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Russell US Indexes Spotlight

QUARTERLY REPORT | **OCTOBER 2025**

Small caps outpace large caps in Q3's broad equity rally as market optimism is sustained

The third quarter of 2025 saw an improvement in the US growth outlook for 2025, and the Fed's first rate cut of the year, all of which provided tailwinds for risk assets. While tariff uncertainty had not completely abated, it was not the main driver of market sentiment. The absence of further deterioration in the inflation outlook and marginal improvements in the trade landscape seemed to sustain market optimism.

Small caps outpace large caps in Q3

Russell 2000 outperformed Russell 1000, in a reversal from Q2 and the 12M trend. However, Russell Top 200 continued its outperformance of Russell Midcap, which represents the other approximately 800 stocks in the Russell 1000 index.

Style leadership is mixed in Q3

While large-cap Growth retained its lead over large-cap Value in Q3, the small-cap Growth index lagged its Value counterpart. Over 12M, Russell 1000 Growth maintained its leadership among style indices.

Industry performance reflects broader rally

More industries across size and style segments rallied in Q3 than in the previous quarter. More small-cap industries outperformed their large-cap counterparts. And more Value industries led their Growth peers in their respective size segments.

Earnings outlook continues to improve; Valuations mostly re-rate

The 2-year forecast EPS growth rose for Russell 1000 and Russell 2000, reflecting the improving US growth outlook and risk sentiment. However, the outlook was mixed for the style segments. Valuations re-rated for most Russell indices.

Russell IPO inclusion activity markedly improves

Russell 1000 and Russell 2000 included 3 and 19 new IPO names, respectively, in Q3, representing the highest number of inclusions over the last three years.

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Chart 1: During Q3, forecast US GDP growth for 2025 improved gradually after dipping sharply at the end of Q1.

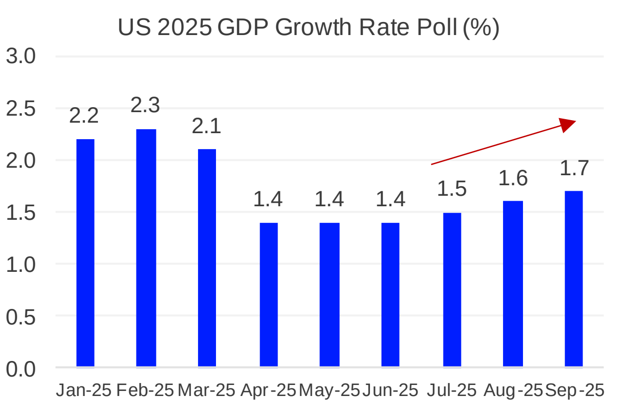
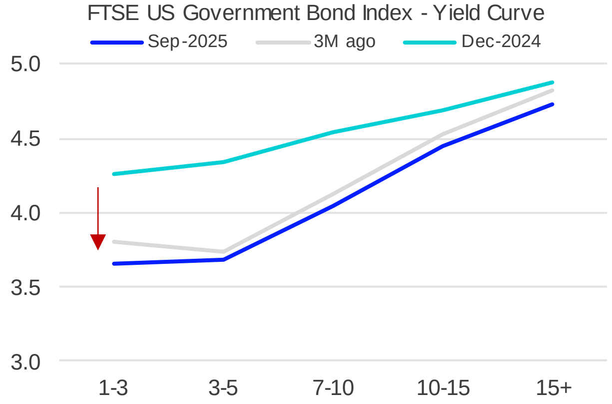


Chart 2: US short yields were much lower at the end of Q3 compared to Dec 2024 even as long yields remained high.



Source: FTSE Russell and LSEG. Data as of September 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 third quarter of 2025 saw all Russell size and style segments in the green, in a continuation of the risk rally that began in mid-April. The US Tech industry, whose performance had moderated in Q1, has contributed substantially to headline index returns since then, including during Q3. However, there were interesting shifts in US equity size and style leadership over the quarter compared to the 12M trend.

During Q3, the Russell 2000 index outpaced Russell 1000 in contrast to 12M performance. Large-cap Growth continued to lead large-cap Value. However, large-cap Growth and Value trailed their small-cap counterparts in contrast to their longer-term performance trend. And within small caps, the Value style edged out Growth for the quarter.

A few factors that may have been supportive of a broader rally in US equities include an improving US and global growth outlook (which had declined early in 2025 on elevated concerns over US tariff impact), and a resumption of US monetary easing with the Fed's first rate cut of 2025 in September (discussed in more detail on page 3.) Further, heavy capital investment in AI technologies has had downstream impact on sectors beyond Tech Hardware and Software. One area where this was visible during Q3 was in Telecoms (whose performance also stood out during the previous quarter). Specifically, small-cap Telecoms significantly outperformed its large-cap counterpart. Overall, small-cap industries contributed broadly to the Russell 2000's performance (discussed more on pg.4.)

The Russell Top 200 index, which represents the top 200 stocks by weight in Russell 1000, continued to outperform Russell Midcap, which represents the other 800 stocks of Russell 1000. This was consistent with their 12M relative performance. The Top 200 has a larger weight in Tech which tends to drive most of the index's performance (see pg.6).

Chart 1: In Q3, all Russell equity segments posted gains in a continuation of the risk rally that began in April. During a quarter when the Fed resumed monetary easing, Russell 2000 and its style cohorts outpaced their large-cap counterparts in a reversal of 12M trends.

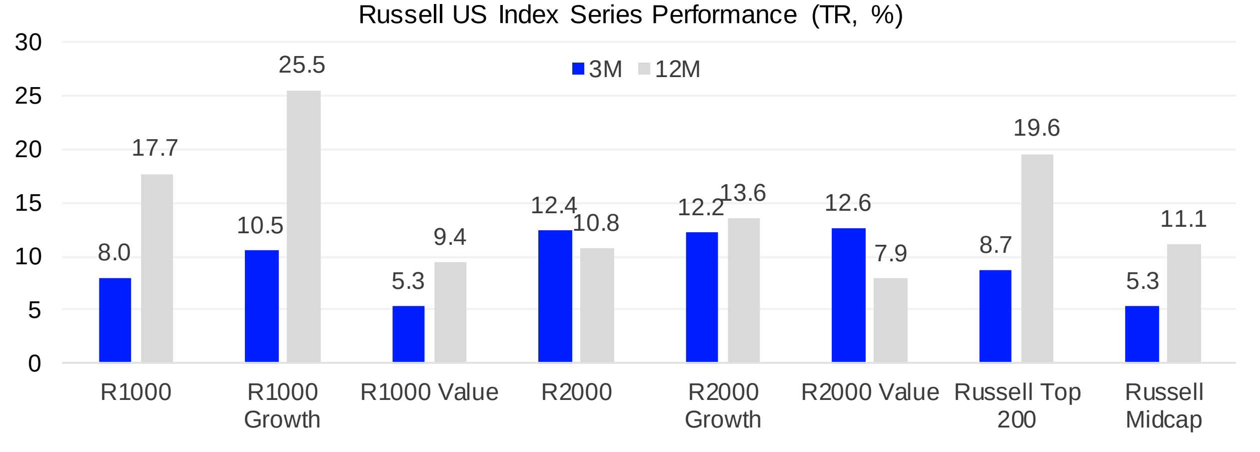
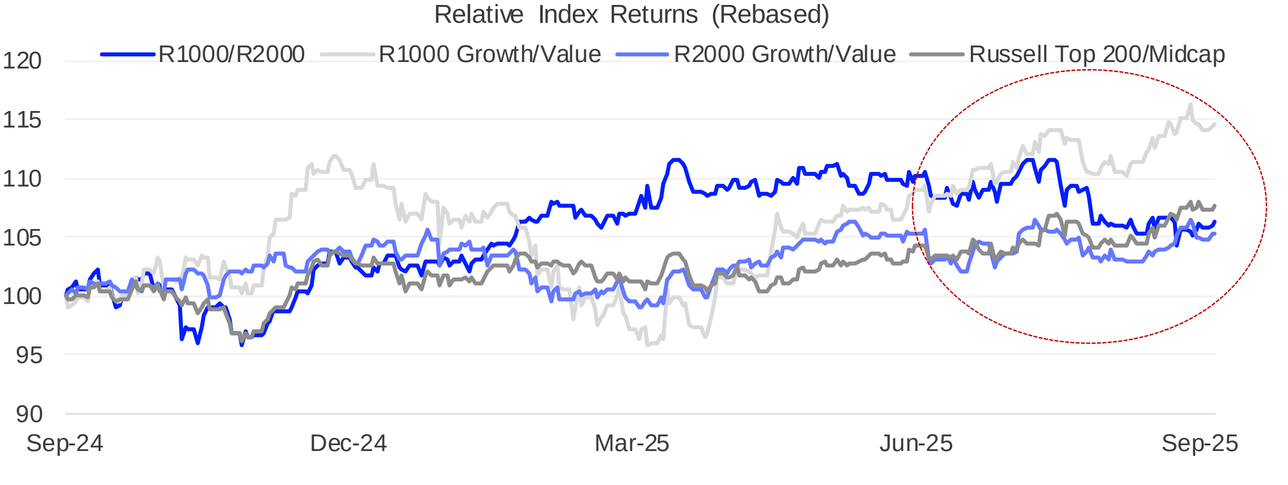


Chart 2: Over 12M, large caps outperformed small caps despite lagging them in Q3. And Growth outperformed Value both in the large-cap and small-cap space, driven largely by a resumption of the tech rally after Q1 2025.



