S&P Dow Jones Indices
A Division of S&P Global

INDEX INVESTMENT STRATEGY
Register to receive our dashboards at **on.spdji.com/DashboardSignup**
U.S. Equal Weight Sector Dashboard
August 30, 2024

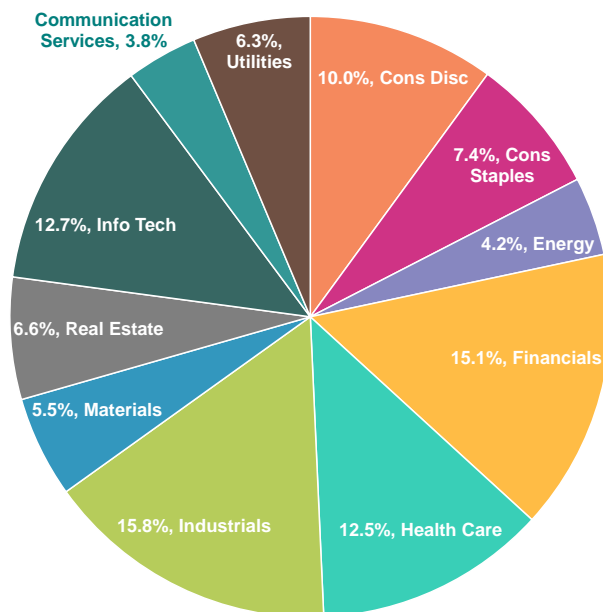## MONTHLY PERFORMANCE SUMMARY

S&P 500 Equal Weight vs. Cap Weight Sectors

	Equal Weight Sectors	Cap Weighted Sectors
Real Estate	6.4%	5.8%
Utilities*	4.7%	4.9%
Financials	4.0%	4.5%
Consumer Staples	3.2%	5.9%
Health Care	2.7%	5.1%
Industrials	2.4%	2.9%
Materials	1.3%	2.4%
Technology	1.1%	1.3%
Consumer Discretionary	1.0%	-1.0%
Communication Services	0.8%	1.2%
Energy	-2.2%	-1.7%
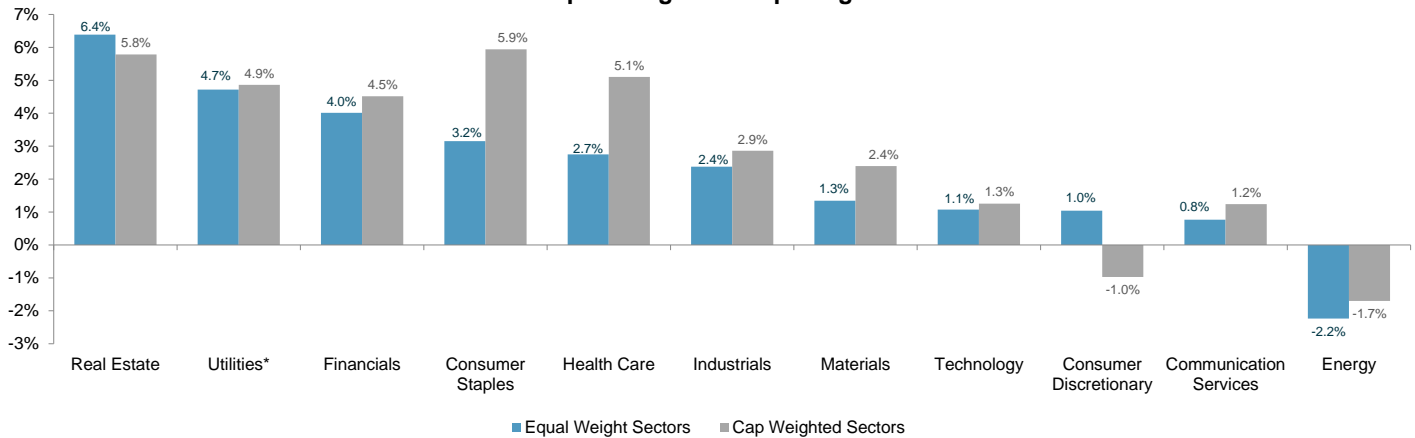
TRAILING 12M PERFORMANCE SUMMARY

