

Economics Weekly

Where Have All the Foreign Profits Gone

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U.S. companies generate profits both at home and through their foreign affiliates. Yet, across all U.S. corporate businesses captured in the National Income and Product Accounts—including public and private companies, with profits measured for tax rather than investor-reporting purposes—foreign earnings now account for just 11.6% of total profits, less than half their pre-pandemic share. That reduced exposure may offer some near-term insulation when Europe and other overseas economies are weak, but it also leaves U.S. profit growth less geographically diversified over the longer term. **In this *Economics Weekly*, we examine what has changed, why the foreign share of U.S. corporate profits has collapsed, and what that means for investors.**

Collapse in the Foreign Share of Profits

There has been a startling drop in the share of total corporate profits that U.S. companies are earning abroad. That share now stands at 11.6%, versus a high of 23.8% at the end of 2017. The foreign profits share naturally dropped during the pandemic when supply chains were broken and foreign trade collapsed. Since then, despite the recovery in foreign trade, its profits share has continued to languish. Exhibit 1 shows a clear break from a rising share trend that started in the late 1940s onward. For the larger-cap S&P 500 companies, foreign revenue as a share of total revenue is higher—S&P Global estimates that around 36% of total revenue originates abroad. At the other extreme, in the U.K., 70%-80% of companies' revenues come from outside its borders.

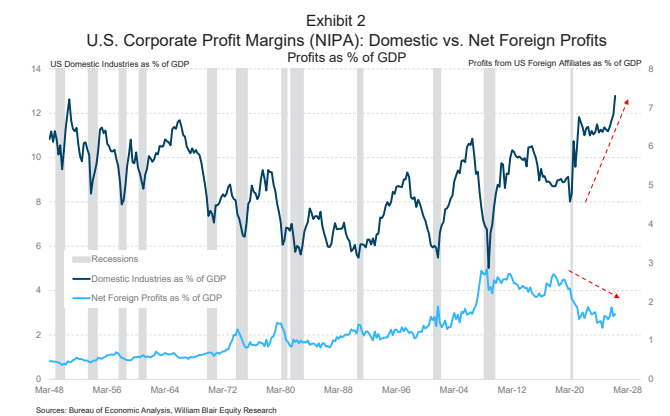


We see this collapse in foreign share of profits as being the result of three major factors: stronger relative domestic growth, taxes, and to a smaller extent, the dollar.

Strong Domestic Growth, Comparatively Weaker Foreign Growth

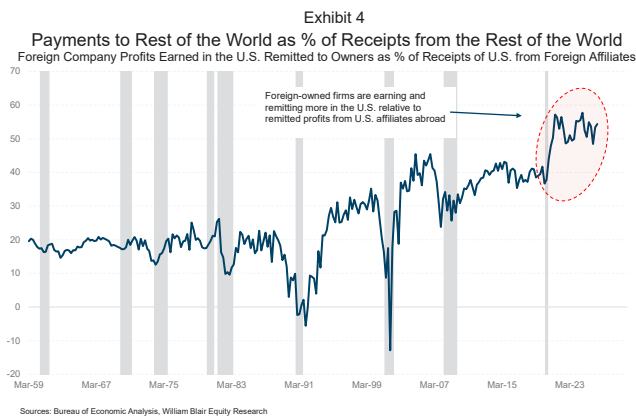
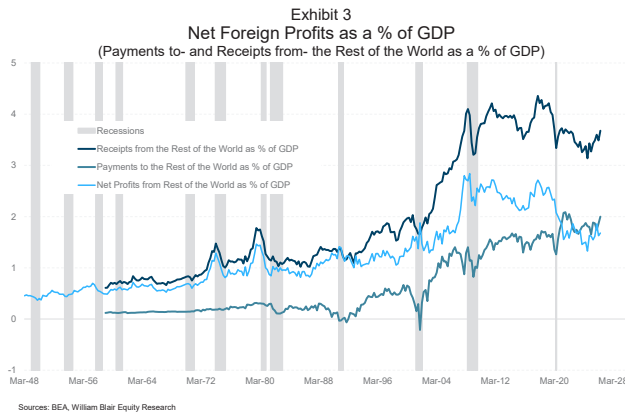
The biggest reason for the decline is quite simply very strong domestic economic and profits growth.

As a share of GDP, domestic corporate profits have surged higher, while net foreign profits (U.S. companies' remitted profits earned abroad minus foreign companies' remitted profits earned in the U.S.) have fallen (exhibit 2). Since the end of 2019, domestic corporate profits have increased by a 13.5% CAGR, compared to just 4.9% for the gross foreign profits earned by U.S. foreign affiliates. Unsurprisingly, this has been reflected in the stock performance, with the MSCI U.S. Index increasing 137% since the end of 2019, compared to the 57% rise in the index excluding the U.S.



The strength of U.S. domestic growth has also weighed on the foreign share by raising foreign companies' profits earned in the U.S. and remitted abroad. That is to say that the foreign share of U.S. companies' profits are calculated net of what foreign companies are earning in the U.S. and remitting back to their countries. Hence, if the U.S. is relatively stronger, those foreign companies will also be performing better, and remitting more back home, which is another drag on U.S. companies' net foreign profits.

This is depicted in exhibit 3, which shows gross receipts increasing less than foreigners' domestic payments, as the latter are benefiting from the strong relative growth in the U.S. (exhibit 4).



Looking back to 2020, the stronger U.S. growth was initially the result of the pandemic, when the U.S. flooded its system with billions of dollar in COVID relief relative to the smaller amounts provided by foreign governments. More recently, however, the strength has been a reflection of the AI-related capex boom taking place in the U.S., against softer growth in the EU following the Russian invasion of Ukraine, slower growth in China due to excessive credit growth and overcapacity, and disruptions to global energy and shipping related to the war with Iran and tariffs.

Tax Changes

The second factor impacting foreign profits has been tax policy.

The first Trump administration made four major tax changes with the introduction of the Tax Cuts and Jobs Act 2017.

1. The first was to cut the U.S. corporate tax rate from 35% to 21%.

2. The second was a move toward a territorial tax system, whereby dividends paid from foreign subsidiaries to their U.S. parent corporations became largely exempt from additional U.S. tax through a 100% dividend-received deduction.
3. Third, the act introduced a one-time effective “deemed repatriation tax.” Whereas foreign profits kept abroad were previously untaxed in the U.S., this new legislation means that all previously untaxed foreign profits accrued from 1986-onward would now be taxed at 15.5% regardless if they were still abroad or not. This removed a major penalty for not repatriating earnings (and introduced a new one for retaining them abroad).
4. The act also introduced a series of changes (e.g., GILTI, FDII, and BEAT) that made it more attractive for companies to register their intellectual property in the U.S., rather than retain it in, for example, Ireland. Previously, U.S. multinationals paid tax on the profits related to that IP based on where it was held; as long as those profits stayed offshore, any U.S. tax could be deferred. That is no longer the case. Meanwhile, the U.S. tax rates to hold that IP in the U.S. were also lowered to be more competitive.