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

Macro Drivers

During Q3, risks to the US economic and inflation outlook from policy uncertainty persisted. However, marginal improvements in the trade landscape, e.g. US trade deals with key trading partners such as Europe and Japan, and businesses' efforts to stave off a full pass-through of higher prices to consumers, seemed to moderate the macro impact thus far and fuel market optimism for risk assets.

The US growth outlook had deteriorated sharply at the end of Q1 but stabilized in Q2 as the US's announced reciprocal tariffs were paused (Chart 1). However, forecast 2025 GDP growth improved over Q3, helped by resilient realized growth in Q2 (with a rebound in exports). Further, US inflation expectations, which rose sharply during Q1, moderated somewhat during Q2 (Chart 2). Expectations were still elevated in Q3, with 1-3 year breakeven inflation between 2.7% and 2.9%, but they did not deteriorate further in the context of ongoing US trade negotiations and product-level tariff exceptions.

Despite these green shoots, softer labor market data provided the impetus for the Fed to resume monetary easing in September, with the result that US short yields were much lower compared to December 2024 (Chart 3). Lower borrowing rates tend to be more beneficial to smaller corporate borrowers that may not have huge cash piles or broader sources of financing. It is worth noting that longer-term yields, which are less anchored to the short-term policy rate, remained high, partly factoring in the US fiscal situation. While yields are one indicator of financial conditions for businesses and investors, the FTSE Russell Financial Conditions Indicator, a broader measure, showed that financial conditions in the US were at their loosest in three years (Chart 4). These factors likely contributed to the broader US equity rally seen during Q3.

Still, much remains to be decided on trade policy, and its overall impact on US industries and inflation is still unfolding. Our *In Focus* section takes a closer look at the US industries and sectors most exposed to trade policy uncertainty (pg.8).

Chart 1: During Q3, forecast US GDP growth for 2025 improved gradually after dipping sharply at the end of Q1.

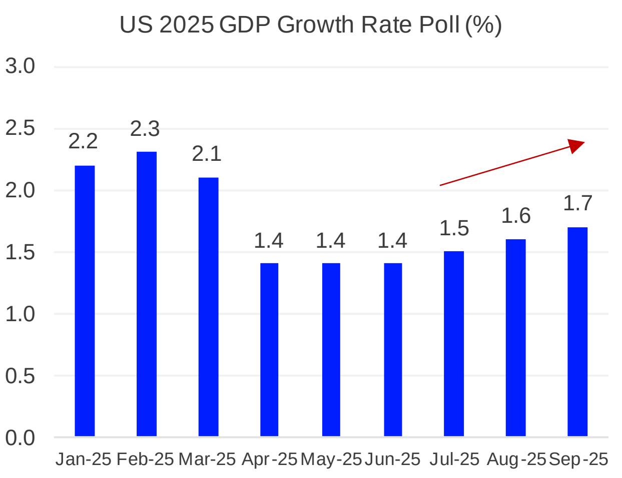


Chart 2: Over Q3, expected inflation over 1-3 years remained above the central bank's 2% target but did not deteriorate.

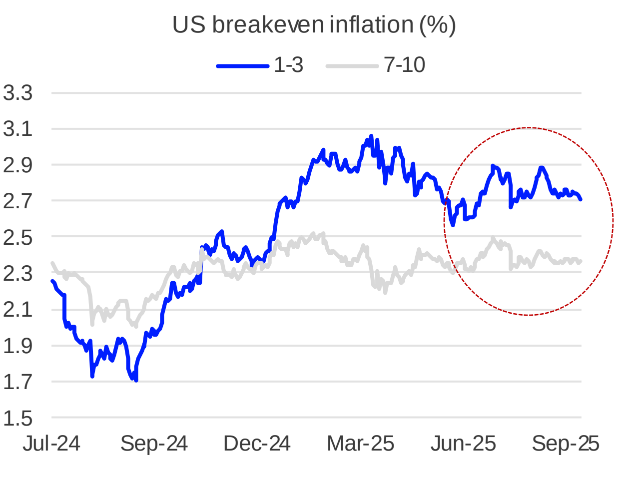


Chart 3: US short yields were much lower at the end of Q3 compared to Dec 2024 even as long yields remained high.

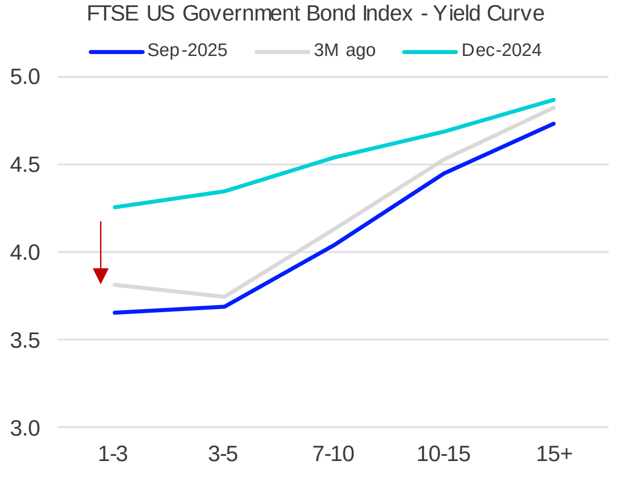
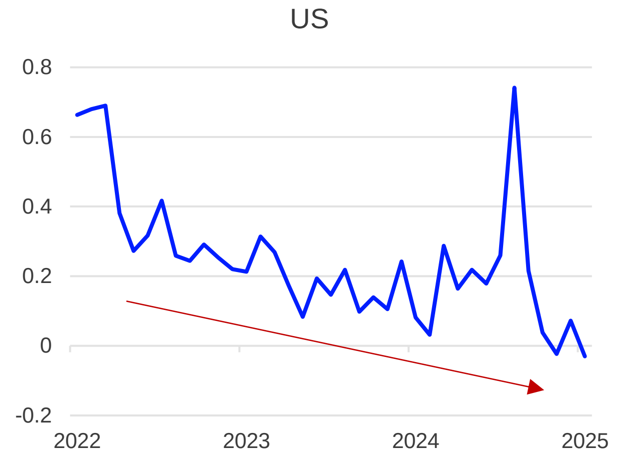


Chart 4: The Financial Conditions Indicator for the US suggested that conditions were at their loosest in over three years.



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

Industry Returns & Weights – Russell 1000 & Russell 2000

The US equity rally that resumed in mid-April with the return of risk sentiment to markets continued into Q3.

- Nearly all Russell 1000 and Russell 2000 industries posted gains for the quarter, helped by strong Q2 earnings, except large-cap Consumer Staples. While cyclicals generally outperformed defensives, a few defensive industry performances stood out over the quarter, e.g. small-cap Telecoms and large-cap Utilities (relative to other large-cap industries). And in a broadening of the equity rally, all small-cap industries outperformed their large-cap counterparts, with the exception of Financials.
- In the large-cap space, Tech continued to be a major driver of index returns given its performance and relative weight within Russell 1000. It was followed by strong returns and contributions from other cyclicals. In a reversal from Q2, large-cap Energy and Health Care bounced back from losses. With US long yields slightly lower at quarter end, Real Estate also benefitted.
- Within the small-cap space, there was a broad-based rebound in industry returns including in Staples and Real Estate that had posted losses during Q2. Telecoms and Materials stood out in terms of returns; however, their overall impact on the Russell 2000's returns were much lower given their relatively smaller weights. Broadly, cyclicals drove index performance.

