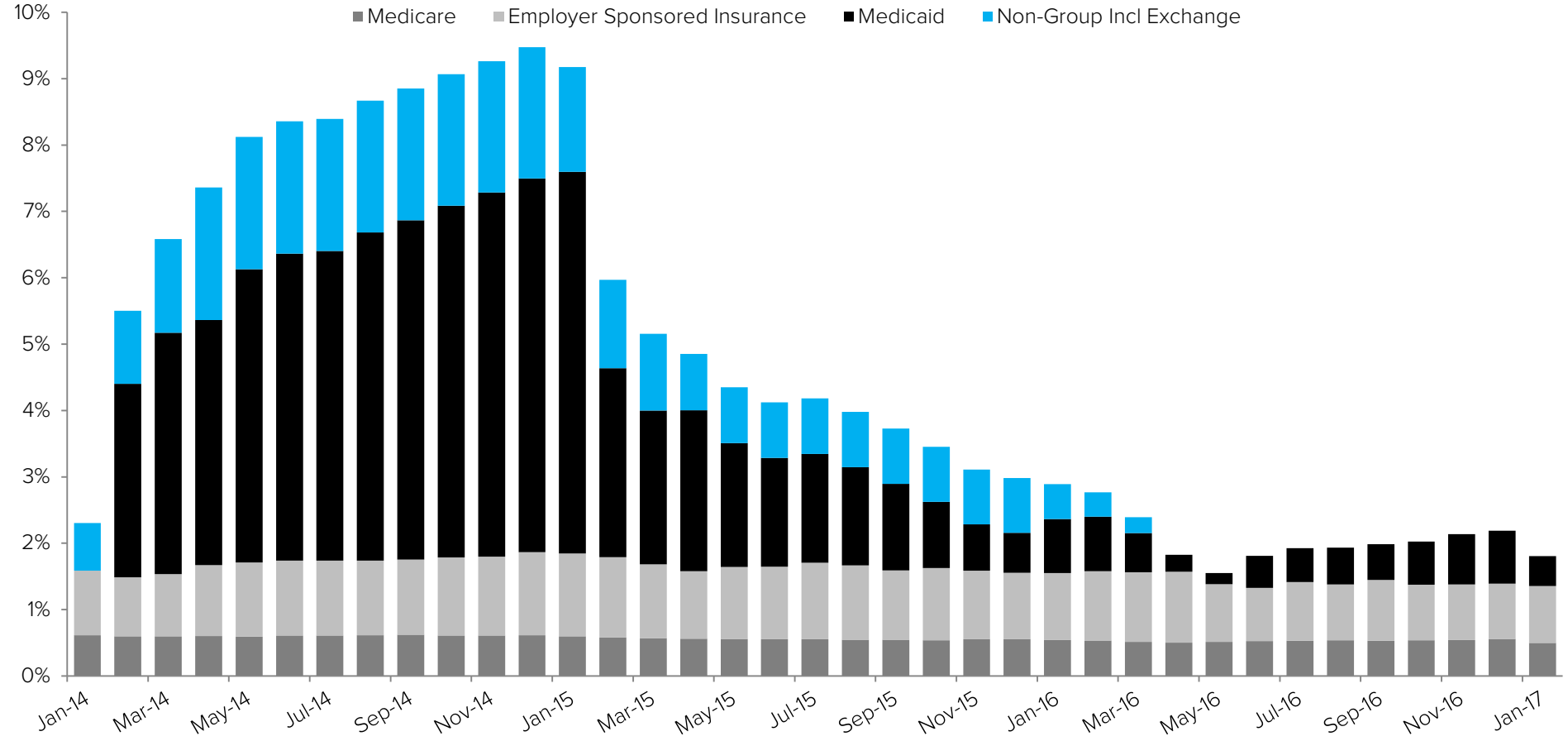
[1]Percentile rank within sub-sector (1 = High Short Interest, Negative Sell Side, Relative Underperformer / 100 = Low Short Interest, Positive Sell Side, Relative Outperformer)

Hedgeye's "bench" represents Hedgeye's outlook on companies currently under Hedgeye's review, or for which timing is not right for greater coverage. Hedgeye may or may not provide further commentary on any or all companies represented on the bench and representation of a company on the bench does not forecast whether Hedgeye will or will not issue any additional material on that company.

Data Source: Factset

© Hedgeye Risk Management LLC. All Rights Reserved.

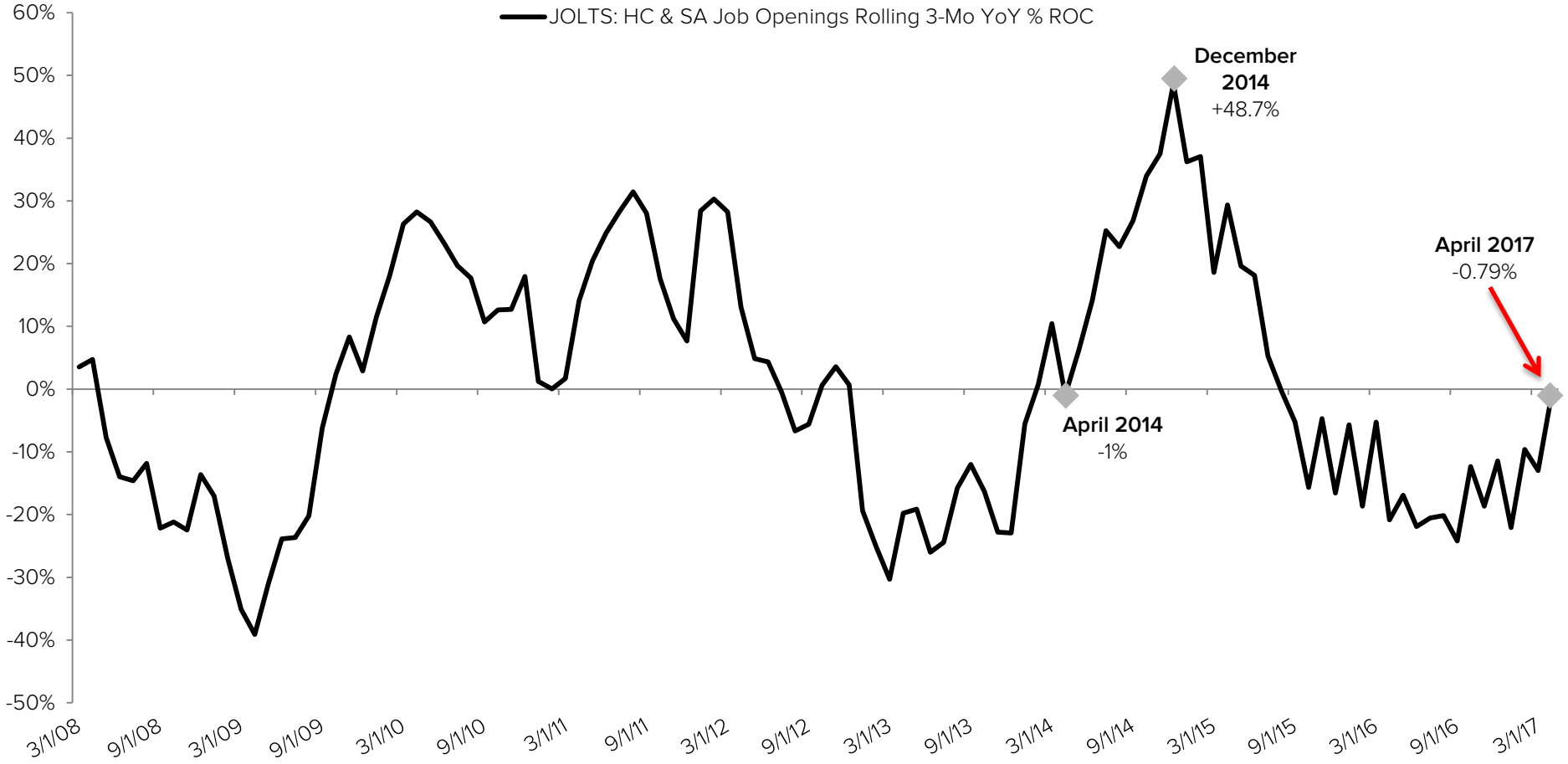
INSURED POPULATION



Data Source: Kaiser, BLS, CMS, & Hedgeye Estimates

© Hedgeye Risk Management LLC. All Rights Reserved.

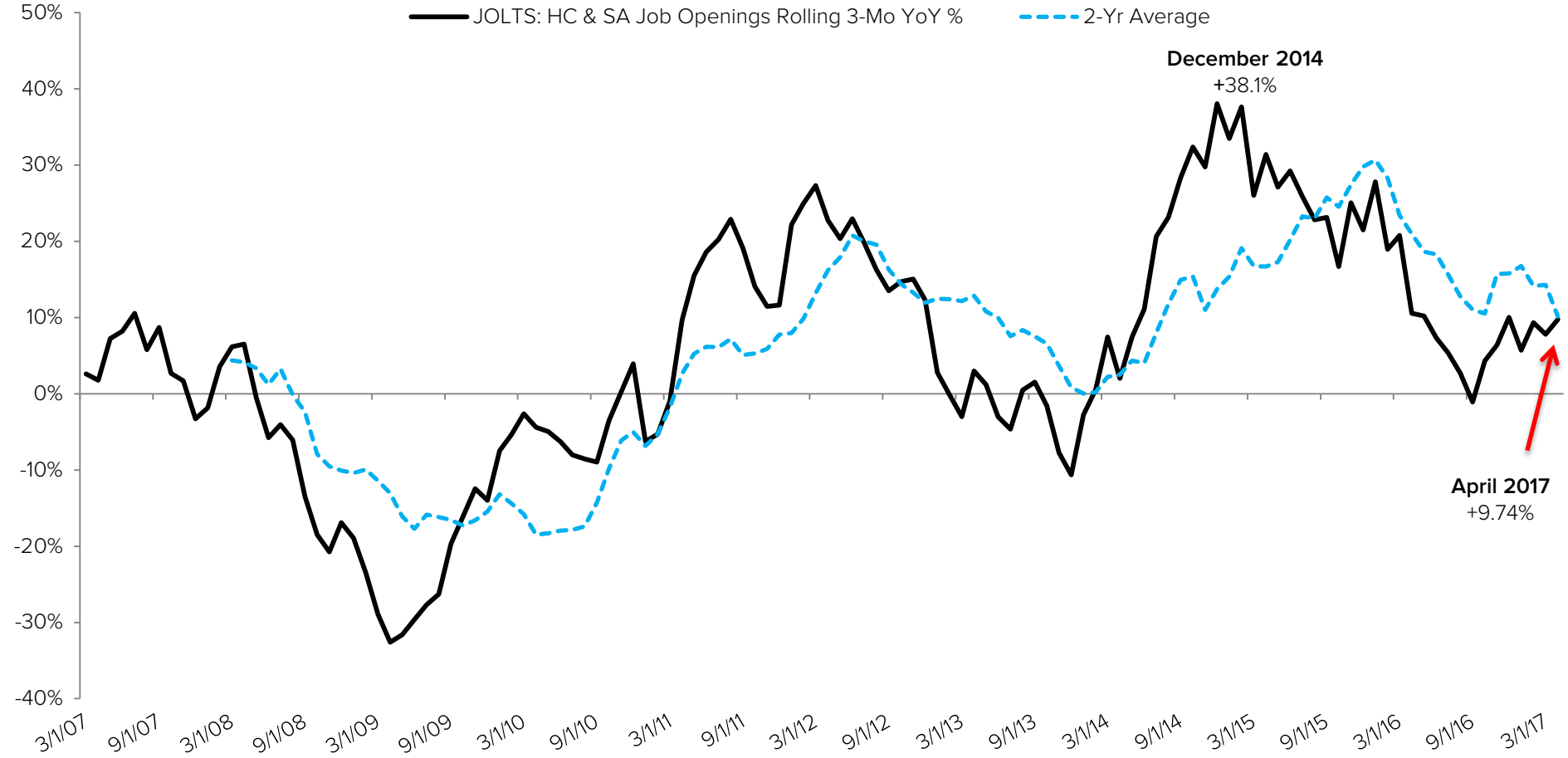
HEALTH CARE AND SOCIAL ASSISTANCE JOLTS



Data Source: BLS

© Hedgeye Risk Management LLC. All Rights Reserved.

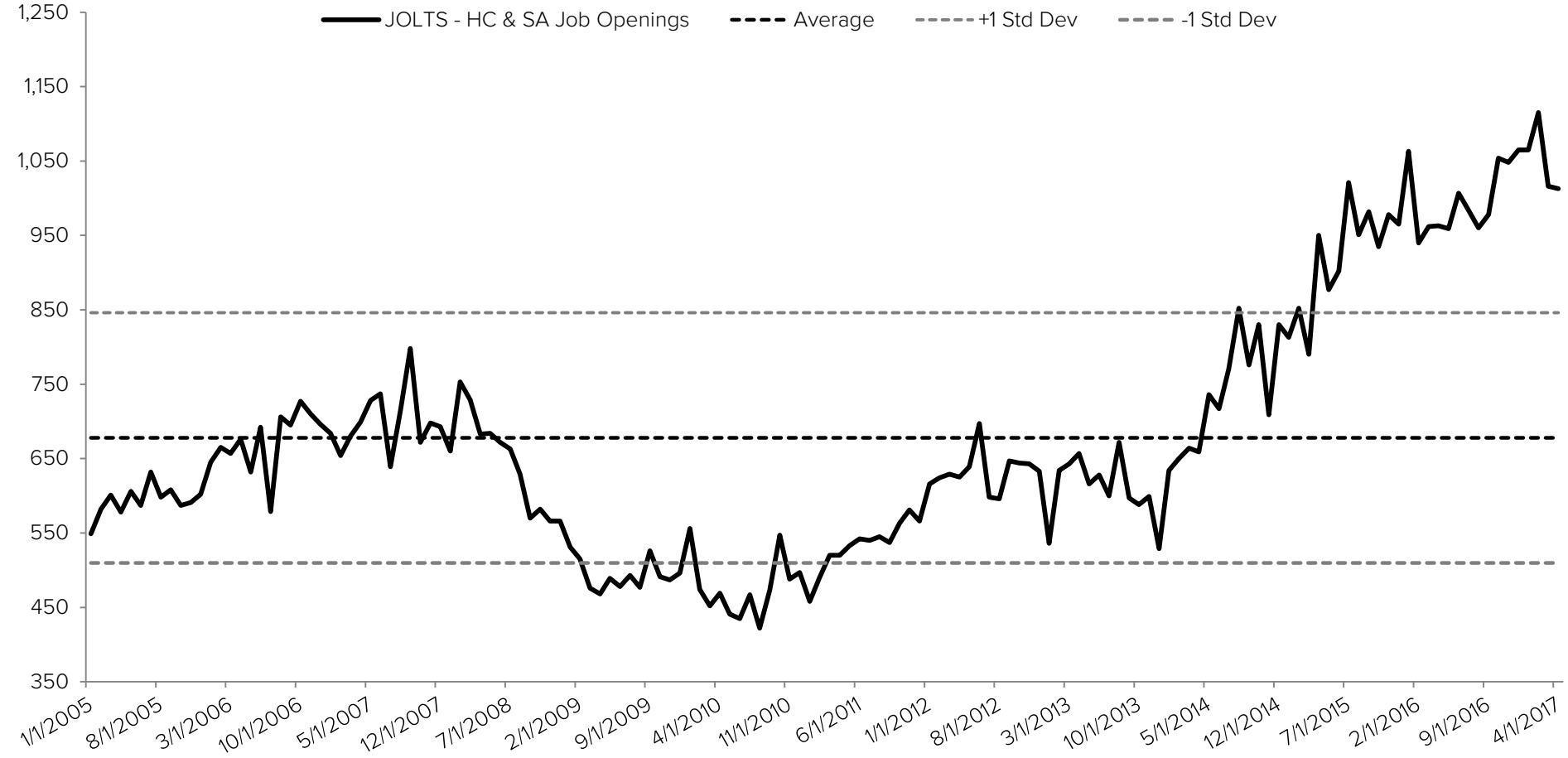
HEALTH CARE AND SOCIAL ASSISTANCE JOLTS



Data Source: BLS

© Hedgeye Risk Management LLC. All Rights Reserved.

