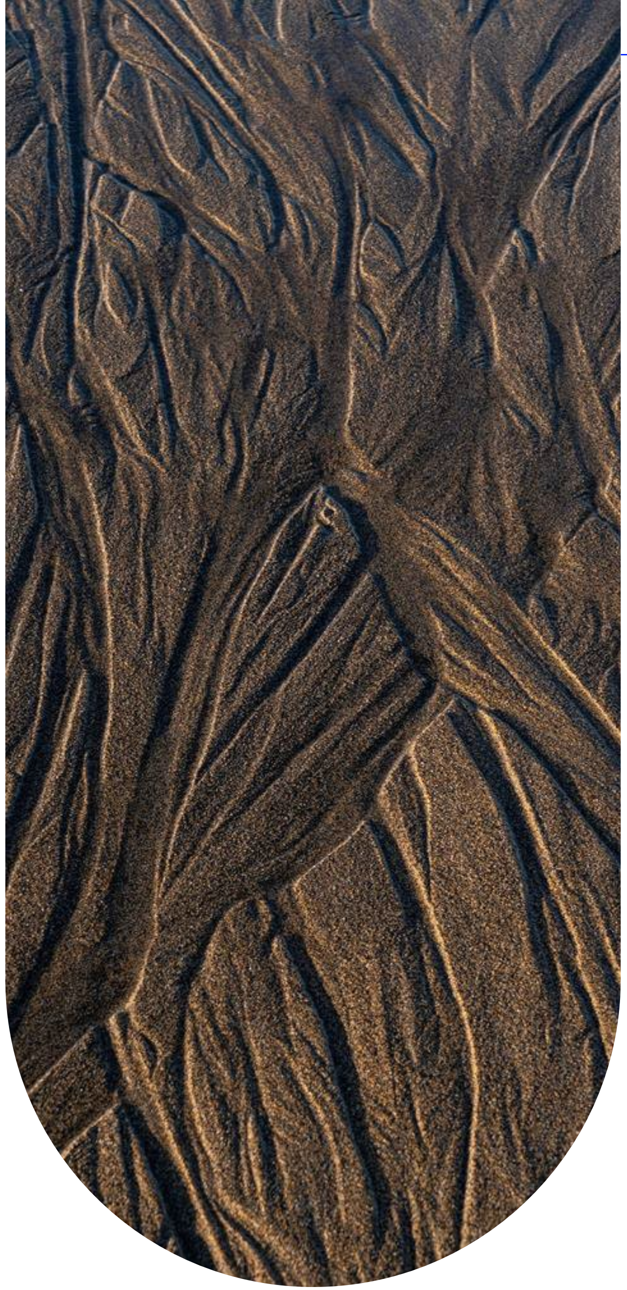
FTSE RUSSELL

RUSSELL US INDEXES

Russell 2000 Index quarterly chartbook

July 2026

Covering Q2 2026 index performance



Learn more: The Russell 2000 Index is the investable small cap market

Dive into market performance from every angle

- Market cap performance
- Performance: Growth of a unit
- Style performance
- Style box performance

Explore industries and their reflection in the market

- Quarterly IPOs
- Quarterly industry weightings
- Quarterly industry performance review
- Industry contribution to return
- Industry history

Find analytical perspectives on risk/characteristics

- Implied volatility
- Fundamental characteristics:
  - Q2 2026
  - Q1 2026
  - Q4 2025
  - Q3 2025

Use Focal Point. as your guide to new and trusted resources

- Highlights
- Resources

Indexes driven by the market.
Not picked by a committee.

The Russell US equity indexes define the market and year after year the Russell 2000 Index sets the standard for small cap measurement. The Index provides a pure and objective exposure to small cap stocks. Its transparent methodology and the quarterly additions of IPOs ensure that small cap stays small and perhaps more importantly, doesn’t miss out on small cap opportunities.

