

Russell US Indexes Spotlight

QUARTERLY REPORT | JULY 2025

Large caps and Growth outperform during Q2 amid renewed optimism for US equities

The second quarter of 2025 saw a moderation of the inflation and growth concerns that had emerged during Q1 in anticipation of the potential impact of US tariff policy. While markets sold off on the early-April announcement of reciprocal tariffs, they quickly rebounded when those tariffs were paused. This and businesses' front-running of imports helped to stave off the full economic impact of tariff risks in Q2.

Large caps continue to lead in Q2

Russell 1000 outperformed Russell 2000 in Q2, consistent with the 12M trend. Segmenting Russell 1000 further, Russell Top 200 resumed its outperformance of Russell Midcap, after lagging during Q1.

Growth outperforms Value

Both large-cap and small-cap Growth indices outperformed their Value counterparts in Q2. Russell 1000 Growth resumed its leadership among style indices.

Tech and Discretionary rebound

Tech and Discretionary rebounded in Q2 after posting steep losses during Q1. Most industries were in the green. Large-cap Energy and Health Care lagged notably.

Earnings outlook improves

The 2-year EPS outlook for both large and small caps improved in Q2 after macroeconomic concerns seemed to moderate, in contrast to Q1.

Valuations re-rate

Forward P/Es expanded over Q2 for all except the Russell 2000 Value index.

Russell IPO inclusion activity remains subdued

Russell 1000 and Russell 2000 included 2 and 7 new IPO names, respectively, in Q2, which was lower than the average number of new IPOs during Q2-Q4 2024.

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Chart 1: In Q2, US inflation expectations over the short term (1-3 years) declined by 43 bps, after rising during most of Q1.

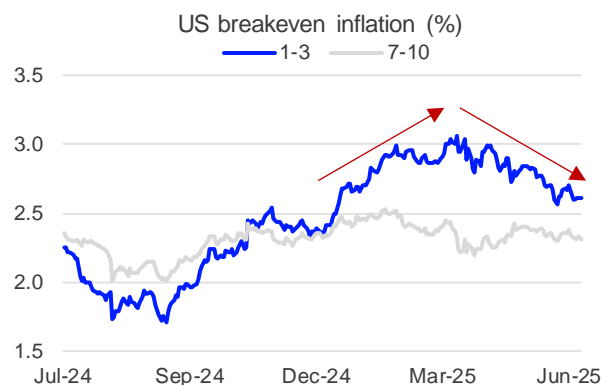
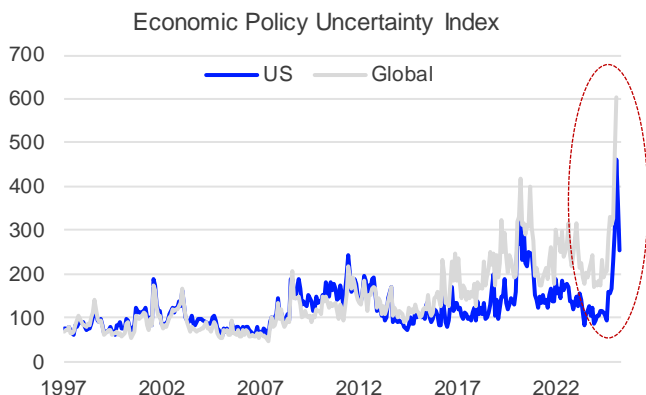


Chart 2: While the US Economic Policy Uncertainty index declined during Q2, it remained at historically elevated levels.



Source: FTSE Russell and LSEG. EPU data from: <https://www.policyuncertainty.com/>. Data as of June 30, 2025. Past performance is no guarantee of future results. This report should not be considered 'research' for the purposes of MIFID II. Please see the end for important legal disclosures. For professional investors only.

Index Performance

The second quarter of 2025 saw all Russell size and style segments in the green, despite early-quarter setbacks. Over Q2, Russell 1000 continued to outperform Russell 2000 (Chart 1) as it had the previous quarter. The Russell 1000 Growth and Russell 2000 Growth indices beat their Value counterparts after lagging them in Q1. Similarly, the Top 200 once again outperformed the Midcap segment after trailing it in Q1. In sum, Q2's performance reflected 12M performance trends, in a reversal from Q1.

Early in April, US equities pulled back sharply after the announcement of potential high US reciprocal tariffs on trading partners. The anticipated impact on global trade and economic activity had a chilling effect on risk assets. However, equities just as quickly recovered when those tariffs were subsequently paused for 90 days. Chart 2 highlights this volatility in Russell equity segments. While tariff risks persisted, by quarter-end several Russell indices notched all-time highs, including Russell 1000 and Russell 1000 Growth, helped by the return of risk sentiment to markets and a resumption of the US Tech rally that had stalled in Q1.

Chart 1: In Q2, all Russell size and style segments posted gains despite a sharp pullback in US equities early in the quarter. Growth outperformed Value and Top 200 outperformed Midcap helped by a renewed rally in US Tech, in a reversal from Q1.

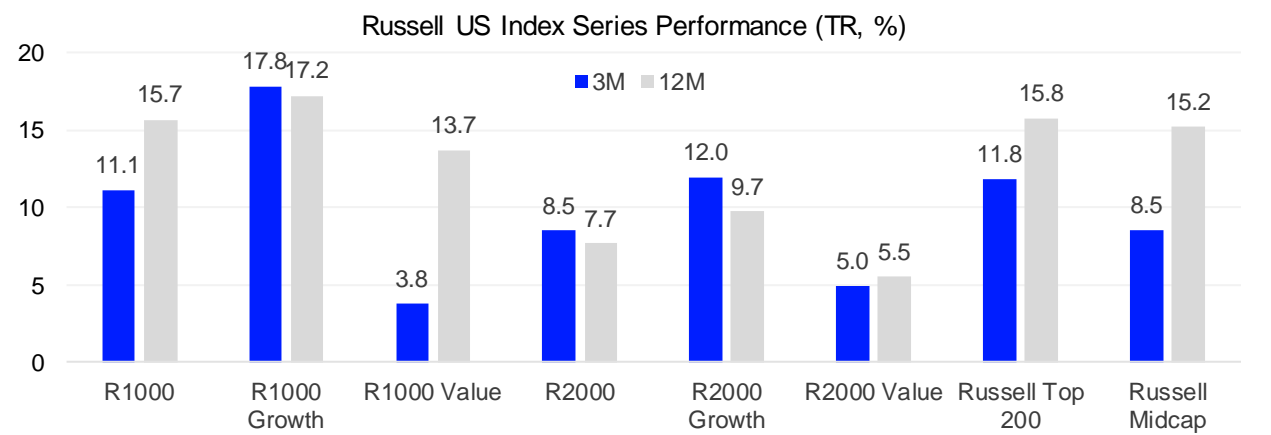
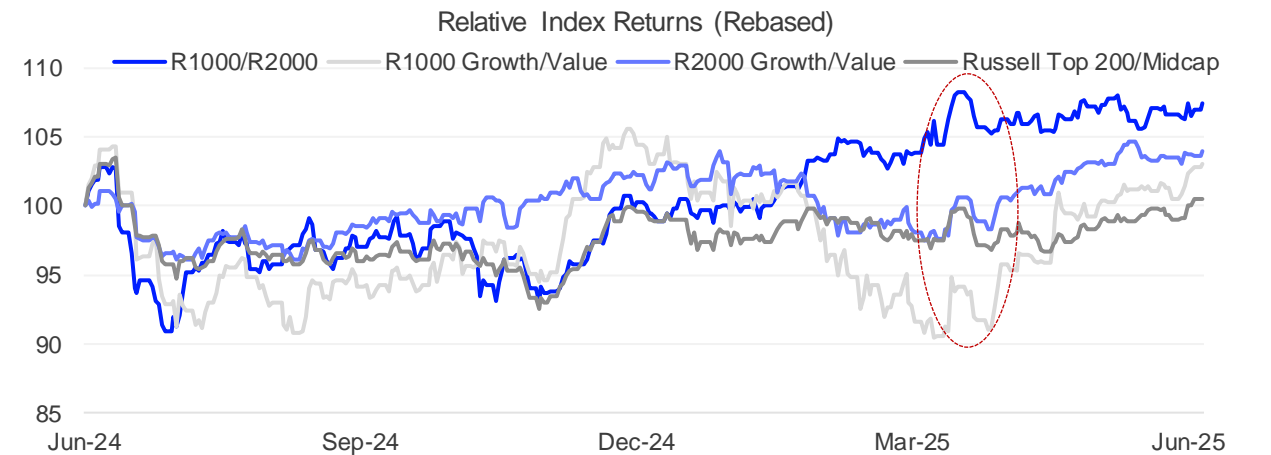


Chart 2: Over 12M, large caps solidly outperformed small caps. Large-cap and small-cap Growth beat their Value counterparts. And the Top 200 index was just ahead of the Midcap index. Q2's performance was consistent with this trend.