While the TCJA triggered a large repatriation of cash in 2018, profits related to other more substantial tax changes look to have taken a lot longer to shift back to the U.S.—judging by the very small changes in foreign profits that took place between 2018 and 2019. It seems as though much of the accounting impact related to IP and other balance sheet effects only started to impact profits from 2020 onward, when those changes were also amplified by the pandemic.

This is exactly what we see in the data from Ireland, where royalty payments to the U.S. jumped from a historical rate of about €8 billion per year to €52 billion in 2020—with the majority of this increase coming from technology companies. Microsoft’s payments to the U.S. for example, increased significantly, even though it continues to book a tangible share of its international profits in Ireland.

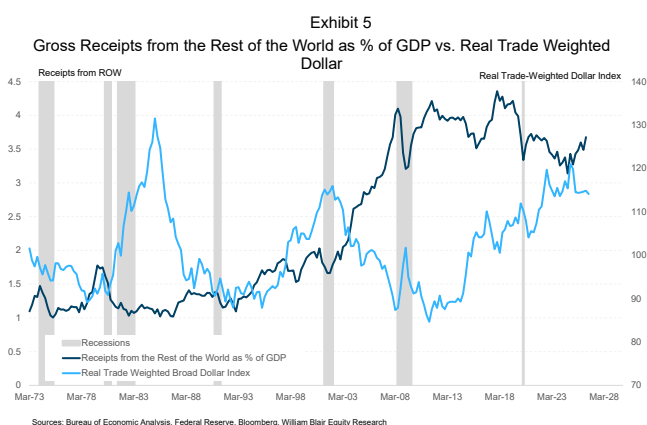
Tariffs may also be having a modest impact at the margin; however, with most of the change coming before the bulk of their introduction, the timing does not match. Any impact tariffs are having looks to be more about encouraging companies to maintain U.S. exposure, rather than producing a major change in behavior.

The Stronger Dollar Had Only a Modest Impact

The final factor negatively impacting foreign profits' share has been the dollar. Though again, the impact has been lower than for either domestic growth or the tax changes.

Since 2019, foreign net profits have fallen from 2.3% to 1.7% of GDP. The historical relationship from 1973 suggests the roughly 7% appreciation in the dollar from 2019 explains only about 0.09 percentage point of the 0.65-percentage-point decline, or around 13% of the total, leaving 87% attributable to other factors such as stronger relative growth and tax changes.

For investors, the central message is that U.S. equity outperformance has become an increasingly concentrated bet on U.S. economic exceptionalism. As long as domestic growth, margins, and AI-related investment remain stronger than elsewhere, that concentration should continue to support superior U.S. earnings growth. The risk, however, is now more asymmetric: If the domestic engine slows, overseas profits are no longer large enough to provide the cushion they once did, leaving aggregate earnings—and today's valuation premium—more exposed to disappointment. The decline in the foreign profit share is therefore both evidence of why the U.S. market has led and a warning that its leadership has become less diversified and more dependent on one source of strength.



Ultimately, the largest impact by far has been stronger U.S. growth, given that domestic profits as a share of GDP increased from 9% to 12%, whereas the net profit's share of GDP only fell from 2.3% to 1.7% over the same period. Meaning, for example, that even if all of the foreign decline was due to tax accounting changes, those would still only account for about one-quarter of the total change in profit composition.

Conclusion

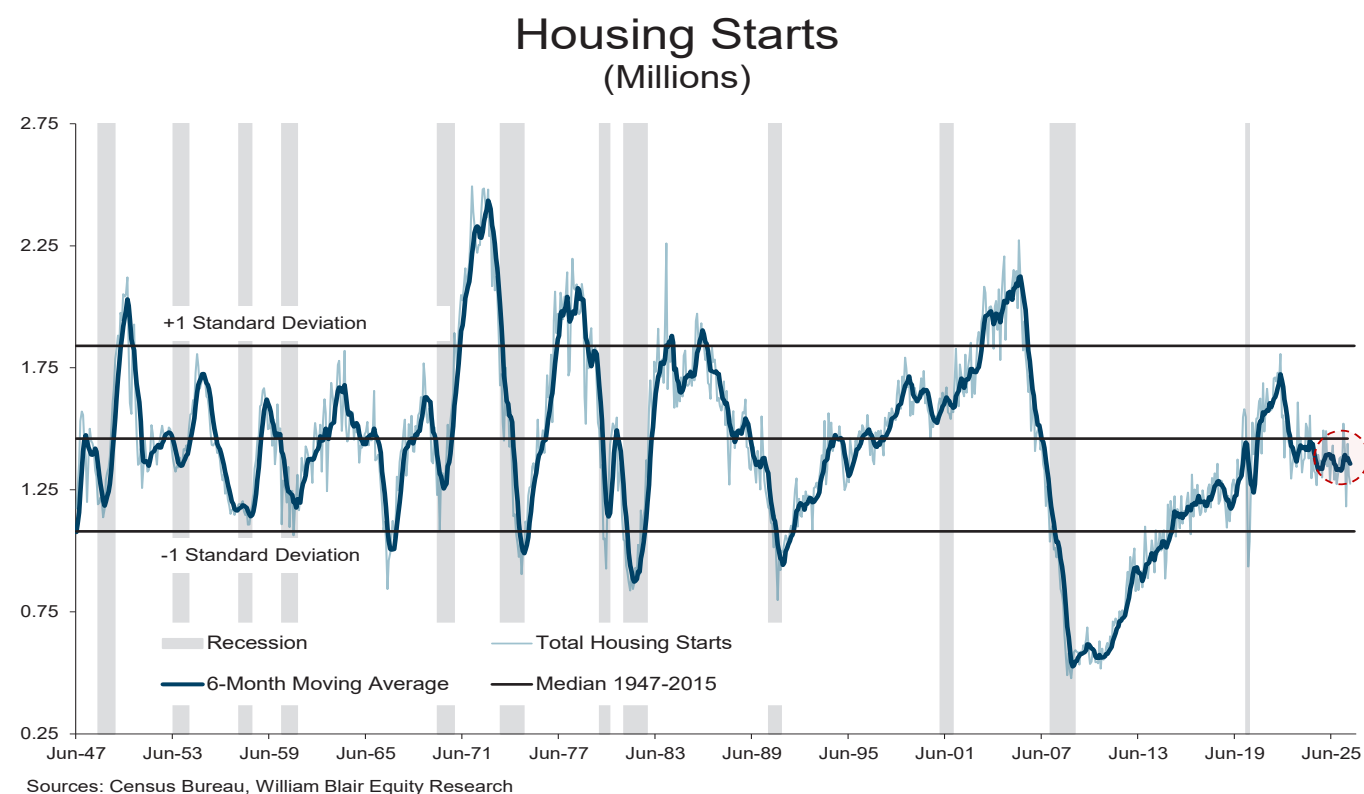
The collapse in the foreign share of U.S. corporate profits is not clear evidence of deteriorating overseas earnings; rather, it is the mirror image of an exceptional U.S. profit boom. Domestic profits have grown so much faster that they explain the overwhelming majority of the shift in profit composition. Tax-related repatriation and the relocation of intellectual property have also helped to reinforce the impact, with the stronger dollar only accounting for a small fraction of it.