With the sustained rally in Q3, 12M returns were largely positive. Within large caps, Tech was top performing, but Discretionary and Financials were not far behind. Within small caps, Telecoms and Materials were top performing.

Chart 1: Over Q3, industry performance broadened further from the previous quarter in both Russell size segments.

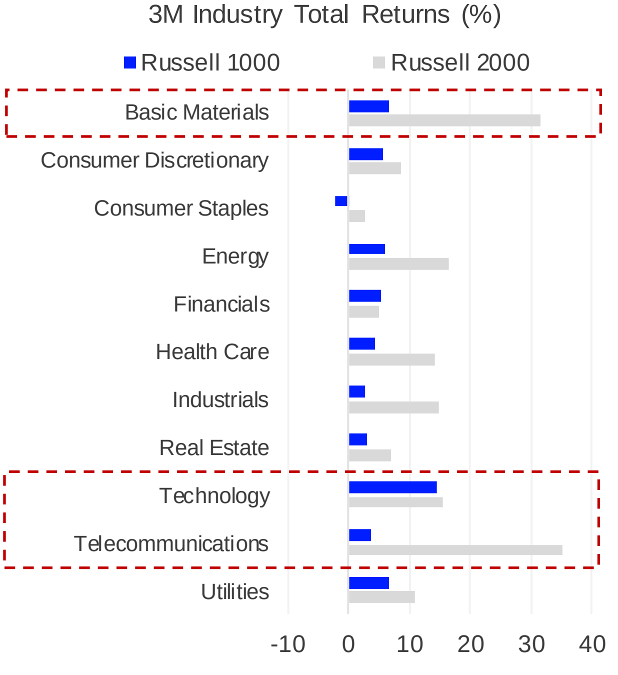
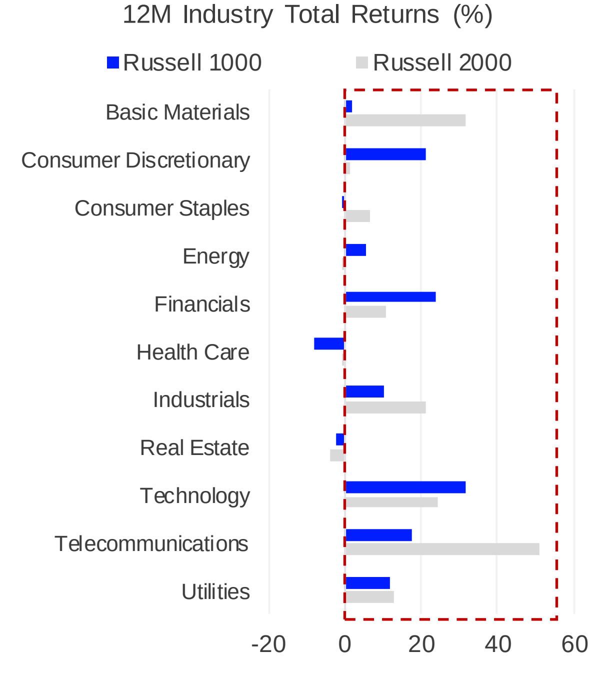
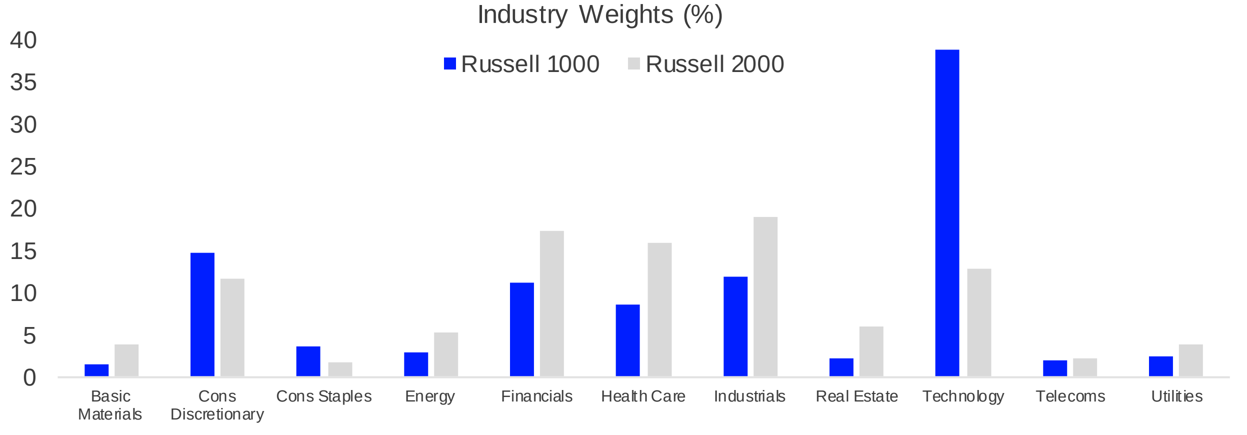


Chart 2: Q3's sustained rally put 12M performance for most industries in the green.





Source: FTSE Russell and LSEG. Based on Industry Classification Benchmark. All data as of September 30, 2025. Past performance is no guarantee of future results.

Industry Returns & Weights – Russell 1000 & Russell 2000 Growth & Value

Industry performance in the Russell style indices was largely positive in Q3 as during the previous quarter.

- While Russell 1000 Growth outpaced Russell 1000 Value, that can be largely attributed to Tech's contribution to the large-cap Growth index where it has a weight of over 60%. In fact, more Value industries outperformed their Growth counterparts in the large-cap space over Q3.
- Within small caps, again, more Value industries outperformed their Growth counterparts, and by the largest margins within Telecoms and Utilities, suggesting less expensive stocks participated more in the Q3 rally.
- Within Growth, large-cap companies lagged small-cap companies in 6 out of 11 industries, and by the widest margin within Basic Materials, Energy and Industrials. And within Value, once again, large caps lagged small caps in all 11 industries, and most steeply in Telecoms, Basic Materials and Health Care.
- Interestingly, Tech's performance was comparable across size and style segments, suggesting this was not a narrow mega-cap tech rally.

Over the 12M timeframe, industry performance within the style indices was largely positive after Q3's performance, with Health Care benefitting notably from Q3's rebound by large-cap Health Care. Telecoms generally posted strong results, but small-cap Value equities within Telecoms far outpaced the rest as they had the previous quarter.

Chart 1: In Q3, industries continued their positive performance from Q2, with more Value industries outperforming Growth peers.