Source: FTSE Russell and LSEG. All data as of June 30, 2025. Past performance is no guarantee of future results.
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Macro Drivers

From a macro standpoint, Q2 marked a reversal from Q1 in several ways. While risks to the US economic and inflation outlook from US tariff policy persisted during the quarter, expectations of adverse outcomes, which rose sharply in Q1, seemed to moderate during Q2. The absence of hard economic data that might have signaled an economic slowdown may have helped to temper expectations as well.

As Chart 1 shows, expected inflation over the next 1-3 years rose sharply in Q1 but declined over Q2. One of the reasons the potential inflationary impact of announced tariffs had yet to be felt was that US businesses front-ran announced tariffs by building up inventories, which allowed them to delay pass-through of price increases to customers. Further, most of the announced reciprocal tariffs had not yet been implemented during the 90-day pause period whilst the US was meant to be negotiating bilateral trade deals with its trading partners.

As illustrated in Chart 2, the ISM survey of US manufacturing and non-manufacturing activity showed stable levels from end-March to end-June despite intra-quarter variability. In particular, the manufacturing index had stabilized at a higher level during Q2 than during most of 2024. While services activity had been on a downward trend during Q1 and Q2, it remained in expansionary territory. This too may be partly attributed to US businesses, particularly in manufacturing, frontloading domestic production in anticipation of higher input costs as tariffs become implemented.

However, poll GDP for 2025 showed lower growth forecasts during Q2 (Chart 3). This could be a sign of underlying policy uncertainty and tariff risks and was consistent with the IMF’s downward revision in April of global growth in 2025. While the US Economic Policy Uncertainty index declined during Q2, it remained at historically elevated levels (Chart 4), a sign of potential volatility ahead for markets.

Chart 1: In Q2, US inflation expectations over the short term (1-3 years) declined by 43 bps, after rising during most of Q1.

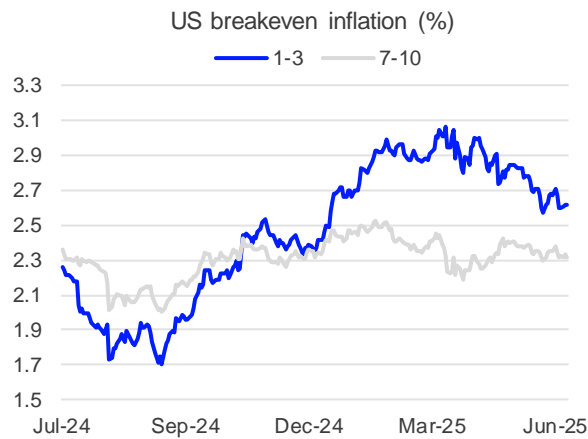


Chart 2: Over Q2, both the ISM Mfg index and the Non-Mfg composite index stabilized after having dipped lower in Q1.

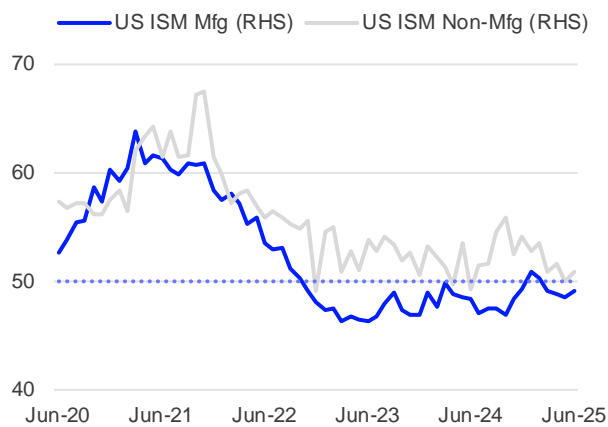


Chart 3: US 2025 poll GDP growth rate rose during Oct '24 – Feb '25 but has declined since, potentially factoring in tariff risks.

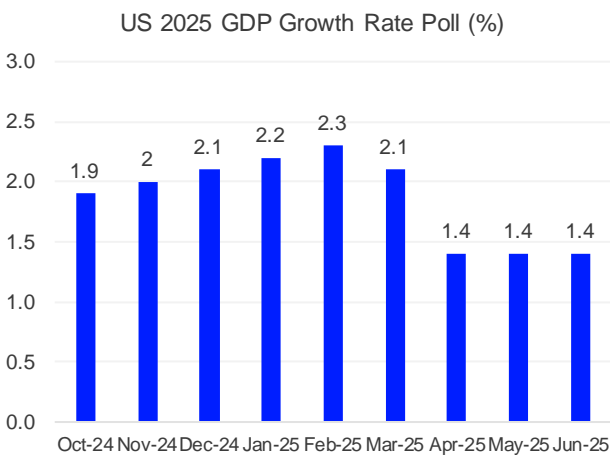
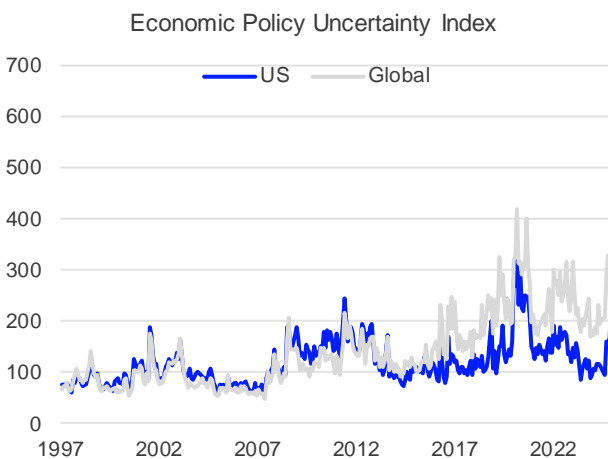


Chart 4: While the US Economic Policy Uncertainty index declined during Q2, it remained at historically elevated levels.



Industry Returns & Weights – Russell 1000 & Russell 2000

The US equity rally, which had stalled in parts during Q1, resumed in Q2 with the return of risk sentiment to markets and a resumption of the Tech rally.

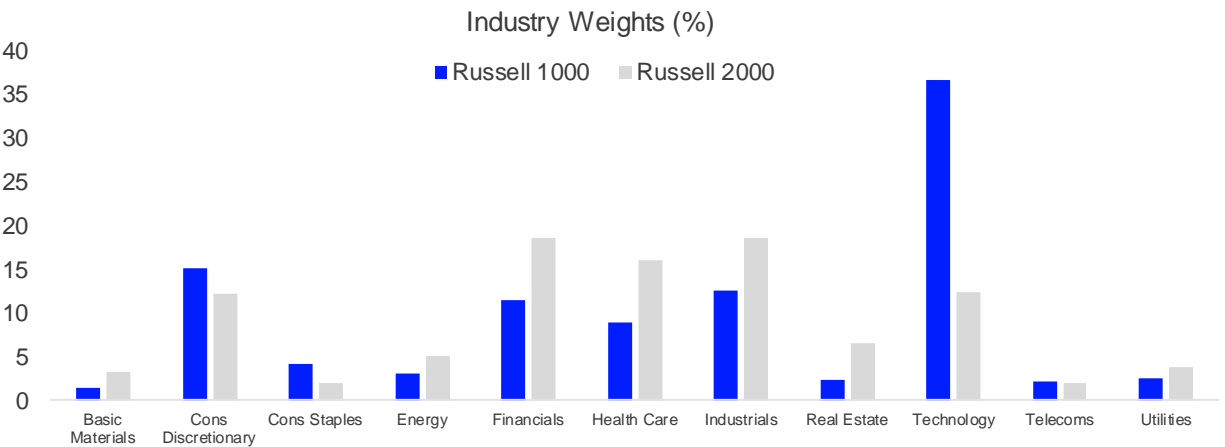
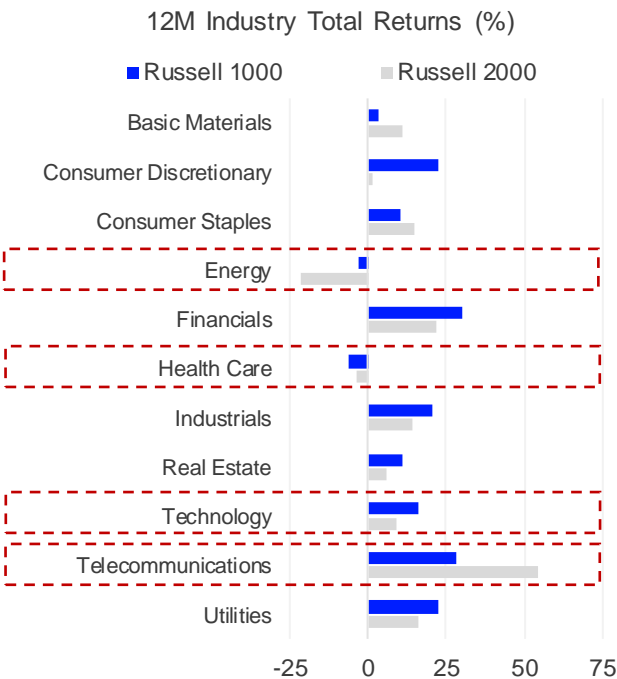
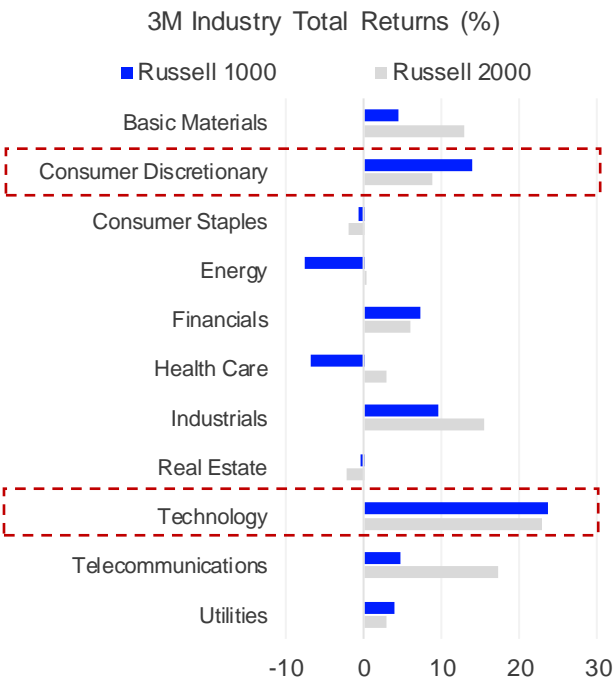
- In the large-cap space, Tech and Discretionary, which were major drivers of US equity returns in 2024, resumed their outperformance after having pulled back sharply in Q1. They were helped by strong Q1 earnings. Other cyclicals such as Industrials, Financials and Basic Materials also posted gains. However, with oil prices stubbornly low, Energy posted losses. And with US long yields climbing late in the quarter (but ending Q2 more or less flat), Real Estate posted a small loss. There was a split in performance amongst defensives. While Telecoms and Utilities marched higher as they have over Q1, Health Care and Staples posted losses.
- Within the small-cap space, there was a slightly more broad-based rebound in industry returns during Q2 as compared to large caps. While Staples and Real Estate posted losses similar to their large-cap counterparts, small-cap Health Care was in the green. Small-cap Tech, Telecoms, Industrials and Basic Materials posted notable gains.