Market performance

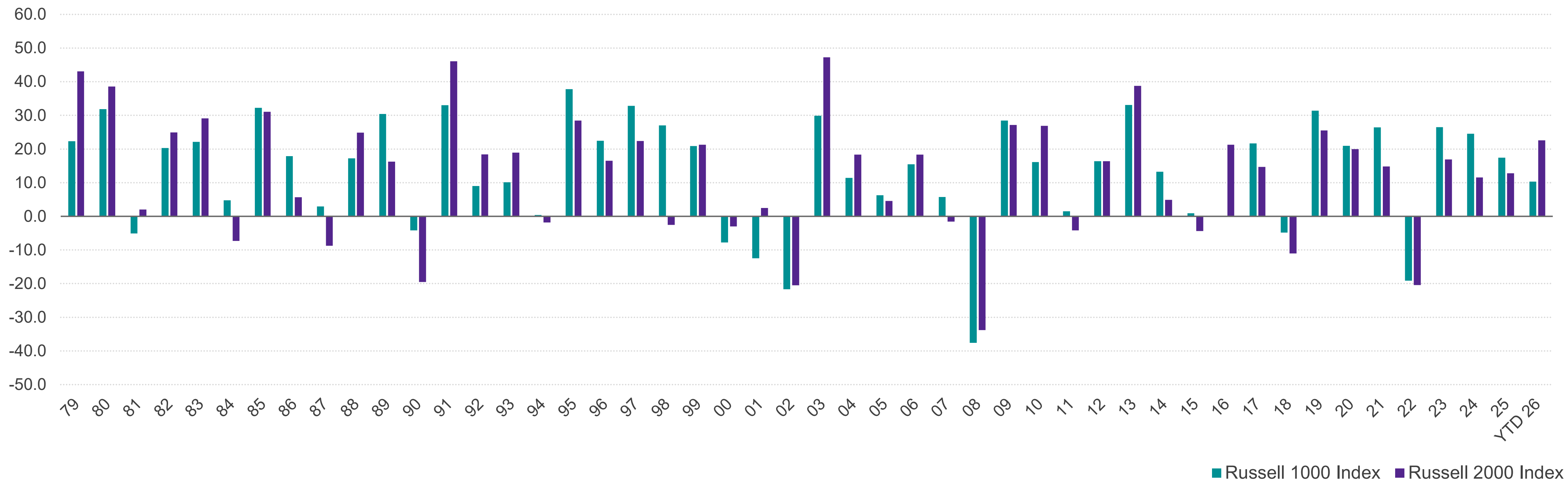
SMALL CAPS TELL US MORE

The Russell 2000 Index provides live index tracking data, with historical performance dating back to January 1984. Academic and practitioner research confirms that large-cap stocks behave differently to small-cap stocks and performance is variable. There are sub-periods during which the Russell 1000 outperforms the Russell 2000 and vice versa. Quarterly performance assessments provide valuable datapoints for understanding market sentiment and US economic activity.

Exhibit 1

Market cap performance

Annual return (%)



Source: FTSE Russell, data as of June 30, 2026. Past performance is no guarantee of future results.
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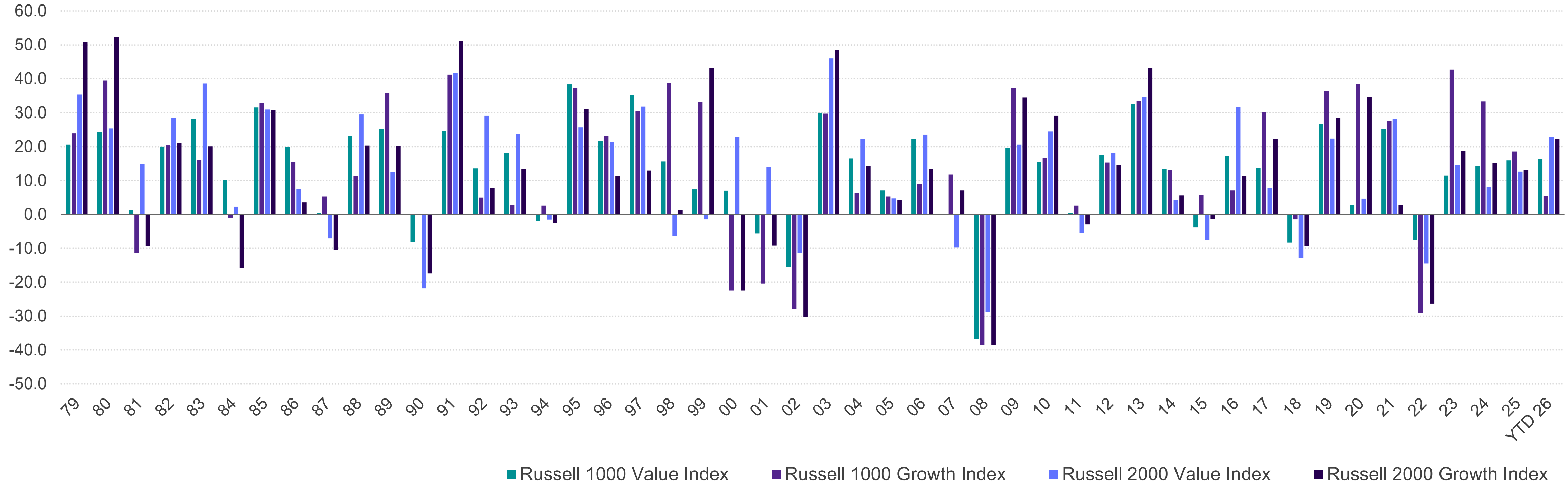
Exhibit 1b

Market cap performance

Annual return (%)



Source: FTSE Russell, data as of June 30, 2026. Past performance is no guarantee of future results.
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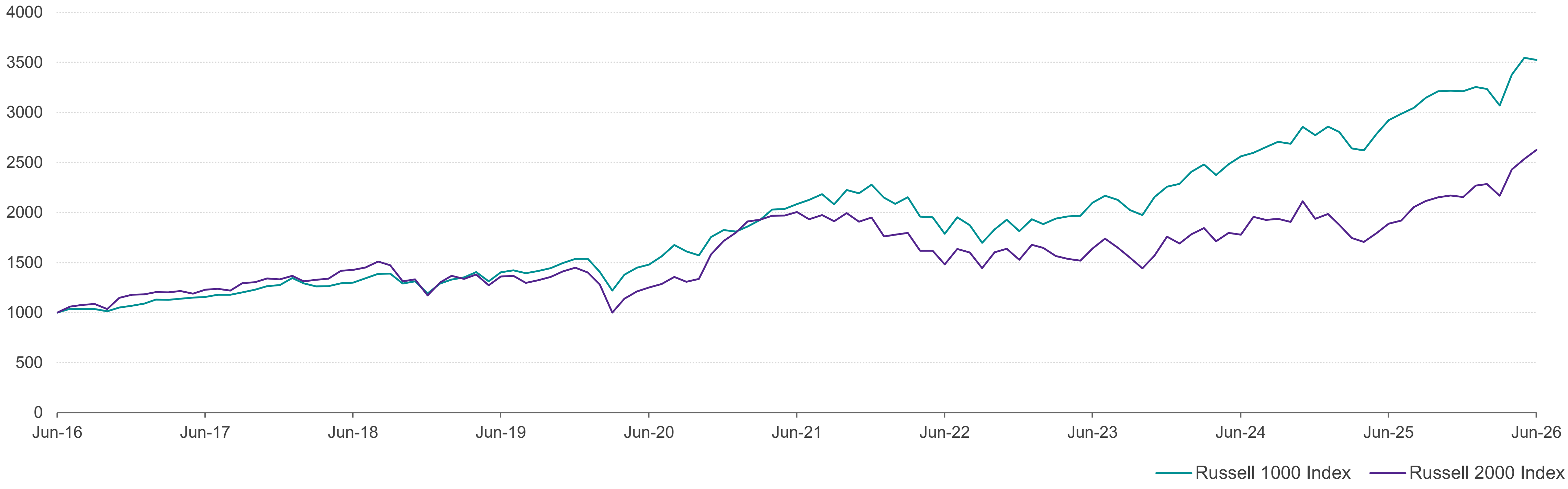
Exhibit 2

