



**FTSE
RUSSELL**

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RUSSELL US INDEXES

Russell 2000 Index quarterly chartbook

October 2024

Covering Q3 2024 index performance



Learn more: The Russell 2000 Index is the investable small cap market

Dive into **market performance** from every angle

- Market cap performance
- Performance: Growth of a unit
- Style performance
- Style box performance

Explore **industries** and their reflection in the market

- Quarterly IPOs
- Quarterly industry weightings
- Quarterly industry performance review
- Industry contribution to return
- Industry history

Find analytical perspectives on **risk/characteristics**

- Implied volatility
- Fundamental characteristics:
 - Q3 2024
 - Q2 2024
 - Q1 2024
 - Q4 2023

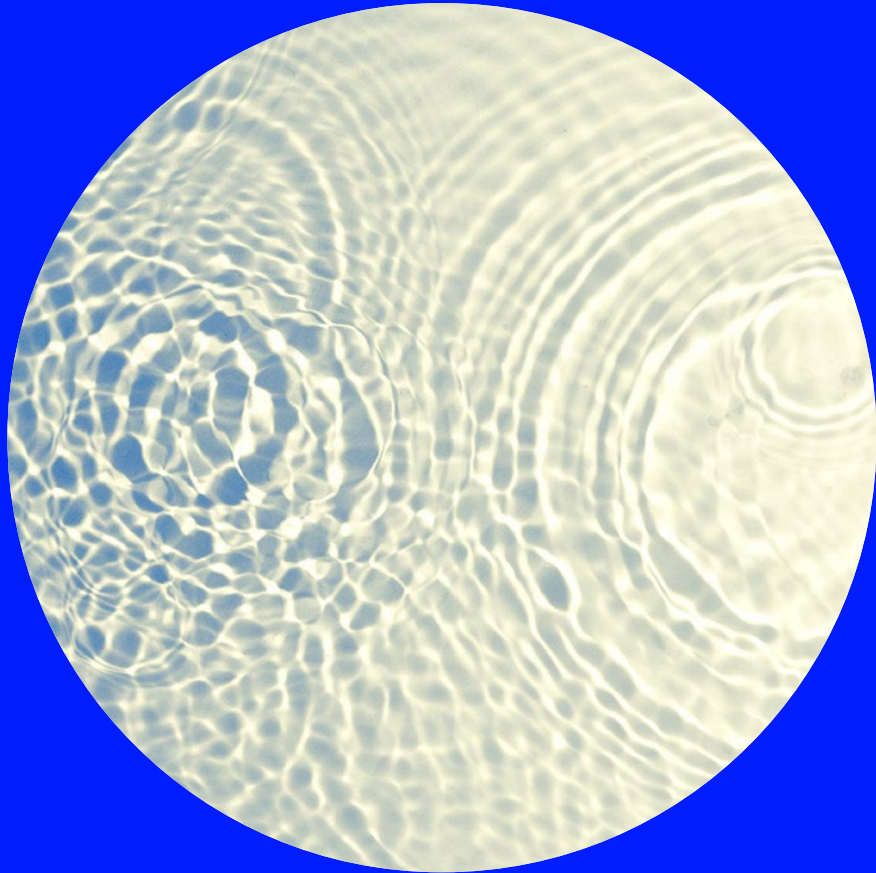
Use **Focal Point** as your guide to new and trusted resources

- Highlights
- Resources



Indexes driven by the market. Not picked by a committee.

The Russell US equity indexes define the market and year after year the Russell 2000 Index sets the standard for small cap measurement. The Index provides a pure and objective exposure to small cap stocks. Its transparent methodology, annual reconstitution and the quarterly additions of IPOs ensure that small cap stays small and perhaps more importantly, doesn't miss out on small cap opportunities.