After Q2's rebound in industry performance, 12M returns were largely positive, with the exception of Energy and Health Care.

- Within large caps, Financials and Telecoms were top performing, but Discretionary, Utilities and Industrials were not far behind. Despite its Q2 recovery, Tech lagged these industries over 12M. Small-cap Telecoms beat other small-cap industries by a large margin.

Chart 1: Over Q2, Tech's & Discretionary's steep Q1 losses reversed to buoy both Russell size segments.

Chart 2: Q2's largely positive industry performance helped most large- and small-cap industries post gains over 12M.



Source: FTSE Russell and LSEG. Based on Industry Classification Benchmark. All data as of June 30, 2025. Past performance is no guarantee of future results.
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Industry Returns & Weights – Russell 1000 & Russell 2000 Growth & Value

Industry performance in the Russell style indices was largely positive in Q2. Growth outperformed Value in most industries, in contrast to Q1.

- Within large caps, Growth outpaced Value the most in Utilities, Telecoms and Discretionary. However, it also lagged Value in Industrials, Energy and Consumer Staples.
- Within small caps, Growth mostly outperformed Value. It led by the largest margin in Utilities. Within Telecoms and Technology small-cap Growth stocks lagged their Value counterparts.
- Within Growth, large-caps lagged small-caps in 6 out of 11 industries, and by the most in Energy, Industrials and Basic Materials. Large caps led substantially within Telecoms.
- Within Value, large caps led small caps in 6 out of 11 industries, but lagged small caps badly within Telecoms, Health Care and Technology.

Over the 12M timeframe, industry performance within the style indices was largely positive after Q2's rebound.

- Large-cap Growth companies led performance in most industries. Large-cap Growth companies within Utilities, Industrials and Discretionary, among others, outpaced other size and style counterparts.
- Telecoms generally posted strong results, but small-cap Value companies within Telecoms far outpaced the rest.

Chart 1: In Q2, industry returns rebounded from Q1. Growth outperformed Value in most industries, particularly in Utilities.

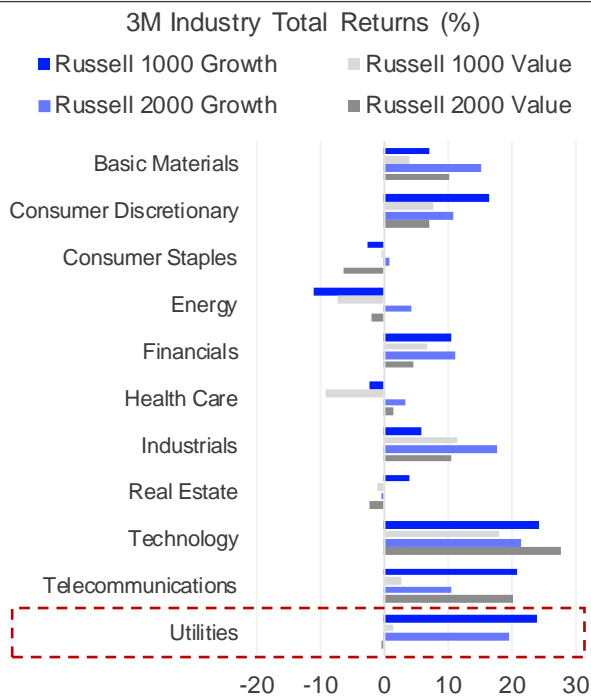
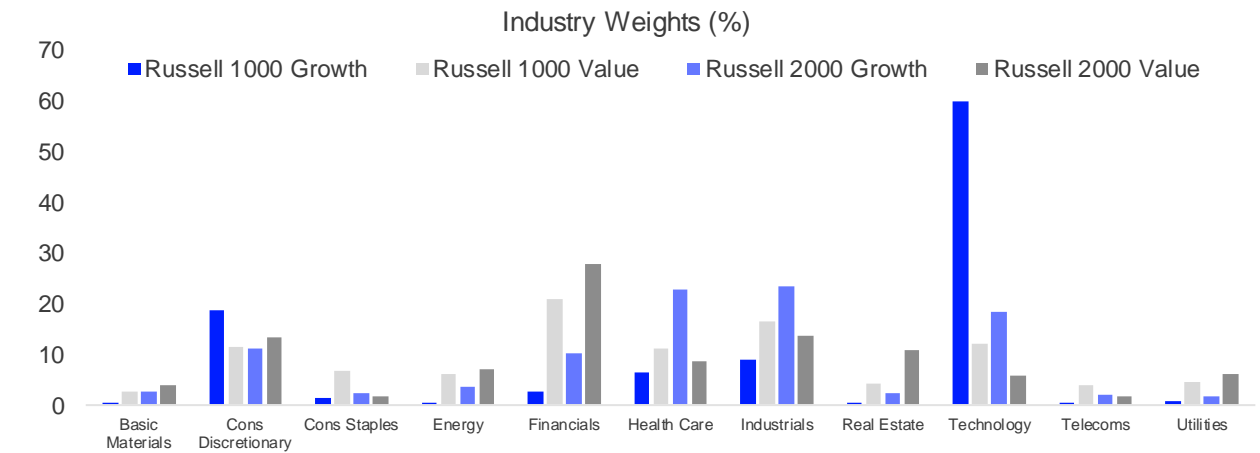
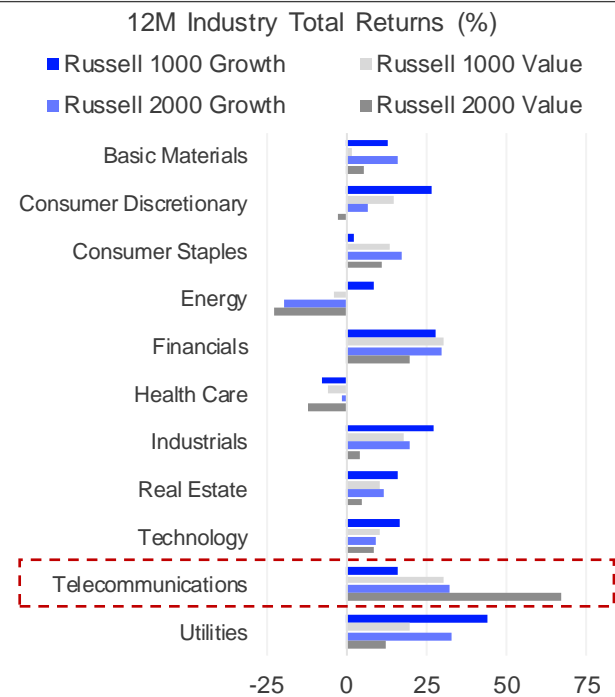


Chart 2: Over 12M, industry performance was largely positive. Small-cap Value companies within Telecoms outpaced others.



