

Russell US Indexes: IPO Additions

Transparent and objective

Russell US indexes add IPOs as part of the quarterly review process in March, September, and December.

At annual reconstitution in June, IPOs are included as new additions.

	Russell 1000	Russell 2000	Russell Microcap ex Russell 2000 ("E")	Russell 3000E
NUMBER OF IPO ADDITIONS	1	7	3	11
Basic Materials				
Consumer Discretionary				
Consumer Staples	1			1
Energy		2		2
Financials				
Technology		1		1
Health Care		4	2	6
Industrials			1	1
Real Estate				
Telecommunications				
Utilities				

Source: FTSE Russell, data as of March 24, 2025 (at the open).



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Industry Highlights

ICB is FTSE Russell's official industry classification framework, which includes 11 ICB Industries at the top level.

The following highlights IPOs added during the March quarterly review process, by ICB Industry:

Health Care

Six companies are joining the Health Care industry, with four companies entering the Russell 2000 Index and two companies entering the Russell Microcap Index. The Health Care IPO additions are Anteris Technologies, Beta Bionics, Exozymes Inc, Jupiter Neurosciences, Maze Therapeutics and Metsera.

The largest addition to the Health Care industry by size is Metsera, entering the Russell 2000 Index with a total market cap of \$2.80 billion.

Technology

Technology added 1 company across the Russell 3000E, entering the Russell 2000 index.

Zspace Inc is the single IPO joining the Technology industry with a total market cap of \$169.31M.

Industrials

Toppoint Holdings Inc is the single IPO joining the Industrials industry, entering the Russell Microcap Index with a total market cap of \$29.58M.

Consumer Staples

Smithfield Foods is the single IPO joining the Consumer Staples industry, entering the Russell 1000 Index with a total market cap of \$8.02B

Energy

Two companies are joining the Energy industry, both joining the Russell 2000 Index. The Energy IPO additions are Flowco Holdings Inc and Infinity Natural resources.

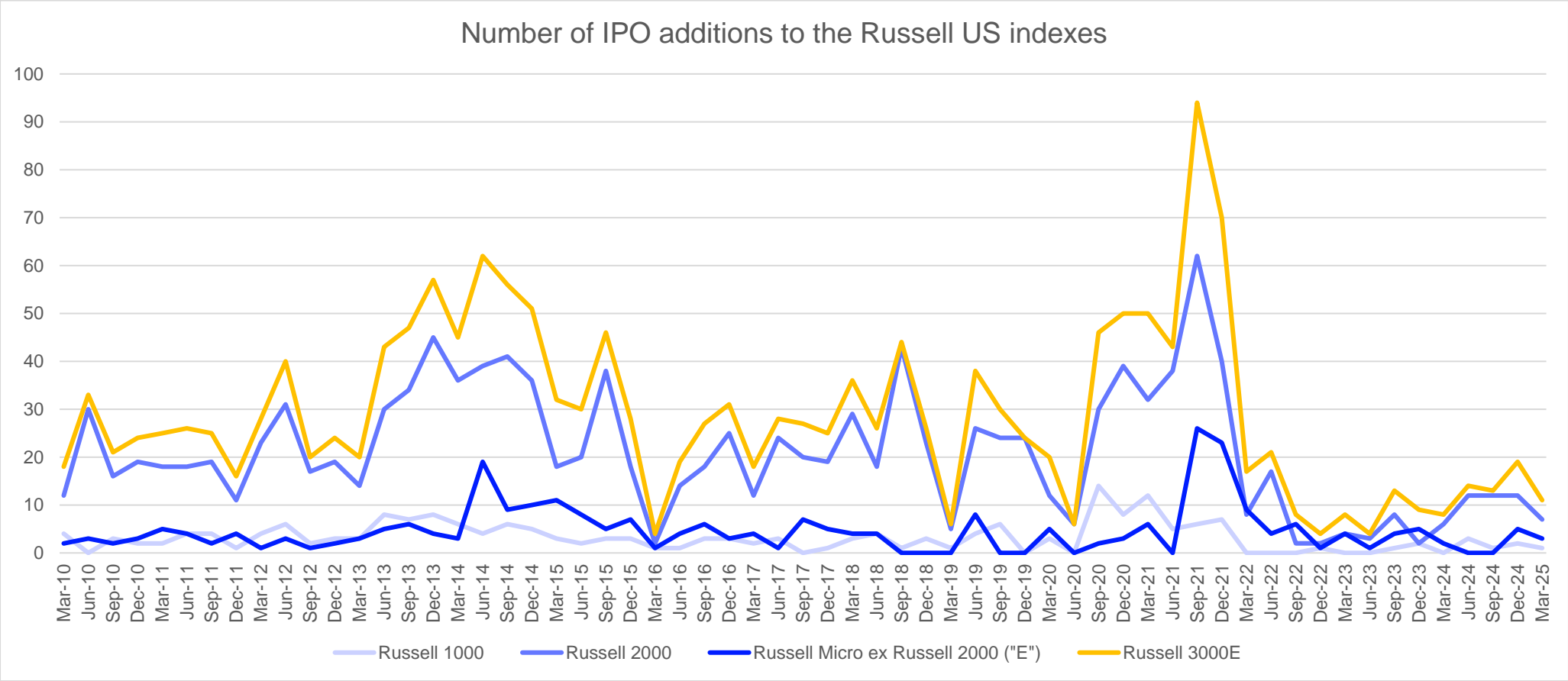
The largest addition to the Energy Industry by size, is Flowco Holdings, with a total market cap of 2.32B.