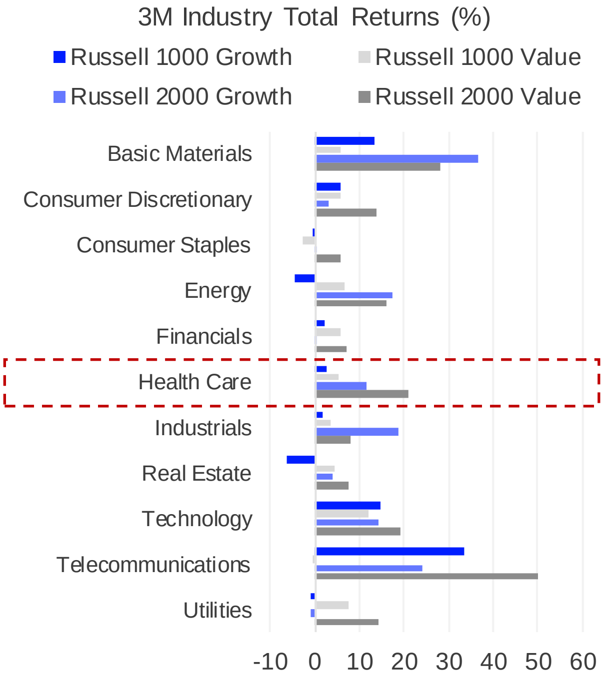
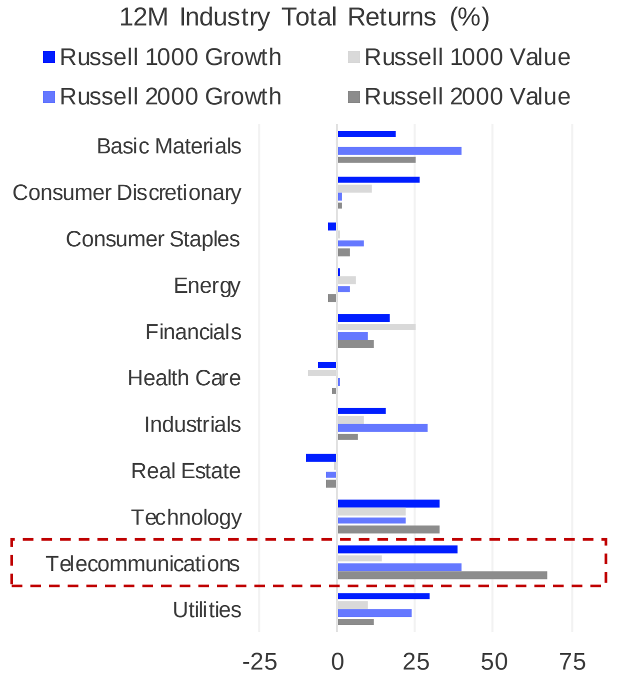
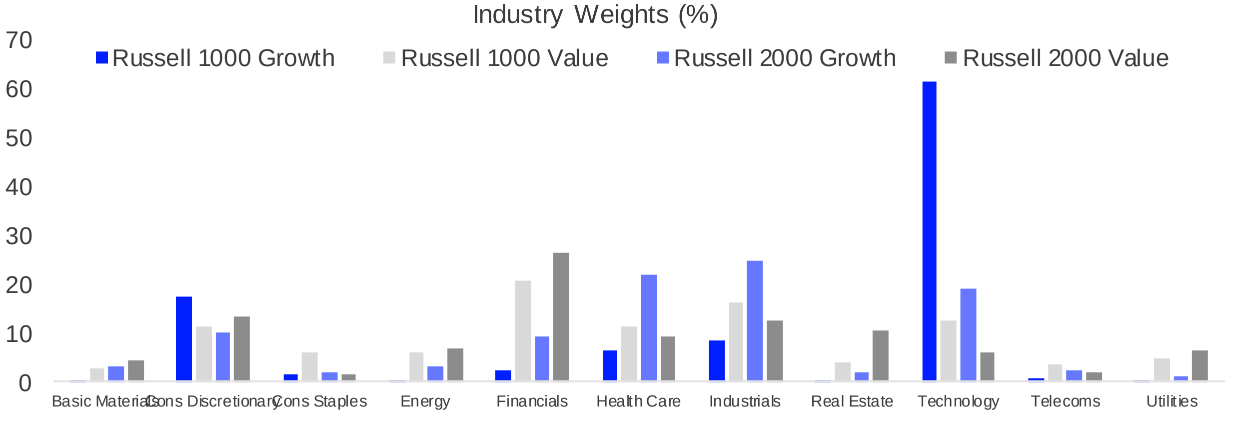


Chart 2: Over 12M, industry performance was largely positive. Small-cap Value companies within Telecoms outpaced others.





Source: FTSE Russell and LSEG. Based on Industry Classification Benchmark. All data as of September 30, 2025. Past performance is no guarantee of future results.

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$ 30.9B compared to about US$ 1.6T for the Top 200 companies.

– Over Q3, the broadening of the equity rally can be seen across the Midcap and Top 200 segments as well. More Midcap industries (8 of 11) outperformed their Top 200 counterparts. Technology was the best-performing large-cap industry and this was true within the Top 200 and Midcap segments. Top 200 companies outperformed within Tech, Consumer Staples and Financials.

– 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 Utilities indicating that the largest companies within those industries trailed the rest.

– 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 Q3, more Midcap industries outperformed their Top 200 counterparts than in the previous quarter.

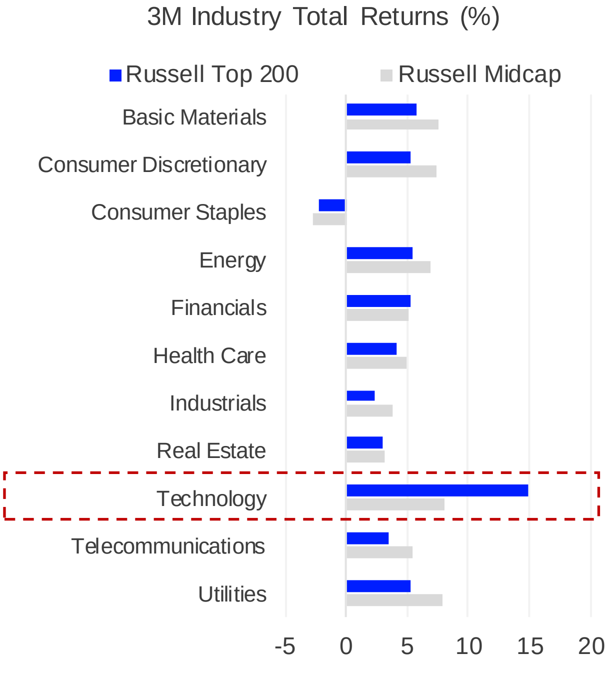
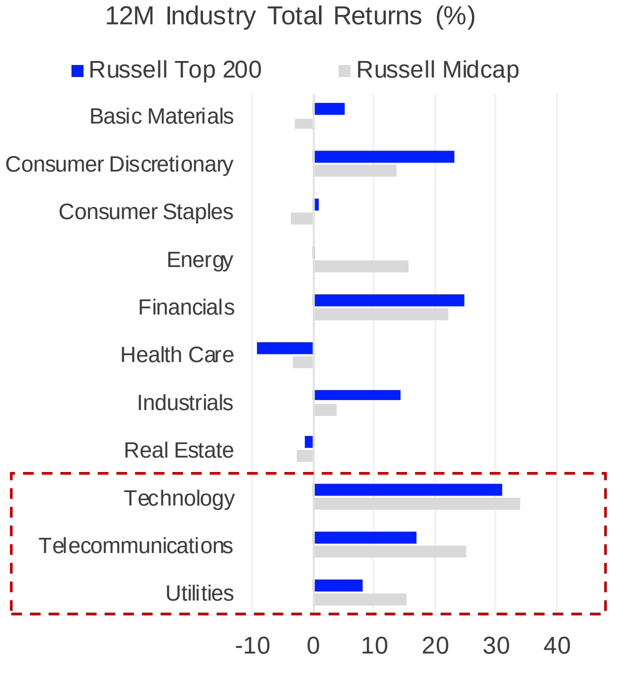
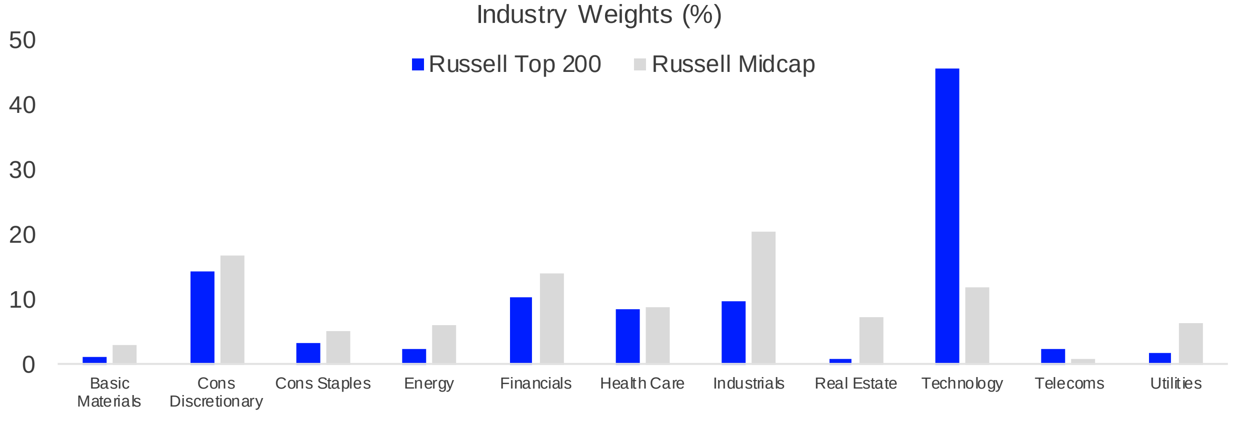


Chart 2: Over 12M, leadership between Russell Top 200 industries and Russell Midcap industries was comparable.