HEALTH CARE AND SOCIAL ASSISTANCE JOLTS



Data Source: BLS

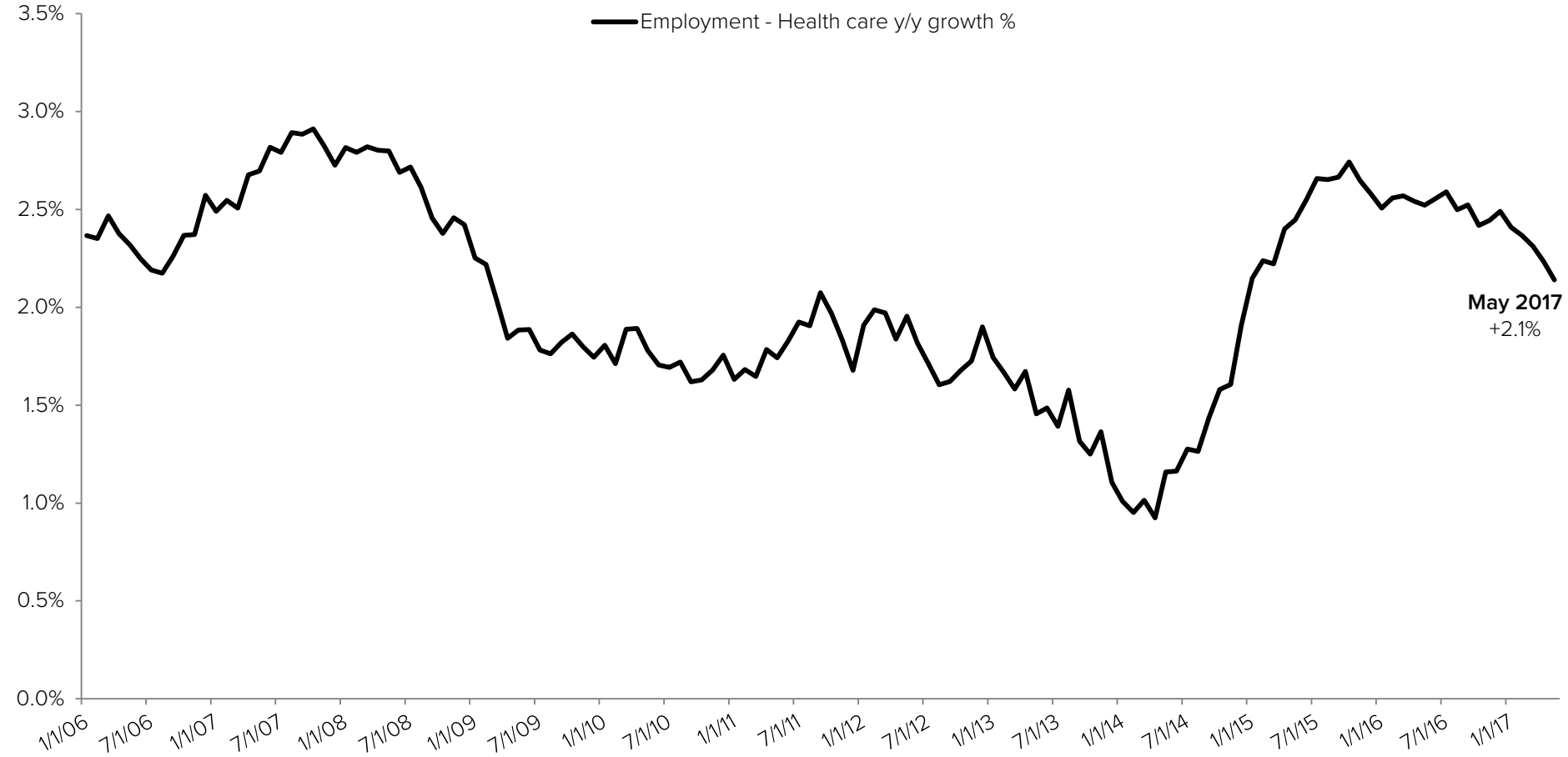
© Hedgeye Risk Management LLC. All Rights Reserved.

HEALTH CARE EMPLOYMENT GAINS

Data Source: BLS

© Hedgeye Risk Management LLC. All Rights Reserved.

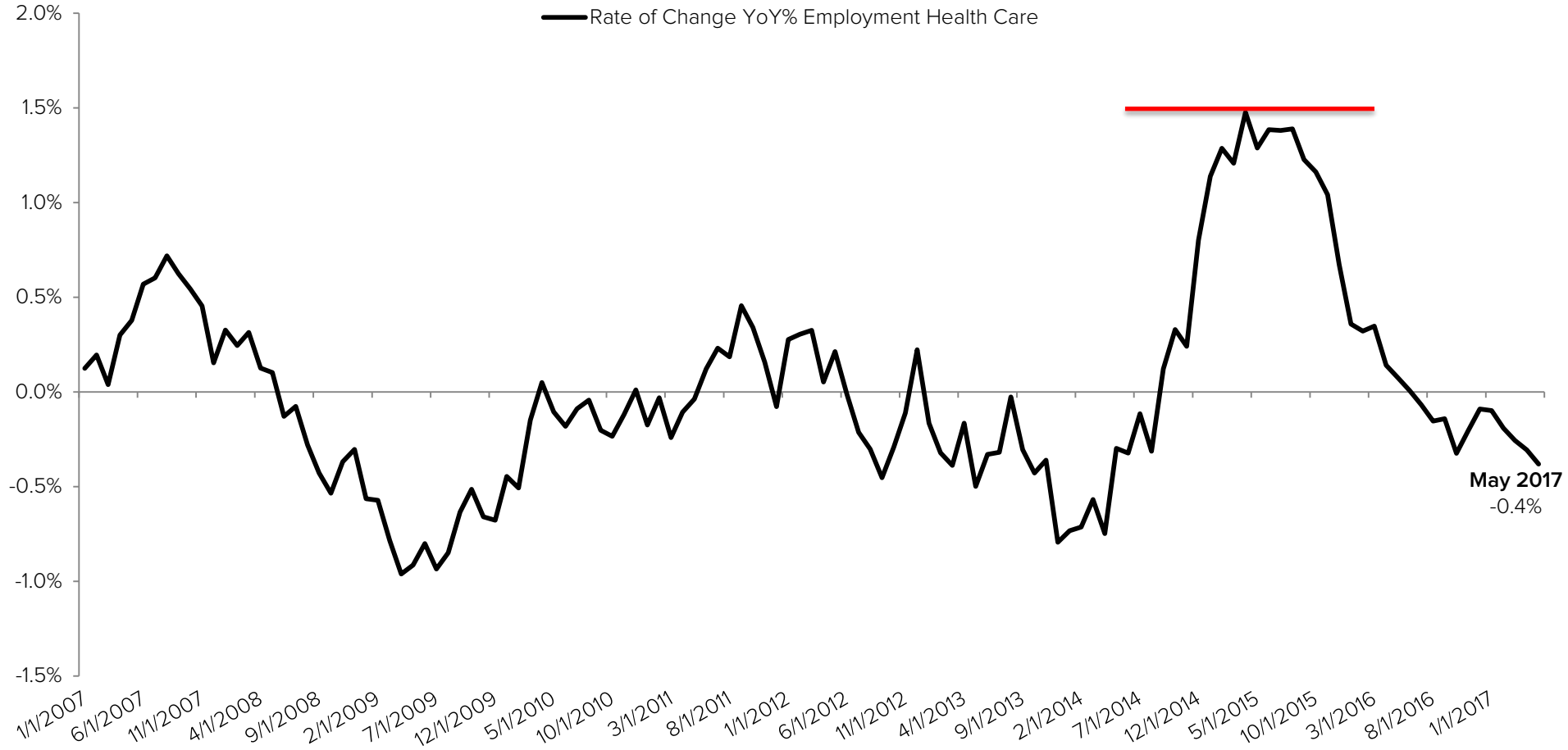
HEALTH CARE EMPLOYMENT



Data Source: BLS

© Hedgeye Risk Management LLC. All Rights Reserved.

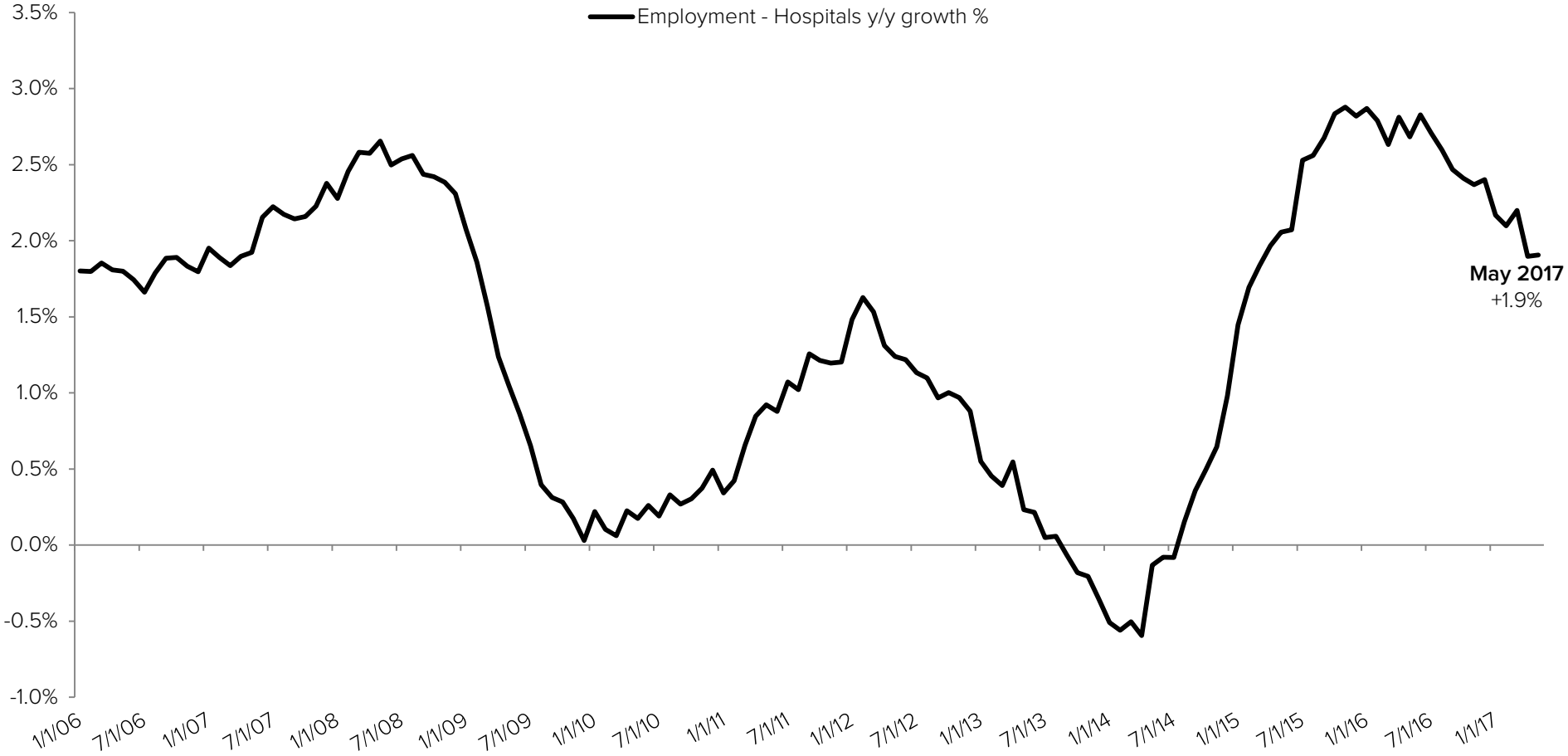
HEALTH CARE EMPLOYMENT SLOWING



Data Source: BLS

© Hedgeye Risk Management LLC. All Rights Reserved.

HOSPITAL EMPLOYMENT



Data Source: BLS

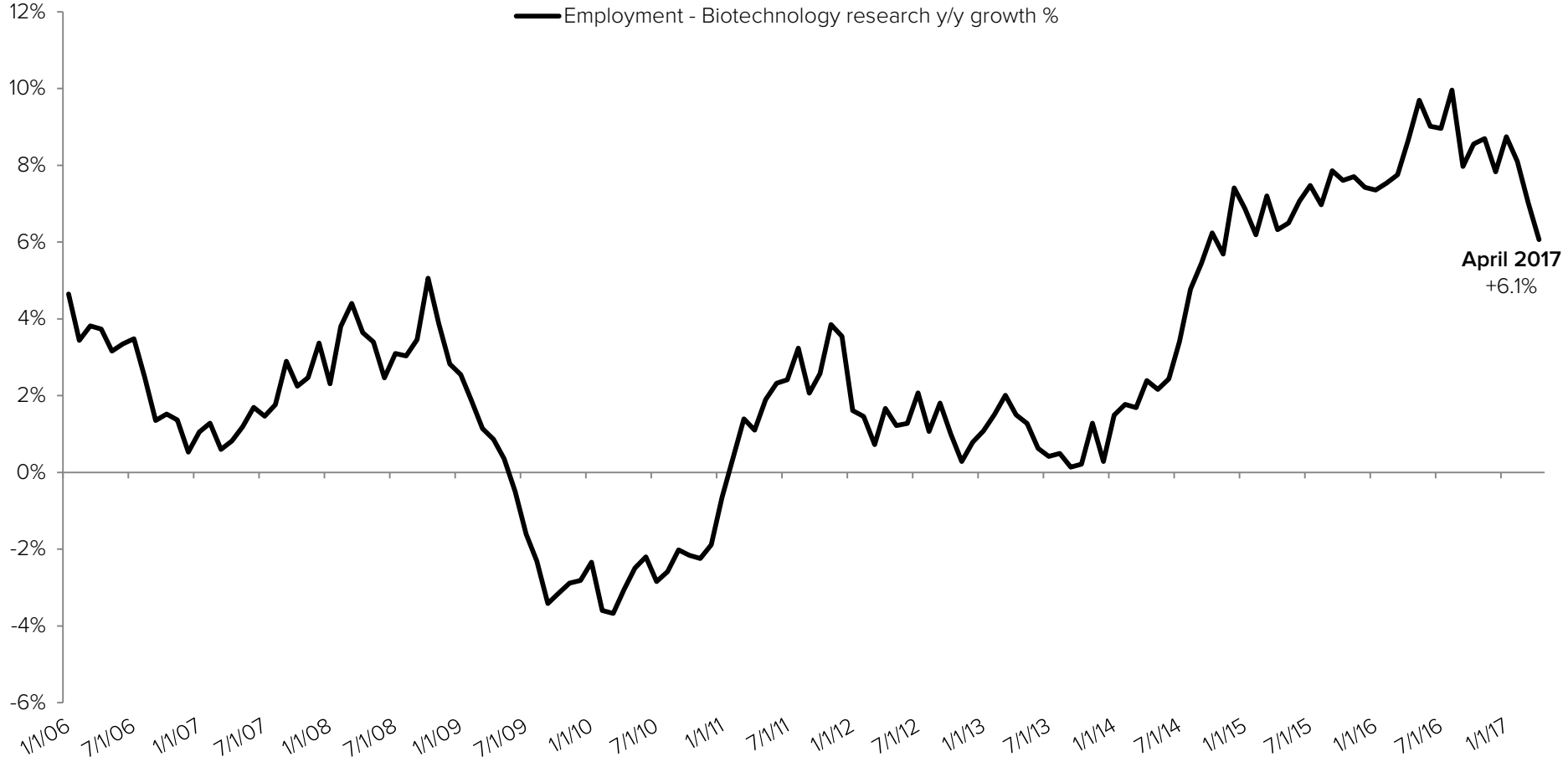
© Hedgeye Risk Management LLC. All Rights Reserved.

