How Large Company Stocks Have Performed In The New Millennium

S&P 500 Index & S&P 500 Sectors
(Cumulative Total Returns)

Index/Sector	12/31/99 - 1/25/16	3/9/09 - 1/25/16	5/21/15 - 1/25/16
S&P 500 Index	73.74%	220.62%	-10.68%
Consumer Discretionary	137.31%	409.40%	-4.84%
Consumer Staples	261.57%	207.05%	0.70%
Energy	164.93%	49.79%	-30.77%
Financials	23.29%	276.34%	-14.94%
Health Care	213.92%	251.51%	-9.50%
Industrials	113.80%	269.18%	-13.34%
Information Technology	-5.64%	264.46%	-7.91%
Materials	110.48%	150.22%	-25.59%
Telecom. Services	-10.16%	146.78%	-1.26%
Utilities	187.76%	157.11%	0.14%

Source: Bloomberg. Past performance is no guarantee of future results.

View from the Observation Deck

1. Today's blog post is intended to show how large-cap equities have performed over specific periods since the start of 2000. Keep in mind that this period includes two severe bear markets, multiple wars, recessions and a global financial crisis.
2. The first column captures the entire period. The second column represents the current bull market, which began the day after the close of trading on 3/9/09. The third column shows performance since the S&P 500 Index registered its all-time high on 5/21/15.
3. One of our key takeaways is the strong showing by both the consumer discretionary and consumers staples sectors in each of the three periods.
4. While the information technology sector has posted competitive cumulative total returns since the start of the bull market, its showing (-5.64%) since the start of 2000 reflects the severity of the bursting of the Internet bubble in March 2000. The telecommunication services sector was also negatively impacted (-10.16% since the start of 2000) primarily due to its role in providing infrastructure for broadband, in our opinion.
5. Utilities benefitted from an extended period of low interest rates. The dividend yields offered by utility stocks were likely attractive to income-oriented investors at various times throughout the period, in our opinion.
6. Lastly, the energy and materials sectors have clearly posted the worst showings, down 30.77% and 25.59%, respectively, since the market peaked on 5/21/15. Both have been negatively impacted by a slowdown in global growth and a strong U.S. dollar.

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