Source: FTSE Russell and LSEG. Based on Industry Classification Benchmark. All data as of September 30, 2025. Past performance is no guarantee of future results.

Russell 1000 Sector Contributions to Return*

Drilling deeper into Q3 performance at the sector level for the Russell 1000 industries:

- Within Tech, while both Software and Hardware contributed substantially to industry returns, the contribution from Hardware far surpassed that of Software.
- All of the Telecoms industry's returns came from the Telecom Equipment sector, a likely beneficiary of AI capital investment. Similarly, Electricity, another beneficiariary of AI capex also contributed strongly to Utilities returns.
- Basic Materials, another top-performing industry over Q3, was driven mostly by contributions from Precious Metals and Mining and Industrial Metals and Mining.
- Among Discretionary sectors, there was broad-based contribution, but Autos & Parts and Retailers stood out.
- In a notable reversal from Q2, Pharma & Biotech contributed strongly to Health Care's returns as did Health Care Providers to a smaller extent.
- Oil, Gas & Coal also contributed strongly to Energy's returns in Q3 after detracting heavily in the previous quarter.

Table 1: Amid broad-based contributions in Q3, a few sectors stood out. Tech Hardware and Telecoms Equipment were major contributors to their respective industries' top performance over the quarter.

Sector	Avg. Weight	Q3 2025 Contrib.
Basic Material		
Chemicals	53.6%	-0.57%
Industrial Materials	5.9%	-0.07%
Industrial Metals and Mining	27.6%	2.05%
Precious Metals and Mining	12.9%	5.25%
Consumer Discretionary		
Automobiles and Parts	10.1%	3.41%
Consumer Services	5.7%	0.21%
Household Goods & Home Construction	2.5%	0.43%
Leisure Goods	3.6%	0.64%
Media	12.3%	-0.66%
Personal Goods	3.2%	-0.11%
Retailers	41.5%	1.99%
Travel and Leisure	21.2%	-0.51%
Consumer Staples		
Beverages	25.6%	-0.51%
Food Producers	18.3%	-0.48%
Personal Care Drug & Grocery Stores	40.5%	-0.63%
Tobacco	15.7%	-0.62%
Energy		
Alternative Energy	1.3%	0.31%
Oil, Gas and Coal	98.7%	5.48%
Financials		
Banks	30.2%	2.71%
Finance and Credit Services	6.8%	-0.06%
Investment Banking and Brokerage Svcs	43.1%	2.67%
Life Insurance	3.0%	0.09%
Mortgage Real Estate Investment Trusts	0.5%	0.04%
Non-life Insurance	16.3%	-0.26%

Sector	Avg. Weight	Q3 2025 Contrib.
Health Care		
Health Care Providers	13.5%	0.29%
Medical Equipment and Services	34.2%	-0.31%
Pharmaceuticals and Biotechnology	52.3%	4.37%
Industrials		
Aerospace and Defense	17.7%	1.80%
Construction and Materials	8.9%	0.70%
Electronic and Electrical Equipment	8.0%	0.47%
General Industrials	14.4%	0.43%
Industrial Engineering	7.9%	0.64%
Industrial Support Services	33.9%	-1.61%
Industrial Transportation	9.3%	0.42%
Real Estate		
Real Estate Investment & Services Dev.	8.6%	0.81%
Real Estate Investment Trusts	91.4%	2.24%
Technology		
Software and Computer Services	51.0%	3.34%
Technology Hardware and Equipment	49.0%	9.58%
Telecomunications		
Telecommunications Equipment	44.0%	9.72%
Telecommunications Service Providers	56.0%	-0.81%
Utilities		
Electricity	68.2%	5.13%
Gas, Water and Multi-utilities	22.2%	1.90%
Waste and Disposal Services	9.6%	-0.41%

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 September 30, 2025. Past performance is no guarantee of future results.

In Focus – Russell 1000 and Russell 2000 geographic revenue exposures

An analysis of US equities' geographic revenue sources indicates their dependence on revenues from key US trading partners. While the US has entered into framework trade agreements with some, e.g. the UK, Europe and Japan, negotiations are ongoing with others, e.g. Canada and China, and uncertainty related to US economic policy remains a risk factor for markets.

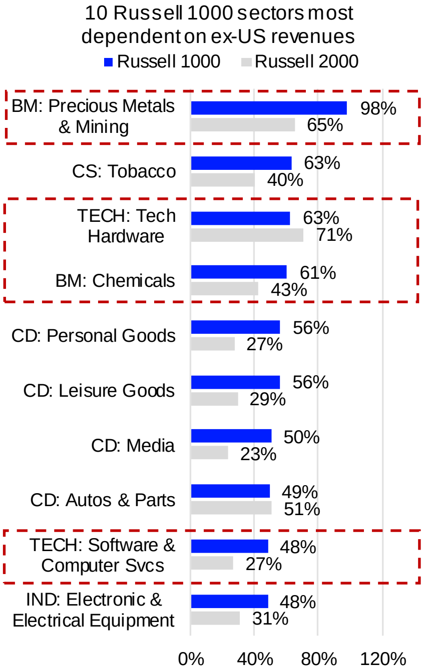
- Besides the US, the top three geographic revenue sources for most Russell 1000 and Russell 2000 industries were Canada, China and the UK (highlighted in grey in Table 1).
- Among large caps, Tech and Basic Materials had the highest ex-US revenue dependence. Unsurprisingly, Utilities, Real Estate, Telecoms and Financials that are focused on domestic services had the lowest ex-US revenue dependence. Tech had a large revenue dependence on China (12% of total industry revenues), particularly Tech Hardware (17% of total sector revenues). Automobiles and Parts was another Russell 1000 sector that drew significant revenues from China (19% of sector revenues), as did several Basic Materials sectors.
- Among small caps, the pattern was similar where Tech and Basic Materials had the highest ex-US revenue dependence. A drilldown into the sector level indicated Tech Hardware and Telecom Equipment had the largest revenue exposure to China (16% and 13%, respectively, of sector revenues).

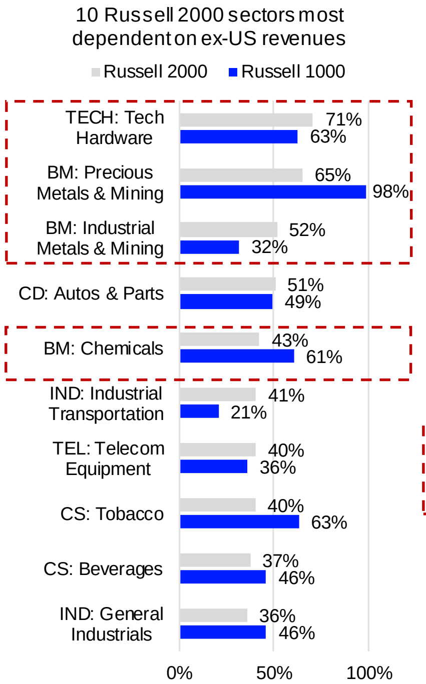
As the US is yet to finalize trade agreements with countries like China and Canada, companies within these industries and sectors remain exposed to the outcome of these ongoing negotiations.

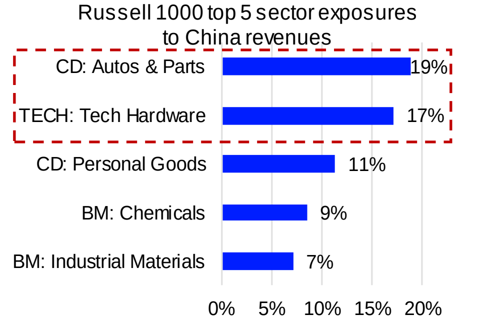
Table 1: Analysis of geographic revenue sources by Russell 1000 and Russell 2000 industries show US equities' dependence on revenues from key trading partners. The UK, China and Canada are often the top 3 revenue sources (in grey highlight) outside the US.

