



KBW Nasdaq Index 3Q18 Rebalance Effective After the Close on Friday, 9/21

Summary

KBW and Nasdaq announced 3Q18 rebalance changes to their Index family, effective after the close on Friday, 9/21. We highlight stocks estimated to be most impacted by the rebalance.

- **The 3Q18 rebalance for the KBW Nasdaq indexes is effective after the close on Friday, 9/21.**
- **The KBW Nasdaq family of indexes includes nine indexes and several of these indexes have tradable exchange-traded funds licensed: KBW Nasdaq Bank Index (Index Ticker: BKXSM, ETF Ticker: KBWBSM); KBW Nasdaq Capital Markets Index (Index Ticker: KSXSM); KBW Nasdaq Insurance Index (Index Ticker: KIXSM); KBW Nasdaq Regional Banking Index (Index Ticker: KRXSM, ETF Ticker: KBWRSM); KBW Nasdaq Financial Sector Dividend Yield Index (Index Ticker: KDXSM, ETF Ticker: KBWDSM); KBW Nasdaq Premium Yield Equity REIT Index (Index Ticker: KYXSM, ETF Ticker: KBWYSM); KBW Nasdaq Property and Casualty Insurance Index (Index Ticker: KPXSM, ETF Ticker: KBWPSM); KBW Nasdaq Global Bank Index (Index Ticker: GBKXSM); KBW Nasdaq Financial Technology Index (Index Ticker: KFTXSM, ETF Ticker: FTEK.LNSM).**
- **There are the following additions to or deletions from the Indexes in this quarter's rebalance.**
 - **KFTX Adds (1): ONDK**
 - **KFTX Deletes (1): DNB**
 - **KRX Adds (1): UCBI**
 - **KRX Deletes (1): MBFI**
- **The most impacted names (greater than or equal to 0.5 day of volume) from the 3Q18 rebalance are as follows:**
 - **2 days of buy-in: AHT**
 - **Between 0.5 day to 1 day of buy-in: MRT, MITT**
 - **Between 2 to 3 days of selling pressure: MCC**
 - **Between 1 day to 2 days of selling pressure: FPI, TCRD, SNR**
 - **Between 0.5 day to 1 day of selling pressure: ORC, WSR, AI**
- **Please refer to pages 3 - 5 for our complete analysis.**

Note: An investor cannot invest directly in an index. Not all of the listed securities may be suitable for retail investors; in addition, not all of the listed securities may be available to U.S. investors. European investors interested in FTEK LN can contact Invesco at <https://etf.invesco.com/gb/private/en/product/invesco-kbw-nasdaq-fintech-ucits-etf-acc/trading-information>. U.S. investors cannot buy or hold FTEK LN..

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Glossary of Terms

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Risks: Calculations are based on 9/14/18 AUM at the Trust and 10-day ADTV. Our estimates are subject to daily changes in part due to market conditions and factors beyond our control, which could lead to the changes in the buy or sell volumes. KBW does not guarantee the accuracy or completeness of the above calculations and shall have no liability for any damages, claims, losses or expenses caused by errors in the calculations. KBW makes no representation regarding the advisability of investing in ETFs. Past performance is not necessarily indicative of future results.