S&P 500 Equal Weight vs. Cap Weight Sectors

	Equal Weight Sectors	Cap Weighted Sectors
Financials	34.1%	35.4%
Utilities*	25.8%	25.6%
Technology	25.6%	38.7%
Real Estate	23.8%	21.9%
Industrials	22.6%	23.6%
Communication Services	16.0%	32.1%
Materials	14.4%	16.1%
Health Care	12.6%	20.1%
Consumer Discretionary	11.3%	12.4%
Energy	7.4%	6.3%
Consumer Staples	3.0%	18.6%
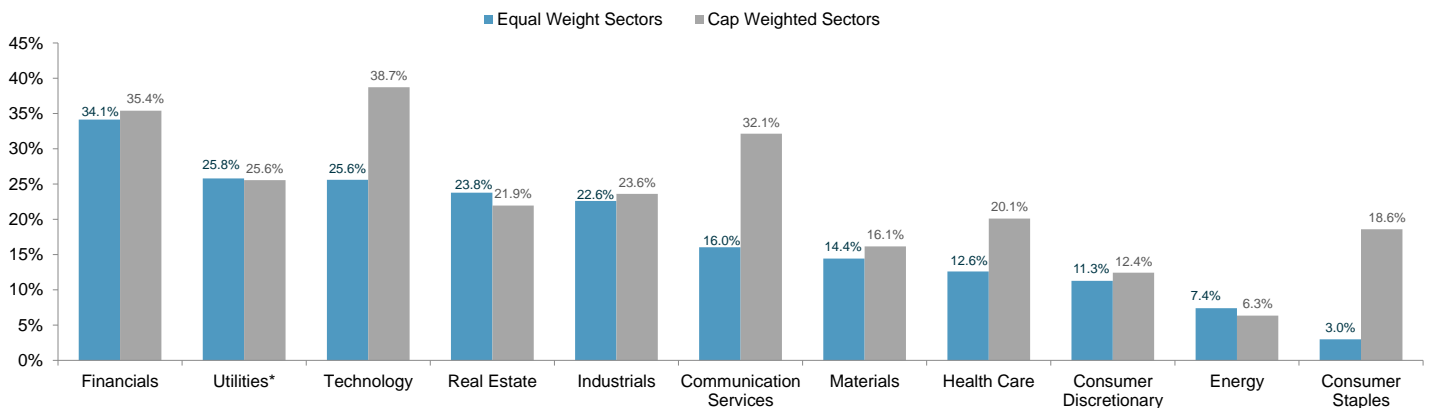
INDEX COMPOSITION AND COMMENTARY

S&P 500 Equal Weight Sector Indices

- Communication Services, 3.8%
- 6.3%, Utilities
- 10.0%, Cons Disc
- 7.4%, Cons Staples
- 4.2%, Energy
- 15.1%, Financials
- 12.5%, Health Care
- 15.8%, Industrials
- 5.5%, Materials
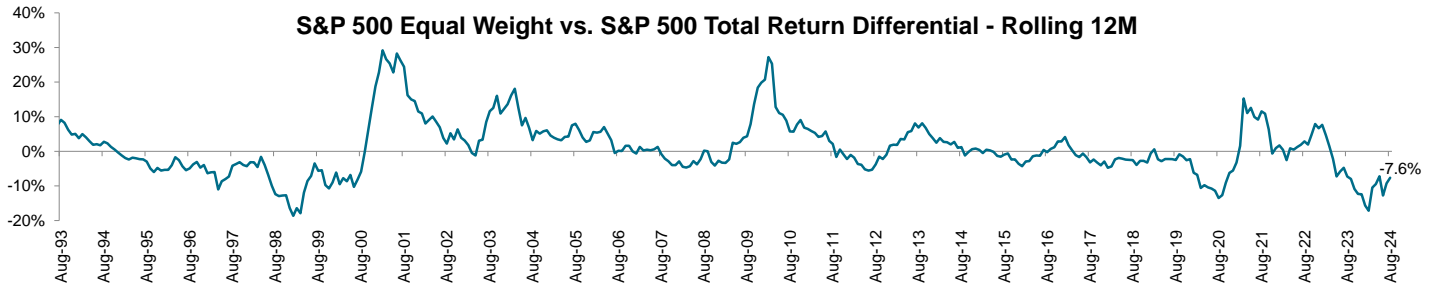- 6.6%, Real Estate
- 12.7%, Info Tech

- The S&P 500® Equal Weight Index slightly outperformed the S&P 500 in August.

- 9 out of 11 equal-weight sectors underperformed their cap-weighted counterparts.

- Real Estate was the best equal-weighted performer and Consumer Staples was the best cap-weighted performer.
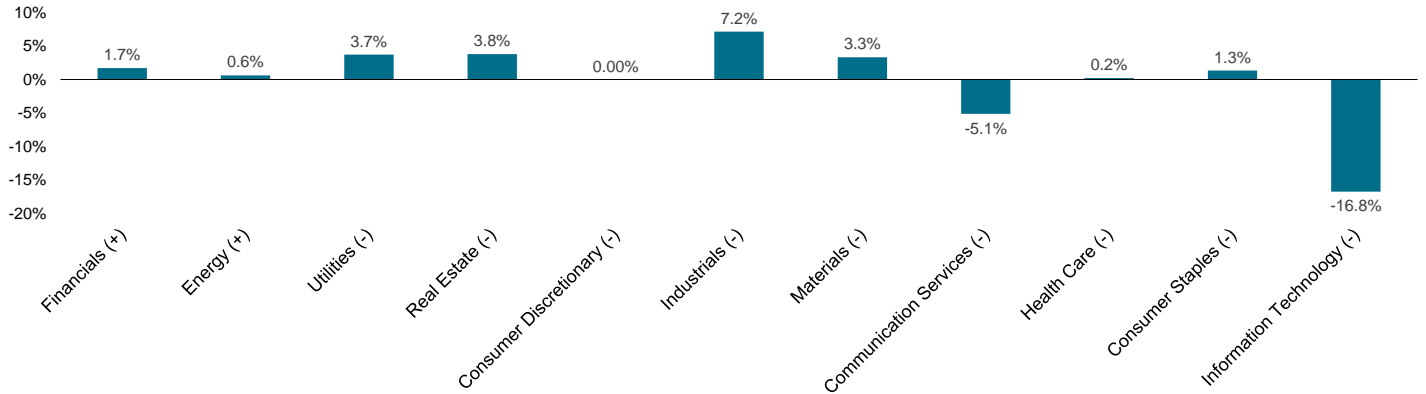
HISTORICAL RETURN DIFFERENTIAL - EQUAL VS. CAP WEIGHTED

