

Zacks Earnings Trends

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Broad-Based Growth Expected in 2025

Here are the key points:

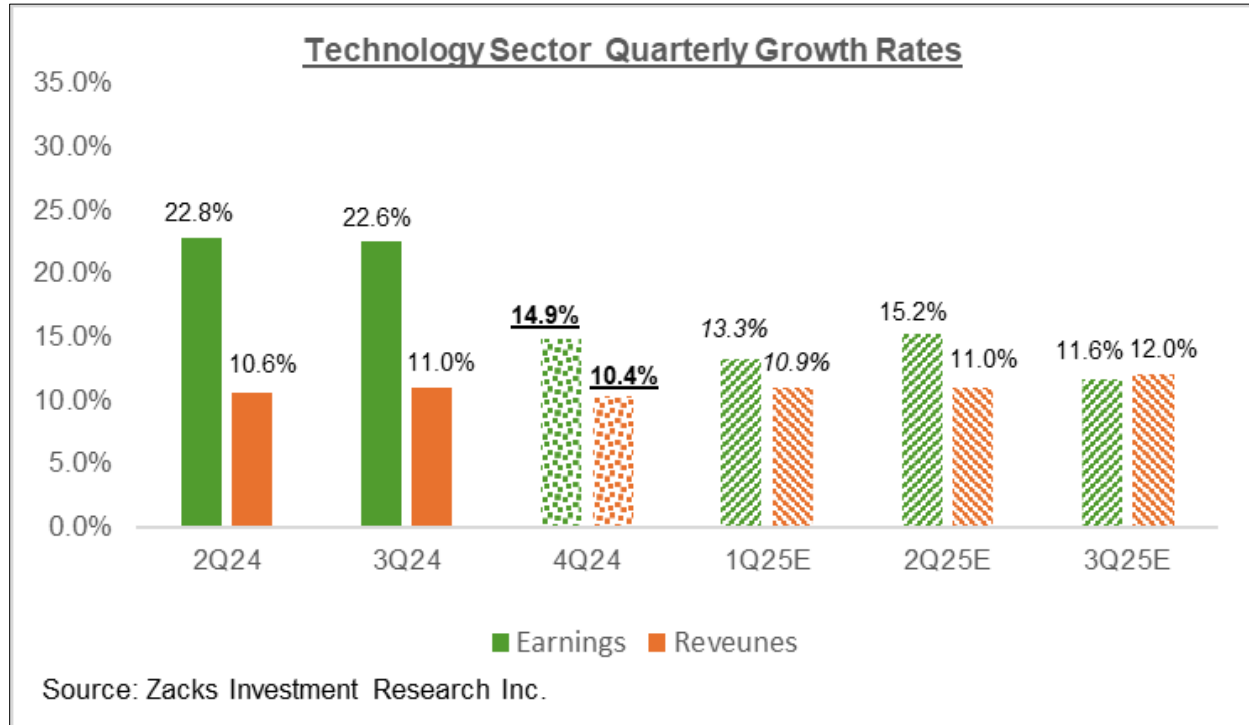
- For 2024 Q4, total S&P 500 earnings are currently expected to be up +7.4% from the same period last year on +4.8% higher revenues.
 - Q4 earnings growth improves to +9.6% once the Energy sector's drag is removed from the aggregate numbers, but the growth pace drops to +3.8% once the Tech sector's substantial contribution is excluded.
 - Estimates for the period came down since the quarter got underway, but the magnitude of revisions compares favorably to what we had seen in the comparable period of the preceding period.
 - The negative revisions trend is broad-based, with 12 of the 16 Zacks sectors suffering estimate cuts since the start of Q4 and five sectors enjoying positive estimate revisions.
 - Sectors suffering negative revisions to Q4 earnings estimates include Industrial Products, Aerospace, Energy, Conglomerates, Medical, Basic Materials, Consumer Staples, and others.
 - Q4 earnings estimates for the Tech, Finance, Consumer Discretionary, and Business Services sectors have increased.
 - Q4 earnings are expected to be above the year-earlier level for 9 of the 16 Zacks sectors, with Medical (earnings growth of +12.3%), Tech (+14.9%), and Finance (+12.7%) as the sectors enjoying significant earnings growth.
 - Q4 earnings are expected to be below the year-earlier level for 7 of the 16 Zacks sectors, with the Energy (earnings decline of -22.6%), Aerospace (-20.1%), Conglomerates (-14.4%) as the notable decliners.
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- Q4 earnings for the 'Magnificent 7' group of companies are expected to be up +20.9% from the same period last year on +12.3% higher revenues. Excluding the 'Mag 7' contribution, Q4 earnings for the rest of the index would be up only +3.2% (vs. +7.4%).
- The early Q4 earnings results from companies with fiscal quarters ending in November have started coming out already. For the 19 index members that have reported such Q4 results already, total earnings and revenues are up +23.3% and +4.8% from the same period last year, respectively.
- Looking at the calendar year picture, total S&P 500 earnings are expected to grow by +8.3% this year and +13.6% next year. Excluding the Energy sector, full-year 2024 earnings are expected to be up +10.2%, followed by +14.1% in 2025.
- All 16 Zacks sectors are expected to enjoy positive earnings growth in 2025, with nine expected to have double-digit earnings growth. These include Aerospace (+60.6%), Consumer Discretionary (+26.4%), Medical (+22.8%), Tech (+16.9%), Basic Materials (+14.6%), Retail (+10.6%), Business Services (+11.6%), Conglomerates (+11.1%), and Transportation (+15.1%).
- Excluding the Mag 7, whose 2025 earnings are expected to be up +15.6%, total earnings for the rest of the S&P 500 index would be up +13%.
- The implied 'EPS' for the S&P 500 index, calculated using the current 2024 P/E of 25.5X and index close, as of January 7th, is \$232.01. Using the same methodology, the index 'EPS' works out to \$263.60 in 2025 (P/E of 22.4X). The multiples have been calculated using the index's total market cap and aggregate bottom-up earnings for each year.
- Using the same methodology of market cap and aggregate bottom-up earnings estimates, the index P/E works out to 19.4X for 2025 on an ex-Mag 7 basis. The Mag 7 companies are currently expected to bring in 23.4% of total S&P 500 earnings in 2025 and 33.5% of the index's total market capitalization.

Tech Driving Earnings Growth

The Tech sector has been a significant growth driver in recent quarters, and the trend is expected to continue in 2024 Q4 and beyond. For Q4, Tech sector earnings are expected to be up +14.9% from the same period last year on +10.4% higher revenues, the 6th quarter in a row of double-digit earnings growth.

This would follow the sector's +22.6% earnings growth on +11% higher revenues in 2024 Q3. As the chart below shows, the sector's growth trajectory is expected to continue in the coming quarters.

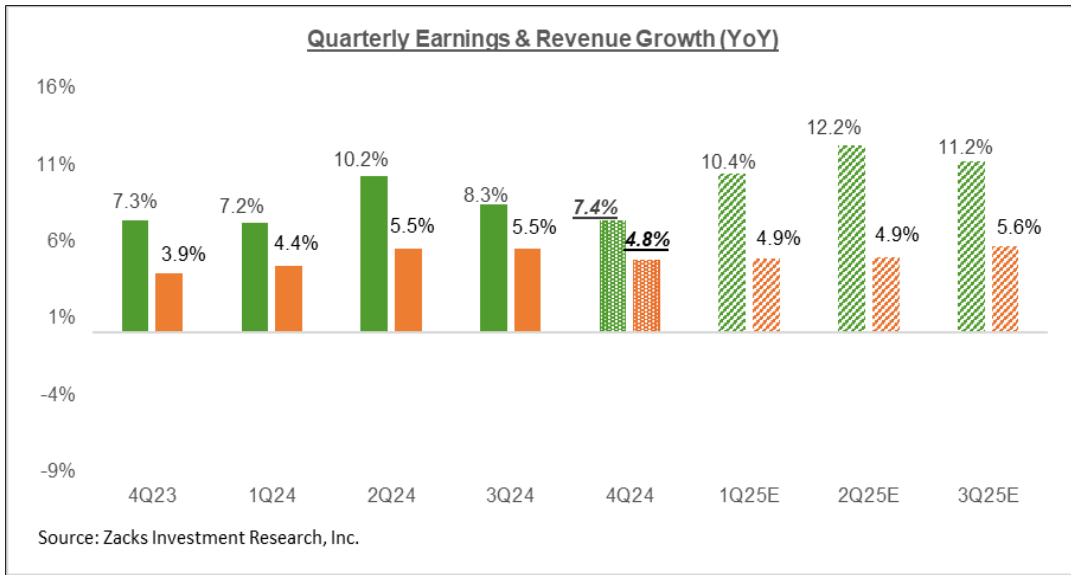


In addition to the Tech sector's strong growth profile, the sector is also among the few sectors whose earnings outlook is steadily improving. This shows up in the revisions trend for the Tech sector for both Q4 and full year 2025.

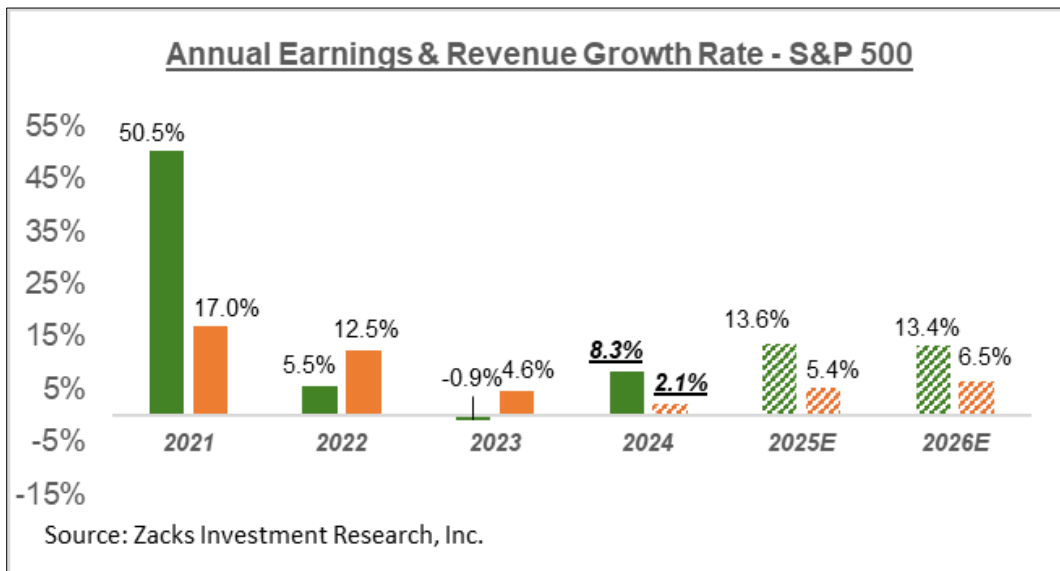
Take the examples of Nvidia (NVDA) and Meta Platforms (META). The current Q4 Zacks Consensus EPS estimate for Nvidia of 84 cents is up from 78 cents two months back. The same consensus EPS estimate for Meta of \$6.76 has increased +7.1% over the last two months.

The Earnings Big Picture

The chart below shows expectations for 2024 Q4 in the context of what was actually achieved in the preceding four periods and what is currently expected for the next three quarters.



The chart below shows the overall earnings picture on an annual basis.



