

When Performance Matters:

Nasdaq-100® vs. S&P 500

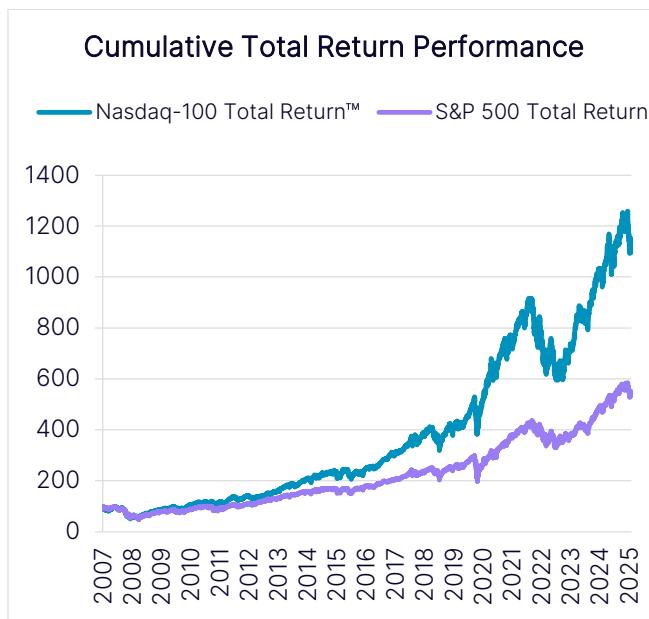
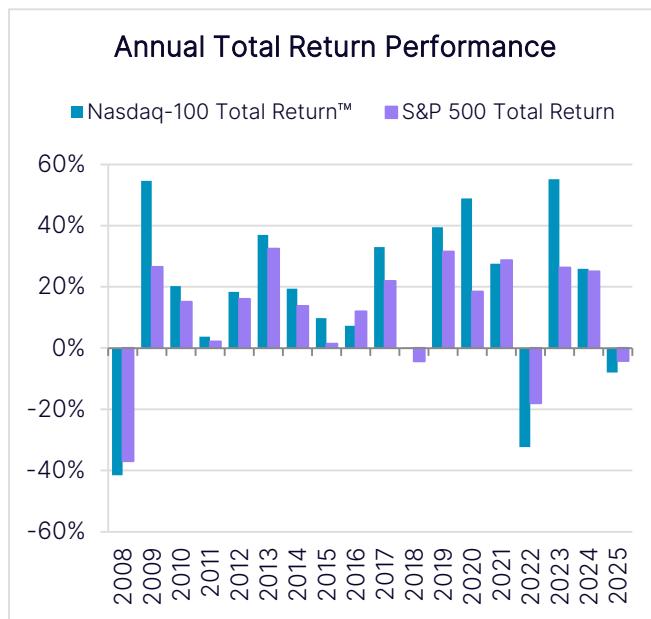
Nasdaq Global Indexes

The Nasdaq-100® and S&P 500 feature as two of the most prominent equity indexes in the United States. With its considerable emphasis on innovative sectors like Technology, Consumer Discretionary, and Health Care, the Nasdaq-100 has consistently outperformed the S&P 500 over the past 17 years (12/31/2007 – 03/31/2025).

A detailed analysis of their annual returns reveals that the Nasdaq-100 Index® has exceeded the S&P 500 in 13 out of these 17 calendar years, achieving an impressive average annual return of 14.9%. The year 2023 was particularly outstanding for the Nasdaq-100®, with a 55.1% increase — its best calendar year of performance since 1999, and largest margin of outperformance vs. the S&P 500 since 2020 when it led by more than 30%.

During the current tariff economy of 2025, approximately 28% of the exposure in the Nasdaq-100 consists of Software and Consumer Digital Service companies – as defined by ICB Subsectors. By having nearly a third of the index exposure derive revenues outside of physical products affected by tariffs, it introduces resilience in an uncertain regime and application of global tariffs.

The Nasdaq-100 is trailing the S&P 500 year-to-date as of March 31, 2025 (-8.1% vs. -4.3%), albeit maintaining a substantial long-term advantage. Since December 31, 2007, the Nasdaq-100 Index has surged by 996%, more than doubling the S&P 500's return of 436% on a total return basis.