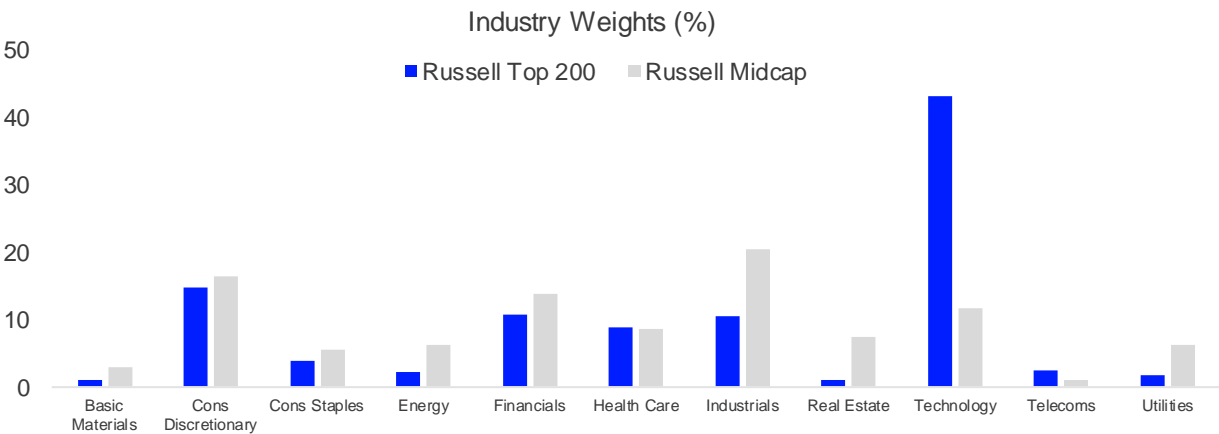
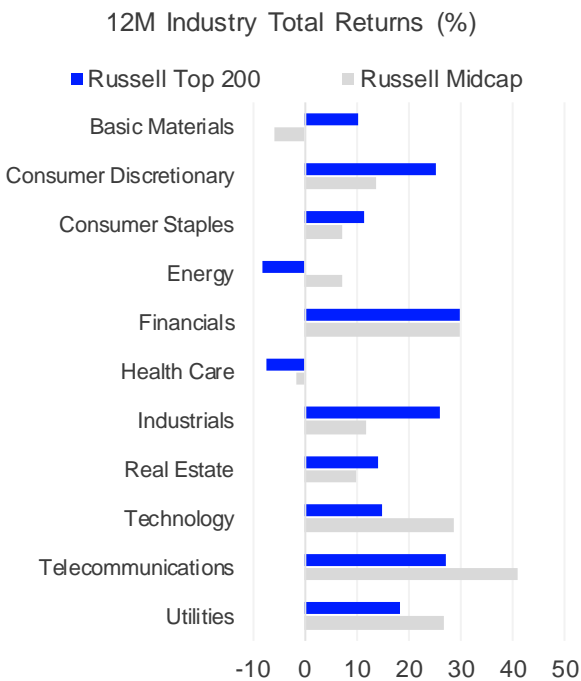
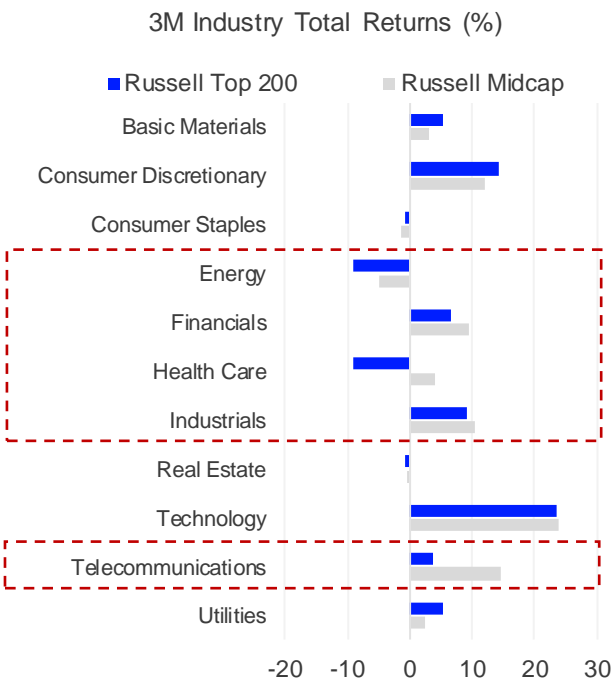
Industry Returns & Weights – Russell Top 200 & Russell Midcap

A comparison of the Russell Top 200 and Russell Midcap indices helps to better understand the variation in performance within Russell 1000, and in particular the performance and influence of the very large/mega-cap stocks. Russell Midcap represents about 27% of the market capitalization of Russell 1000 and approximately 800 stocks of its constituents. The weighted-average market cap of companies within Russell Midcap was about US\$ 28.6B compared to about US\$ 1.3T for the Top 200 companies at the end of Q2.

- Over Q2, Technology and Discretionary were the best-performing large-cap industries. This was true within the Top 200 and Midcap segments as well (in addition to Midcap Telecoms). Tech and Discretionary's Q2 performance was comparable across both indices, indicating that their leadership among Russell 1000 industries was driven by a broad-based rally in Tech and Discretionary stocks as opposed to a handful of mega-cap industry leaders. In fact, besides Utilities, Discretionary, Materials and Tech, Midcap industries beat Top 200 industries over Q2 and by the largest margin in Health Care and Telecoms.
- Over 12M, leadership between Top 200 and Midcap industries was more or less even. Top 200 industries led by the widest margin in Basic Materials, Industrials and Discretionary, but lagged badly in Energy, Telecoms and Technology indicating that the largest companies within those industries trailed the rest.
- It is worth noting that Russell Midcap has far lower exposure to Tech than Russell Top 200, while the Midcap index has higher weights in Industrials, Real Estate, Utilities and Financials, among others.

Chart 1: In Q2, Midcap industries kept pace with their Top 200 counterparts and even beat them in a few.

Chart 2: Over 12M, leadership between Russell Top 200 industries and Russell Midcap industries was comparable.



Source: FTSE Russell and LSEG. Based on Industry Classification Benchmark. All data as of June 30, 2025. Past performance is no guarantee of future results.
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Russell 1000 Sector Contributions to Return*

Drilling deeper into Q2 performance at the sector level for the Russell 1000 industries:

- Within Discretionary, Media and Retailers stood out for their contribution to industry performance, somewhat reflective of the US's resilient economy. Autos & Parts and Travel & Leisure also contributed after detracting in Q1.
- Within Tech, both Software and Hardware contributed substantially to industry returns, after both sectors took a hit to performance during Q1 in the wake of China's DeepSeek AI model release.
- Within Telecoms, Telecom Equipment contributed notably, after detracting from index returns during the previous quarter.
- At the other end of the spectrum, Oil, Gas & Coal detracted significantly from Energy's performance, as the oil price stayed stubbornly low despite fears of supply disruption from the Israel-Iran conflict. And within large-cap Health Care, which struggled over both 3M and 12M, Pharma & Biotech and Health Care Providers detracted from industry returns over the quarter.

Table 1: Amid broad-based contributions in Q2 a few sectors stood out. Tech Hardware and Software, and Telecoms Equipment were major contributors to their respective industry returns. Oil, Gas & Coal detracted sharply from Energy's performance.

Sector	Avg. Weight	Q2 2025 Contrib.	Sector	Avg. Weight	Q2 2025 Contrib.
Basic Material			Health Care		
Chemicals	56.5%	0.15%	Health Care Providers	15.1%	-3.56%
Industrial Materials	6.3%	-0.39%	Medical Equipment and Services	33.6%	0.10%
Industrial Metals and Mining	28.1%	3.08%	Pharmaceuticals and Biotechnology	51.3%	-3.38%
Precious Metals and Mining	9.2%	1.22%	Industrials		
Consumer Discretionary			Aerospace and Defense	17.0%	3.11%
Automobiles and Parts	11.0%	2.07%	Construction and Materials	8.7%	1.31%
Consumer Services	5.9%	0.84%	Electronic and Electrical Equipment	7.4%	1.11%
Household Goods & Home Construction	2.3%	0.09%	General Industrials	14.4%	1.81%
Leisure Goods	3.3%	0.63%	Industrial Engineering	7.6%	0.71%
Media	12.6%	3.52%	Industrial Support Services	35.7%	1.33%
Personal Goods	3.1%	0.19%	Industrial Transportation	9.3%	0.21%
Retailers	41.6%	3.80%	Real Estate		
Travel and Leisure	20.3%	2.06%	Real Estate Investment & Services Dev.	7.5%	0.29%
Consumer Staples			Real Estate Investment Trusts	92.5%	-0.77%
Beverages	25.2%	-1.18%	Technology		
Food Producers	18.4%	-0.37%	Software and Computer Services	52.3%	12.92%
Personal Care Drug & Grocery Stores	40.9%	-0.79%	Technology Hardware and Equipment	47.7%	10.68%
Tobacco	15.6%	1.50%	Telecommunications		
Energy			Telecommunications Equipment	41.8%	8.05%
Alternative Energy	1.3%	0.07%	Telecommunications Service Providers	58.2%	1.41%
Oil, Gas and Coal	98.7%	-7.59%	Utilities		
Financials			Electricity	66.9%	3.86%
Banks	29.5%	4.20%	Gas, Water and Multi-utilities	22.4%	-0.08%
Finance and Credit Services	6.8%	0.62%	Waste and Disposal Services	10.7%	0.14%
Investment Banking and Brokerage Svcs	41.8%	3.88%			
Life Insurance	3.2%	-0.06%			
Mortgage Real Estate Investment Trusts	0.5%	0.00%			
Non-life Insurance	18.2%	-0.89%			

Source: FTSE Russell and LSEG. Based on Industry Classification Benchmark. *Index data shown here are from the Russell Capped Index Series, except for the Real Estate Industry. Data as of June 30, 2025. Past performance is no guarantee of future results.