As you can see, the expectation is for double-digit earnings growth in each of the next two years, with the number of sectors enjoying strong growth notably expanding from the narrow base we have been seeing lately.

Tech sector earnings are expected to be up +16.9% in 2025, which would follow the sector's +20.0% earnings growth in 2024. But even excluding the Tech earnings, S&P 500 earnings would be up +12.3% in 2025, with nine of the 16 Zacks sectors expected to enjoy double-digit earnings growth.

The Report in Detail

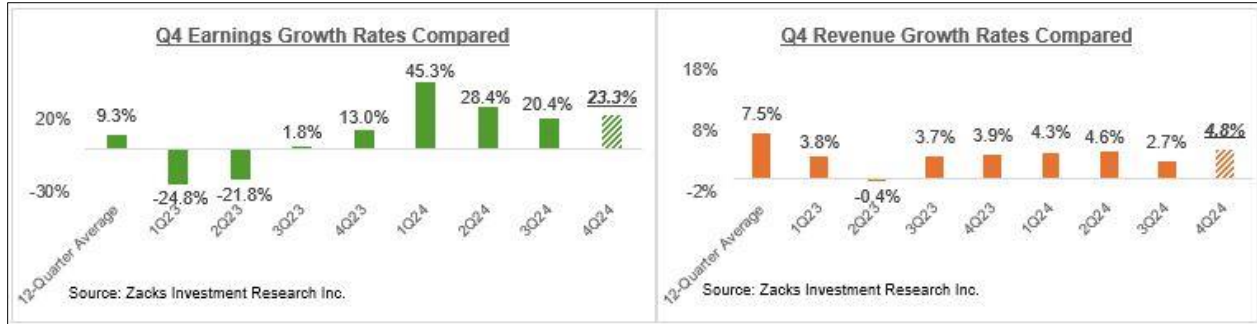
Note: This report has six sections. The first section, titled Q4 Earnings Season Scorecard, provides a real-time update of the earnings season, puts the results thus far in a historical context, and highlights the major sectors. The second section, titled the Blended Picture, presents the composite or blended Q4 expectations by combining the actual results that have come out with estimates for the still to come companies. The Third section, titled the Context, puts the blended Q4 expectations in the context of what was reported in the preceding quarters and what is expected in the coming quarter(s). This section provides both earnings and revenues on a quarterly basis, both the dollar amounts as well as the year-over-year growth rates. The fourth section, titled Annual Data, presents the earnings and revenues data on an annual basis. The fifth section, titled Small-Cap Earnings, presents the earnings picture for the S&P 600 index. The final section visually presents the market capitalization and earnings contribution of the 16 Zacks sectors.

Section 1 – 2024 Q4 Earnings Season Scorecard

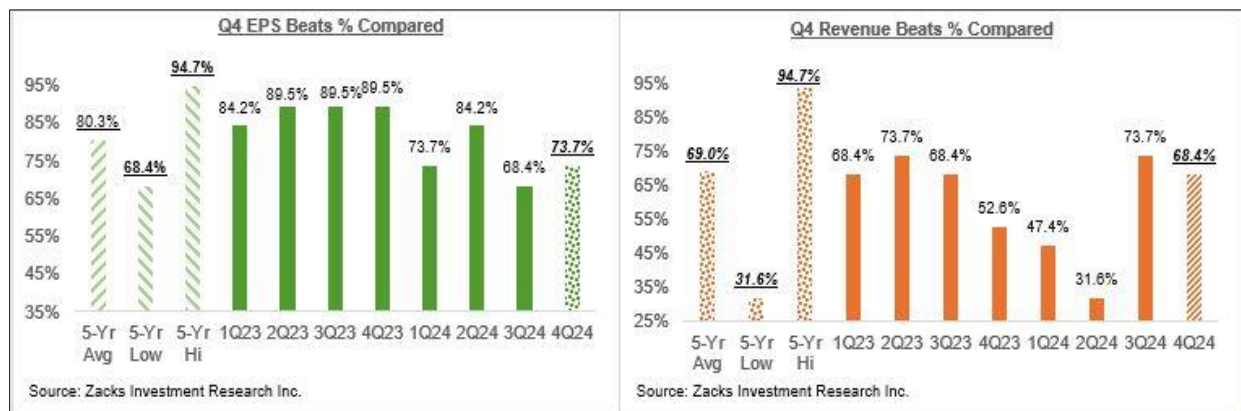
The Q4 earnings season will really get underway when JPMorgan and the other banks start reporting December-quarter results on January 15th. However, the Q4 reporting cycle has actually gotten underway already, as companies with fiscal quarters ending in November that have been reporting in recent weeks get counted as part of the 2024 Q4 tally.

Through Wednesday, January 8th, we have seen such early Q4 results from 19 S&P 500 members, which includes Oracle, Adobe, Costco, General Mills, and others. Total earnings for these 19 companies are up +23.3% from the same period last year on +4.8% higher revenues, with 63.2% of the companies beating both EPS and revenue estimates.

The comparison charts below show how the earnings and revenue growth rates for these 19 index members compare to other recent periods.



The comparison charts below show how the EPS and revenue beats percentages for these 19 index members compare to other recent periods.



Section 2 – The Blended Picture

Total Q4 earnings or aggregate net income for the S&P 500 index are expected to be up +7.4% from the same period last year on +4.8% higher revenues. The summary table below shows the blended or composite Q4 expectations and the actuals for the preceding period (2024 Q3).

S&P 500 Summary Picture						
Zacks Sectors	<u>Year-over-Year Growth</u>					
	<u>Earnings</u>		<u>Revenues</u>		<u>Margins</u>	
	<u>4Q24</u>	3Q24	<u>4Q24E</u>	3Q24	<u>4Q24E</u>	3Q24
Cons. Staples	-0.9%	3.4%	0.7%	0.0%	-0.19%	0.4%
Cons. Discretionary	8.1%	12.3%	2.6%	2.9%	0.46%	1.0%
Retail/Wholesale	7.2%	12.1%	4.0%	5.2%	0.16%	0.36%
Medical	12.3%	11.3%	8.7%	11.6%	0.26%	0.0%
Autos	0.2%	8.5%	1.4%	5.8%	-0.06%	0.2%
Basic Materials	-3.6%	-6.8%	-0.6%	1.6%	-0.25%	-0.8%
Industrial Products	-6.8%	-6.8%	-2.5%	-5.1%	-0.63%	-0.3%
Construction	-4.3%	-2.5%	1.6%	2.1%	-0.69%	-0.6%
Conglomerates	-14.4%	-10.6%	-6.8%	-10.6%	-1.57%	0.0%
Technology	14.9%	22.6%	10.4%	11.0%	0.94%	2.3%
Aerospace	-20.1%	-71.8%	-1.7%	4.0%	-1.41%	-4.3%
Oil/Energy	-22.6%	-22.9%	0.9%	-2.7%	-2.45%	-2.2%
Finance	12.7%	5.9%	5.1%	5.9%	1.24%	0.0%
Utilities	6.7%	12.2%	7.6%	3.7%	-0.10%	1.3%
Transportation	6.9%	-0.1%	-5.5%	-3.5%	1.04%	0.3%
Business Services	7.2%	12.2%	5.4%	4.8%	0.42%	1.7%
S&P 500	7.4%	8.3%	4.8%	5.5%	0.30%	0.34%
ex Finance	6.2%	8.9%	4.7%	5.4%	0.2%	0.4%
ex Oil/Energy	9.6%	10.8%	5.1%	6.2%	0.51%	0.5%
ex Tech	3.8%	2.9%	5.6%	6.2%	-0.12%	-0.2%

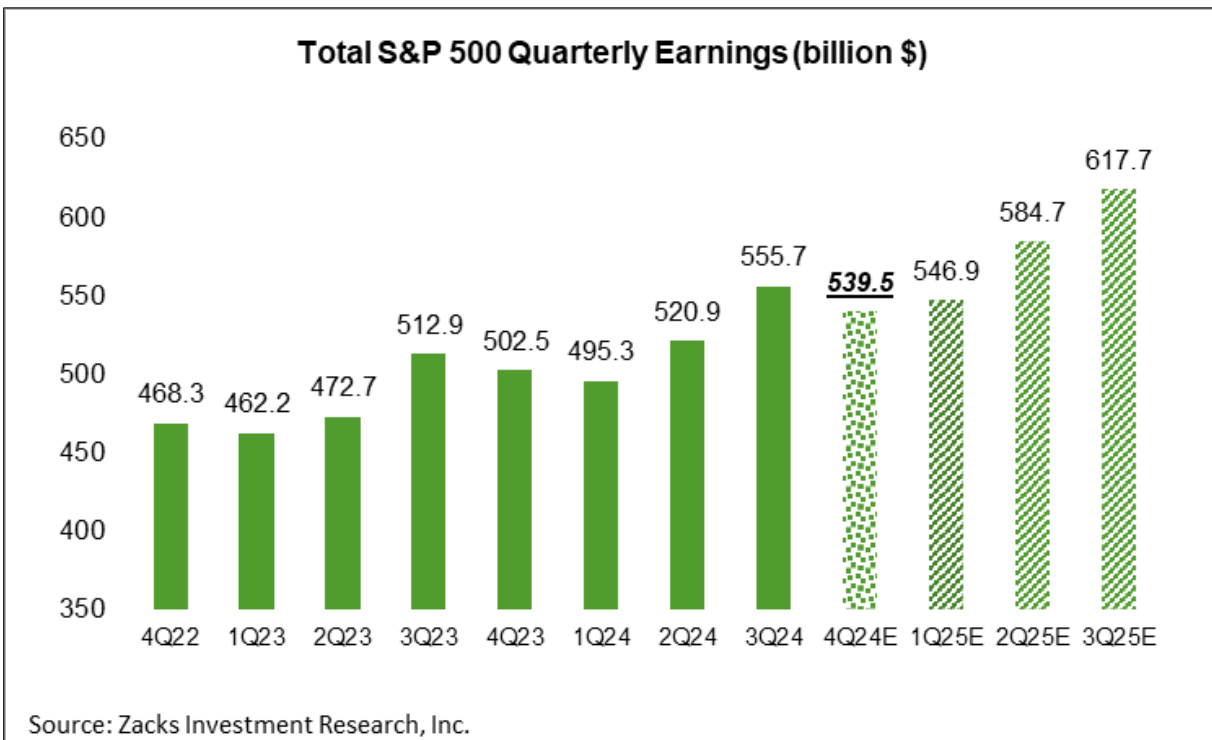
Source: Zacks Investment Research, Inc.

Data as of: 1/8/25 www.zacks.com

Seven of the 16 Zacks sectors are expected to earn less in 2024 Q4 relative to the year-earlier period. These include Cons. Staples (-0.9%), Basic Materials (-3.6%), Industrial Products (-6.8%), Construction (-4.3%), Conglomerates (-14.4%), Aerospace (-20.1%), and Energy (-22.6%).

