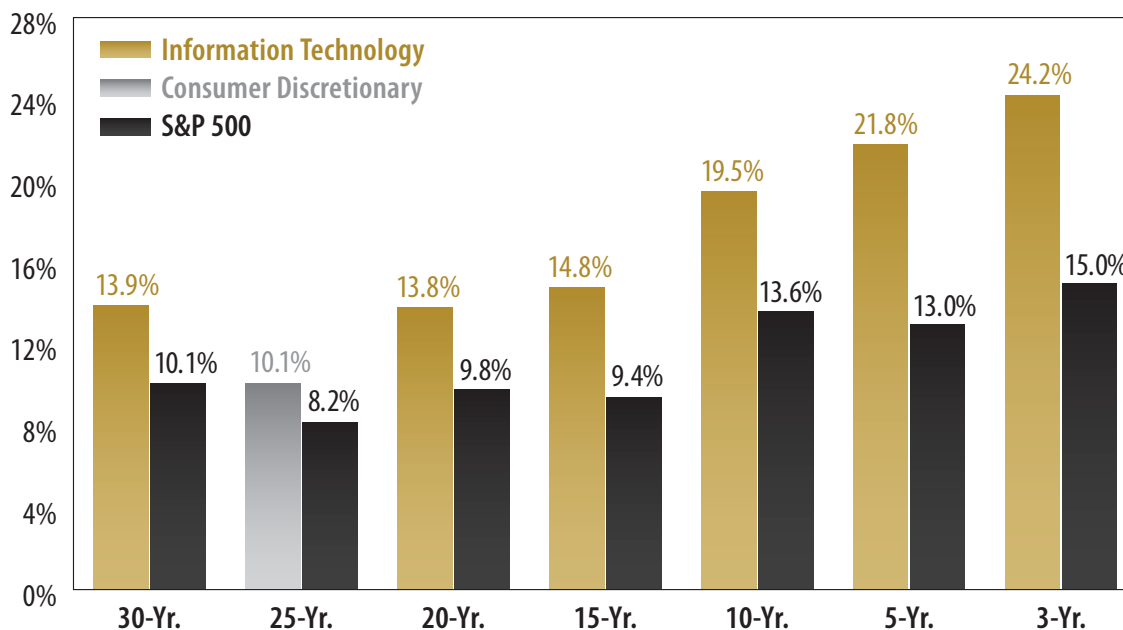


Technology Has Been The “Gold Standard” For Decades

Top-Performing S&P 500 Sector Index vs. S&P 500 Index
(Average Annualized Total Returns thru 8/23/22)



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

View from the Observation Deck

1. The S&P 500 Index is comprised of 11 major sectors. When it comes to performance, we believe that one of them stands above the rest: Information Technology.
2. Information Technology was the top-performing sector in six of the seven periods featured in the chart. By the way, it came in second to Consumer Discretionary for the 25-year period ended 8/23/22.
3. We excluded the 1-year and year-to-date period so as not to distort the chart. Energy was the clear winner. On a total return basis, Energy was up an eye-popping 81.4% for the 1-year period ended 8/23/22 and is up 51.5% so far in 2022.
4. On an cumulative total return basis, the average annualized total returns in the chart look as follows (Sector vs. S&P 500): 30-year (4,812.9% vs. 1,690.1%); 25-year (999.1% vs. 610.3%); 20-year (1,231.7% vs. 551.6%); 15-year (688.8% vs. 282.9%); 10-year (492.0% vs. 257.6%); 5-year (168.5% vs. 84.5%); and 3-year avg. annual (91.7% vs. 52.3%).
5. From 1992-2021, Information Technology was the top-performer in 10 of those calendar years (1993, 1994, 1996, 1998, 1999, 2003, 2009, 2017, 2019 & 2020), according to Bloomberg.
6. Information Technology carries the biggest sector weighting in the S&P 500 Index. It stood at 27.7% as of 8/24/22, according to Bloomberg. Health Care was a distant second at 14.0%.
7. Brian Wesbury, Chief Economist at First Trust Advisors L.P., has been unwavering in his belief that economic growth stems from entrepreneurship and invention, not quantitative easing or government spending. Technology fits that bill better than any other sector, in our opinion.

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 companies used to measure large-cap U.S. stock market performance, while 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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