EPS Growth & Revision Outlook – Russell 1000 & Russell 2000

Consensus 2-year forecast EPS growth rose over the quarter for Russell 1000 and was stable for Russell 2000. (The 2-year forecast EPS growth is the expected growth rate of EPS over the two years from the next reported earnings.) After Q1’s concerns over rising inflation and slowing economic growth, Q2 saw a moderation in these macro concerns and renewed optimism for equities, which is the backdrop for these EPS forecasts.

At the end of Q2, analysts expected Russell 1000 earnings growth of 15.0% over the next two years, up from 14.4% growth expected at the end of Q1. Russell 2000 forecast EPS growth was slightly lower at 18.8% at quarter-end from 18.9% at end-March.

Taking a 5-year view, forecast EPS growth had risen steadily since troughing toward the end of 2022 (Chart 1) when rapid monetary tightening by the Fed had adversely impacted the outlook for US economic growth and corporate earnings.

Revision ratios for Russell 1000 and Russell 2000 were negative and had stabilized around zero over 2024, then dipped lower during Q1 consistent with the general deterioration of expectations during the previous quarter. In a reversal of that sentiment to a more positive macro outlook, revision ratios rose over Q2 to be closer to zero (Chart 2).

Chart 3 shows the 2-year forecast EPS growth for the Russell Top 200 and the Russell Midcap indices, which have been very close recently. Over Q2, consensus forecasts for the Midcap index were higher than that for the Top 200 index. At quarter-end, forecast EPS growth for the Midcap index stood at 15.9% versus the Top 200’s 14.8%. Revision ratios for both indices rose sharply over Q2 to be close to zero after being negative in Q1.

Chart 1: Forecast 2-yr EPS growth has been stable for Russell 1000 and risen slightly for Russell 2000 over the last two years.

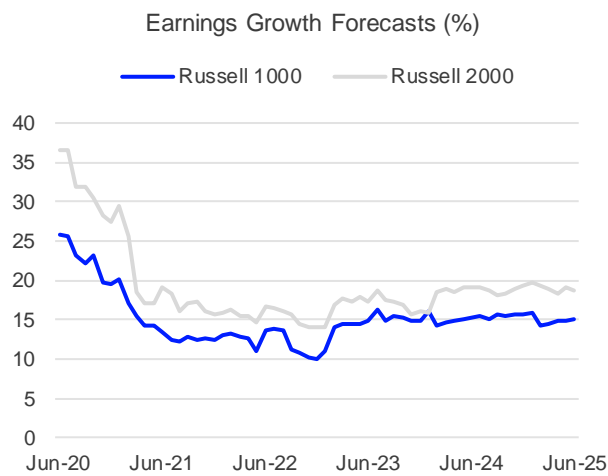


Chart 2: Revision ratios for Russell 1000 and 2000 edged up over Q2 after dipping lower into negative territory during Q1.

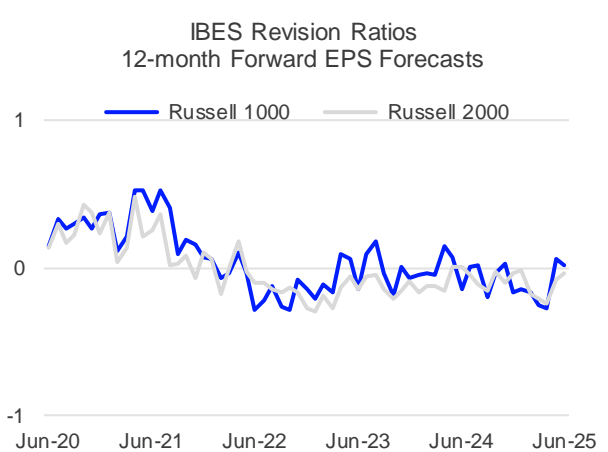


Chart 3: Forecast 2-yr EPS growth for Russell Top 200 and Midcap had converged and remained stable over the last 2yrs.

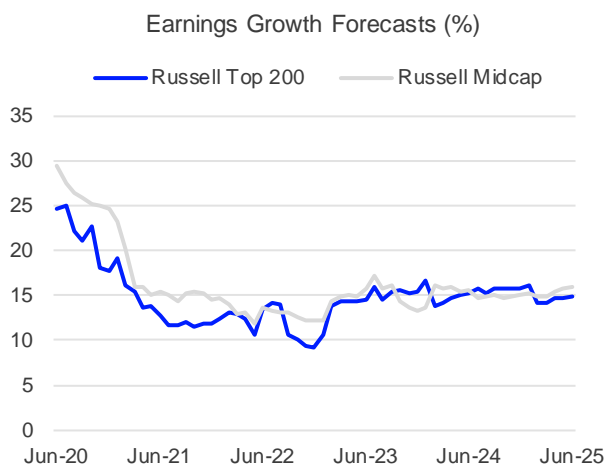
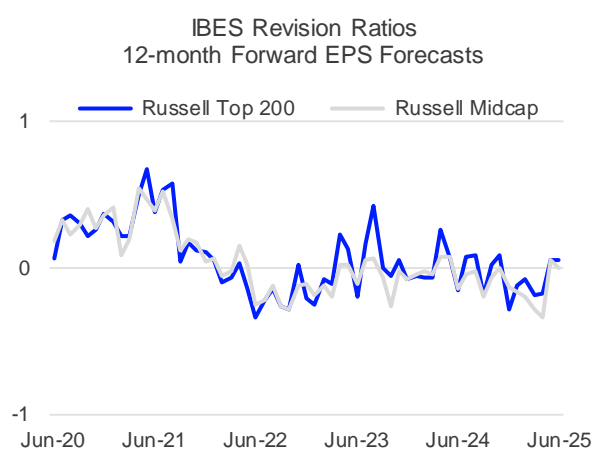


Chart 4: Revision ratios for Russell Top 200 and Midcap, which had stabilized around zero, rose sharply over Q2.



Source: FTSE Russell and LSEG. All data as of June 30, 2025. Past performance is no guarantee of future results.
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EPS Growth & Revision Outlook – R1000 & R2000 Growth & Value

The 2-year forecast EPS growth for the Russell 1000 Growth index rose from 16.4% at end-March to 17.7% at the end of Q2. The forecast EPS growth for Russell 1000 Value rose by less from 12.2% to 12.7% over the quarter. This is a reversal from Q1 when consensus forecasts for the large-cap style indices had declined slightly in line with the general deterioration of market expectations for inflation and economic activity.

On the other hand, the forecast EPS growth for Russell 2000 Growth and Value continued to decline over the quarter, as they did in Q1. The Growth cohort saw a marginal decline from 21.1% to 20.8% and the Value cohort from 16.6% to 16.1%.

Taking a longer-term view, EPS growth forecast for both the large-cap and small-cap style segments have steadily improved since end-2022, and more so for the Russell 2000 Value index (Charts 1 and 3). Mid-2022 saw the beginning of the Fed’s aggressive monetary tightening which raised fears of an economic contraction dampening the outlook for corporate earnings.

Over the quarter, earnings revision ratios rose sharply for all style segments to be close to zero (slightly positive or less negative) with the return of market optimism around the outlook for US economic activity and inflation in a reversal from Q1, when they had dipped toward the end. Over the last two years, earnings revision ratios have stabilized around zero (Charts 2 and 4).

Chart 1: EPS growth forecasts for Russell 1000 Growth and Value rose steadily since 2022.