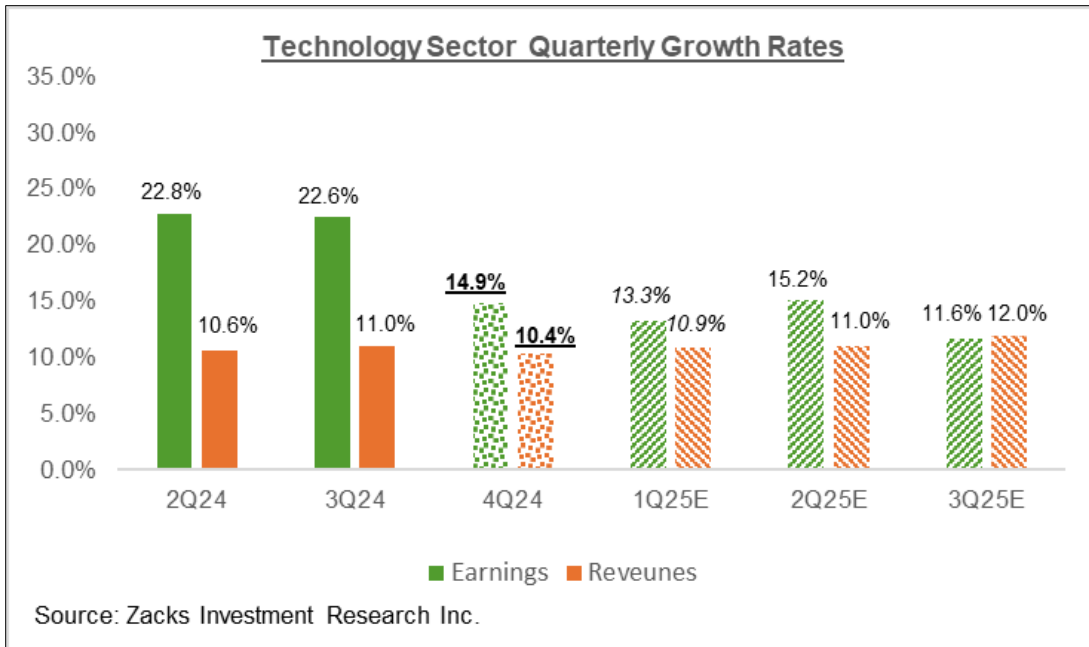
On the positive side, nine of the 16 Zacks sectors are projected to post growth, including Autos (+0.2%), Cons. Discretionary (+8.1%), Retail (+7.2%), Medical (+12.3%), Technology (+14.9%), Finance (+12.7%), Utilities (+6.7%), and Business Services (+7.2%).

The chart nearby shows the absolute quarterly dollar total for 2024 Q4 for the index as a whole in the context of what was actually achieved in the last eight periods and what is expected in the following three quarters.



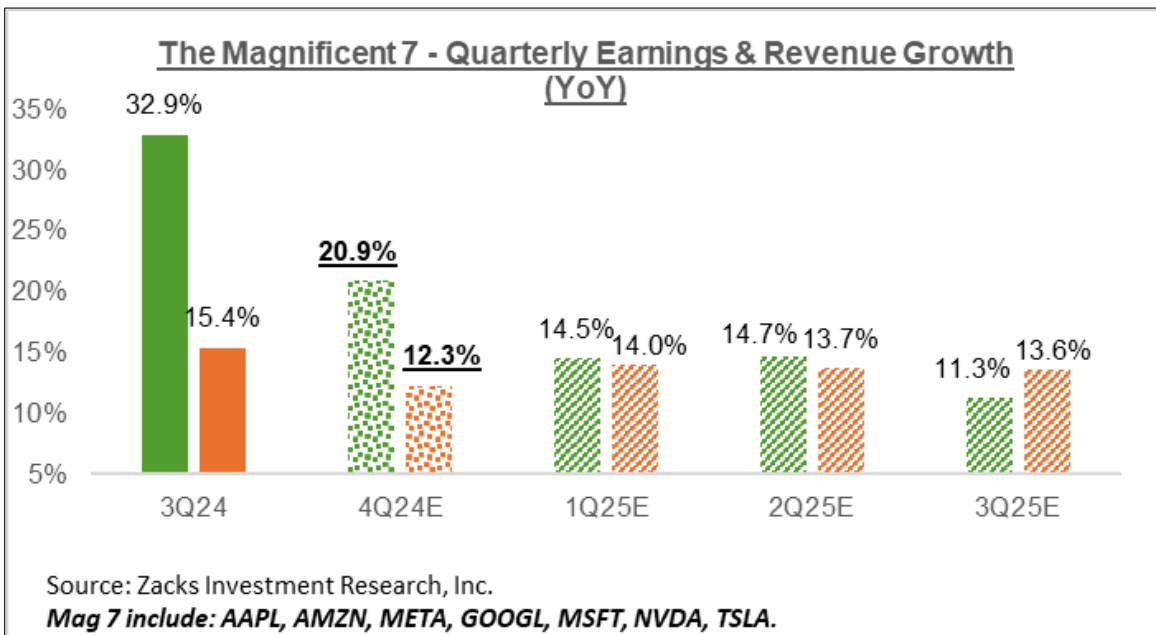
As you can see above, the quarterly earnings tally is on track to be the second highest ever behind 2024 Q3, even though the year-over-year growth rate represents a deceleration from the last few quarters.

Total **Tech sector** earnings are expected to grow +14.9% in Q4 on +10.4% higher revenues, which follows earnings growth of +22.5% on +11.0% higher revenues in the preceding quarter (2024 Q3). The Tech sector's growth pace is expected to continue, as shown below.

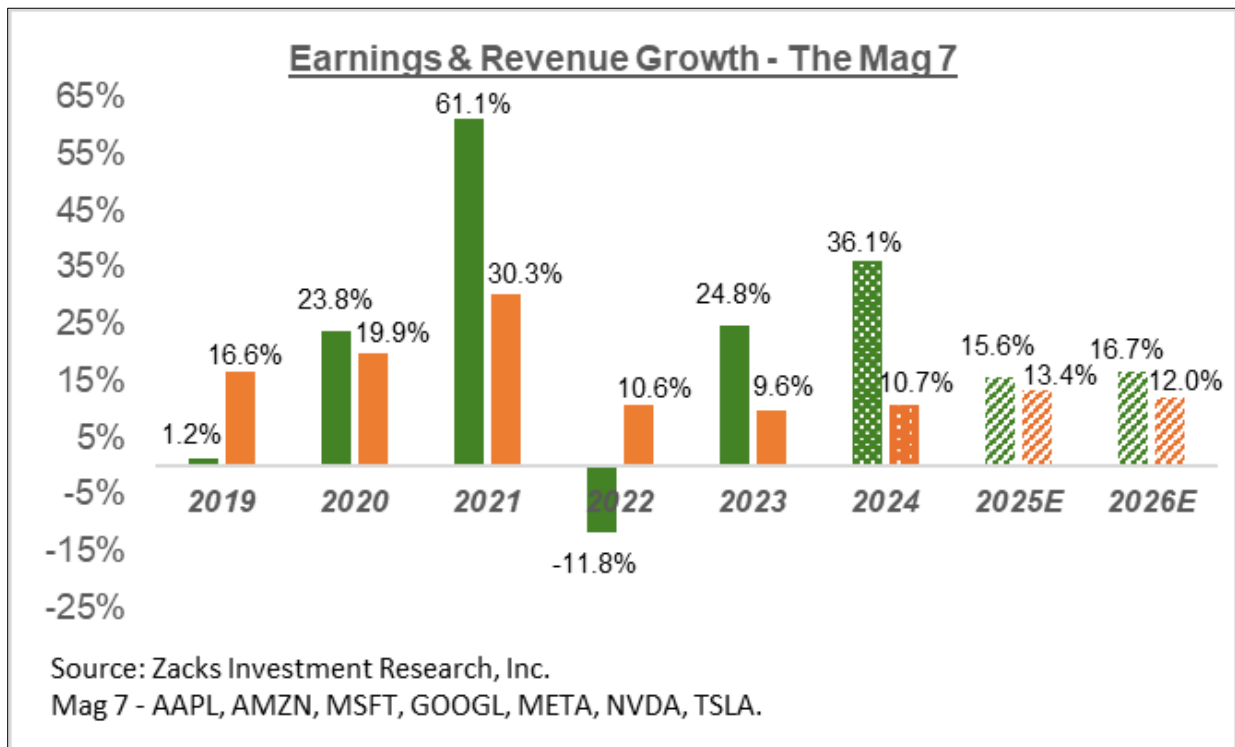


The Magnificent 7

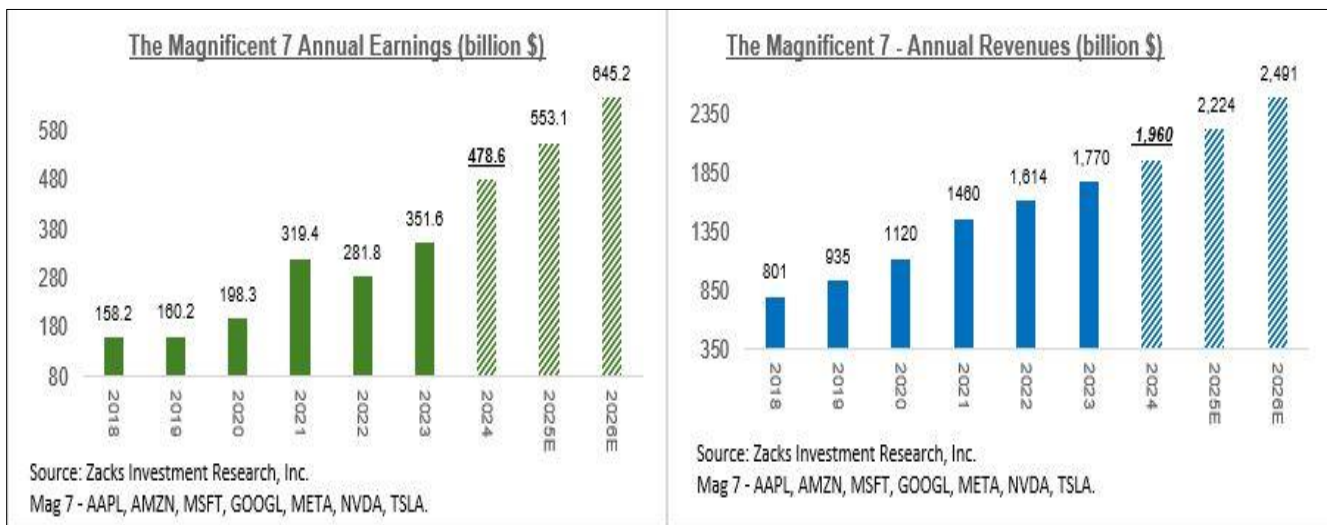
For the 'Mag 7' companies - Microsoft, Alphabet, Meta, Apple, Tesla, Nvidia, and Amazon - total Q4 earnings are expected to be up +20.9% on +12.3% higher revenues. This follows the group's +32.9% earnings growth in Q3 on +15.4% higher revenues, as the chart below shows.