Source: FTSE Russell, data as of March 31, 2025. Market cap data included within Industry Highlights is total company market cap as of March 31, 2025.

Russell Indexes add eligible IPOs quarterly

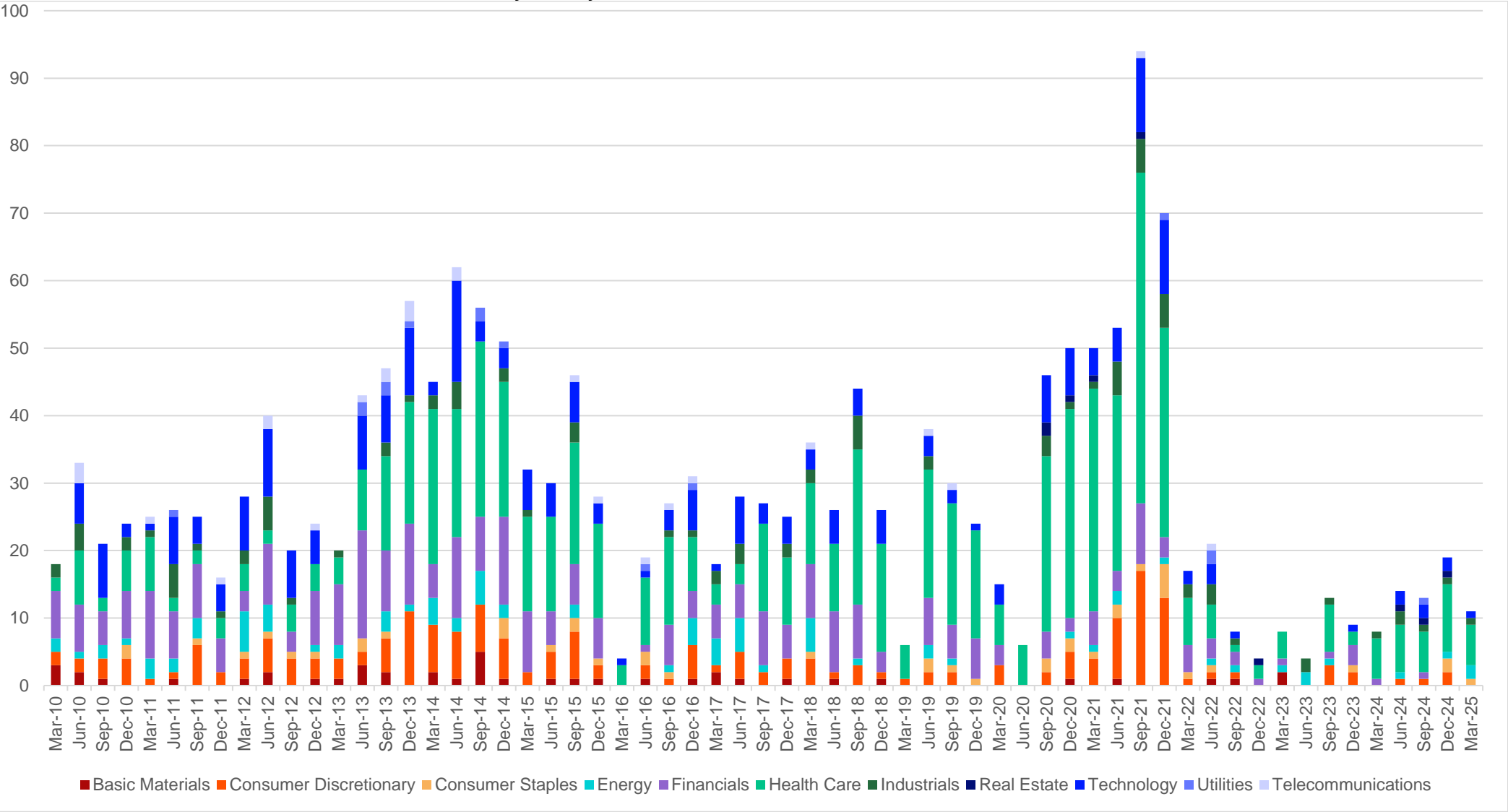
Initial public offerings (IPOs) are added to the Russell US Indexes on a quarterly basis to enhance overall market representation. Over the last 10 years, there have been over 1,100 IPO additions to the Russell US indexes, especially in the Russell 2000 Index, which measures the performance of the small cap segment of the US equity market. The most IPO additions this quarter were concentrated in the Health Care industry, as classified by ICB.

Historical number of IPO additions to the Russell US indexes



Source: FTSE Russell, data as of March 24, 2025 (at the open)

Historical number of IPO additions to the Russell US indexes by industry



Source: FTSE Russell, data as of March 24, 2025 (at the open)

Benefits of adding eligible IPOs to the Russell Indexes on a regular basis

Adding stocks to an index significantly later could impact the performance of the benchmark. In the figure below, we highlight some of the differences in performance resulting from the S&P 500 adding certain large-cap stocks later than their inclusion date in the Russell 1000 Index (or the Russell 2000 Index if the stock was added as a small cap)—in some cases up to a decade later. These coverage gaps contribute to performance differences.