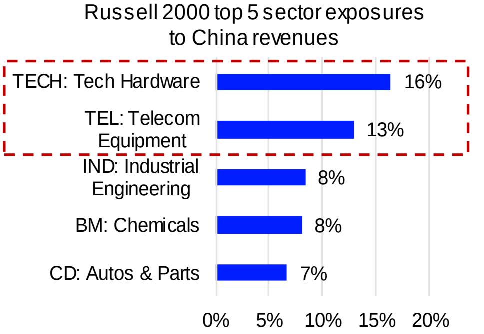
	Russell 1000				Russell 2000			
	Canada	China	UK	US	Canada	China	UK	US
Basic Materials	3.0%	5.6%	7.1%	44.4%	5.4%	5.2%	2.1%	58.5%
Consumer Discretionary	2.9%	5.0%	3.7%	64.8%	1.6%	1.5%	1.9%	78.3%
Consumer Staples	2.5%	3.1%	1.9%	57.1%	2.1%	1.9%	1.2%	78.4%
Energy	3.8%	6.0%	3.7%	63.2%	1.4%	2.2%	1.8%	67.0%
Financials	1.1%	2.0%	2.6%	77.4%	0.2%	0.3%	1.0%	91.3%
Health Care	1.2%	4.0%	1.9%	65.6%	0.4%	1.4%	0.9%	76.1%
Industrials	2.4%	4.5%	2.0%	61.8%	2.9%	2.5%	1.5%	69.2%
Real Estate	1.8%	1.2%	2.5%	83.0%	0.7%	0.1%	0.4%	97.5%
Technology	1.2%	12.0%	1.7%	45.0%	1.7%	8.5%	1.6%	55.5%
Telecommunications	1.5%	1.3%	2.1%	76.3%	1.8%	8.7%	1.3%	67.8%
Utilities	1.0%	0.0%	0.0%	96.2%	0.2%	0.3%	1.0%	83.1%
Index	**1.8%**	**7.0%**	**2.3%**	**58.8%**	**1.6%**	**2.7%**	**1.3%**	**75.0%**

Charts 2-5: Sector-specific exposures to revenues from outside the US highlight US Tech, Basic Materials and Consumer Discretionary sectors' high dependence on ex-US revenues and, specifically, revenues from China.









Source: FTSE Russell and LSEG. Geographic revenue data from Factset. Data as of September 30, 2025. Past performance is no guarantee of future results.

EPS Growth & Revision Outlook

Consensus 2-year forecast EPS growth rose over the quarter for both the Russell 1000 and Russell 2000 indices and were the highest forecast growth rates in a year (Chart 1). (The 2-year forecast EPS growth is the expected growth rate of EPS over the two years from the next reported earnings.)

This upward revision partly reflected the improving growth outlook and risk sentiment over Q3. But it is worth noting that corporate earnings outlooks and forward guidance had become more cautious earlier in the year at the height of tariff uncertainty setting a lower earnings threshold for the rest of the year. At the end of Q3, the 2-year forecast EPS growth for Russell 1000 and Russell 2000 stood at 15.8% and 18.7%, respectively.

However, there was some variation across the style segments. Earnings growth forecasts were revised down for Russell Midcap, Russell 1000 Value and Russell 2000 Growth (slightly) from the previous quarter. For Russell 1000 Value, they were lower than expected earnings growth from one year ago, suggesting a more structural trend than for the other Russell segments.

At the end of Q3, earnings revision ratios were positive across the headline Russell 1000 and Russell 2000 indices, but negative for the large-cap and small-cap Value cohorts and for Midcap. However, revision ratios were higher across the board than one year ago (when US election uncertainty dominated the outlook).

Chart 1: Forecast 2-year EPS growth for Russell 1000 and Russell 2000 rose over Q3, reflecting the improving growth outlook. However, forecast earnings growth was revised down in a few segments, with the largest downward revision in Russell 1000 Value.

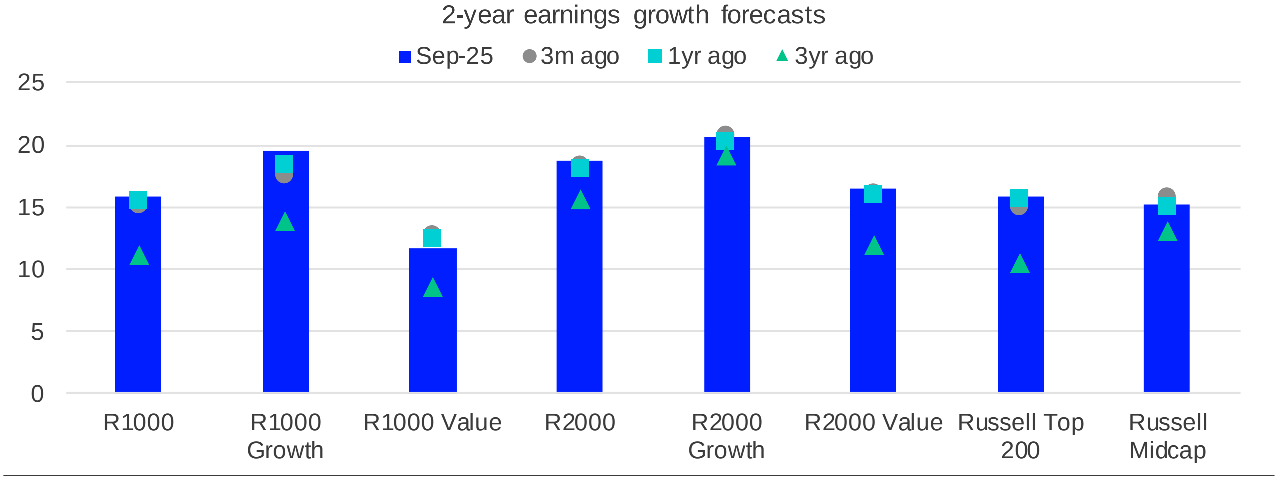
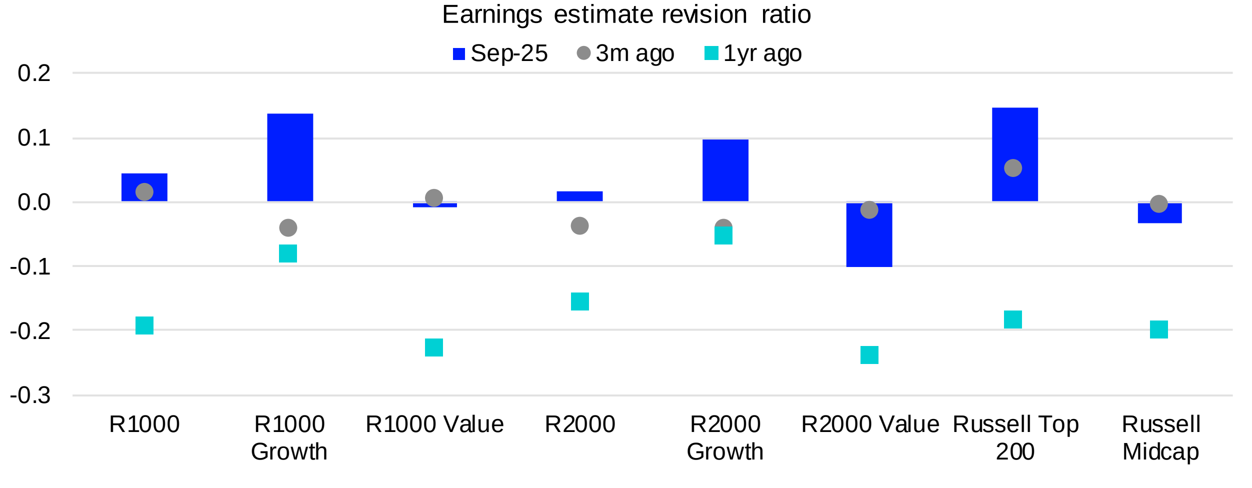


Chart 2: Earnings estimate revision ratios for Russell indices were higher across the board than one year ago. However, at the end of Q3, earnings estimates were revised down for the large-cap Value, small-cap Value and the Midcap indices.



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

Valuations (12M Forward) and Dividend Yield (Trailing 12M)

Companies with higher growth potential tend to trade at higher valuations. Both the Growth style and small-cap Russell segments typically represent companies with higher growth outlooks (and therefore, higher valuations) than their Value style and large-cap counterparts, respectively.

During Q3, valuations re-rated for most Russell indices, except for Russell 2000 Growth and Russell Midcap whose valuations contracted modestly from the previous quarter. P/Es expanded the most for Russell 1000 Growth, from 28.3x one quarter ago to 30.9x at the end of Q3, partly reflecting sustained investor exuberance in the potential of AI technologies (Tech constitutes over 60% of the Russell 1000 Growth index). Compared to valuations one year ago, the Russell 2000 Growth index has de-rated notably, but it is worth noting that its valuation expanded during August and September 2025.