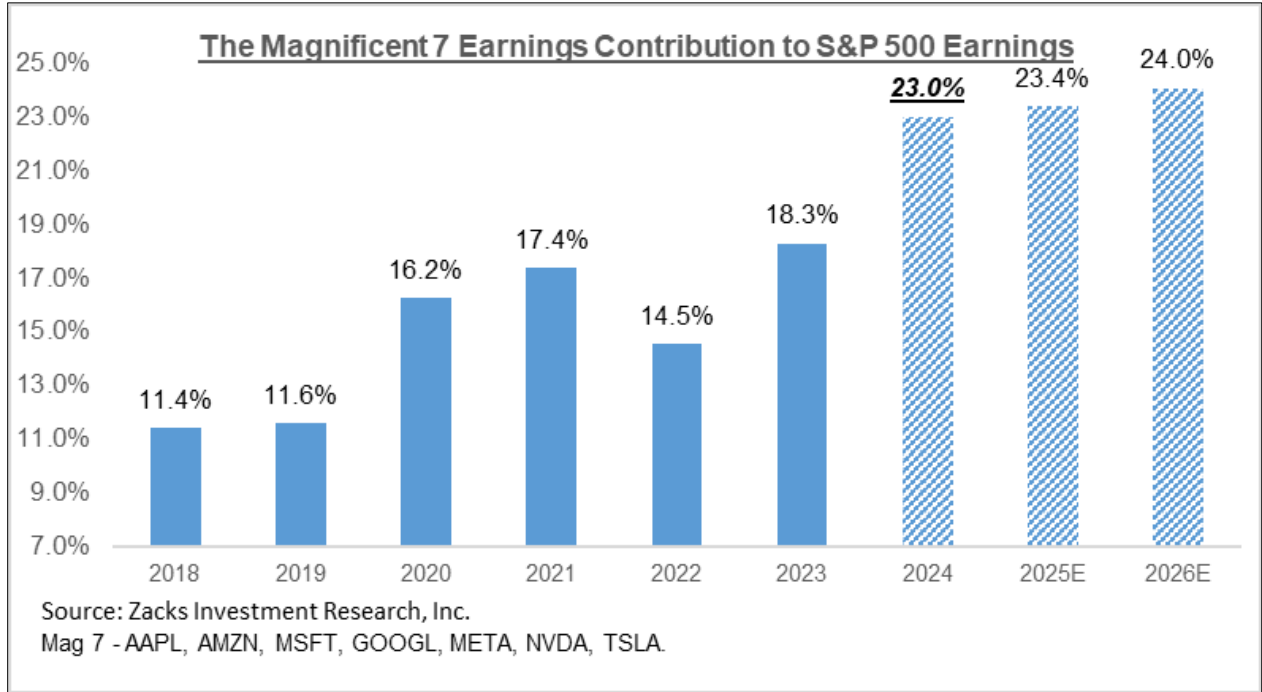
The chart below shows the group's earnings picture on an annual basis.



The charts below show the dollar-level Mag 7 earnings and revenues, estimates for the current year and the next two, and actuals for the preceding six years.



The Mag 7 stocks accounted for 23.1% of all S&P 500 earnings in 2024 Q3, with the proportion expected to increase to 25.9% in 2024 Q4. The chart below shows the group's earnings contribution on an annual basis.



Section Three - The Context

Let's compare earnings expectations for 2024 Q4 to what companies earned in the last few quarters and what they are expected to earn in the coming quarters.

Table 2 – Earnings Growth Context

Zacks Sectors	Earnings Growth (YoY)								
	3Q25E	2Q25E	1Q25E	4Q24	3Q24	2Q24	1Q24	4Q23	3Q23
Consumer Staples	4.8%	3.5%	-1.0%	-0.9%	3.4%	3.1%	5.1%	4.1%	4.0%
Consumer Discrt	4.2%	108.6%	3.3%	8.1%	12.3%	-41.0%	23.1%	32.9%	49.8%
Retail	11.0%	7.4%	7.7%	7.2%	12.1%	16.1%	28.2%	33.1%	25.3%
Medical	13.8%	13.1%	40.4%	12.3%	11.3%	19.2%	-24.0%	-16.9%	-16.1%
Auto/Tires/Trks	1.3%	3.6%	1.7%	0.2%	8.5%	-14.6%	-19.6%	-33.2%	-6.9%
Basic Materials	18.8%	5.6%	2.7%	-3.6%	-6.8%	-12.2%	-20.3%	-23.0%	-21.8%
Industrial Prod	6.8%	1.2%	-6.7%	-6.8%	-6.8%	-3.2%	3.9%	14.7%	10.1%
Construction	10.8%	4.9%	-3.2%	-4.3%	-2.5%	5.6%	13.2%	1.5%	1.1%
Conglomerates	6.9%	5.1%	-0.9%	-14.4%	-10.6%	-5.8%	0.0%	-9.4%	-9.3%
Computer & Tech	11.6%	15.2%	13.3%	14.9%	22.6%	22.8%	29.4%	27.0%	24.2%
Aerospace	431.1%	31.7%	9.5%	-20.1%	-71.8%	-9.4%	7.8%	14.1%	54.5%
Oils/Energy	16.2%	-1.4%	-9.5%	-22.6%	-22.9%	0.4%	-23.8%	N/M	N/M
Finance	7.9%	11.1%	7.0%	12.7%	5.9%	10.7%	12.0%	12.8%	9.9%
Utilities	-6.3%	6.8%	13.1%	6.7%	12.2%	13.7%	10.0%	17.9%	5.1%
Transportation	17.4%	12.8%	21.4%	6.9%	-0.1%	-5.3%	N/M	N/M	N/M
Business Svcs	8.8%	9.4%	5.6%	7.2%	12.2%	11.0%	14.2%	10.0%	11.1%
S&P 500	11.2%	12.2%	10.4%	7.4%	8.3%	10.2%	7.2%	7.3%	4.1%
Excluding Finance	11.9%	12.5%	11.3%	6.2%	8.9%	10.1%	6.0%	6.2%	2.9%
Excluding Oil	10.9%	13.1%	11.7%	9.6%	10.8%	10.9%	10.1%	10.8%	9.2%

Source: Zacks Investment Research, Inc.

Data as of:

January 8, 2025

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Note – N/M means 'not meaningful,' reflecting that the year-over-year change from negative earnings in 2020 Q2 to positive earnings in 2021 Q2.

Table 3 – Revenue Growth Context

Zacks Sectors	Revenue Growth (YoY)								
	3Q25E	2Q25E	1Q25E	4Q24E	3Q24	2Q24	1Q24	4Q23	3Q23
Cons. Staples	3.2%	2.5%	1.4%	0.7%	0.0%	-0.6%	2.3%	1.9%	4.3%
Cons. Discretionary	2.4%	3.1%	2.3%	2.6%	2.9%	1.3%	3.2%	4.9%	8.8%
Retail/Wholesale	5.1%	5.4%	5.3%	4.0%	5.2%	4.4%	5.0%	7.0%	5.7%
Medical	6.0%	6.1%	6.9%	8.7%	11.6%	8.4%	6.8%	7.1%	6.6%
Autos	1.5%	0.8%	3.0%	1.4%	5.8%	4.0%	1.4%	2.9%	8.9%
Basic Materials	0.7%	3.1%	1.8%	-0.6%	1.6%	-4.5%	-5.6%	-6.1%	-11.6%
Industrial Products	3.7%	1.4%	-1.8%	-2.5%	-5.1%	-3.4%	-2.8%	0.6%	0.3%
Construction	9.9%	6.0%	4.0%	1.6%	2.1%	4.8%	7.4%	5.1%	5.7%
Conglomerates	4.0%	4.4%	-4.9%	-6.8%	-10.6%	-12.4%	-4.8%	-6.9%	-3.3%
Technology	12.0%	11.0%	10.9%	10.4%	11.0%	10.6%	9.0%	7.8%	3.9%
Aerospace	9.3%	6.7%	5.3%	-1.7%	4.0%	4.5%	7.2%	7.8%	9.2%
Oil/Energy	0.0%	-4.2%	-0.3%	0.9%	-2.7%	10.5%	-1.6%	-11.2%	-16.8%
Finance	4.6%	4.1%	2.9%	5.1%	5.9%	5.8%	7.3%	8.5%	6.0%
Utilities	4.5%	5.9%	8.2%	7.6%	3.7%	3.5%	-9.0%	-6.9%	-6.7%
Transportation	4.8%	3.8%	-3.5%	-5.5%	-3.5%	-4.1%	0.9%	-4.3%	-7.0%
Business Services	7.9%	6.0%	5.6%	5.4%	4.8%	6.7%	7.5%	8.0%	8.7%
S&P 500	5.6%	4.9%	4.9%	4.8%	5.5%	5.5%	4.4%	3.9%	2.1%
ex Finance	5.8%	5.1%	5.2%	4.7%	5.4%	5.5%	4.0%	3.3%	1.5%
ex Oil/Energy	6.1%	5.8%	5.3%	5.1%	6.2%	5.1%	5.0%	5.4%	4.3%

Source: Zacks Investment Research, Inc.

Data as of: January 8, 2025

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The next two tables present the same data in a different format – instead of year-over-year growth rates, we have the dollar level of total earnings and revenues for each of these quarters.

Table 4 – Total Quarterly Earnings

<u>Zacks Sectors</u>	<u>Quarterly Earnings (billion dollars)</u>								
	<u>3Q25E</u>	<u>2Q25E</u>	<u>1Q25E</u>	<u>4Q24</u>	<u>3Q24</u>	<u>2Q24</u>	<u>1Q24</u>	<u>4Q23</u>	<u>3Q23</u>
Cons. Staples	28.7	28.0	24.8	24.4	27.4	27.0	25.0	24.6	26.5
Cons. Discretionary	22.6	18.5	16.1	15.9	21.7	8.9	15.6	14.706	19.3
Retail/Wholesale	50.4	48.1	42.1	42.7	45.4	44.8	39.1	39.8	40.5
Medical	76.7	72.2	68.4	60.9	67.5	63.9	48.7	54.3	60.6
Autos	9.8	9.6	8.7	7.3	9.7	9.3	8.6	7.3	9.0
Basic Materials	11.8	11.5	9.6	8.6	9.9	10.9	9.3	8.9	10.7
Industrial Products	11.6	11.8	10.8	10.1	10.9	11.7	11.6	10.8	11.7
Construction	8.4	7.8	5.4	6.3	7.6	7.4	5.6	6.6	7.8
Conglomerates	4.3	4.2	4.2	4.0	4.0	4.0	4.2	4.6	4.5
Technology	194.2	178.8	170.2	185.1	174.0	155.3	150.2	161.1	142.0
Aerospace	8.3	8.1	7.2	6.3	1.6	6.1	6.6	7.9	5.6
Oil/Energy	33.4	31.1	27.6	26.6	28.7	31.5	30.5	34.4	37.2
Finance	104.7	106.2	105.5	97.8	97.1	95.7	98.6	86.7	91.7
Utilities	18.1	13.9	17.3	12.9	19.3	13.0	15.3	12.1	17.2
Transportation	12.1	13.5	8.8	10.8	10.3	11.9	7.2	10.1	10.3
Business Services	22.3	21.6	20.2	19.9	20.5	19.7	19.1	18.6	18.3
S&P 500	617.7	584.7	546.9	539.5	555.7	520.9	495.3	502.5	512.9
ex Finance	513.0	478.4	441.4	441.8	458.6	425.2	396.7	415.8	421.2
ex - Oil	584.4	553.6	519.3	512.9	526.9	489.3	464.8	468.1	475.6

Source: Zacks Investment Research, Inc.