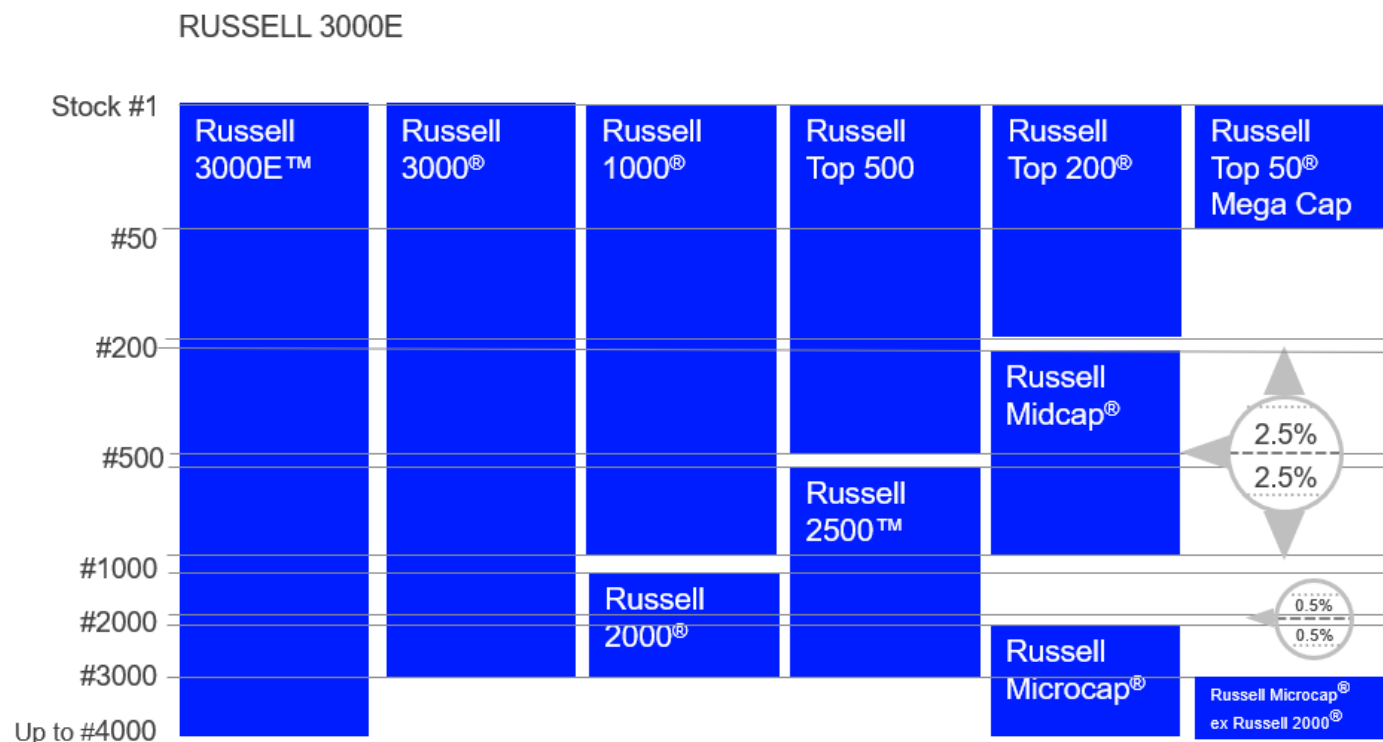
Timely addition of new and emerging companies

