

Equity Research
Macroeconomics

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Economics Weekly

Capacity Growth—It's Different This Time



The scale of investment spending today is astounding. Just four companies—Alphabet, Amazon, Meta, and Microsoft—spent a combined \$376 billion on capex in 2025, equal to 28% of total S&P 500 capex. Comparisons with the late-1990s tech boom are inevitable, particularly in regard to how much productive capacity is being built. **In this *Economics Weekly*, we look at aggregate investment spending and the expansion in industrial capacity; we also compare the current cycle with the 1990s and discuss what those differences might mean for the Fed—and for a potential new Fed chair counting on a productivity boom to support lower interest rates.**

A Different Kind of Capacity

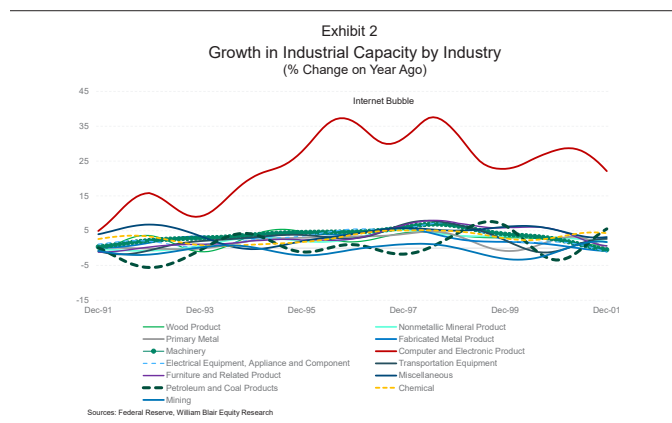
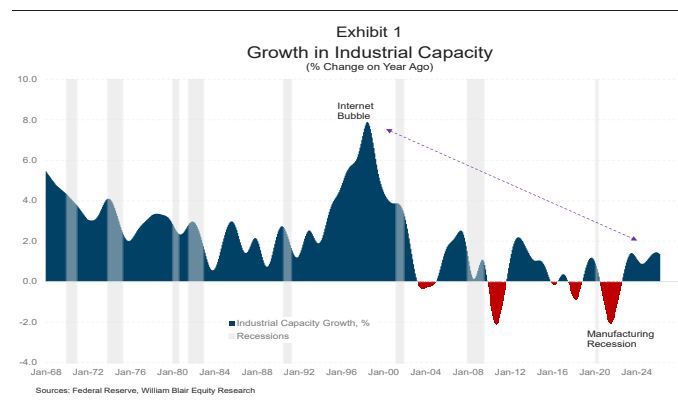
In exhibit 1, we plotted the Fed’s measure of industrial capacity data from 1968 to 2026. Given that we are supposed to be in the midst of the biggest capital investment boom at least since the late 1990s, the result is somewhat surprising and requires further explanation. We start by defining what the Fed is actually measuring when it provides data on industrial capacity.

The Fed defines capacity as:

*an attempt to capture the concept of **sustainable maximum output**, the greatest level of output a plant can maintain within the framework of a realistic work schedule after factoring in normal downtime and assuming sufficient availability of inputs to operate the capital in place. [Emphasis added.]*

As shown in exhibit 1, there was a massive increase in industrial capacity during the late 1990s—the largest on record and against which today’s buildout looks extremely muted in terms of both relative strength and duration.

Digging into the industries behind this change, exhibit 2 shows that the increase in maximum sustainable capacity during the late-1990s boom was concentrated almost entirely in computers and electronic products. At its peak (1996–1998), capacity in that category rose by nearly 40% per year—far outpacing every other major industry from 1990 to 2001.

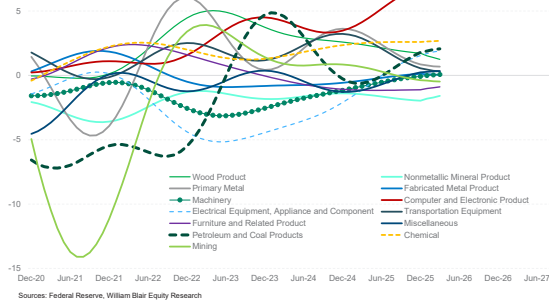


The Fed’s G.17 Industrial Production and Capacity Utilization release provides data on industrial capacity, compiled from a total of 89 detailed industries—71 in manufacturing, 16 in mining, and 2 in utilities. The Fed also uses data from the Census Bureau’s Quarterly Survey of Plant Capacity Utilization (QPC), which itself is a mix of qualitative assessments of sustainable operations. The Fed combines the bureau’s utilization estimates with its own monthly measure of industrial production and then backs out an estimate of capacity:

$$\text{Capacity} = \text{Output} / \text{Utilization Rate}$$

As shown in exhibit 3, capacity growth in the current cycle is again being driven by computers. In March, capacity in that category was increasing at its fastest pace of this cycle (7.2%); however, that remains far below the sustained 30%-40% multiyear growth rates from the prior boom. In addition, current growth is being matched by a broader set of industries, including chemicals, petroleum, electrical equipment, and primary metals.

Exhibit 3
Growth in Industrial Capacity by Industry
(% Change on Year Ago)



At face value, the data suggest that today’s boom is modest compared with the one in the late 1990s, but is more widely dispersed across the economy. Unfortunately, we do not think it is quite that simple. Data definitions and the nature of the current expansion mean that much of the current wave of investment is not showing up cleanly in the Fed’s capacity estimates.

Back in the late 1990s, much of the expansion in capacity was focused on fiber optics, servers, and factories. The assumption was that internet demand would continue to expand rapidly and that miles of unlit fiber optic cables would soon be used. That ultimately proved not to be the case, with reports of unlit cable still around now.

A large share of this expansion is occurring in less tangible areas that are not well captured in the industrial sectors that the Fed uses to measure production and capacity, including software, AI models, and data-center compute.

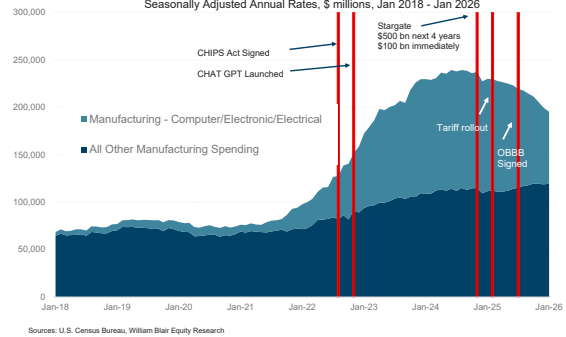
Importantly, the Fed’s concept of capacity is tied to what it views as being sustainable and how much capacity a company reliably has. What is considered sustainable and reliable is not always clear, and the estimate is influenced by factors such as the availability of labor, energy-cost volatility, and regulatory limits. In the late 1990s, for example, there was a deeper pool of available labor, fewer regulatory constraints, and greater energy availability, which would likely have boosted what the Fed classified as sustainable capacity in a way that is unlikely to be the case today. As a result, this will put downward pressure on estimates of maximum sustainable capacity.

