



Index Analyzer

September 2025

Select Sector Indices

- ▶ Evaluate Select Sector Indices based on investment merit using fundamental data and analysis
- ▶ Compare sectors with ease on a variety of forward-looking valuation metrics
- ▶ Succinct reports in three easy-to-read sections: Investment Summary, Fundamentals, and Composition

Disclosures

Limitations on Usage

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Data Definitions & Reliability

AltaVista believes the information contained in this report to be reasonably accurate at the time of publication, but makes no warranties with respect to its accuracy. Calculations of fundamental data are based on a weighted average of consensus estimates and reported results for current index constituents. As a result, historical figures for fundamental data such as dividends per share may not reflect those actually paid by firms in the index. To the extent that index reconstitution and rebalancing have altered index composition, these differences may be significant. Definitions for some commonly used financial terms are as follows:

Sales: Calculated based on consensus revenue results/estimates for the individual constituents of each index.

Earnings/Net Income: Unless denoted as a GAAP figure, earnings are calculated on a "pro forma" basis using consensus EPS results/estimates for the individual constituents of each index, multiplied by the float-adjusted shares in the index. For Real Estate Investment Trusts (REITs), the consensus per-share figure for funds from operations, or FFO, is used in place of EPS data.

Sales Growth and Earnings Growth: Year-on-year change in sales or earnings results/estimates in percentage terms.

Net margins: Earnings as a percentage of sales in a given period.

Cash Flow: Adds depreciation and amortization to consensus earnings estimates

Standard deviation: Statistical measure of price volatility using 3 years of monthly return data. Figures are annualized.

Beta: Measures relative volatility of a given sector index versus the S&P500 by comparing 3 years of monthly return data.

Book Value: Common Equity as reported by index constituents according to GAAP. Forecasts reflect pro-forma calculations using most recently reported figures, plus earnings less dividends.

Dividends per share: Dividends paid by companies in the index on a pro forma basis.

Payout ratio: Dividends as a percentage of Earnings/Net Income in a given year.

Return on Equity: Net income divided by average common equity over the period.

Debt-to-equity: Ratio of long- and short-term debt to owners equity.

Long-term growth: Uses consensus estimates of 3-5 year earnings growth for individual constituents of each index to calculate a float-adjusted earnings-weighted growth rate for the index as a whole.

Trend in Current FY Estimates: Illustrates changes in consensus estimates over time by examining the monthly change in current fiscal year EPS estimates for individual constituents of each index. Base period is set equal to 100.

Price-to-Earnings, -Cash Flow, -Sales and -Book Value: Valuation multiples derived by dividing the index price by the per-share figures

How We Rate Indices

For every index under coverage, we calculate a rating based on a proprietary scoring system that analyzes metrics such as Return on Equity and Price-to-Book Value multiples. Then, we separate the indices into five tiers based on their individual scores. Although one index's score and recommendation are independent of other indices' rankings, our coverage universe has a roughly normal distribution among the five tiers, with NEUTRAL accounting for the largest number of indices. The five tiers are as follows:

SPECULATIVE: Deeply undervalued but risky. A rating of SPECULATIVE indicates exceptional appreciation potential in our opinion. However, firms in this index may also have deep structural issues, which can carry extra risk. The rating is based on a proprietary scoring system that analyzes metrics such as Return on Equity and Price-to-Book Value multiples.

OVERWEIGHT: Above average appreciation potential. A rating of OVERWEIGHT indicates that stocks in this index are trading at attractive valuations and/or have above-average fundamentals. The rating is based on a proprietary scoring system that analyzes metrics such as Return on Equity and Price-to-Book Value multiples.

NEUTRAL: Average appreciation potential. A rating of NEUTRAL indicates that valuations adequately reflect the fundamentals of stocks in these indices. The majority of indices we cover fall into this category. The rating is based on a proprietary scoring system that analyzes metrics such as Return on Equity and Price-to-Book Value multiples.

UNDERWEIGHT: Below average appreciation potential. A rating of UNDERWEIGHT indicates that stocks in this index are trading at relatively expensive valuations and/or have below-average fundamentals. The rating is based on a proprietary scoring system that analyzes metrics such as Return on Equity and Price-to-Book Value multiples.

AVOID: A rating of AVOID indicates poor appreciation potential, but some indices in this tier consist of stocks for which our fundamentally-driven analysis may be less relevant, especially for early-stage growth companies. The rating is based on a proprietary scoring system that analyzes metrics such as Return on Equity and Price-to-Book Value multiples.

Additional information is available upon request.

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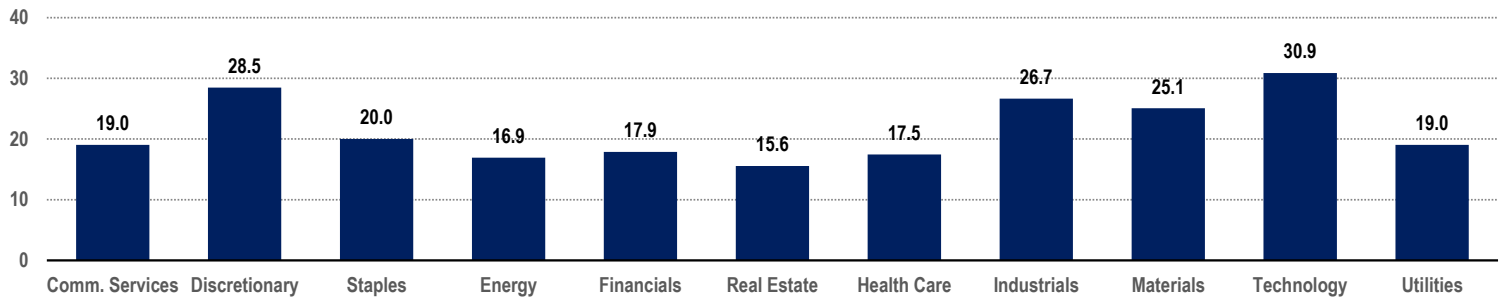
Section I

Side-by-Side Comparisons

Select Sector Indices

This page provides a summary of valuation metrics for the Select Sector Indices and S&P500 which may be considered when buying or selling a fund tracking these indices.

Price-to-earnings ratio (on 2025E EPS)

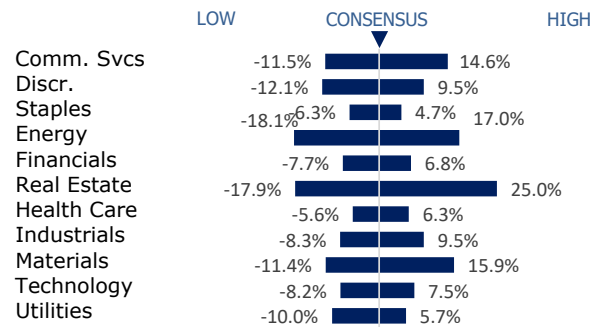


Efficiency Metrics*

	Avg. ROE (21-25E)	Asset Turnover	Assets/ Equity	Debt/ Equity
Comm. Services	14.2%	0.45x	3.1x	1.2x
Discretionary	29.6%	0.94x	4.5x	2.2x
Staples	23.1%	1.20x	3.2x	1.1x
Energy	17.2%	0.81x	2.1x	0.5x
Financials	12.0%	0.08x	8.6x	1.0x
Real Estate	25.3%	0.17x	2.2x	1.0x
Health Care	22.2%	1.00x	2.8x	0.8x
Industrials	15.8%	0.69x	3.8x	1.3x
Materials	19.7%	0.63x	2.2x	0.6x
Technology	32.2%	0.59x	2.3x	0.6x
Utilities	11.7%	0.22x	3.9x	1.7x

*most recent FY available, except averages as noted

Range of Earnings Estimates (2025E)

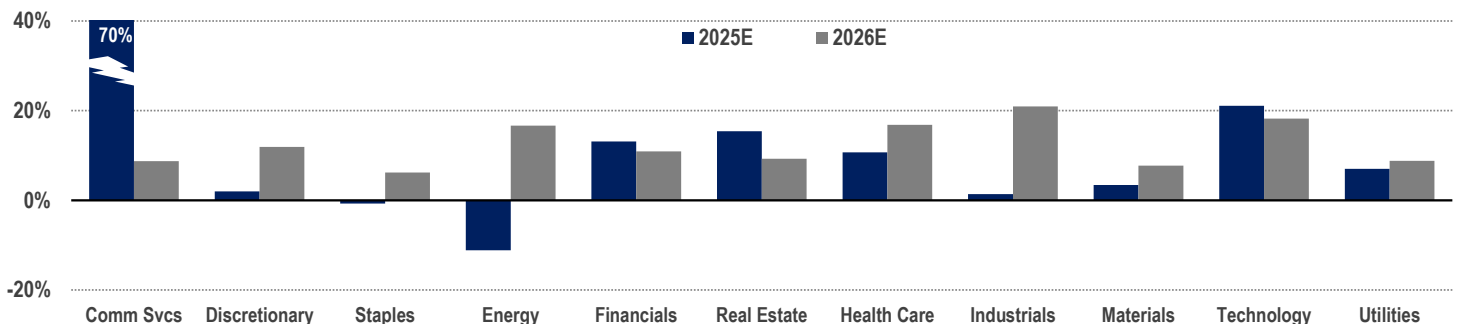


Valuation multiples (based on 2025 estimates)

	P/E	PEG	P/CF	P/Sales	P/BV
Comm. Services	19.0	3.1	7.8	2.3	3.0
Discretionary	28.5	2.6	14.6	2.5	6.9
Staples	20.0	4.5	11.1	1.4	4.0
Energy	16.9	1.0	6.2	1.3	2.0
Financials	17.9	1.8	13.9	3.6	2.2
Real Estate	15.6	2.0	14.2	6.4	2.7
Health Care	17.5	2.4	11.8	1.5	3.6
Industrials	26.7	4.5	15.1	2.8	5.6
Materials	25.1	6.6	10.8	2.1	2.6
Technology	30.9	2.6	20.9	7.2	7.9
Utilities	19.0	4.6	7.0	2.7	2.3

S&P 500	23.9	2.4	14.5	3.3	4.4
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Earnings per share growth



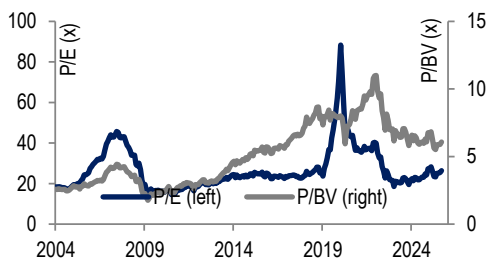
Note: All valuation metrics on this page calculated based on consensus estimates of current index constituents. Definitions of technical terms can be found on page 2 of this document.

