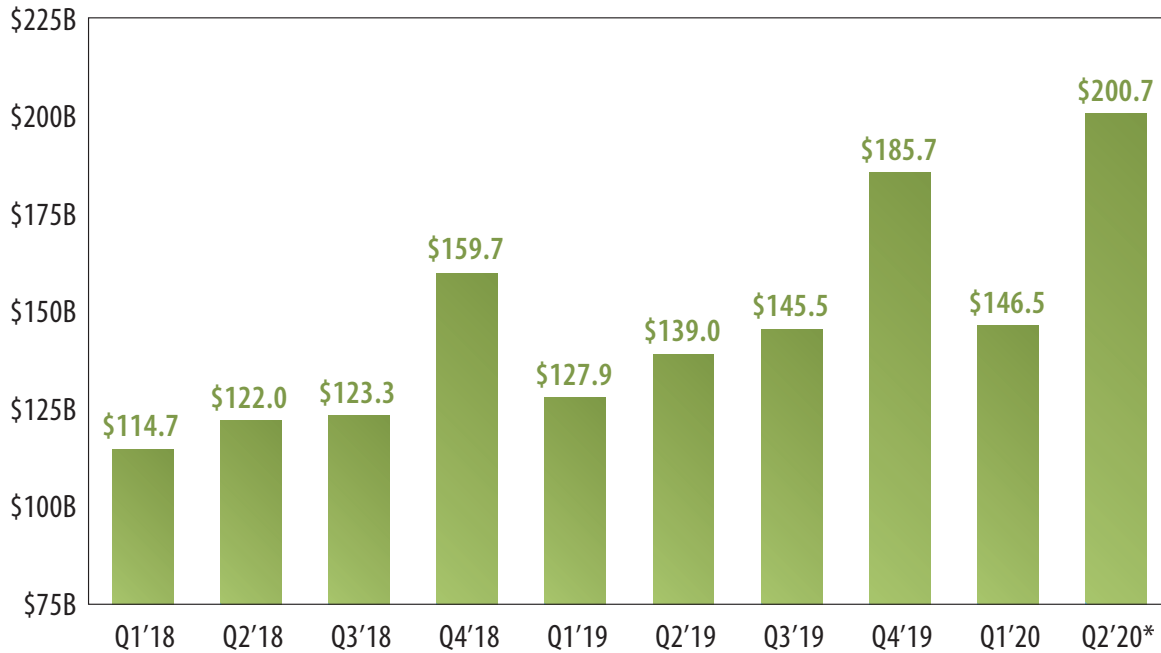


E-Commerce Sales Are Thriving

Quarterly U.S. E-Commerce Sales (In Billions, Not Adjusted)



Source: U.S. Census Bureau. *Q2'20 total is preliminary.

View from the Observation Deck

1. From Q1'18 through Q2'20, e-commerce sales in the U.S. increased by 75.0% to \$200.7 billion.
2. In Q2'20, e-commerce sales were up 37.0% quarter-to-quarter and they accounted for 15.1% of total U.S. retail sales (not in chart), up from 9.4% in Q1'18, according to data from the U.S. Census Bureau
3. As indicated in the chart, the \$200.7 billion in sales in Q2'20 was notably higher than the \$185.7 billion in online sales posted in the Q4'19 holiday shopping season.
4. TechCrunch reported that new data from IBM's U.S. Retail Index indicates that the COVID-19 pandemic has accelerated the shift away from physical stores to digital shopping by roughly five years.
5. [Click here](#) to see the extent to which companies are targeting the internet with their advertising dollars.
6. E-commerce stocks have performed well during this surge in online sales growth. Year-to-date through 8/26/20, the Dow Jones Internet Composite Index posted a total return of 42.67%, compared to 9.04% for the S&P 500 Index, according to Bloomberg. From 12/29/17 through 8/26/20, the 82.92% cumulative total return on the Dow Jones Internet Composite Index more than doubled the 37.08% gain generated by the S&P 500 Index.

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. There can be no assurance that any of the projections cited will occur. The Dow Jones Internet Composite Index is a modified capitalization-weighted index that tracks companies involved in Internet-related activities. The S&P 500 Index is an unmanaged index of 500 stocks used to measure large-cap U.S. stock market performance.

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