Market Commentary Blog

Cash Flow *and Carey*

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This chart is for illustrative purposes only and not indicative of any actual investment. The illustration excludes the effects of taxes and brokerage commissions and other expenses incurred when investing. Investors cannot invest directly in an index. The S&P 500 Index is an unmanaged index of 500 companies used to measure large-cap U.S. stock market performance, while the S&P sector and subsector indices are capitalization-weighted and comprised of S&P 500 constituents representing a specific sector or industry.

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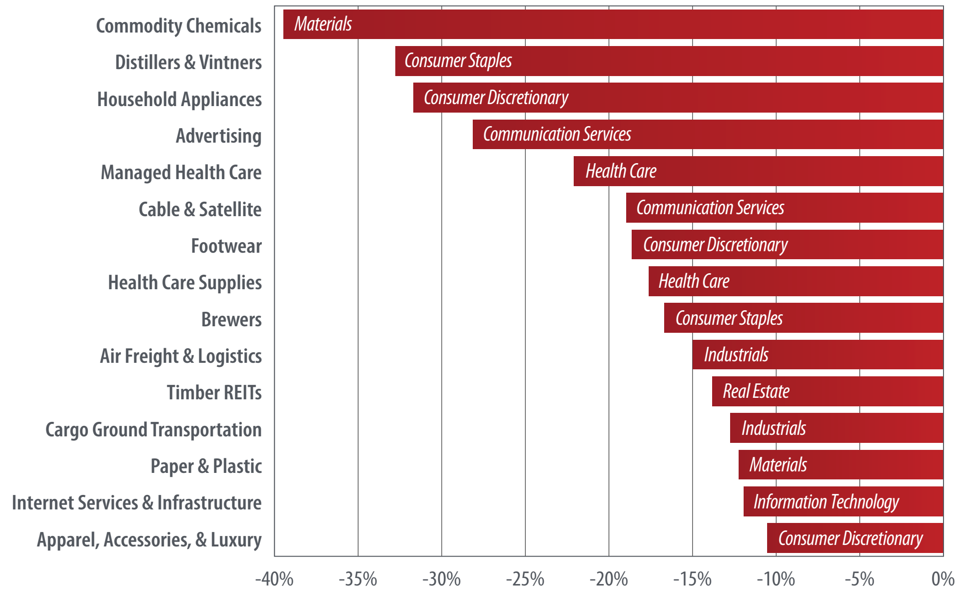
Worst-Performing S&P 500 Index Subsectors YTD (thru 10/21)

Bottom 15 S&P 500 Index Subsector Total Returns (12/31/24 – 10/21/25)



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

View from the Observation Deck

Today's blog post is for those investors who want to drill down below the sector level to see what is not performing well in the stock market this year. The S&P 500 Index ("Index") was comprised of 11 sectors and 126 subsectors as of 10/17/25, according to S&P Dow Jones Indices. The 15 worst-performing subsectors in today's chart posted total returns ranging from -10.52% (Apparel & Accessories) to -39.47% (Commodity Chemicals) over the period. Click here to view our last post on this topic.

- As indicated in the chart above, the S&P 500 Consumer Discretionary Index accounts for three of the 15 worst-performing subsectors year-to-date (YTD) through 10/21.
- Each of the 11 sectors that comprise the broader Index saw positive total returns YTD through 10/21. Energy and Consumer Discretionary were the worst performers, posting total returns of 4.15% and 5.29%, respectively. The broader S&P 500 Index posted a total return of 15.68% over the time frame.
- As of 10/17/25, the smallest S&P 500 Index sector by weight was Materials at 1.75%, according to S&P Dow Jones Indices. Real Estate and Utilities were the next-largest sectors with weightings of 1.94% and 2.47%, respectively.

Takeaway

S&P 500 Index returns have been volatile this year, with total returns ranging as low as -14.99% (through 4/8) and as high as 15.68% (YTD through 10/21). Three of the worst-performing subsectors in today's chart belong to the S&P 500 Consumer Discretionary Index, which is the second-worst performing sector in the Index YTD. Notably, the sector has produced a total return of 5.29% YTD, despite declining by 22.97% at its lowest point in 2025. As always, there are no guarantees, but there could be some potential deep value opportunities in this group of subsectors. For those investors who have interest, there are a growing number of packaged products, such as exchange-traded funds, that feature S&P 500 Index subsectors.