Performance: Growth of a unit

Total return (growth of 1,000) 10 years



Source: FTSE Russell, data as of June 30, 2026. Past performance is no guarantee of future results.
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Exhibit 3

Market cap performance

Total return (%)

	Q2 2026	Q1 2026	Q4 2025	Q3 2025	12 months
Russell 3000® Index	15.4	-4.0	2.4	8.2	22.8
Russell Top 200® Index	15.5	-5.5	3.0	8.7	22.1
Russell 1000® Index	15.1	-4.2	2.4	8.0	22.0
Russell Midcap® Index	13.8	1.3	0.2	5.3	21.6
Russell 2000® Index	21.5	0.9	2.2	12.4	40.8
Russell Microcap® Index	25.6	1.5	6.3	17.0	58.5

Source: FTSE Russell, data as of June 30, 2026. Past performance is no guarantee of future results.
Please see important legal disclosures at the end of this report.

Exhibit 4

Style performance

Total return (%)

	Q2 2026	Q1 2026	Q4 2025	Q3 2025	12 months
Russell 1000 Growth Index	16.7	-9.8	1.1	10.5	17.7
Russell 2000 Growth Index	25.7	-2.8	1.2	12.2	38.7
Russell 1000 Value Index	13.8	2.1	3.8	5.3	27.1
Russell 2000 Value Index	17.2	5.0	3.3	12.6	43.0
Russell 1000 Defensive Index	6.7	-4.1	2.4	6.6	11.6
Russell 2000 Defensive Index	15.5	2.4	0.9	6.3	26.9
Russell 1000 Dynamic Index	23.2	-4.3	2.5	9.3	32.1
Russell 2000 Dynamic Index	26.6	-0.3	3.3	18.2	54.1

Source: FTSE Russell, data as of June 30, 2026. Past performance is no guarantee of future results.
Please see important legal disclosures at the end of this report.

Exhibit 5

Style box performance

Total return (%)

	Value	Core	Growth
YTD 2026			
Large	16.23	10.32	5.33
Mid	17.58	15.30	7.28
Small	22.99	22.57	22.18
2025			
Large	15.91	17.37	18.56
Mid	11.05	10.60	8.66
Small	12.60	12.81	13.01

	Value	Core	Growth
2024			
Large	14.37	24.51	33.36
Mid	13.07	15.34	22.10
Small	8.06	11.54	15.15
2023			
Large	11.46	26.53	42.68
Mid	12.71	17.23	25.87
Small	14.65	16.93	18.66

Source: FTSE Russell, data as of June 30, 2026. Past performance is no guarantee of future results.
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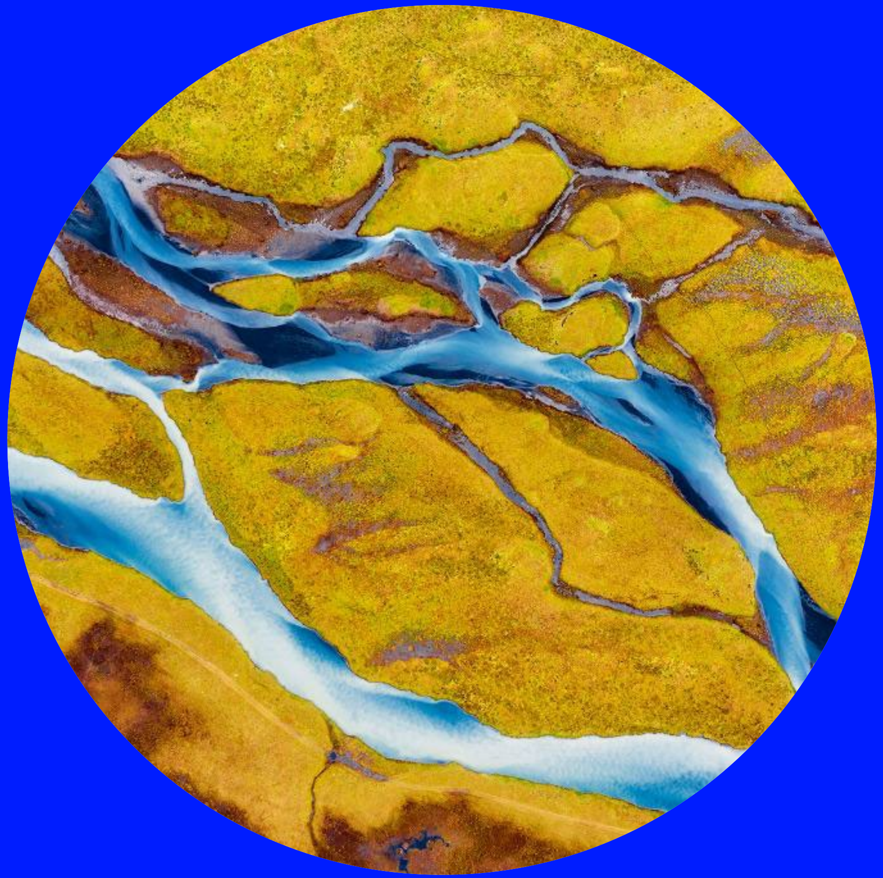

Industries

SMALL CAPS REVEAL A SHIFTING ECONOMY

The US has experienced a massive shift in the nature of its economy over the last half century. The US was traditionally a manufacturing-focused economy, supplying a variety of raw materials and consumer and industrial products domestically and abroad. Today, data shows the US economy is most heavily represented by service-oriented industries such as Technology, Health Care and Financials and less so by the industrial industries such as Energy, Basic Materials and Industrials. However, the leading industries are always in a state of change indicative of economic, consumer, and industry trends.