Business Investment Spending

To look at business investment spending, the national accounts data break down actual dollars spent on areas such as structures, information processing equipment, industrial equipment, transportation, and intellectual property.

This data suggest that in 2022 and 2023, much of the growth in structures was related to the combination of a catch-up from COVID weakness and an expansion in the energy sector in response to higher prices (an area where we are likely to see further expansion in the coming years, exhibit 4). From 2023 onward much of the expansion was focused in structures, and particularly computer, electronic, and electrical structures.

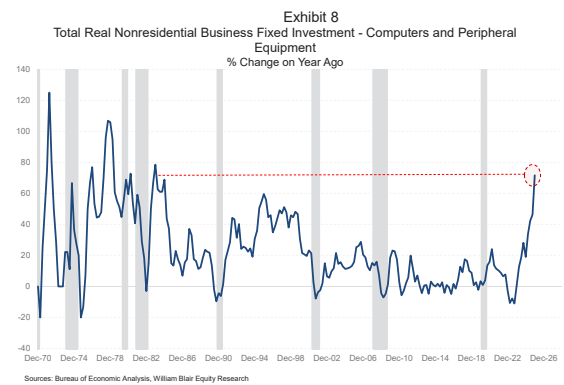
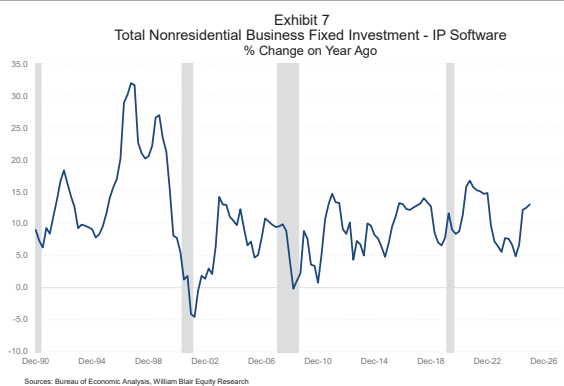
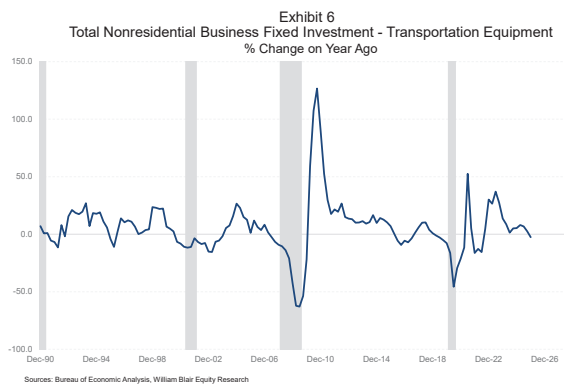
Exhibit 4
U.S. Manufacturing Construction Spending
Seasonally Adjusted Annual Rates, \$ millions, Jan 2018 - Jan 2026



Over the last year growth in structures has begun to cool, as many of those shells have been built. The next phase is outfitting these structures with equipment. As shown in exhibits 5-8, this spending is taking place from a number of sectors, though predominantly in computers and peripheral equipment, which is rising at its fastest pace since the early 1980s (following the double recessions).

Exhibit 5
Total Nonresidential Business Fixed Investment - Industrial Equipment
% Change on Year Ago





Conclusion—Implications for Growth and Monetary Policy

The less tangible nature of the current expansion could have important implications for the Fed and monetary policy, as well as growth and the economic cycle.

If the capacity being installed is shorter-lived and more expensive to purchase, then depreciation rates will be much faster and that capital stock could be more difficult to replace. Similarly, if today’s capex becomes obsolete much sooner and the investment cycle is much shorter, then the productivity benefits could also turn out to be much shorter, or at least require greater continuous refreshment to be maintained. This is in contrast to the disinflationary impact of the late 1990s boom, which created ample excess capacity in the form of unlit cable, some of which is still hanging around today.

For the Fed, this shift in structural capex spending means that its capacity utilization data are a much less reliable gauge of both economic slack and inflation pressure than was the case in the past. High utilization readings could overstate the true tightness of the industrial sector if abundant digital capacity is not captured in the data.

From an inflation perspective, the implications are also less straightforward. If the cycle is increasingly dominated by shorter-lived capital, and firms need to refresh that stock more frequently, this would 1) accelerate spending, adding to inflationary pressures, and 2) potentially reduce the durability of the positive productivity gains afterward, making them more fragile and tenuous. The outcome is greater uncertainty, which increases the potential for policy error if productivity gains turn out to be more fleeting than previously believed.

For a possible new Fed chair who is banking on a repeat of the late 1990s to be able to lower interest rates, it is worth considering what is different about the nature of this cycle compared to the last innovation-driven investment boom.