S&P 500 Equal Weight vs. S&P 500 Total Return Differential - Rolling 12M

-7.6%

AVERAGE WEIGHT DIFFERENCE OVER PAST YEAR - S&P 500 EW VS. S&P 500®

Sector	Value
Financials (+)	1.7%
Energy (+)	0.6%
Utilities (-)	3.7%
Real Estate (-)	3.8%
Consumer Discretionary (-)	0.00%
Industrials (-)	7.2%
Materials (-)	3.3%
Communication Services (-)	-5.1%
Health Care (-)	0.2%
Consumer Staples (-)	1.3%
Information Technology (-)	-16.8%

ANNUAL TOTAL RETURN DIFFERENCE - S&P 500 EW VS. S&P 500

Sector	Value
Financials (+)	-1.3%
Energy (+)	1.0%
Utilities (-)	0.2%
Real Estate (-)	1.8%
Consumer Discretionary (-)	-1.2%
Industrials (-)	-1.0%
Materials (-)	-1.7%
Communication Services (-)	-16.4%
Health Care (-)	-7.5%
Consumer Staples (-)	-15.6%
Information Technology (-)	-13.1%
S&P 500 Equal Weight (-)	-7.6%
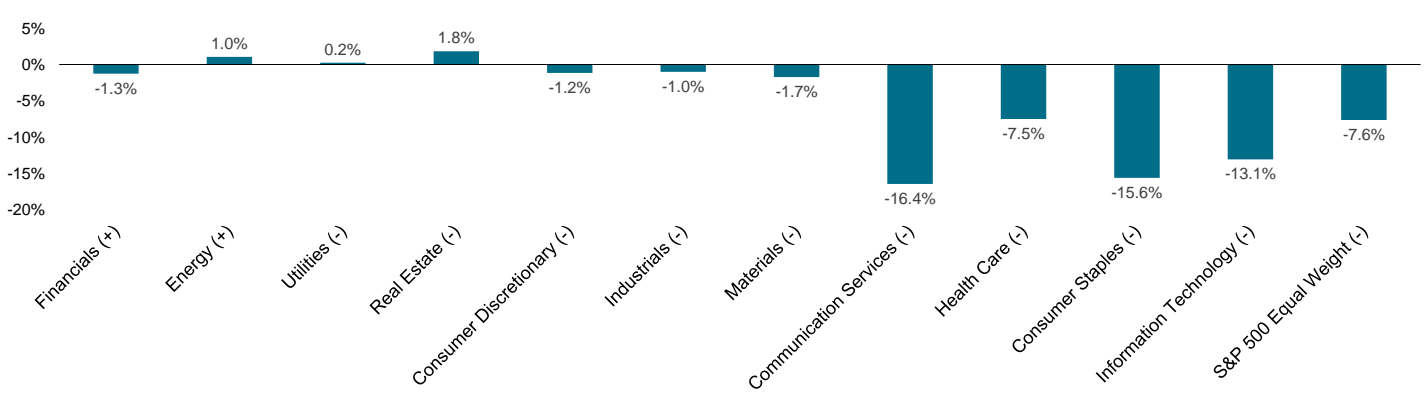
EQUAL VS. CAP WEIGHTED YEARLY ATTRIBUTION

12 Month Attribution - S&P 500 EW vs. S&P 500

■ Cross Sector Weighting
■ Intra Sector Weighting

(-) Negative Effect from Equal Weighting

(+) Positive Effect from Equal Weighting

Information Technology (-)
Consumer Staples (-)
Health Care (-)
Communication Services (-)
Materials (-)
Industrials (-)
Consumer Discretionary (-)
Real Estate (-)
Utilities (-)
Energy (+)
Financials (+)
S&P 500 Equal Weight (-)
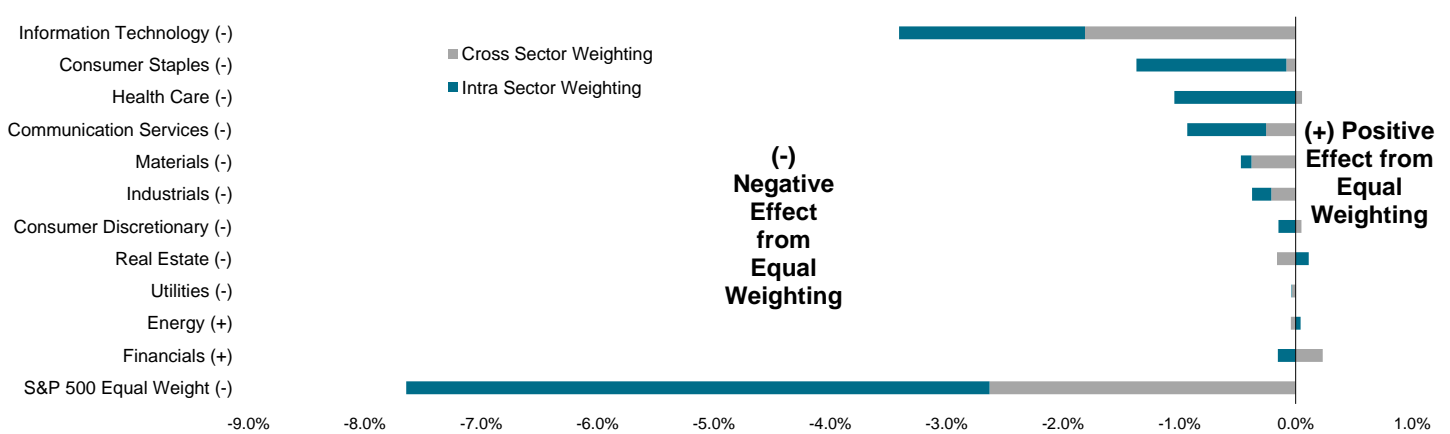
COMMENTARY