Highlights in the Week Ahead

Date	Time (ET)	Indicator	Last	Consensus	WB Estimate	Actual
20 Oct	8:30 a.m.	Housing Starts (Sep)	-2.6%	1.9%	0.5%	
		Building Permits	-2.1%	-2.0%	-1.0%	
22 Oct	10:00 a.m.	Leading Economic Indicators (Sep)	-0.1%	NA	NA	

Sources: Bloomberg, William Blair Equity Research

Indicators of the Week: Housing Starts



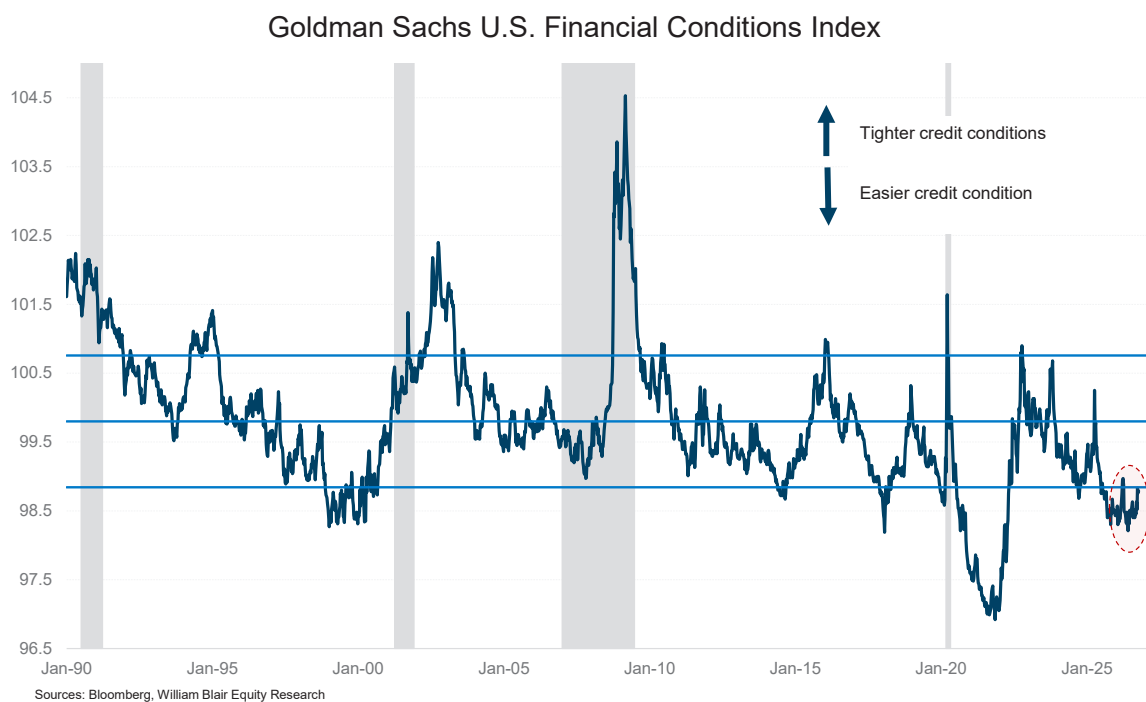
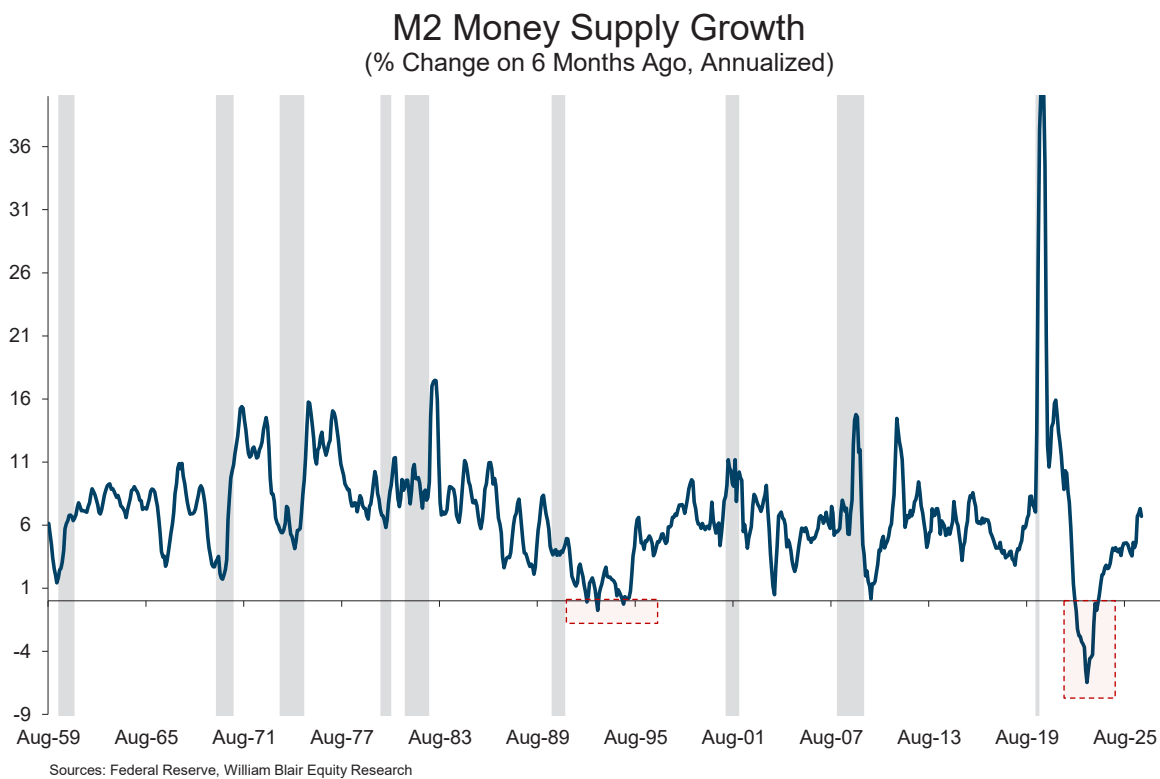
Economic Scorecard