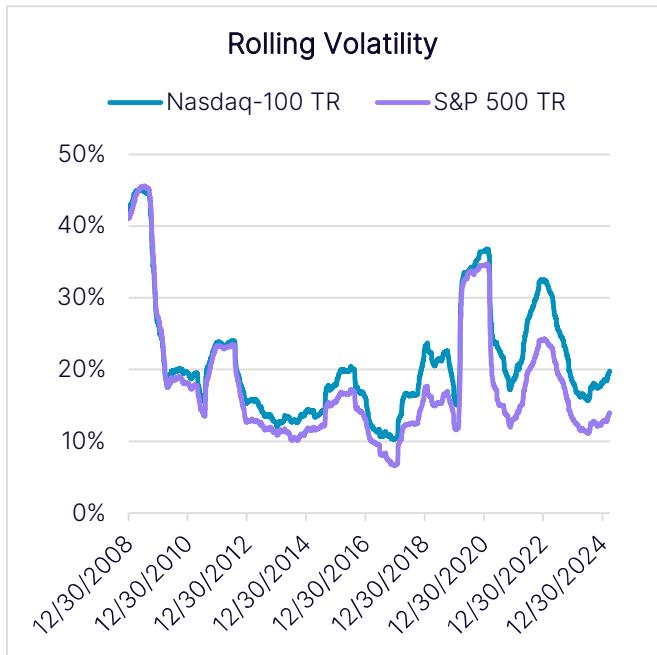


Historical Performance

Amidst recent market volatility, the Nasdaq-100 Total Return Index has consistently sustained cumulative total returns exceeding twice the performance of the S&P 500 Total Return Index.

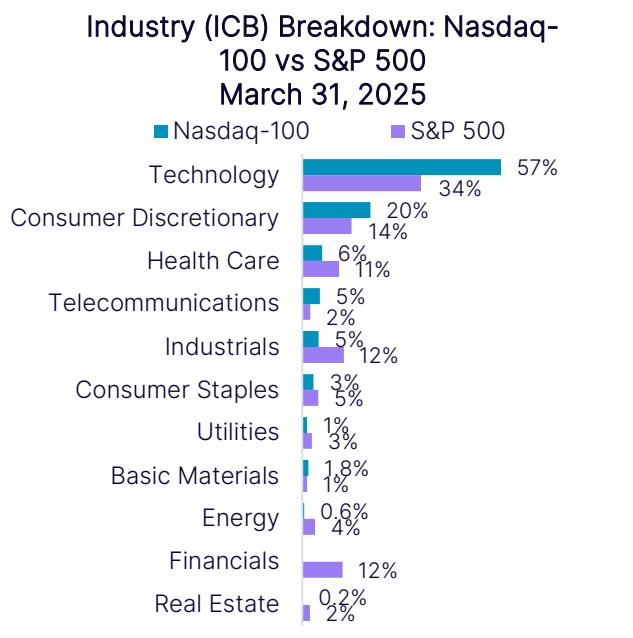
	Nasdaq-100®	S&P 500
Cumulative Return	996%	436%
Annualized Return	14.9%	10.2%
Annualized Volatility	22.9%	20.1%

* Data between 12/31/2007 and 3/31/2025



Rolling Volatility (One Year)

The one-year rolling volatility, calculated by annualizing the standard deviation of daily returns, is slightly elevated in the Nasdaq-100 compared to the S&P 500. On average, it has been just 2.8% higher over the 17-year period spanning from December 31, 2007 to March 31, 2025. What's particularly noteworthy is the overall correlation of daily returns, which is 93%. This level of correlation is impressive, especially considering the Nasdaq-100's heavy concentration in the Technology sector.



Current Industry Weights

As of March 31, 2025, there are notable disparities in sector allocations between the Nasdaq-100 and the S&P 500. As highlighted earlier, the significant weightings in the Technology and Consumer Discretionary sectors have played a pivotal role in driving the Nasdaq-100 to multiple years of outperformance over the past 17 years. By design, the Nasdaq-100 does not have any Financials exposure.

Conclusion

Despite recent shifts in fiscal and monetary policy against a backdrop of complex geopolitical tensions, the Nasdaq-100 has demonstrated remarkable resilience. The integration of AI technology, revolutionizing nearly every industry, bolsters the index's capability for continuous innovation and highlights its strong potential for future growth. With its foundational focus on innovation, the Nasdaq-100 is well-positioned to navigate future uncertainties and sustain its long-term growth trajectory.

Data as of 3/31/2025 unless otherwise stated.

Sources: Nasdaq Indexes, Bloomberg

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