Select Sector Indices

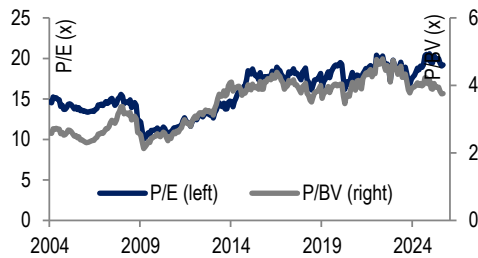
Trends in P/E and P/BV multiples

This page contains monthly observations of historical price-to-earnings (P/E) and price-to-book value (P/BV) multiples based on rolling twelve-months' earnings and book value per share figures, respectively, for each Sector SPDR (maximum value of 100). It illustrates how these indices have traded in the past in relation to these two valuation metrics.

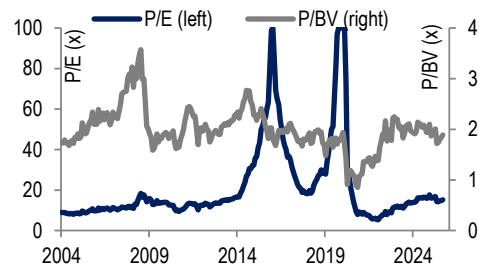
Consumer Discretionary (IXY)



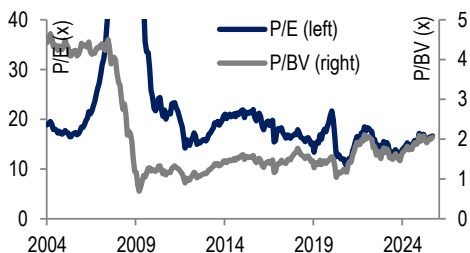
Consumer Staples (IXR)



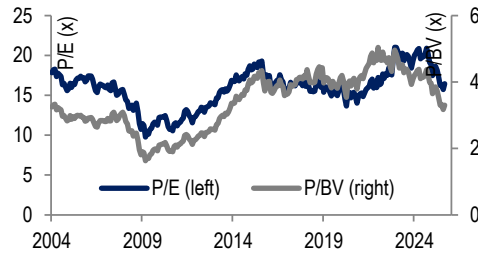
Energy (IXE)



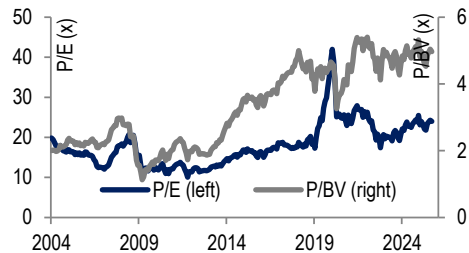
Financials (IXM)



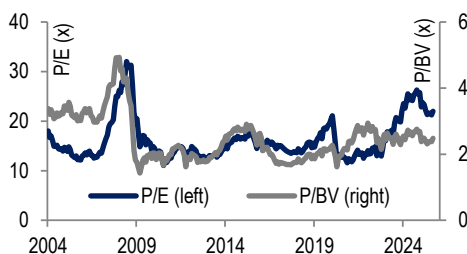
Health Care (IXV)



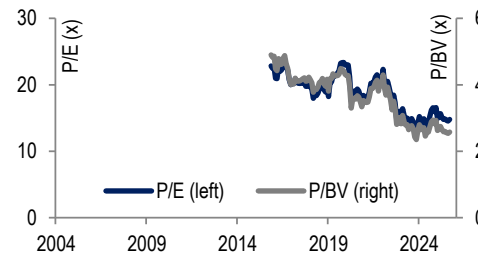
Industrials (IXI)



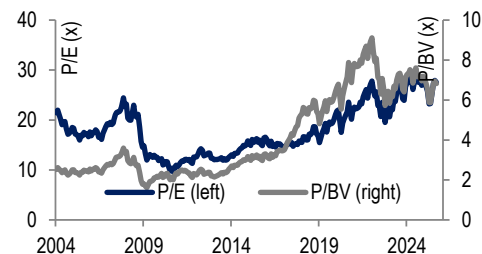
Materials (IXB)



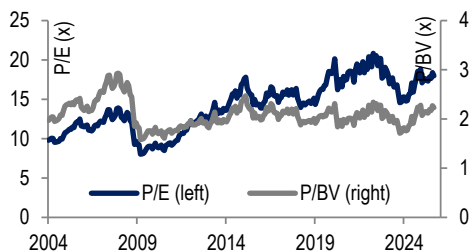
Real Estate (IXRE)



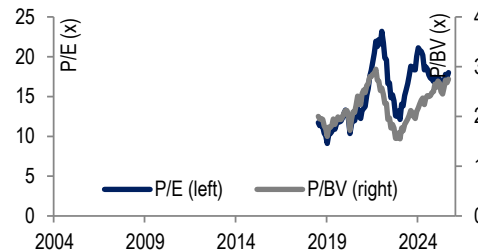
Technology (IXT)



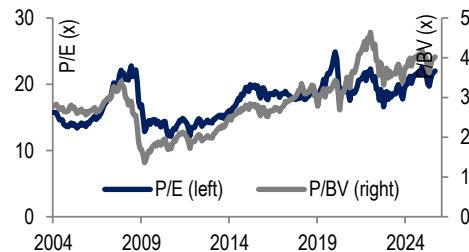
Utilities (IXU)



Communication Services (IXCTR)



S&P 500 (SPX)



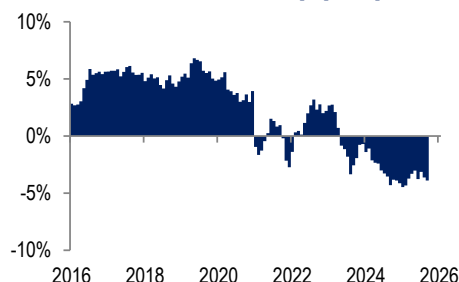
Select Sector Indices

Trends in Analysts Consensus Ratings

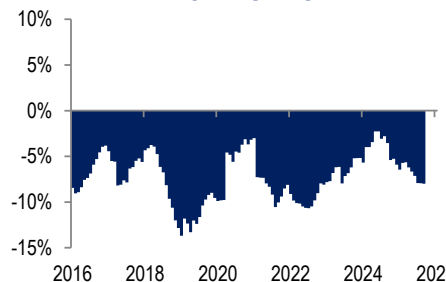
This page contains historical analysts' consensus ratings on each index's underlying constituents, relative to their ratings for the constituents of the S&P 500 overall. A reading of 5% means analysts are five percent more bullish on stocks in the sector than the market overall; a reading of negative 5% means they are five percent more bearish.

Given the prevalence of Buy ratings among analysts for all stocks, the trend and relative ratings may be more important than the rating *level* in gauging analysts' true sentiment regarding the stocks in each index. Investors may consider this along with other data and information when buying or selling any security tracking these indices.

Consumer Discretionary (IXY)



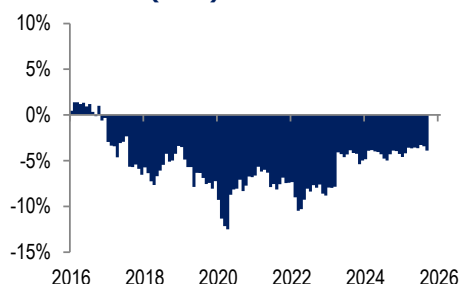
Consumer Staples (IXR)



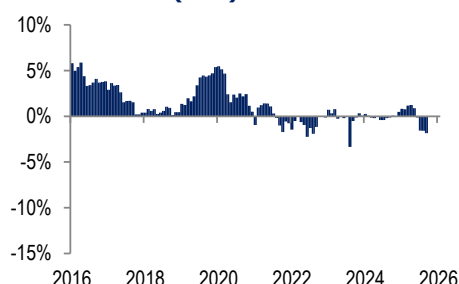
Energy (IXE)



Financials (IXM)



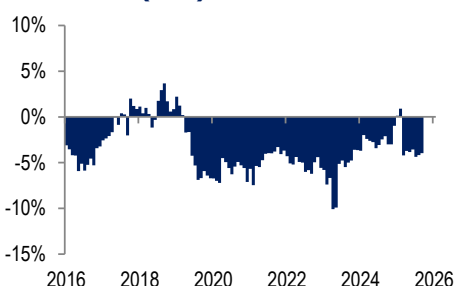
Health Care (IXV)



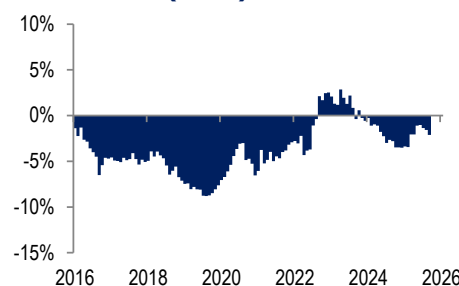
Industrials (IXI)