Exhibit 6a

Second quarter IPOs
Quarter end

Russell 2000 Index IPOs by Industry

Industry	Number of IPOs	Total market cap ($B)
Basic Materials	2	0.23
Consumer Discretionary	2	0.61
Consumer Staples	1	0.26
Energy	2	0.41
Health Care	8	5.83
Industrials	2	0.52
Total	**17**	**7.86**

Source: FTSE Russell, data as of June 30, 2026. Past performance is no guarantee of future results.
Please see important legal disclosures at the end of this report.

Exhibit 6b

Second quarter IPOs
Quarter end

Russell 2000 Index IPOs company detail

Industry	Company name	Ticker	Total market cap ($B)
Basic Materials	ELMET GROUP	ELMT	0.19
	SILVER BOW MINING CORP	SBMT	0.04
Consumer Discretionary	BOBS DISCOUNT FURNITURE	BOBS	0.30
	YESWAY	YSWY	0.31
Consumer Staples	ONCE UPON A FARM PBC	OFRM	0.26
Energy	ARKO PETROLEUM CORP	APC	0.23
	HMH HOLDING	HMH	0.19
Health Care	ALAMAR BIOSCIENCES	ALMR	0.35
	AVALYN PHARMA	AVLN	0.55

Source: FTSE Russell, data as of June 30, 2026. Past performance is no guarantee of future results.
Please see important legal disclosures at the end of this report.

Exhibit 6c

Second quarter IPOs

Quarter end

Russell 2000 Index IPOs company detail (continued)

Industry	Company name	Ticker	Total market cap ($B)
Health Care (continued)	EIKON THERAPEUTICS	EIKN	0.28
	GENERATE BIOMEDICINES	GENB	0.40
	KAILERA THERAPEUTICS	KLRA	0.99
	MINIMED GROUP	MMED	0.42
	SPYGLASS PHARMA	SGP	0.24
	VERADERMICS INC	MANE	2.60
Industrials	AEVEX CORP	AVEX	0.37
	SWARMER	SWMR	0.15

Source: FTSE Russell, data as of June 30, 2026. Past performance is no guarantee of future results.
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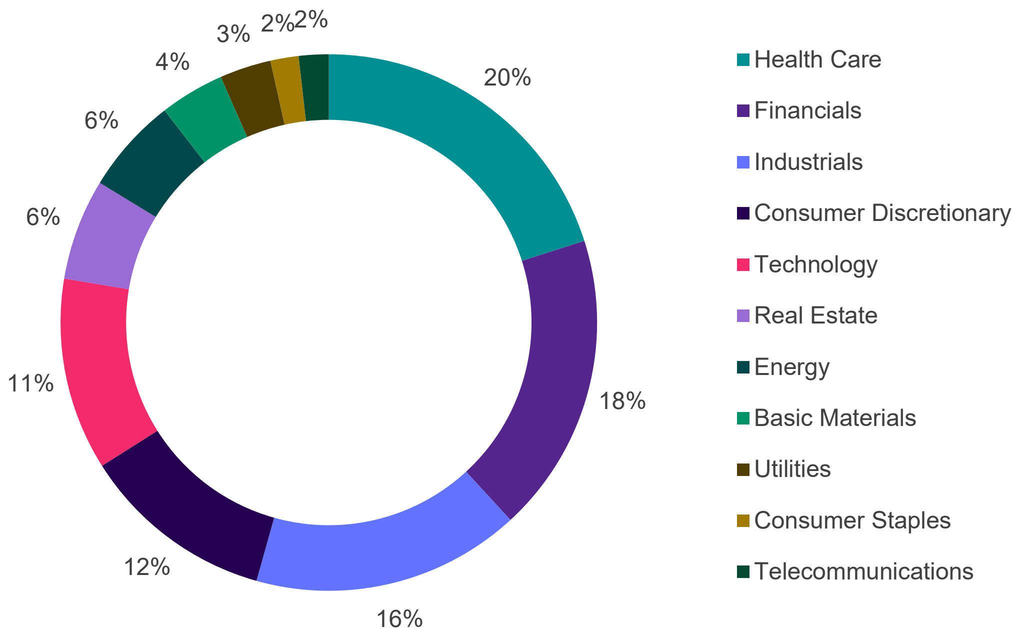
Exhibit 7

Quarterly industry weightings

Quarter end (%)



	Q2 2026	Q1 2026	Q4 2025	Q3 2025
Health Care	20.1	17.7	18.7	16.0
Financials	18.1	16.6	17.2	17.5
Industrials	16.2	19.0	18.1	18.9
Consumer Discretionary	11.7	10.3	10.9	11.7
Technology	11.6	11.4	12.3	12.9
Real Estate	6.1	5.6	5.9	6.0
Energy	5.8	7.1	5.3	5.2
Basic Materials	3.9	4.6	4.0	3.9
Utilities	3.1	3.4	3.4	3.8
Consumer Staples	1.7	1.6	1.7	1.8
Telecom	1.8	2.7	2.5	2.3