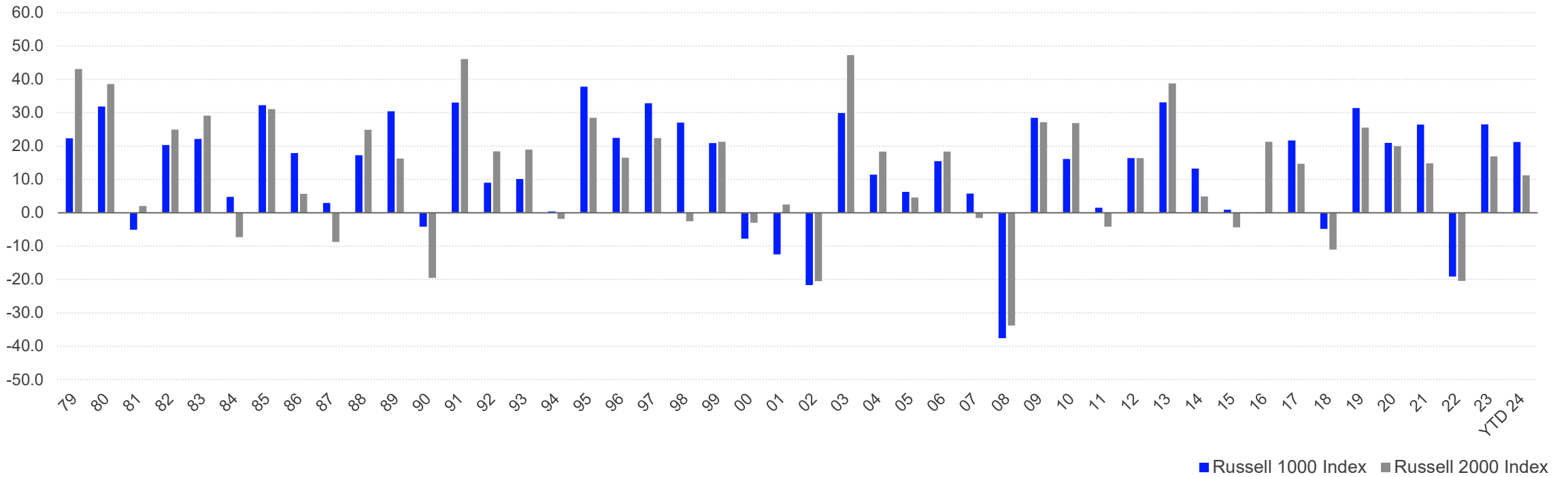
Market performance

SMALL CAPS TELL US MORE

The Russell 2000 Index provides live index tracking data, with historical performance dating back to January 1984. Academic and practitioner research confirms that large-cap stocks behave differently to small-cap stocks and performance is variable. There are sub-periods during which the Russell 1000 outperforms the Russell 2000 and vice versa. Quarterly performance assessments provide valuable datapoints for understanding market sentiment and US economic activity.

Exhibit 1

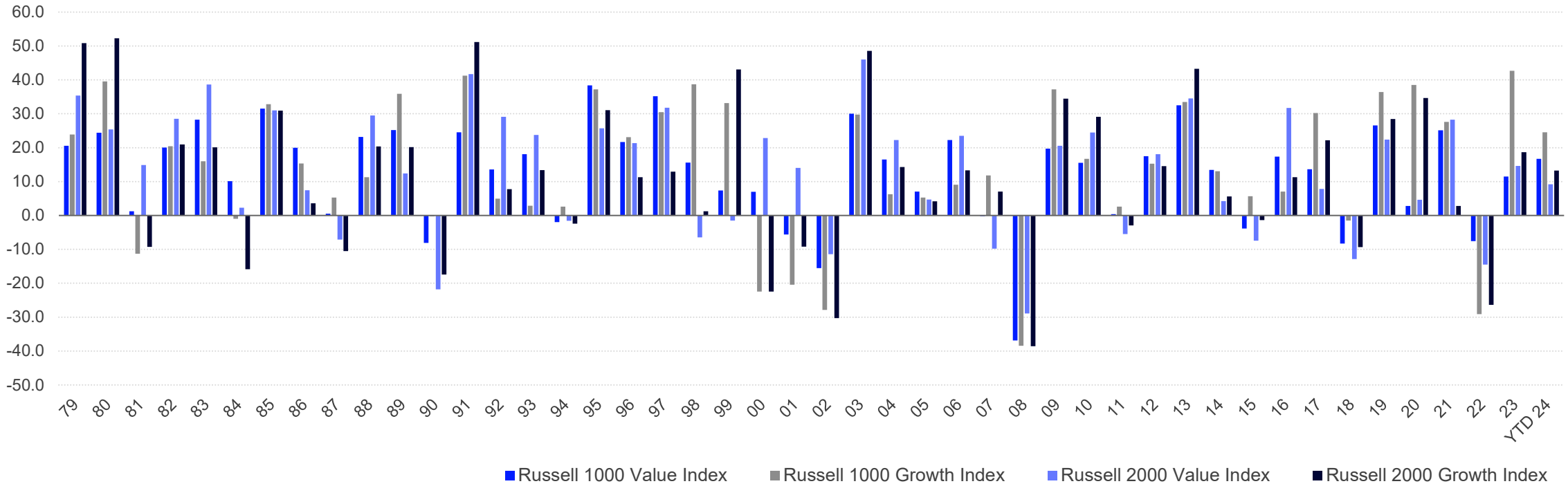
Market cap performance Annual return (%)