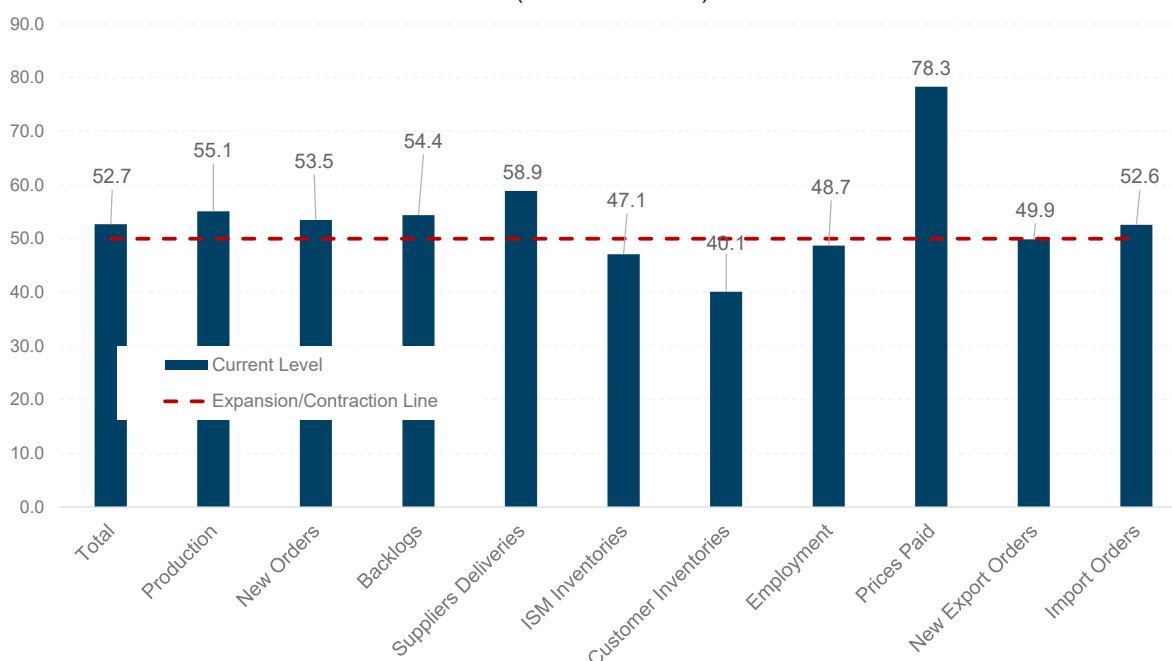
Highlights in the Week Ahead

Date	Time (ET)	Indicator	Last	Consensus	WB Estimate	Actual
28 Apr	10:00 a.m.	Consumer Confidence (April)	91.8	89.8	88.5	
29 Apr	8:30 a.m.	Housing Starts (March)	7.2%		-1.5%	
29 Apr	8:30 a.m.	Durable Goods Orders (March)	-1.3%	0.5%	0.2%	
		Orders Less-transportation	0.9%	0.4%	0.5%	
29 Apr	2:00 p.m.	FOMC Meeting	3.75%	3.75%	3.75%	
30 Apr	8:30 a.m.	Personal Income (March)	-0.1%	0.3%	0.4%	
		Personal Spending	0.5%	0.9%	1.2%	
30 Apr	8:30 a.m.	Employment Cost Index (Q1)	0.7%	0.8%	0.8%	
30 Apr	8:30 a.m.	GDP (Q1 Advance)	0.5%	2.0%	1.6%	
1 May	10:00 a.m.	ISM Manufacturing (April)	52.7	53.0	53.7	

Sources: Bloomberg, William Blair Equity Research

Indicator of the Week: ISM Manufacturing

ISM Manufacturing Report on Business and Subcomponents (Diffusion Index)



Sources: Institute for Supply Management, William Blair Equity Research

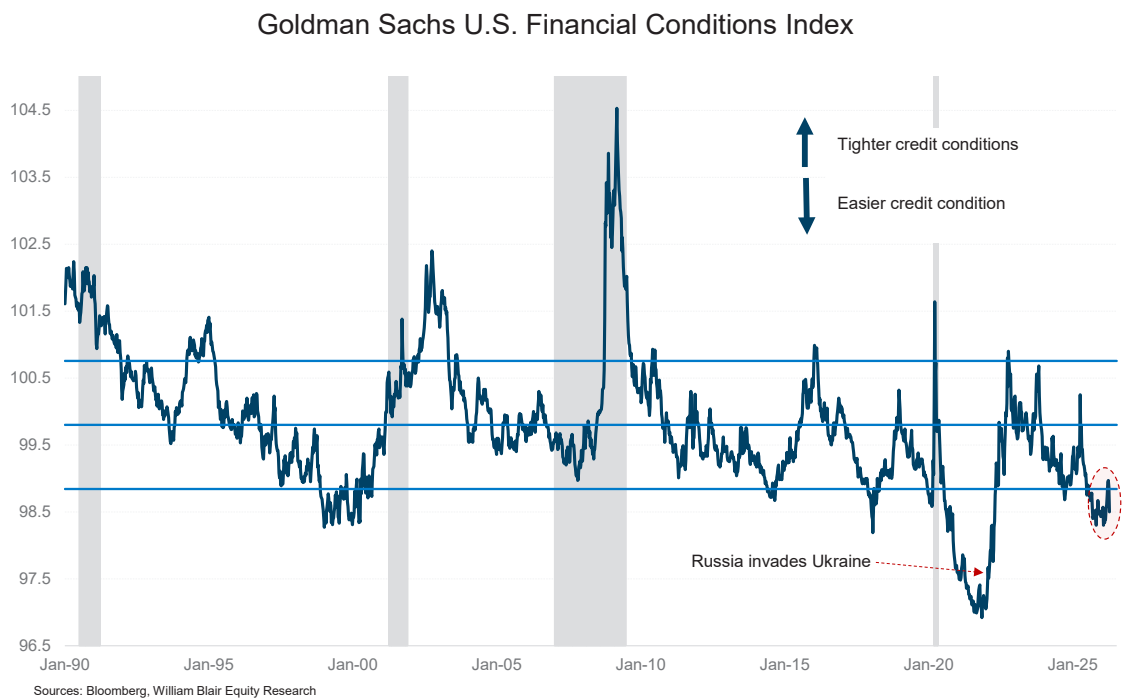
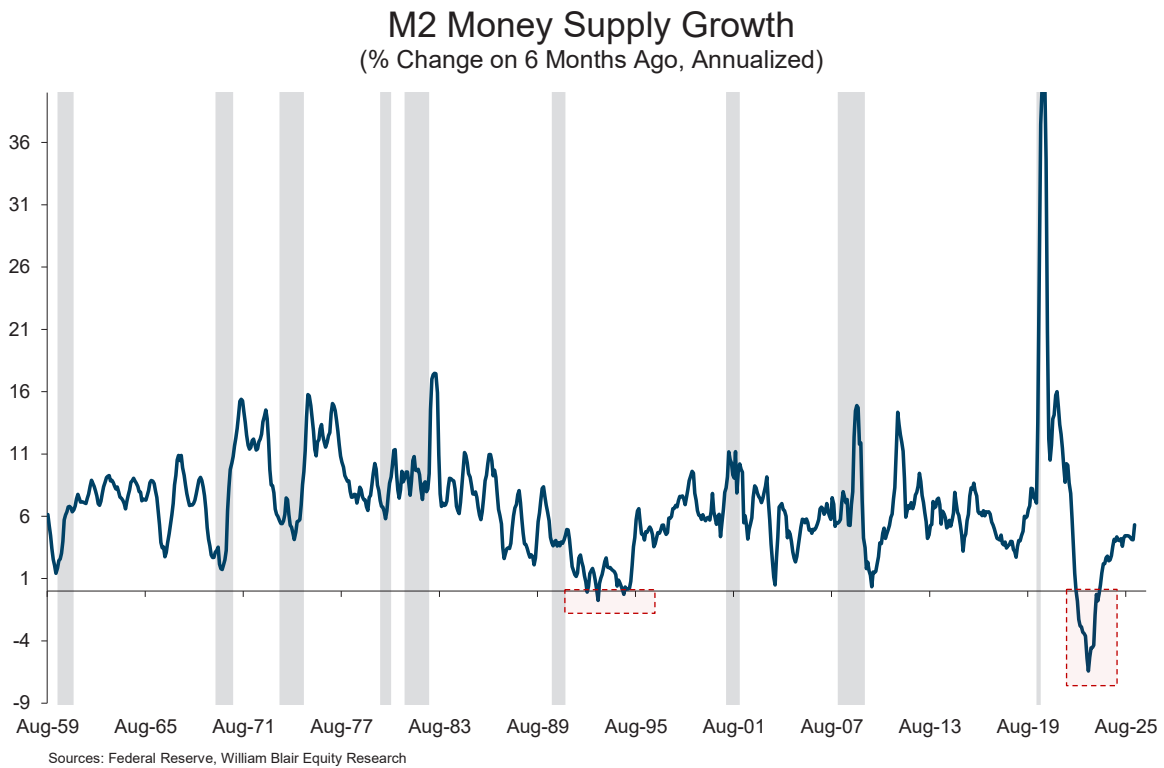
Economic Scorecard