• Equal Weight's trailing twelve-month underperformance decreased to 7.6%.

• Key performance detractors for Equal Weight were to underweight to and overweight to smaller-caps in Info Tech.

KEY TO FACTOR SCORINGS FOR INDICES

Factor Definitions

Each constituent of the S&P 500 index is provided with a factor "score" for each of Beta, Volatility, Momentum, Dividend, Size, Value and Quality.
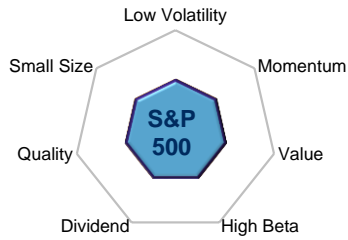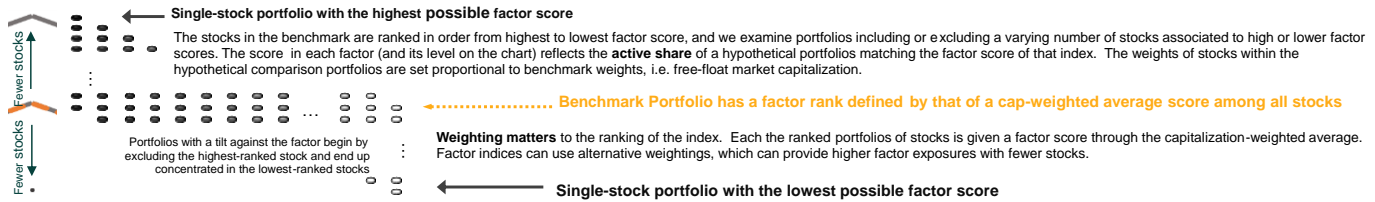
Factor	Measurement at single-stock level
Volatility	Trailing 12-month daily return volatility
Momentum	Twelve-month price change as of one month ago ("13 minus 1 momentum"), divided by the daily volatility during the twelve-month period that ended one month ago. For more details, see the S&P Momentum methodology
Value	The average of (normalized) earnings to price ratio, book to price ratio and sales to price ratio. For more details, see the S&P Value methodology.
Beta	Trailing 1 year beta of stock daily returns to the benchmark's return.
Dividend	Trailing 12-month dividend
Quality	The average of the (normalized) return on equity, the negative of the accruals ratio and the negative of the financial leverage ratio. For more details, see the S&P Quality methodology.
Size	Free-float market capitalization

Index Factor Ranking and Factor Diagram Scaling

Index Scores

Each index is provided a score in each factor from -100% to +100% based on how much of the total capitalization of the benchmark must be excluded in order to provide a portfolio of stocks with similar exposure to that factor. This is done by examining a ranked series of hypothetical cap-weighted portfolios, including or excluding an increasing number of the stocks with the highest or lowest scores. An illustration of the process may be found at this link.

Factor Diagram Axis

Single-stock portfolio with the highest possible factor score

The stocks in the benchmark are ranked in order from highest to lowest factor score, and we examine portfolios including or excluding a varying number of stocks associated to high or lower factor scores. The score in each factor (and its level on the chart) reflects the **active share** of a hypothetical portfolios matching the factor score of that index. The weights of stocks within the hypothetical comparison portfolios are set proportional to benchmark weights, i.e. free-float market capitalization.

Benchmark Portfolio has a factor rank defined by that of a cap-weighted average score among all stocks

Portfolios with a tilt against the factor begin by excluding the highest-ranked stock and end up concentrated in the lowest-ranked stocks

Weighting matters to the ranking of the index. Each the ranked portfolios of stocks is given a factor score through the capitalization-weighted average. Factor indices can use alternative weightings, which can provide higher factor exposures with fewer stocks.

Single-stock portfolio with the lowest possible factor score

Notes On Additional Index Statistics

| Statistic	Notes
Price/Earnings (P/E)	Price per share as of observation date divided by earnings per share, calculated by adding the last twelve calendar months' quarterly reported earnings per share.
Price/Book (P/B)	Price per share as of observation date divided by latest annual reported book value per share.
Price/Sales (P/S)	Price per share as of observation date divided by sales per share, calculated by adding twelve calendar months' quarterly reported sales per share.
Return on Equity (ROE%)	Earnings per share divided by latest annual reported book value per share.
Financial Leverage Ratio	A company's total debt divided by its latest annual reported book value, calculated as book value per share multiplied by common outstanding shares. Debt, book value per share, and common outstanding shares are latest annual reported values.
RSI - 30 Day	RSI is an indicator of the speed and change of price movements and oscillates between zero and 100. RSI is considered overbought when above 70 and oversold when below 30. RS is the average gain divided by average loss over the past 30 days. Then RSI is equal to 100 minus 100 divided by 1+RS.