KBW - Guide to 3Q18 KBW Nasdaq Index Rebalance

SORTED Source: KBW Research, Nasdaq, Bloomberg, Factset		Estimated 3Q18 Rebalance Impact					Est. TOTAL 3Q18 Rebalance Impact (Shares)	10-Day ADTV	Est. Days of Volume Impact	
Ticker	Company Name	3Q18 Rebalance Impacts	KYX	KDX	KPX	BKX	KRX			
ACGL	Arch Capital Group Ltd.	KPX Reweight	NA	NA	(8,830)	NA	NA	(8,830)	1,043,392	NM
AFG	American Financial Group, Inc.	KPX Reweight	NA	NA	1,109	NA	NA	1,109	259,604	NM
AGNC	AGNC Investment Corp.	KDX Reweight	NA	33,781	NA	NA	NA	33,781	4,352,302	NM
AHL	Aspen Insurance Holdings Ltd.	KPX Reweight	NA	NA	(1,158)	NA	NA	(1,158)	2,140,128	NM
AHT	Ashford Hospitality Trust, Inc.	KYX Reweight	798,060	NA	NA	NA	NA	798,060	402,914	2.0
AI	Arlington Asset Investment Corp.	KDX Reweight	NA	(151,259)	NA	NA	NA	(151,259)	322,786	(0.5)
AIG	American International Group, Inc.	KPX Reweight	NA	NA	5,242	NA	NA	5,242	4,201,809	NM
AIZ	Assurant, Inc.	KPX Reweight	NA	NA	(963)	NA	NA	(963)	621,925	NM
ALL	The Allstate Corp.	KPX Reweight	NA	NA	(681)	NA	NA	(681)	1,720,470	NM
APAM	Artisan Partners Asset Management, Inc.	KDX Reweight	NA	4,506	NA	NA	NA	4,506	244,014	NM
APLE	Apple Hospitality REIT, Inc.	KYX Reweight	208,849	NA	NA	NA	NA	208,849	999,452	0.2
ARGO	Argo Group International Holdings Ltd.	KPX Reweight	NA	NA	(616)	NA	NA	(616)	72,298	NM
ARI	Apollo Commercial Real Estate Finance, Inc.	KDX Reweight	NA	(12,198)	NA	NA	NA	(12,198)	736,728	NM
ASB	Associated Banc-Corp	KRX Reweight	NA	NA	NA	NA	1,599	1,599	1,140,885	NM
AXS	AXIS Capital Holdings Ltd.	KPX Reweight	NA	NA	2,221	NA	NA	2,221	512,538	NM
BAC	Bank of America Corp.	BKX Reweight	NA	NA	NA	(61,407)	NA	(61,407)	47,397,100	NM
BBT	BB&T Corp.	BKX Reweight	NA	NA	NA	40,024	NA	40,024	2,409,016	NM
BGCP	BGC Partners, Inc.	KDX Reweight	NA	(56,463)	NA	NA	NA	(56,463)	1,568,685	NM
BHR	Braemar Hotels & Resorts, Inc.	KYX Reweight	43,267	NA	NA	NA	NA	43,267	255,665	0.2
BK	The Bank of New York Mellon Corp.	BKX Reweight	NA	NA	NA	62,117	NA	62,117	4,133,479	NM
BKCC	BlackRock Capital Investment Corp.	KDX Reweight	NA	128,711	NA	NA	NA	128,711	314,824	0.4
BKU	BankUnited, Inc.	KRX Reweight	NA	NA	NA	NA	7,942	7,942	817,622	NM
BOH	Bank of Hawaii Corp.	KRX Reweight	NA	NA	NA	NA	926	926	169,297	NM
BPFH	Boston Private Financial Holdings, Inc.	KRX Reweight	NA	NA	NA	NA	(642)	(642)	363,679	NM
BPOP	Popular, Inc.	KRX Reweight	NA	NA	NA	NA	(8,901)	(8,901)	419,564	NM
BRKL	Brookline Bancorp, Inc.	KRX Reweight	NA	NA	NA	NA	(887)	(887)	185,096	NM
BXS	BancorpSouth Bank	KRX Reweight	NA	NA	NA	NA	(4,548)	(4,548)	473,535	NM
C	Citigroup, Inc.	BKX Reweight	NA	NA	NA	(29,945)	NA	(29,945)	13,119,361	NM
CATY	Cathay General Bancorp	KRX Reweight	NA	NA	NA	NA	(387)	(387)	278,369	NM
CB	Chubb Ltd.	KPX Reweight	NA	NA	1,028	NA	NA	1,028	1,162,281	NM
CBSH	Commerce Bancshares, Inc.	KRX Reweight	NA	NA	NA	NA	1,053	1,053	300,023	NM
CBU	Community Bank System, Inc.	KRX Reweight	NA	NA	NA	NA	(2,248)	(2,248)	134,171	NM
CFG	Citizens Financial Group, Inc.	BKX Reweight	NA	NA	NA	(673)	NA	(673)	3,589,509	NM
CFR	Cullen/Frost Bankers, Inc.	KRX Reweight	NA	NA	NA	NA	722	722	342,236	NM
CHFC	Chemical Financial Corp.	KRX Reweight	NA	NA	NA	NA	(1,331)	(1,331)	188,316	NM
