



29 September 2016

SHARE REPURCHASE MONTHLY
INVESTMENT BANKING

Table of Contents:

AUGUST MARKET UPDATE 1
A REVIEW OF Q2 2016 SHARE REPURCHASES 2

Investment Banking Contacts:

Ethan Creo
ecreo@guzman.com
305.416.5324

Bill Robertson
wrobertson@guzman.com
646.979.1169

Ruslan Magdeev
rmagdeev@guzman.com
305.416.5354

Greg Brown
gbrown@guzman.com
646.979.1170

REPURCHASE MARKET UPDATE: August 2016

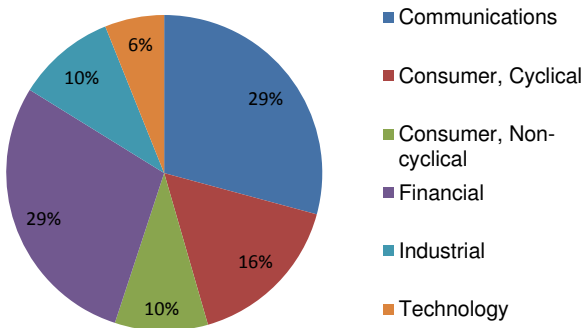
SHARE REPURCHASE:

With much of the finance world on vacation in August, repurchase activity relaxed, as well. August's \$19BN in announced share repurchase authorizations was the lowest monthly volume seen since 2013. Devoid of any authorizations greater than \$3BN, the average size of \$439MM was also the lowest since August 2015.

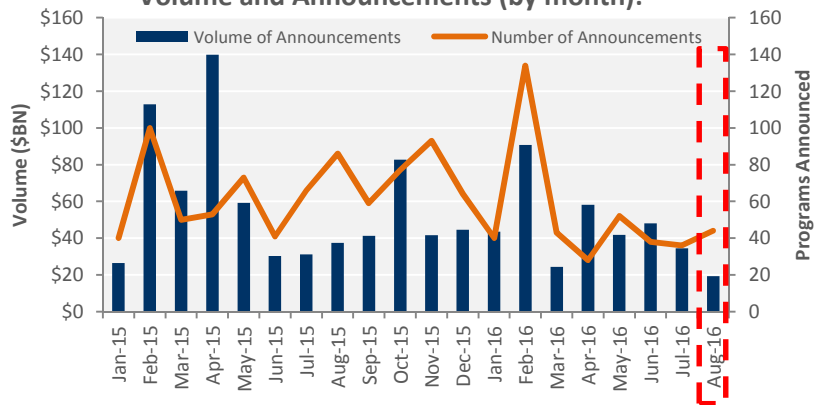
- Eight announcements of \$1BN+, three \$2BN+, and zero \$5BN+.
- 44 companies announced share repurchase plans greater than \$25MM in August, representing ~\$19BN in volume.
- New share repurchase authorizations were led by AIG (\$3BN) and Twenty-First Century Fox (\$3BN) followed by Motorola Solutions (\$2BN).
- Financials and Communications were the two most active sectors in volume of announcements, combining for nearly 60% in August.

AUGUST ANNOUNCEMENTS AND VOLUME

August Announcements (by volume):



Volume and Announcements (by month):