COMMENTARY

▪ The diagrams below illustrate factor exposures relative to the S&P 500 across equal weighted sectors.
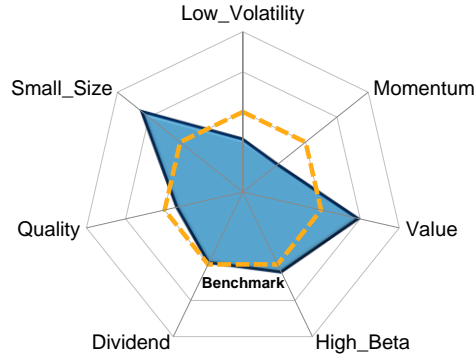
FACTOR TILTS

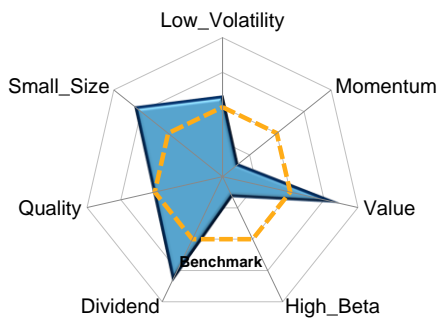### S&P 500 EQUAL WEIGHTED
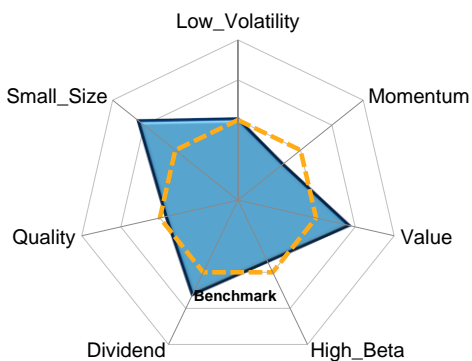
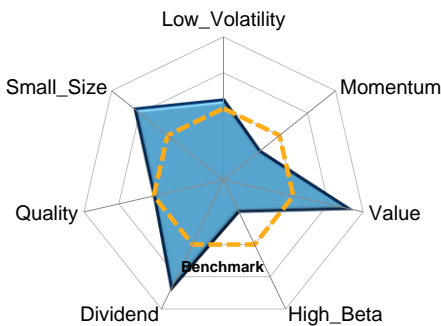### S&P 500 EQUAL WEIGHTED Communication Services
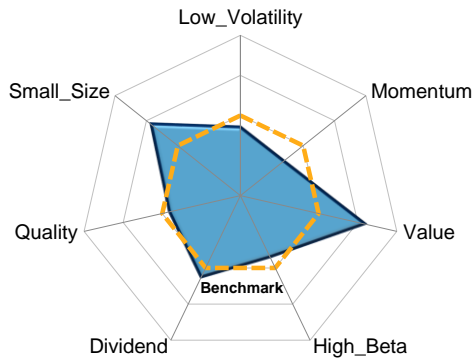
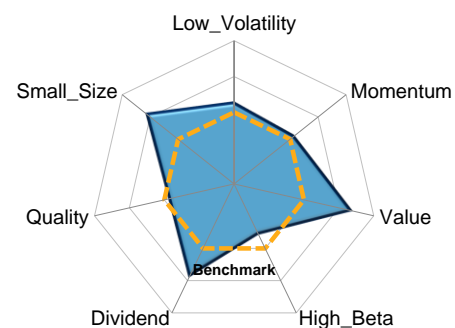### S&P 500 EQUAL WEIGHTED Consumer Discretionary

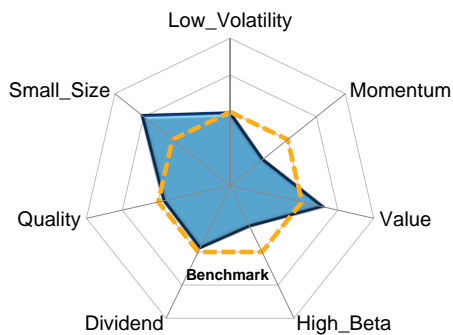### S&P 500 EQUAL WEIGHTED Consumer Staples

S&P 500 EQUAL WEIGHTED Energy

S&P 500 EQUAL WEIGHTED Financials

S&P 500 EQUAL WEIGHTED Health Care

S&P 500 EQUAL WEIGHTED Industrials
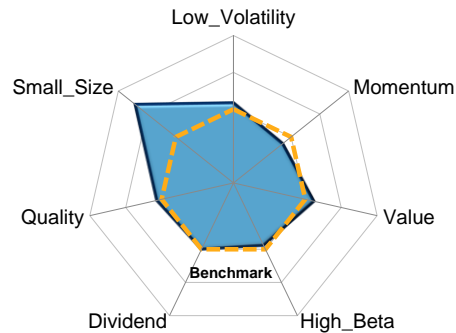
S&P 500 EQUAL WEIGHTED Information Technology