Rolling monthly heat map, % Change on Year Ago (unless otherwise noted)

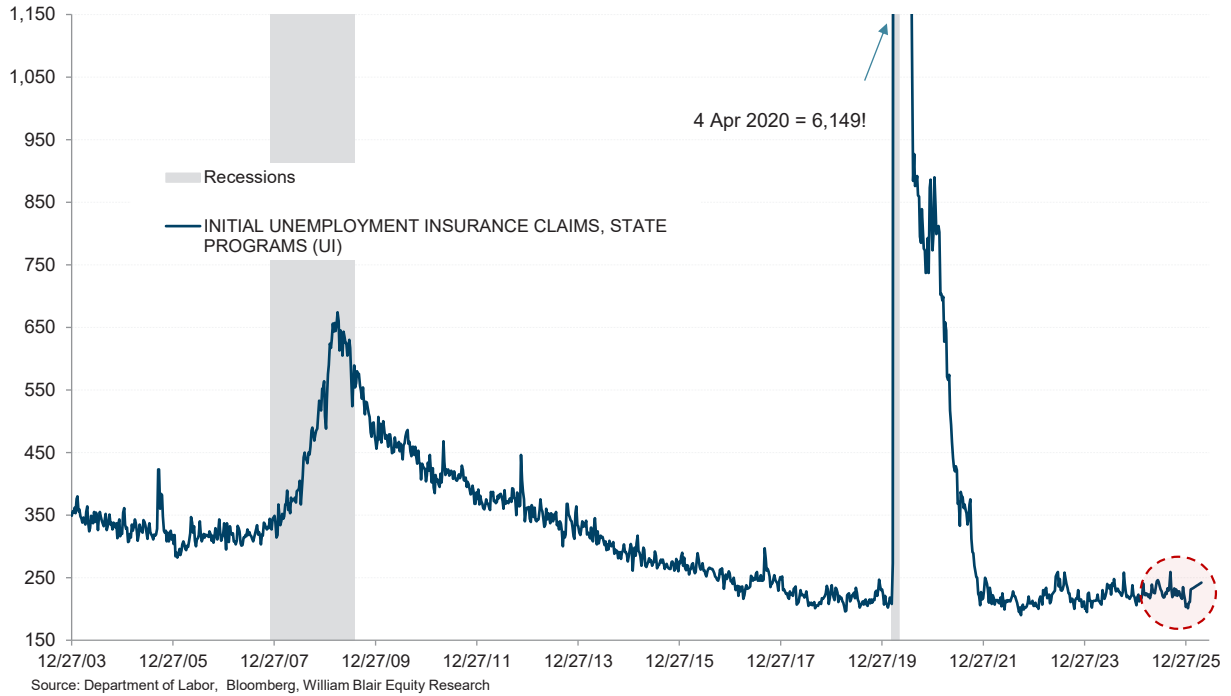
	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26
Growth																			
US Leading Indicators	-3.7	-3.0	-3.0	-2.7	-3.0	-3.6	-4.3	-3.9	-4.0	-3.5	-3.5	-3.3	-3.3	-3.8	-3.9	-3.8			
US Coincident Indicators	1.6	1.3	1.7	1.5	1.5	1.8	2.0	1.4	1.3	1.6	1.4	1.1	1.1	1.1	0.7	1.2			
US Lagging Indicators	0.1	0.0	0.1	-0.1	0.1	-0.1	-0.2	0.7	0.4	0.4	0.4	1.1	1.2	0.9	1.2	1.0			
Consumer																			
Total Retail Sales	3.2	3.9	4.5	4.5	3.8	5.2	5	3.4	4.4	4.1	5	4.1	3.2	3.2	2.4	3.3	4.0	4.0	
Personal Income	5.5	5.3	5.3	5	5	5.2	5.6	4.5	4.3	4.8	5.1	5.1	4.7	4.6	4.5	4.3	3.7		
Real Disposable Personal Income	2.7	2.4	2.2	1.8	1.8	2.3	2.8	1.5	1.2	1.7	1.8	1.8	1.4	1.3	1.1	1.6	1.1		
Real Personal Consumption	3.3	3.2	3.6	3.3	2.7	3.2	3.1	2.5	2.5	2.6	2.8	2.4	2.5	2.2	1.6	2.2	2.5		
Personal Saving Rate (%)	5	4.9	4.3	5.1	5.2	5.1	5.5	4.9	4.6	4.5	4.4	4.3	4	4	3.9	4.5	4		
Consumer Confidence (Conference Board)**	109.6	112.8	109.5	105.3	100.1	93.9	85.7	98.4	95.2	98.7	97.8	95.6	95.5	92.9	94.2	89	91	91.8	
Employment																			
Employment Growth	0.9	0.9	0.9	0.8	0.7	0.6	0.6	0.6	0.5	0.5	0.5	0.4	0.3	0.2	0.1	0.2	0.1	0.2	
ASA Temporary Staffing Index	-9.5	-6.6	-21.0	-8.2	-7.5	-8.7	-6.4	-5.8	-5.3	-0.8	-0.9	0.8	1.5	4.5	7.3	2.3	3.2	6.1	
ISM Employment Index Manufacturing*	44.6	48.3	45.4	49.7	47.1	44.4	46.2	46.1	45.1	44.9	44.3	45.4	45.8	44.1	44.8	48.1	48.8	48.7	
ISM Employment Index Services*	52.2	50.8	51	51.4	53.4	46	49.2	50.4	47.7	46.9	47.6	48.1	48.7	51.7	50.3	51.8	45.2		
Unemployment Rate, %	4.1	4.2	4.1	4	4.2	4.2	4.2	4.3	4.1	4.3	4.3	4.4		4.5	4.4	4.3	4.4	4.3	
Average Hourly Earnings	4	4.2	4.1	4	4.1	4.2	3.9	4	3.9	4	4	3.8	3.9	3.9	3.7	3.7	3.8	3.5	
Initial Jobless Claims (avg. wkly. chg. '000s)	236	219	223	219	226	223	226	233	239	222	231	234	226	221	219	213	216	208	
Job Openings	-14.0	-12.0	-14.4	-11.3	-14.2	-15.3	-5.7	-6.1	-2.9	-4.5	-8.0	3.3	-2.8	-9.5	-10.2	-2.6	-5.0		
Layoff Announcements	50.9	26.8	11.4	-39.5	103.2	204.8	62.7	47	-1.6	139.8	13.3	-25.8	175.3	23.5	-8.3	117.8	-71.9	-78	
Housing Market																			
Housing Starts	-1.2	-14.5	-0.5	-1.7	-4	3.3	0.9	-2.6	4.1	12.3	-7.2	-2.1	-5.9	2.2	-8.4	9.5			
New Home Sales	-8.8	10.7	11.7	-2.8	-2.4	-4.6	-1.8	-5.7	-1.3	-10	1.9	0.3	4.7	13.2	-0.8	-11.3			
Existing Home Sales	3.1	6.2	8.6	1.7	-1.0	-2.7	-1.5	-0.5	0.5	0.8	2.3	4.4	2.2	-1.2	1.9	-1.7	-0.5		
Median House Price (Existing Homes)	2.1	-7.4	1.1	-0.2	-1.4	-5.4	-0.4	2.5	-1.2	-7.4	3	-1	-5.2	1.8	-0.9	-6.8			
Existing Homes Inventory (Mths' supply)	3.9	3.8	3.8	3.9	4	4.2	4.2	4.3	4.3	4.3	4.3	4.3	4.3	4.2	4	4.2	4.3		
New Homes Inventory (Mths' supply)	9.3	8.7	8.2	9	9.3	9.2	8.5	9.6	9.1	9.3	8.4	8.1	9	7.6	8	9.7			
NAHB Homebuilder Sentiment*	43	46	46	47	42	39	40	34	32	33	32	32	37	38	39	37	37		
Inflation																			
Consumer Price Index	2.6	2.7	2.9	3	2.8	2.4	2.3	2.4	2.7	2.7	2.9	3		2.7	2.7	2.4	2.4	3.3	
CPI Less-food & energy	3.3	3.3	3.2	3.3	3.1	2.8	2.8	2.8	2.9	3.1	3.1	3		2.6	2.6	2.5	2.5	2.6	