Source: FTSE Russell, data as of September 30, 2024. Past performance is no guarantee of future results. Please see important legal disclosures at the end of this report.

Exhibit 1b

Market cap performance Annual return (%)

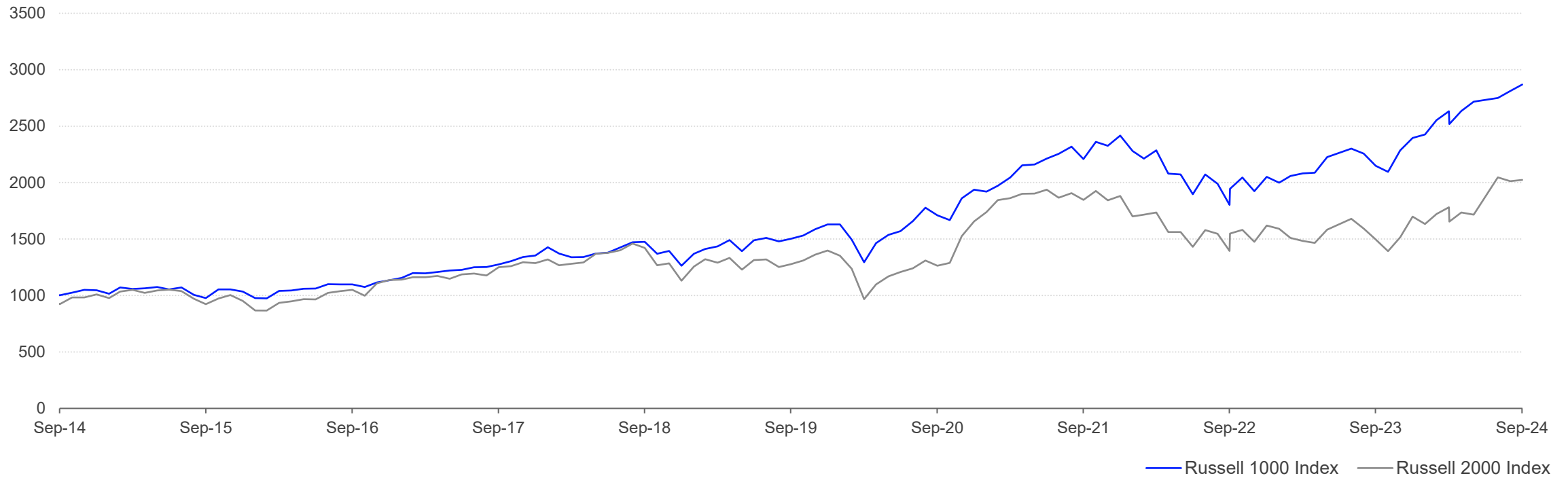


Source: FTSE Russell, data as of September 30, 2024. Past performance is no guarantee of future results. Please see important legal disclosures at the end of this report.

Exhibit 2

Performance: Growth of a unit

Total return (growth of 1,000) 10 years



Source: FTSE Russell, data as of September 30, 2024. Past performance is no guarantee of future results. Please see important legal disclosures at the end of this report.

Exhibit 3

Market cap performance

Total return (%)

	Q3 2024	Q2 2024	Q1 2024	Q4 2023	12 months
Russell 3000® Index	6.2	3.2	10.0	12.1	35.2
Russell Top 200® Index	5.2	5.7	10.8	11.7	37.7
Russell 1000® Index	6.1	3.6	10.3	12.0	35.7
Russell Midcap® Index	9.2	-3.3	8.6	12.8	29.3
Russell 2000® Index	9.3	-3.3	5.2	14.0	10.1
Russell Microcap® Index	8.3	-5.3	4.7	16.1	24.6

Source: FTSE Russell, data as of September 30, 2024. Past performance is no guarantee of future results. Please see important legal disclosures at the end of this report.