FACTOR TILTS

S&P 500 EQUAL WEIGHTED Materials

S&P 500 EQUAL WEIGHTED Real Estate
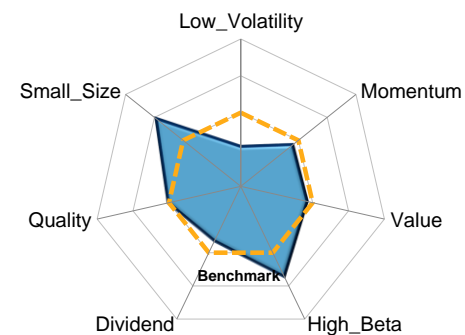
S&P 500 EQUAL WEIGHTED Utilities Plus
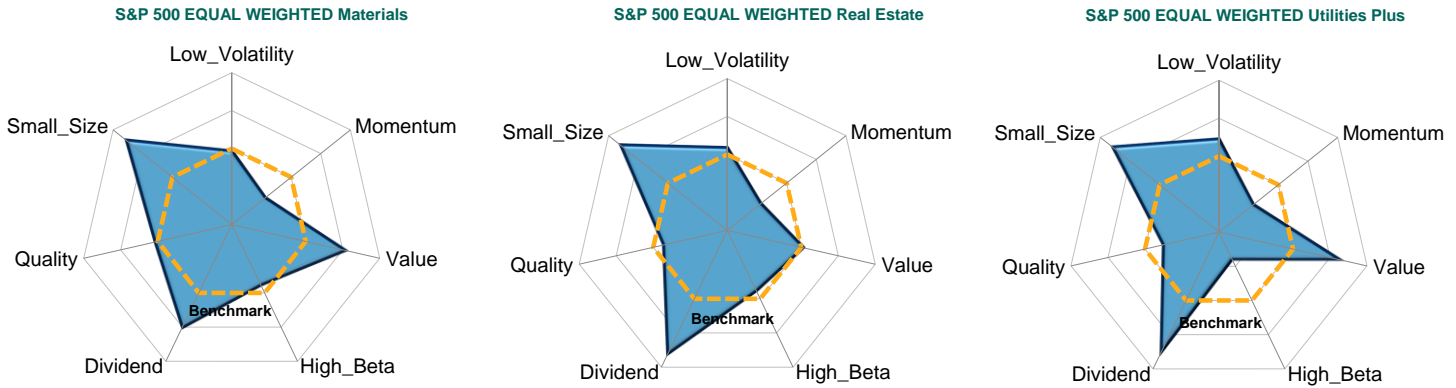
COMMENTARY

• Dispersion decreased, while correlations increased across most equal weighted sectors.

EQUAL WEIGHT SECTOR DISPERSION AND CORRELATION

S&P 500 Equal Weight Sector Average Correlation and Dispersion (Trailing 12-Month Volatility)
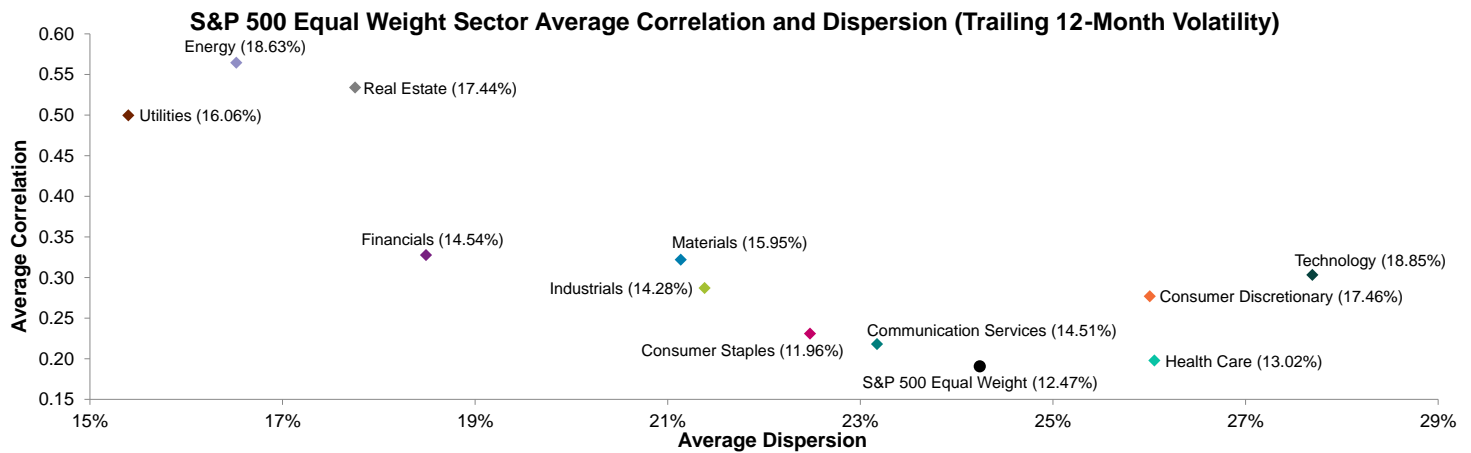
EQUAL WEIGHT VS. CAP WEIGHT CORRELATION