	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	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26
Growth																			
US Leading Indicators	-4.1	-3.7	-3.8	-3.4	-3.5	-3.2	-3.1	-3.7	-3.7	-3.6	-3.1	-3.0	-1.6	-1.4	-1.1	-1.0	-0.7		
US Coincident Indicators	1.8	1.1	1.1	1.4	1.2	1.2	1.0	0.8	0.6	0.9	0.8	0.3	0.3	0.6	0.7	0.5	0.7		
US Lagging Indicators	-0.8	-0.1	-0.3	-0.5	-0.4	0.2	0.3	0.3	0.7	0.9	0.6	1.1	1.3	0.7	0.8	1.2	1.3		
Consumer																			
Total Retail Sales	4.6	2.7	3.9	3.7	4.4	3.8	2.8	2.9	2.1	2.2	3.5	3.6	4.1	6.7	5.9	4.5	5.4		
Personal Income	5.8	4.9	4.8	5.1	5.3	5.4	4.9	4.8	4.8	4.8	4.5	4.4	3.7	4.8	4.7	4.5	4.3		
Real Disposable Personal Income	2.5	1.4	1.2	1.6	1.7	1.8	1.4	1.4	1.4	2	1.8	1.3	0.2	1.2	1.5	1.5	1.3		
Real Personal Consumption	3.1	2.4	2.5	2.7	2.9	2.4	2.5	2.3	1.5	2	2.3	1.9	2.2	2.7	2.7	2.3	2.6		
Personal Saving Rate (%)	6.2	5.7	5.5	5.3	5.2	5.1	4.9	4.9	5	5.6	5.3	5.1	4.4	4.4	4.4	4.6	4.1		
Consumer Confidence (Conference Board)**	85.7	98.4	95.2	98.7	97.8	95.6	95.5	92.9	94.2	89	91	92.2	93.8	90.6	92.2	90.2	88.6	81.9	
Employment																			
Employment Growth	0.6	0.6	0.5	0.5	0.5	0.4	0.3	0.2	0.1	0.2	0.1	0.2	0.2	0.2	0.3	0.2	0.3	0.3	
ASA Temporary Staffing Index	-6.4	-5.8	-5.3	-0.8	-0.9	0.8	1.5	4.5	7.3	2.3	3.2	6.1	5.4	5.1	6.5	2.5	6.3	5.3	
ISM Employment Index Manufacturing*	46.2	46.1	45.1	44.9	44.3	45.4	45.8	44.1	44.8	48.1	48.8	48.7	46.4	48.6	49.7	52.8	51.2	52.7	
ISM Employment Index Services*	49.2	50.4	47.7	46.9	46.9	47.6	48.1	48.7	51.7	50.3	51.8	45.2	48	47.9	51.2	47.4	47.8	50.1	
Unemployment Rate, %	4.2	4.3	4.1	4.3	4.3	4.4		4.5	4.4	4.3	4.4	4.3	4.3	4.3	4.2	4.1	4.1	4.2	
Average Hourly Earnings	3.9	4	3.9	4	4	3.8	3.9	3.9	3.7	3.7	3.7	3.4	3.6	3.3	3.4	3.2	3.1	3	
Initial Jobless Claims (avg. wkly. chg. '000s)	226	233	239	222	231	234	226	221	219	213	216	208	208	215	223	199	208	201	
Jop Openings	-5.7	-6.1	-2.9	-4.5	-8.0	3.3	-2.8	-9.5	-10.2	-2.6	-4.4	-0.9	6.9	3.1	-0.3	3.5	2.3		
Layoff Announcements	62.7	47	-1.6	139.8	13.3	-25.8	175.3	23.5	-8.3	117.8	-71.9	-78	-20.9	3.4	-4.5	-46.1	-38.5	-19.9	
Housing Market																			
Housing Starts	1.5	-3	4.6	12.8	-7.4	-2.8	-7.1	1.5	-7.8	2.4	-9.7	13.1	1	-8.3	4.4	-8.6	-1.2		
New Home Sales	-0.7	-7.2	-2.6	-11.5	1.6	-0.1	3.2	13.2	3	-13.4	-1.7	0.5	-8.6	2.3	1.1	-0.8	-2		
Existing Home Sales	-1.5	-0.5	0.5	0.8	2.3	4.4	2.2	-1.2	1.9	-1.7	-0.5	-0.3	0.5	3.7	3.8	0.7	-2.5		
Median House Price (Existing Homes)	-0.4	2.5	-1.2	-7.4	3	-1	-5.2	1.2	1.4	-3.1	-0.7	-3.4	0.5	-2.5	-0.7	-1.3	-5.8		
Existing Homes Inventory (Mths' supply)	4.2	4.3	4.3	4.3	4.3	4.3	4.3	4.2	4	4.2	4.3	4.3	4.3	4.2	4.3	4.3	4.5		
New Homes Inventory (Mths' supply)	8.6	9.7	9	9.2	8.5	8.2	9	7.7	7.9	9.9	9.3	8.7	9	9.2	8.6	9	8.5		
NAHB Homebuilder Sentiment*	40	34	32	33	32	32	37	38	39	37	37	38	34	37	36	34	35		
Inflation																			
Consumer Price Index	2.3	2.4	2.7	2.7	2.9	3		2.7	2.7	2.4	2.4	3.3	3.8	4.2	3.5	3.4	3.4	3.7	
CPI Less-food & energy	2.8	2.8	2.9	3.1	3.1	3		2.6	2.6	2.5	2.5	2.6	2.8	2.9	2.6	2.5	2.4	2.6	
Producer Price Index	2.4	2.7	2.4	3.2	2.7	3	2.8	3.1	3.1	3.1	3.4	4.3	5.7	5.9	5.6	4.8	5.4		
PPI Less-food & energy	3.1	3.2	2.7	3.5	2.9	3	3	3.2	3.4	3.7	3.8	3.9	4.9	4.5	4.8	4.3	4.6		
PCE Price Index	2.3	2.5	2.6	2.6	2.7	2.8	2.7	2.7	2.8	2.7	2.8	3.4	3.6	3.8	3.5	3.4	3.4		
PCE Prices Less-food & energy	2.7	2.8	2.8	2.8	2.9	2.8	2.7	2.7	2.9	2.9	3.0	3.1	3.1	3.2	3.0	3.0	3.0		
Business Activity - US																			
Industrial Production	0.9	0.1	0.6	1.9	1.2	1.9	1.8	1.8	1.2	1.0	0.8	0.7	1.4	1.7	1.3	1.1	1.4		
New Cap Gds Orders less-aircraft & parts	0.5	2.2	4.5	4.4	2.5	5.3	6.2	4.1	8	2.9	5.9	10.8	11.1	10	14.9	13.4	14.9		
Business Inventories	2.5	2.1	1.7	1.6	1.3	1	1.3	1.3	1.2	1.5	1	1.2	2.1	2.8	3.2	3.1	3.8	0	
ISM Manufacturing PMI*	48.8	48.6	49	48.4	48.9	48.9	48.8	48	47.9	52.6	52.4	52.7	52.7	54	53.3	55.6	54.6	54.5	
Markit US Manufacturing PMI*	50.2	52	52.9	49.8	53	52	52.5	52.2	51.8	52.4	51.6	52.3	54.5	55.1	53.9	53.9	53.9	55.9	
ISM Services Index*	51.6	50.2	50.8	50.5	51.9	50.3	52	52.4	53.8	53.8	56.1	54	53.6	54.5	54	54.1	55.4	54.9	
Markit US Services PMI*	50.8	53.7	52.9	55.7	54.5	54.2	54.8	54.1	52.5	52.7	51.7	49.8	51	50.7	51.2	54.6	56.5	58.8	
Business Activity - International																			
Germany Manufacturing PMI Markit/BME*	48.4	48.3	49	49.1	49.8	49.5	49.6	48.2	47	49.1	50.9	52.2	51.4	50.1	50.3	52.2	54.3	53.9	
Japan Manufacturing PMI Jibun Bank*	48.7	49.4	50.1	49	49.7	48.5	48.2	48.7	50	51.5	53	51.6	55.1	54.5	54.8	54.5	54.9	54.1	
Caixin China Manufacturing PMI*	50.4	48.3	50.4	49.5	50.5	51.2	50.6	49.9	50.1	50.3	52.1	50.8	52.2	51.8	51.7	50.9	51.5	52.1	
China Manufacturing PMI*	49	49.5	49.7	49.3	49.4	49.8	49	49.2	50.1	49.3	49	50.4	50.3	50	50.3	49.2	49.8	50.1	
UK Manufacturing PMI Markit/CIPS*	45.4	46.4	47.7	48	47	46.2	49.7	50.2	50.6	51.8	51.7	51	53.7	53.9	52.5	51.9	51.7	51.9	
France Manufacturing PMI Markit*	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	49.7	51.2	49.8	51.1	50.6	
Currencies***																			
Euro (EUR/USD)	6.2	4.6	10.0	5.4	5.8	5.4	6.0	9.7	13.4	14.4	13.9	6.8	3.6	2.7	-3.1	1.0	-0.6	-3.4	
Renminbi (USD/CNY)	0.4	-0.6	-1.4	-0.4	0.6	1.5	0.0	-2.4	-4.3	-4.0	-5.7	-5.0	-6.1	-6.0	-5.3	-6.2	-5.8	-5.8	
Yen (USD/Yen)	-9.3	-8.4	-10.5	0.5	0.6	3.0	1.3	4.3	-0.3	-0.3	3.6	5.8	9.4	10.6	12.9	4.4	8.6	6.4	
Sterling (GBP/USD)	6.7	5.6	8.6	2.7	2.9	0.5	2.0	3.9	7.7	10.4	7.2	2.4	2.1	0.0	-3.4	2.1	0.3	-1.3	
Canadian \$ (USD/CAD)	0.2	0.8	-0.5	0.3	1.8	2.9	0.5	-0.2	-4.6	-6.4	-5.7	-3.3	-1.6	0.4	4.3	1.2	0.8	2.2	
Mexican Peso (USD/MXN)	14.4	14.3	2.3	1.4	-5.4	-7.0	-7.4	-10.2	-13.5	-15.6	-16.2	-12.4	-11.0	-10.7	-6.7	-8.1	-8.9	-1.3	
US Equities																			
S&P 500	10.6	12.0	13.6	14.8	14.4	16.1	19.9	13.5	16.4	14.9	15.5	16.3	29.4	28.2	20.9	18.1	19.0	14.4	
S&P 400 Midcap	-0.3	0.6	5.9	1.7	5.3	4.5	4.8	-1.7	5.9	6.1	15.5	15.7	27.6	24.1	24.2	19.3	15.6	10.2	
S&P 600 Smallcap	-3.6	-3.4	2.8	-6.3	1.8	1.9	3.8	-4.0	4.2	7.0	15.9	18.5	36.6	31.2	35.3	31.5	22.1	14.2	
Russell 2000	-0.5	-0.2	6.2	-1.9	6.7	9.3	12.9	2.7	11.3	14.3	21.7	24.1	42.6	41.3	39.0	32.5	24.9	14.8	

