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SHARE REPURCHASE MONTHLY INVESTMENT BANKING

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Investment Banking Contacts:

Ethan Creo
ecreo@guzman.com
305.416.5324

Ruslan Magdeev
rmagdeev@guzman.com
305.416.5354

Bill Robertson
wrobertson@guzman.com
646.979.1169

Greg Brown
gbrown@guzman.com
646.979.1170

REPURCHASE MARKET UPDATE: November 2017

SHARE REPURCHASE:

Twas' the month before December, when all through the S&P, Many sectors were announcing buybacks including Cons. Discretionary; The repurchase plans were authorized, moderate in dollars and shares, Even in anticipation that a tax reform bill would soon be there.

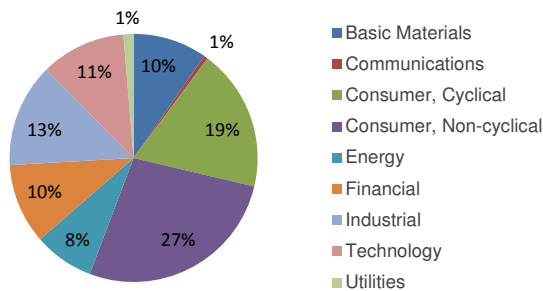
Merck's new \$10BN authorization led the way in November, Along with a dividend increase for all shareholders to remember; With mostly smaller plans, \$790M was the mean announcement size, Below recent monthly averages, not much of a surprise.

The final report of 2017: "an active month with Q4 in full gear"; Happy Holidays to all and to all a prosperous New Year!

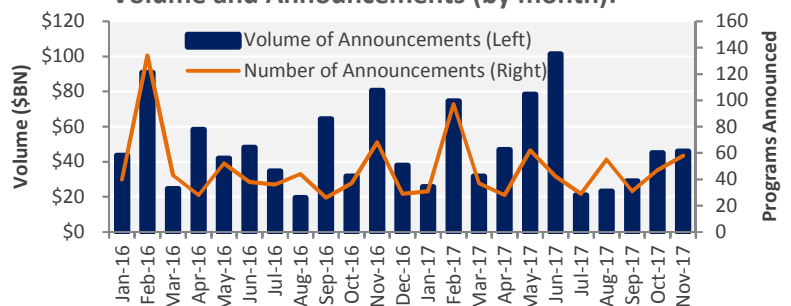
- 58 companies announced share repurchase plans greater than \$25MM in November, representing ~\$45BN in volume.
- Consumer sectors were the most active with 46% of all volume announced.

NOVEMBER ANNOUNCEMENTS AND VOLUME

November Announcements (by volume):



Volume and Announcements (by month):



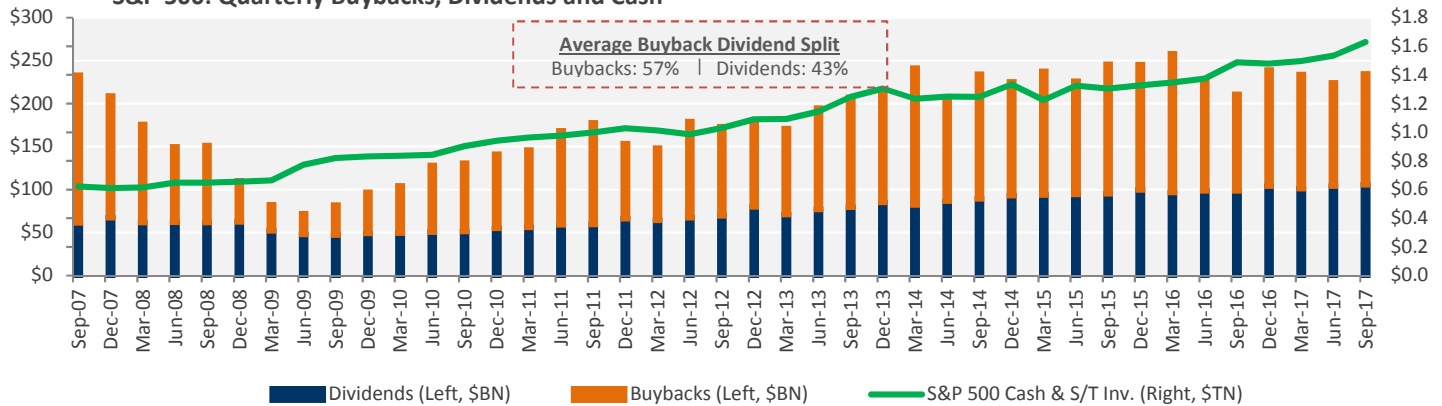
NOVEMBER SHARE REPURCHASE ANNOUNCEMENTS (> \$1BN)

