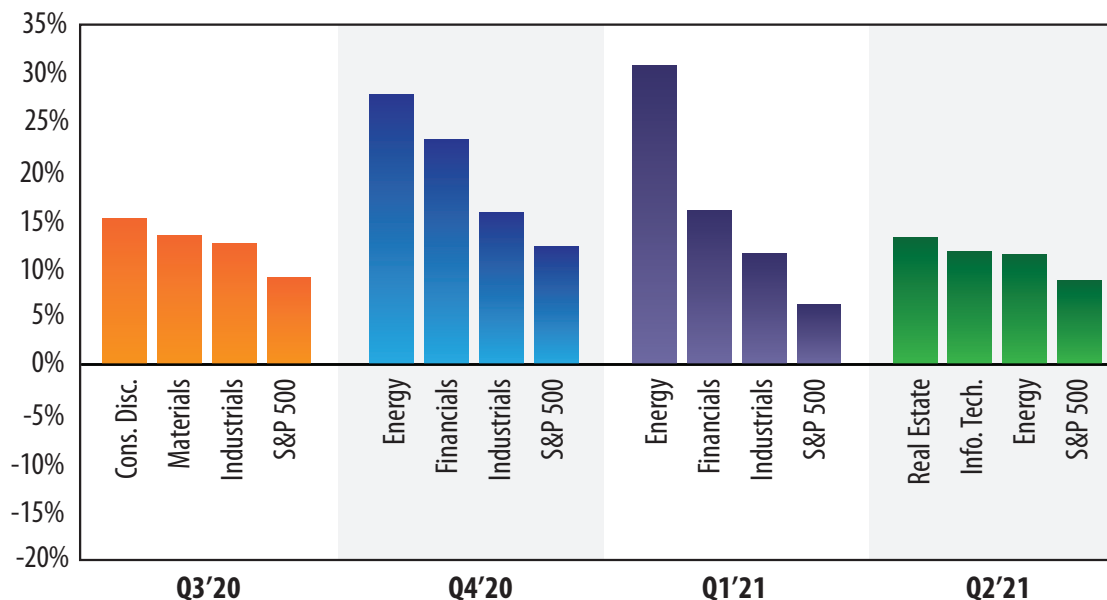


# The Only Constant Is Change

## Top Three S&P 500 Index Sectors In Each Of The Past Four Quarters



Source: Bloomberg. Returns are total returns. **Past performance is no guarantee of future results.**

## View from the Observation Deck

1. One of the most common questions we field on an ongoing basis is the following: What are your favorite sectors?
2. Sometimes the answer is more evident than at other times, in our opinion.
3. You didn't need much of a crystal ball to tout Information Technology in 1998 and 1999 (top-performing S&P 500 sector both years by a wide margin), as was the case with Energy in 2004 & 2005, according to performance data from Bloomberg.
4. For the first time since 2005, a sector in the S&P 500 Index was able to repeat as the top-performer on a calendar year basis. Information Technology posted the highest total return in 2019 (+50.29%) and 2020 (43.89%), according to Bloomberg.
5. The top-performing sectors in Q2'21 were as follows (total returns): 13.09% (Real Estate), 11.56% (Information Technology) and 11.29% (Energy). Energy has been a top-performer for three consecutive quarters. The total return on the S&P 500 Index was 8.55%. The other eight sectors generated total returns ranging from -0.37% (Utilities) to 10.72% (Communication Services).
6. The 15.24% total return posted by the S&P 500 Index in the first half of 2021 was its second-best showing since 1998, according to Barron's.
7. [Click here](#) to access the post featuring the top-performing sectors in Q3'19, Q4'19, Q1'20 and Q2'20.

*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 respective S&P 500 Sector Indices are capitalization-weighted and comprised of S&P 500 constituents representing a specific sector.*

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