Data as of:

January 8, 2025

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Table 5 – Total Quarterly Revenues

<u>Zacks Sectors</u>	<u>Quarterly Revenues (billion dollars)</u>								
	<u>3Q25E</u>	<u>2Q25E</u>	<u>1Q25E</u>	<u>4Q24E</u>	<u>3Q24</u>	<u>2Q24</u>	<u>1Q24</u>	<u>4Q23</u>	<u>3Q23</u>
Cons. Staples	207.0	207.7	195.6	207.8	200.6	202.6	193.0	206.3	200.6
Cons. Discretionary	181.7	174.5	168.5	177.4	177.4	169.3	164.6	173.0	172.3
Retail/Wholesale	825.8	790.0	765.9	813.3	785.6	749.6	727.5	781.8	746.8
Medical	799.0	769.7	748.6	758.9	754.1	725.3	700.1	698.3	675.7
Autos	142.3	143.8	132.0	137.4	140.2	142.7	128.1	135.6	132.5
Basic Materials	113.4	112.7	109.3	108.2	112.7	109.4	107.3	108.8	110.9
Industrial Products	79.0	80.3	77.4	74.6	76.2	79.1	78.8	76.5	80.3
Construction	65.8	62.8	54.1	57.0	59.9	59.2	52.0	56.1	58.6
Conglomerates	22.7	22.5	21.8	22.2	21.8	21.6	22.9	23.9	24.4
Technology	785.0	751.2	727.6	771.9	700.9	676.8	655.8	699.4	631.5
Aerospace	107.5	105.3	99.6	103.1	98.4	98.6	94.6	104.9	94.6
Oil/Energy	340.7	334.9	324.7	331.7	340.9	349.6	325.6	328.6	350.4
Finance	559.7	555.6	546.0	532.2	534.9	533.8	530.7	506.5	504.9
Utilities	115.1	102.3	112.5	105.8	110.1	96.6	104.0	98.4	106.2
Transportation	123.4	122.3	113.3	120.1	117.8	117.9	117.5	127.0	122.0
Business Services	85.3	84.1	81.2	80.5	79.0	79.4	76.9	76.4	75.5
S&P 500	4553.5	4419.7	4278.1	4402.0	4310.4	4211.4	4079.6	4201.4	4087.4
ex Finance	3993.7	3864.1	3732.2	3869.8	3775.5	3677.6	3548.8	3694.9	3582.5
ex Oil/Energy	4212.7	4084.8	3953.5	4070.4	3969.5	3861.8	3754.0	3872.7	3737.0

Source: Zacks Investment Research, Inc.

Data as of: January 8, 2025 www.zacks.com

It may be obvious, but it's still useful to explain what we mean by total earnings.

This means the sum of net income for all companies in the S&P 500. For historical periods through the reported 2024 Q4 results, we have taken the total earnings (net income, not EPS) for each company in the S&P 500 and added them up to arrive at the sector and index level totals (we do adjust reported GAAP earnings for non-recurring items, but consider employee stock options as a legitimate business expense).

For the coming quarters, including the still-to-come 2024 Q4 results, we have taken the Zacks Consensus EPS for each company in the index, multiplied that by the corresponding share count (from the last reported quarter) to arrive at the total earnings for each company. And then we aggregated them to arrive at the totals for each sector and the index as a whole. The lack of accuracy in real-time share count notwithstanding, this gives us a fairly accurate view of the total earnings picture.

Section 4 - Annual Earnings

Total earnings or aggregate net income for the S&P 500 index for 2024 are expected to be up +8.3% on +2.1% higher revenues, with 2025 earnings expected to be up +13.6% on +5.4% higher revenues. Earnings growth for 2024 improves to +10.2% on an ex-Energy basis.

Table 6 – Summary Annual Earnings Picture

Zacks Sectors	Annual Summary - Year-over-Year Change								
	Earnings			Revenues			Margins		
	2025E	2024	2023	2025E	2024	2023	2025E	2024	2023
Cons. Staples	4.5%	1.9%	2.7%	2.3%	-0.3%	3.2%	0.28%	0.28%	-0.07%
Cons. Discretionary	26.4%	2.1%	24.2%	2.7%	2.9%	11.0%	2.00%	-0.07%	0.92%
Retail/Wholesale	10.6%	14.4%	19.5%	5.3%	4.6%	5.7%	0.28%	0.48%	0.59%
Medical	22.8%	4.4%	-22.0%	6.7%	9.5%	5.0%	1.23%	-0.40%	-2.98%
Autos	9.6%	-10.6%	-5.2%	1.6%	1.3%	13.3%	0.48%	-0.81%	-1.35%
Basic Materials	14.6%	-11.7%	-26.5%	-0.2%	3.1%	-13.1%	1.29%	-1.45%	-1.84%
Industrial Products	2.8%	-2.9%	16.9%	0.9%	-4.6%	7.0%	0.26%	0.25%	1.18%
Construction	5.5%	2.4%	-5.9%	3.7%	9.3%	4.8%	0.20%	-0.77%	-1.41%
Conglomerates	11.1%	-7.1%	-15.0%	5.4%	-7.4%	-3.2%	1.00%	0.06%	-2.51%
Technology	16.9%	20.0%	8.8%	10.9%	7.3%	2.6%	1.25%	2.43%	1.17%
Aerospace	60.6%	-21.7%	16.5%	7.9%	4.9%	8.0%	2.53%	-1.75%	0.51%
Oil/Energy	6.2%	-16.3%	N/M	-0.1%	-0.8%	-15.1%	0.56%	-1.64%	-1.90%
Finance	7.4%	13.0%	8.1%	4.7%	-11.8%	22.9%	0.48%	4.12%	-2.01%
Utilities	8.9%	8.6%	8.9%	3.5%	3.5%	-0.7%	0.73%	0.66%	1.18%
Transportation	15.1%	0.3%	N/M	4.3%	-5.4%	-0.4%	0.90%	0.49%	-0.68%
Business Services	11.6%	10.2%	9.6%	7.7%	6.1%	9.1%	0.89%	0.92%	0.12%
S&P 500	13.6%	8.3%	-0.9%	5.4%	2.1%	4.6%	0.96%	0.71%	-0.64%
ex Finance	15.1%	7.2%	-2.7%	5.5%	4.4%	2.0%	1.04%	0.30%	-0.53%
ex Oil/Energy	14.1%	10.2%	2.2%	5.8%	2.3%	6.8%	0.98%	0.91%	-0.52%

Source: Zacks Investment Research, Inc.

Data as of: January 8, 2025 www.zacks.com

Table 8 – Annual Earnings Growth

	Earnings Growth (YoY)								
	2026E	2025E	2024	2023	2022	2021	2020	2019	2018
Consumer Staples	8.6%	4.5%	1.9%	2.7%	3.9%	11.8%	2.3%	2.4%	10.3%
Consumer Discrt	15.7%	26.4%	2.1%	24.2%	53.6%	141.4%	-78.5%	13.4%	15.6%
Retail	14.8%	10.6%	14.4%	19.5%	-15.9%	39.8%	4.4%	6.0%	25.1%
Medical	10.2%	22.8%	4.4%	-22.0%	7.6%	26.1%	10.3%	8.7%	14.0%
Auto/Tires/Trks	11.7%	9.6%	-10.6%	-5.2%	39.1%	105.0%	-19.7%	-12.3%	-0.2%
Basic Materials	16.3%	14.6%	-11.7%	-26.5%	3.1%	108.1%	-8.6%	-14.8%	31.9%
Industrial Prod	10.3%	2.8%	-2.9%	16.9%	12.2%	47.1%	-15.4%	2.6%	32.4%
Construction	13.1%	5.5%	2.4%	-5.9%	21.5%	48.4%	22.5%	-8.1%	33.5%
Conglomerates	8.8%	11.1%	-7.1%	-15.0%	4.3%	28.7%	1.7%	-6.3%	11.3%
Computer & Tech	15.8%	16.9%	20.0%	8.8%	-4.7%	41.1%	7.3%	-4.6%	27.2%
Aerospace	17.3%	60.6%	-21.7%	16.5%	0.3%	104.9%	-56.2%	-25.1%	27.5%
Oils/Energy	18.5%	6.2%	-16.3%	N/M	153.8%	-2563.1%	-106.4%	-31.5%	96.8%
Finance	11.4%	7.4%	13.0%	8.1%	-15.7%	62.2%	-19.0%	3.8%	21.3%
Utilities	8.1%	8.9%	8.6%	8.9%	2.9%	2.3%	2.4%	11.4%	11.0%
Transportation	12.8%	15.1%	0.3%	N/M	57.7%	397.3%	-86.6%	4.4%	8.9%
Business Svcs	12.9%	11.6%	10.2%	9.6%	14.4%	20.6%	-2.1%	17.2%	24.6%
S&P 500	13.4%	13.6%	8.3%	-0.9%	5.5%	50.5%	-11.6%	-0.2%	23.1%
Excluding Finance	13.9%	15.1%	7.2%	-2.7%	11.1%	47.6%	-9.6%	-1.2%	23.6%
Excluding Oil	13.2%	14.1%	10.2%	2.2%	-1.1%	43.7%	-8.1%	1.6%	20.6%

Source: Zacks Investment Research, Inc.

Data as of: January 8, 2025 www.zacks.com

Table 8 (b) – Aggregate Annual Earnings Totals

Zacks Sectors	Annual Earnings (billion dollars)										
	2026E	2025E	2024	2023	2022	2021	2020	2019	2018	2017	2016
Cons. Staples	115.6	106.5	101.9	100.0	97.4	93.7	83.8	81.9	80.0	72.6	68.3
Cons. Discretionary	87.0	75.2	59.5	58.3	46.9	30.5	12.7	58.7	51.8	44.8	40.5
Retail/Wholesale	217.5	189.4	171.2	149.6	125.2	148.9	106.5	102.1	96.3	77.0	73.6
Medical	321.4	291.8	237.7	227.6	291.7	271.2	215.1	194.9	179.3	157.2	147.7
Autos	41.2	36.9	33.6	37.6	39.6	28.5	13.9	17.3	19.7	19.8	19.9
Basic Materials	51.4	44.2	38.6	43.7	59.5	57.6	27.7	30.3	35.6	27.0	23.8
Industrial Products	50.1	45.4	44.1	45.5	38.9	34.7	23.6	27.8	27.1	20.5	16.3
Construction	32.4	28.6	27.2	26.5	28.2	23.2	15.6	12.8	13.9	10.4	9.3
Conglomerates	19.0	17.5	15.7	16.9	19.9	19.1	14.8	14.6	15.5	14.0	12.7
Technology	863.5	745.8	637.7	531.3	488.4	512.2	363.0	338.2	354.5	278.6	238.1
Aerospace	38.4	32.7	20.4	26.0	22.3	22.3	10.9	24.8	33.1	26.0	22.8
Oil/Energy	150.4	126.9	119.5	142.8	198.6	78.2	-3.2	50.0	73.0	37.1	12.6
Finance	477.0	428.3	399.0	353.1	326.5	387.5	238.9	295.0	284.1	234.2	227.8
Utilities	70.1	64.9	59.6	54.9	50.4	49.0	47.9	46.8	42.0	37.8	36.3
Transportation	52.2	46.3	40.2	40.1	43.6	27.6	5.6	41.6	39.8	36.6	40.6
Business Services	96.5	85.4	76.5	69.4	63.3	55.3	45.9	46.9	40.0	32.1	28.1
S&P 500	2683.7	2365.8	2082.3	1923.2	1940.3	1839.5	1222.5	1383.5	1385.8	1125.6	1018.4
ex Finance	2206.7	1937.4	1683.3	1570.1	1613.8	1452.0	983.6	1088.6	1101.7	891.3	790.7
ex - Oil	2533.3	2238.8	1962.8	1780.4	1741.8	1761.3	1225.6	1333.6	1312.8	1088.5	1005.8
ex Tech	1820.2	1620.0	1444.6	1391.8	1451.9	1327.3	859.5	1045.4	1031.3	847.0	780.3

Source: Zacks Investment Research, Inc.