Source: FTSE Russell, data as of June 30, 2026. Past performance is no guarantee of future results.
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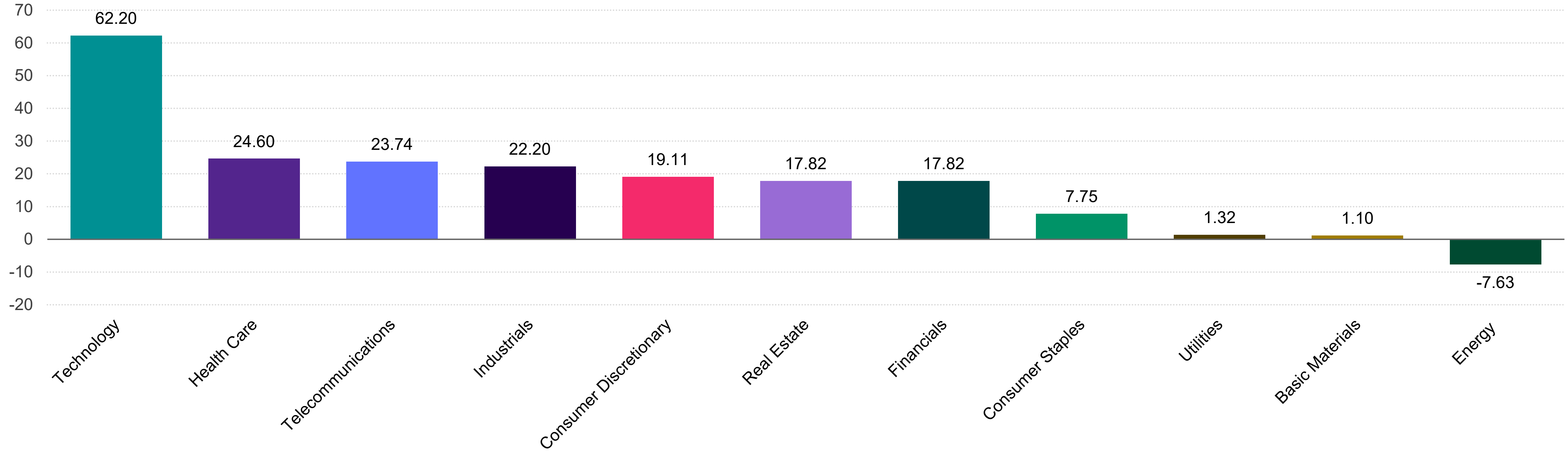
Exhibit 8

Quarterly industry performance review

Total return (%)



Source: FTSE Russell, data as of June 30, 2026. Past performance is no guarantee of future results.
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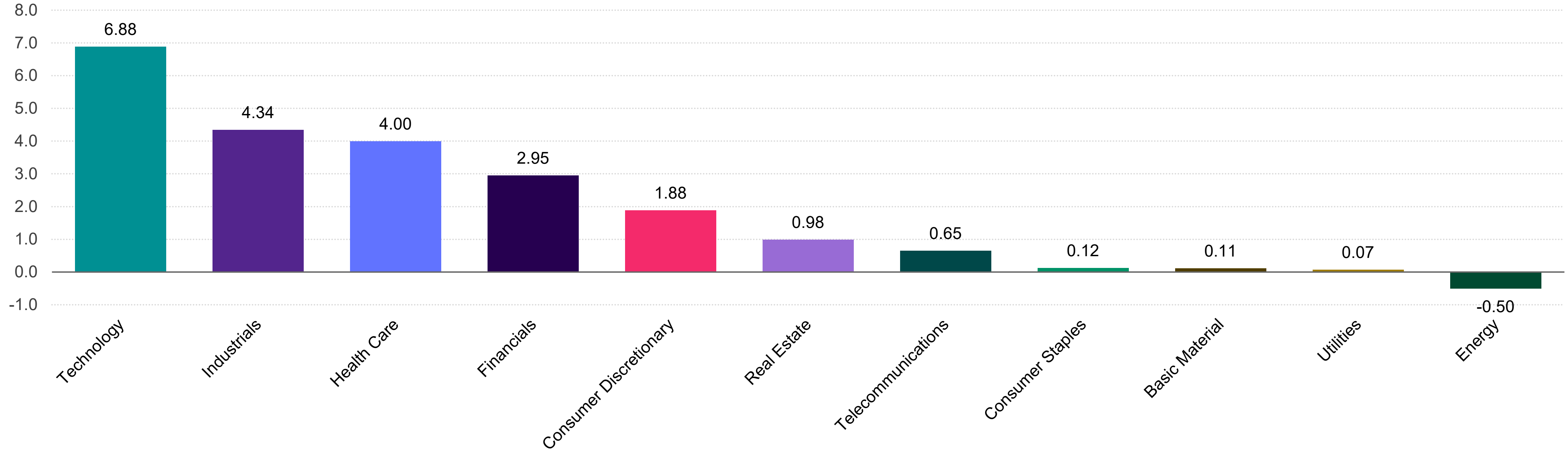
Exhibit 9

Industry contribution to return

Year to date (%)