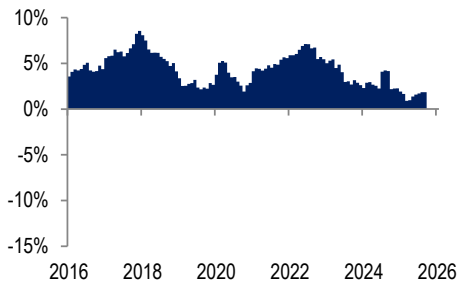
Materials (IXB)



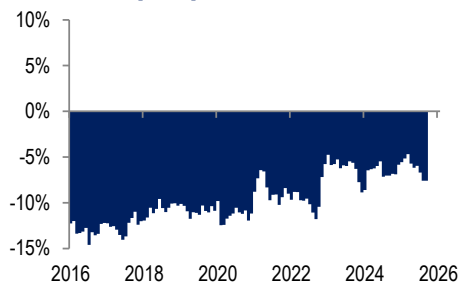
Real Estate (IXRE)



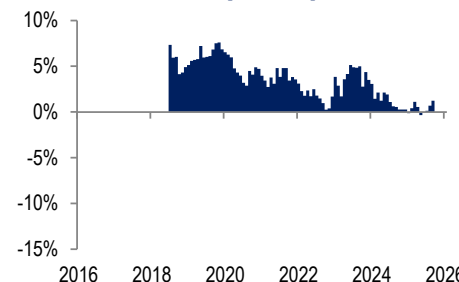
Technology (IXT)



Utilities (IXU)



Comm. Services (IXCTR)



Section II

Index Focus Pages

Index Price History



NOTES: An investor cannot invest directly in an index. Index returns do not represent returns from any fund. The Index does not charge management fees or brokerage expenses, nor does the Index lend securities, and no revenues from securities lending were added to the performance shown.

Description

The Communication Services Select Sector Index is a modified market-cap-weighted index of US telecommunication and media & entertainment components of the S&P 500 index. The index was established on April 30, 2018.

Index Total Returns

One year
Five year
Ten year
Since inception
**as of 08/29/25. See Notes.*

28.9%
13.0%
n/a
n/a

Risk Measures

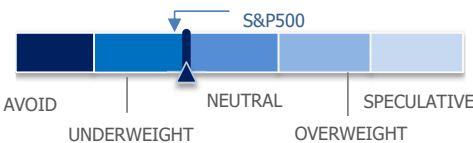
Beta vs. S&P 500
Standard deviation

1.01
17.5%

AltaVista Recommendation

NEUTRAL

Average appreciation potential. A rating of NEUTRAL indicates that valuations adequately reflect the fundamentals of stocks in these indices. The majority of indices we cover fall into this category. The rating is based on a proprietary scoring system that analyzes metrics such as Return on Equity and Price-to-Book Value multiples.



NOTE: See "How we rate Indices" on the Disclosure page for a definition of each rating level.

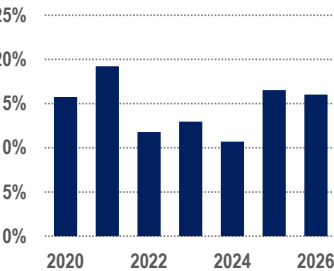
Per Share Results & Estimates

	2020	2021	2022	2023	2024	2025E	2026E	20-25E CAGR
Sales	234.26	260.67	307.91	315.45	322.35	334.95	352.55	7.4%
Earnings	28.38	35.21	23.59	27.88	24.22	41.19	44.78	7.7%
Book Value	178.49	187.93	212.86	217.85	235.46	263.41	296.08	8.1%
Dividends	21.41	7.46	7.67	5.84	6.62	13.24	12.11	n/m
Sales growth		11.3%	18.1%	2.4%	2.2%	3.9%	5.3%	
EPS growth		24.1%	-33.0%	18.2%	-13.1%	70.1%	8.7%	

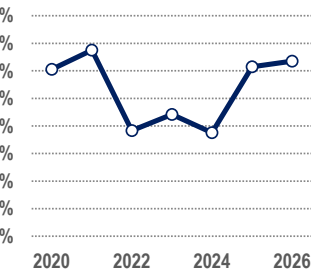
Analyst's Opinion

Profitability has been erratic as firms struggle with how to make money from streaming services and AI, but easy comps are likely to result in large profit gains this year with recovery in margins continuing through next year. We think valuations adequately reflect the sector's promising-but-bumpy long-term growth prospects ranking it slightly above the S&P 500 but within Neutral territory, while sell-side analysts rate the sector slightly above average (see Sentiment page).

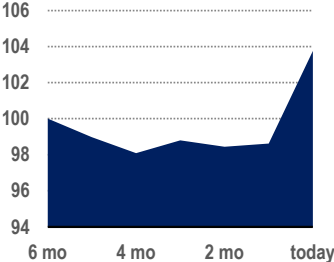
Return on Equity



Net Margins



Trend in Current FY Est.



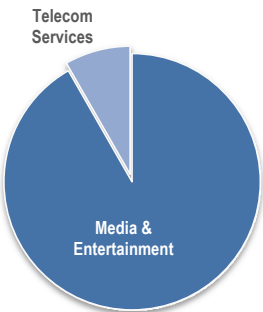
Valuation Metrics

	2025E	2026E
Price-to-Earnings	19.0	17.5
Price-to-Cash Flow	7.8	7.2
Price-to-Sales	2.3	2.2
Price-to-Book Value	3.0	2.6

Top 10 Constituents

META PLATFORMS INC	18.3%
ALPHABET INC. CLASS A	11.4%
ALPHABET INC. CLASS C	9.2%
NETFLIX INC	7.7%
ELECTRONIC ARTS INC	4.9%
T-MOBILE US, INC.	4.6%
AT&T INC	4.4%
VERIZON COMMUNICATIONS INC	4.3%
TAKE-TWO INTERACTIVE SOFTWARE	4.2%
WALT DISNEY CO/THE	4.2%
TOTAL	73.1%

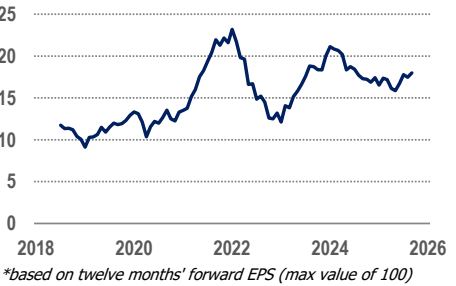
Industry Breakdown



Constituent Allocation

No. of constituents	23
Weighted avg mkt cap (mns)	\$970,293
Large cap (>\$10bn)	96.2%
Mid cap (\$2-10bn)	2.3%
Small cap (<\$2bn)	0.0%

Historical P/E Ratio*



Other Fundamental Data

LT growth est.	3.5%
Payout ratio	32.1%
Debt-to-equity	1.2x



For more information visit
www.etfrc.com

Consumer Discretionary Select Sector Index

IXY

INDEX PRICE
AS OF 8/31/25

2340.88

Index Price History



NOTES: An investor cannot invest directly in an index. Index returns do not represent returns from any fund. The Index does not charge management fees or brokerage expenses, nor does the Index lend securities, and no revenues from securities lending were added to the performance shown.

Description

The Consumer Discretionary Select Sector Index is a modified cap-weighted index. The index is intended to track the movements of companies in the S&P 500 that are involved in consumer cyclical or transportation industries. The index was established with a value of 250 on June 30, 1998.

Index Total Returns

One year 25.0%
Five year 10.0%
Ten year 13.3%
Since inception 10.8%

**as of 08/29/25. See Notes.*

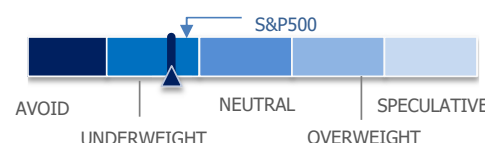
Risk Measures

Beta vs. S&P 500 1.14
Standard deviation 21.4%

AltaVista Recommendation

UNDERWEIGHT

Below average appreciation potential. A rating of UNDERWEIGHT indicates that stocks in this index are trading at relatively expensive valuations and/or have below-average fundamentals. The rating is based on a proprietary scoring system that analyzes metrics such as Return on Equity and Price-to-Book Value multiples.

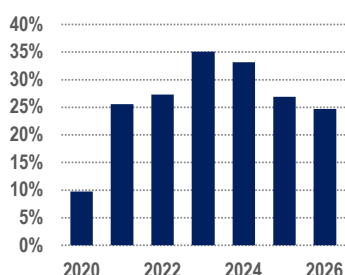


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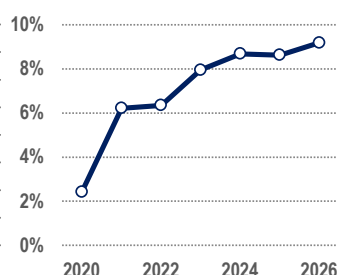
Per Share Results & Estimates

	2020	2021	2022	2023	2024	2025E	2026E	20-25E CAGR
Sales	591.43	719.52	815.68	880.84	927.91	952.96	1,001.14	10.0%
Earnings	14.34	44.75	51.82	70.10	80.61	82.22	92.02	41.8%
Book Value	158.39	191.93	187.88	211.72	274.45	337.28	408.60	16.3%
Dividends	32.43	20.30	15.46	18.79	17.88	19.39	20.71	n/m
Sales growth		21.7%	13.4%	8.0%	5.3%	2.7%	5.1%	
EPS growth		212.0%	15.8%	35.3%	15.0%	2.0%	11.9%	

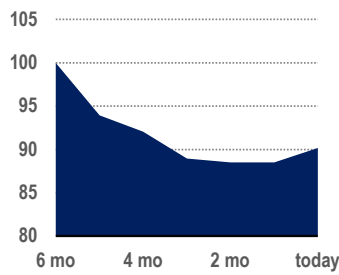
Return on Equity



Net Margins



Trend in Current FY Est.



