Market Commentary Blog

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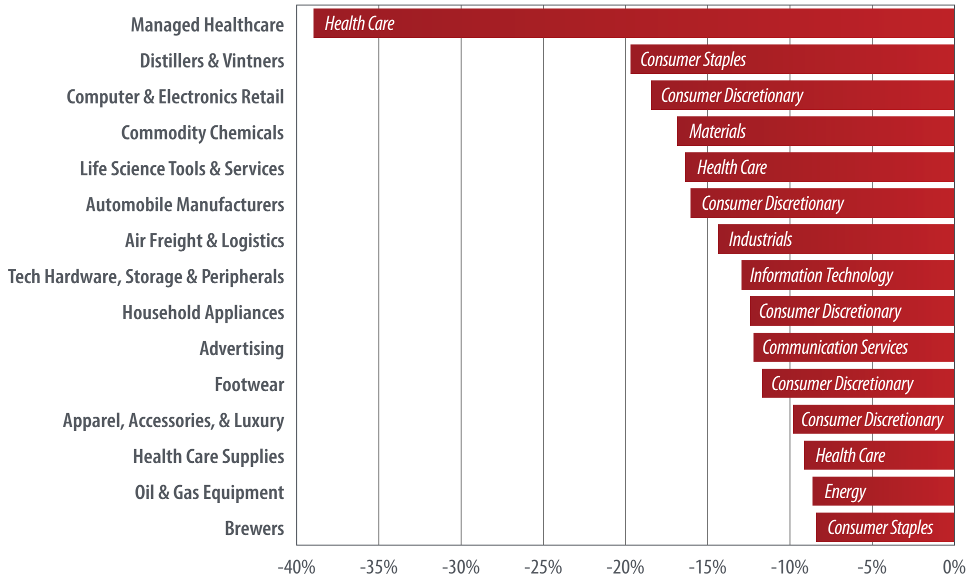
Worst-Performing S&P 500 Index Subsectors YTD (thru 7/22)

Bottom 15 S&P 500 Index Subsector Total Returns (12/31/24 – 7/22/25)



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 127 subsectors as of 7/3/25, according to S&P Dow Jones Indices. The 15 worst-performing subsectors in today's chart posted total returns ranging from -8.40% (Brewers) to -38.97% (Managed Health Care) 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 five of the 15 worst-performing subsectors year-to-date (YTD) through 7/22, down from seven in our last post. Health Care was the next-highest, with three subsectors represented.
- Just two of the 11 sectors that comprise the Index posted negative total returns YTD. Health Care and Consumer Discretionary were the worst performers, posting total returns of -2.02% and -0.31%, respectively, during the period. The broader S&P 500 Index posted a total return of 8.05% over the time frame.
- Industrials increased by 15.39% YTD through 7/22, making them the top-performing sector over the time frame. Despite this fact, Air Freight & Logistics (an Industrials subsector) is on today's list. We believe this can most likely be attributed to ongoing concern regarding the impact of tariffs on global trade.
- As of 7/3/25, the smallest S&P 500 Index sector by weight was Materials at 1.92%, according to S&P Dow Jones Indices. Real Estate and Utilities were the next-largest sectors with weightings of 2.04% and 2.37%, respectively.

Takeaway

S&P 500 Index returns have been volatile this year, with total returns ranging as low as -14.99% (YTD through 4/8) and as high as 8.05% (YTD through 7/22). Five of the worst-performing subsectors in today's chart belong to the S&P 500 Consumer Discretionary Index, down from seven in our last post. From our perspective, Managed Healthcare's stunning decline is likely representative of exogenous political risk, which sent the subsector plummeting by 42.33% since our last post (4/1 – 7/22). 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.