Ann Date	Company	Ann Amt (\$MM)	Mkt Cap (\$MM)	% of Mkt Cap Ann'd	Mult of 30d ADTV	Industry Sector
11/28/17	Merck & Co Inc	10,000	\$149,653	6.7%	14.2x	Pharmaceuticals
11/2/17	DowDuPont Inc	4,000	\$168,283	2.4%	7.0x	Chemicals
11/9/17	Marriott International Inc/MD	3,564	\$43,316	8.2%	10.4x	Lodging
11/6/17	Baker Hughes a GE Co	3,000	\$38,848	7.7%	17.1x	Oil&Gas Services
11/1/17	MetLife Inc	2,000	\$57,159	3.5%	8.6x	Insurance
11/2/17	Republic Services Inc	2,000	\$21,822	9.2%	23.4x	Environmental Control
11/14/17	Lam Research Corp	2,000	\$33,788	5.9%	3.3x	Semiconductors
11/15/17	Raytheon Co	2,000	\$52,860	3.8%	8.6x	Aerospace/Defense
11/13/17	Citrix Systems Inc	1,700	\$12,696	13.4%	11.3x	Software
11/16/17	Yum! Brands Inc	1,500	\$26,467	5.7%	10.3x	Retail
11/2/17	Intercontinental Exchange Inc	1,200	\$40,174	3.0%	6.2x	Diversified Finan Serv
11/2/17	Newell Brands Inc	1,000	\$14,708	6.8%	4.0x	Housewares
11/7/17	Huntington Ingalls Industries Inc	1,000	\$10,596	9.4%	15.2x	Shipbuilding
11/16/17	Hilton Worldwide Holdings Inc	1,000	\$23,683	4.2%	6.9x	Lodging
Mean		\$2,569	\$49,575	6.4%	10.5x	
Median		\$2,000	\$36,318	6.3%	9.5x	

A REVIEW OF Q3 2017 SHARE REPURCHASES

The recent trend of higher cash and lower quarterly repurchase amounts continued in Q3, although it may be running its course. Cash holdings in the S&P continues to climb to record highs, now above \$1.6TN; however, buyback volumes have yet to recover fully to where they were in 2014 and 2015. We continue to believe that there will ultimately be a rebound, potentially gaining momentum in Q3. Buybacks increased 7.5%+ from Q2'17 to \$129BN and increased 15%+ from Q3'16; nonetheless, volumes still dropped -5.3% for the 12-mo. YoY period. For reference, from Q1'14 through Q1'16 the average quarterly amount repurchased was \$143BN, reaching as high as \$161BN at the end of that period. Ultimately, the driver of increased volumes will likely be tax reform, due to a lower corporate tax rate and overseas cash repatriation (although this rate isn't as favorable as initially believed).

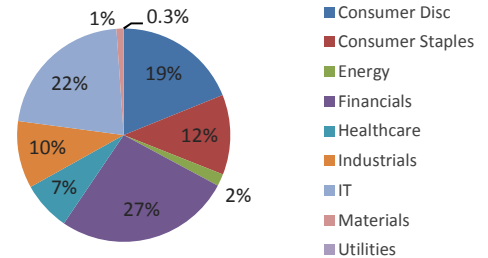
S&P 500: Quarterly Buybacks, Dividends and Cash



Q3 '17 Shareholder Return

- In Q3'17, total shareholder return (buybacks and dividends) in the S&P 500 increased 4.7% from Q2 to \$235BN and up 11% Y-o-Y.
- The split between buybacks and dividends for the quarter was 55% to 45%, respectively, with above average dividends share for a second straight quarter (\$105BN).

Q3' 17 Sector Breakdown



Largest S&P 500 Q3'17 Buybacks (\$BN):

Company	Sector	Q3'17	LTM	5-YEAR	10-YEAR
Apple	Information Technology	\$7.8	\$32.9	\$166	\$166
Citigroup	Financials	\$5.4	\$13.6	\$28	\$30
JPMorgan	Financials	\$4.8	\$12.9	\$35	\$49
Walgreens	Consumer Staples	\$3.8	\$5.2	\$9	\$14
Charter Communications	Consumer Discretionary	\$3.5	\$8.9	\$9	\$10
Walt Disney	Consumer Discretionary	\$3.4	\$9.4	\$34	\$49
Bank of America	Financials	\$3.0	\$9.3	\$20	\$20
Wells Fargo	Financials	\$2.6	\$9.5	\$41	\$50
Microsoft	Information Technology	\$2.6	\$10.0	\$56	\$104
Procter & Gamble	Consumer Staples	\$2.5	\$5.2	\$22	\$55
Boeing	Industrials	\$2.5	\$8.0	\$29	\$33
Wal-Mart Stores	Consumer Staples	\$2.2	\$8.7	\$30	\$62
Goldman Sachs Group	Financials	\$2.2	\$6.6	\$29	\$47
Home Depot	Consumer Discretionary	\$2.1	\$8.4	\$36	\$46
McDonald's	Consumer Discretionary	\$2.1	\$5.4	\$27	\$43
Cisco Systems	Information Technology	\$2.0	\$4.9	\$28	\$59
Comcast	Consumer Discretionary	\$1.7	\$5.5	\$23	\$34
Visa	Information Technology	\$1.7	\$7.0	\$27	\$47
General Motors (GM)	Consumer Discretionary	\$1.5	\$2.5	\$18	\$20
American Express	Financials	\$1.3	\$4.0	\$21	\$28
Top 20		\$58.8	\$177.8	\$688	\$965
S&P 500		\$129.2	\$517.7	\$2,619	\$4,242

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