Technology Stocks Continue To Deliver Strong Returns For Investors

View from the Observation Deck

1. From 3/9/09-7/17/18 (current bull market), all four of the technology-related indices featured in the chart outperformed the S&P 500 Index.

2. As of 7/18/18, Information Technology accounted for 26.30% of the S&P 500 Index, up from 17.84% on 3/9/09, according to Bloomberg and Bespoke Investment Group. It is the most heavily weighted sector in the index, followed by Health Care at 14.21%.

3. The average annualized total returns shown in the chart are as follows: ISE Cloud Computing Index (+30.59%); Dow Jones Internet Composite Index (+30.44%); Philadelphia Semiconductor Index (+25.47%); S&P 500 Information Technology Index (+23.67%); and S&P 500 Index (+18.90%), according to Bloomberg.

4. Year-to-date through 7/18/18, the S&P 500 Information Technology Index posted a total return of 16.51%, compared to 6.41% for the S&P 500 Index, according to Bloomberg. It was the top-performing sector index, followed by the S&P 500 Consumer Discretionary Index, up 15.19%.

5. As of 7/13/18, Bloomberg’s Q2 ’18 consensus earnings growth rate estimate for the S&P 500 Information Technology Index was 30.9%, compared to 20.3% for the S&P 500 Index.

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