Data as of: January 8, 2025

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Table 9 – Annual Revenues Growth

Zacks Sectors	Revenue Growth (YoY)								
	2026E	2025E	2024	2023	2022	2021	2020	2019	2018
Cons. Staples	3.2%	2.3%	-0.3%	3.2%	10.0%	9.4%	0.5%	5.7%	3.8%
Cons. Discretionary	4.7%	2.7%	2.9%	11.0%	21.9%	13.6%	-15.6%	9.7%	8.6%
Retail/Wholesale	5.9%	5.3%	4.6%	5.7%	8.2%	12.1%	10.6%	7.3%	7.4%
Medical	6.3%	6.7%	9.5%	5.0%	9.1%	13.6%	9.8%	13.5%	6.9%
Autos	5.1%	1.6%	1.3%	13.3%	22.8%	14.1%	-12.3%	-2.2%	6.7%
Basic Materials	4.0%	-0.2%	3.1%	-13.1%	11.4%	37.2%	-6.3%	-5.7%	13.8%
Industrial Products	5.2%	0.9%	-4.6%	7.0%	12.9%	14.5%	-7.5%	1.9%	13.7%
Construction	6.2%	3.7%	9.3%	4.8%	12.7%	19.0%	0.6%	5.1%	24.9%
Conglomerates	4.7%	5.4%	-7.4%	-3.2%	1.9%	8.5%	0.4%	-5.3%	4.5%
Technology	10.0%	10.9%	7.3%	2.6%	7.8%	19.5%	3.8%	2.8%	12.4%
Aerospace	7.3%	7.9%	4.9%	8.0%	3.5%	5.0%	1.0%	2.7%	-2.9%
Oil/Energy	7.0%	-0.1%	-0.8%	-15.1%	44.9%	67.1%	-32.9%	-2.0%	18.0%
Finance	5.5%	4.7%	-11.8%	22.9%	6.4%	10.3%	-5.1%	5.9%	7.0%
Utilities	4.3%	3.5%	3.5%	-0.7%	16.2%	14.2%	-7.4%	0.8%	3.5%
Transportation	5.4%	4.3%	-5.4%	-0.4%	18.3%	16.8%	-17.9%	1.4%	6.1%
Business Services	7.3%	7.7%	6.1%	9.1%	10.0%	9.6%	4.4%	9.6%	8.6%
S&P 500	6.5%	5.4%	2.1%	4.6%	12.5%	17.0%	-1.6%	5.0%	8.7%
ex Finance	6.6%	5.5%	4.4%	2.0%	13.4%	18.1%	-1.0%	4.9%	9.0%
ex Oil/Energy	6.4%	5.8%	2.3%	6.8%	9.7%	14.1%	1.1%	5.7%	7.9%

Source: Zacks Investment Research, Inc.

Data as of: January 8, 2025 www.zacks.com

The Margins Picture

Net margins (aggregate net income divided by aggregate revenues) are expected to be 12.3% in Q4, down from 12.9% in the preceding period and up from 12.0% from the year-earlier level.

The chart below shows the year-over-year changes in net margins.

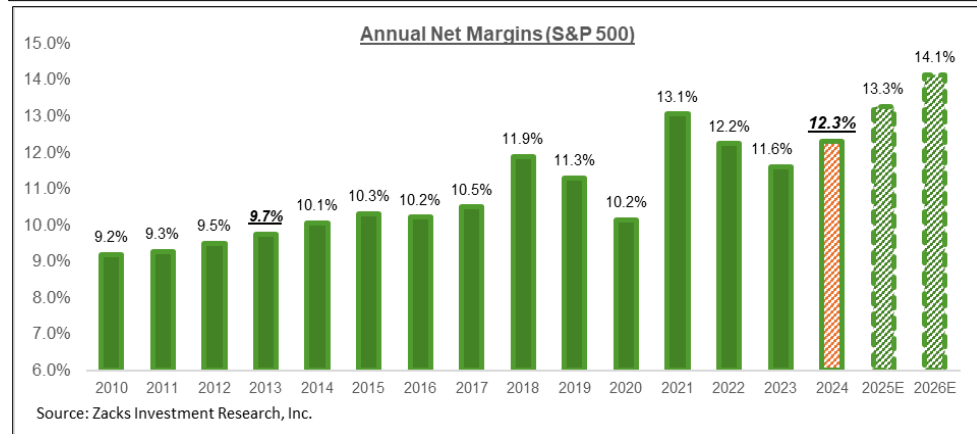


Looking at net margins on an annual basis, full-year 2024 margins are expected to reach 12.3%, up from 2023's 11.6% and 2022's 12.2%. The expectation is for margins to rise next year to 13.3%.

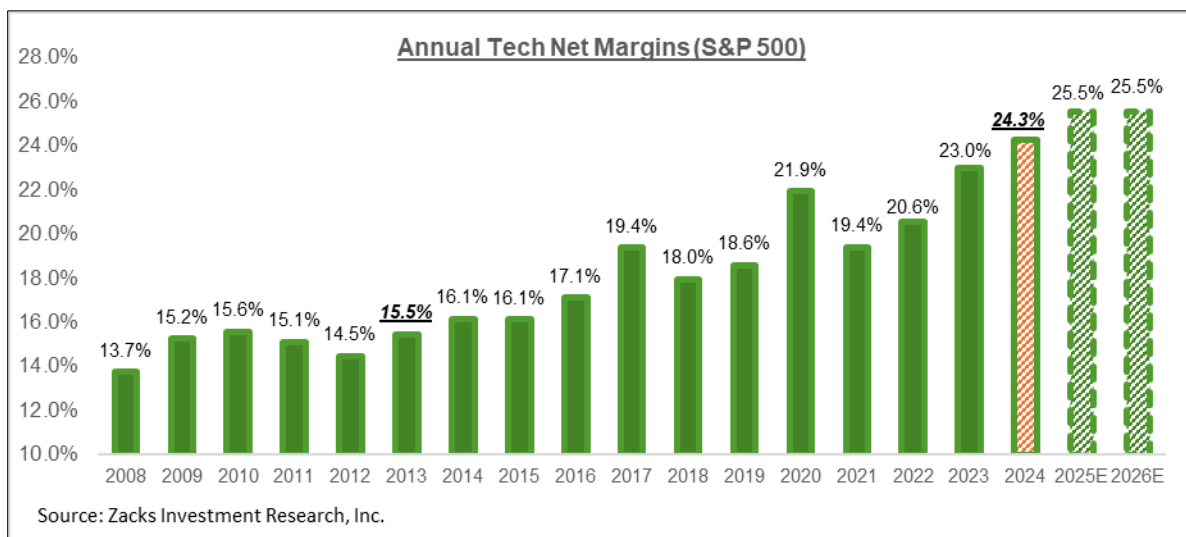
The charts below show current margins expectations in a historical context. The first chart shows margins on a quarterly basis, while the second shows annual margins since 2007.

As you can see in the annual chart, margins reached their cyclical high point in 2018 due to the tax cut legislation but modestly contracted the following year (2019) and pulled back massively in 2020 due to the pandemic. Margins bounced back impressively in 2021, reaching a new all-time record.

The expectation is that the ongoing inflationary pressures ease over time, with margins expanding in 2024.



A big part of the margin gains this year are coming from the Tech sector, as the chart below shows.



The Tech sector's favorable margin outlook reflects the ever-rising share of space's profitability from the higher-margin software and services side. Current optimism about the coming AI boom is likely a big contributor to expectations for next year and beyond.

Beyond the Tech sector, we continue to see management teams' ability to pass on higher expenses to end consumers and protect margins. That said, not all companies in every industry have the same degree of pricing power. Also, management teams must be mindful of the demand implications of ever-rising prices. Overall, with the inflation question expected to continue moving in the right direction, analysts see margins start to expand again, as you can see in the charts above.

Section 5 - The Small-Cap Data – S&P 600 Index

For the S&P 600 index, 2024 Q4 earnings are expected to be up +4.7% from the same period last year on +4.9% higher revenues, as the summary table below shows.

Zacks Sectors	Year-over-Year Growth - S&P 600					
	Earnings		Revenues		Margins	
	4Q24E	3Q24	4Q24E	3Q24	4Q24E	3Q24
Cons. Staples	-7.1%	-18.1%	0.3%	-2.7%	-0.2%	-0.5%
Cons. Discretionary	20.9%	-13.5%	5.2%	-1.9%	0.7%	-0.9%
Retail/Wholesale	-13.8%	-10.8%	-1.1%	0.0%	-0.6%	-0.3%
Medical	-0.1%	2.1%	6.2%	7.2%	-0.4%	-0.3%
Autos	10.7%	6.9%	-3.9%	-4.2%	0.3%	0.4%
Basic Materials	1.0%	9.1%	-0.3%	-0.8%	0.1%	0.5%
Industrial Products	-14.4%	-13.5%	0.3%	5.7%	-0.9%	-1.3%
Construction	12.2%	-1.4%	36.9%	14.3%	-1.4%	-1.3%
Conglomerates	62.8%	-144.6%	-27.3%	-30.3%	3.8%	-9.1%
Technology	-28.3%	81.9%	5.7%	7.4%	-1.7%	1.2%
Aerospace	111.1%	20.8%	7.0%	5.6%	2.3%	0.7%
Oil/Energy	-35.8%	-80.6%	-3.5%	-5.5%	-1.7%	-5.1%
Finance	44.2%	2.9%	17.8%	1.5%	2.9%	0.2%
Utilities	-27.9%	13.4%	0.6%	1.1%	-2.3%	0.8%
Transportation	40.0%	-32.4%	11.0%	2.2%	0.4%	-1.6%
Business Services	-33.0%	-25.1%	3.7%	-0.7%	-1.8%	-1.0%
S&P 600	4.7%	-12.7%	4.9%	0.9%	0.0%	-0.8%
ex Finance	-9.7%	-18.9%	3.2%	0.9%	-0.6%	-1.0%
ex Oil/Energy	8.5%	-4.3%	5.9%	1.7%	0.1%	-0.3%

Source: Zacks Investment Research, Inc.

Data as of: January 8, 2025 www.zacks.com

The Detailed Small-Cap Earnings Picture (S&P 600)

Let's take a look at how consensus earnings expectations for 2024 Q4 compared to what companies earned in the last few quarters and what they are expected to earn in the coming quarters.