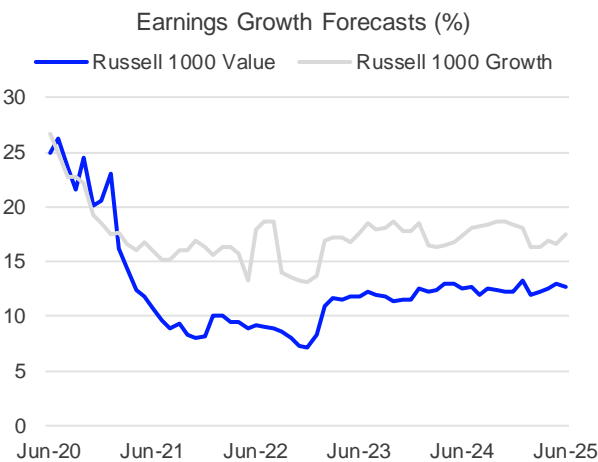


Chart 2: Revision ratios rose over Q2 for the large-cap Growth and Value indices after they had dipped in Q1.

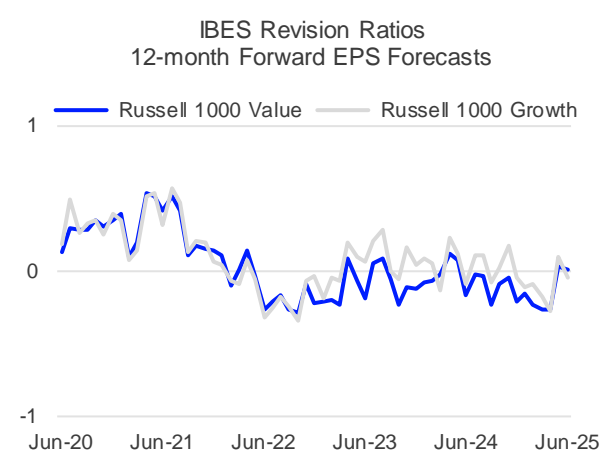


Chart 3: EPS growth forecasts for Russell 2000 Value improved markedly over 2024 but dipped during Q1 and Q2.

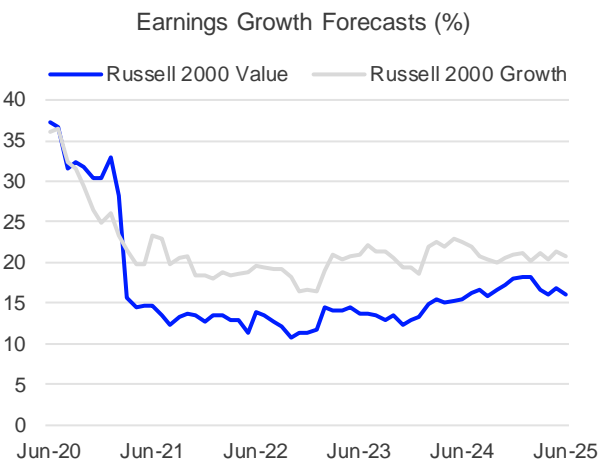
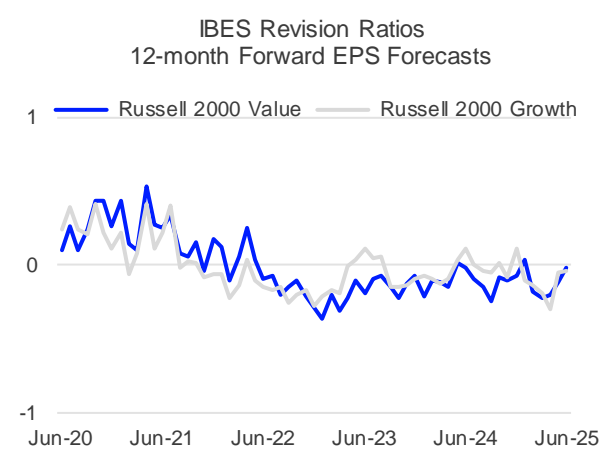


Chart 4: Revision ratios for the small-cap style indices rose in Q2 to be close to zero, where they stabilized over the last 2 years.



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Dividend Yield – Trailing 12-Month

During Q2, dividend yields declined across size and style segments as Russell equity indices rallied, reversing the index and yield movements of Q1. Since short-term moves in dividend yields are driven more by price moves, as markets fell in early-April on the announcement of US reciprocal tariffs, yields peaked on or around April 7 before a pause was announced on the tariffs and yields reverted to lower levels.

At quarter-end, dividend yield for Russell 1000 was 1.23% and for Russell 2000 was 1.44%. Since mid-2023, the dividend yield for the small-cap index has been slightly higher than that for the large-cap index (Chart 1).

Dividend yields for the Russell Top 200 and Midcap indices have diverged since the first quarter of 2023, with the Russell Midcap index offering a markedly higher yield (Chart 2). This coincides with the start of the AI-fueled US tech rally with the release of Chat GPT in late-2022. At the end of Q2 2025, dividend yields for the Top 200 and Midcap indices stood at 1.13% and 1.62%, respectively. The Midcap index has higher exposure to traditionally higher dividend paying industries such as Financials, Utilities and Real Estate than the Top 200 index, which has higher exposure to no or low dividend paying industries such as Technology.

Similarly, Value indices typically have higher dividend yields than their Growth counterparts, a result of their larger weights in more generous dividend payers in Telecom, Utilities and Financials.

Since 2021, dividend yields for the small-cap Value index have risen more significantly than for large-cap Value. At quarter-end, Russell 2000 Value offered a dividend yield of 2.34% compared to Russell 1000 Value's 1.96%.

Chart 1: Since mid-2023, Russell 2000 has offered a slightly higher dividend yield than Russell 1000.

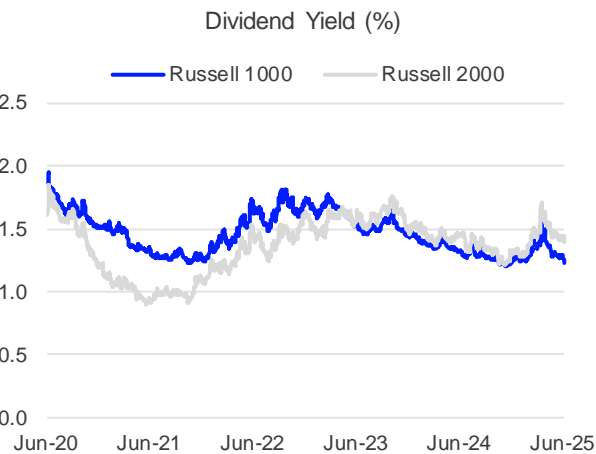


Chart 2: Russell Top 200's and Midcap's dividend yields have diverged since early-2023, around the start of the US tech rally.

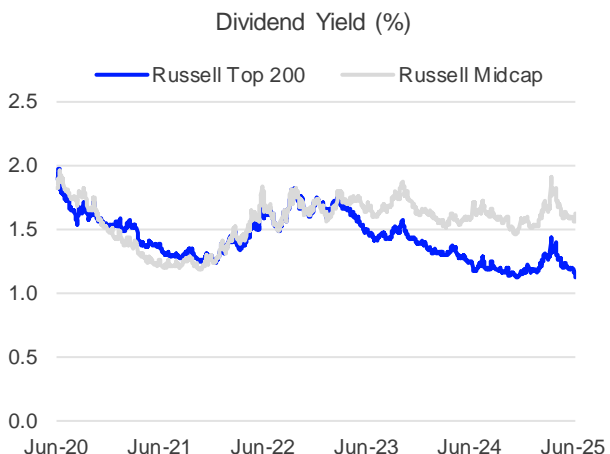


Chart 3: Russell 1000 Value's dividend yield has declined since end-2022 but stabilized around 2% over the last three quarters.

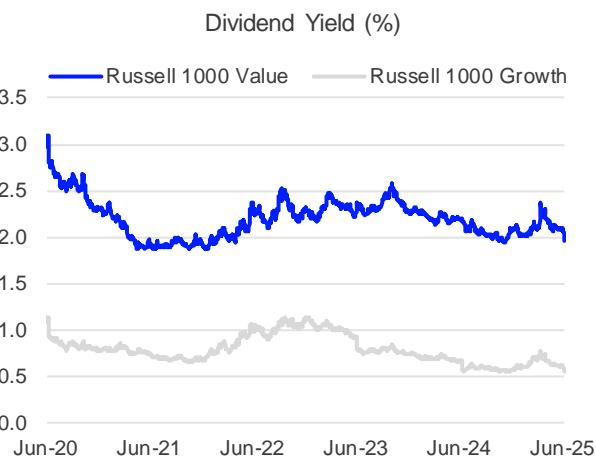
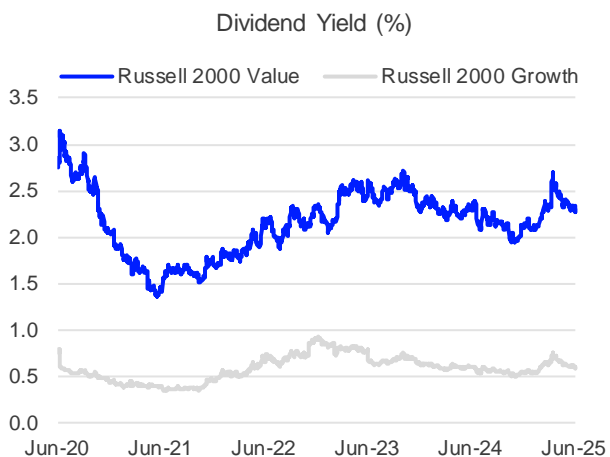


Chart 4: Russell 2000 Value has seen a marked rise in dividend yield since early-2021, even as the index has risen in value.