Typically, Value style companies tend to pay higher dividends than Growth style companies. Compared to one year ago, dividend yields were lower across the Russell headline indices and size and style segments, largely due to their positive performance during this timeframe.

Within Russell 1000, it is interesting to note the Russell Top 200, which has a much higher weight to Tech than Midcap, has a much lower dividend yield than Russell Midcap. Five years ago, their dividend yields were more comparable. It reflects the impact of the AI-fueled tech boom in the US and the rising weight and influence of Tech stocks within the large-cap index.

Table 1: 12M Forward Valuations for various Russell indices indicate that P/Es expanded for most during Q3. They re-rated the most for Russell 1000 Growth reflecting the impact of the Tech rally and investors' sustained exuberance in AI.

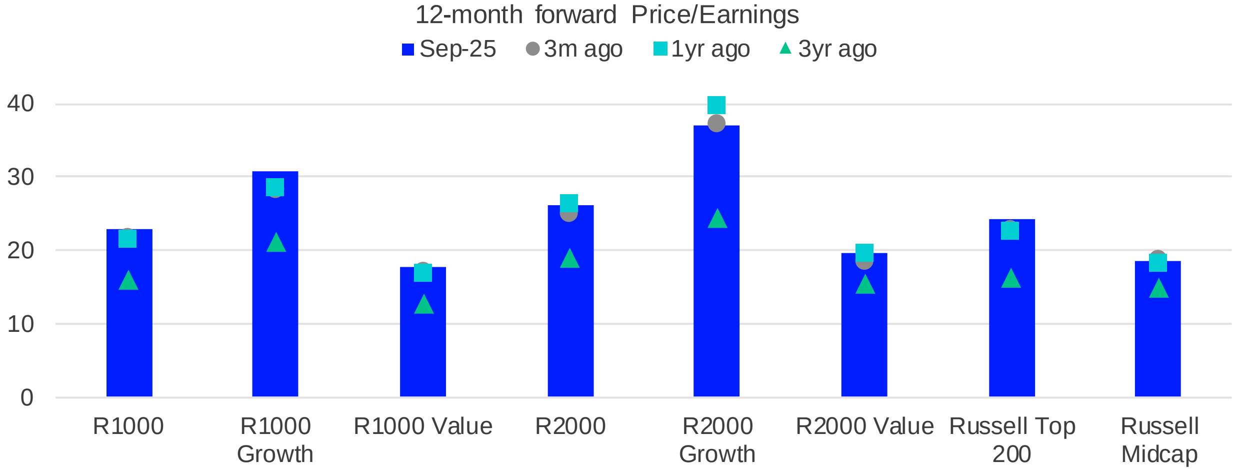
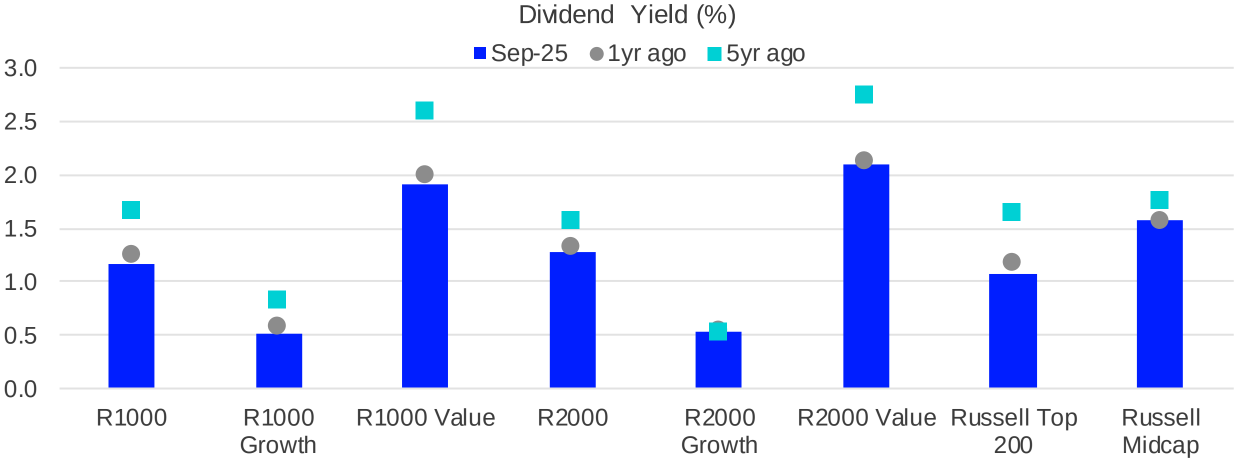


Table 2: Dividend Yields were lower across various Russell indices compared to one year ago, largely due to their positive performance over this timeframe.



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

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 2022-24 was dramatic, a likely effect of higher market volatility since 2020 and higher interest rates since 2022. However, IPO additions to the Russell family of indices has picked up since Q1 2024. While it saw a dip in Q1 and Q2 2025, Q3 saw a sharp uptick in IPO inclusion activity in the Russell indices, particularly in the small-cap space. Over Q3, Russell 1000 added three new names (up from 2 in Q2) while Russell 2000 included 19 new names (up from 7 in Q2) for a total of 22 IPO inclusions to the Russell large-cap and small-cap indices.

From an industry standpoint, there was one IPO inclusion each in large-cap Financials, Tech and Health Care. In the small-cap space, Financials saw seven, Health Care saw four and Industrials saw three inclusions. Small-cap Discretionary and Tech saw two IPO inclusions each and small-cap Energy saw one. 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 19 newcomers and Russell 1000 three new names in Q3. This represented a sharp rise in overall IPO inclusions to the Russell indices since 2022 when IPO inclusion activity declined sharply.

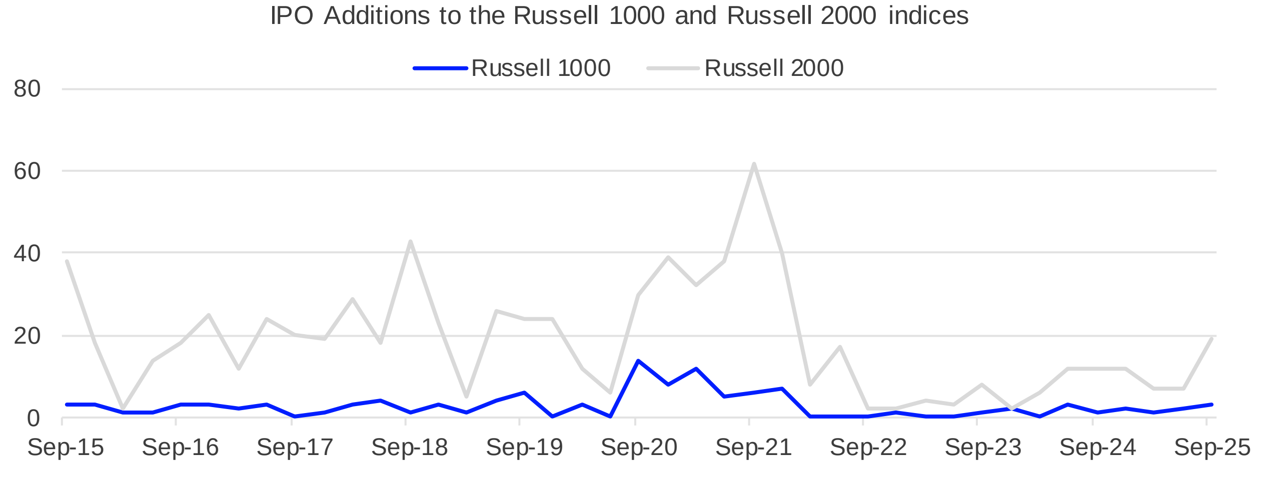
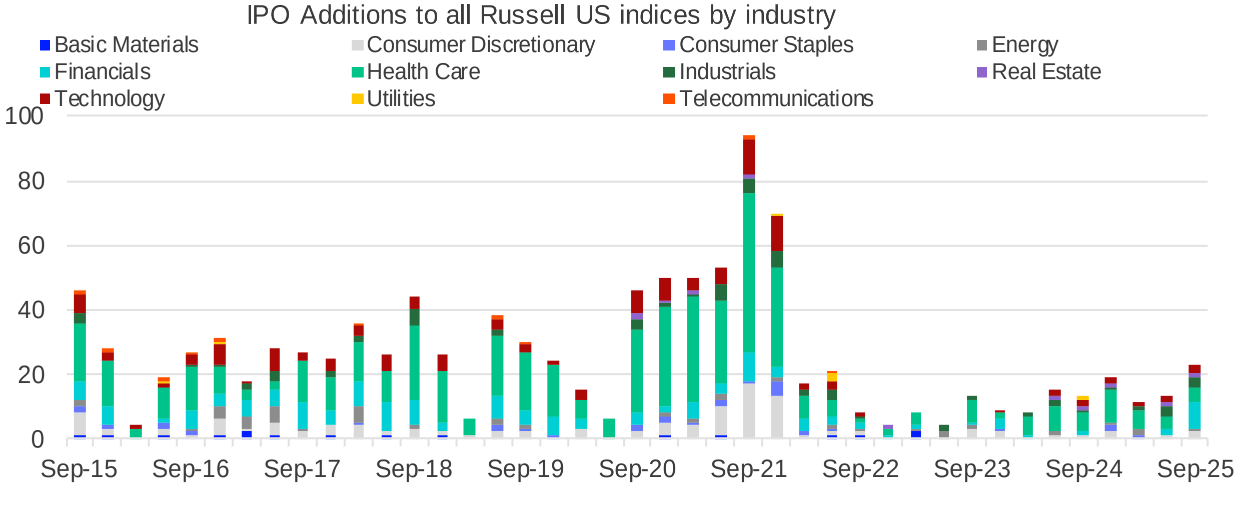