Company	IPO month	Added to Russell 3000 (A)	Added to S&P 500 (B*)	% Cumulative Total Return of the Stock from A to B*	Russell 1000 Cumulative Excess Return over S&P 500 from A to B*	Russell 3000 Cumulative Excess Return over S&P 1500 from A to B*
Gap	May 1976	Dec 1978 (R2); Sep 1985 (R1)	Aug 1986	2,232%	1.8%	N/A*
Tiffany & Co.	May 1978	Dec 1978 (R2) – Feb 1979 (removed from R2) Dec 1987, Jun 1993 (R2); Nov 1988, Jun 1996 (R1)	Jun 2000	1,986%	-64.2%	N/A*
Apple	Dec 1980	Mar 1981	Nov 1982	30%	-0.7%	N/A*
Microsoft	Mar 1986	Mar 1986	Jun 1994	3,270%	-6.1%	N/A*
Adobe	Aug 1986	Dec 1986 (R2); Dec 1987 (R1)	May 1997	1,389%	-274.7%	260.5%
Harley-Davidson	Jul 1986	Dec 1986 (R2); Jun 1990 (R1)	Jan 2000	10,963%	-467.5%	438.2%
Starbucks	Jun 1992	Jun 1993	Jun 2000	523%	-6.0%	N/A*
Amazon.com	May 1997	Jun 1997 (R2); Jun 1998 (R1)	Nov 2005	3,043%	6.4%	-1.3%
Nvidia	Jan 1999	Jun 1999 (R2); Jun 2000 (R1)	Nov 2001	1,043%	1.1%	-0.6%
Netflix	May 2002	Jun 2002 (R2); Jun 2009 (R1)	Dec 2010	2,412%	6.7%	3.3%
Alphabet (Google)	Aug 2004	Sep 2004	Mar 2006	201%	2.5%	1.7%
Super Micro Computer	Mar 2007	Jun 2007 (R2); Jun 2024 (R1)	Mar 2024	9,990%	-2.1%	-11.3%
Tesla	Jun 2010	Sep 2010	Dec 2020	17,192%	6.1%	5.8%
Meta Platforms Inc (Facebook)	May 2012	Jun 2012	Dec 2013	76%	1.4%	1.1%
Palo Alto Networks Inc	Jul 2012	Sep 2012	Jun 2023	1,145%	-5.2%	-7.8%
Lululemon Athletica	Jul 2007	Jun 2015	Oct 2023	503%	-6.3%	-6.5%
Block Inc (Square)	Nov 2015	Dec 2015	TBD*	315%	-5.8%	-5.9%
Moderna	Dec 2018	Mar 2019	Jul 2021	1,638%	2.0%	2.2%
Uber	May 2019	Jun 2019	Dec 2023	33%	-1.7%	-2.2%
Blackstone Inc	Jun 2007	Jun 2021	Sep 2023	20%	-2.9%	-3.4%
Airbnb	Dec 2020	Jun 2022	Sep 2023	54%	-0.1%	-0.1%

Source: FTSE Russell, data as of March 31, 2025. Russell 3000 additions are to the Russell 1000 (R1) unless a date is noted for the Russell 2000 (R2). The inception date of the Russell 3000 Index is January 1, 1984. All performance presented prior to the index inception date is back-tested performance. Past performance is no guarantee of future returns. See the end for important disclosures.

*S&P 1500 Index inception is 1/31/1995, so index performance is not available prior to this date. If the S&P 500 has not added the stock yet, performance is as of April 30, 2024.

Russell US Indexes Overview



The Russell 3000E Index is divided into additional market cap segments to create the entire series of Russell US Indexes.

For existing index members, a 5% band is placed around the break between large and small cap (and additional breakpoints) to determine index assignment; Microcap has a 1% band at the top, and there is no band at the bottom of the Russell 2000/Russell 3000 or Russell Top 50 Mega Cap.

Index	Companies included (based on descending total market capitalization)	Coverage	Banding
Russell 3000E™	Companies #1-4,000 or 100% of the eligible securities	Up to largest 4,000 investable US equity securities	No
Russell 3000®	Companies #1-3,000	Largest 3,000 broad cap US equity securities	No
Russell Top 50®	Companies #1-50	Largest 50 mega cap US equity securities	No
Russell Top 200®	Companies #1-200	Largest 200 mega cap US equities securities	Yes
Russell Top 500	Companies #1-500	Largest 500 large cap US equity securities	Yes
Russell 1000®	Companies #1-1,000	Largest 1000 large cap US equity securities	Yes
Russell Midcap®	Companies #201-1,000	Smallest 800 mid cap US equities securities in the Russell 1000	Yes
Russell 2000®	Companies #1,001-3,000	Smallest 2000 small cap US equities securities in the Russell 3000	Yes
Russell 2500™	Companies #501-3,000	Smallest 2500 small-to-mid US equities securities in the Russell 3000	Yes
Russell Microcap®	Companies #2,001-4,000	Microcap coverage of total US investable opportunity set	No
Russell Microcap® ex Russell 2000®	Companies #3,001-4,000	Up to 1000 of the smallest microcap US equities securities in the Russell 3000E	No

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