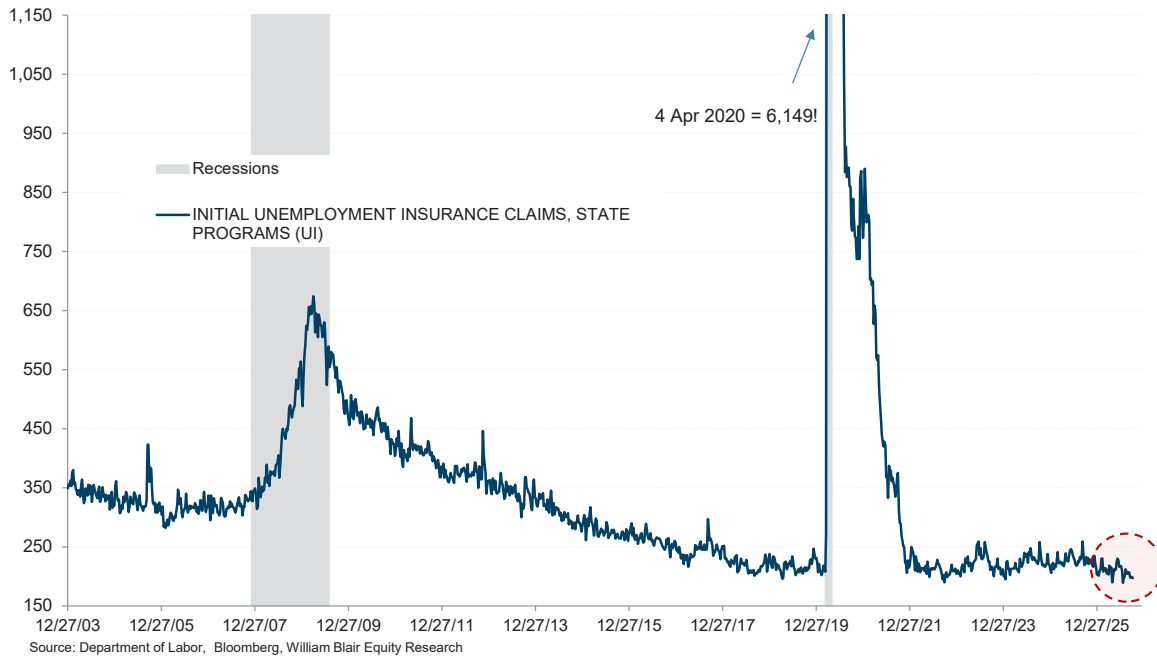
* Diffusion Index. **1985=100. ***Currencies - green/red = strengthening/weakening foreign currency vs dollar

