

## NANOTECHNOLOGY

### Nanotechnology Index 4Q13 and 2013 Review

CNID and CNIP Deliver respective 12.63% and 14.09% Returns in 4Q13 Outperforming S&P 500, NASDAQ and the Like

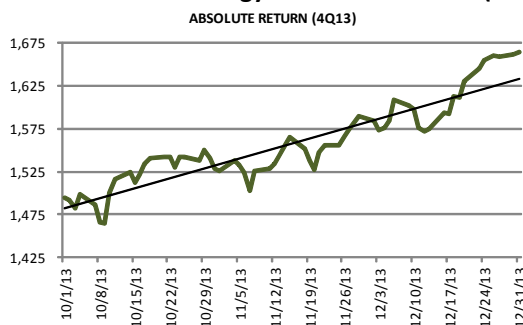
#### KEY POINTS:

- **CEDRUS NANOTECHNOLOGY INDICES:** As in each quarter of 2013, Cedrus Nanotechnology Index – Diversified (CNID) and Cedrus Nanotechnology Index – Pure (CNIP) outperformed quite a few of the major equity indices in 4Q 2013 with a respective sequential gain of 12.63% and 14.09%. In 2013, CNID and CNIP delivered outsized returns of 61.66% and 68.75% respectively, versus the S&P 500 (+29.60%), NASDAQ Composite (+38.32%), MSCI World (+24.10%), Hang Seng (+2.87%) and Shanghai Composite (-6.75%).

In 2013, the global macroeconomics continued to improve in general. U.S. GDP grew at an accelerated rate of 4.1% in 3Q 2013 over the 2.5% in 2Q 2013, and recent economic data indicated that the partial U.S. government shutdown in October 2013 had only a moderate and temporary impact on its economic growth. In Europe, there have been increasing signs suggesting that economic recovery in the region finally takes hold, led by Germany and the United Kingdom. In China, the social and economic reform undertaken by the new leadership should be able to drive steady and sustained growth for the country in the long run. With improving supply and demand balance, supportive government policies, and the increasing awareness of environmental protection, a fair number of solar, wind power plays and clean energy related companies together with environment preservation names in the index achieved double-digit sequential increase in 4Q, driving the outperformance of the Cedrus' nanotechnology indices relative to the broader markets.

- **CEDRUS NANOTECHNOLOGY INDEX – DIVERSIFIED (CNID):** The 12.63% sequential increase in 4Q was impressive, which brings its 2013 total return to 61.66%. Nano-Life Sciences led the pack again, with a significant 21.51% jump sequentially in 4Q. Nano-Energy also posted a strong return of 17.77% in the quarter, driven by the 109.5% surge achieved by its constituent, Plug Power Inc. (PLUG), the overall best performer of CNID, partially offset by the -29.9% return recorded by its another constituent, AMSC (AMSC), the worst performer of CNID. It is worth noting that all sub-groups registered a positive return in 4Q: Nano-Manufacturing at 9.09%, Nano-Electronics at 9.0% and Nano-Environment at 7.38%.
- **CEDRUS NANOTECHNOLOGY INDEX – PURE (CNIP):** The performance of CNIP was even better than CNID, climbing 14.09% in 4Q over 3Q, with total return for 2013 reaching 68.75%. Just like CNID, Nano-Life Sciences was the best-performing sub-group in CNIP in 4Q, with a 23.96% return. Nano-Energy and Nano-Electronics were the second and third best-performing sub-groups, returning 19.97% and 12.34% respectively in the quarter

**Cedrus Nanotechnology Index – Diversified (CNID)**



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