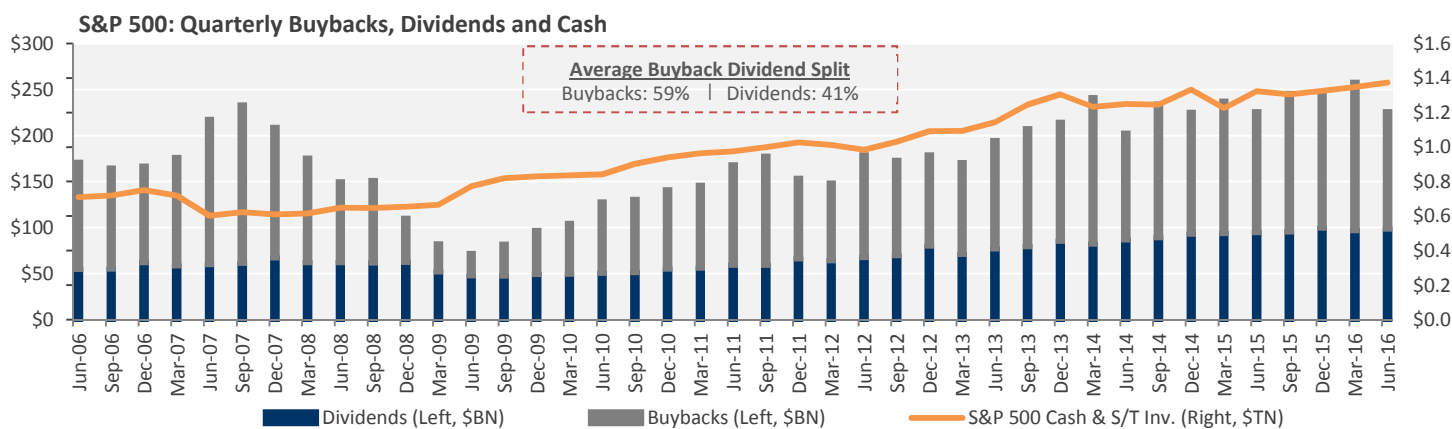


AUGUST SHARE REPURCHASE ANNOUNCEMENTS > \$1BN

Ann Date	Company	Ann Amt (\$MM)	Mkt Cap (\$MM)	% of Mkt Cap Ann'd	Mult of 30d ADTV	% Px chg +1 day	% Px chg +5 days
8/2/16	American International Group Inc	\$3,000	\$57,966	5.2%	9.4x	7.5%	8.8%
8/3/16	Twenty-First Century Fox Inc	\$3,000	\$51,524	5.8%	9.5x	-4.5%	-5.1%
8/4/16	Motorola Solutions Inc	\$2,000	\$12,264	16.3%	23.2x	5.2%	8.0%
8/29/16	Flex Ltd	\$1,428	\$7,140	20.0%	29.1x	2.2%	1.1%
8/3/16	Intercontinental Exchange Inc	\$1,000	\$33,122	3.0%	7.0x	5.1%	4.0%
8/5/16	Cognizant Technology Solutions Corp	\$1,000	\$36,241	2.8%	3.9x	-1.6%	-1.9%
8/11/16	SL Green Realty Corp	\$1,000	\$12,397	8.1%	11.9x	0.8%	-0.5%
8/24/16	Dollar General Corp	\$1,000	\$26,048	3.8%	1.9x	-16.7%	-19.0%
Mean		\$1,679	\$29,588	8.1%	12.0x	-0.2%	-0.6%
Median		\$1,214	\$29,585	5.5%	9.4x	1.5%	0.3%

A REVIEW OF Q2 2016 SHARE REPURCHASES

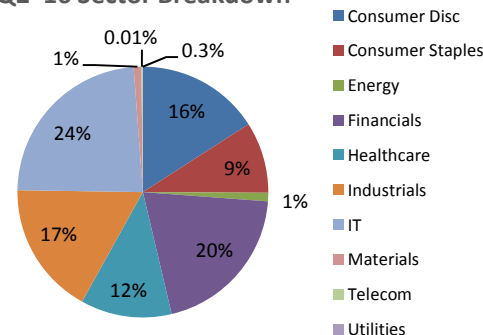
Share repurchase activity was down 21% from the near record amount seen in Q1'16, while cash levels continued their steady rise. Despite an uptick in dividends, total quarterly shareholder return also trended downwards from Q1. Nevertheless, TTM buyback activity of \$585BN (for the period ending in Q2) was the third greatest amount, behind the periods ending Q1'16 and Q4'07. With cash holdings at an all-time high and stock prices near record highs, Q3 could be poised for an upswing in repurchase volumes.



Q2 '16 Buybacks:

- In Q2'16, total shareholder return (buybacks and dividends) in the S&P 500 dropped 12% from Q1 to \$225BN and was flat Y-o-Y.
- The split between buybacks and dividends for the quarter was 56% to 44%, respectively, with dividends capturing their greatest share since Q4'12.
- Nearly all of the S&P sectors saw a decline in quarterly buybacks, apart from a flat Consumer Staples sector and a small bump in the Telecom sector.
- Apple regained its top spot as the biggest buyer in Q2, repurchasing a whopping \$10.2BN.

Q2' 16 Sector Breakdown



Largest S&P 500 Q2'16 Buybacks:

Company	Sector	Q2'16	LTM	5-YEAR	10-YEAR
Apple	Information Technology	\$10.2	\$36.9	\$126.8	\$126.8
General Electric	Industrials	\$8.0	\$16.0	\$33.4	\$57.7
AbbVie	Health Care	\$3.8	\$6.4	\$12.8	\$12.8
Microsoft	Information Technology	\$3.7	\$16.0	\$48.1	\$112.7
McDonald's	Consumer Discretionary	\$3.4	\$11.6	\$22.6	\$39.2
JPMorgan Chase	Financials	\$2.8	\$7.0	\$26.6	\$41.5
American International Gr	Financials	\$2.8	\$13.2	\$35.5	\$42.5
Johnson & Johnson	Health Care	\$2.4	\$7.0	\$35.3	\$52.5
Wells Fargo	Financials	\$2.2	\$8.4	\$33.0	\$43.8
Wal-Mart Stores	Consumer Staples	\$2.1	\$7.7	\$24.0	\$57.1
Monster Beverage	Consumer Staples	\$2.0	\$2.4	\$3.8	\$4.0
Boeing	Industrials	\$2.0	\$7.8	\$20.1	\$25.8
Oracle	Information Technology	\$2.0	\$10.5	\$45.3	\$56.5
CVS Health	Consumer Staples	\$1.9	\$6.0	\$21.7	\$32.0
Medtronic	Health Care	\$1.8	\$3.8	\$10.7	\$16.1
Goldman Sachs Gr	Financials	\$1.7	\$5.9	\$26.8	\$48.6
American Express	Financials	\$1.7	\$5.4	\$21.2	\$26.7
American Airlines Gr	Industrials	\$1.7	\$6.2	\$8.2	\$8.2
Visa	Information Technology	\$1.7	\$5.6	\$19.3	\$38.0
Alphabet	Information Technology	\$1.6	\$5.5	\$5.6	\$6.4
Top 20		\$59.4	\$189.2	\$580.6	\$849.0
S&P 500		\$127.5	\$585.4	\$2,494.8	\$4,274.1

DISCLAIMER

For Institutional Use Only.

Information in this document may not be communicated, reproduced, distributed, or disclosed to any unauthorized person. The material contained herein has not been based on a consideration of any individual circumstances and as such should not be considered to be a personal recommendation. Unless otherwise indicated, any opinions expressed herein are the views of the authors as of the date hereof and may differ or conflict with those of other Guzman & Company personnel. Guzman undertakes no obligation to update information in this publication. Without limiting any of the foregoing and to the extent permitted by law, Guzman accepts no liability whatsoever for any consequential losses arising from the use of this document or reliance on the information contained herein. Guzman & Company and others associated with it may currently or in the future enter into proprietary positions (long or short) and effect transactions in securities of companies mentioned herein and may also perform or seek to perform investment banking, brokerage or other services for those companies. We may at any time modify or liquidate all or a portion of such positions and we are under no obligation to contact you to disclose any modification or liquidation. Nothing herein shall be deemed to constitute investment, legal, tax, financial, accounting or other advice. No services offered may be misconstrued as to characterize Guzman & Company as a fiduciary or advisor.

This communication has been prepared by sales, trading, or other non-research personnel of Guzman & Company ("Guzman"). It is not a Research Report and the information contained herein is insufficient to form an investment opinion. The foregoing materials have been provided by Guzman to certain persons in their capacity as agent for the corporate entity. Information in this document may not be communicated, reproduced, distributed, or disclosed to any unauthorized person, or refer to it publicly. Any prices shown are indicative and Guzman & Company is not offering to buy or sell or soliciting offers to buy and sell any financial instrument. The material contained herein has not been based on a consideration of any individual circumstances and as such should not be considered to be a personal recommendation. Any securities discussed in this communication are subject to market risk and will fluctuate in value. These securities may be unsuitable for certain investors depending upon their specific investment objectives and financial position. Unless otherwise indicated, any opinions expressed herein are the views of the authors as of the date hereof and may differ or conflict with those of other Guzman & Company personnel. We undertake no obligation to update the opinions or the information in this publication. Other than disclosures relating to Guzman & Company, the information contained in this communication has been obtained from sources that Guzman & Company believes to be reliable, but Guzman & Company does not represent or warrant that it is accurate or complete. Guzman & Company makes no express warranties with respect to any data included in this communication, and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use. Without limiting any of the foregoing and to the extent permitted by law, Guzman accepts no liability whatsoever for any consequential losses arising from the use of this document or reliance on the information contained herein. Unless stated otherwise, any performance data quoted represents past performance. Neither such data nor any modeling or back-testing contained herein is an indication as to future performance. No representation is made as to the reasonableness of any assumptions or as to the accuracy or completeness of any modeling, back-testing or other information.

Guzman & Company and others associated with it may currently or in the future enter into proprietary positions (long or short) and effect transactions in securities of companies mentioned herein and may also perform or seek to perform investment banking, brokerage or other services for those companies. We may at any time modify or liquidate all or a portion of such positions and we are under no obligation to contact you to disclose any modification or liquidation.

Nothing herein shall be deemed to constitute investment, legal, tax, financial, accounting or other advice. No services offered may be misconstrued as to characterize Guzman & Company as a fiduciary or advisor.