Producer Price Index	2.8	2.9	3.5	3.8	3.4	3.2	2.4	2.7	2.4	3.2	2.7	3	2.8	3.1	3.2	3.1	3.4	4	
PPI Less-food & energy	3.6	3.4	3.7	3.9	3.7	3.8	3.1	3.2	2.7	3.5	2.9	3	3	3.2	3.5	3.7	3.8	3.8	
PCE Price Index	2.5	2.6	2.7	2.6	2.7	2.4	2.3	2.5	2.6	2.6	2.7	2.8	2.7	2.8	2.9	2.8	2.8		
PCE Prices Less-food & energy	3.0	3.0	3.0	2.8	3.0	2.7	2.6	2.8	2.8	2.9	2.9	2.8	2.8	2.8	3.0	3.1	3.0		
Business Activity - US																			
Industrial Production	-1.0	-1.6	-0.3	0.9	0.8	0.6	0.9	0.1	0.6	1.9	1.2	1.9	1.8	1.8	1.3	1.5	1.2	0.7	
New Cap Gds Orders less-aircraft & parts	0.2	-1.1	1.9	3.3	-0.9	2.2	0.5	2.2	4.5	4.4	2.5	5.3	6.2	4.1	8	2.9	5.8		
Business Inventories	1.9	2.2	2.7	1.8	2.5	2.2	2.5	2.2	1.7	1.6	1.4	1	1.3	1.3	1.2	1.5	1	1.3	
ISM Manufacturing PMI*	47	48.4	49.2	50.5	50	48.9	48.8	48.6	49	48.4	48.9	48.9	48.8	48	47.9	52.6	52.4	52.7	
Markit US Manufacturing PMI*	48.5	49.7	49.4	51.2	52.7	50.2	50.2	52	52.9	49.8	53	52	52.5	52.2	51.8	52.4	51.6	52.3	
ISM Services Index*	55.5	52.4	53.5	52.6	53.2	50.8	51.6	50.2	50.8	50.5	51.9	50.3	52	52.4	53.8	53.8	56.1	54	
Markit US Services PMI*	55	56.1	56.8	52.9	51	54.4	50.8	53.7	52.9	55.7	54.5	54.2	54.8	54.1	52.5	52.7	51.7	49.8	
Business Activity - International																			
Germany Manufacturing PMI Markit/BME*	43	43	42.5	45	46.5	48.3	48.4	48.3	49	49.1	49.8	49.5	49.6	48.2	47	49.1	50.9	52.2	51.2
Japan Manufacturing PMI Jibun Bank*	49.2	49	49.6	48.7	49	48.4	48.7	49.4	50.1	49	49.7	48.5	48.2	48.7	50	51.5	53	51.6	54.9
Caixin China Manufacturing PMI*	50.3	51.5	50.5	50.1	50.8	51.2	50.4	48.3	50.4	49.5	50.5	51.2	50.6	49.9	50.1	50.3	52.1	50.8	
China Manufacturing PMI*	50.1	50.3	50.1	49.1	50.2	50.5	49	49.5	49.7	49.3	49.4	49.8	49	49.2	50.1	49.3	49	50.4	
UK Manufacturing PMI Markit/CIPS*	49.9	48	47	48.3	46.9	44.9	45.4	46.4	47.7	48	47	46.2	49.7	50.2	50.6	51.8	51.7	51	53.6
France Manufacturing PMI Markit*	44.5	43.1	41.9	45	45.8	48.5	48.7	49.8	48.1	48.2	50.4	48.2	48.8	47.8	50.7	51.2	50.1	50	52.8
Currencies***																			
Euro (EUR/USD)	2.9	-2.9	-6.2	-4.2	-4.0	0.2	6.2	4.6	10.0	5.4	5.8	5.4	6.0	9.7	13.4	14.4	13.9	6.8	
Renminbi (USD/CNY)	-2.7	1.6	2.8	1.1	1.2	0.5	0.4	-0.6	-1.4	-0.4	0.6	1.5	0.0	-2.4	-4.3	-4.0	-5.7	-5.0	
Yen (USD/Yen)	0.2	1.1	11.5	5.6	0.4	-0.9	-9.3	-8.4	-10.5	0.5	0.6	3.0	1.3	4.3	-0.3	-0.3	3.6	5.8	
Sterling (GBP/USD)	6.1	0.9	-1.7	-2.3	-0.4	2.3	6.7	5.6	8.6	2.7	2.9	0.5	2.0	3.9	7.7	10.4	7.2	2.4	
Canadian \$ (USD/CAD)	0.4	3.3	8.6	8.2	6.5	6.3	0.2	0.8	-0.5	0.3	1.8	2.9	0.5	-0.2	-4.6	-6.4	-5.7	-3.3	
Mexican Peso (USD/MXN)	11.0	17.2	22.7	20.1	20.5	23.6	14.4	14.3	2.3	1.4	-5.4	-7.0	-7.4	-10.2	-13.5	-15.6	-16.2	-12.4	
US Equities																			
S&P 500	36.0	32.1	23.3	24.7	16.8	6.8	10.6	12.0	13.6	14.8	14.4	16.1	19.9	13.5	16.4	14.9	15.5	16.3	
S&P 400 Midcap	30.9	31.3	12.2	18.6	7.1	-4.2	-0.3	0.6	5.9	1.7	5.3	4.5	4.8	-1.7	5.9	6.1	15.5	15.7	
S&P 600 Smallcap	27.6	30.9	6.8	14.5	4.5	-5.0	-3.6	-3.4	2.8	-6.3	1.8	1.9	3.8	-4.0	4.2	7.0	15.9	18.5	
Russell 2000	32.1	34.6	10.0	17.5	5.3	-5.3	-0.5	-0.2	6.2	-1.9	6.7	9.3	12.9	2.7	11.3	14.3	21.7	24.1	