CHSP	Chesapeake Lodging Trust	KYX Reweight	29,820	NA	NA	NA	NA	29,820	245,376	0.1
CIM	Chimera Investment Corp.	KDX Reweight	NA	31,594	NA	NA	NA	31,594	1,175,216	NM
CINF	Cincinnati Financial Corp.	KPX Reweight	NA	NA	(1,416)	NA	NA	(1,416)	357,308	NM
CLDT	Chatham Lodging Trust	KYX Reweight	46,212	NA	NA	NA	NA	46,212	231,977	0.2
CMA	Comerica, Inc.	BKX Reweight	NA	NA	NA	3,809	NA	3,809	1,857,477	NM
COF	Capital One Financial Corp.	BKX Reweight	NA	NA	NA	(5,478)	NA	(5,478)	1,922,109	NM
COLB	Columbia Banking System, Inc.	KRX Reweight	NA	NA	NA	NA	(879)	(879)	219,563	NM
CVBF	CVB Financial Corp.	KRX Reweight	NA	NA	NA	NA	29,858	29,858	850,828	NM
CXW	CoreCivic, Inc.	KYX Reweight	(141,940)	NA	NA	NA	NA	(141,940)	550,810	(0.3)
DDR	DDR Corp.	KYX Reweight	438,408	NA	NA	NA	NA	438,408	1,941,695	0.2
DX	Dynex Capital, Inc.	KDX Reweight	NA	157,295	NA	NA	NA	157,295	356,557	0.4
EPR	EPR Properties	KYX Reweight	(25,528)	NA	NA	NA	NA	(25,528)	416,827	(0.1)
EWBC	East West Bancorp, Inc.	KRX Reweight	NA	NA	NA	NA	10,648	10,648	625,851	NM
FCF	First Commonwealth Financial Corp.	KRX Reweight	NA	NA	NA	NA	(1,253)	(1,253)	452,960	NM
FFBC	First Financial Bancorp	KRX Reweight	NA	NA	NA	NA	(1,117)	(1,117)	271,149	NM
FFIN	First Financial Bankshares, Inc.	KRX Reweight	NA	NA	NA	NA	(9,727)	(9,727)	203,563	NM
FHB	First Hawaiian, Inc.	KRX Reweight	NA	NA	NA	NA	1,128	1,128	1,863,395	NM
FHN	First Horizon National Corp.	KRX Reweight	NA	NA	NA	NA	1,044	1,044	2,389,321	NM
FII	Federated Investors, Inc.	KDX Reweight	NA	37,715	NA	NA	NA	37,715	890,321	NM
FITB	Fifth Third Bancorp	BKX Reweight	NA	NA	NA	(8,775)	NA	(8,775)	4,606,228	NM
FMBI	First Midwest Bancorp, Inc.	KRX Reweight	NA	NA	NA	NA	(1,202)	(1,202)	293,432	NM
FNB	F.N.B. Corp.	KRX Reweight	NA	NA	NA	NA	(4,856)	(4,856)	1,762,928	NM
FPI	Farmland Partners, Inc.	KYX Reweight	(452,236)	NA	NA	NA	NA	(452,236)	298,627	(1.5)
FRC	First Republic Bank	BKX Reweight	NA	NA	NA	5,749	NA	5,749	1,094,823	NM
FSP	Franklin Street Properties Corp.	KYX Reweight	(68,693)	NA	NA	NA	NA	(68,693)	257,160	(0.3)
FULT	Fulton Financial Corp.	KRX Reweight	NA	NA	NA	NA	(2,005)	(2,005)	571,279	NM
GBCI	Glacier Bancorp, Inc.	KRX Reweight	NA	NA	NA	NA	(14,860)	(14,860)	287,262	(0.1)
GEO	The GEO Group, Inc.	KYX Reweight	56,864	NA	NA	NA	NA	56,864	521,686	0.1
GNL	Global Net Lease, Inc.	KYX Reweight	(47,698)	NA	NA	NA	NA	(47,698)	393,115	(0.1)
GOOD	Gladstone Commercial Corp.	KYX Reweight	20,673	NA	NA	NA	NA	20,673	86,983	0.2
GOV	Government Properties Income Trust	KYX Reweight	(228,430)	NA	NA	NA	NA	(228,430)	561,640	(0.4)
HBAN	Huntington Bancshares, Inc.	BKX Reweight	NA	NA	NA	33,593	NA	33,593	10,364,702	NM
HCI	HCI Group, Inc.	KDX Reweight	NA	12,473	NA	NA	NA	12,473	47,572	0.3
HIG	The Hartford Financial Services Group, Inc.	KPX Reweight	NA	NA	5,009	NA	NA	5,009	2,490,671	NM
HOMB	Home Bancshares, Inc.	KRX Reweight	NA	NA	NA	NA	(3,100)	(3,100)	429,690	NM
HOPE	Hope Bancorp, Inc.	KRX Reweight	NA	NA	NA	NA	(8,305)	(8,305)	630,533	NM
HPT	Hospitality Properties Trust	KYX Reweight	69,687	NA	NA	NA	NA	69,687	534,044	0.1
HT	Hersha Hospitality Trust	KYX Reweight	(30,092)	NA	NA	NA	NA	(30,092)	346,502	(0.1)