S&P 500 Equal Weight vs. S&P 500 Correlation - Rolling 12M average

NOTES

SELECTED KEY METRICS - EQUAL WEIGHT SECTOR INDICES

METRICS	DIV YIELD	P/E	P/B	P/S	BETA	CONSTITUENT VOLATILITY	RSI - 30 DAY	VALUE SCORE	GROWTH SCORE
Consumer Discretionary	1.3%	20.2	4.9	1.3	1.08	31.0%	52.0	0.06	0.28
Consumer Staples	2.9%	23.7	3.3	1.1	0.36	23.5%	60.1	0.11	-0.21
Energy	3.2%	12.8	2.3	1.3	0.52	24.2%	46.7	0.18	0.36
Financials	2.2%	18.2	2.1	2.1	0.74	23.8%	63.4	0.17	0.02
Health Care	1.2%	42.1	3.5	1.4	0.63	26.9%	63.2	0.05	-0.06
Industrials	1.4%	28.4	5.5	2.0	0.92	25.9%	59.9	-0.05	0.13
Information Technology	0.8%	33.2	6.1	4.0	1.31	32.0%	52.1	-0.17	0.21
Materials	2.4%	25.7	2.5	1.7	0.84	27.1%	57.6	0.14	0.03
Real Estate	3.8%	41.3	2.8	6.0	0.84	24.6%	67.3	-0.03	-0.14
Utilities Plus	3.5%	20.8	2.2	2.3	0.44	22.4%	73.4	0.14	-0.13
Comm Services	1.6%	27.5	2.6	1.2	0.82	28.4%	57.0	0.16	-0.02

TOTAL WEIGHT OF LARGEST 5 COMPANIES WITHIN CAP WEIGHTED SECTORS AND EQUAL WEIGHT RELATIVE PERFORMANCE

Total Weight of Largest 5 Companies in each S&P 500 Sector
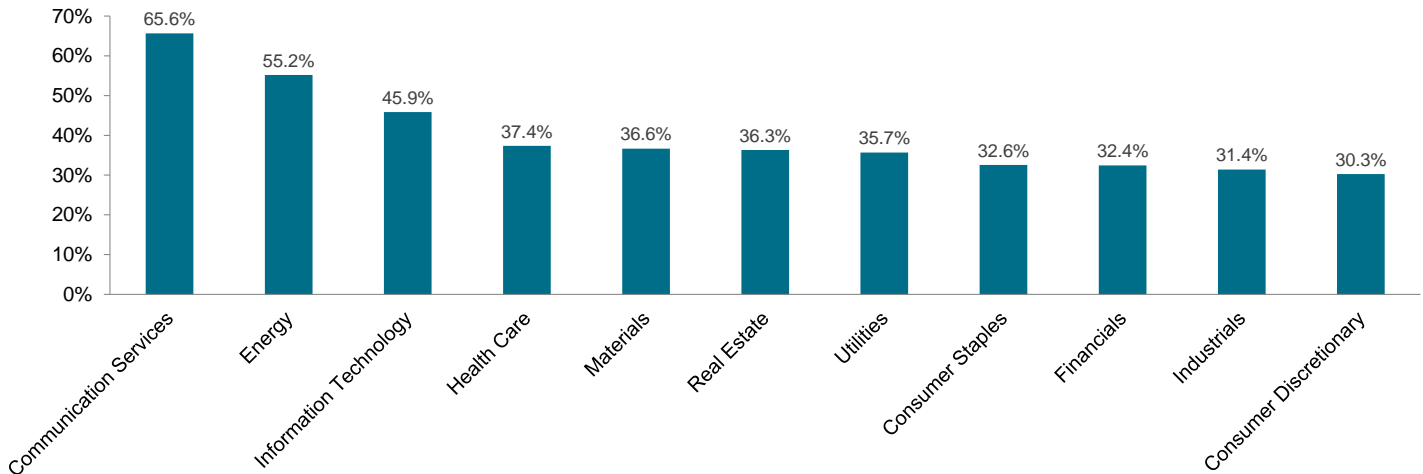
S&P 500 Weight in Top 5 Names and Equal vs. Cap-Weight Performance Differential
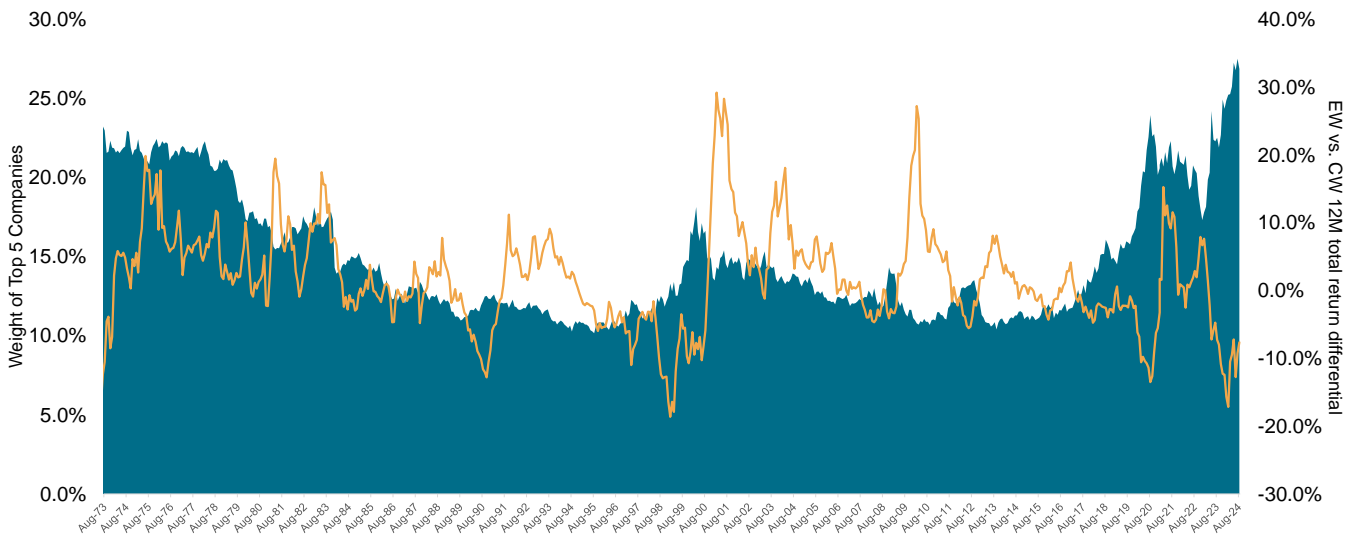
COMMENTARY