OFFICES OF PHYSICIANS EMPLOYMENT

Data Source: BLS

© Hedgeye Risk Management LLC. All Rights Reserved.

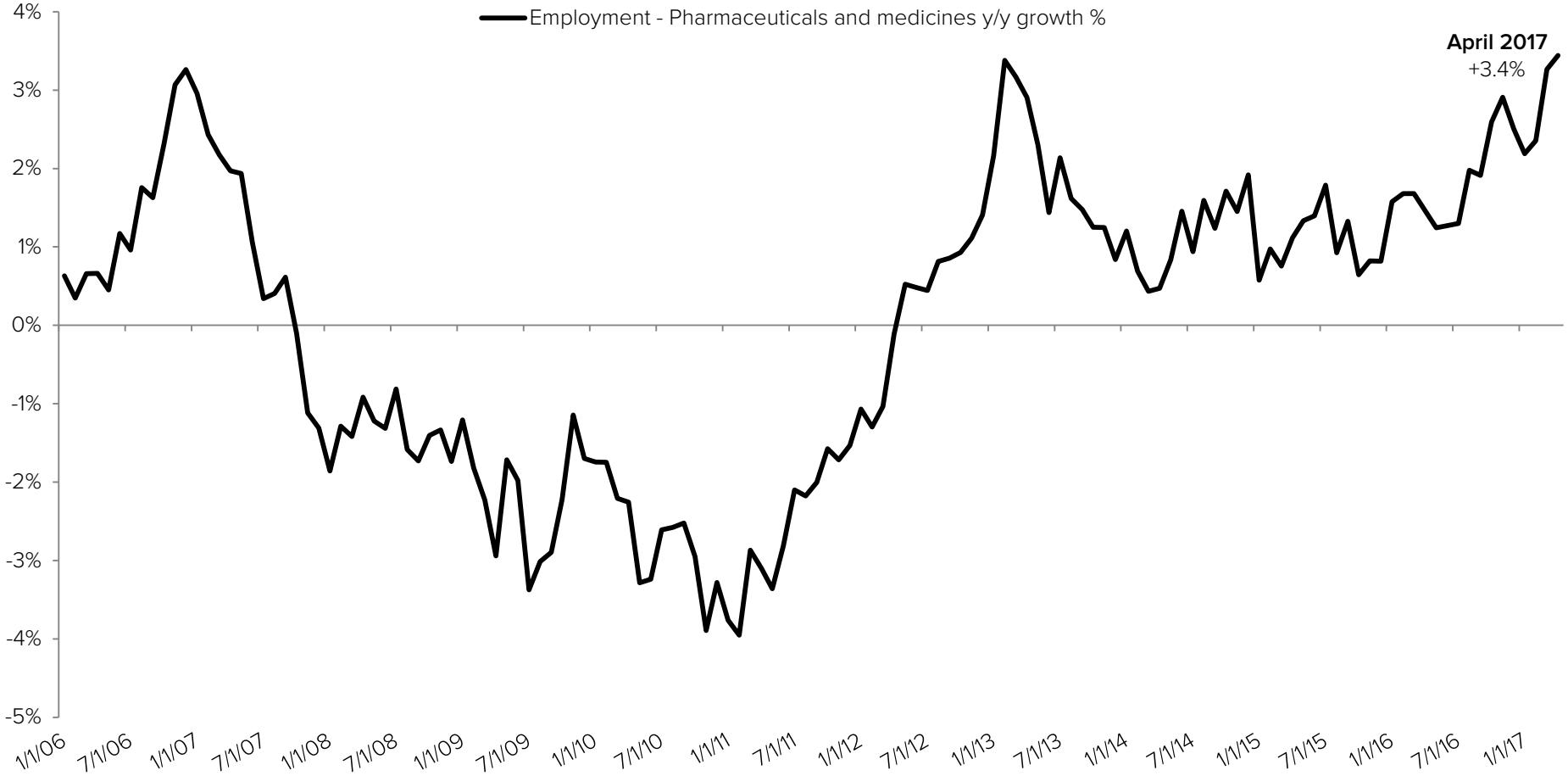
BIOTECH EMPLOYMENT



Data Source: BLS

© Hedgeye Risk Management LLC. All Rights Reserved.

PHARMA EMPLOYMENT



Data Source: BLS

© Hedgeye Risk Management LLC. All Rights Reserved.

VETERINARY EMPLOYMENT

Data Source: BLS

© Hedgeye Risk Management LLC. All Rights Reserved.

DENTAL EMPLOYMENT

Data Source: BLS

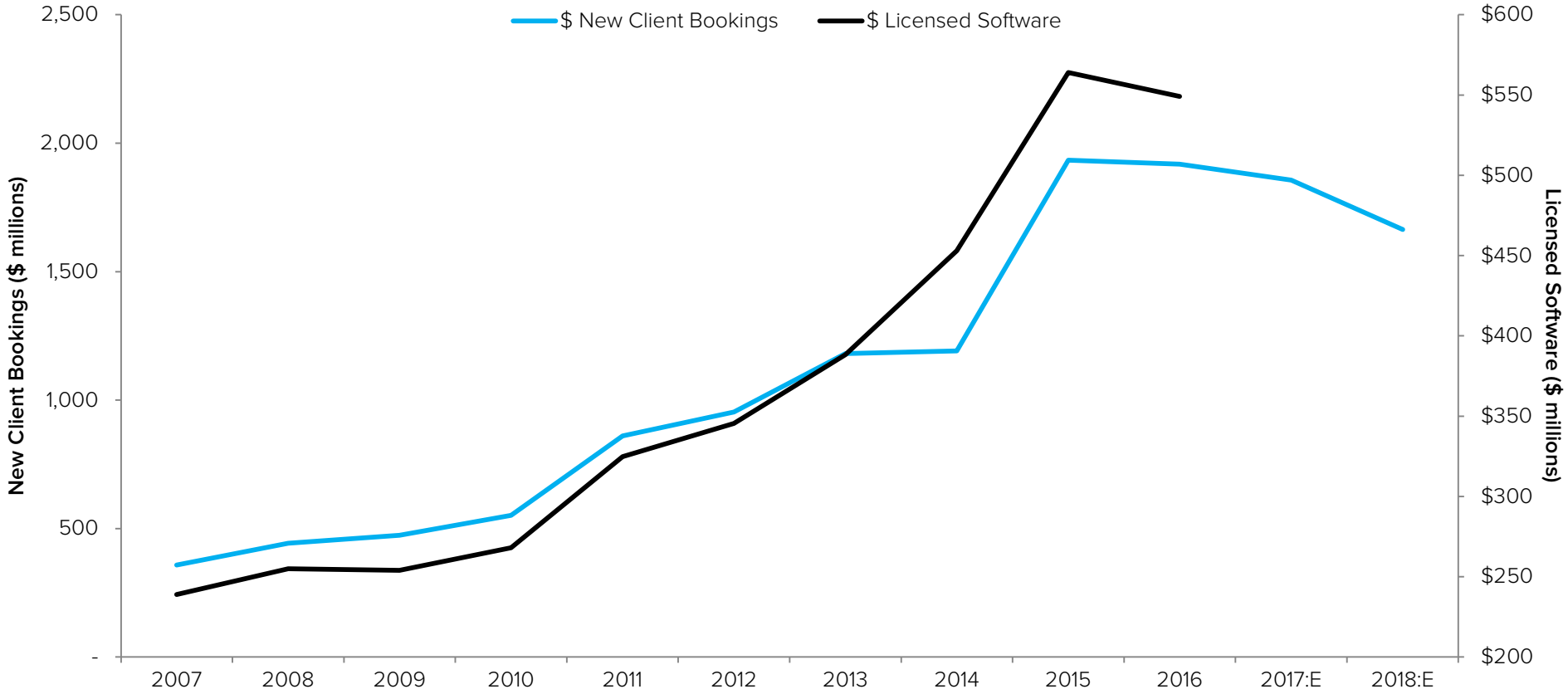
© Hedgeye Risk Management LLC. All Rights Reserved.

CERN

© Hedgeye Risk Management LLC. All Rights Reserved.

CERN | DIFFICULT TO SUSTAIN $2B NEW CLIENT BOOKINGS

LICENSED SOFTWARE GROWTH WILL COME UNDER PRESSURE (~12% SALES)

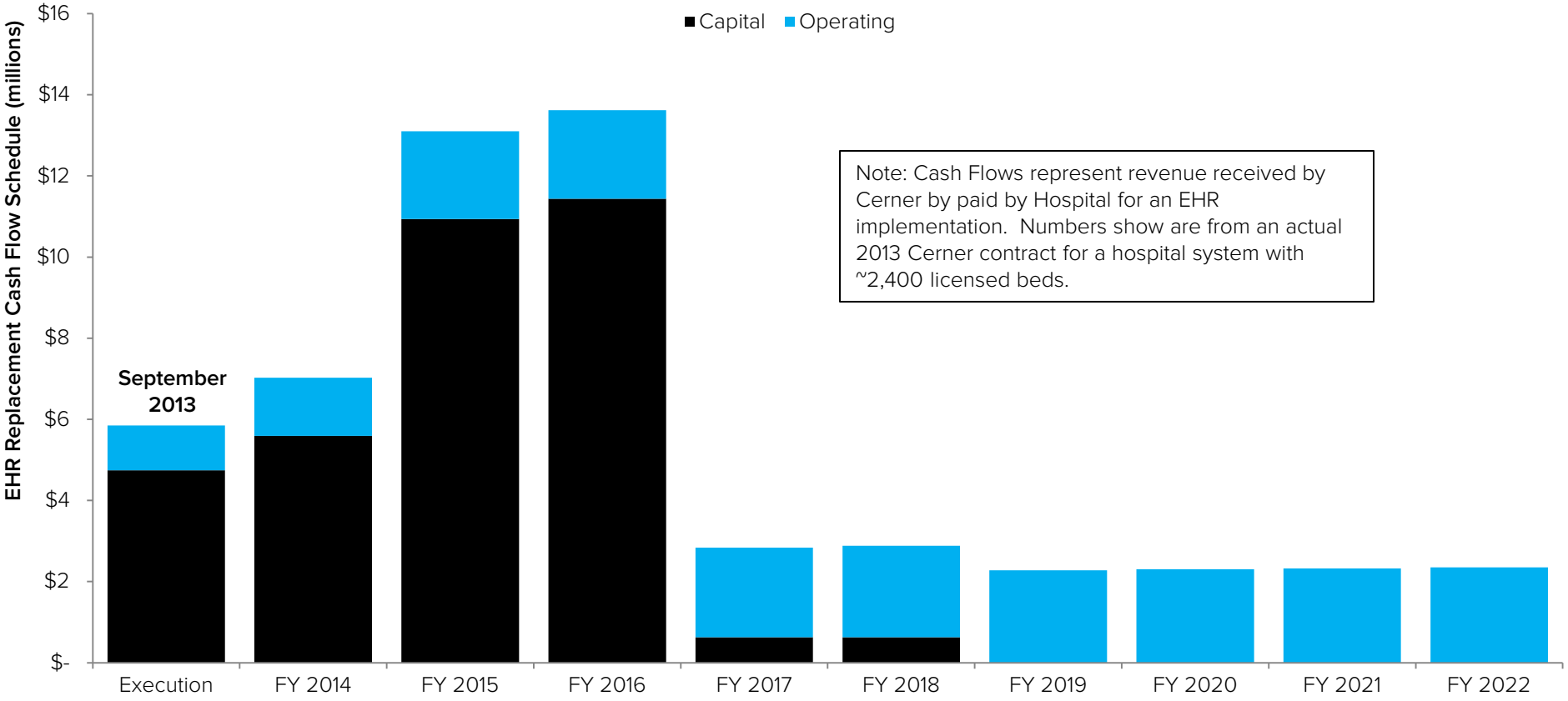


DATA SOURCE: COMPANY FILINGS

© Hedgeye Risk Management LLC. All Rights Reserved.