Quarterly Earnings Growth

	Earnings Growth (YoY)									
	3Q25E	2Q25E	1Q25E	4Q24E	3Q24	2Q24	1Q24	4Q23	3Q23	
Consumer Staples	10.9%	1.3%	6.6%	-7.1%	-18.1%	7.2%	-6.8%	-5.2%	-14.4%	
Consumer Discrt	22.1%	15.5%	33.2%	20.9%	-13.5%	-14%	-42.7%	-32.5%	3.2%	
Retail	15.6%	5.3%	-4.0%	-13.8%	-10.8%	-16.8%	-13.5%	9.4%	-22.2%	
Medical	8.9%	12.3%	-3.9%	-0.1%	2.1%	0.2%	49.9%	24.4%	-20.8%	
Auto/Tires/Trks	16.9%	8.1%	3.2%	10.7%	6.9%	-15.6%	4.3%	-15.6%	-23.2%	
Basic Materials	29.8%	21.3%	7.0%	1.0%	9.1%	-6.1%	-37.8%	-24.8%	-27.3%	
Industrial Prod	17.0%	1.5%	-4.3%	-14.4%	-13.5%	-7.1%	-16.0%	23.3%	15.1%	
Construction	28.3%	13.2%	4.7%	12.2%	-1.4%	15.2%	17.8%	-14.6%	-12.2%	
Conglomerates	-274.6%	-5.9%	40.0%	62.8%	-144.6%	-13.6%	329.4%	-1.0%	160.8%	
Computer & Tech	65.9%	49.6%	41.4%	-28.3%	81.9%	-35.5%	-75.9%	-6.6%	-71.1%	
Aerospace	28.1%	29.4%	50.7%	111.1%	20.8%	26.6%	-22.4%	-40.5%	31.2%	
Oils/Energy	329.4%	-4.8%	-4.9%	-35.8%	-80.6%	N/M	N/M	-51.1%	-34.8%	
Finance	41.2%	17.0%	42.4%	44.2%	2.9%	40.1%	-13.4%	-14.5%	13.6%	
Utilities	1.9%	12.0%	-8.8%	-27.9%	13.4%	2.7%	55.3%	7.2%	-14.1%	
Transportation	109.9%	-1939.8%	-278.0%	40.0%	-32.4%	-104.4%	-126.4%	-78.2%	-47.5%	
Business Svcs	-28.5%	-23.8%	-49.2%	-33.0%	-25.1%	-37.8%	-26.3%	-34.5%	-23.7%	
S&P 600	40.0%	18.2%	18.7%	4.7%	-12.7%	-6.6%	-26.7%	-18.5%	-16.3%	
Excluding Finance	39.3%	18.9%	6.3%	-9.7%	-18.9%	-21.4%	-32.2%	-19.8%	-24.3%	
Excluding Oil	32.7%	20.2%	20.7%	8.5%	-4.3%	-3.6%	-22.9%	-12.9%	-13.3%	

Source: Zacks Investment Research, Inc.

Data as of: January 8, 2025 www.zacks.com

Quarterly Revenue Growth

	Revenue Growth (YoY)									
	3Q25E	2Q25E	1Q25E	4Q24E	3Q24	2Q24	1Q24	4Q23	3Q23	
Cons. Staples	1.8%	-0.9%	1.0%	0.3%	-2.7%	5.2%	3.1%	2.6%	3.4%	
Cons. Discretionary	7.7%	8.2%	5.9%	5.2%	-1.9%	-4.7%	-5.3%	-6.3%	0.9%	
Retail/Wholesale	2.5%	1.6%	0.3%	-1.1%	0.0%	0.8%	0.6%	0.9%	-0.2%	
Medical	5.0%	4.4%	2.9%	6.2%	7.2%	5.7%	11.2%	8.5%	6.8%	
Autos	2.7%	-0.3%	-3.7%	-3.9%	-4.2%	4.1%	5.9%	5.6%	6.7%	
Basic Materials	3.5%	1.9%	0.1%	-0.3%	-0.8%	-5.9%	-9.8%	-9.2%	-11.5%	
Industrial Products	2.2%	3.5%	2.7%	0.3%	5.7%	1.8%	0.7%	3.2%	-0.7%	
Construction	35.0%	39.3%	40.0%	36.9%	14.3%	9.3%	7.0%	-5.6%	-7.6%	
Conglomerates	1.4%	0.9%	-3.0%	-27.3%	-30.3%	-29.7%	-28.0%	-6.8%	-9.4%	
Technology	11.7%	7.7%	6.2%	5.7%	7.4%	12.7%	12.8%	10.8%	2.2%	
Aerospace	7.3%	6.5%	6.9%	7.0%	5.6%	6.8%	2.8%	4.9%	13.4%	
Oil/Energy	6.8%	5.2%	4.3%	-3.5%	-5.5%	-0.5%	-9.0%	-6.9%	-12.2%	
Finance	8.1%	3.0%	2.7%	17.8%	1.5%	9.2%	12.6%	-4.8%	-1.7%	
Utilities	0.5%	0.2%	-2.2%	0.6%	1.1%	-0.4%	-5.7%	-10.4%	-14.7%	
Transportation	12.7%	13.4%	13.0%	11.0%	2.2%	-0.5%	-2.2%	-2.4%	-3.3%	
Business Services	6.5%	4.9%	3.2%	3.7%	-0.7%	0.0%	-0.6%	0.2%	-4.3%	
S&P 600	7.4%	5.8%	4.6%	4.9%	0.9%	2.7%	1.8%	-0.9%	-2.2%	
ex Finance	7.3%	6.3%	4.9%	3.2%	0.9%	1.7%	0.2%	-0.3%	-2.3%	
ex Oil/Energy	7.5%	5.9%	4.6%	5.9%	1.7%	3.1%	3.0%	-0.1%	-0.9%	

Source: Zacks Investment Research, Inc.

Data as of: January 8, 2025

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The next two tables present the same data in a different format – instead of year-over-year growth rates, we have the dollar level of total earnings and revenues for each of these quarters.

Total Quarterly Earnings

<u>Zacks Sectors</u>	<u>Quarterly Earnings (billion dollars)</u>								
	<u>3Q25E</u>	<u>2Q25E</u>	<u>1Q25E</u>	<u>4Q24E</u>	<u>3Q24</u>	<u>2Q24</u>	<u>1Q24</u>	<u>4Q23</u>	<u>3Q23</u>
Cons. Staples	0.68	0.84	0.53	0.62	0.61	0.83	0.49	0.67	0.75
Cons. Discretionary	1.91	1.48	0.80	1.30	1.57	1.28	0.60	1.08	1.81
Retail/Wholesale	1.58	1.84	1.49	2.38	1.37	1.75	1.55	2.76	1.54
Medical	1.29	1.30	1.24	1.35	1.19	1.15	1.30	1.35	1.16
Autos	0.51	0.48	0.35	0.26	0.44	0.44	0.34	0.23	0.41
Basic Materials	1.10	1.06	0.78	0.76	0.85	0.87	0.73	0.75	0.78
Industrial Products	1.29	1.21	0.96	0.96	1.10	1.20	1.00	1.12	1.27
Construction	1.77	1.63	1.10	1.24	1.38	1.44	1.05	1.10	1.40
Conglomerates	0.15	0.16	0.10	0.16	-0.09	0.17	0.07	0.10	0.19
Technology	1.35	1.09	0.85	1.09	0.82	0.73	0.60	1.52	0.45
Aerospace	0.16	0.15	0.17	0.11	0.12	0.12	0.11	0.05	0.10
Oil/Energy	1.77	1.49	1.12	1.04	0.41	1.57	1.18	1.62	2.12
Finance	8.00	8.08	7.43	7.21	5.66	6.91	5.22	5.00	5.50
Utilities	0.38	0.34	0.53	0.33	0.37	0.31	0.58	0.46	0.33
Transportation	1.33	1.12	0.29	0.36	0.64	-0.06	-0.16	0.26	0.94
Business Services	0.28	0.32	0.24	0.44	0.39	0.42	0.48	0.66	0.53
S&P 600	23.55	22.59	17.99	19.60	16.82	19.12	15.15	18.72	19.28
ex Finance	15.56	14.51	10.55	12.39	11.16	12.21	9.93	13.72	13.77
ex - Oil	21.79	21.10	16.87	18.56	16.41	17.55	13.97	17.10	17.15

Source: Zacks Investment Research, Inc.

Data as of:

January 8, 2025

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Total Quarterly Revenues

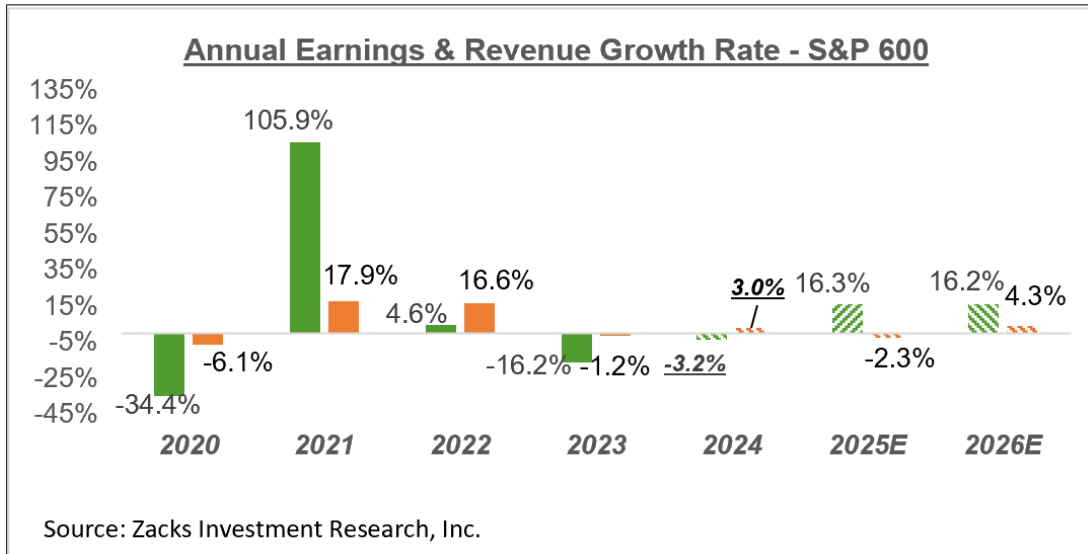
	<u>Quarterly Revenues (billion dollars)</u>								
	<u>3Q25E</u>	<u>2Q25E</u>	<u>1Q25E</u>	<u>4Q24E</u>	<u>Q421</u>	<u>2Q24</u>	<u>1Q24</u>	<u>4Q23</u>	<u>3Q23</u>
Cons. Staples	21.31	22.09	21.04	21.95	20.93	22.30	20.83	21.89	21.51
Cons. Discretionary	26.18	24.97	23.80	25.31	24.31	23.08	22.46	24.07	24.79
Retail/Wholesale	50.31	50.58	49.64	54.74	49.06	49.79	49.51	55.34	49.05
Medical	23.80	23.35	22.91	22.92	22.66	22.36	22.25	21.58	21.15
Autos	12.77	13.15	12.41	11.89	12.44	13.19	12.89	12.37	12.98
Basic Materials	14.67	14.79	14.00	14.60	14.17	14.51	13.99	14.64	14.28
Industrial Products	19.14	19.40	18.38	18.28	18.73	18.74	17.90	18.23	17.72
Construction	22.07	21.37	18.60	19.56	16.34	15.34	13.28	14.28	14.30
Conglomerates	2.46	2.52	2.35	2.43	2.42	2.49	2.42	3.33	3.47
Technology	31.01	30.14	29.38	29.98	27.76	27.98	27.67	28.37	25.84
Aerospace	2.42	2.43	2.42	2.22	2.26	2.28	2.26	2.07	2.14
Oil/Energy	33.68	32.33	31.43	31.44	31.53	30.75	30.13	32.59	33.36
Finance	48.18	46.86	45.19	45.53	44.56	45.51	43.99	38.65	43.90
Utilities	5.31	5.20	5.83	5.78	5.28	5.19	5.96	5.74	5.23
Transportation	22.54	21.94	20.26	20.44	19.99	19.35	17.93	18.41	19.57
Business Services	14.01	13.73	13.35	13.54	13.15	13.09	12.93	13.06	13.24
S&P 600	349.83	344.85	330.98	340.59	325.59	325.96	316.40	324.62	322.53
ex Finance	301.66	297.98	285.80	295.06	281.03	280.45	272.42	285.98	278.63
ex Oil/Energy	316.15	312.52	299.56	309.15	294.06	295.22	286.28	292.03	289.17

Source: Zacks Investment Research, Inc.