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3Q18 Rebalance Impacts	KYX	KDX	KPX	BKX	KRX	3Q18 Rebalance Impact (Shares)	10-Day ADTV	of Volume Impact		
Ticker	Company Name									
HWC	Hancock Whitney Corp.	KRX Rework	NA	NA	NA	NA	(2,087)	320,885	NM	
IBKC	IBERIABANK Corp.	KRX Rework	NA	NA	NA	NA	(3,893)	289,045	NM	
IRT	Independence Realty Trust, Inc.	KYX Rework	21,068	NA	NA	NA	21,068	474,548	NM	
ISBC	Investors Bancorp, Inc.	KRX Rework	NA	NA	NA	NA	11,918	1,418,649	NM	
IVZ	Invesco Ltd.	KDX Rework	NA	70,665	NA	NA	70,665	4,064,529	NM	
JHG	Janus Henderson Group Plc	KDX Rework	NA	49,443	NA	NA	49,443	996,632	NM	
JPM	JPMorgan Chase & Co.	BKX Rework	NA	NA	NA	(20,252)	(20,252)	10,675,576	NM	
KEY	KeyCorp	BKX Rework	NA	NA	NA	13,591	13,591	10,277,321	NM	
KMPR	Kemper Corp.	KPX Rework	NA	NA	(4,803)	NA	(4,803)	292,153	NM	
KRG	Kite Realty Group Trust	KYX Rework	(70,042)	NA	NA	NA	(70,042)	515,192	(0.1)	
LAZ	Lazard Ltd.	KDX Rework	NA	17,312	NA	NA	17,312	690,993	NM	
LXP	Lexington Realty Trust	KYX Rework	(31,058)	NA	NA	NA	(31,058)	2,150,461	NM	
MBFI	MB Financial, Inc.	KRX Delete	NA	NA	NA	NA	(79,376)	509,251	(0.2)	
MCC	Medley Capital Corp.	KDX Rework	NA	(647,269)	NA	NA	(647,269)	227,641	(2.8)	
MCY	Mercury General Corp.	KDX Rework, KPX Rework	NA	(23,926)	(1,095)	NA	(25,021)	209,481	(0.1)	
MHL	Maiden Holdings Ltd.	KDX Rework, KPX Rework	NA	817,261	(1,630)	NA	815,631	2,862,075	0.3	
MITT	AG Mortgage Investment Trust, Inc.	KDX Rework	NA	85,271	NA	NA	85,271	1,205,529	0.7	
MPW	Medical Properties Trust, Inc.	KYX Rework	(65,206)	NA	NA	NA	(65,206)	2,096,981	NM	
MRT	MedEquities Realty Trust, Inc.	KYX Rework	145,450	NA	NA	NA	145,450	151,161	1.0	
MTB	M&T Bank Corp.	BKX Rework	NA	NA	NA	2,122	2,122	839,989	NM	
NAVI	Navigent Corp.	KDX Rework	NA	38,356	NA	NA	38,356	1,469,353	NM	
NEWT	Newtek Business Services Corp.	KDX Rework	NA	(34,558)	NA	NA	(34,558)	118,424	(0.3)	
NLY	Annaly Capital Management, Inc.	KDX Rework	NA	(304,678)	NA	NA	(304,678)	25,212,172	NM	
NRZ	New Residential Investment Corp.	KDX Rework	NA	(5,205)	NA	NA	(5,205)	2,767,233	NM	
NTRS	Northern Trust Corp.	BKX Rework	NA	NA	NA	3,399	3,399	1,366,186	NM	
NWBI	Northwest Bancshares, Inc.	KDX Rework	NA	(10,987)	NA	NA	(10,987)	370,331	NM	
NYCB	New York Community Bancorp, Inc.	BKX Rework, KDX Rework	NA	142,069	NA	13,202	155,271	4,170,990	NM	
ONB	Old National Bancorp	KRX Rework	NA	NA	NA	NA	(1,692)	807,023	NM	
ORC	Orchid Island Capital, Inc.	KDX Rework	NA	(419,638)	NA	NA	(419,638)	642,305	(0.7)	
ORI	Old Republic International Corp.	KDX Rework	NA	(8,642)	NA	NA	(8,642)	1,713,944	NM	
ORIT	Oritani Financial Corp.	KDX Rework	NA	14,637	NA	NA	14,637	192,913	0.1	
OZK	Bank OZK	KRX Rework	NA	NA	NA	NA	14,278	787,924	NM	
PACW	PacWest Bancorp	KDX Rework, KRX Rework	NA	18,199	NA	NA	(1,302)	16,897	842,389	NM
PB	Prosperity Bancshares, Inc.	KRX Rework	NA	NA	NA	NA	(1,825)	436,360	NM	
PBCT	People's United Financial, Inc.	BKX Rework, KDX Rework	NA	14,336	NA	10,912	25,248	2,057,514	NM	