CERN | EHR REPLACEMENT CASH FLOW SCHEDULE

REVENUE DECLINES BY 80% AFTER YEAR-3 POST CONTRACT EXECUTION

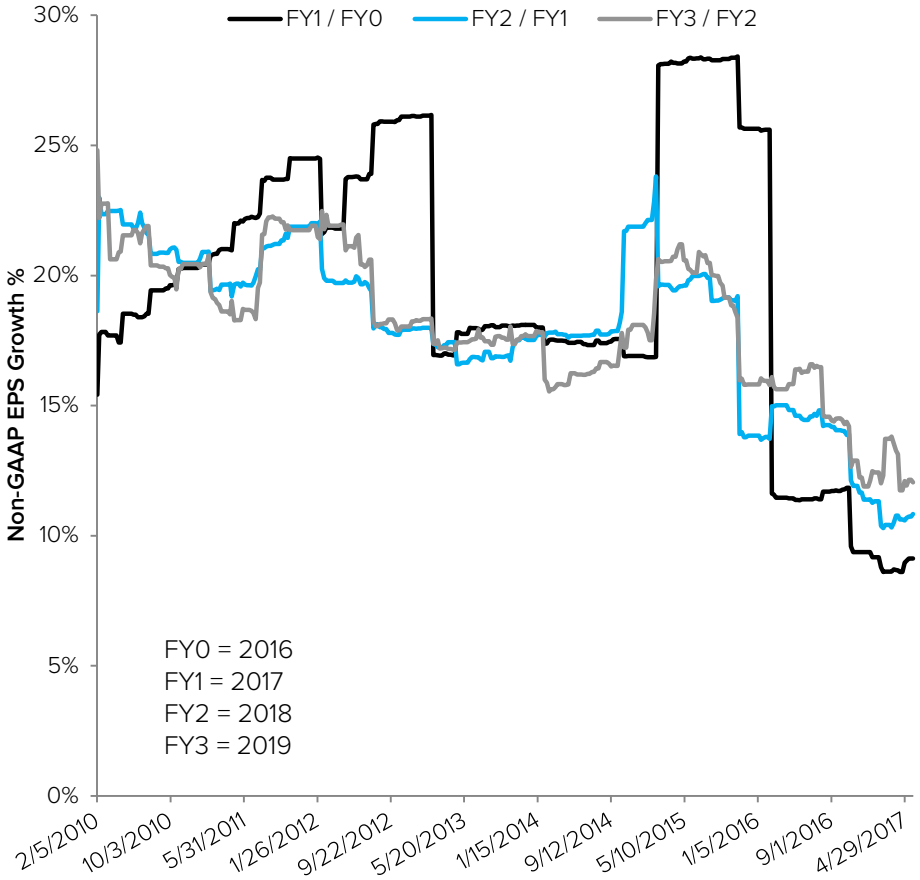


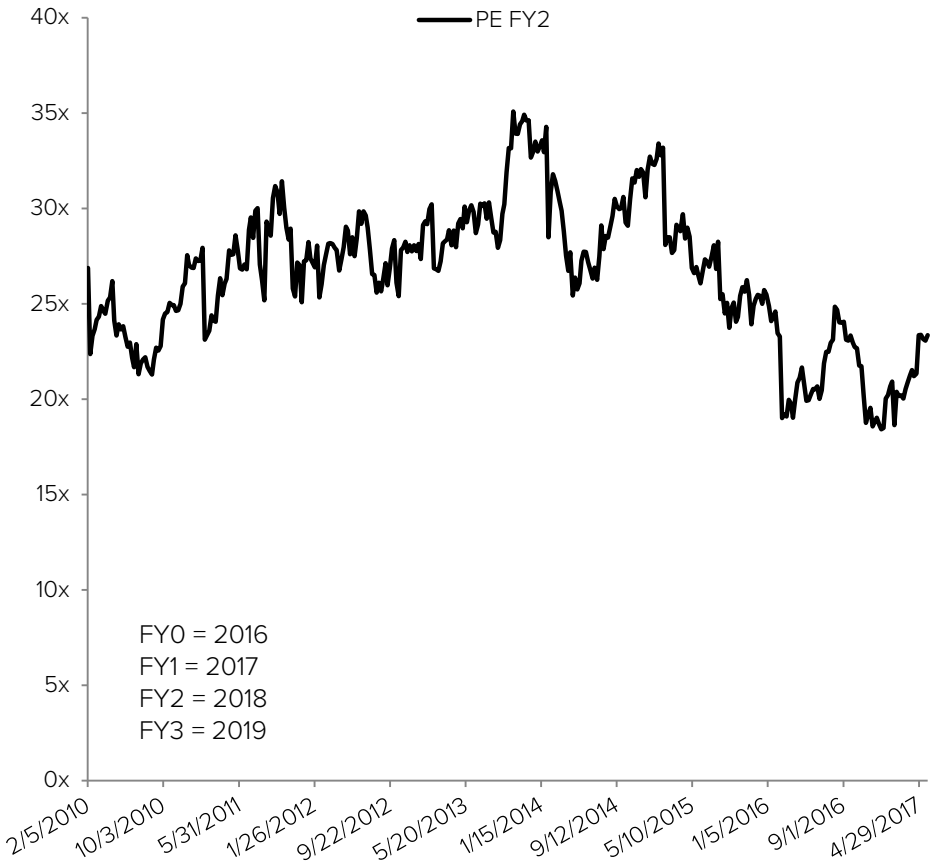
Note: Cash Flows represent revenue received by Cerner by paid by Hospital for an EHR implementation. Numbers show are from an actual 2013 Cerner contract for a hospital system with ~2,400 licensed beds.

Data Source: HIMSS ANALYTICS

© Hedgeye Risk Management LLC. All Rights Reserved.

CERN | EPS GROWTH ESTIMATE REVISIONS AND MULTIPLE



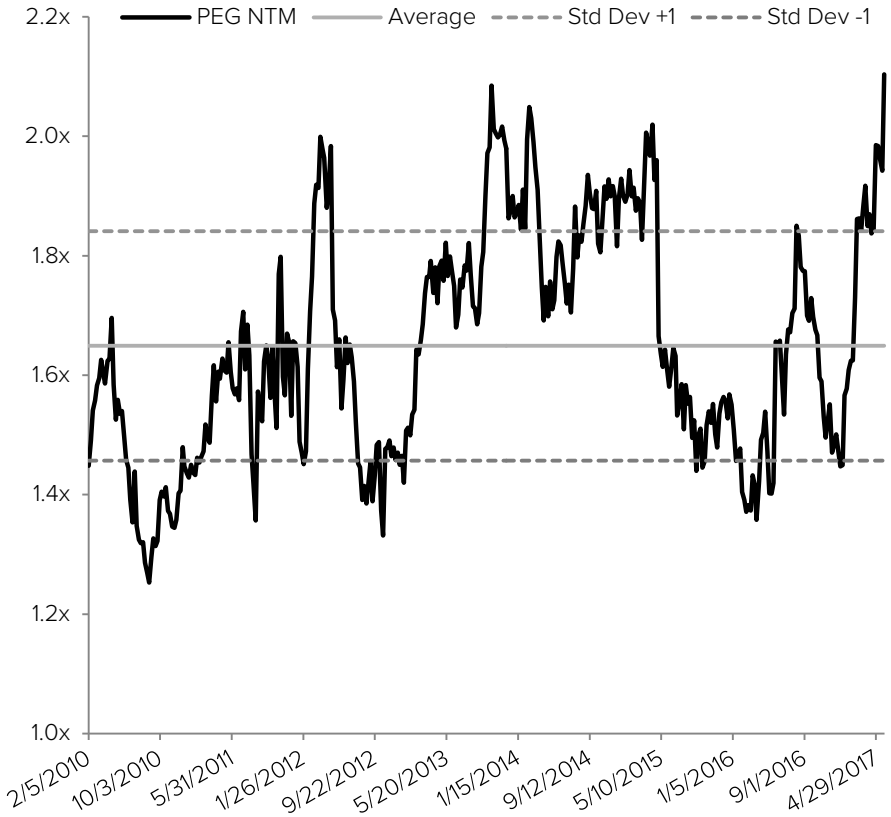


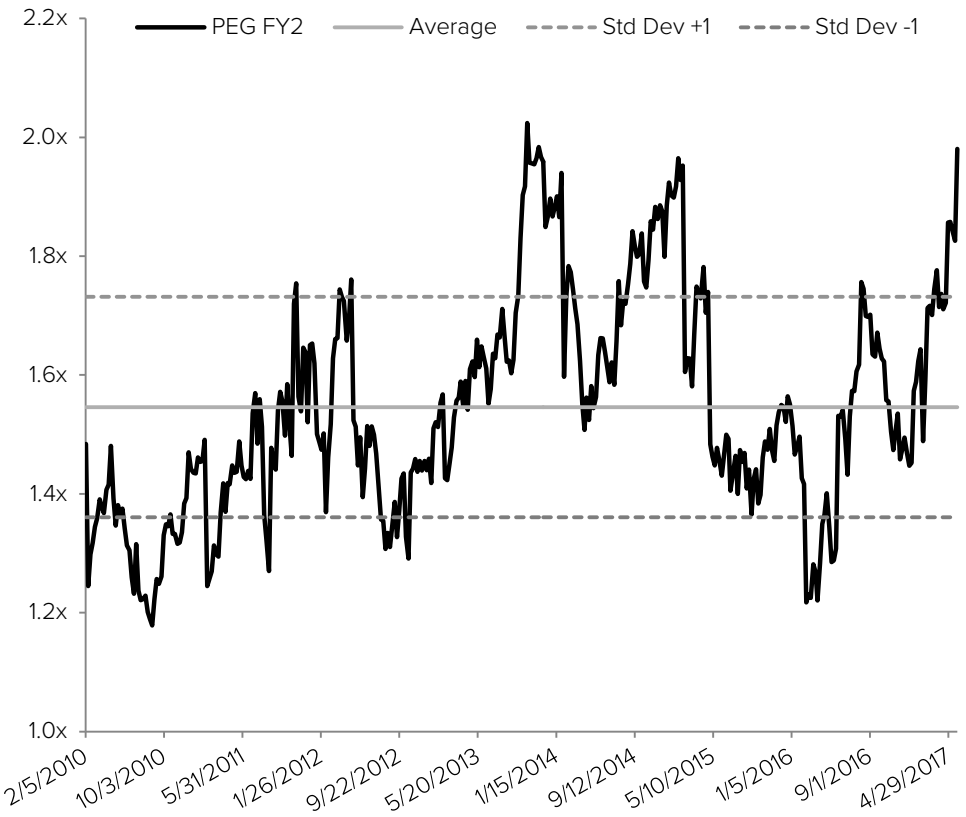
DATA SOURCE: FACTSET

© Hedgeye Risk Management LLC. All Rights Reserved.

CERN | PRICE-TO-LONG TERM EARNINGS GROWTH

MORE EXPENSIVE TODAY THAN WHEN WE FIRST PUT SHORT ON IN SEP-2016





DATA SOURCE: FACTSET

© Hedgeye Risk Management LLC. All Rights Reserved.

HCA

Hospital Corporation of America℠

HOSPITAL CORPORATION OF AMERICA

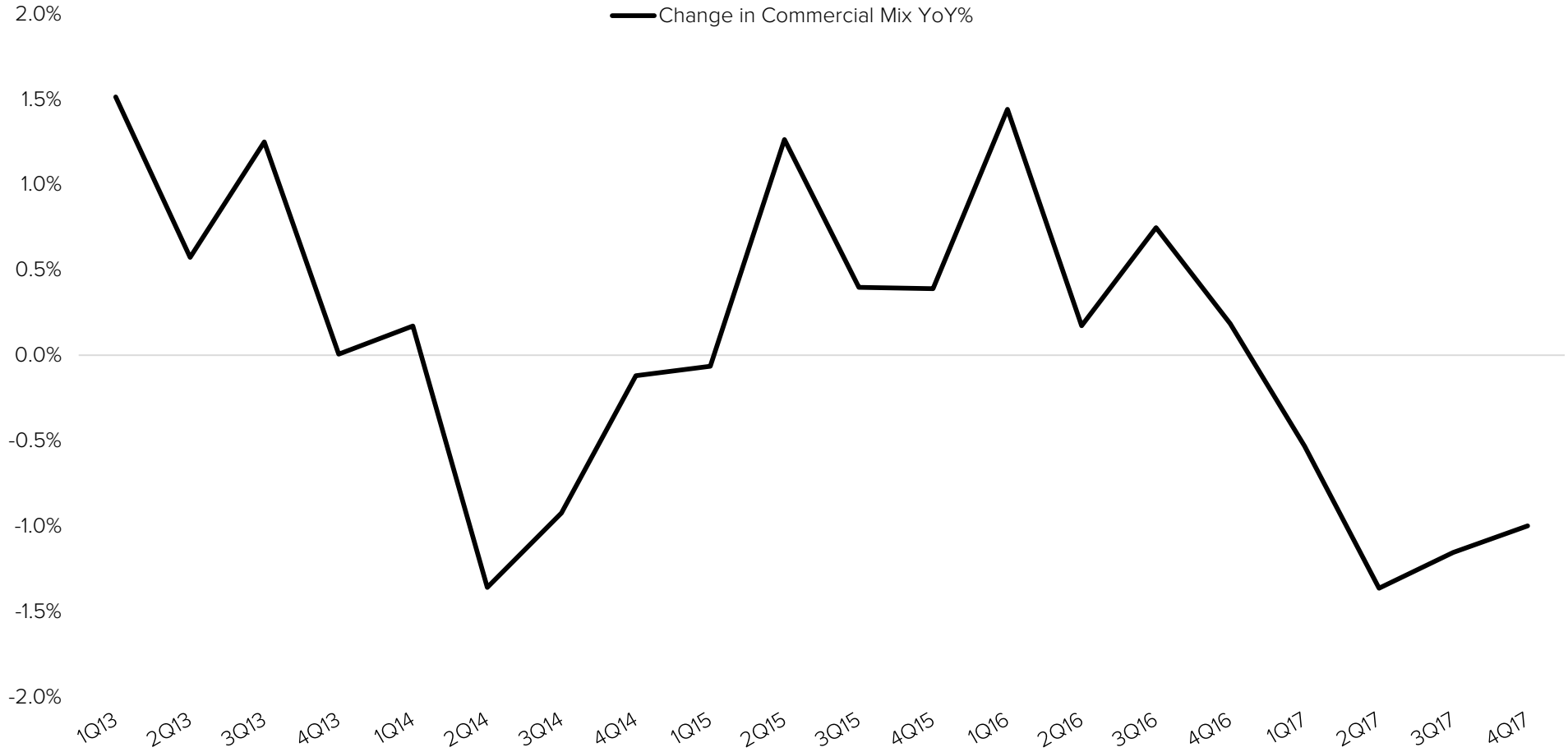
© Hedgeye Risk Management LLC. All Rights Reserved.

HCA | SS EQUIVALENT ADMISSIONS

Data Source: Company Filings & Hedgeye Estimates

© Hedgeye Risk Management LLC. All Rights Reserved.

HCA | CHANGE IN COMMERCIAL MIX YOY%



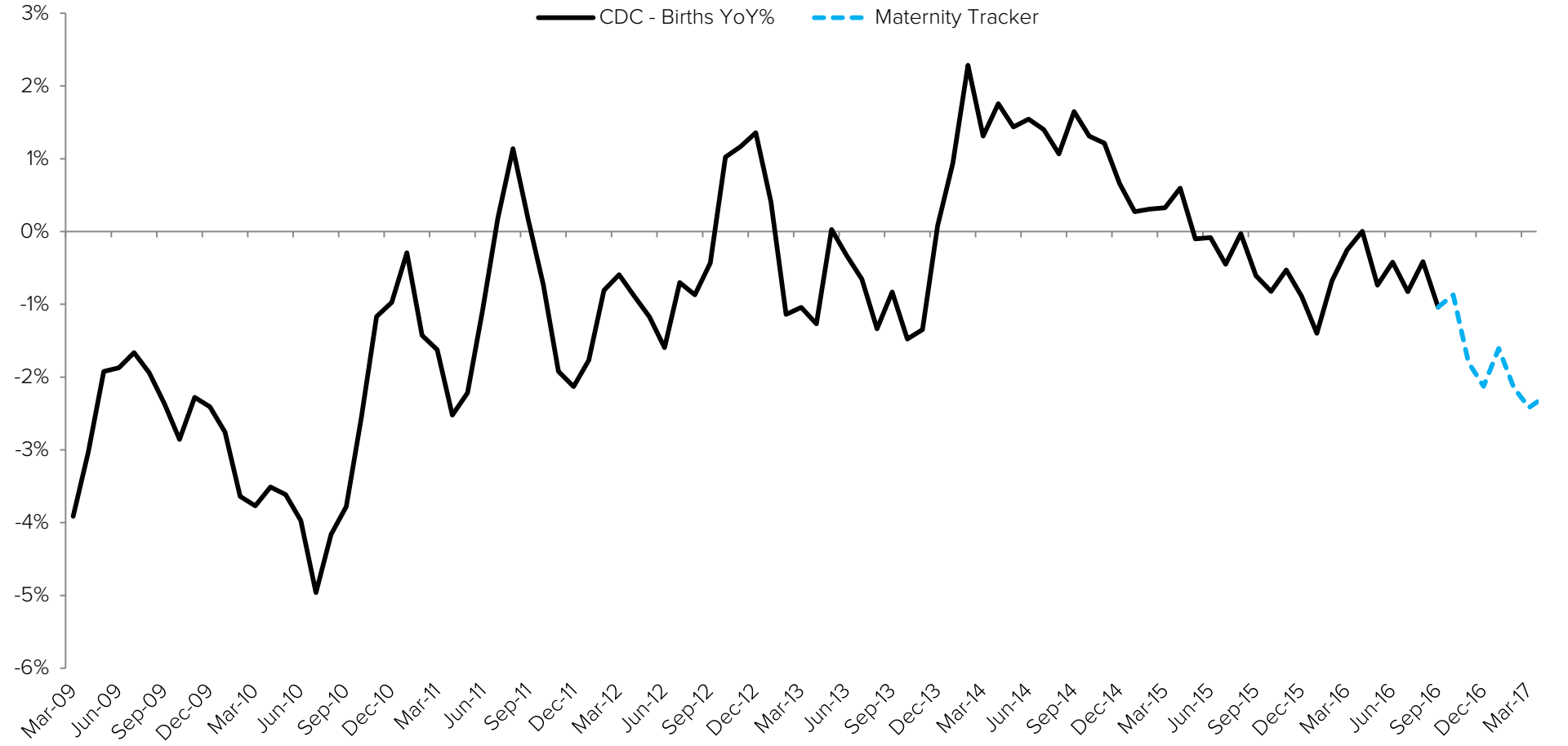
Data Source: Company Filings

© Hedgeye Risk Management LLC. All Rights Reserved.