Source: FTSE Russell, data as of June 30, 2026. Past performance is no guarantee of future results.
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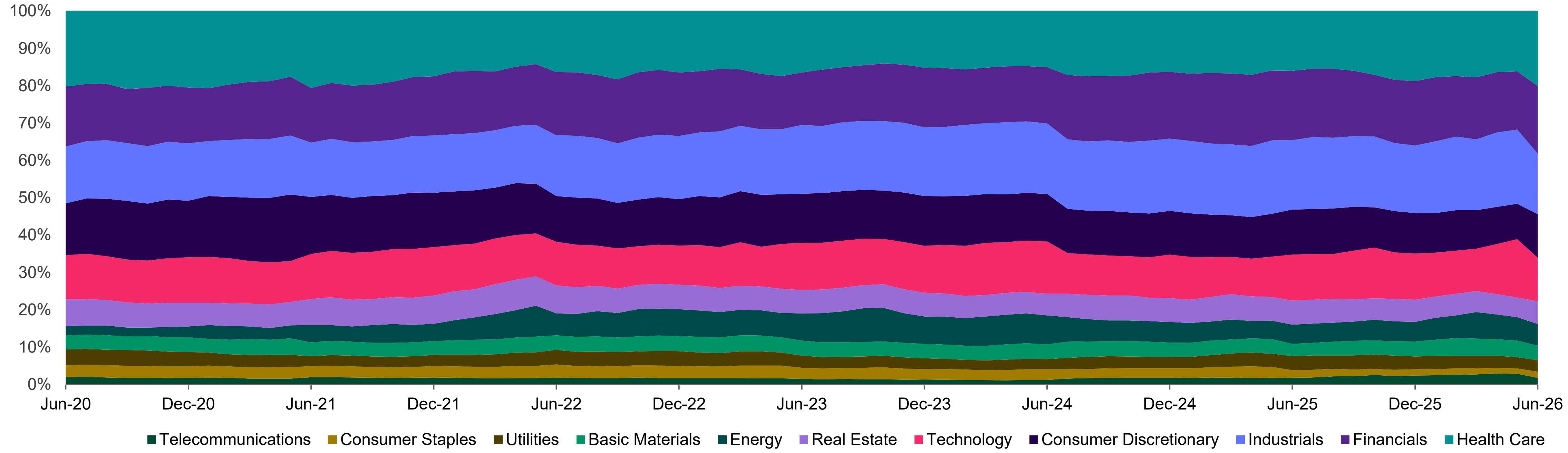
Exhibit 10a

Industry history

ICB historical monthly weightings (%)

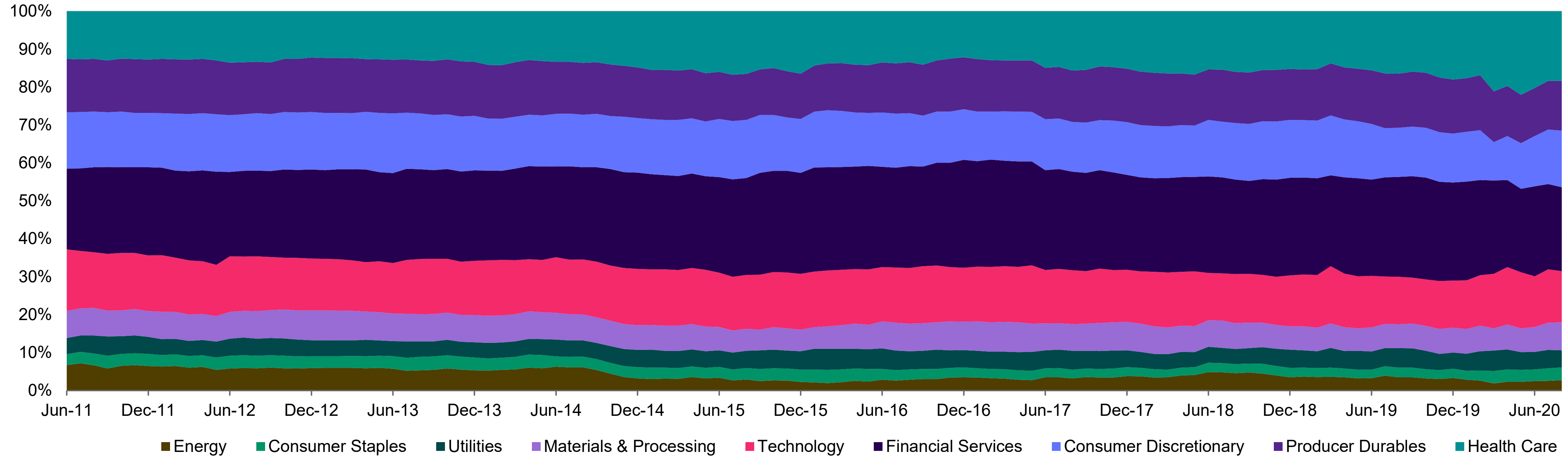


Source: FTSE Russell Industry Classification Benchmark (ICB) data is shown starting June 30, 2020. Historical index weightings reflect Russell Global Sectors. Past performance is no guarantee of future results. Please see important legal disclosures at the end of this report.

Exhibit 10b

Sector history

RGS historical monthly weightings (%)



Source: FTSE Russell Industry Classification Benchmark (ICB) data is shown starting June 30, 2020. Historical index weightings reflect Russell Global Sectors. Past performance is no guarantee of future results. Please see important legal disclosures at the end of this report.