PEI	Pennsylvania Real Estate Investment Trust	KYX Rework	440,674	NA	NA	NA	440,674	1,244,893	0.4	
PFS	Provident Financial Services, Inc.	KRX Rework	NA	NA	NA	NA	(746)	147,157	NM	
PGR	Progressive Corp.	KPX Rework	NA	NA	(1,896)	NA	(1,896)	2,508,571	NM	
PMT	PennyMac Mortgage Investment Trust	KDX Rework	NA	(37,491)	NA	NA	(37,491)	353,893	(0.1)	
PNC	The PNC Financial Services Group, Inc.	BKX Rework	NA	NA	NA	10,021	10,021	1,894,000	NM	
PNFP	Pinnacle Financial Partners, Inc.	KRX Rework	NA	NA	NA	NA	2,169	324,862	NM	
PRA	ProAssurance Corp.	KPX Rework	NA	NA	(1,046)	NA	(1,046)	199,157	NM	
PSEC	Prospect Capital Corp.	KDX Rework	NA	(239,112)	NA	NA	(239,112)	1,535,541	(0.2)	
RE	Everest Re Group Ltd.	KPX Rework	NA	NA	821	NA	821	396,042	NM	
RF	Regions Financial Corp.	BKX Rework	NA	NA	NA	(2,084)	(2,084)	9,814,597	NM	
RLI	RLI Corp.	KPX Rework	NA	NA	(826)	NA	(826)	116,003	NM	
RNR	RenaissanceRe Holdings Ltd.	KPX Rework	NA	NA	(394)	NA	(394)	238,159	NM	
RPT	Ramco-Gershenson Properties Trust	KYX Rework	(115,646)	NA	NA	NA	(115,646)	575,327	(0.2)	
SBNY	Signature Bank	KRX Rework	NA	NA	NA	NA	542	389,722	NM	
SBRA	Sabra Health Care REIT, Inc.	KYX Rework	(86,367)	NA	NA	NA	(86,367)	1,029,878	(0.1)	
SCM	Stellus Capital Investment Corp.	KDX Rework	NA	(18,874)	NA	NA	(18,874)	65,346	(0.3)	
SIGI	Selective Insurance Group, Inc.	KPX Rework	NA	NA	(1,113)	NA	(1,113)	130,707	NM	
SIVB	SVB Financial Group	BKX Rework	NA	NA	NA	1,808	1,808	321,864	NM	
SKT	Tanger Factory Outlet Centers, Inc.	KYX Rework	(46,303)	NA	NA	NA	(46,303)	1,090,034	NM	
SNH	Senior Housing Properties Trust	KYX Rework	(16,011)	NA	NA	NA	(16,011)	1,008,046	NM	
SNR	New Senior Investment Group, Inc.	KYX Rework	(690,130)	NA	NA	NA	(690,130)	660,400	(1.0)	
SNV	Synovus Financial Corp.	KRX Rework	NA	NA	NA	NA	5,739	1,101,033	NM	
STI	SunTrust Banks, Inc.	BKX Rework	NA	NA	NA	(25,321)	(25,321)	3,167,994	NM	
STL	Sterling Bancorp	KRX Rework	NA	NA	NA	NA	11,612	1,150,430	NM	
STT	State Street Corp.	BKX Rework	NA	NA	NA	57,926	57,926	2,111,492	NM	
TCBI	Texas Capital Bancshares, Inc.	KRX Rework	NA	NA	NA	NA	3,341	358,646	NM	
TCF	TCF Financial Corp.	KRX Rework	NA	NA	NA	NA	5,401	947,744	NM	
TCRD	THL Credit, Inc.	KDX Rework	NA	(195,812)	NA	NA	(195,812)	165,997	(1.2)	
THG	The Hanover Insurance Group, Inc.	KPX Rework	NA	NA	1,073	NA	1,073	202,251	NM	
TPRE	Third Point Reinsurance Ltd.	KPX Rework	NA	NA	(3,500)	NA	(3,500)	922,792	NM	
TRMK	Trustmark Corp.	KRX Rework	NA	NA	NA	NA	(1,040)	226,684	NM	
TRTN	Triton International Ltd.	KDX Rework	NA	(18,200)	NA	NA	(18,200)	360,040	(0.1)	
TRV	The Travelers Cos., Inc.	KPX Rework	NA	NA	1,473	NA	1,473	1,375,694	NM	
UBSI	United Bankshares, Inc.	KDX Rework, KRX Rework	NA	(9,968)	NA	NA	(8,209)	304,246	(0.1)	
UCBI	United Community Banks, Inc.	KRX Add	NA	NA	NA	NA	94,394	269,317	0.4	
UMBF	UMB Financial Corp.	KRX Rework	NA	NA	NA	NA	1,142	157,061	NM	
UMPQ	Umpqua Holdings Corp.	KRX Rework	NA	NA	NA	NA	16,367	1,222,434	NM	
USB	U.S. Bancorp	BKX Rework	NA	NA	NA	(58,943)	(58,943)	4,717,990	NM	