MEDNAX

© Hedgeye Risk Management LLC. All Rights Reserved.

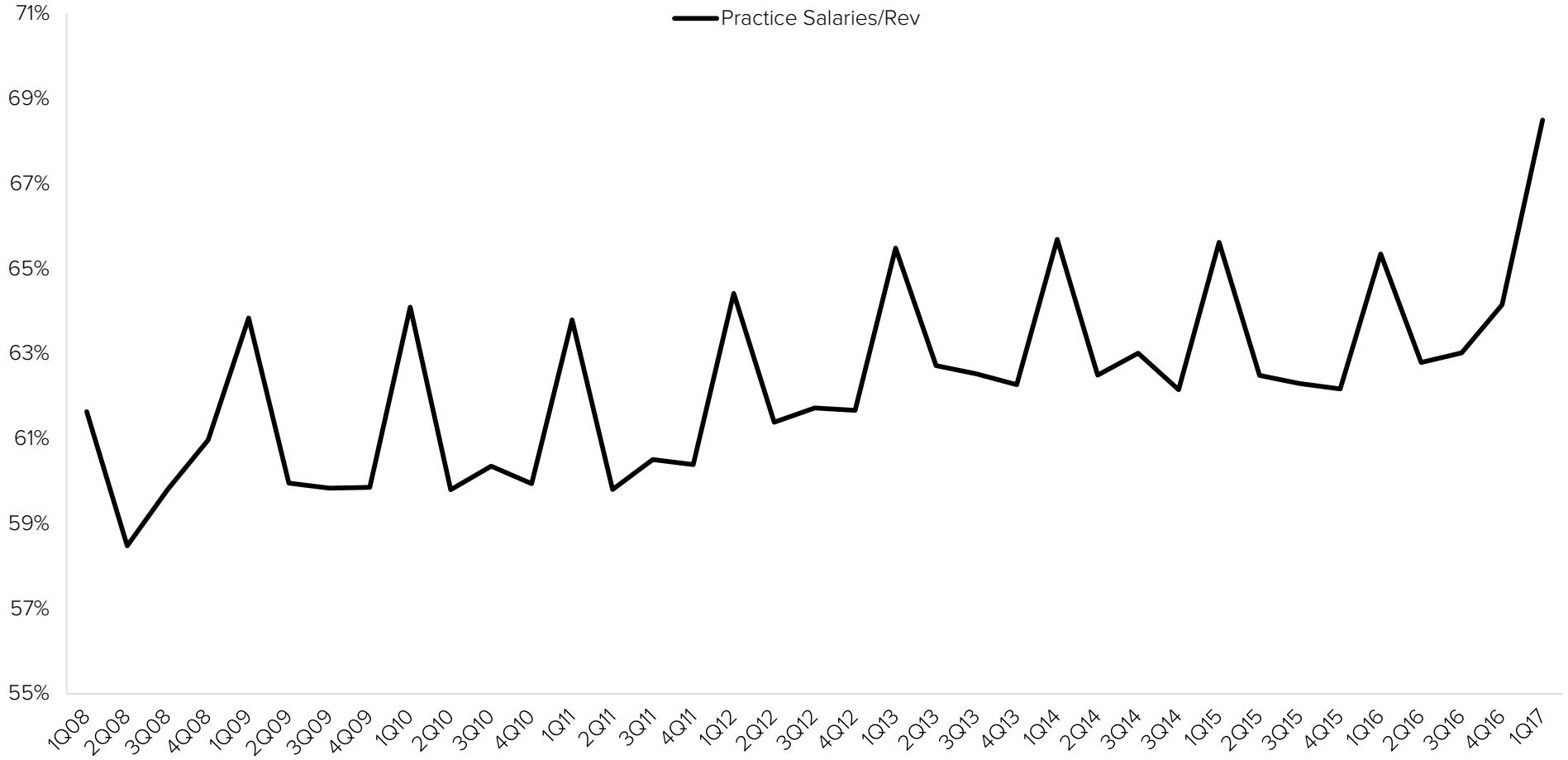
MATERNITY CONTINUES NEGATIVE



SOURCE: CDC & HEDGEYE ESTIMATES

© Hedgeye Risk Management LLC. All Rights Reserved.

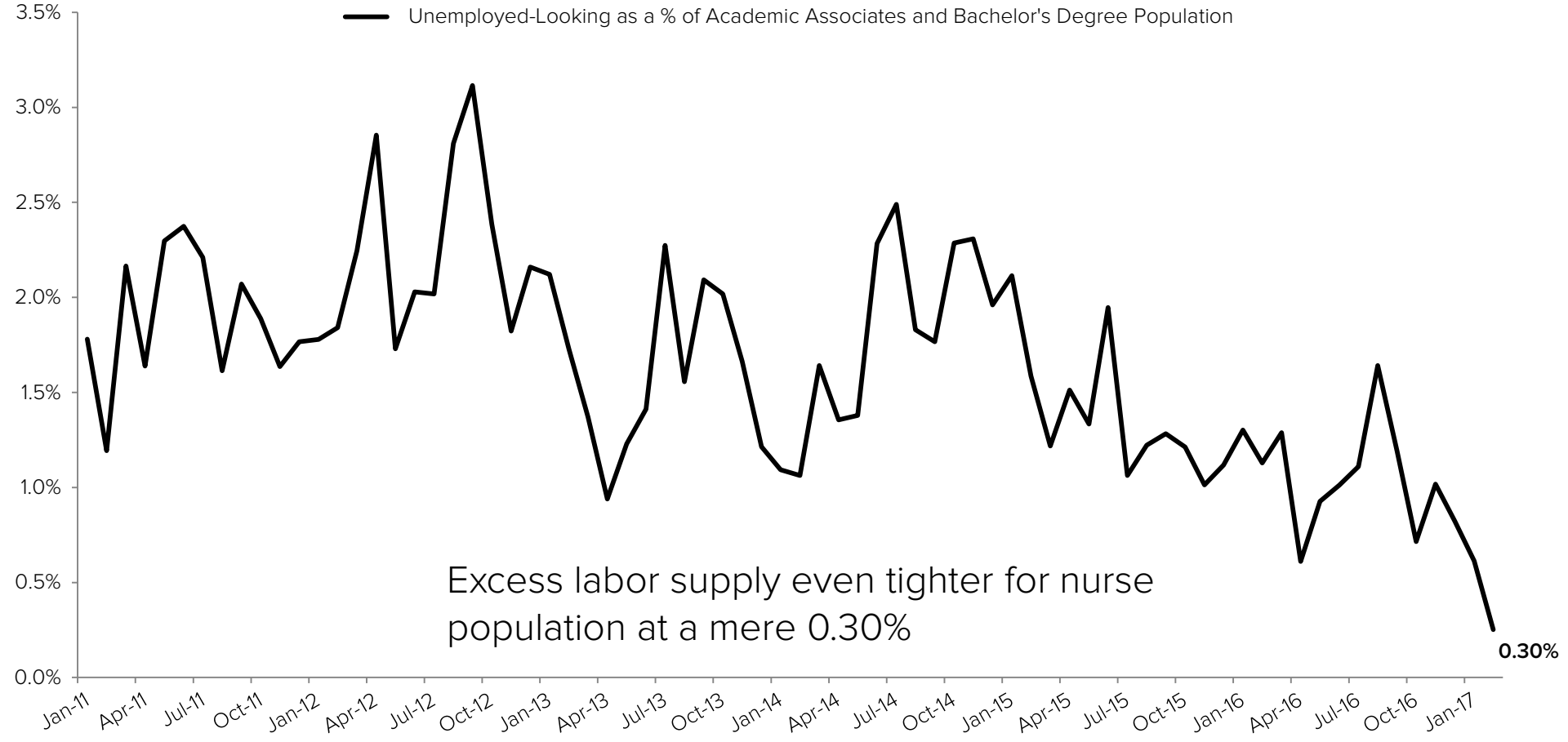
IS THE MEDNAX STORY BROKEN?



DATA SOURCE: FACTSET & COMPANY FILINGS

© Hedgeye Risk Management LLC. All Rights Reserved.

“UNEMPLOYED - LOOKING”



Excess labor supply even tighter for nurse population at a mere 0.30%

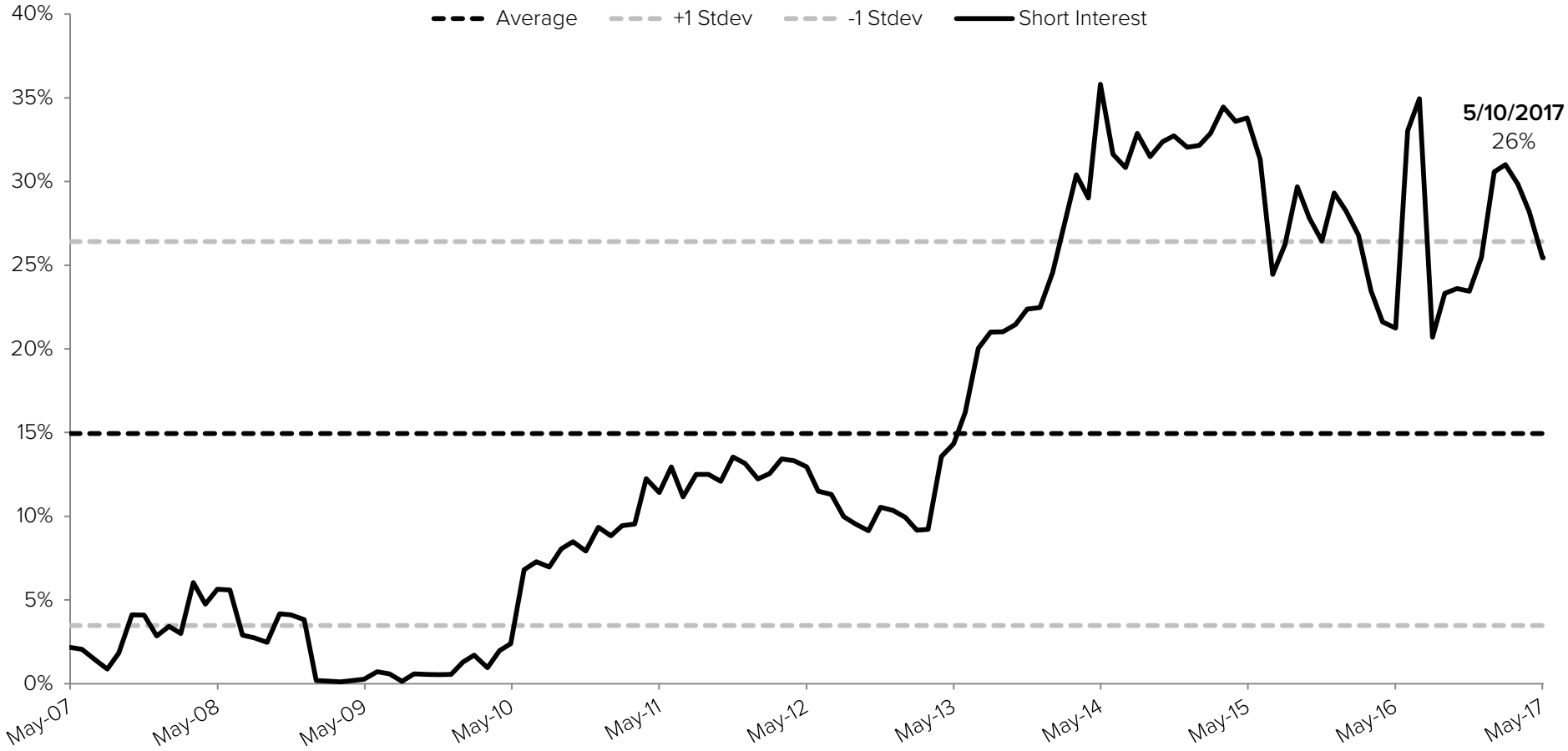
Data Source: CPS

© Hedgeye Risk Management LLC. All Rights Reserved.

EXAS | #CITWRONG

© Hedgeye Risk Management LLC. All Rights Reserved.

EXAS | SHORT INTEREST



Data Source: Factset

© Hedgeye Risk Management LLC. All Rights Reserved.

EXAS | CITRON SHORT REPORT

- On May 15th Exact Sciences (EXAS) was down as much as **-8% after Citron Research issued a short report on the company.**
- Many of Citron's arguments around pricing are **factually incorrect.**
  - Citron's PAMA analysis is **wrong**. The report fails to mention that PAMA puts a 10% limit on the downside for pricing from 2018-2020.
  - The report also fails to mention that the PAMA rate is based off of **contracted rates only** which EXAS' management has been vocal about not contracting below the Medicare price of $512.
- Citron claims that tests per provider have been flat and "can only get worse". **We have seen a steady increase in this metric and believe it more likely near an inflection point to the upside.**
- Citron claims EXAS doesn't disclose test per provider metric. EXAS provides the number of tests and number of providers which are needed to calculate this metric.
- Ultimately, there was **nothing new released in the Citron report** that we believe will matter to the stock over the next 9-12 months.

Data Source: Company Filings

© Hedgeye Risk Management LLC. All Rights Reserved.

UNH ISSUES POSITIVE COLOGUARD COVERAGE DECISION

Effective July 1, 2017

07/01/2017	*The following changes are effective as of July 1, 2017, date of service point in time (not at renewal):* **Preventive Care Services Table:** • **Colorectal Cancer Screening:** o Removed 2008 A ratings. o Added June 2016 A rating. o Added Code Group 6 for Fecal DNA 81528, limited to once every 3 years. No dx code limit.

cologuard
Rx only

Effective April 1, 2017

COVERAGE RATIONALE

Fecal DNA testing for colorectal cancer screening and/or monitoring is unproven and not medically necessary.
There is insufficient published evidence in the clinical literature supporting the diagnostic accuracy of fecal DNA tests to screen for colorectal cancer in asymptomatic, average-risk patients. The gold standard for colorectal cancer screening is optical colonoscopy. There is insufficient published evidence comparing fecal DNA testing to optical colonoscopy. In fact, there is insufficient published clinical evidence that fecal DNA testing reduces the likelihood of mortality from colorectal cancer.