Analyst's Opinion

Estimate revisions have stabilized and even ticked up in recent months (Trend chart), but labor market softness poses a new risk to consumer spending. That said, earnings growth is forecast at only 2% this year, and we question the margins implied by forecasts for next year. Given their lofty valuations and cloudy outlook, the sector ranks just below the S&P 500 in our value-conscious rating framework; sell-side analysts also rate it below-average (see

Valuation Metrics

	2025E	2026E
Price-to-Earnings	28.5	25.4
Price-to-Cash Flow	14.6	13.3
Price-to-Sales	2.5	2.3
Price-to-Book Value	6.9	5.7

Historical P/E Ratio*

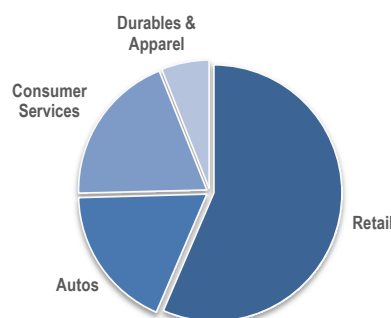


**based on twelve months' forward EPS (max value of 100)*

Top 10 Constituents

AMAZON.COM INC	22.8%
TESLA MOTORS INC	16.1%
HOME DEPOT INC	7.0%
MCDONALD'S CORP	4.3%
BOOKING HOLDINGS INC.	4.3%
TJX COMPANIES INC	3.7%
LOWE'S COS INC	3.5%
STARBUCKS CORP	2.4%
NIKE INC -CL B	2.2%
ROYAL CARIBBEAN CRUISES LTD	2.2%
TOTAL	68.6%

Industry Breakdown



Constituent Allocation

No. of constituents	51
Weighted avg mkt cap (mns)	\$807,250
Large cap (>\$10bn)	98.2%
Mid cap (\$2-10bn)	1.8%
Small cap (<\$2bn)	0.0%

Other Fundamental Data

LT growth est.	11.2%
Payout ratio	23.6%
Debt-to-equity	2.2x



For more information visit
www.etfrc.com

Consumer Staples Select Sector Index

IXR

INDEX PRICE
AS OF 8/31/25

814.21

Index Price History



NOTES: An investor cannot invest directly in an index. Index returns do not represent returns from any fund. The Index does not charge management fees or brokerage expenses, nor does the Index lend securities, and no revenues from securities lending were added to the performance shown.

Description

The Consumer Staples Select Sector Index is a modified cap-weighted index. The index is intended to track the movements of companies in the S&P 500 that are involved in the development or production of consumer goods. The index was developed with a value of 250 on June 30, 1998.

Index Total Returns

One year 0.4%
Five year 7.1%
Ten year 8.5%
Since inception 7.5%
**as of 08/29/25. See Notes.*

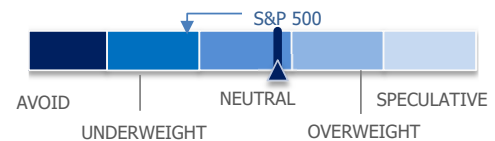
Risk Measures

Beta vs. S&P 500 0.60
Standard deviation 13.0%

AltaVista Recommendation

NEUTRAL

Average appreciation potential. A rating of NEUTRAL indicates that valuations adequately reflect the fundamentals of stocks in these indices. The majority of indices we cover fall into this category. The rating is based on a proprietary scoring system that analyzes metrics such as Return on Equity and Price-to-Book Value multiples.

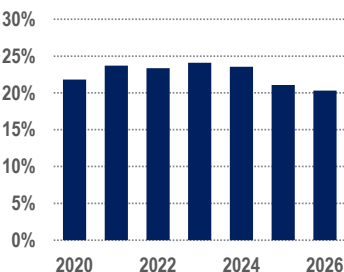


NOTE: See "How we rate Indices" on the Disclosure page for a definition of each rating level.

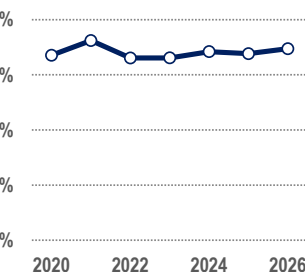
Per Share Results & Estimates

	2020	2021	2022	2023	2024	2025E	2026E	20-25E CAGR
Sales	484.82	524.23	575.83	595.49	599.42	601.33	622.10	4.4%
Earnings	32.56	38.00	38.10	39.41	41.02	40.72	43.24	4.6%
Book Value	157.14	163.79	162.78	164.39	184.15	202.70	223.06	5.2%
Dividends	16.53	17.44	18.75	20.46	21.27	22.17	22.88	6.1%
Sales growth		8.1%	9.8%	3.4%	0.7%	0.3%	3.5%	
EPS growth		16.7%	0.3%	3.4%	4.1%	-0.7%	6.2%	

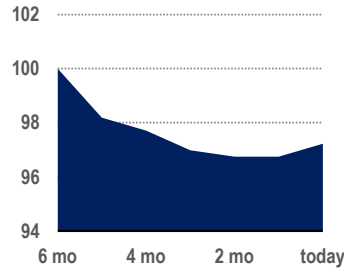
Return on Equity



Net Margins



Trend in Current FY Est.



Analyst's Opinion

Both sales and earnings are forecast at basically flat this year, but the sector's relatively high and stable margins and ROE helps rank it well ahead of the S&P 500 in our value-conscious framework. Trading within a tight historical valuation range (P/E chart) for past ~10 years, Staples borders on an upgrade to Overweight. But sell-side analysts disagree and continue to rank the sector lower than any other (see Sentiment page).

Valuation Metrics

	2025E	2026E
Price-to-Earnings	20.0	18.8
Price-to-Cash Flow	11.1	10.6
Price-to-Sales	1.4	1.3
Price-to-Book Value	4.0	3.7

Historical P/E Ratio*



**based on twelve months' forward EPS (max value of 100)*

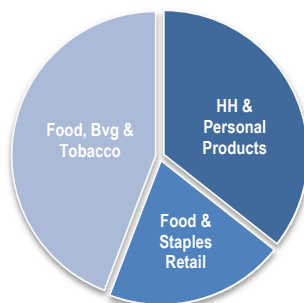
Other Fundamental Data

LT growth est.	4.7%
Payout ratio	54.5%
Debt-to-equity	1.1x

Top 10 Constituents

WAL-MART STORES INC	9.6%
COSTCO WHOLESALE CORP	9.6%
PROCTER & GAMBLE CO/THE	8.5%
COCA-COLA CO/THE	6.1%
PHILIP MORRIS INTERNATIONAL	6.0%
PEPSICO INC	5.2%
ALTRIA GROUP INC	5.1%
MONDELEZ INTERNATIONAL INC-A	4.2%
COLGATE-PALMOLIVE CO	4.1%
MONSTER BEVERAGE CORPORATION	2.8%
TOTAL	61.2%

Industry Breakdown



Constituent Allocation

No. of constituents	37
Weighted avg mkt cap (mns)	\$215,356
Large cap (>\$10bn)	99.0%
Mid cap (\$2-10bn)	1.0%
Small cap (<\$2bn)	0.0%



For more information visit
www.etfrc.com

Energy Select Sector Index

IXE

INDEX PRICE
AS OF 8/31/25

944.19

Index Price History



NOTES: An investor cannot invest directly in an index. Index returns do not represent returns from any fund. The Index does not charge management fees or brokerage expenses, nor does the Index lend securities, and no revenues from securities lending were added to the performance shown.

Description

The Energy Select Sector Index is a modified capitalization-weighted index. The index is intended to track the movements of companies in the S&P 500 that are involved in the development or production of energy products. The index was established with a value of 250 on June 30, 1998.

Index Total Returns

One year
Five year
Ten year
Since inception
**as of 08/29/25. See Notes.*

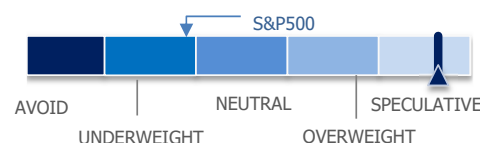
Risk Measures

Beta vs. S&P 500 0.79
Standard deviation 23.3%

AltaVista Recommendation

SPECULATIVE

Deeply undervalued but risky. A rating of SPECULATIVE indicates exceptional appreciation potential in our opinion. However, firms in this index may also have deep structural issues, which can carry extra risk. The rating is based on a proprietary scoring system that analyzes metrics such as Return on Equity and Price-to-Book Value multiples.

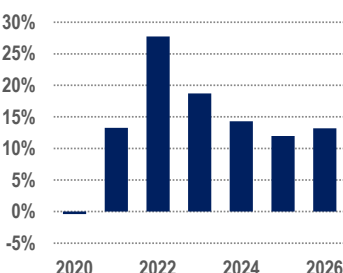


NOTE: See "How we rate Indices" on the Disclosure page for a definition of each rating level.