Exhibit 4

Style performance

Total return (%)

	Q3 2024	Q2 2024	Q1 2024	Q4 2023	12 months
Russell 1000 Growth Index	3.2	8.3	11.4	14.2	42.2
Russell 2000 Growth Index	8.4	-2.9	7.6	12.7	27.7
Russell 1000 Value Index	9.4	-2.2	9.0	9.5	27.8
Russell 2000 Value Index	10.2	-3.6	2.9	15.3	25.9
Russell 1000 Defensive Index	6.5	3.3	7.6	10.1	30.4
Russell 2000 Defensive Index	10.5	-2.0	3.3	15.4	29.0
Russell 1000 Dynamic Index	5.7	3.8	13.0	13.9	41.2
Russell 2000 Dynamic Index	8.1	-4.5	7.1	12.7	24.6

Source: FTSE Russell, data as of September 30, 2024. Past performance is no guarantee of future results. Please see important legal disclosures at the end of this report.

Exhibit 5

Style box performance

Total return (%)

	Value	Core	Growth
YTD 2024			
Large	16.68	21.18	24.55
Mid	15.08	14.63	12.91
Small	9.22	11.17	13.23
2023			
Large	11.46	26.53	42.68
Mid	12.71	17.23	25.87
Small	14.65	16.93	18.66

	Value	Core	Growth
2022			
Large	-7.54	-19.13	-29.14
Mid	-12.03	-17.32	-26.72
Small	-14.48	-20.44	-26.36
2021			
Large	25.16	26.46	27.60
Mid	28.34	22.58	12.73
Small	28.27	14.82	2.84

Source: FTSE Russell, data as of September 30, 2024. Past performance is no guarantee of future results. Please see important legal disclosures at the end of this report.



Industries

SMALL CAPS REVEAL A SHIFTING ECONOMY

The US has experienced a massive shift in the nature of its economy over the last half century. The US was traditionally a manufacturing-focused economy, supplying a variety of raw materials and consumer and industrial products domestically and abroad. Today, data shows the US economy is most heavily represented by service-oriented industries such as Technology, Health Care and Financials and less so by the industrial industries such as Energy, Basic Materials and Industrials. However, the leading industries are always in a state of change indicative of economic, consumer, and industry trends.

Exhibit 6a

Third quarter IPOs

Quarter end

Russell 2000 Index IPOs by Industry

Industry	Number of IPOs	Total market cap (\$B)
Consumer Discretionary	1	0.17
Financials	1	0.20
Health care	6	2.46
Industrials	1	0.21
Technology	2	0.31
Utilities	1	0.06
Total	12	3.41

Source: FTSE Russell, data as of September 30, 2024. Past performance is no guarantee of future results.
Please see important legal disclosures at the end of this report.

Exhibit 6b

Third quarter IPOs

Quarter end

Russell 2000 Index IPOs company detail

Industry	Company name	Ticker	Total market cap (\$B)
Consumer Discretionary	WEBTOON ENTERTAINMENT	WBTN	0.17
Financials	BOWHEAD SPECIALTY HOLDIN	BOW	0.20
Health care	ALUMIS	ALMS	0.14
	ARDENT HEALTH PARTNERS	ARDT	0.22
	ARTIVA BIOTHERAPEUTICS	ARTV	0.22
	CONCENTRA GROUP HOLDINGS	CON	0.50
	RAPPORT THERAPEUTICS	RAPP	0.19
	WAYSTAR HOLDING CORP	WAY	1.19

Source: FTSE Russell, data as of September 30, 2024. Past performance is no guarantee of future results. Please see important legal disclosures at the end of this report.