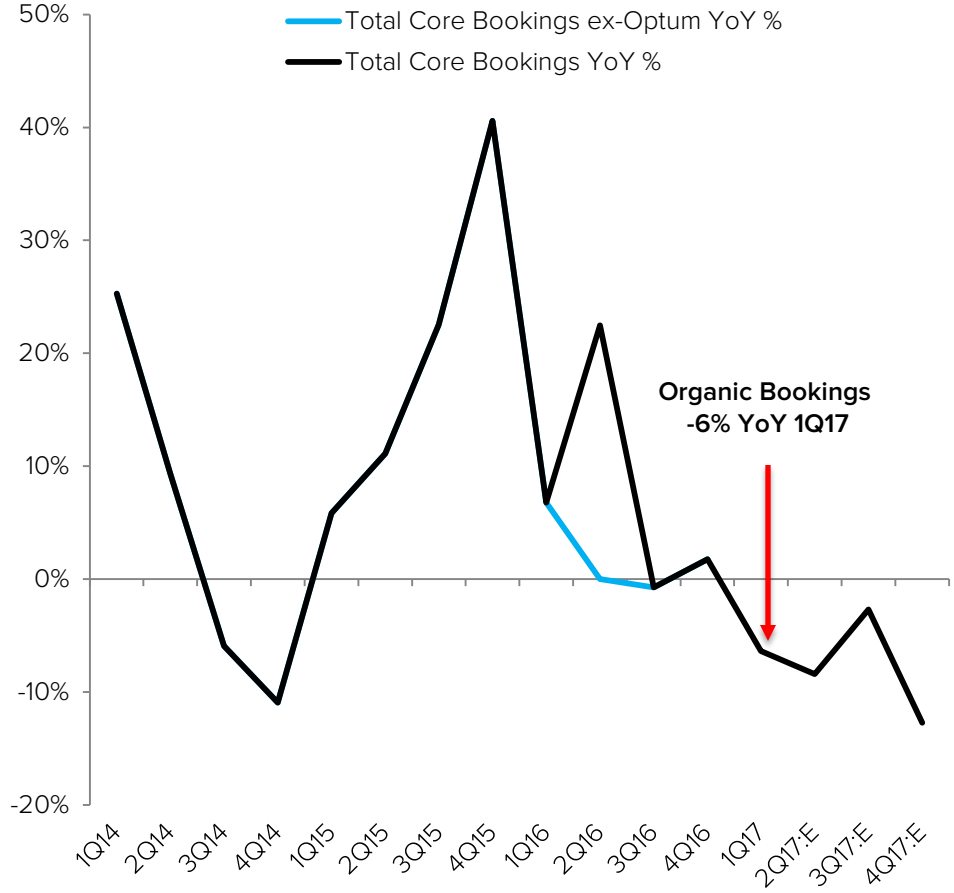
Fecal DNA Testing
UnitedHealthcare Commercial Medical Policy
Page 1 of 5
Effective 04/01/2017
Proprietary Information of UnitedHealthcare. Copyright 2017 United HealthCare Services, Inc.

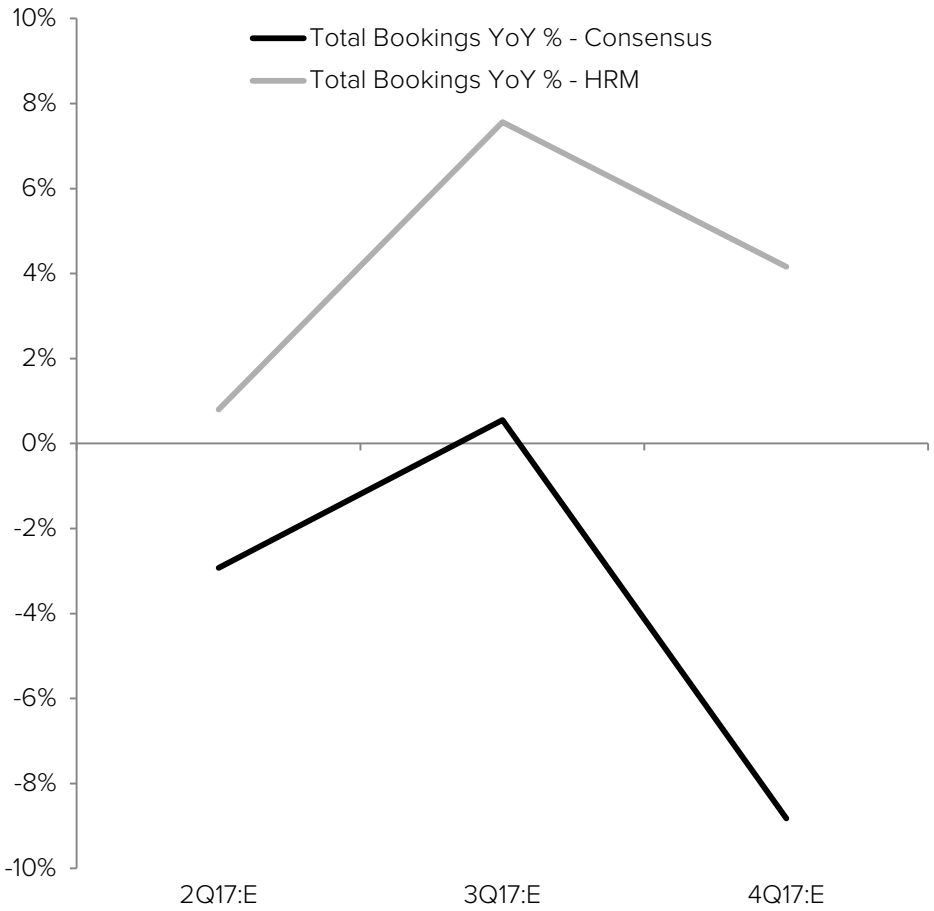
© Hedgeye Risk Management LLC. All Rights Reserved.

MDRX | MELTING ICE CUBE

© Hedgeye Risk Management LLC. All Rights Reserved.

MDRX | BOOKINGS HISTORY AND FORECAST

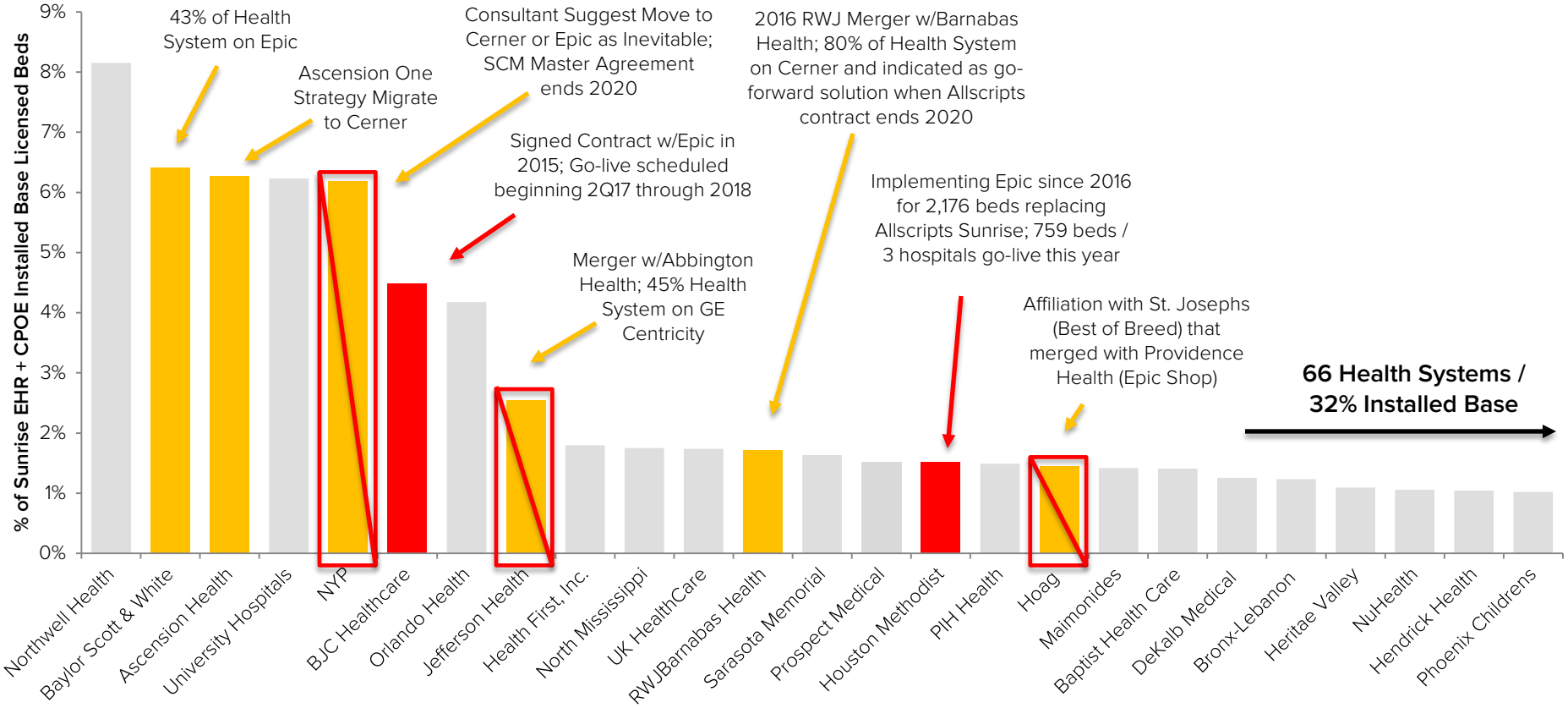




© Hedgeye Risk Management LLC. All Rights Reserved.

U.S. ALLSCRIPTS SUNRISE INSTALLED BASE (EHR + CPOE)

TOP 25 REPRESENT 68% OF INSTALLED BASE / 30% AT-RISK OR REPLACING



DATA SOURCE: HIMSS ANALYTICS AND HEDGEYE ESTIMATES

© Hedgeye Risk Management LLC. All Rights Reserved.

MANAGEMENT'S GROWTH ALGORITHM

	CAGR	Relative Size	Weighted Impact
Core Plus Managed Services	~0-2% ~~~4-5%~~~	x 65%	2.6 – 3.3
Value Based Care Tools	~9-13%	x 15%	1.4 – 2.0
International	~10-18%	x 5%	0.5 – 0.9
Post-Acute	~10-12%	x 15%	1.5 – 1.8
	3-Year 2018-2020 Non-GAAP Revenue CAGR		~~6.0% – 8.0%~~ ~3 - 6%

DATA SOURCE: INVESTOR PRESENTATION

© Hedgeye Risk Management LLC. All Rights Reserved.

APPENDIX

© Hedgeye Risk Management LLC. All Rights Reserved.

ATHN | ACTIVIST RISKS & OPPORTUNITIES

© Hedgeye Risk Management LLC. All Rights Reserved.

ELLIOTT ASSOCIATES ACTIVIST CAMPAIGN HISTORY

Campaign Type	# Campaigns	% Total
Maximize Shareholder Value	30	24
13D Filer - No Publicly Disclosed Activism	28	22.4
Board Representation	26	20.8
Vote/Activism Against a Merger	21	16.8
Vote Against a Management Proposal	6	4.8
Hostile/Unsolicited Acquisition	5	4
Board Control	3	2.4
Vote For a Stockholder Proposal	2	1.6
Enhance Corporate Governance	2	1.6
Vote For a Management Proposal/Support Management	1	0.8
Remove Director(s), No Dissident Nominee to Fill Vacancy	1	0.8
Remove Officer(s)	0	0
Support Dissident Group in Proxy Fight	0	0
Total - All Campaigns	**125**	**100**

DATA SOURCE: FACTSET/SHARK REPELLANT

© Hedgeye Risk Management LLC. All Rights Reserved.

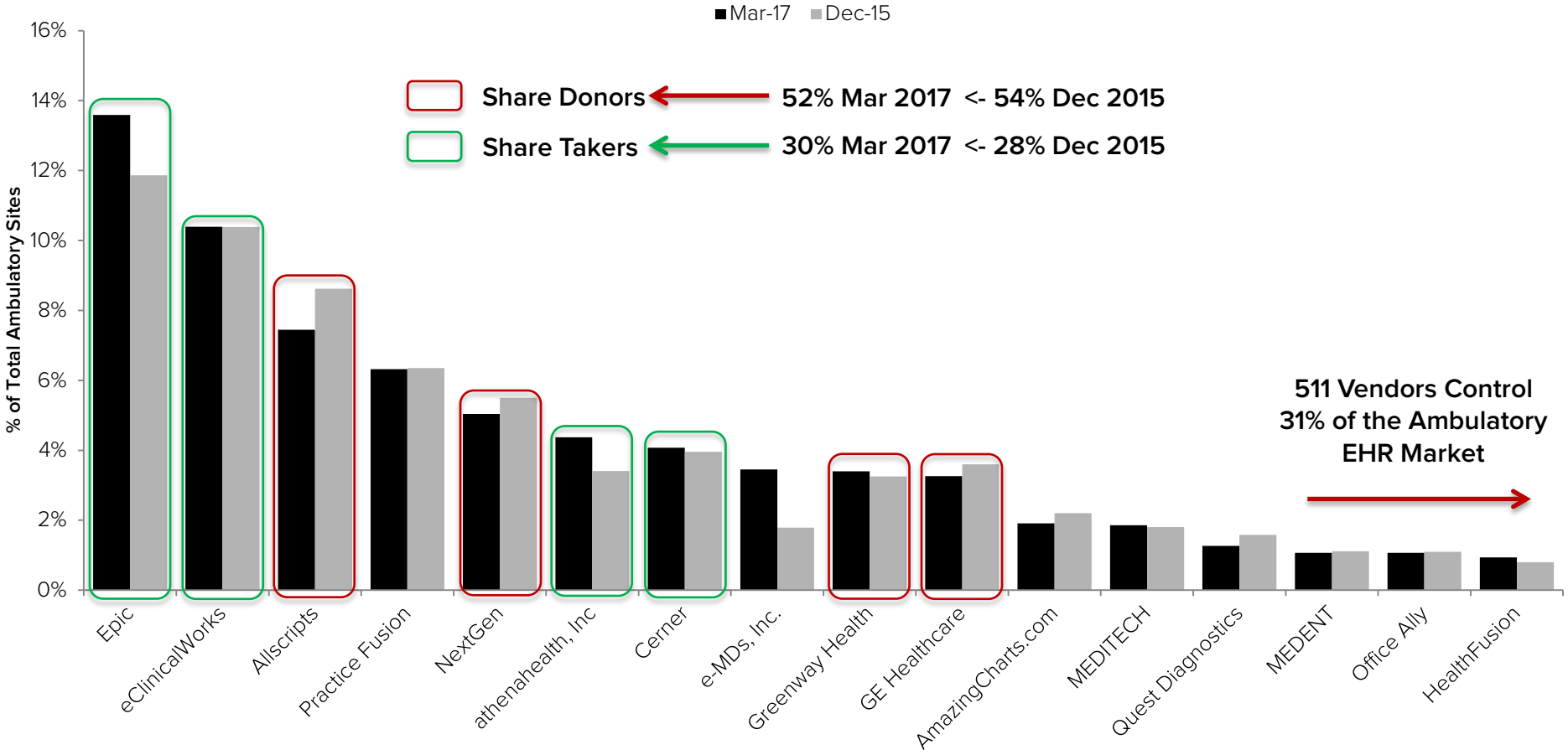
ATHN | ACTIVIST RISKS AND OPPORTUNITIES

- **Don't Touch (Fight) Jonathan Bush -** We believe his antics and strong personality have done the company more good than bad over time, and believe he is 'crazy like a fox' and not certifiably insane like some suggest.
- **Hire Inpatient Talent** – Inpatient is more complicated and requires a different implementation approach and mindset compared to ambulatory.
- **Careful Cost Cutting** – While we wouldn't describe athenahealth's cost-structure as bloated or inefficient, there are likely areas where the company could pull back on that may drive an additional 200-400bps in operating margin expansion over time.
- **Strategic M&A** – With core ambulatory growth slowing, valuations down, and 389 vendors responsible for the bottom 25% of the practice management market, athenahealth could embark on a more aggressive roll-up campaign.