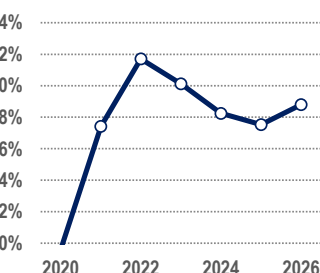
Per Share Results & Estimates

	2020	2021	2022	2023	2024	2025E	2026E	20-25E CAGR
Sales	383.46	612.33	924.34	778.42	761.29	741.02	739.66	14.1%
Earnings	-1.46	45.44	108.22	78.76	62.78	55.78	65.08	n/m
Book Value	323.71	361.21	418.25	423.68	454.91	477.89	508.92	8.1%
Dividends	23.92	24.86	31.96	31.13	31.55	32.80	34.05	6.5%
Sales growth		59.7%	51.0%	-15.8%	-2.2%	-2.7%	-0.2%	
EPS growth		-3207.1%	138.2%	-27.2%	-20.3%	-11.1%	16.7%	

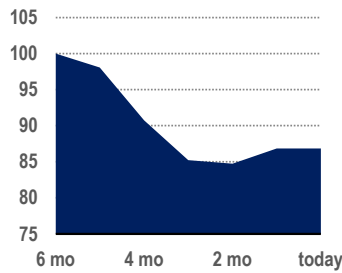
Return on Equity



Net Margins



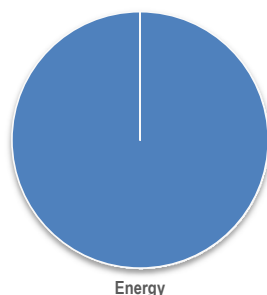
Trend in Current FY Est.



Top 10 Constituents

EXXON MOBIL CORP	22.8%
CHEVRON CORP	18.5%
CONOCOPHILLIPS	7.5%
EOG RESOURCES, INC.	4.4%
WILLIAMS COS INC	4.2%
SCHLUMBERGER LTD	3.9%
MARATHON PETROLEUM	3.9%
PHILLIPS 66	3.8%
KINDER MORGAN INC	3.7%
ONEOK INC	3.4%
TOTAL	76.1%

Industry Breakdown



Constituent Allocation

No. of constituents	22
Weighted avg mkt cap (mns)	\$197,216
Large cap (>\$10bn)	97.9%
Mid cap (\$2-10bn)	0.5%
Small cap (<\$2bn)	1.6%

Analyst's Opinion

Earnings forecasts for Energy firms are by far the most uncertain of any sector (see "Range" graph, Valuation page; and Trend graph below). We like Energy long term due to years of underinvestment and attractive valuation metrics (~6x cash flow) but the production-friendly policies of the Trump administration will likely result in greater capex in the face of lower oil prices which could put a big dent in profitability, resulting in our Speculative rating.

Valuation Metrics

	2025E	2026E
Price-to-Earnings	16.9	14.5
Price-to-Cash Flow	6.2	5.7
Price-to-Sales	1.3	1.3
Price-to-Book Value	2.0	1.9

Historical P/E Ratio*



**based on twelve months' forward EPS (max value of 100)*

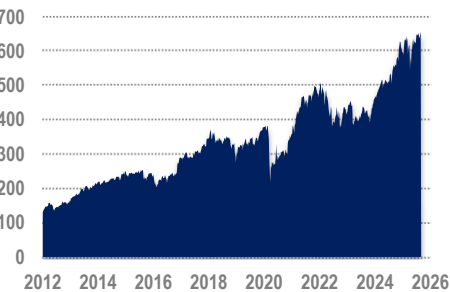
Other Fundamental Data

LT growth est.	18.7%
Payout ratio	58.8%
Debt-to-equity	0.5x



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Index Price History



NOTES: An investor cannot invest directly in an index. Index returns do not represent returns from any fund. The Index does not charge management fees or brokerage expenses, nor does the Index lend securities, and no revenues from securities lending were added to the performance shown.

Description

The Financial Select Sector Index is a modified cap-weighted index. The index is intended to track the movements of companies in the S&P 500 that are involved in the development or production of financial products. This index was established with a value of 250 on June 30, 1998.

Index Total Returns

One year
Five year
Ten year
Since inception
**as of 08/29/25. See Notes.*

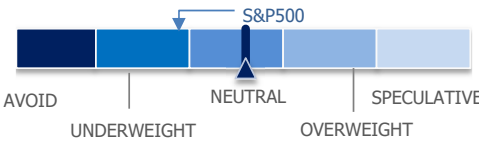
Risk Measures

Beta vs. S&P 500
Standard deviation

AltaVista Recommendation

NEUTRAL

Average appreciation potential. A rating of NEUTRAL indicates that valuations adequately reflect the fundamentals of stocks in these indices. The majority of indices we cover fall into this category. The rating is based on a proprietary scoring system that analyzes metrics such as Return on Equity and Price-to-Book Value multiples.



NOTE: See "How we rate Indices" on the Disclosure page for a definition of each rating level.

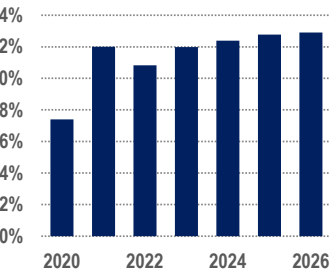
Per Share Results & Estimates

	2020	2021	2022	2023	2024	2025E	2026E	20-25E CAGR
Sales	131.70	148.81	152.01	173.06	176.01	186.97	197.31	7.3%
Earnings	17.48	29.79	26.22	29.05	32.86	37.17	41.23	16.3%
Book Value	243.09	253.06	231.65	253.06	277.44	304.39	334.55	4.6%
Dividends	7.39	8.25	8.00	8.00	8.49	10.22	11.08	6.7%
Sales growth		13.0%	2.2%	13.8%	1.7%	6.2%	5.5%	
EPS growth		70.4%	-12.0%	10.8%	13.1%	13.1%	10.9%	

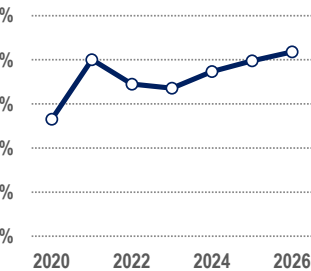
Analyst's Opinion

Estimate revisions have been erratic as analysts struggle to assess the outlook for interest rates, the economy and the stock market, but barring a recession ROE is forecast to stay at a solid 12-13%. Meanwhile valuations remain well within historical norms in terms (P/E History chart) resulting in a ranking well ahead of the S&P 500 in our value-conscious framework, though still in Neutral territory. However sell-side analysts rank Financials slightly below-average.

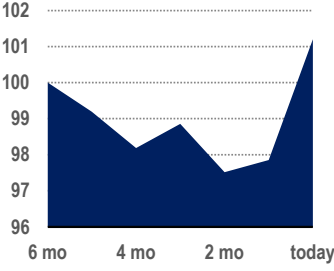
Return on Equity



Net Margins



Trend in Current FY Est.



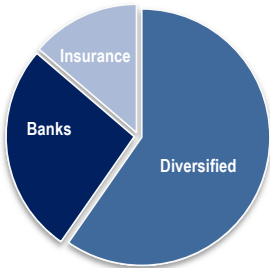
Valuation Metrics

	2025E	2026E
Price-to-Earnings	17.9	16.1
Price-to-Cash Flow	13.9	12.8
Price-to-Sales	3.6	3.4
Price-to-Book Value	2.2	2.0

Top 10 Constituents

BERKSHIRE HATHAWAY INC-CL B	12.0%
JPMORGAN CHASE & CO	10.9%
VISA INC. CLASS A	7.9%
MASTERCARD INCORPORATED CLASS	6.3%
BANK OF AMERICA CORP	4.3%
WELLS FARGO & CO	3.5%
GOLDMAN SACHS GROUP INC	3.0%
MORGAN STANLEY	2.4%
AMERICAN EXPRESS CO	2.4%
CITIGROUP INC	2.4%
TOTAL	55.1%

Industry Breakdown



Constituent Allocation

No. of constituents	75
Weighted avg mkt cap (mns)	\$391,164
Large cap (>\$10bn)	99.7%
Mid cap (\$2-10bn)	0.3%
Small cap (<\$2bn)	0.0%

Historical P/E Ratio*



Other Fundamental Data

LT growth est.	9.9%
Payout ratio	27.5%
Debt-to-equity	1.0x



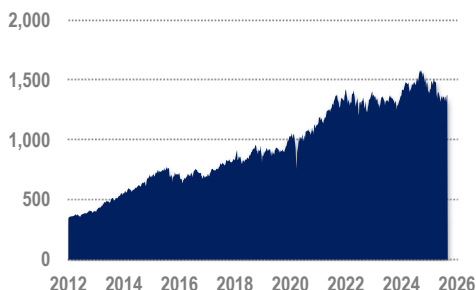
For more information visit
www.etfrc.com

Health Care Select Sector Index

IXV

INDEX PRICE
AS OF 8/31/25 **1385.71**

Index Price History



NOTES: An investor cannot invest directly in an index. Index returns do not represent returns from any fund. The Index does not charge management fees or brokerage expenses, nor does the Index lend securities, and no revenues from securities lending were added to the performance shown.

Description

The Health Care Select Sector Index is a modified cap-weighted index. The index is intended to track the movements of companies in the S&P 500 that are involved in health care services. The index was established with a value of 250 on June 30, 1998.

Index Total Returns

One year -11.1%
Five year 6.6%
Ten year 8.8%
Since inception 8.6%
**as of 08/29/25. See Notes.*

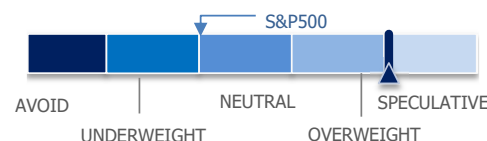
Risk Measures

Beta vs. S&P 500 0.55
Standard deviation 13.8%

AltaVista Recommendation

SPECULATIVE

Deeply undervalued but risky. A rating of SPECULATIVE indicates exceptional appreciation potential in our opinion. However, firms in this index may also have deep structural issues, which can carry extra risk. The rating is based on a proprietary scoring system that analyzes metrics such as Return on Equity and Price-to-Book Value multiples.