* Diffusion Index, **1985=100, ***Currencies - green/red = strengthening/weakening foreign currency vs dollar
 Source: ISM, Federal Reserve, Census Bureau, Bureau of Labor Statistics, Conference Board, Bloomberg, William Blair

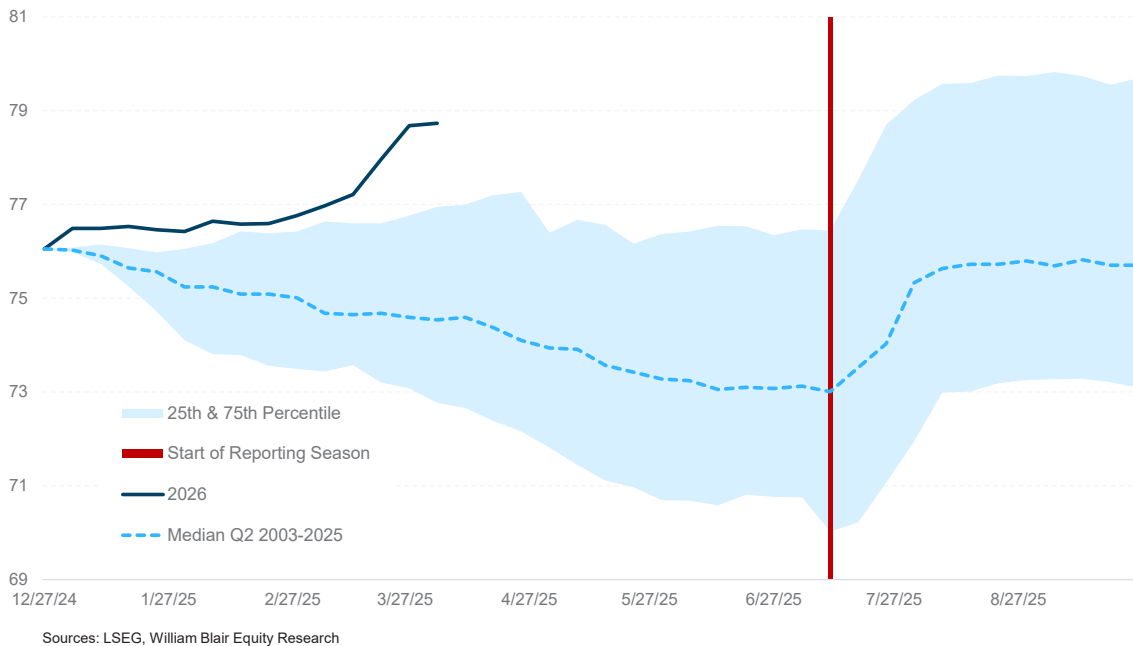
Other Economic Indicators



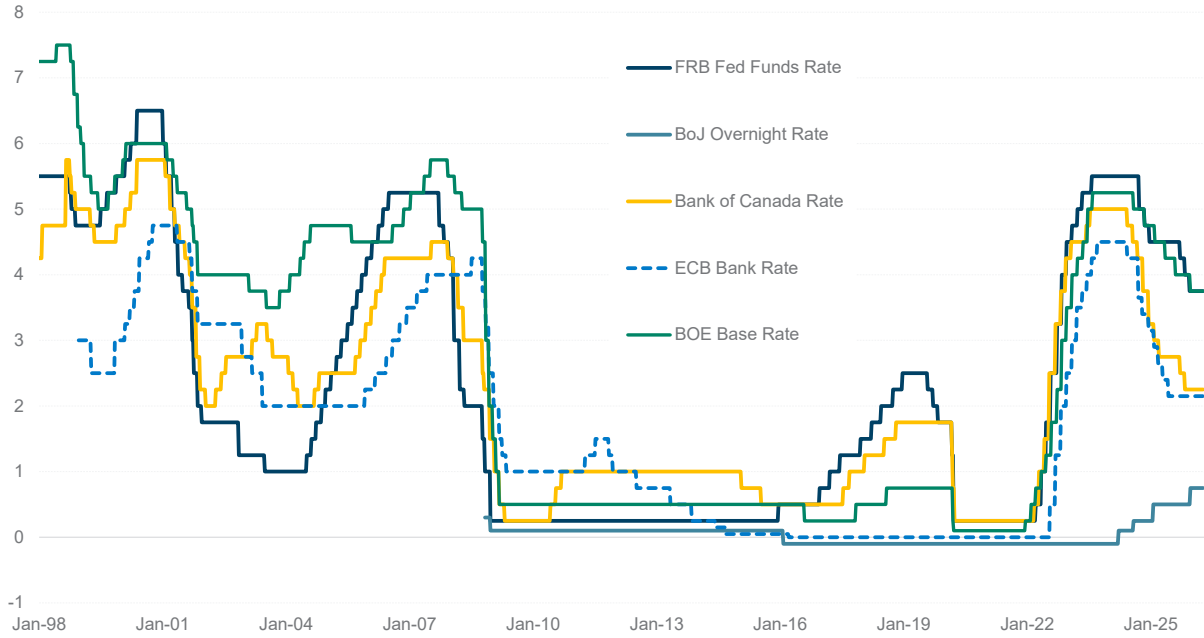
Initial Jobless Claims (‘000s, Seasonally Adjusted)



Progression of S&P 500 Q2 EPS Estimates, Q2 2026 vs Median Q2 2003-2025 (Rebased to Q2 2026 Estimate at End of Q4 2025 of \$76.10 per share)

