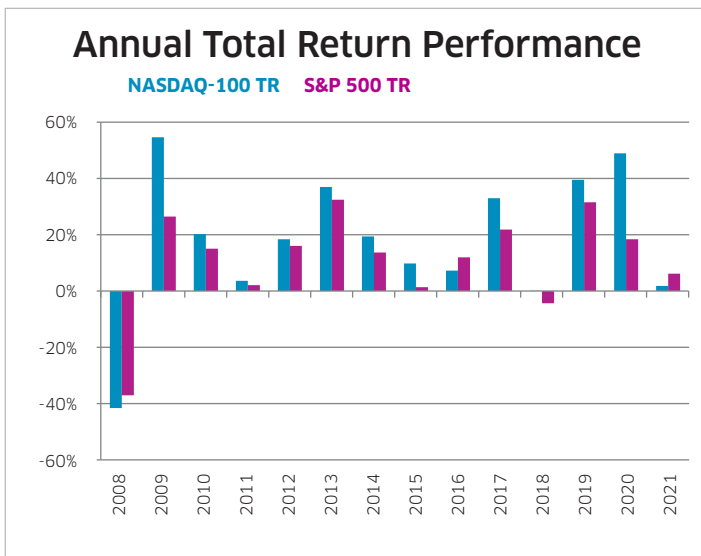


When Performance Matters:

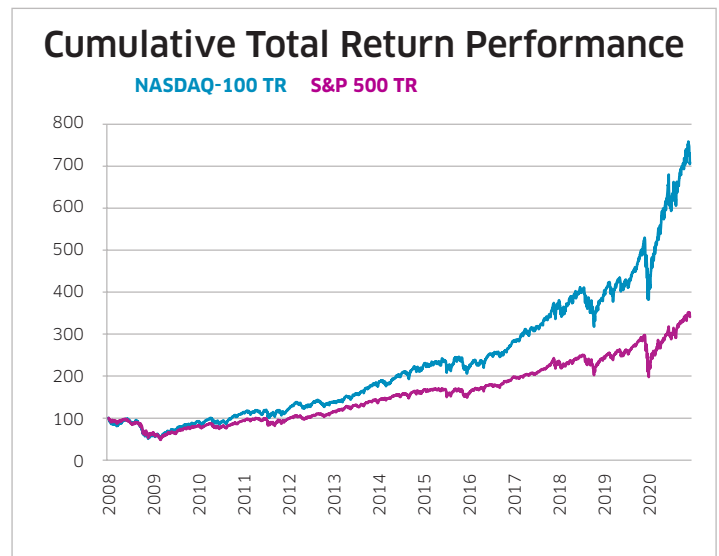
Nasdaq-100 vs. S&P 500

Nasdaq Investment Intelligence

The Nasdaq-100 and S&P 500 are two of the most popular equity indexes in the US. The Nasdaq-100 is heavily allocated towards top performing industries such as Technology, Consumer Services, and Health Care, which have helped the Nasdaq-100 outperform the S&P 500 by a wide margin between December 31, 2007 and March 31, 2021. Below is a comparison of annual total returns - which reinvest dividends - between each index. The Nasdaq-100 TR Index has outperformed 11 out of the 13 years in our study.