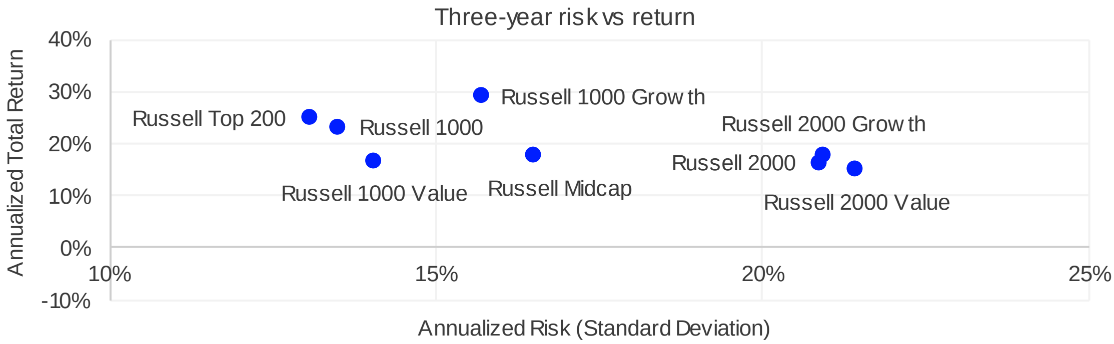
Chart 2: In Q3, the 19 new additions to the Russell 2000 index were distributed across several industries: 7 in Financials, 4 in Health Care, 3 in Industrials, 2 each in Consumer Discretionary and Technology, and 1 name in Energy. Russell 1000 saw one addition each to Financials, Tech and Health Care.



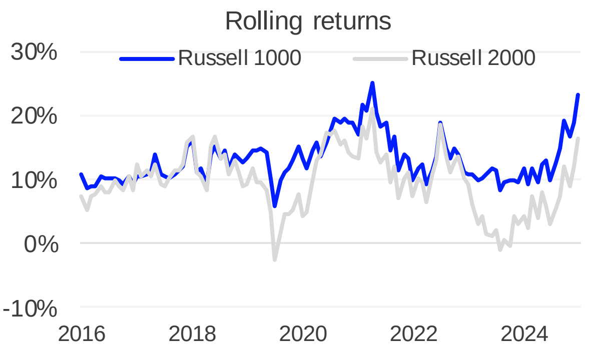
Source: FTSE Russell and LSEG. Based on Industry Classification Benchmark. All data as of September 30, 2025. Past performance is no guarantee of future results.

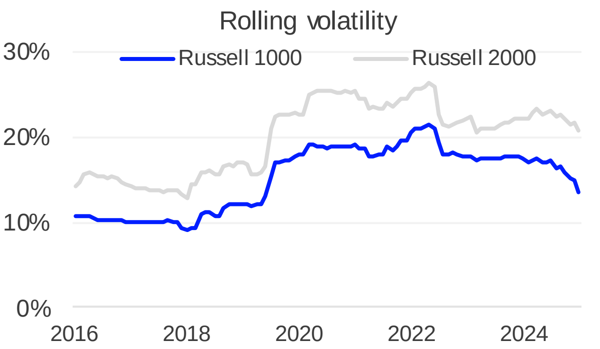
Return & Risk – Rolling Three-Year Patterns

In the most recent 3-year period, Russell Top 200 (1.90) and Russell 1000 Growth (1.85) offered the best return for unit risk followed by the headline Russell 1000 index (1.72).

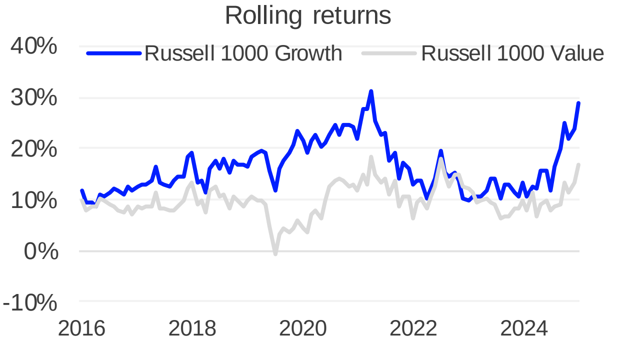


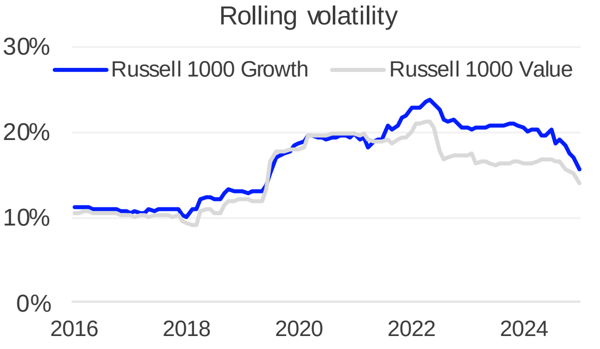
Russell 1000 and Russell 2000 rolling 3-year returns rose with the risk rally in Q3, and volatility declined during the quarter.



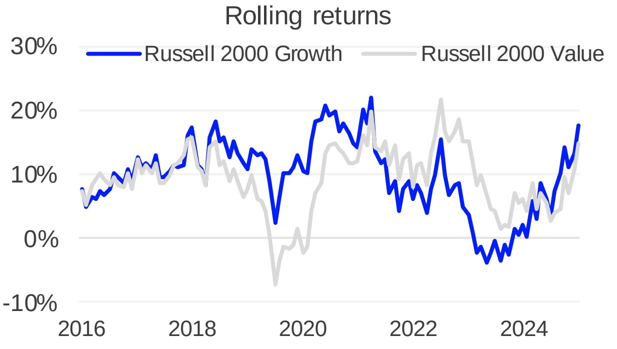


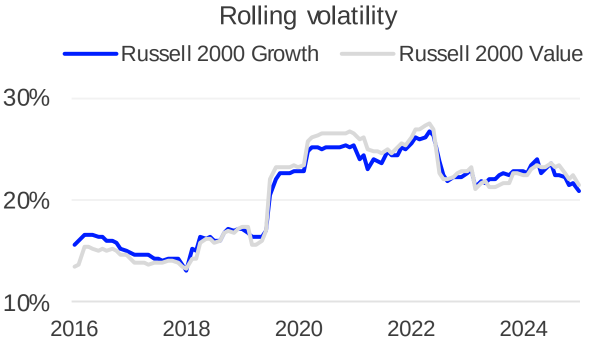
Russell 1000 Growth rolling return rose sharply over Q3. Rolling risk for large-cap Value and Growth dipped lower at quarter-end.





Russell 2000 Growth's and Value's rolling returns also rose notably in Q3, and realized volatility was lower at quarter-end.





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

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