Data Source: Company Filings

© Hedgeye Risk Management LLC. All Rights Reserved.

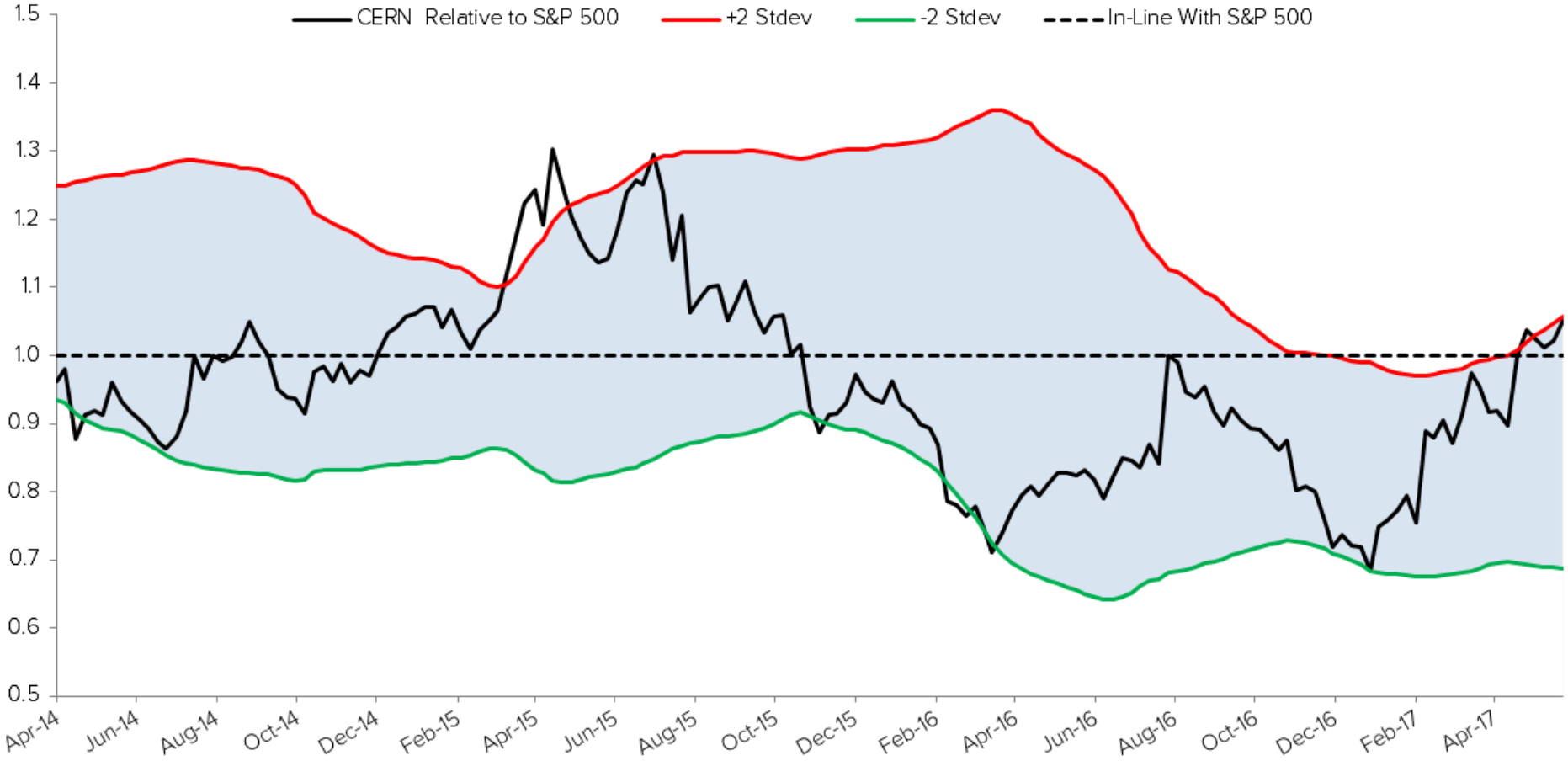
AMBULATORY EMR MARKET SHARE



DATA SOURCE: SK&A

© Hedgeye Risk Management LLC. All Rights Reserved.

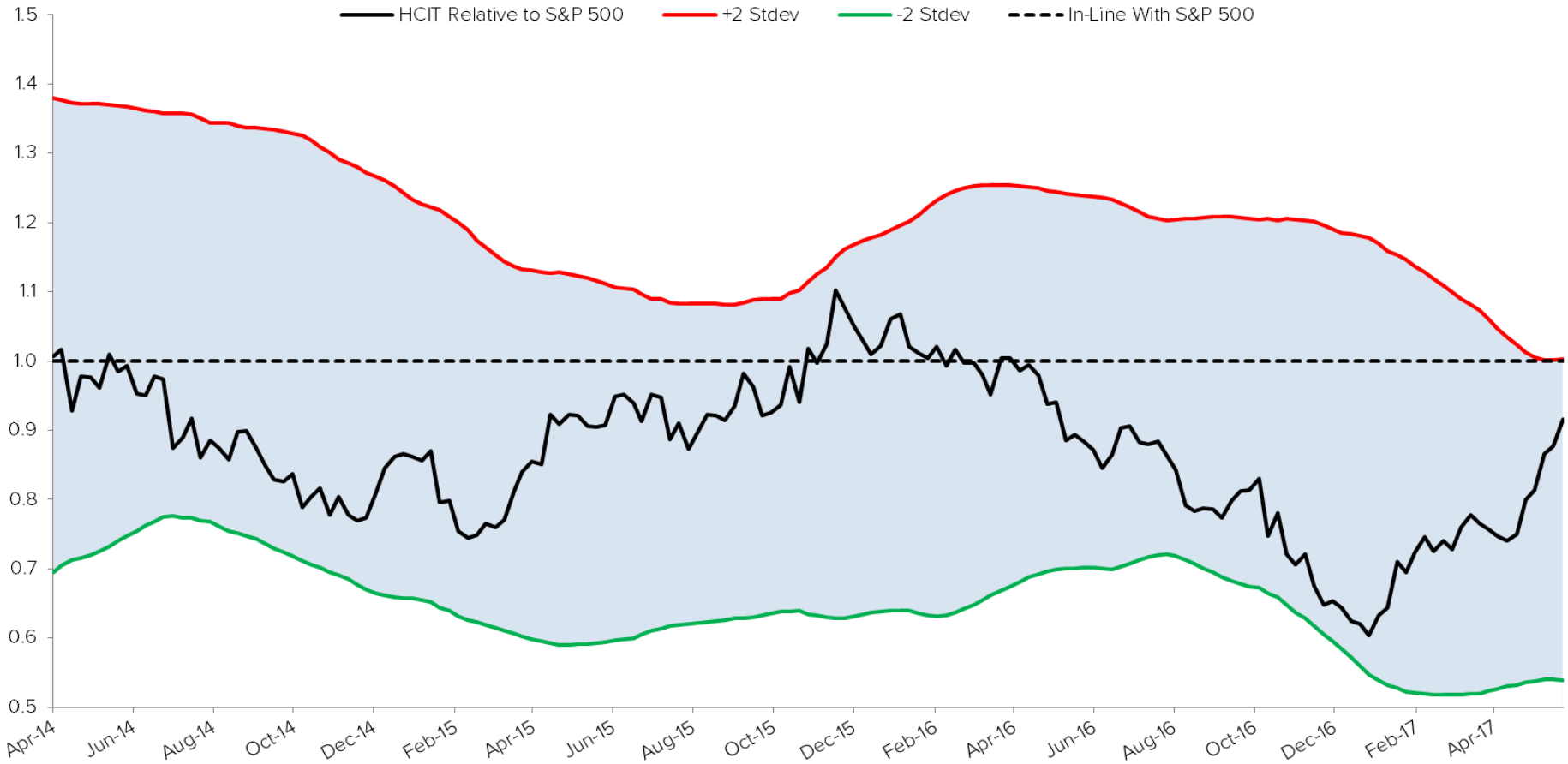
CERN | RELATIVE PERFORMANCE



Data Source: Factset

© Hedgeye Risk Management LLC. All Rights Reserved.

HCIT RELATIVE PERFORMANCE



Data Source: Factset

© Hedgeye Risk Management LLC. All Rights Reserved.

MACRO GRIND

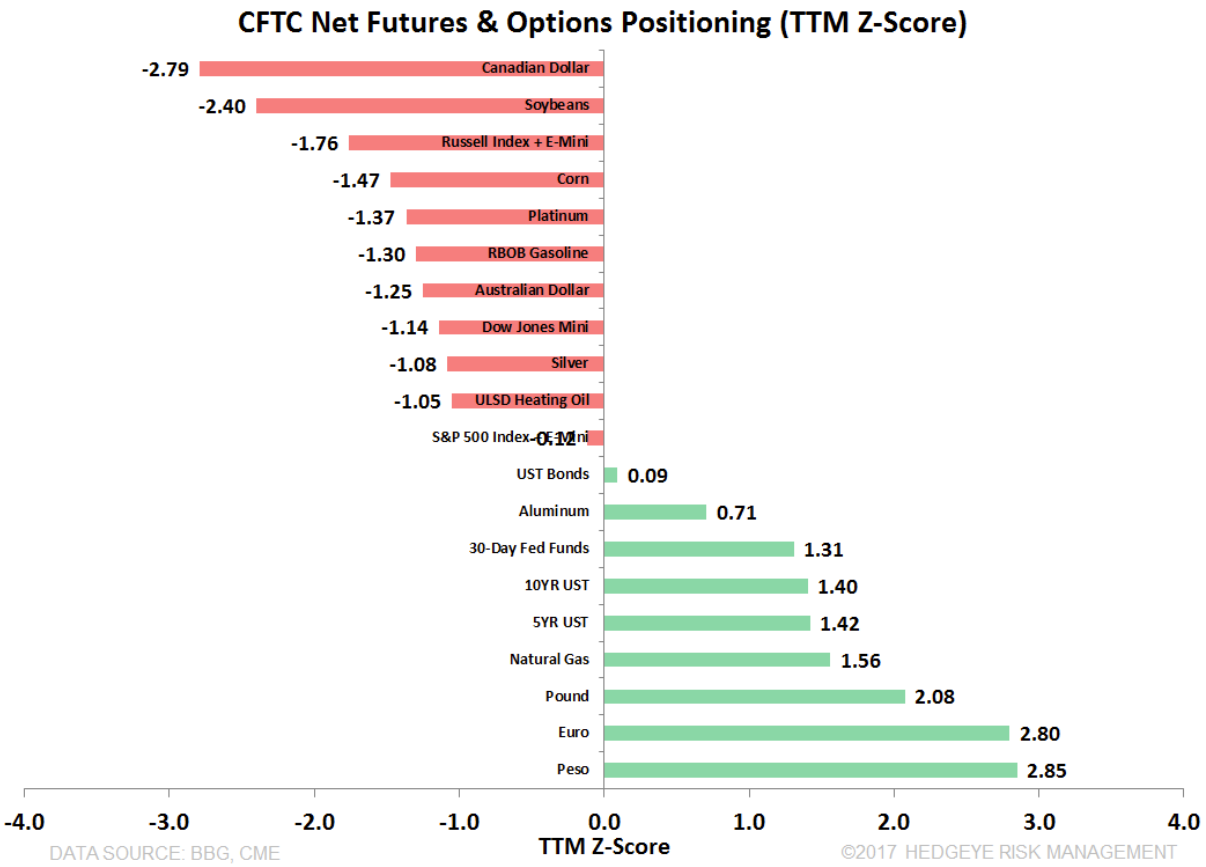
S&P REV. & EARNINGS COMPS & SCORECARD

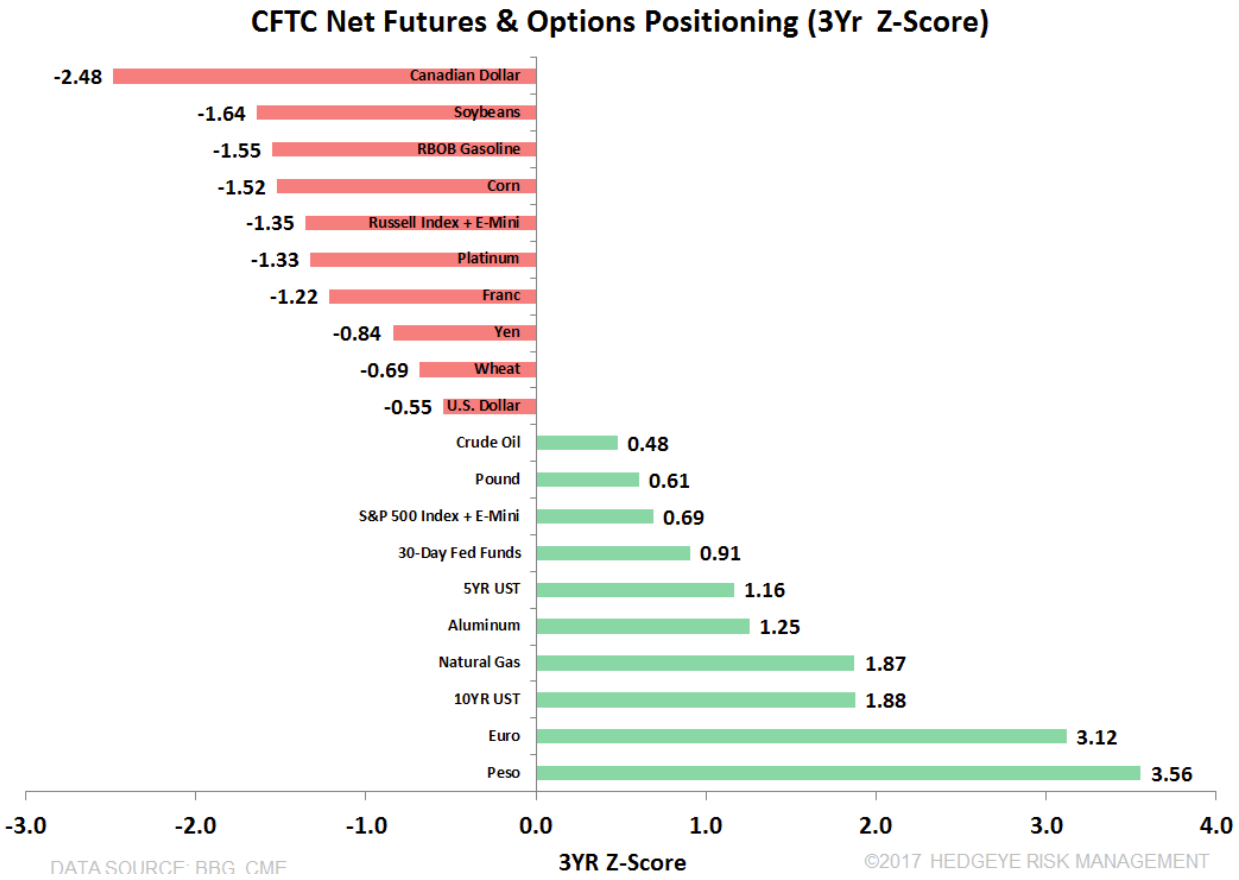
Q1 2017 QTD — U.S. Index Comps

INDEX	SALES GROWTH (YY%)	EARNINGS GROWTH (YY%)	#REPORTED
S&P 500	7.8%	14.7%	495 / 499
NASDAQ 100	11.2%	18.2%	102 / 102
DOW JONES	5.8%	14.4%	30 / 30
RUSSELL 2000	6.7%	3.4%	1832 / 1912