Source: ISM, Federal Reserve, Census Bureau, Bureau of Labor Statistics, Conference Board, Bloomberg, William Blair

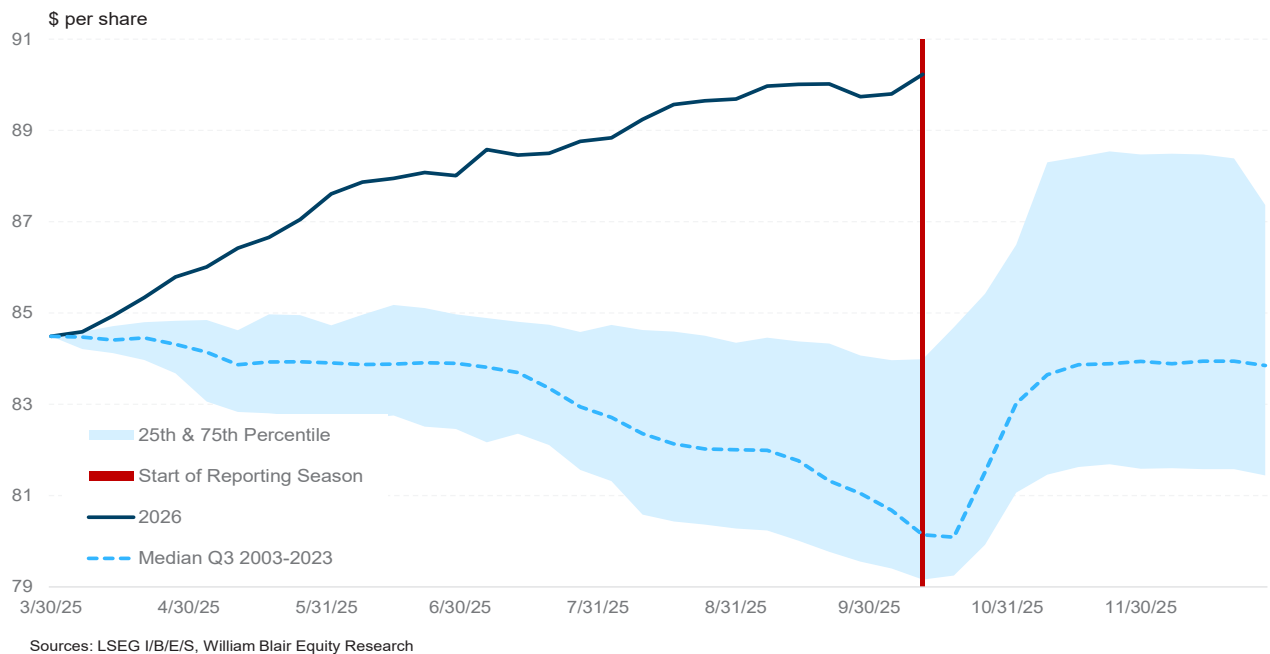
Other Economic Indicators



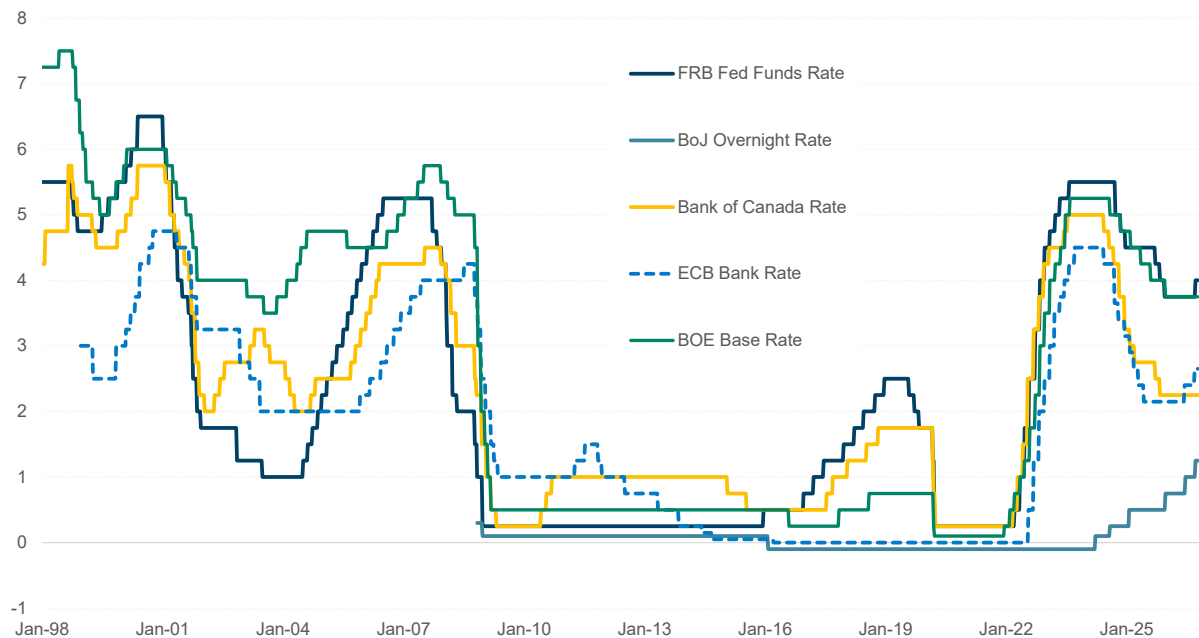
Initial Jobless Claims (‘000s, Seasonally Adjusted)



