

Sector Performance Via Market Capitalization (2020 Bear Market And New Bull Market)

Large-, Mid- & Small-Cap Total Returns

■ 2/19/20-3/23/20 ■ 3/23/20-5/24/21

Category	S&P 500		S&P MidCap 400		S&P SmallCap 600	
Index	-33.79%	91.26%	-41.81%	125.54%	-41.27%	130.20%
Comm. Services	-28.59%	88.17%	-35.08%	60.83%	-29.09%	85.36%
Consumer Disc.	-31.73%	92.53%	-48.04%	203.50%	-49.59%	257.17%
Consumer Staples	-24.04%	50.55%	-23.85%	87.91%	-18.60%	83.79%
Energy	-55.92%	132.30%	-64.39%	238.05%	-61.51%	223.77%
Financials	-42.92%	119.02%	-45.47%	121.36%	-44.57%	105.68%
Health Care	-27.91%	69.67%	-33.31%	97.44%	-34.98%	104.76%
Industrials	-41.69%	116.54%	-41.68%	134.15%	-42.44%	131.96%
Info. Tech.	-31.15%	98.65%	-37.26%	122.58%	-35.67%	118.45%
Materials	-36.09%	132.12%	-41.41%	157.98%	-39.65%	149.11%
Real Estate	-37.71%	74.23%	-47.71%	90.20%	-46.02%	85.52%
Utilities	-35.64%	52.73%	-37.84%	51.90%	-23.97%	25.09%

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

View from the Observation Deck

- Equities have staged an impressive rebound after experiencing the fastest plunge (16 trading days from 2/19/20-3/12/20) into bear market territory in history. The bear market bottom was reached on 3/23/20. A bear market is defined as a 20% or greater decline in the price of a security or index.
- The three major indices featured in the table comprise the S&P Composite 1500 Index, which represents approximately 90% of total U.S. equity market capitalization (cap), according to S&P Dow Jones Indices.
- Despite performing better during the bear market, large-cap stocks significantly lagged their mid- and small-cap counterparts over the two periods captured in the table above. From 2/19/20 through 5/24/21, the S&P 500, S&P MidCap 400 and S&P SmallCap 600 Indices posted total returns of 26.65%, 31.26% and 35.25%, respectively, according to Bloomberg.
- Sector performance can vary widely by market cap (see table). A few of the most extreme cases include Consumer Discretionary, Consumer Staples, Energy and Health Care.
- As of the close on 5/24/21 (not shown in table), the S&P 500, S&P MidCap 400 and S&P SmallCap 600 Indices stood 0.84%, 2.45% and 3.44% below their respective all-time highs, according to Bloomberg.
- One of the key takeaways to consider from the chart above is that when looking to play a rebound in the stock market, especially following a bear market, begin by identifying those areas of the market that declined the most in the sell-off. They may have the potential to appreciate the most during the early stages of a rebound (see Consumer Discretionary and Energy).

This chart is for illustrative purposes only and not indicative of any actual investment. The illustration excludes the effects of taxes and brokerage commissions and 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 MidCap 400 Index is a capitalization-weighted index that tracks the mid-range sector of the U.S. stock market. The S&P SmallCap 600 Index is a capitalization-weighted index that tracks U.S. stocks with a small market capitalization. The 11 major sector indices are capitalization-weighted and comprised of S&P 500, S&P MidCap 400 and S&P SmallCap 600 constituents representing a specific sector.

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