Exhibit 6c

Third quarter IPOs

Quarter end

Russell 2000 Index IPOs company detail – continued

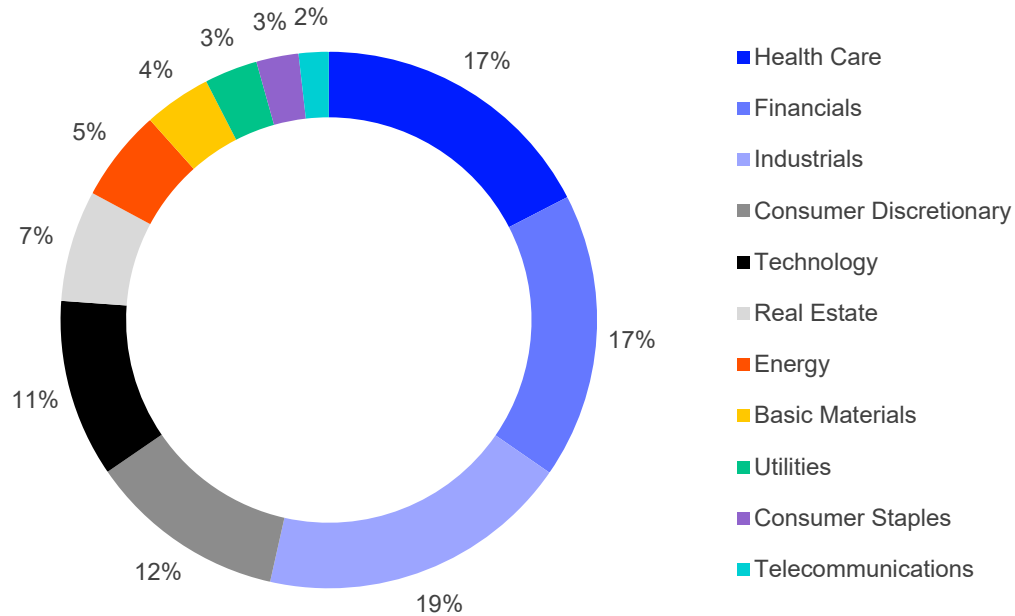
Industry	Company name	Ticker	Total market cap (\$B)
Industrials	PROFICIENT AUTO LOGISTIC	PAL	0.21
Technology	LIFE360	LIF	0.23
	SILVACO GROUP	SVCO	0.86
Utilities	NANO NUCLEAR ENERGY	NNE	0.57

Source: FTSE Russell, data as of September 30, 2024. Past performance is no guarantee of future results.
Please see important legal disclosures at the end of this report.

Exhibit 7

Quarterly industry weightings

Quarter end (%)



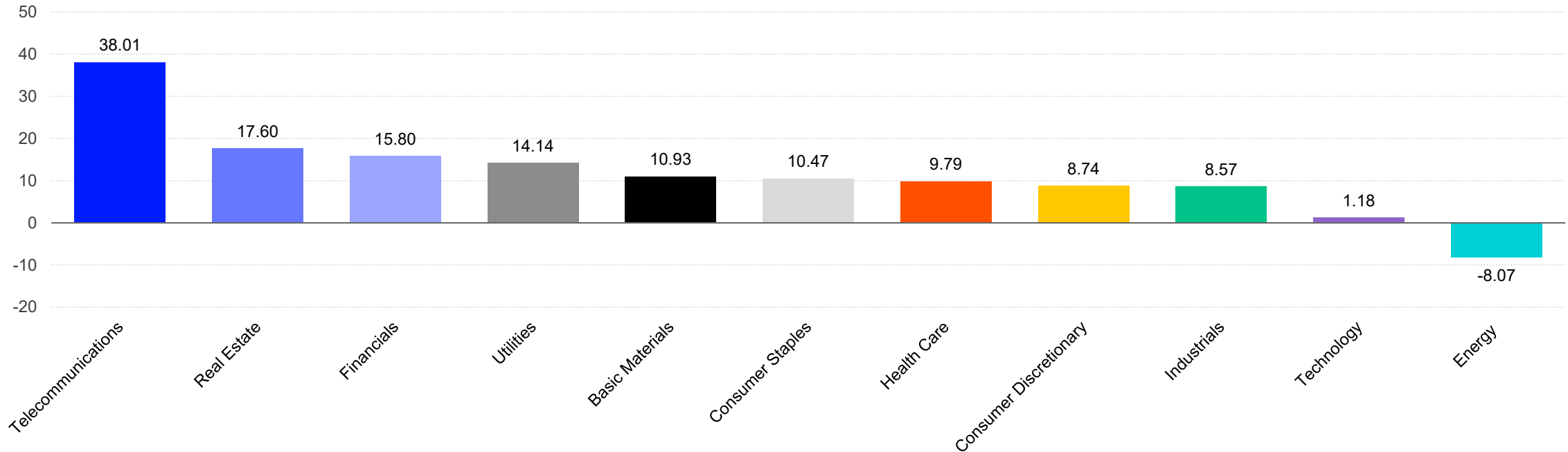
	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Health Care	17.4	15.1	15.2	15.1
Financials	17.2	15.0	14.8	16.0
Industrials	18.9	18.8	19.0	18.4
Consumer Discretionary	11.9	12.7	13.1	13.3
Technology	10.7	14.0	13.9	12.6
Real Estate	6.7	5.8	5.8	6.4
Energy	5.5	7.8	7.8	7.3
Basic Materials	4.1	3.9	3.9	3.8
Utilities	3.2	2.7	2.6	2.8
Consumer Staples	2.5	2.9	2.7	2.8
Telecom	1.8	1.2	1.2	1.4

