| 8 pages

US Equity Strategy

Size & Style Chartbook

Scott T Chronert[AC]

RELATED:
US Equity Strategy: Size & Style Chartbook

CITI'S TAKE
The key takeaways of this quarter's Size and Style Chartbook are as follows. First, index construction matters. For example, for the S&P 500, Growth has outperformed Value. But for the Russell 1000, Value has led. Looking ahead, changes to index methodologies, new mega cap inclusions, along with changes to reconstitution timing are likely to alter index level fundamental data and, with it, historical compares. Second, quality and growth metrics for the S&P 500 continue to look terrific and need to be considered alongside extended valuations. Third, the Small Cap setup remains interesting, if not compelling. PEs are low vs history while fundamental acceleration persists. The trading call we made headed into '26, barbelling Large Cap Growth/Nasdaq 100 with Small Cap Value, has performed admirably and in our view remains justifiable per Chartbook data.