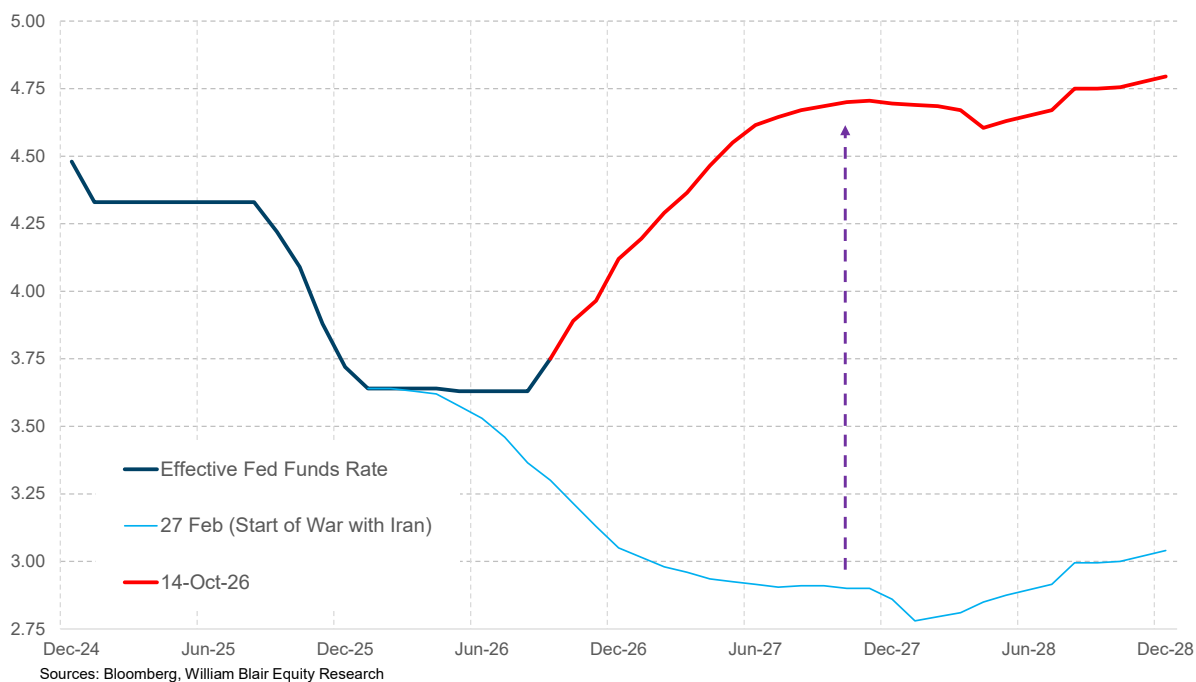
Progression of S&P 500 3Q EPS Estimates, 3Q 2026 vs. Median 3Q 2002-2025 (Rebased to 3Q 2026 Estimate at End of 1Q 2024 of \$84.49 per share)



Central Bank Target Short-Term Interest Rates, %



Fed Funds Rate and Futures Market Expectations (Expected rate, %)



S&P 500 Sector Performance

Global Industry Classification System	Current Weight* 15-Oct-26	Week Ago 08-Oct-26	Month Ago 15-Sep-26	Qtr-to-Date 30-Sep-26	Year-to-Date 31-Dec-25
S&P 500 Index	100.00	-0.27	2.09	1.21	13.13
S&P 400 MidCap Index		-0.04	-0.38	1.46	10.39
S&P 600 SmallCap Index		-0.10	-2.11	0.84	13.71
Dow Jones Industrials		1.85	0.16	2.50	8.56
Nasdaq Composite		-1.77	2.82	-0.55	14.93
Communication Services	9.80	0.46	1.33	1.31	5.29
Advertising	0.15	0.98	-12.46	-1.08	-41.16
Broadcasting	0.10	1.59	-6.27	0.41	-14.59
Cable & Satellite	0.04	-3.44	-14.87	-1.84	-36.95
Integrated Telecommunication Services	0.59	-3.55	-12.57	-2.82	-3.97
Interactive Home Entertainment	0.05	0.00	-1.19	0.91	-14.33
Interactive Media & Services	7.84	0.78	3.66	1.48	11.01
Movies & Entertainment	0.76	2.02	-0.43	4.80	-11.56
Publishing & Printing	0.02	4.12	-1.09	5.14	14.57
Wireless Telecommunication Svcs	0.24	-8.33	-12.99	-3.71	-22.66
Consumer Discretionary	9.23	0.91	2.36	3.59	-2.93
Apparel Retail	0.33	4.23	11.81	6.34	3.37
Apparel & Accessories & Luxury Goods	0.07	5.04	5.85	5.61	-19.12
Auto Parts & Equipment	0.01	2.22	3.29	5.04	-31.73
Automobile Manufacturers	2.17	-2.88	0.91	2.54	-17.73
Automobile Retail	0.23	1.59	0.89	3.03	-12.84
Broadline Retail	3.92	0.44	2.75	2.48	10.88
Casinos & Gaming	0.06	3.00	-13.34	-1.54	-35.62
Computer & Electronics Retail	0.03	6.53	1.00	6.72	40.70
Consumer Electronics	0.08	6.25	2.24	-0.57	40.61
Distributors	0.03	4.17	1.91	6.18	8.05
Footwear	0.08	6.48	4.35	6.09	-37.59
Home Furnishings	0.01	3.74	-3.93	-0.66	13.36
Home Improvement Retail	0.58	4.14	0.82	7.78	-12.80
Homebuilding	0.13	0.82	-2.98	-1.29	-10.83
Hotels, Resorts & Cruise Lines	0.74	4.42	6.41	6.25	0.10
Leisure Products	0.02	6.39	9.09	12.24	20.01
Restaurants	0.66	2.07	-2.33	4.41	-9.84
Other Specialty Retail	0.06	4.50	7.31	9.54	-16.22
Consumer Staples	5.10	3.79	4.68	7.66	12.10
Agricultural Products	0.15	0.45	-6.75	2.98	36.53
Brewers	0.01	2.93	-0.61	7.02	-16.39
Consumer Staples Merchandise Retail	2.23	4.76	7.99	9.64	10.50
Distillers & Vintners	0.04	5.39	5.70	13.43	-3.23
Food Distributors	0.06	5.05	3.20	5.37	11.48
Food Retail	0.09	3.24	6.06	8.48	0.39
Household Products	0.71	4.62	6.81	8.13	10.14
Packaged Foods & Meats	0.28	3.33	-1.39	6.05	-3.07
Personal Care Products	0.09	8.69	7.12	9.68	5.67
Soft Drinks	0.99	3.68	1.21	5.89	14.87
Tobacco	0.61	0.72	3.76	6.10	25.59
Energy	3.46	2.28	1.75	8.44	49.03
Integrated Oil & Gas	1.70	3.55	1.97	7.44	44.75
Oil & Gas Equipment & Services	0.21	-1.62	-7.98	-0.07	21.87
Oil & Gas Exploration & Production	0.63	2.95	-1.85	10.36	34.57
Oil & Gas Refining & Marketing & Transportation	0.53	1.87	12.46	16.23	162.33
Oil & Gas Storage & Transportation	0.39	-1.38	-0.80	5.03	25.06