Q1 2017 QTD — S&P 500 Sector Comps

S&P 500 SECTOR	SALES GROWTH (YY%)	EARNINGS GROWTH (YY%)	#REPORTED
S&P 500 (Aggregate)	7.8%	14.7%	495 / 499
Energy	33.0%	622.3%	34 / 34
Materials	9.1%	19.4%	25 / 25
Industrials	4.2%	1.3%	68 / 68
Consumer Discret.	8.1%	6.6%	78 / 79
Consumer Staples	1.9%	3.5%	34 / 37
Healthcare	5.4%	4.9%	60 / 60
Financials	9.9%	18.4%	65 / 65
Information Tech.	8.1%	21.7%	68 / 68
Telecom	-4.7%	-4.6%	4 / 4
Utilities	7.3%	3.4%	28 / 28
Real Estate	3.3%	6.6%	31 / 31


CFTC Net Futures & Options Positioning (TTM Z-Score)
-2.79 Canadian Dollar
-2.40 Soybeans
-1.76 Russell Index + E-Mini
-1.47 Corn
-1.37 Platinum
-1.30 RBOB Gasoline
-1.25 Australian Dollar
-1.14 Dow Jones Mini
-1.08 Silver
-1.05 ULSD Heating Oil
S&P 500 Index - E-Mini -0.12
UST Bonds 0.09
Aluminum 0.71
30-Day Fed Funds 1.31
10YR UST 1.40
5YR UST 1.42
Natural Gas 1.56
Pound 2.08
Euro 2.80
Peso 2.85
-4.0
-3.0
-2.0
-1.0
0.0
1.0
2.0
3.0
4.0
TTM Z-Score
DATA SOURCE: BBG, CME
©2017 HEDGEYE RISK MANAGEMENT



June 9, 2017

THE MACRO SHOW

HEDGEYE TV

	REALIZED VOLATILITY				IMPLIED VOLATILTY*				IMPLIED** VS. REALIZED VOLATILITY									
		Duration of Realized (%)			At-The-Money %					30 Day			60 Day			3 Month		
											Z-Score			Z-Score			Z-Score	
Index/Security	Ticker	30D	60D	90D	Current	v 1M Avg	v 3M Avg	v 6M Avg.	Ticker	Premium	TTM	3Yr	Premium	TTM	3Yr	Premium	TTM	3Yr
S&P 500	SPX	7.4%	7.4%	7.1%	8.2%	-2.9%	-13.4%	-15.2%	SPX	3.0%	-0.59	-0.29	21.7%	-0.16	0.35	39.8%	0.52	1.05
Russell 2000	RTY	13.7%	13.9%	13.7%	13.9%	-3.5%	-8.3%	-11.4%	RTY	-3.1%	-0.46	-0.49	4.0%	-0.26	-0.25	12.6%	0.32	0.13
Nasdaq 100	NDX	10.2%	9.2%	8.2%	12.1%	4.5%	5.9%	1.7%	NDX	12.0%	-0.41	0.03	40.0%	0.43	1.11	65.8%	1.63	2.31
USD Index	UUP	6.0%	6.1%	6.3%	6.5%	-5.8%	-15.8%	-21.1%	UUP	3.6%	-0.34	-0.30	15.9%	0.16	0.18	19.2%	0.42	0.33
Consumer Discret.	XLY	9.2%	8.6%	8.1%	10.0%	-1.3%	-5.7%	-12.2%	XLY	5.8%	-0.55	-0.25	35.3%	0.46	1.03	41.0%	0.99	1.50
Financials	XLF	13.8%	15.5%	15.0%	14.8%	-0.5%	-7.0%	-10.0%	XLF	5.0%	-0.17	-0.05	-0.6%	-0.36	-0.27	5.8%	0.02	0.03
Healthcare	XLV	7.7%	7.7%	7.9%	9.8%	-4.5%	-12.0%	-18.7%	XLV	22.7%	0.08	0.59	33.5%	0.92	1.41	40.2%	1.66	2.04
Technology	XLK	10.4%	9.3%	8.4%	11.9%	3.9%	3.6%	-0.1%	XLK	8.4%	-0.40	-0.03	37.6%	0.59	1.18	56.8%	1.59	2.16
Consumer Staples	XLP	6.2%	6.2%	6.7%	9.2%	0.9%	-3.5%	-8.3%	XLP	41.6%	0.73	1.23	58.6%	1.74	2.48	54.5%	1.92	2.37
Utilities	XLU	7.6%	8.0%	10.1%	10.1%	-5.4%	-16.4%	-24.0%	XLU	31.4%	1.10	1.71	29.1%	2.07	2.57	5.7%	0.55	0.86
Energy	XLE	14.6%	13.4%	14.6%	17.0%	2.2%	1.5%	-0.2%	XLE	16.1%	0.44	0.53	22.8%	1.37	1.06	17.7%	1.39	0.81
Energy	XOP	29.2%	26.4%	26.4%	30.8%	7.2%	8.4%	9.6%	XOP	6.2%	-0.05	0.13	18.5%	1.03	1.11	20.4%	1.69	1.30
Materials	XLB	11.2%	11.2%	11.0%	11.7%	-6.6%	-11.1%	-12.9%	XLB	5.1%	-0.35	-0.16	12.0%	-0.03	0.18	18.2%	0.44	0.51
Industrials	XLI	9.4%	9.9%	9.9%	11.1%	-3.1%	-9.6%	-11.6%	XLI	12.1%	-0.11	0.12	19.2%	0.27	0.54	25.1%	0.71	0.93
Transports	IYT	14.1%	14.2%	14.3%	14.6%	-5.3%	-10.1%	-12.8%	IYT	3.2%	-0.45	-0.26	8.3%	-0.42	-0.06	11.8%	-0.30	0.09
Biotech	IBB	15.6%	15.0%	15.2%	16.7%	-8.2%	-11.0%	-21.4%	IBB	4.4%	-0.26	-0.11	16.0%	0.73	0.87	20.2%	1.52	1.35
WTI Crude Oil	USO	34.6%	28.2%	26.7%	32.3%	5.6%	12.0%	13.6%	USO	5.6%	-0.72	-0.79	12.7%	0.39	0.27	18.3%	1.12	0.56
Natural Gas	UNG	30.0%	29.1%	32.7%	36.3%	7.7%	5.3%	-8.8%	UNG	19.1%	0.90	0.27	26.1%	1.48	0.63	11.1%	0.77	0.05
Gold	GLD	11.1%	9.9%	10.1%	11.5%	4.8%	-3.6%	-10.7%	GLD	1.3%	-0.64	-0.35	18.5%	0.64	0.64	20.2%	1.05	0.83
Silver	SLV	16.6%	15.8%	16.4%	17.3%	-5.2%	-9.9%	-17.3%	SLV	3.5%	-0.24	-0.43	23.2%	2.01	0.54	15.6%	1.46	0.21
Copper	JJC	23.0%	21.8%	23.1%	17.5%	-6.3%	-15.8%	-25.0%	JJC	-24.0%	-0.54	-0.76	-18.5%	-0.70	-0.93	-22.1%	-0.97	-1.21
Coffee	JO	26.6%	26.3%	26.0%	27.6%	0.5%	0.9%	-1.0%	JO	4.0%	-0.01	0.00	6.2%	0.29	0.42	8.5%	0.65	0.82
Corn	CORN	17.7%	15.5%	15.4%	27.9%	21.3%	37.4%	46.9%	CORN	55.8%	2.16	1.54	75.5%	2.61	2.72	68.3%	1.99	2.23
Soybeans	SOYB	10.8%	9.6%	10.9%	23.0%	25.5%	22.3%	12.8%	SOYB	106.9%	1.32	1.09	107.1%	1.20	1.19	72.0%	0.38	0.43
Wheat	WEAT	22.3%	19.2%	20.1%	31.7%	0.1%	6.2%	3.7%	WEAT	41.7%	-0.26	-0.17	52.8%	-0.05	0.07	36.3%	-0.33	-0.10

*implied volatility on at-the-money front month contracts

**implied volatility of at-the-money options expiring in the given duration vs. realized volatility over the given duration

HEDGEYE SECTOR PERFORMANCE

SECTOR	Ticker	Price	1-Day % Chg	MTD % Chg	YTD % Chg
Consumer Discretionary	XLY	$90.77	-0.65%	-0.31%	11.51%
Financial Select Sector	XLF	$23.84	1.15%	2.54%	2.54%
Health Care Select Sector	XLV	$77.00	-0.28%	1.21%	11.69%
Technology Select Sector	XLK	$57.44	0.23%	1.61%	18.78%
Consumer Staples Select Sector	XLP	$56.74	-0.75%	0.18%	9.73%
Industrial Select Sector	XLI	$67.65	0.33%	0.19%	8.73%
Materials Select Sector	XLB	$53.94	0.30%	1.62%	8.53%
The Energy Select Sector	XLE	$64.86	-0.29%	-0.89%	-13.89%
Utilities Select Sector	XLU	$53.72	-0.83%	-0.22%	10.60%
S&P 500	SPX	2,433.79	0.03%	0.91%	8.71%

HEDGEYE SECTOR RELATIVE PERFORMANCE

	Ticker	Price	1-Day % Chg	MTD % Chg	YTD % Chg
Consumer Discretionary	XLY	$90.77	-0.67%	-1.22%	2.80%
Financial Select Sector	XLF	$23.84	1.12%	1.63%	-6.17%
Health Care Select Sector	XLV	$77.00	-0.31%	0.30%	2.98%
Technology Select Sector	XLK	$57.44	0.20%	0.70%	10.07%
Consumer Staples Select Sector	XLP	$56.74	-0.78%	-0.74%	1.02%
Industrial Select Sector	XLI	$67.65	0.30%	-0.72%	0.02%
Materials Select Sector	XLB	$53.94	0.27%	0.71%	-0.18%
The Energy Select Sector	XLE	$64.86	-0.32%	-1.80%	-22.60%
Utilities Select Sector	XLU	$53.72	-0.86%	-1.13%	1.90%

HEDGEYE STYLE FACTOR PERFORMANCE

	FACTOR	1D % Chg	1W % Chg	1M % Chg	3M % Chg	6M % Chg	YTD % Chg
Debt	High Debt/EV	-0.1%	-0.8%	0.7%	0.5%	2.6%	4.5%
	Low Debt/EV	0.2%	-0.2%	1.3%	5.0%	9.4%	11.7%
SI	High Short Interest	0.1%	-1.0%	-1.4%	-1.0%	-3.9%	-0.4%
	Low Short Interest	0.1%	0.1%	1.7%	3.1%	9.1%	10.1%
BETA	High Beta	0.8%	-0.1%	0.0%	0.5%	2.4%	6.0%
	Low Beta	-0.6%	-0.4%	2.3%	4.2%	8.6%	8.0%
YIELD	High Yield	-0.1%	-0.8%	-0.1%	-0.8%	-2.0%	-0.8%
	Low Yield	0.1%	-0.4%	1.0%	3.5%	8.5%	10.9%
MKT CAP	MCAP Bottom 25%	0.2%	-1.1%	-2.5%	-2.4%	-5.4%	-1.4%
	MCAP Top 25%	0.0%	0.1%	2.1%	3.4%	10.1%	10.8%
Sales	Top 25% Sales Growth	0.3%	0.0%	1.4%	4.1%	8.1%	10.4%
	Bottom 25% Sales Growth	0.1%	-0.9%	-0.6%	-1.0%	-1.0%	1.3%
EPS	Top 25% EPS Growth	0.2%	-0.2%	1.4%	4.6%	6.6%	9.0%
	Bottom 25% EPS Growth	0.0%	-1.1%	-0.4%	-0.3%	0.1%	1.7%

**Mean Performance of Top Quartile vs. Bottom Quartile, S&P500 Companies*

HEDGEYE RATES & SPREADS

	Price	1D Bps Chg	5D Bps Chg	1M Bps Chg	3M Bps Chg	vs. 52-Wk, Bps High	vs. 52-Wk, Bps Low	vs. 3Y Ave	vs. 5Y Ave
3M T-Bill	0.99%	0.5	2.1	10	26	-2	83	77	83
3M LIBOR	1.22%	0.0	-0.1	4	10	0	60	66	77
2Y T-Note	1.33%	0.8	2.6	-3	-6	-7	84	55	74
5Y T-Note	1.77%	1.0	3.0	-17	-39	-38	88	23	40
10Y T-Note	2.21%	1.6	2.9	-21	-42	-43	89	9	5
30Y T-Note	2.86%	1.4	4.1	-18	-34	-35	78	2	-16
2Y-10Y Spread, Bps	88	0.8	0.4	-18.2	-36	-37	5	-46	-70
IG SPREAD (AAABBB)	1.46%	0.0	0.0	-6	-5	-54	1	-24	-26
HIGH YIELD	5.49%	3.7	7.4	-48	-64	-185	7	-118	-100
5Y BREAKEVEN	1.73%	1.4	-1.0	-2.0	-28.7	-34.1	48.3	18.4	1.8

CFTC NON-COMMERCIAL NET LONG POSITIONING

METRIC	Latest	W/W Chg	3M Ave	6M Ave	1Y Ave	Z-Score 1Y	Z-Score 3Y
SPX (Index + E-mini)	58,030	12,731	100,436	54,238	67,015	-0.12X	0.70X
Russell 2000 (mini)	(72,910)	(541)	(44,677)	9,578	5,155	-1.76X	-1.41X
10Y Treasury	248,030	(116,981)	63,672	(132,097)	(35,240)	1.40X	2.23X
CRUDE OIL	405,052	4,650	452,808	484,701	421,351	-0.20X	0.64X
GOLD	131,572	13,911	112,224	89,705	154,078	-0.28X	0.38X
COPPER	9,725	(3,405)	18,784	33,891	15,132	-0.19X	0.68X
$USD	27,644	(3,629)	40,929	45,479	35,163	-0.45X	-0.69X
JPY	(55,818)	(2,552)	(48,376)	(56,463)	(6,279)	-0.92X	-0.46X
EUR	73,218	7,638	(26)	(30,116)	(65,184)	2.80X	3.01X
GBP	(29,809)	(2,410)	(80,065)	(71,821)	(73,300)	2.08X	0.15X

MARKET SHARE VOLUME & TOTAL VALUE TRADED

INDEX/SECURITY	VOLUME: (6/8) vs.			
	Prior Day	1M Ave	3M ave	1Y Ave
Total Market Volume*	3%	9.3%	0%	27%
Total Exchange Volume**	7%	7%	6%	4%
Total Traded Value (R3K)***	8%	5%	6%	8%

*Total Market Volume = Total US exchange volume plus OTC and OTCBB trading volume for all security types. Calculated by Bloomberg.

**Tape A+B+C volume = total US exchange volume

*** Total Traded Value for Russell 3000 (total mkt proxy)

Source: Bloomberg, Hedgeye

KEY $USD CORRELATIONS

METRIC	15D	30D	90D	120D	180D	52-Wk Rolling 30D Correlation			
						High	Low	% Time Pos	% Time Neg
SPX	-0.45	-0.53	-0.63	-0.68	0.05	*0.95*	*-0.76*	*48%*	*52%*
BRENT Oil	0.43	-0.30	0.58	0.63	0.49	*0.81*	*-0.78*	*60%*	*40%*
CRB Index	-0.44	-0.89	-0.12	0.63	0.33	*0.83*	*-0.90*	*40%*	*60%*
GOLD	-0.74	-0.88	-0.51	-0.68	-0.77	*0.82*	*-0.97*	*18%*	*82%*

**Days = Trading Days*