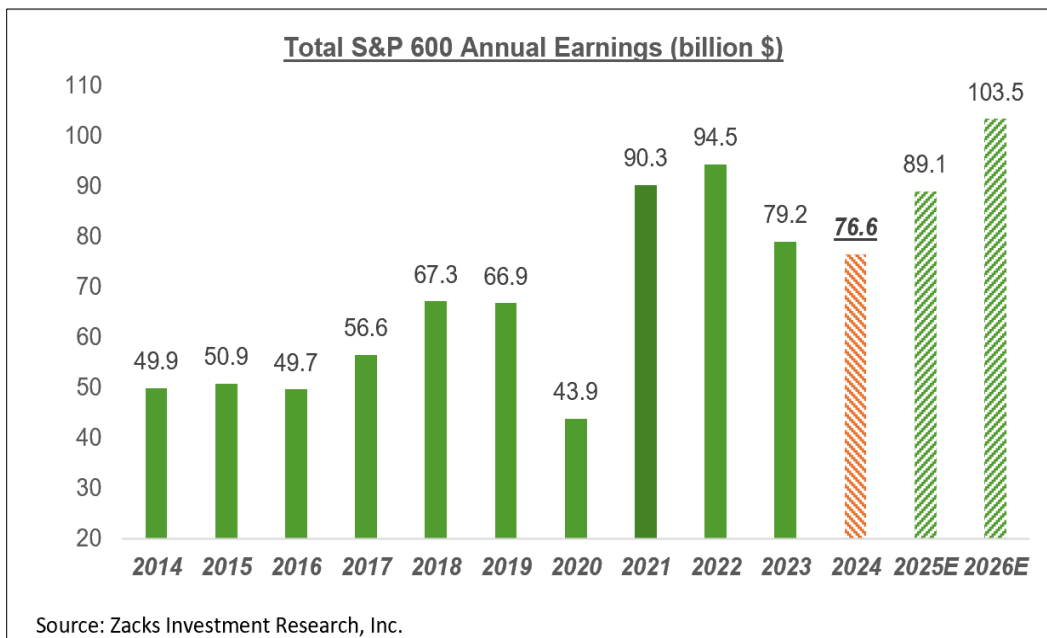
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Looking at the small-cap index on an annual basis, earnings growth is expected to resume in 2025 after two years of declines. The chart below shows the small-cap index's annual earnings and revenue growth.



The chart below represents the small-cap index's total earnings instead of the growth rates, showing the impact of the pandemic on earnings.

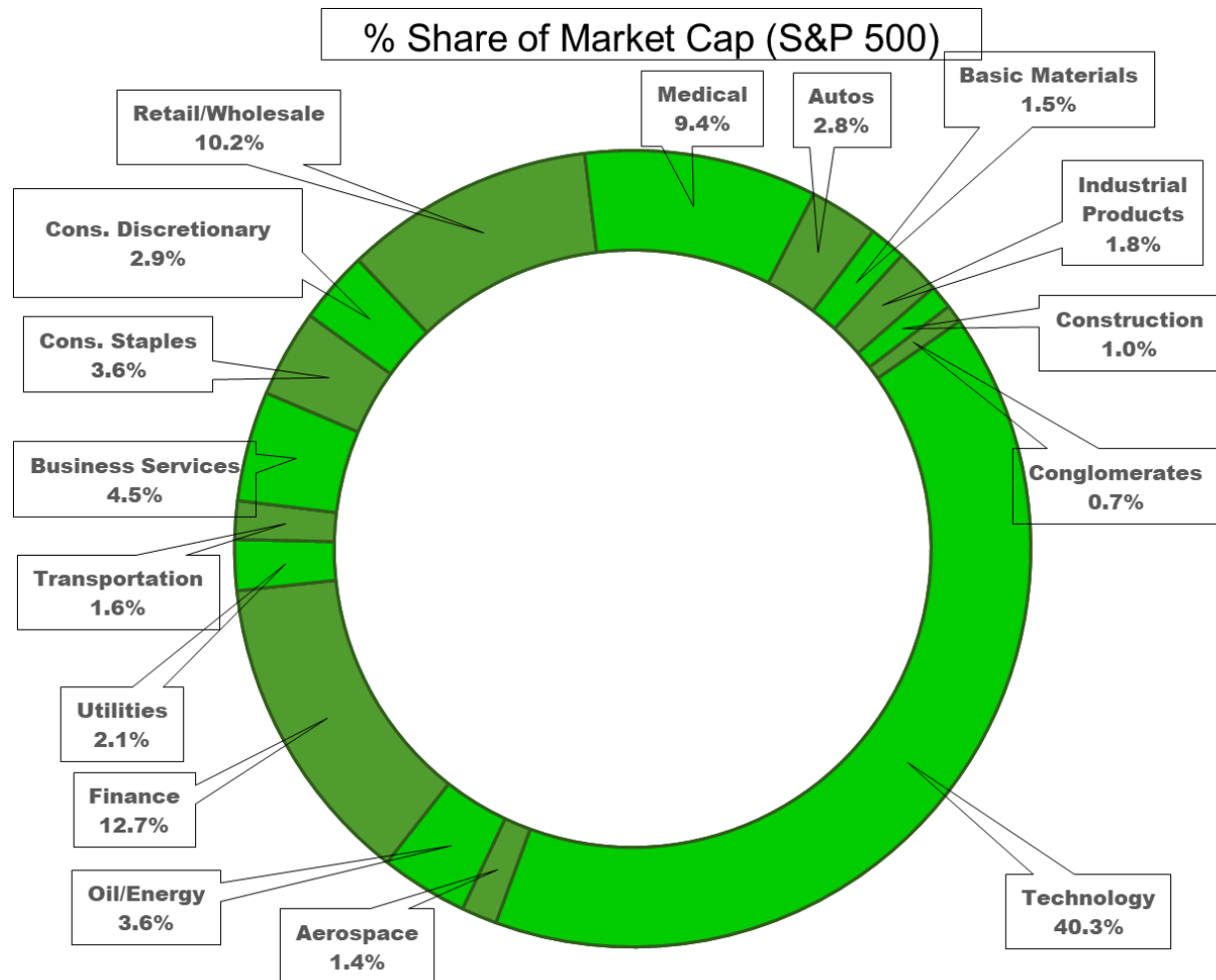


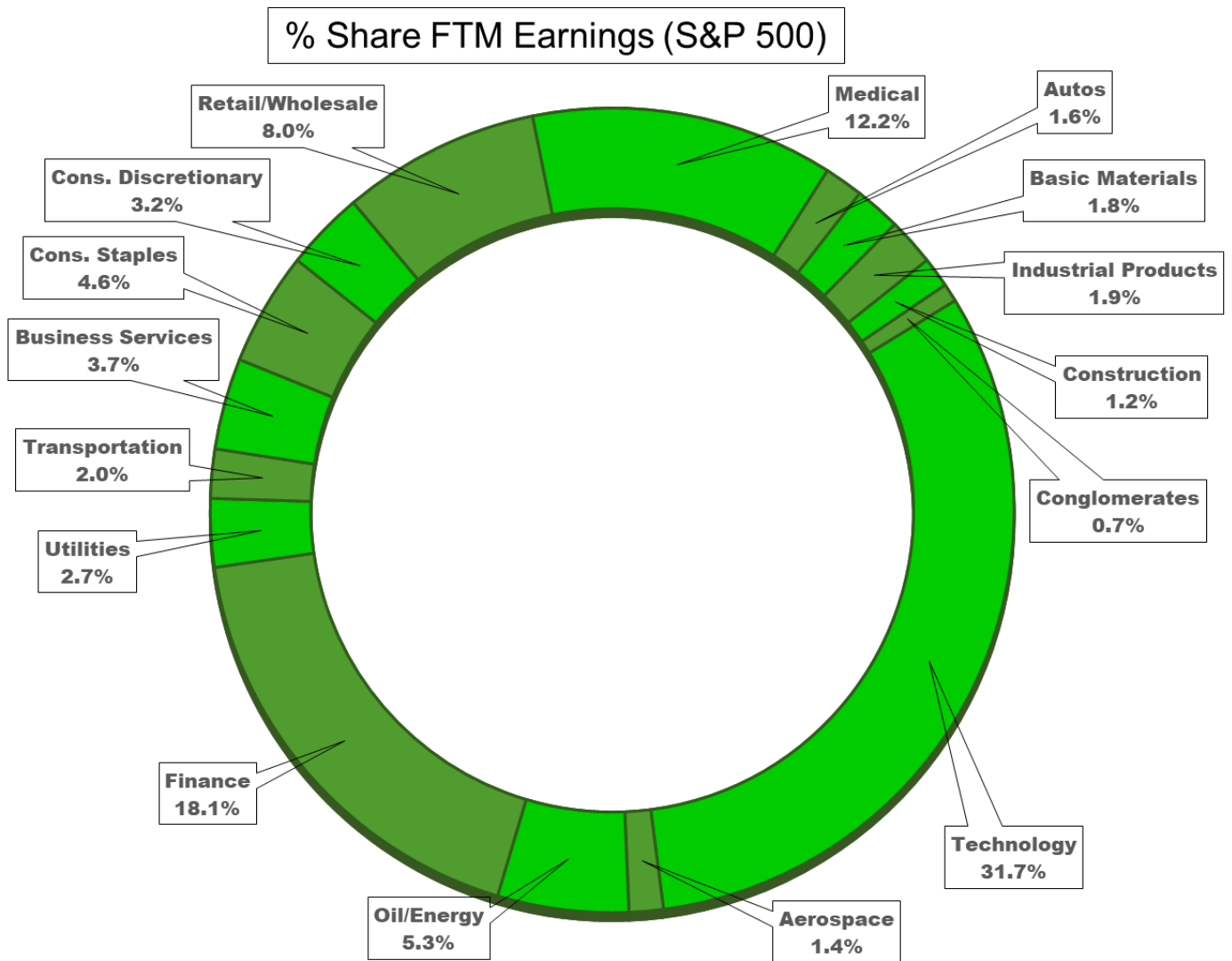
Section 6: Market Cap vs. Total Earnings

The charts below show the share of total forward 12-month earnings (next four quarters) as well as the share of total market capitalization for each of the 16 Zacks sectors in the S&P 500 index. Since the S&P 500 is a market-cap-weighted index, each sector’s market cap share is also its index weight.

The Finance and Technology sectors account for the lion’s share of the index’s total market capitalization and also contribute a large proportion of its total earnings. Technology is by far the biggest earnings contributor, as you can see in the charts below.

Relative market cap weights in the small-cap S&P 600 index are totally different from the large-cap index. The Finance sector is a much bigger part of the small-cap index, while the Tech sector is a significantly smaller part.





Want more information about this report or about Zacks Investment Research?

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