Source: FTSE Russell, data as of September 30, 2024. Past performance is no guarantee of future results. Please see important legal disclosures at the end of this report.

Exhibit 8

Quarterly industry performance review

Total return (%)

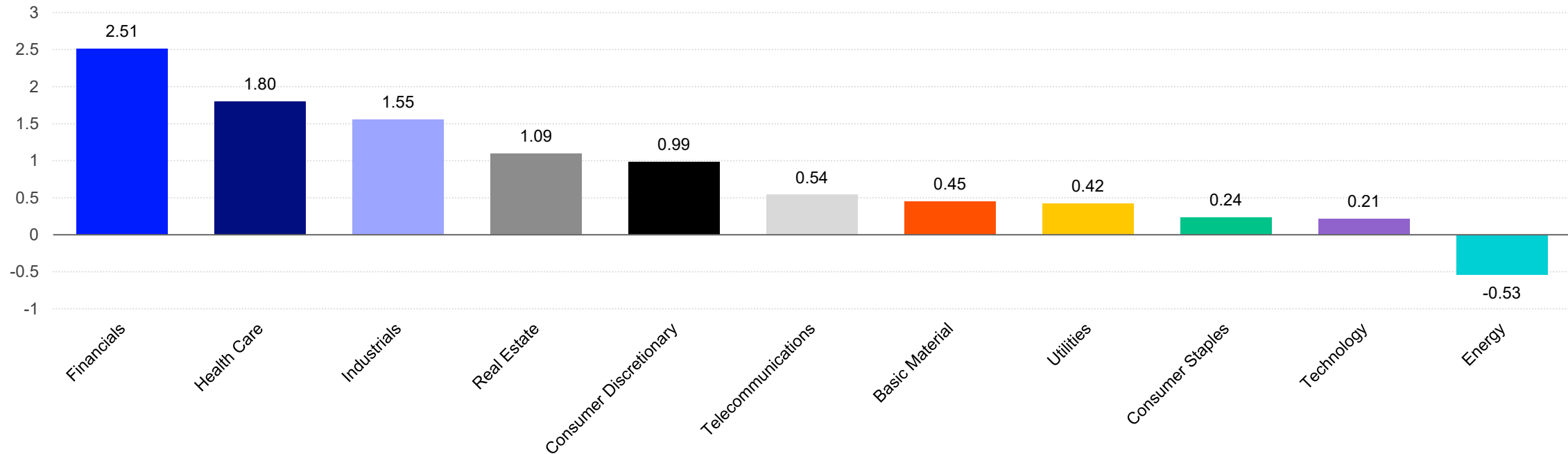


Source: FTSE Russell, data as of September 30, 2024. Past performance is no guarantee of future results. Please see important legal disclosures at the end of this report.