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Ticker	Company Name	3Q18 Rebalance Impacts	KYX	KDX	KPX	BKX	KRX			
VIRT	Virtu Financial, Inc.	KDX Reweight	NA	136,388	NA	NA	NA	136,388	618,331	0.2
VLY	Valley National Bancorp	KDX Reweight, KRX Reweight	NA	60,937	NA	NA	16,384	77,321	1,773,294	NM
WAFD	Washington Federal, Inc.	KRX Reweight	NA	NA	NA	NA	(2,175)	(2,175)	285,803	NM
WAL	Western Alliance Bancorporation	KRX Reweight	NA	NA	NA	NA	2,839	2,839	582,704	NM
WBS	Webster Financial Corp.	KRX Reweight	NA	NA	NA	NA	(1,291)	(1,291)	546,576	NM
WFC	Wells Fargo & Co.	BKX Reweight	NA	NA	NA	(55,489)	NA	(55,489)	20,990,046	NM
WMC	Western Asset Mortgage Capital Corp.	KDX Reweight	NA	(52,317)	NA	NA	NA	(52,317)	210,916	(0.2)
WPG	Washington Prime Group, Inc.	KYX Reweight	54,099	NA	NA	NA	NA	54,099	1,555,535	NM
WRB	W.R. Berkley Corp.	KPX Reweight	NA	NA	1,257	NA	NA	1,257	271,215	NM
WSR	Whitestone REIT	KYX Reweight	(103,992)	NA	NA	NA	NA	(103,992)	199,790	(0.5)
WTFC	Wintrust Financial Corp.	KRX Reweight	NA	NA	NA	NA	1,642	1,642	336,150	NM
ZION	Zions Bancorporation	BKX Reweight	NA	NA	NA	1,073	NA	1,073	1,565,461	NM

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