

# When Performance Matters:

## Nasdaq-100® vs. S&P 500

Nasdaq Global Indexes

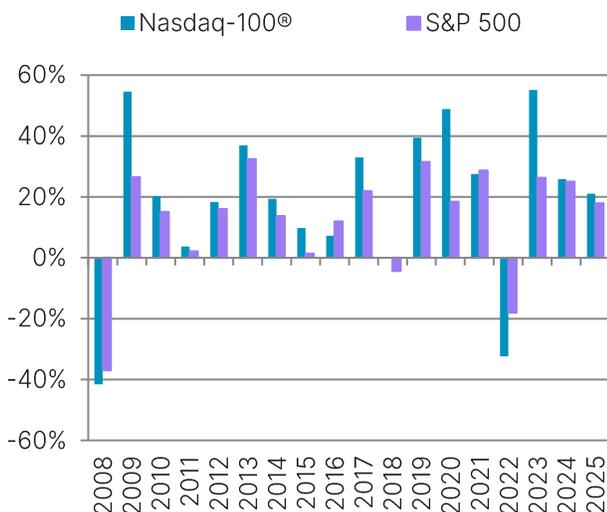
The Nasdaq-100® and S&P 500 feature as two of the most prominent equity indexes in the United States. With its considerable emphasis on innovative sectors like Technology, Consumer Discretionary, and Health Care, the Nasdaq-100 has consistently outperformed the S&P 500 over the past 18 years (12/31/2007 – 12/31/2025).

A detailed analysis of their annual returns reveals that the Nasdaq-100 Index® has exceeded the S&P 500 in 14 out of these 18 calendar years, achieving an impressive average annual return of 16.0%<sup>i</sup>. 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%<sup>i</sup>.

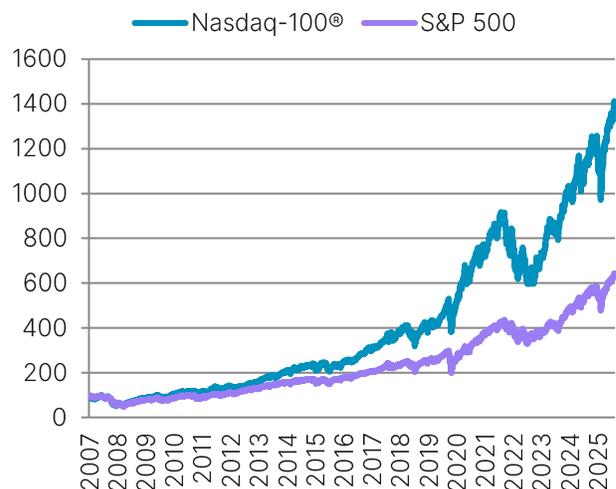
This past year, approximately 30% of the exposure in the Nasdaq-100 consisted of Software and Consumer Digital Service companies – as defined by ICB Subsectors. By having nearly a third of the index exposure derive revenues outside of physical products affected by tariffs, it introduces resilience in an uncertain regime and application of global tariffs.

The Nasdaq-100 is leading the S&P 500 as of December 31, 2025 (21.0% vs. 17.9%), building on a substantial long-term advantage. Since December 31, 2007, the Nasdaq-100 Index has surged by 1342%, more than doubling the S&P 500's return of 560% on a total return basis.

Annual Total Return Performance



Cumulative Total Return Performance

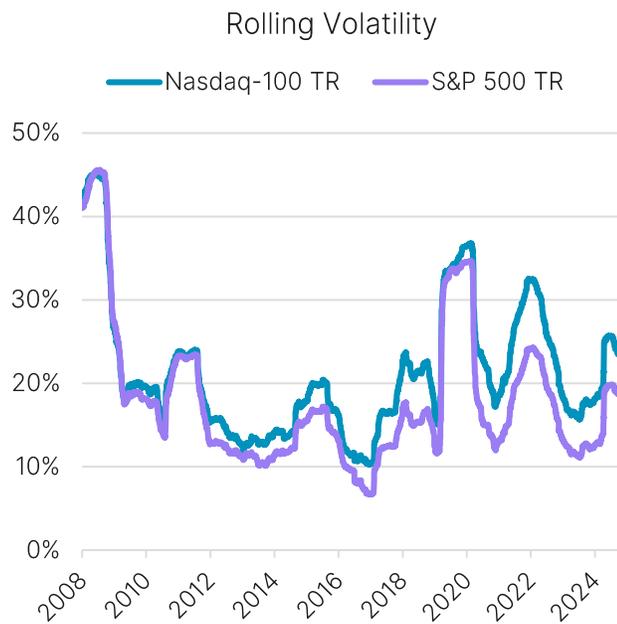


### Historical Performance

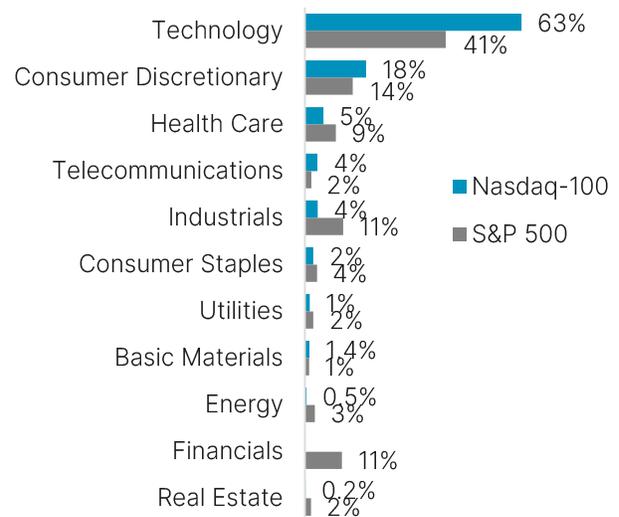
Amidst recent market volatility, the Nasdaq-100 Total Return™ Index has consistently sustained cumulative total returns exceeding twice the performance of the S&P 500 Total Return Index.

	Nasdaq-100®	S&P 500
Cumulative Return	1342%	560%
Annualized Return	16.0%	11.0%
Annualized Volatility	22.9%	20.1%

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



Industry (ICB) Breakdown in Nasdaq-100 and S&P 500 as of December 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 2.9% higher over the 18-year period spanning from December 31, 2007 to December 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 December 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 18 years. By design, the Nasdaq-100 does not have any Financials exposure.

## Conclusion

Despite recent shifts in fiscal and monetary policy throughout 2025 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 12/31/2025 unless otherwise stated.

Sources: Nasdaq Global Indexes, Factset, Bloomberg

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<sup>i</sup> Return calculated as  $(1 + \text{Cumulative Return})^{1/N} - 1$ . Cumulative return measured as the geometric return of the index between the start and end date noted in the first paragraph. N is measured as the time period between the aforementioned dates, stated in years. Data sources: Nasdaq Global Indexes, Factset, Bloomberg

<sup>ii</sup> Link to official index performance data: <https://indexes.nasdaq.com/Index/Overview/NDX>. Data sources: Nasdaq Global Indexes, Factset, Bloomberg

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