▪ Utilities had the highest relative strength among the equal weighted sector indices.

General Disclaimer

Performance Disclosure

The S&P 500 Equal Weight Index was launched on Jan 8th, 2003. All information presented prior to an index's Launch Date is hypothetical (back-tested), not actual performance, and is based on the index methodology in effect on the index launch date. However, when creating back-tested history for periods of market anomalies or other periods that do not reflect the general current market environment, index methodology rules may be relaxed to capture a large enough universe of securities to simulate the target market the index is designed to measure or strategy the index is designed to capture. For example, market capitalization and liquidity thresholds may be reduced. In addition, forks have not been factored into the back-test data with respect to the S&P Cryptocurrency Indices. For the S&P Cryptocurrency Top 5 & 10 Equal Weight Indices, the custody element of the methodology was not considered; the back-test history is based on the index constituents that meet the custody element as of the Launch Date. Complete index methodology details are available at www.spglobal.com/spdji. Back -tested performance reflects application of an index methodology and selection of index constituents with the benefit of hindsight and knowledge of factors that may have positively affected its performance, cannot account for all financial risk that may affect results and may be considered to reflect survivor/look ahead bias. Actual returns may differ significantly from, and be lower than, back-tested returns. Past performance is not an indication or guarantee of future results.

Please refer to the methodology for the Index for more details about the index, including the manner in which it is rebalanced, the timing of such rebalancing, criteria for additions and deletions, as well as all index calculations. Back-tested performance is for use with institutions only; not for use with retail investors.

S&P Dow Jones Indices defines various dates to assist our clients in providing transparency. The First Value Date is the first day for which there is a calculated value (either live or back-tested) for a given index. The Base Date is the date at which the index is set to a fixed value for calculation purposes. The Launch Date designates the date when the values of an index are first considered live: index values provided for any date or time period prior to the index's Launch Date are considered back-tested. S&P Dow Jones Indices defines the Launch Date as the date by which the values of an index are known to have been released to the public, for example via the company's public website or its data feed to external parties. For Dow Jones-branded indices introduced prior to May 31, 2013, the Launch Date (w hich prior to May 31, 2013, was termed "Date of introduction") is set at a date upon which no further changes were permitted to be made to the index methodology, but that may have been prior to the Index's public release date.

Typically, when S&P DJI creates back-tested index data, S&P DJI uses actual historical constituent -level data (e.g., historical price, market capitalization, and corporate action data) in its calculations. As ESG investing is still in early stages of development, certain datapoints used to calculate S&P DJI's ESG indices may not be available for the entire desired period of back-tested history. The same data availability issue could be true for other indices as well. In cases when actual data is not available for all relevant historical periods, S&P DJI may employ a process of using "Backward Data Assumption" (or pulling back) of ESG data for the calculation of back -tested historical performance. "Backward Data Assumption" is a process that applies the earliest actual live data point available for an index constituent company to all prior historical instances in the index performance. For example, Backward Data Assumption inherently assumes that companies currently not involved in a specific business activity (also known as "product involvement") were never involved historically and similarly also assumes that companies currently involved in a specific business activity were involved historically too. The Backward Data Assumption allows the hypothetical back-test to be extended over more historical years than would be feasible using only actual data. For more information on "Backward Data Assumption" please refer to the FAQ. The methodology and factsheets of any index that employs backward assumption in the back-tested history will explicitly state so. The methodology will include an Appendix with a table setting forth the specific data points and relevant time period for which backward projected data was used.

Index returns shown do not represent the results of actual trading of investable assets/securities. S&P Dow Jones Indices maintains the index and calculates the index levels and performance shown or discussed but does not manage actual assets. Index returns do not reflect payment of any sales charges or fees an investor may pay to purchase the securities underlying the Index or investment funds that are intended to track the performance of the Index. The imposition of these fees and charges would cause actual and back-tested performance of the securities/fund to be lower than the Index performance shown. As a simple example, if an index returned 10% on a US $100,000 investment for a 12-month period (or US $10,000) and an actual asset-based fee of 1.5% was imposed at the end of the period on the investment plus accrued interest (or US $1,650), the net return would be 8.35% (or US $8,350) for the year. Over a three-year period, an annual 1.5% fee taken at year end with an assumed 10% return per year would result in a cumulative gross return of 33.10%, a total fee of US $5,375, and a cumulative net return of 27.2% (or US $27,200).

Notes On Additional Index Statistics

STATISTIC	NOTES
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