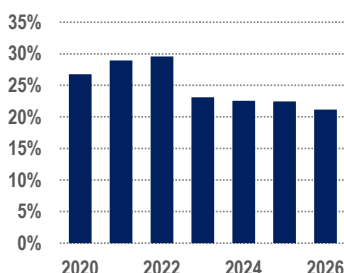


NOTE: See "How we rate Indices" on the Disclosure page for a definition of each rating level.

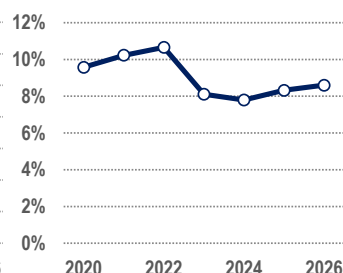
Per Share Results & Estimates

	2020	2021	2022	2023	2024	2025E	2026E	20-25E CAGR
Sales	648.74	736.16	773.77	804.63	882.37	953.55	1,008.20	8.0%
Earnings	62.11	75.32	82.48	65.24	68.77	79.35	86.71	5.0%
Book Value	244.82	275.57	281.92	282.73	327.19	380.23	439.62	9.2%
Dividends	18.25	20.57	21.88	23.90	24.30	26.32	27.32	7.6%
Sales growth		13.5%	5.1%	4.0%	9.7%	8.1%	5.7%	
EPS growth		21.3%	9.5%	-20.9%	5.4%	15.4%	9.3%	

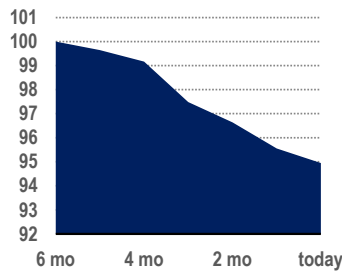
Return on Equity



Net Margins



Trend in Current FY Est.



Analyst's Opinion

Estimates continue to fall at a brisk pace for Health Care (see Trend chart) and as a result earnings for this year are likely to fall short of their vaccine-related peak of 2022. As the worst performing sector over the past year, valuations are attractive at their lowest point in ~4 years (see P/E History chart), but major uncertainties like the recently announced Most Favored Nation pricing policy remain, resulting in our Speculative designation.

Valuation Metrics

	2025E	2026E
Price-to-Earnings	17.5	16.0
Price-to-Cash Flow	11.8	10.9
Price-to-Sales	1.5	1.4
Price-to-Book Value	3.6	3.2

Historical P/E Ratio*

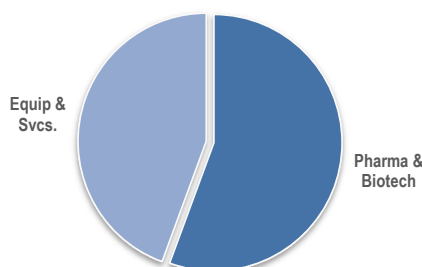


**based on twelve months' forward EPS (max value of 100)*

Top 10 Constituents

ELI LILLY & CO	11.6%
JOHNSON & JOHNSON	8.6%
ABBVIE INC	7.5%
UNITEDHEALTH GROUP INC	5.6%
ABBOTT LABORATORIES	4.6%
MERCK & CO. INC.	4.2%
THERMO FISHER SCIENTIFIC INC	3.7%
INTUITIVE SURGICAL INC	3.4%
BOSTON SCIENTIFIC CORP	3.1%
AMGEN INC	3.1%
TOTAL	55.5%

Industry Breakdown



Constituent Allocation

No. of constituents	60
Weighted avg mkt cap (mns)	\$234,555
Large cap (>\$10bn)	99.3%
Mid cap (\$2-10bn)	0.5%
Small cap (<\$2bn)	0.0%

Other Fundamental Data

LT growth est.	7.6%
Payout ratio	33.2%
Debt-to-equity	0.8x



For more information visit
www.etfrc.com

Industrial Select Sector Index

IXI

INDEX PRICE
AS OF 8/31/25 **1530.15**

Index Price History



NOTES: An investor cannot invest directly in an index. Index returns do not represent returns from any fund. The Index does not charge management fees or brokerage expenses, nor does the Index lend securities, and no revenues from securities lending were added to the performance shown.

Description

The Industrial Select Sector index is a modified capitalization-weighted index. The index is intended to track the movements of companies in the S&P 500 that are involved in industrial products and services. The index was established with a value of 250 on June 30, 1998.

Index Total Returns

One year
Five year
Ten year
Since inception
**as of 08/29/25. See Notes.*

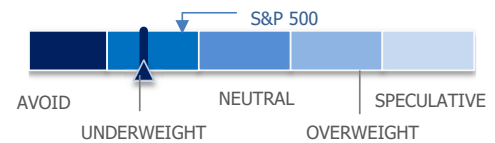
Risk Measures

Beta vs. S&P 500 1.07
Standard deviation 18.6%

AltaVista Recommendation

UNDERWEIGHT

Below average appreciation potential. A rating of UNDERWEIGHT indicates that stocks in this index are trading at relatively expensive valuations and/or have below-average fundamentals. The rating is based on a proprietary scoring system that analyzes metrics such as Return on Equity and Price-to-Book Value multiples.



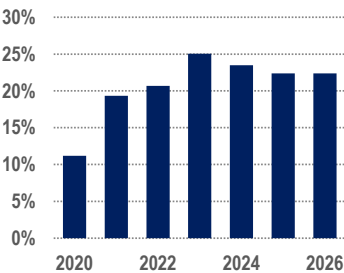
NOTE: See "How we rate Indices" on the Disclosure page for a definition of each rating level.

Per Share Results & Estimates

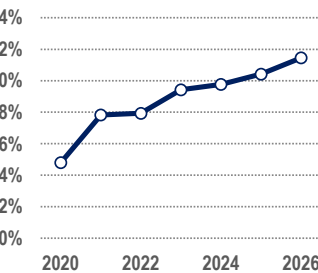
	2020	2021	2022	2023	2024	2025E	2026E	20-25E CAGR
Sales	407.38	460.63	511.56	534.01	530.89	550.62	585.45	6.2%
Earnings	19.53	36.04	40.57	50.33	51.84	57.38	67.04	24.1%
Book Value	177.87	195.28	197.40	204.34	237.16	275.71	324.03	9.2%
Dividends	22.45	14.50	17.21	18.22	19.02	18.82	18.72	n/m

Sales growth	13.1%	11.1%	4.4%	-0.6%	3.7%	6.3%
EPS growth	84.5%	12.6%	24.1%	3.0%	10.7%	16.8%

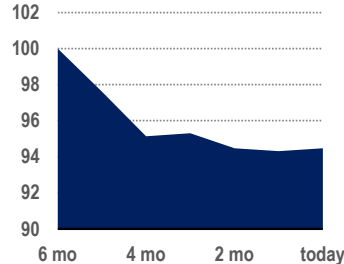
Return on Equity



Net Margins



Trend in Current FY Est.



Analyst's Opinion

This export-oriented sector has a lot riding on the outcome of the roller-coaster drama over tariffs, but in any case forecasts appear to have stabilized in recent months (Trend chart). But P/E multiples remain elevated historically speaking (excluding the COVID earnings collapse) and the rising margins implied by consensus forecasts for this year and next strikes us as optimistic, resulting in our Underweight recommendation. Sell-side analysts concur (see Sentiment page).

Valuation Metrics

	2025E	2026E
Price-to-Earnings	26.7	22.8
Price-to-Cash Flow	15.1	13.5
Price-to-Sales	2.8	2.6
Price-to-Book Value	5.5	4.7

Historical P/E Ratio*



**based on twelve months' forward EPS (max value of 100)*

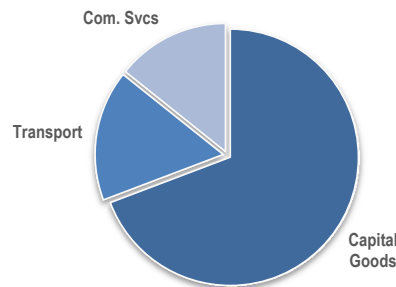
Other Fundamental Data

LT growth est.	6.3%
Payout ratio	32.8%
Debt-to-equity	1.3x

Top 10 Constituents

GE AEROSPACE	6.3%
RTX CORP	4.6%
CATERPILLAR INC	4.2%
UBER TECHNOLOGIES, INC.	4.2%
BOEING CO	3.8%
GE VERONA	3.6%
HONEYWELL INTERNATIONAL INC	3.0%
EATON CORP PLC	2.9%
UNION PACIFIC CORP	2.9%
AUTOMATIC DATA PROCESSING	2.7%
TOTAL	38.3%

Industry Breakdown



Constituent Allocation

No. of constituents	78
Weighted avg mkt cap (mns)	\$111,221
Large cap (>\$10bn)	96.7%
Mid cap (\$2-10bn)	0.6%
Small cap (<\$2bn)	0.0%



For more information visit
www.etfrc.com

Index Price History



NOTES: An investor cannot invest directly in an index. Index returns do not represent returns from any fund. The Index does not charge management fees or brokerage expenses, nor does the Index lend securities, and no revenues from securities lending were added to the performance shown.

Description

The Materials Select Sector Index is a modified capitalization-weighted index. The index is intended to track the movements of companies in the S&P 500 that are involved in basic industries. The index was established with a value of 250 on June 30, 1998.

