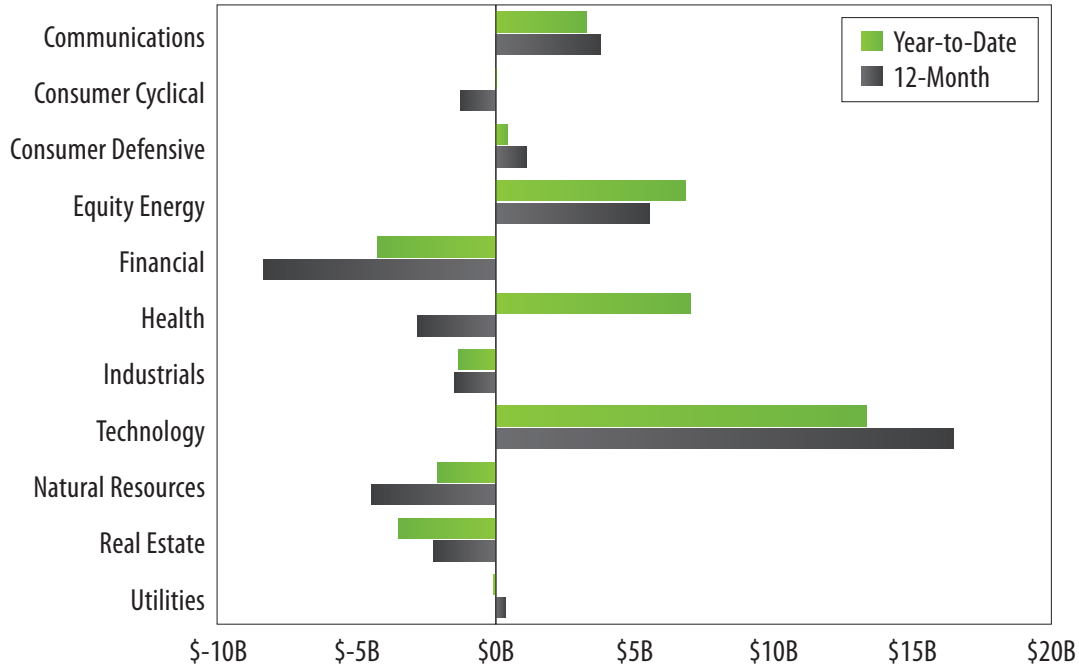


# A Snapshot Of Sector Investing

Estimated Net Flows For Sector Mutual Funds & ETFs (In Billions, USD)



Source: Morningstar. Data as of 6/30/20.

## View from the Observation Deck

1. Today's chart shows estimated net capital flows to and from Morningstar's sector mutual fund and exchange-traded fund (ETFs) categories that mirror the 11 sectors that comprise the S&P 500 Index.
2. Year-to-date through 6/30/20, five of the 11 sector categories reported positive estimated net inflows. They were as follows: Technology (\$13.35 billion); Health (\$6.99 billion); Equity Energy (\$6.84 billion); Communications (\$3.27 billion); and Consumer Cyclical (\$10 million).
3. For the 12-month period ended 6/30/20, five of the 11 sector categories reported positive estimated net inflows. They were as follows: Technology (\$16.48 billion); Equity Energy (\$5.54 billion); Communications (\$3.76 billion); Consumer Defensive (\$1.1 billion); and Utilities (\$348 million).
4. If you include all the sectors tracked by Morningstar, investors liquidated an estimated net \$800 million from sector mutual funds and ETFs for the 12-month period ended 6/30/20, according to Morningstar. Passive funds registered estimated net inflows totaling \$22.91 billion in the period, while active funds reported estimated net outflows totaling \$23.71 billion.
5. For the 12-month period ended 6/30/20, the S&P 500 Index sectors that posted positive total returns were as follows: Information Technology (+35.90%); Consumer Discretionary (+12.59%); Communication Services (+11.08%); Health Care (+10.90%); and Consumer Staples (+3.62%), according to Bloomberg. The S&P 500 Index was up 7.49% over the same period.
6. [Click here](#) to see this same chart featuring data through 6/30/19.

*This chart is for illustrative purposes only and not indicative of any actual investment. There can be no assurance that any of the projections cited will occur. 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 11 major S&P 500 Sector Indices are capitalization-weighted and comprised of S&P 500 constituents representing a specific sector.*

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