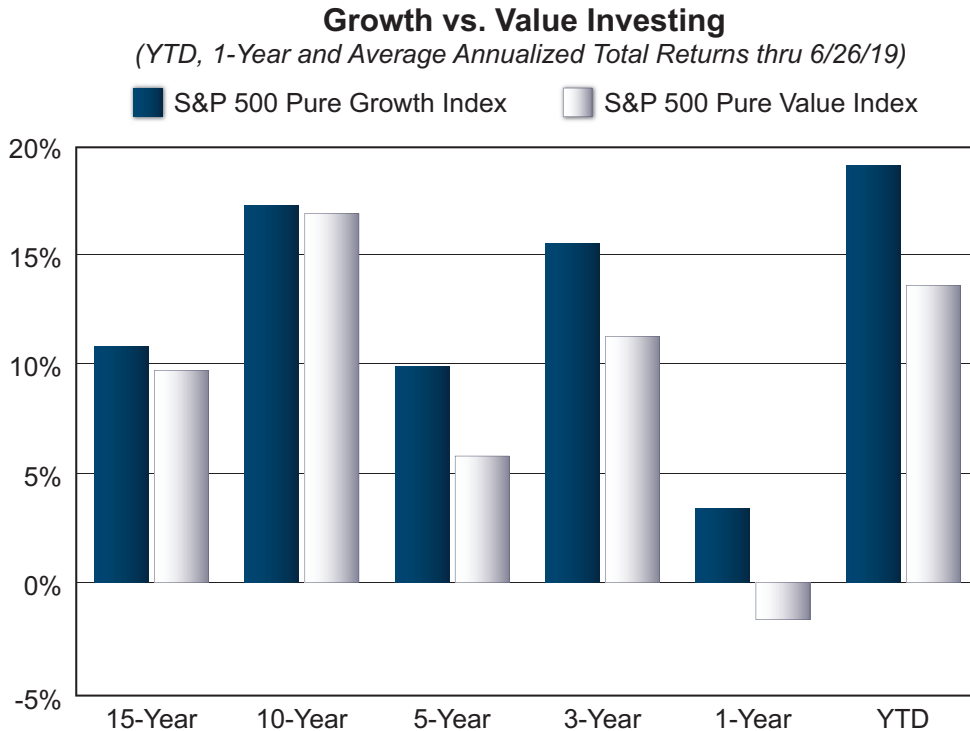


A Snapshot of Growth vs. Value Investing



Source: Bloomberg. Past performance is no guarantee of future results.

View from the Observation Deck

1. As indicated in the chart, stocks are off to a very strong start in 2019. We update this post every few months so that investors can see which of the two styles (growth or value) are delivering the best results.
2. The S&P 500 Index closed at 2,913.78 on 6/26/19. It stood 1.37% below its all-time closing high of 2,954.18 on 6/20/19, according to Bloomberg.
3. The S&P 500 Pure Growth Index outperformed its value counterpart in all six periods featured in the chart.
4. The returns through 6/26/19 were as follows (Pure Growth vs. Pure Value): 15-year average annualized (10.78% vs. 9.70%); 10-year average annualized (17.23% vs. 16.87%); 5-year average annualized (9.89% vs. 5.78%); 3-year average annualized (15.52% vs. 11.25%); 1-year (3.38% vs. -1.70%) and year-to-date (19.09% vs. 13.58%).
5. As of 5/31/19, the two largest sector weightings in the S&P 500 Pure Growth Index were Information Technology (23.3%) and Health Care (15.1%), compared to Financials (34.8%) and Consumer Discretionary (16.3%) for the S&P 500 Pure Value Index, according to S&P Dow Jones Indices.
6. Despite concerns over slowing global growth due largely to the trade conflict between the U.S. and China (tariffs commenced on 3/8/18), investors have favored growth stocks over value stocks over the past 12 months.

This chart is for illustrative purposes only and not indicative of any actual investment. The illustration excludes the effects of taxes and brokerage commissions or other expenses incurred when investing. Investors cannot invest directly in an index. The S&P 500 Index is an unmanaged index of 500 stocks used to measure large-cap U.S. stock market performance. The S&P 500 Pure Growth Index is a style-concentrated index designed to track the performance of stocks that exhibit the strongest growth characteristics based on three factors: sales growth, the ratio of earnings-change to price, and momentum. It includes only those components of the parent index that exhibit strong growth characteristics, and weights them by growth score. Constituents are drawn from the S&P 500 Index. The S&P 500 Pure Value Index is a style-concentrated index designed to track the performance of stocks that exhibit the strongest value characteristics based on three factors: the ratios of book value, earnings, and sales to price. It includes only those components of the parent index that exhibit strong value characteristics, and weights them by value score.

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