Risk and characteristics

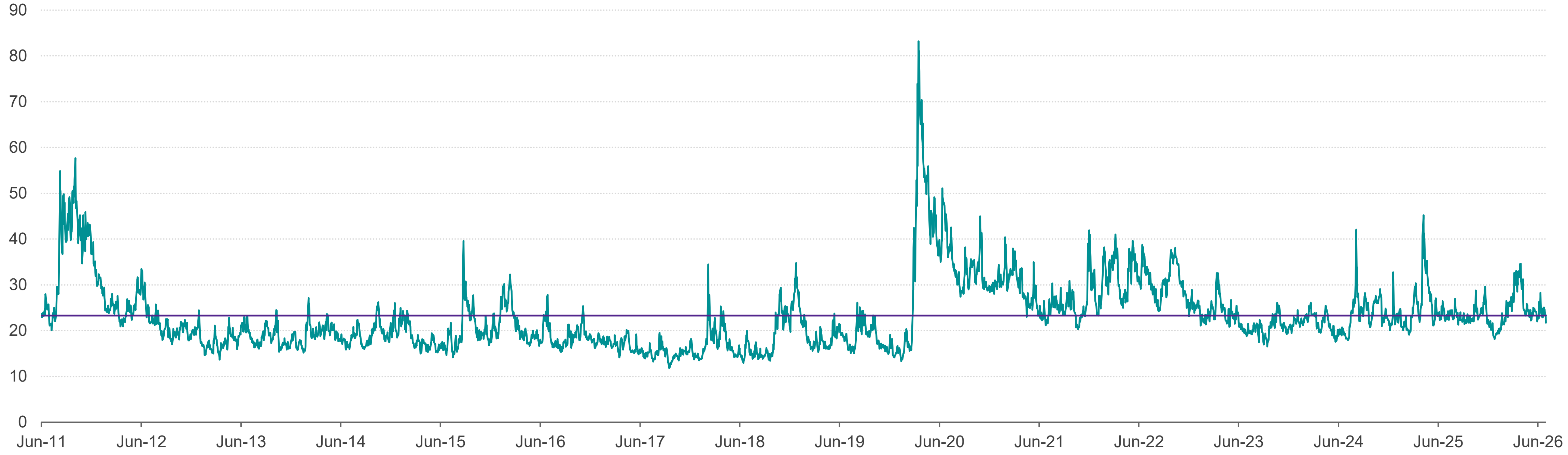
SMALL CAPS REFLECT THE MARKET

Russell 2000 companies tend to be more specialized than those of the more diversified Russell 1000 constituents, this suggests that Russell 2000 companies are less resilient to economic or industry specific shocks. That riskiness has likely contributed to the historically higher volatility of Russell 2000 returns. However, it is important to note that more recently, large and small cap markets seem to be converging as illustrated by similarities in metrics.

Exhibit 11

Implied volatility

CBOE Russell 2000 Volatility Index (RVX) 6/01/2011 – 6/30/2026



Source: FTSE Russell, data as of June 30, 2026. Past performance is no guarantee of future results.
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Exhibit 12a

Fundamental characteristics: Q2 2026

Quarterly market snapshots

	Growth		Quality			
Index	**Sales per Share Growth** (5 Yr)	**Long Term Forecasted Growth** (I/B/E/S Median)	**EPS Variability** (10 Yr)	**ROA** (5 Yr Avg)	**Debt/Equity**	**Dividend Yield**
Russell 2000 Index	9.32	14.07	150.40	1.92	0.63	1.21
Russell 1000 Index	11.95	18.73	134.88	13.75	0.74	1.11

	Valuation			Risk—Standard Deviation (%)		
Index	**P/E** (I/B/E/S 1 Yr) Forecasted	**Price/Book**	**Price/Cash Flow**	**1 Yr**	**3 Yr**	**5 Yr**
Russell 2000 Index	16.01	2.43	15.42	14.10	19.71	20.58
Russell 1000 Index	20.79	5.49	17.58	12.06	13.01	15.84

Source: FTSE Russell, data as of June 30, 2026. Past performance is no guarantee of future results.
Please see important legal disclosures at the end of this report.

Exhibit 12b

Fundamental characteristics: Q1 2026

Quarterly market snapshots

	Growth		Quality			
Index	**Sales per Share Growth** (5 Yr)	**Long Term Forecasted Growth** (I/B/E/S Median)	**EPS Variability** (10 Yr)	**ROA** (5 Yr Avg)	**Debt/Equity**	**Dividend Yield**
Russell 2000 Index	9.77	14.31	146.31	2.22	0.64	1.27
Russell 1000 Index	11.95	16.56	118.49	13.48	0.75	1.27

	Valuation			Risk—Standard Deviation (%)		
Index	**P/E** (I/B/E/S 1 Yr) Forecasted	**Price/Book**	**Price/Cash Flow**	**1 Yr**	**3 Yr**	**5 Yr**
Russell 2000 Index	14.62	2.29	14.15	11.78	19.10	19.81
Russell 1000 Index	18.97	4.81	15.97	9.79	12.19	15.33

Source: FTSE Russell, data as of June 30, 2026. Past performance is no guarantee of future results.

Please see important legal disclosures at the end of this report.

Exhibit 12c

Fundamental characteristics: Q4 2025

Quarterly market snapshots

Index	Growth: Sales per Share Growth (5 Yr)	Growth: Long Term Forecasted Growth (I/B/E/S Median)	Quality: EPS Variability (10 Yr)	Quality: ROA (5 Yr Avg)	Quality: Debt/Equity	Quality: Dividend Yield
Russell 2000 Index	9.86	13.93	153.46	2.16	0.64	1.24
Russell 1000 Index	12.55	16.44	113.54	13.47	0.77	1.16

Index	Valuation: P/E (I/B/E/S 1 Yr) Forecasted	Valuation: Price/Book	Valuation: Price/Cash Flow	Risk—Standard Deviation (%): 1 Yr	Risk—Standard Deviation (%): 3 Yr	Risk—Standard Deviation (%): 5 Yr
Russell 2000 Index	16.33	2.26	14.60	0.62	0.51	0.23
Russell 1000 Index	22.67	5.14	17.18	1.15	1.36	0.71

Source: FTSE Russell, data as of June 30, 2026. Past performance is no guarantee of future results.
Please see important legal disclosures at the end of this report.