Source: FTSE Russell and LSEG. All data as of June 30, 2025. Past performance is no guarantee of future results.

Valuation – 12-Month Forward P/E

Forward P/Es rose over Q2 after dipping in April for all Russell size and style segments as equities rallied after the early-April pullback.

During Q1, several softer indicators on US consumer sentiment and economic outlook were released, along with rising expectations of near-term inflation. These moderated during Q2, including a decline in inflation expectations, and contributed to a sense of optimism in markets, likely buoying forward P/Es.

At quarter-end, the Russell 1000 index was trading at 21.9 times forward earnings (21.9x), slightly above its 5-year average (20.3x) and the Russell 2000 index was trading at 25.1x, still below its 5-year average (26.1x). Russell Top 200 was trading at 22.9x at quarter-end, above its 5-year average (20.8x), while Russell Midcap was at 18.8x below its 5-year average (19.0). Forward valuations for Top 200 and Midcap have also diverged since end-2022.

Russell 1000 Growth re-rated sharply during Q2, helped by the rebound in Tech which has a large weight in the index. Valuations for most style indices expanded over the quarter. Forward P/E for Russell 1000 Growth rose from 25.9x to 28.3x, for Russell 2000 Growth 36.8x to 37.3x and for Russell 1000 Value from 17.0x to 17.2x. Although P/Es for Russell 2000 Value followed a similar pattern of contracting in April and expanding over the rest of the quarter, at quarter-end its forward P/E was at 18.4x, slightly lower than at March-end (18.6x).

Chart 1: 12M forward P/Es for Russell 1000 and 2000 rose steadily over 2024. They dipped over Q1 before re-rating.

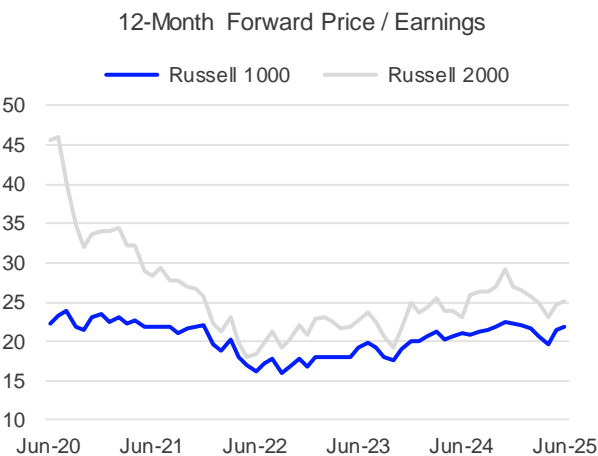


Chart 2: Russell Top 200 and Midcap valuations have diverged since end-2022 when the AI-fueled tech rally began.

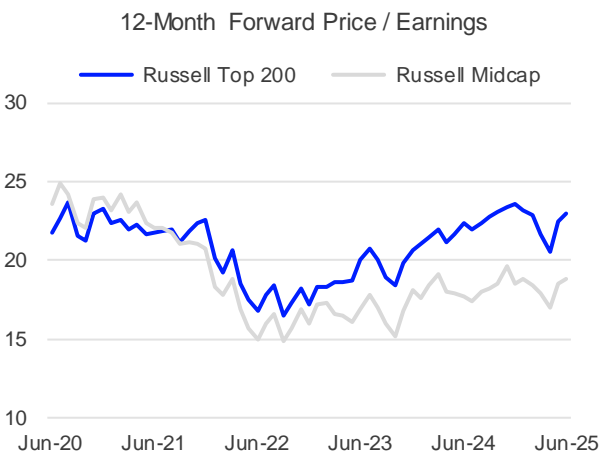


Chart 3: Russell 1000 Growth re-rated sharply during Q2 while the 12M forward P/E for Russell 1000 Value was more stable.

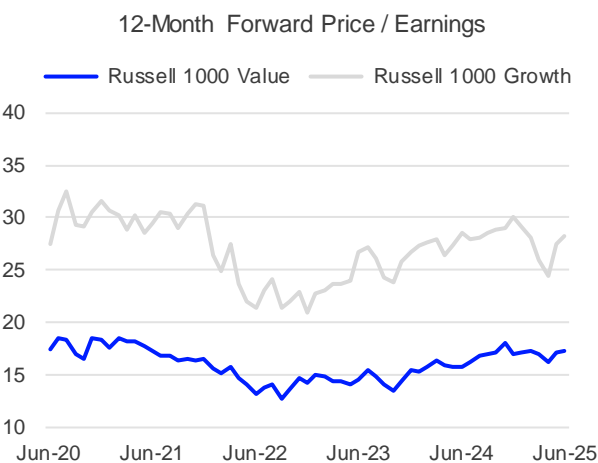
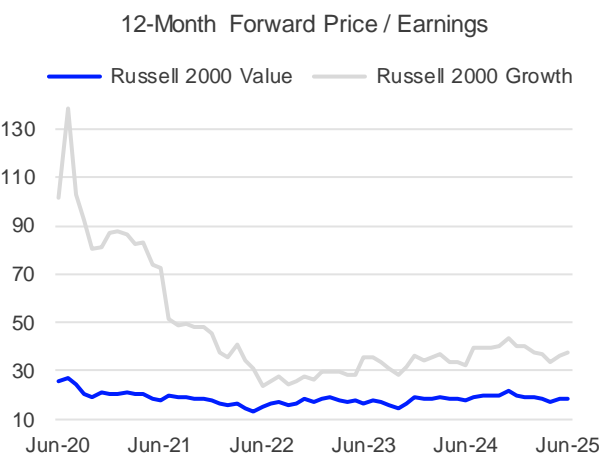


Chart 4: Russell 2000 Growth's premium over Russell 2000 Value rose slightly over Q2.



Source: FTSE Russell and LSEG. All data as of June 30, 2025. Past performance is no guarantee of future results.
FTSE Russell | Russell US Indexes Spotlight Q2 2025

IPO Additions

FTSE Russell adds eligible initial public offerings (IPOs) to its Russell US Indices on a quarterly basis, ensuring that the indices are always an accurate reflection of the markets they are designed to represent. Examining the history of such activity and its industry composition offers insights into market trends and investor sentiment.

While the number of IPOs each quarter tends to ebb and flow, the falloff over the past three years has been particularly dramatic, a likely effect of higher market volatility since 2020 and higher interest rates since 2022. IPO additions to the Russell family of indices had picked up since Q1 2024 but saw a decline in Q1 and Q2 2025. Over the most recent quarter, Russell 1000 added two new names while Russell 2000 included seven new names for a total of 9 IPO inclusions to the Russell large-cap and small-cap indices, one more than Q1's total.

From an industry standpoint, out of 9 inclusions, three were in small-cap Health Care and one each in small-cap Discretionary, Financials, Industrials and Real Estate. Large-cap Technology and Industrials added one name each. Health Care has historically dominated IPO inclusions, especially prior to the overall decline in IPO inclusions.

For more information, see [Russell US Index IPO additions and reports.](#)

Chart 1: Russell 2000 added 7 newcomers and Russell 1000 two new names in Q2. This was on par with Q1 but represented a decline from Q2-Q4 2024 when IPO inclusions averaged about 14 new names in the large- and small-cap indices.