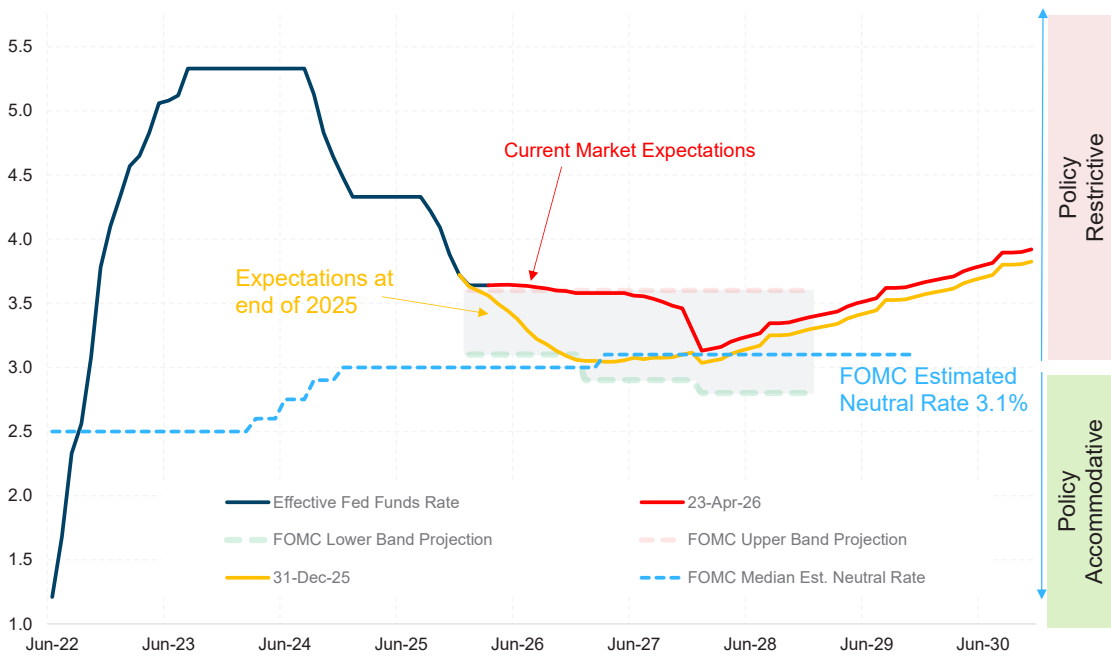


Central Bank Target Short-Term Interest Rates, %



Sources: Bloomberg, William Blair Equity Research

Fed Funds Rate Futures Market Expectations & FOMC Projections, %



Sources: Bloomberg, William Blair Equity Research

S&P 500 Sector Performance

Global Industry Classification System	Current Weight* 23-Apr-26	Week Ago 16-Apr-26	Month Ago 23-Mar-26	Qtr-to-Date 31-Mar-26	Year-to-Date 31-Dec-25
S&P 500 Index	100.00	0.95	8.01	8.88	3.84
S&P 400 MidCap Index		1.61	8.15	7.61	9.93
S&P 600 SmallCap Index		2.19	10.16	9.04	12.41
Dow Jones Industrials		1.51	6.71	6.41	2.59
Nasdaq Composite		1.39	11.35	13.19	5.15
Communication Services	10.51	-0.88	8.49	12.28	4.31
Advertising	0.05	-1.93	-0.63	1.32	-18.88
Broadcasting	0.06	-0.66	13.78	11.74	-12.04
Cable & Satellite	0.08	-2.56	11.34	8.24	13.48
Integrated Telecommunication Services	0.76	2.37	-3.82	-3.62	11.46
Interactive Home Entertainment	0.14	-1.08	2.35	2.31	-9.32
Interactive Media & Services	8.02	0.02	11.52	17.04	5.51
Movies & Entertainment	1.06	-8.85	0.92	-0.51	-3.76
Publishing & Printing	0.02	2.16	9.06	5.83	1.24
Wireless Telecommunication Svcs	0.33	-1.55	-7.04	-7.60	-4.42
Consumer Discretionary	10.29	0.31	9.16	10.34	0.03
Apparel Retail	0.38	1.04	2.69	0.74	8.92
Apparel & Accessories & Luxury Goods	0.09	-4.93	-1.30	1.56	-4.21
Auto Parts & Equipment	0.02	5.02	-2.17	0.00	-8.74
Automobile Manufacturers	2.32	-3.47	-1.23	1.11	-15.73
Automobile Retail	0.30	4.28	13.03	9.52	1.28
Broadline Retail	4.26	2.14	21.26	22.30	10.65
Casinos & Gaming	0.08	-4.34	0.44	0.40	-12.73
Computer & Electronics Retail	0.02	-4.90	-3.92	-4.20	-8.11
Consumer Electronics	0.08	-1.35	9.25	12.41	28.57
Distributors	0.04	-0.41	9.54	6.68	-7.46
Footwear	0.11	-1.70	-11.25	-11.02	-24.20
Home Furnishings	0.01	6.00	6.32	9.97	-0.94
Home Improvement Retail	0.73	1.13	3.50	3.69	-0.19
Homebuilding	0.17	8.67	9.83	11.98	4.25
Hotels, Resorts & Cruise Lines	0.78	-1.15	4.01	6.15	-3.57
Leisure Products	0.02	3.46	3.86	3.19	17.78
Restaurants	0.80	-0.60	2.14	4.13	-0.76
Other Specialty Retail	0.07	-4.85	-3.87	-4.06	-15.14
Consumer Staples	5.48	2.94	3.61	2.11	9.28
Agricultural Products	0.09	2.24	3.55	-2.65	27.92
Brewers	0.01	-2.94	2.22	-0.44	-8.16
Consumer Staples Merchandise Retail	2.62	4.22	6.34	3.99	16.55
Distillers & Vintners	0.05	-3.11	7.49	6.42	14.17
Food Distributors	0.06	2.38	-7.10	6.28	2.88
Food Retail	0.11	4.08	-2.28	-1.82	13.71
Household Products	0.72	1.19	0.28	0.38	2.28
Packaged Foods & Meats	0.33	0.42	-1.19	-2.02	-3.45
Personal Care Products	0.08	0.61	-1.74	3.20	-11.07
Soft Drinks	1.00	0.93	2.80	1.36	7.62
Tobacco	0.57	6.78	3.84	2.16	8.55
Energy	3.26	0.42	-4.80	-7.54	26.90
Integrated Oil & Gas	1.61	-0.62	-7.18	-10.61	24.95
Oil & Gas Equipment & Services	0.27	5.68	7.15	5.28	41.83
Oil & Gas Exploration & Production	0.67	2.18	-4.16	-6.20	27.01
Oil & Gas Refining & Marketing & Transportation	0.30	-2.65	-5.37	-9.05	34.23
Oil & Gas Storage & Transportation	0.40	0.84	-3.02	-3.48	20.14