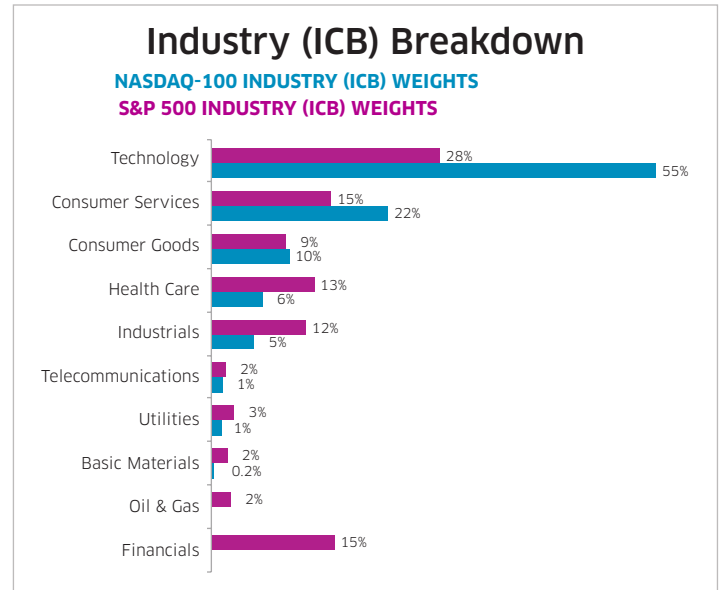
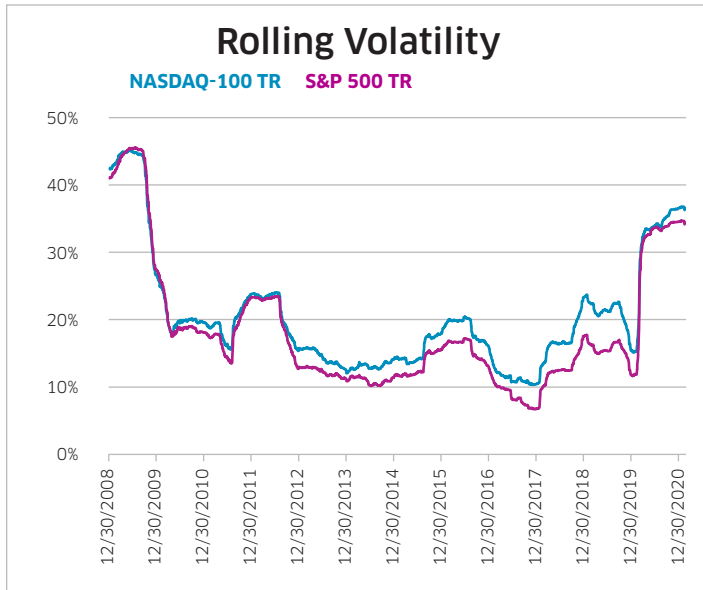
2021 data is through 3/31/2021



Historic Performance

Despite recent overall market volatility, the Nasdaq-100 TR Index has maintained cumulative total returns of approximately 2.5 times that of the S&P500 TR Index.

	NASDAQ-100 TR	S&P 500 TR
Cumulative Return	620%	257%
Annualized Return	16.1%	10.1%
Annualized Volatility	23%	21%



Rolling Volatility (One Year)

One year rolling volatility (calculated by taking the standard deviation of daily returns, annualized) was 93% correlated between Dec. 31, 2007 and March 31, 2021, when comparing the two indexes. Given the large exposure the Nasdaq-100 has towards Technology, the ability for the Nasdaq-100 to closely track the volatility of the S&P 500 is rather impressive.

Current Industry Weights

We can see important differences between the Nasdaq-100 and the S&P 500 as of Dec. 31, 2020. As mentioned previously, the largest allocations to both Technology and Consumer Services helped propel the Nasdaq-100 Index to a new all-time high in the first quarter of this year.

Conclusion

The Nasdaq-100 finished the first quarter of 2021 with a gain of 1.76% compared to the S&P 500 gain of 6.17%, an underperformance of 441 bps which - while notable - pales in comparison to 2020's incredible 3,000+ bps of outperformance. The Nasdaq-100 is heavily allocated towards top-performing industries such as Technology, Consumer Services, and Health Care. The long-run growth trend of companies in these industries has remained strong in spite of the widespread economic disruption from the COVID-19 pandemic. Given the way technology is influencing the world and making companies more efficient, there is a strong possibility that this trend continues into the future.

Sources: Nasdaq Indexes, Bloomberg

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