Index Total Returns

One year
Five year
Ten year
Since inception
**as of 08/29/25. See Notes.*

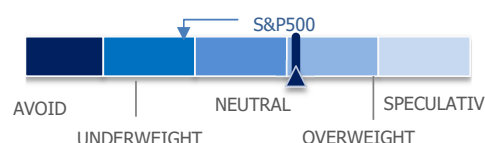
Risk Measures

Beta vs. S&P 500 1.04
Standard deviation 19.4%

AltaVista Recommendation

OVERWEIGHT

Above average appreciation potential. A rating of OVERWEIGHT indicates that stocks in this index are trading at attractive valuations and/or have above-average fundamentals. The rating is based on a proprietary scoring system that analyzes metrics such as Return on Equity and Price-to-Book Value multiples.

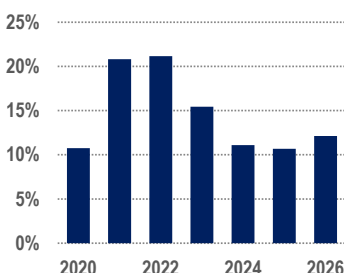


NOTE: See "How we rate Indices" on the Disclosure page for a definition of each rating level.

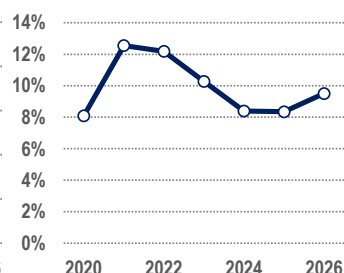
Per Share Results & Estimates

	2020	2021	2022	2023	2024	2025E	2026E	20-25E CAGR
Sales	381.44	502.72	561.03	499.44	458.62	467.32	496.26	4.1%
Earnings	30.85	63.08	68.38	51.31	38.48	39.01	47.18	4.8%
Book Value	286.24	319.32	326.85	337.98	355.58	374.98	403.39	5.5%
Dividends	16.64	18.34	21.73	20.35	20.89	19.61	18.76	3.3%
Sales growth		31.8%	11.6%	-11.0%	-8.2%	1.9%	6.2%	
EPS growth		104.5%	8.4%	-25.0%	-25.0%	1.4%	20.9%	

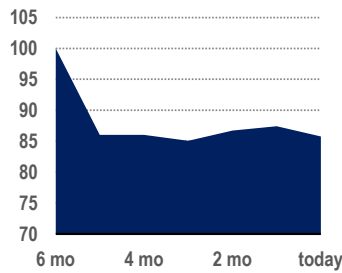
Return on Equity



Net Margins



Trend in Current FY Est.



Analyst's Opinion

Headwinds including weak Chinese demand and trade disruptions are weighing on the sector, though estimates at least appear to have stabilized in recent months (Trend chart). Our Overweight recommendation is a valuation call that comes with a major caveat: our ratings partly reflect historical profitability (ROE & margins) from the pandemic boom years of 2021-22 that may not be repeatable. Sell-side analysts meanwhile rate Materials below average.

Valuation Metrics

	2025E	2026E
Price-to-Earnings	25.1	20.7
Price-to-Cash Flow	10.8	9.6
Price-to-Sales	2.1	2.0
Price-to-Book Value	2.6	2.4

Historical P/E Ratio*



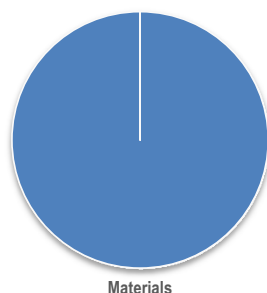
Other Fundamental Data

LT growth est.	4.4%
Payout ratio	50.3%
Debt-to-equity	0.6x

Top 10 Constituents

LINDE PLC	16.0%
SHERWIN-WILLIAMS CO/THE	6.0%
NEWMONT MINING CORP	6.0%
ECOLAB INC	5.0%
MARTIN MARIETTA MATERIALS	4.8%
VULCAN MATERIALS CO	4.8%
NUCOR CORP	4.7%
AIR PRODUCTS & CHEMICALS INC	4.7%
FREEMONT-MCMORAN COPPER	4.6%
CORTEVA INC	4.4%
TOTAL	61.0%

Industry Breakdown



Constituent Allocation

No. of constituents	26
Weighted avg mkt cap (mns)	\$71,072
Large cap (>\$10bn)	98.8%
Mid cap (\$2-10bn)	1.2%
Small cap (<\$2bn)	0.0%



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Index Price History



NOTES: An investor cannot invest directly in an index. Index returns do not represent returns from any fund. The Index does not charge management fees or brokerage expenses, nor does the Index lend securities, and no revenues from securities lending were added to the performance shown.

Description

The Real Estate Select Sector Index is a modified cap-weighted index. The index is intended to track the movements of Real Estate Investment Trusts in the S&P 500, excluding Mortgage REITs. This index was established with a value of 147.88 on August 17, 2015.

Index Total Returns

One year
Five year
Ten year
Since inception
**as of 08/29/25. See Notes.*

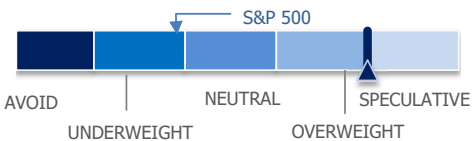
Risk Measures

Beta vs. S&P 500
Standard deviation

AltaVista Recommendation

SPECULATIVE

Deeply undervalued but risky. A rating of SPECULATIVE indicates exceptional appreciation potential in our opinion. However, firms in this index may also have deep structural issues, which can carry extra risk. The rating is based on a proprietary scoring system that analyzes metrics such as Return on Equity and Price-to-Book Value multiples.

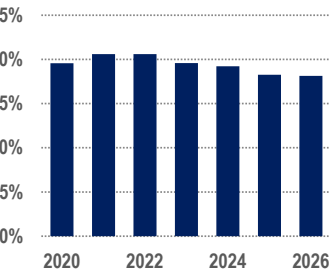


NOTE: See "How we rate Indices" on the Disclosure page for a definition of each rating level.

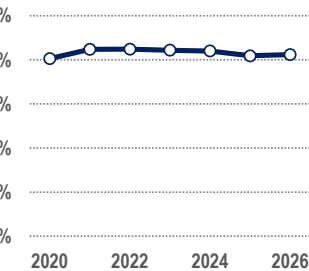
Per Share Results & Estimates

	2020	2021	2022	2023	2024	2025E	2026E	20-25E CAGR
Sales	20.45	23.25	26.83	28.59	30.70	32.61	34.87	9.8%
Earnings	8.24	9.86	11.38	12.06	12.90	13.34	14.37	10.1%
Book Value	44.33	51.30	59.09	64.10	70.13	75.91	82.58	11.4%
Dividends	5.69	5.54	6.67	6.67	6.87	7.55	7.70	5.8%
Sales growth		13.7%	15.4%	6.6%	7.4%	6.2%	6.9%	
EPS growth		19.6%	15.4%	6.0%	6.9%	3.4%	7.7%	

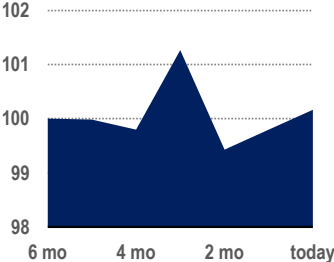
Return on Equity



Net Margins



Trend in Current FY Est.



Analyst's Opinion

The Real Estate sector is dominated by booming tech and mobile infrastructure plays more so than troubled commercial real estate, yet valuation multiples appear in a downward trend for the last decade (see P/E history), which we think might get a rerating (i.e., trend higher) if in fact the Fed embarks on a cycle of lowering rates. We rank the sector borderline Overweight/Speculative, but consensus outlook among sell-side analysts is slightly below average.

Valuation Metrics

	2025E	2026E
Price-to-Earnings	15.6	14.4
Price-to-Cash Flow	14.2	13.2
Price-to-Sales	6.4	6.0
Price-to-Book Value	2.7	2.5

Historical P/E Ratio*



**based on twelve months' forward FFO (max value of 100)*

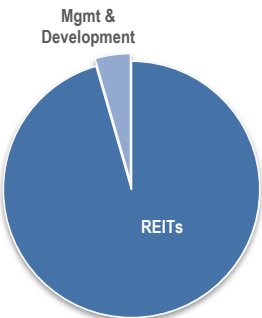
Other Fundamental Data

LT growth est.	8.0%
Payout ratio	56.6%
Debt-to-equity	1.0x

Top 10 Constituents

PROLOGIS INC	9.6%
WELLTOWER, INC.	9.6%
AMERICAN TOWER CORP-CL A	8.7%
EQUINIX INC	7.0%
SIMON PROPERTY GROUP INC	5.1%
DIGITAL REALTY TRUST INC	4.8%
REALTY INCOME CORP	4.8%
CBRE GROUP, INC. CLASS A	4.3%
PUBLIC STORAGE	4.2%
CROWN CASTLE INTL CORP	3.9%
TOTAL	62.2%

Industry Breakdown



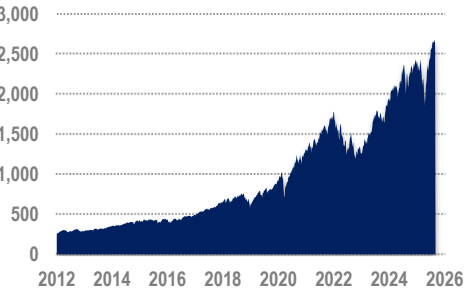
Constituent Allocation

No. of constituents	31
Weighted avg mkt cap (mns)	\$57,649
Large cap (>\$10bn)	99.3%
Mid cap (\$2-10bn)	0.7%
Small cap (<\$2bn)	0.0%



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Index Price History



NOTES: An investor cannot invest directly in an index. Index returns do not represent returns from any fund. The Index does not charge management fees or brokerage expenses, nor does the Index lend securities, and no revenues from securities lending were added to the performance shown.