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Financials	11.38	-0.51	5.03	4.77	-5.51
Asset Management & Custody Banks	0.95	0.93	11.81	10.21	-5.05
Consumer Finance	0.56	-1.81	6.77	6.83	-15.46
Diversified Banks	2.94	-0.03	8.64	6.77	-2.49
Diversified Financial Services	6.58	-0.91	3.74	4.14	-7.64
Financial Exchanges & Data	0.89	-1.07	0.58	2.94	-6.50
Insurance Brokers	0.40	-3.28	0.09	0.73	-10.15
Investment Banking & Brokerage	1.31	0.14	8.67	8.74	-1.09
Life & Health Insurance	0.27	-0.53	7.50	4.47	-1.78
Multi-Sector Holdings	1.00	-0.96	-1.96	-1.81	-6.39
Property & Casualty Insurance	0.89	1.31	2.66	3.47	-0.56
Regional Banks	0.28	2.31	12.06	9.10	5.03
Reinsurance	0.02	1.86	8.18	7.34	3.38
Transaction & Payment Processing	1.76	-2.38	1.59	2.43	-11.75
Health Care	8.34	-0.31	0.86	-0.38	-5.65
Biotechnology	1.48	-1.81	-1.17	-4.01	-2.00
Health Care Distributors	0.34	-3.45	-3.02	-2.33	-1.38
Health Care Equipment	1.45	-0.27	-3.98	-1.33	-16.27
Health Care Facilities	0.18	-1.48	-4.10	0.29	-1.02
Health Care Services	0.35	2.06	7.21	6.01	2.80
Health Care Supplies	0.06	-1.33	0.28	1.54	-6.71
Life Sciences Tools & Services	0.71	-6.43	-1.10	-2.69	-18.23
Managed Health Care	0.68	11.03	28.76	27.98	3.76
Pharmaceuticals	3.12	-0.21	-0.15	-3.04	-1.32
Industrials	8.47	2.15	6.71	7.58	12.21
Aerospace & Defense	1.98	-5.04	-3.59	-1.90	-0.76
Agricultural & Farm Machinery	0.24	1.33	4.03	5.09	27.15
Air Freight & Logistics	0.33	2.55	9.93	9.42	18.09
Building Products	0.47	4.77	9.25	11.32	15.90
Cargo Ground Transportation	0.11	4.98	20.64	15.76	38.19
Construction & Engineering	0.30	9.13	16.99	19.90	59.11
Construction Machinery & Heavy Trucks	0.90	7.15	17.58	16.71	37.39
Data Processing & Outsourced Services	0.03	-3.98	-8.72	-4.02	-30.12
Diversified Support Svcs	0.16	0.64	-0.86	4.01	-8.33
Electrical Components & Equipment	0.78	5.89	16.65	17.19	23.18
Environmental & Facilities Services	0.32	2.70	1.57	0.75	1.00
Heavy Electrical Equipment	0.47	17.50	30.24	31.69	75.88
Human Resource & Employment Services	0.17	-1.02	-4.64	-2.02	-21.24
Industrial Conglomerates	0.32	-5.58	-2.93	-3.47	1.96
Industrial Machinery	0.64	2.25	5.54	6.71	6.64
Passenger Airlines	0.14	-3.77	-0.05	1.15	-8.87
Passenger Ground Transportation	0.23	-2.32	-0.56	3.85	-8.58
Railroads	0.49	7.64	14.82	12.03	18.37
Research & Consulting Svcs	0.12	-3.63	-6.83	-4.04	-17.02
Trading Companies & Distributors	0.26	10.27	15.37	12.54	17.02
Information Technology	33.05	2.21	13.45	16.11	5.37
Application Software	1.84	-1.53	-6.98	-0.43	-26.19
Communications Equipment	1.21	3.75	15.07	19.99	25.27
Electronic Components	0.60	1.60	22.39	24.21	36.56
Electronic Equipment & Instruments	0.15	3.36	13.73	16.15	42.77
Electronic Manufacturing Services	0.15	-2.45	14.48	11.47	9.74
Internet Software & Services	0.08	0.49	0.91	-0.09	-2.46
IT Consulting & Services	0.56	-7.91	-8.59	-6.90	-27.74
Semiconductor Equipment	1.49	2.75	14.77	21.44	55.92
Semiconductors	13.84	3.50	21.65	24.21	17.77
Systems Software	6.12	-0.98	7.59	11.54	-14.18
Technology Distributors	0.03	2.37	13.57	12.76	0.20
Technology Hardware, Storage & Peripherals	6.99	4.20	11.19	10.75	6.93
Materials	1.87	-0.08	8.82	3.72	13.36
Commodity Chemicals	0.08	-4.52	3.60	-9.43	64.25
Construction Materials	0.23	2.28	10.64	8.87	-2.74
Copper	0.13	-9.96	11.90	4.59	21.05

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Fertilizers & Agricultural Chemicals	0.12	-1.26	2.75	-4.48	24.77
Gold	0.18	-2.07	13.17	2.60	11.23
Industrial Gases	0.46	1.86	6.86	2.93	19.97
Metal & Glass Containers	0.03	-0.39	8.34	6.78	19.16
Paper Packaging	0.14	-1.38	0.84	-1.10	-3.67
Specialty Chemicals	0.37	-0.83	6.72	3.35	7.78
Steel	0.12	12.50	33.53	25.58	31.42
Real Estate	1.83	0.33	8.19	7.66	9.75
Data Center REITs	0.27	2.76	14.59	12.72	39.06
Health Care REITs	0.31	-3.04	4.60	4.03	9.86
Hotel & Resort REITs	0.02	2.43	10.08	9.97	18.84
Industrial REITs	0.20	0.13	9.24	7.69	11.50
Multi-Family Residential REITs	0.00	2.59	5.07	5.07	-4.40
Office REITs	0.01	1.48	7.47	9.84	-15.53
Other Specialized REITs	0.10	-0.55	9.74	9.10	18.73
Real Estate Service	0.09	-1.15	2.77	4.91	-21.22
Retail REITs	0.25	0.36	8.34	6.81	12.62
Self-Storage REITs	0.13	2.12	12.05	12.39	15.65
Single-Family Residential REITs	0.13	2.12	12.05	12.39	15.65
Telecom Tower REITs	0.22	0.17	6.55	8.00	2.70
Timber REITs	0.03	2.63	7.95	2.33	5.54
Utilities	2.24	-0.50	2.96	0.48	8.03
Electric Utilities	1.49	-0.27	3.10	0.62	8.47
Gas Utilities	0.05	-0.09	3.75	1.67	12.04
Independent Power Producers & Energy Traders	0.10	-4.38	3.56	4.09	-2.13
Water Utilities	0.04	3.27	-0.56	-0.82	3.43
Multi-Utilities	0.57	-0.73	2.70	-0.47	8.76

*Current Weight is market cap based, based on calculations by William Blair Intl. Ltd.

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DOW JONES: 49310.30

S&P 500: 7108.40

NASDAQ: 24438.50

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