Financials	10.99	1.83	-2.60	3.41	0.80
Asset Management & Custody Banks	0.88	-0.22	-6.18	-0.17	-4.01
Consumer Finance	0.50	0.91	-3.44	3.21	-15.99
Diversified Banks	2.73	-0.48	-7.77	-0.59	0.18
Diversified Financial Services	6.50	2.69	-0.53	4.61	0.49
Financial Exchanges & Data	0.82	4.26	4.42	6.52	-4.59
Insurance Brokers	0.37	5.32	-0.34	7.99	-7.33
Investment Banking & Brokerage	1.20	-1.40	-9.78	-2.77	0.18
Life & Health Insurance	0.28	1.85	-1.08	3.79	14.06
Multi-Sector Holdings	1.04	2.86	1.73	5.57	4.58
Property & Casualty Insurance	0.86	1.78	-0.49	6.62	6.08
Regional Banks	0.24	0.31	-8.07	0.53	-1.22
Reinsurance	0.02	2.21	0.47	4.43	12.37
Transaction & Payment Processing	1.98	6.41	5.90	10.83	8.45
Health Care	9.34	5.28	5.93	5.15	14.35
Biotechnology	1.81	5.85	10.12	5.97	30.60
Health Care Distributors	0.35	6.62	8.67	14.90	15.76
Health Care Equipment	1.31	5.86	4.77	6.05	-16.09
Health Care Facilities	0.16	5.44	9.96	9.50	-1.67
Health Care Services	0.37	5.35	-0.25	7.76	17.99
Health Care Supplies	0.05	4.21	1.92	1.17	-10.49
Life Sciences Tools & Services	0.98	5.49	9.57	2.89	18.01
Managed Health Care	0.76	9.31	7.02	11.08	28.40
Pharmaceuticals	3.48	3.54	3.14	2.36	19.52
Industrials	7.64	-0.34	-0.36	0.53	8.20
Aerospace & Defense	1.84	1.99	-2.69	1.16	-4.30
Agricultural & Farm Machinery	0.25	-0.29	-4.88	-3.11	39.76
Air Freight & Logistics	0.26	2.57	-3.82	3.98	11.29
Building Products	0.39	-2.10	5.08	0.82	9.86
Cargo Ground Transportation	0.11	1.93	-4.83	6.07	17.67
Construction & Engineering	0.25	-8.32	0.47	-3.77	46.74
Construction Machinery & Heavy Trucks	0.72	-4.49	-4.99	-5.76	21.44
Data Processing & Outsourced Services	0.03	5.39	2.27	8.08	-21.98
Diversified Support Svcs	0.15	4.70	2.14	7.31	-1.48
Electrical Components & Equipment	0.66	-4.32	2.45	-3.71	13.47
Environmental & Facilities Services	0.28	6.07	3.33	9.51	-1.32
Heavy Electrical Equipment	0.44	-8.71	2.52	-5.49	38.47
Human Resource & Employment Services	0.21	5.64	0.82	11.11	8.63
Industrial Conglomerates	0.24	1.20	1.83	0.41	7.23
Industrial Machinery	0.56	2.12	2.61	3.05	1.92
Passenger Airlines	0.15	-4.49	-1.57	-6.34	1.99
Passenger Ground Transportation	0.20	1.46	-0.23	4.03	-12.78
Railroads	0.47	3.24	1.18	5.50	24.23
Research & Consulting Svcs	0.11	6.16	-0.98	9.29	-18.60
Trading Companies & Distributors	0.32	2.16	4.69	4.06	26.64
Information Technology	36.19	-3.59	3.35	-2.43	24.75
Application Software	1.84	1.91	8.90	7.43	-9.60
Communications Equipment	1.22	-7.84	-0.71	-1.97	39.50
Electronic Components	0.52	-7.93	0.38	-6.83	27.40
Electronic Equipment & Instruments	0.15	-4.62	7.74	-2.73	49.76
Electronic Manufacturing Services	0.18	-5.63	-0.84	-2.78	-6.95
Internet Software & Services	0.13	-0.60	-5.36	-1.61	2.43
IT Consulting & Services	0.56	5.40	1.97	12.28	-20.19
Semiconductor Equipment	1.39	-13.58	2.72	-14.26	59.40
Semiconductors	14.59	-6.40	2.79	-6.23	31.97
Systems Software	7.40	1.73	6.54	3.43	14.64
Technology Distributors	0.03	10.32	0.39	20.42	13.31
Technology Hardware, Storage & Peripherals	8.18	-1.72	1.60	-0.61	35.85
Materials	1.58	2.41	0.68	3.78	11.60
Commodity Chemicals	0.06	3.79	-2.22	8.27	34.02
Construction Materials	0.17	1.45	-3.38	1.19	-25.65
Copper	0.14	-1.52	0.98	0.09	37.94

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Fertilizers & Agricultural Chemicals	0.03	2.94	-3.94	6.31	26.41
Gold	0.17	0.21	-6.76	0.39	15.96
Industrial Gases	0.41	3.30	5.50	4.51	16.64
Metal & Glass Containers	0.02	7.59	2.94	12.08	18.56
Paper Packaging	0.13	3.06	-0.21	0.59	1.46
Specialty Chemicals	0.31	3.69	3.78	4.41	6.78
Steel	0.13	3.24	-0.80	8.84	50.77
Real Estate	1.62	2.66	-2.03	2.31	5.11
Data Center REITs	0.23	-1.26	-1.69	-1.17	23.16
Health Care REITs	0.33	4.37	-1.28	0.69	20.95
Hotel & Resort REITs	0.02	5.81	7.77	6.52	38.52
Industrial REITs	0.17	-1.82	-6.55	-2.23	-0.57
Multi-Family Residential REITs	0.00	1.37	-5.25	0.53	-6.04
Office REITs	0.01	0.62	-6.51	-2.33	-11.55
Other Specialized REITs	0.08	1.11	-2.04	1.81	6.92
Real Estate Service	0.07	4.34	-2.13	8.10	-29.58
Retail REITs	0.22	2.12	-2.68	1.53	5.39
Self-Storage REITs	0.12	3.43	-0.18	4.53	10.56
Single-Family Residential REITs	0.12	3.43	-0.18	4.53	10.56
Telecom Tower REITs	0.19	10.39	3.47	13.50	-1.58
Timber REITs	0.02	1.10	-13.05	1.73	-18.19
Utilities	1.84	1.40	1.40	5.58	-2.49
Electric Utilities	1.20	1.31	1.30	5.52	-3.47
Gas Utilities	0.04	2.05	1.18	4.80	-2.20
Independent Power Producers & Energy Traders	0.09	-0.99	7.44	9.29	-2.98
Water Utilities	0.04	3.79	-3.61	2.76	1.95
Multi-Utilities	0.48	1.83	1.08	5.39	-0.22

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

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S&P 500: 7744.06

NASDAQ: 26713.00

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