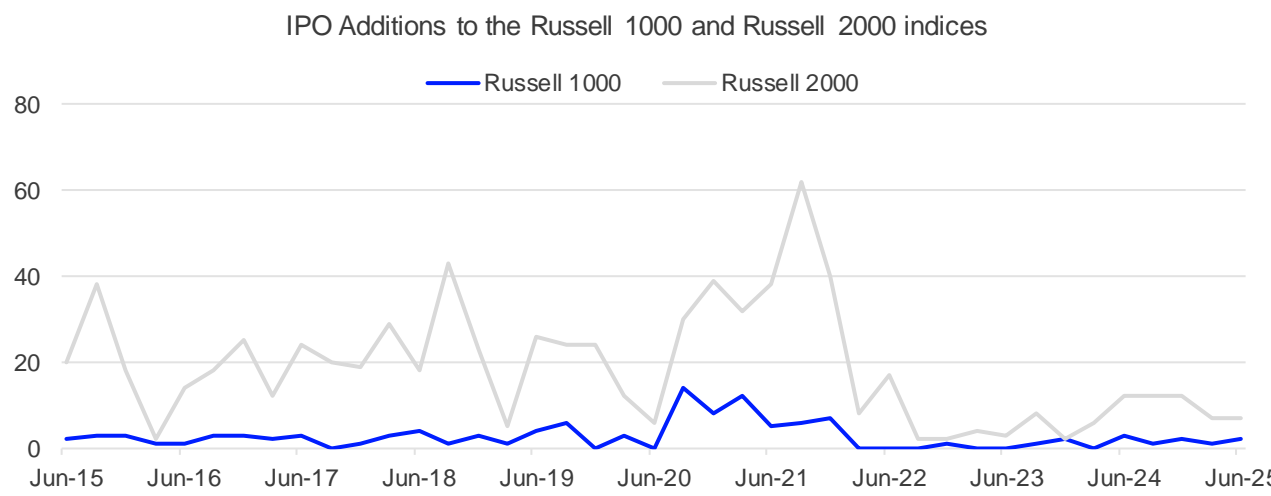
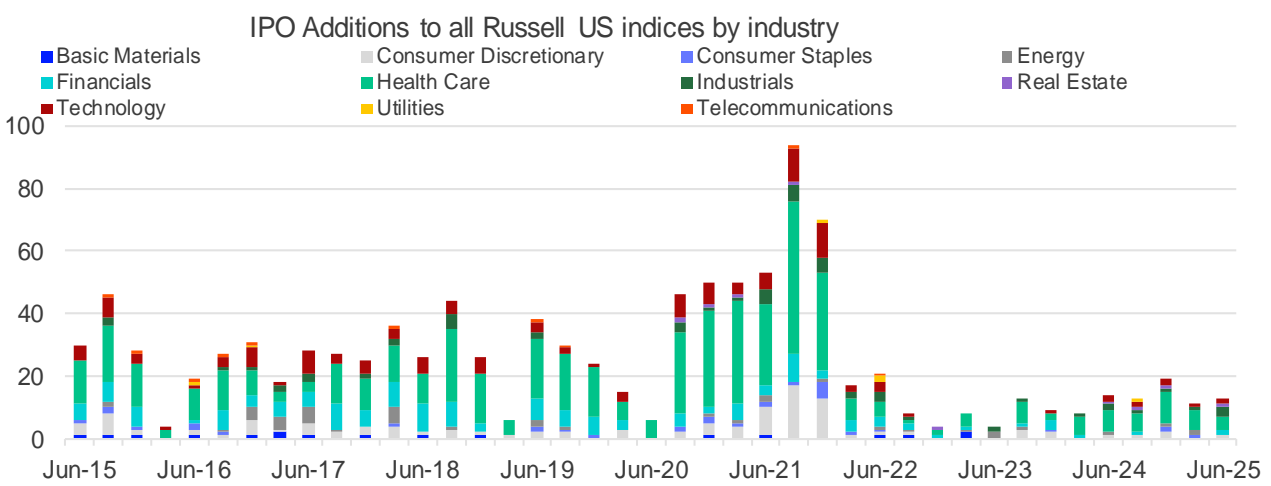
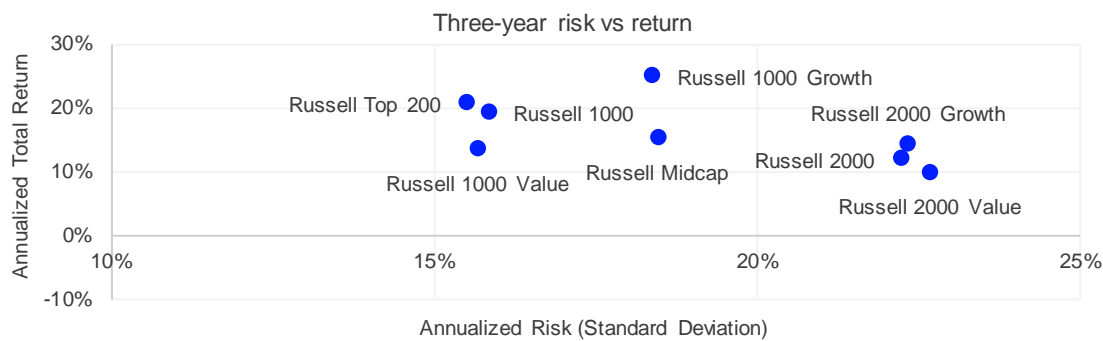


Chart 2: In Q2, there were three new Health Care names added to Russell 2000. Small-cap Discretionary, Financials, Industrials and Real Estate added one new name each. Large-cap Technology and Industrials had one IPO inclusion each.

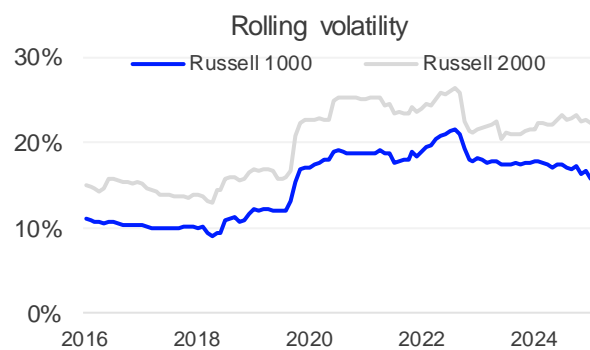
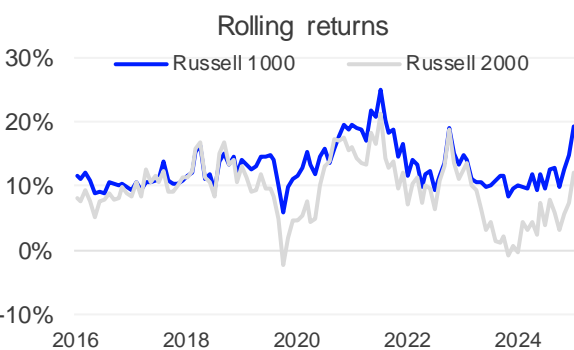


Return & Risk – Rolling Three-Year Patterns

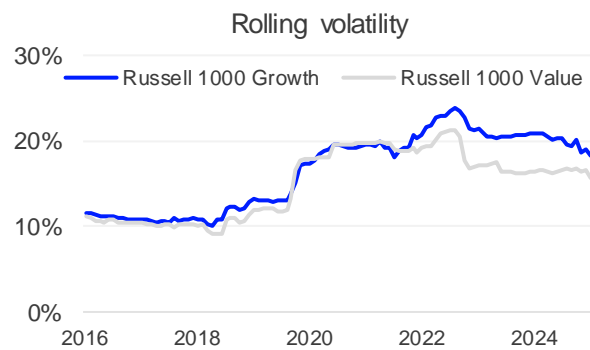
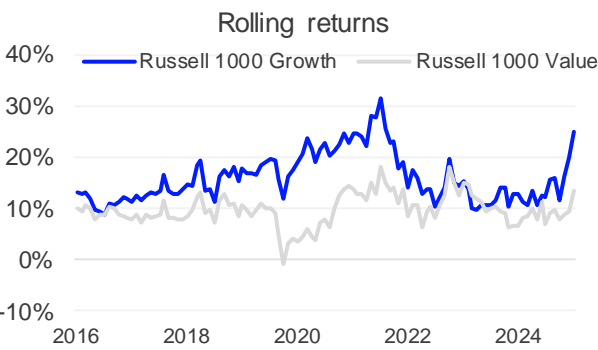
In the most recent 3-year period, Russell 1000 Growth and Top 200 offered the best return for unit risk followed by the headline Russell 1000 index.



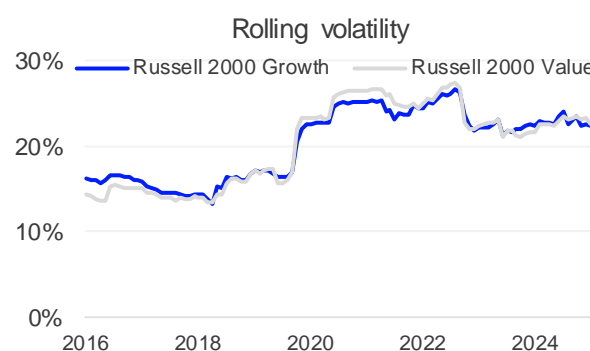
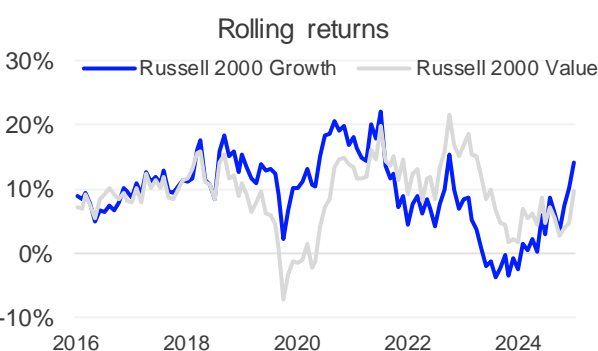
Russell 1000 and Russell 2000 rolling 3-year returns climbed higher in Q2, as volatility stabilized after ticking up during the quarter.



Russell 1000 Growth rolling return rose sharply over Q2. Rolling risk for both large-cap Value and Growth were lower at quarter-end.



Russell 2000 Growth's and Value's rolling return rose notably in Q2, while realized volatility was lower at quarter-end.



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