Description

The Technology Select Sector Index is a modified cap-weighted index. The index is intended to track the movements of companies in the S&P 500 that are involved in the development or production of technology products. The index was established with a value of 250 on June 30, 1998.

Index Total Returns

One year 20.0%
Five year 17.3%
Ten year 22.2%
Since inception 11.1%
**as of 08/29/25. See Notes.*

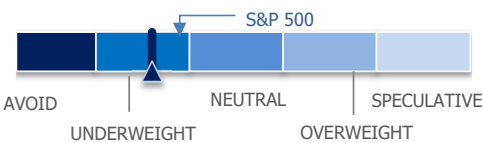
Risk Measures

Beta vs. S&P 500 1.18
Standard deviation 20.4%

AltaVista Recommendation

UNDERWEIGHT

Below average appreciation potential. A rating of UNDERWEIGHT indicates that stocks in this index are trading at relatively expensive valuations and/or have below-average fundamentals. The rating is based on a proprietary scoring system that analyzes metrics such as Return on Equity and Price-to-Book Value multiples.

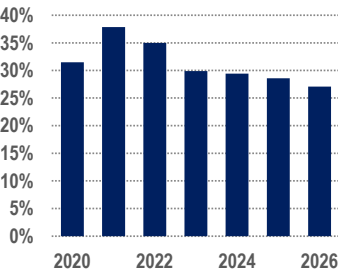


NOTE: See "How we rate Indices" on the Disclosure page for a definition of each rating level.

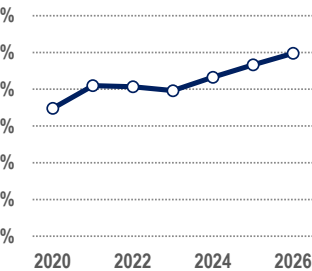
Per Share Results & Estimates

	2020	2021	2022	2023	2024	2025E	2026E	20-25E CAGR
Sales	243.04	282.90	309.37	306.45	326.58	366.83	406.28	8.6%
Earnings	42.27	57.97	62.90	60.69	70.65	85.54	101.14	15.1%
Book Value	138.88	167.16	192.12	214.16	265.99	332.61	414.84	19.1%
Dividends	19.32	15.30	18.22	19.73	18.82	18.92	18.92	n/m
Sales growth		16.4%	9.4%	-0.9%	6.6%	12.3%	10.8%	
EPS growth		37.1%	8.5%	-3.5%	16.4%	21.1%	18.2%	

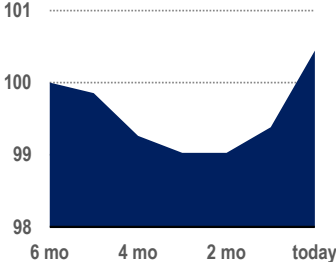
Return on Equity



Net Margins



Trend in Current FY Est.



Analyst's Opinion

Tech stocks went on a wild ride in the first half, entering a bear market on trade turmoil before rebounding by nearly 50% to reach new highs. As a result, valuations are also back near their highs for the last 20 years (see P/E chart), resulting in our Underweight recommendation. Nonetheless the outlook for earnings growth remains robust, fueled by strong AI-related spending, and sell-side analysts continue to rate Tech higher than any other sector.

Valuation Metrics

	2025E	2026E
Price-to-Earnings	30.9	26.1
Price-to-Cash Flow	20.9	17.9
Price-to-Sales	7.2	6.5
Price-to-Book Value	7.9	6.4

Historical P/E Ratio*



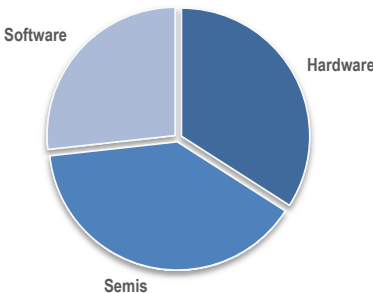
Other Fundamental Data

LT growth est.	11.8%
Payout ratio	22.1%
Debt-to-equity	0.6x

Top 10 Constituents

NVIDIA CORP	15.7%
MICROSOFT CORP	13.9%
APPLE INC	12.8%
BROADCOM INC.	5.2%
ORACLE CORP	3.5%
PALANTIR TECHNOLOGIES INC. CLAS	3.2%
CISCO SYSTEMS INC	2.6%
ADVANCED MICRO DEVICES	2.5%
SALESFORCE.COM INC	2.4%
INTL BUSINESS MACHINES CORP	2.2%
TOTAL	64.0%

Industry Breakdown



Constituent Allocation

No. of constituents	68
Weighted avg mkt cap (mns)	\$1,803,170
Large cap (>\$10bn)	99.8%
Mid cap (\$2-10bn)	0.2%
Small cap (<\$2bn)	0.0%



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Utilities Select Sector Index

IXU

INDEX PRICE
AS OF 8/31/25 **849.83**

Index Price History



NOTES: An investor cannot invest directly in an index. Index returns do not represent returns from any fund. The Index does not charge management fees or brokerage expenses, nor does the Index lend securities, and no revenues from securities lending were added to the performance shown.

Description

The Utilities Select Sector Index is a modified capitalization-weighted index. The index is intended to track the movements of companies in the S&P 500 that are utilities. The index was established with a value of 250 on June 30, 1998.

Index Total Returns

One year
Five year
Ten year
Since inception
**as of 08/29/25. See Notes.*

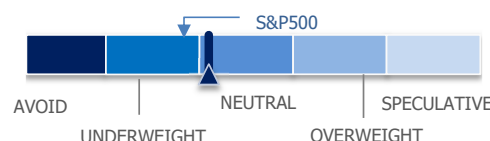
Risk Measures

Beta vs. S&P 500 0.61
Standard deviation 16.4%

AltaVista Recommendation

NEUTRAL

Average appreciation potential. A rating of NEUTRAL indicates that valuations adequately reflect the fundamentals of stocks in these indices. The majority of indices we cover fall into this category. The rating is based on a proprietary scoring system that analyzes metrics such as Return on Equity and Price-to-Book Value multiples.

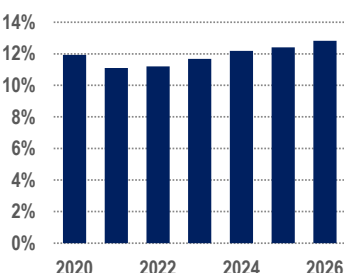


NOTE: See "How we rate Indices" on the Disclosure page for a definition of each rating level.

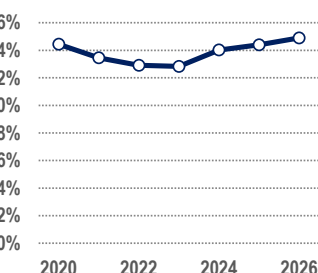
Per Share Results & Estimates

	2020	2021	2022	2023	2024	2025E	2026E	20-25E CAGR
Sales	239.37	253.18	273.94	296.11	297.52	310.02	326.14	5.3%
Earnings	34.57	34.07	35.38	38.00	41.73	44.65	48.58	5.2%
Book Value	299.13	315.06	316.97	333.40	350.94	368.37	388.63	4.3%
Dividends	22.37	22.78	22.17	22.78	24.19	27.21	28.32	4.0%
Sales growth		5.8%	8.2%	8.1%	0.5%	4.2%	5.2%	
EPS growth		-1.5%	3.8%	7.4%	9.8%	7.0%	8.8%	

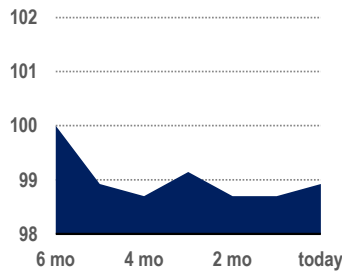
Return on Equity



Net Margins



Trend in Current FY Est.



Analyst's Opinion

The AI electricity boom could reinvigorate the Utilities sector, turning what has been an income play for many investors into a growth story by boosting EPS growth above its historical CAGR of 4-6%. But valuations on the high end of their historical range (see P/E history) may already discount this to some extent, resulting in our Neutral rating. Sell-side analysts however rank Utilities their 2nd least-favorite sector, after Consumer Staples (see Sentiment page).

Valuation Metrics

	2025E	2026E
Price-to-Earnings	19.0	17.5
Price-to-Cash Flow	7.0	6.4
Price-to-Sales	2.7	2.6
Price-to-Book Value	2.3	2.2

Historical P/E Ratio*

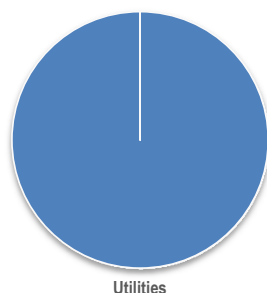


**based on twelve months' forward EPS (max value of 100)*

Top 10 Constituents

NEXTERA ENERGY GROUP	11.4%
SOUTHERN CO	7.8%
CONSTELLATION ENERGY CORPORAT	7.4%
DUKE ENERGY CORP	7.3%
VISTRA ENERGY CORP.	4.9%
AMERICAN ELECTRIC POWER	4.6%
SEMPRA ENERGY	4.1%
DOMINION RESOURCES INC/VA	3.9%
EXELON CORP	3.4%
XCEL ENERGY INC	3.2%
TOTAL	58.2%

Industry Breakdown



Constituent Allocation

No. of constituents	31
Weighted avg mkt cap (mns)	\$63,660
Large cap (>\$10bn)	99.3%
Mid cap (\$2-10bn)	0.7%
Small cap (<\$2bn)	0.0%

Other Fundamental Data

LT growth est.	4.1%
Payout ratio	60.9%
Debt-to-equity	1.7x



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