Exhibit 12d

Fundamental characteristics: Q3 2025

Quarterly market snapshots

	Growth		Quality			
Index	**Sales per Share Growth** (5 Yr)	**Long Term Forecasted Growth** (I/B/E/S Median)	**EPS Variability** (10 Yr)	**ROA** (5 Yr Avg)	**Debt/Equity**	**Dividend Yield**
Russell 2000 Index	9.71	12.16	149.76	2.33	0.62	1.28
Russell 1000 Index	12.48	14.94	114.95	13.17	0.82	1.17

	Valuation			Risk—Standard Deviation (%)		
Index	**P/E** (I/B/E/S 1 Yr) Forecasted	**Price/Book**	**Price/Cash Flow**	**1 Yr**	**3 Yr**	**5 Yr**
Russell 2000 Index	16.38	2.21	14.65	19.68	20.88	21.58
Russell 1000 Index	23.17	5.19	17.75	12.64	13.48	15.99

Source: FTSE Russell, data as of June 30, 2026. Past performance is no guarantee of future results.
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Focal point

Russell US Indexes and the Russell 2000 Index

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Perfect for Financial Advisors.

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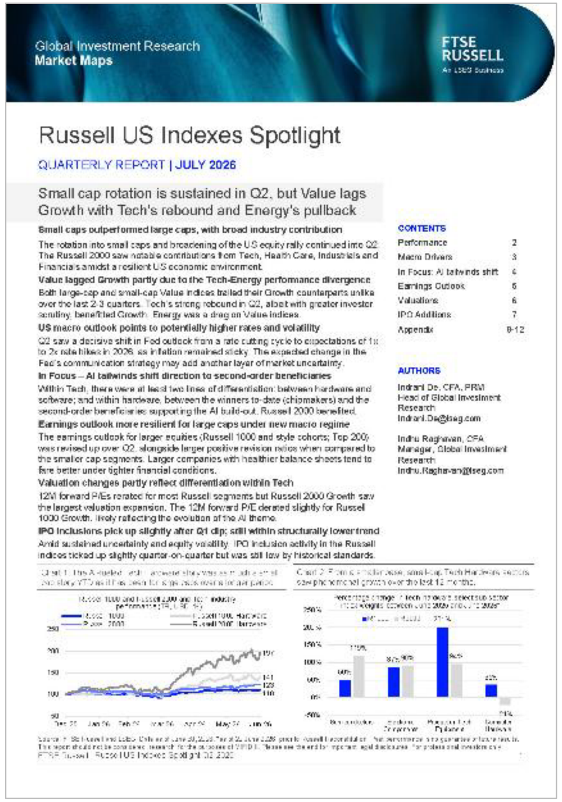
Highlights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Russell US Indexes Spotlight

QUARTERLY REPORT | JULY 2026

Small cap rotation is sustained in Q2, but Value lags Growth with Tech's rebound and Energy's pullback

Small caps outperformed large caps, with broad industry contribution

The rotation into small caps and broadening of the US equity rally continued in Q2. The Russell 2000 saw notable contributions from Tech, Healthcare, Industrials and Financials amidst a resilient US economic environment.

Value lagged Growth partly due to the Tech-Energy performance divergence

Both large-cap and small-cap Value indices trailed their Growth counterparts unlike over the last 2-3 quarters. Tech's strong rebound in Q2, albeit with greater investor scrutiny, benefitted Growth. Energy was a drag on Value indices.

Us macro outlook points to potentially higher rates and volatility

Q2 saw a decisive shift in the Fed outlook from a rate cutting cycle to expectations of 1x to 2x rate hikes in 2026, as inflation remained sticky. The expected change in the Fed's Communication strategy may add another layer of market uncertainty.

In Focus – AI tailwinds shift direction to second-order beneficiaries

Within Tech, there were at least two lines of differentiation: between hardware and software; and within hardware, between the winners to-date (chipmakers) and the second-order beneficiaries supporting the AI build-out. Russell 2000 benefited.

Earnings outlook more resilient for large caps under new macro regime

The earnings outlook for larger equities (Russell 1000 and style cohorts; Top 200) was revised up over Q2, alongside larger positive revision ratios when compared to the smaller cap segments. Larger companies with healthier balance sheets tend to fare better under tighter financial conditions.

Valuation changes partly reflect differentiation within Tech

12M forward P/Es rerated for most Russell segments but Russell 2000 Growth saw the largest valuation expansion. The 12M forward P/E derated slightly for Russell 1000 Growth, likely reflecting the evolution of the AI theme.

IPO inclusions pick up slightly after Q1 dip; still within structurally lower trend

Amid sustained uncertainty and equity volatility, IPO inclusion activity in the Russell indices ticked up slightly quarter-on-quarter but was still low by historical standards.

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Russell US Indexes Spotlight, July 2026 | FTSE Russell

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Russell US Indexes

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Russell US for advisors

Building a Better Benchmark

Index-linked products

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- **KEY ANNOUNCEMENT**: Russell US Indexes moving to a semi-annual index reconstitution frequency

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Russell 1000 and S&P 500 – same lane, different construction

Moving from measuring markets to measuring the real economy

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After the energy shock

Russell 2000 Index Quarterly Chartbook – April 2026 | LSEG

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June 2026 Russell US Indexes Reconstitution: summary of changes

Integrating ESG into a flagship US equity benchmark: The Russell 1000 Blossom indexes

Test your knowledge of markets and FTSE Russell indices in our Q2 2026 quiz

Can value factor investing be saved?

Russell reconstitution June 2026: Larger leaders, stronger small caps

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