Exhibit 9

Industry contribution to return

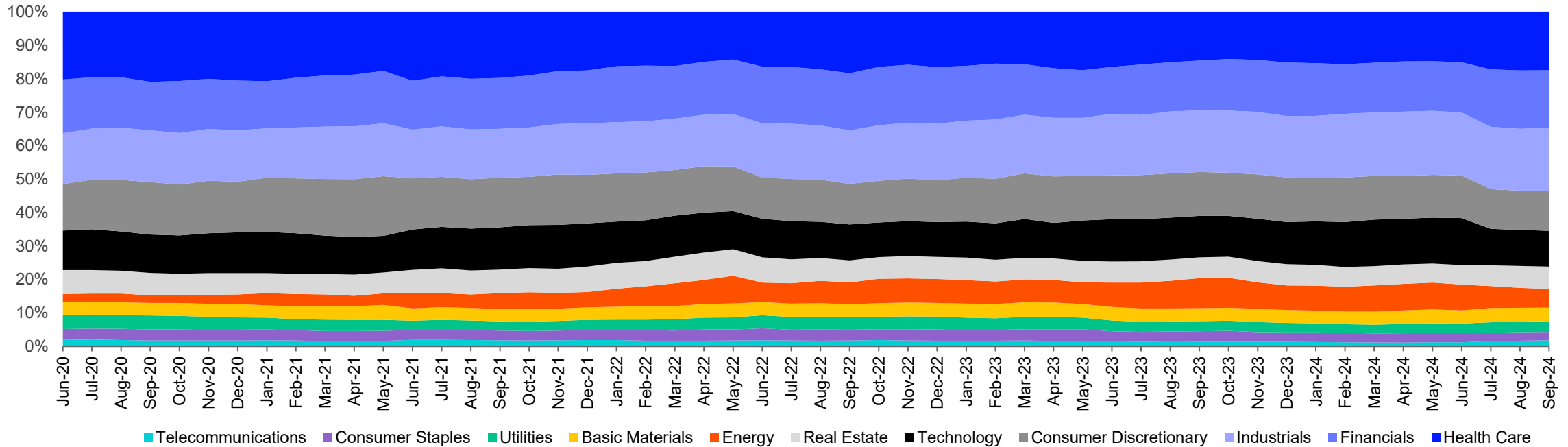
Year to date (%)



Source: FTSE Russell, data as of September 30, 2024. Past performance is no guarantee of future results. Please see important legal disclosures at the end of this report.

Exhibit 10a

Industry history ICB monthly weightings (%)

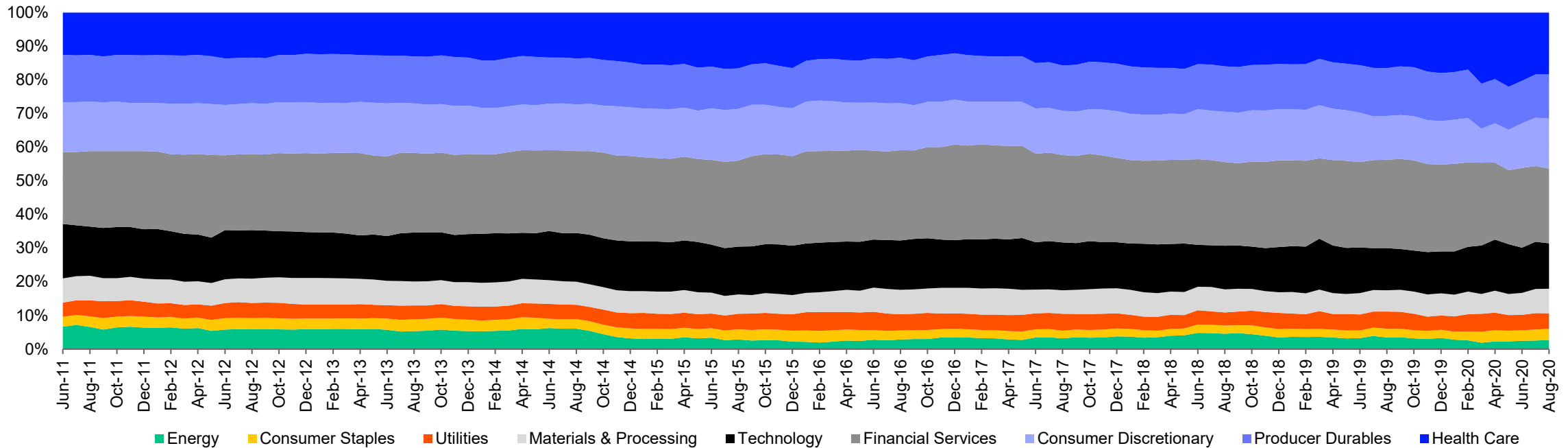


Source: FTSE Russell Industry Classification Benchmark (ICB) data is shown starting June 30, 2020. Historical index weightings reflect Russell Global Sectors. Past performance is no guarantee of future results. Please see important legal disclosures at the end of this report.

Exhibit 10b

Sector history

RGS historical monthly weightings (%)



Source: FTSE Russell Industry Classification Benchmark (ICB) data is shown starting June 30, 2020. Historical index weightings reflect Russell Global Sectors. Past performance is no guarantee of future results. Please see important legal disclosures at the end of this report.



Risk/characteristics

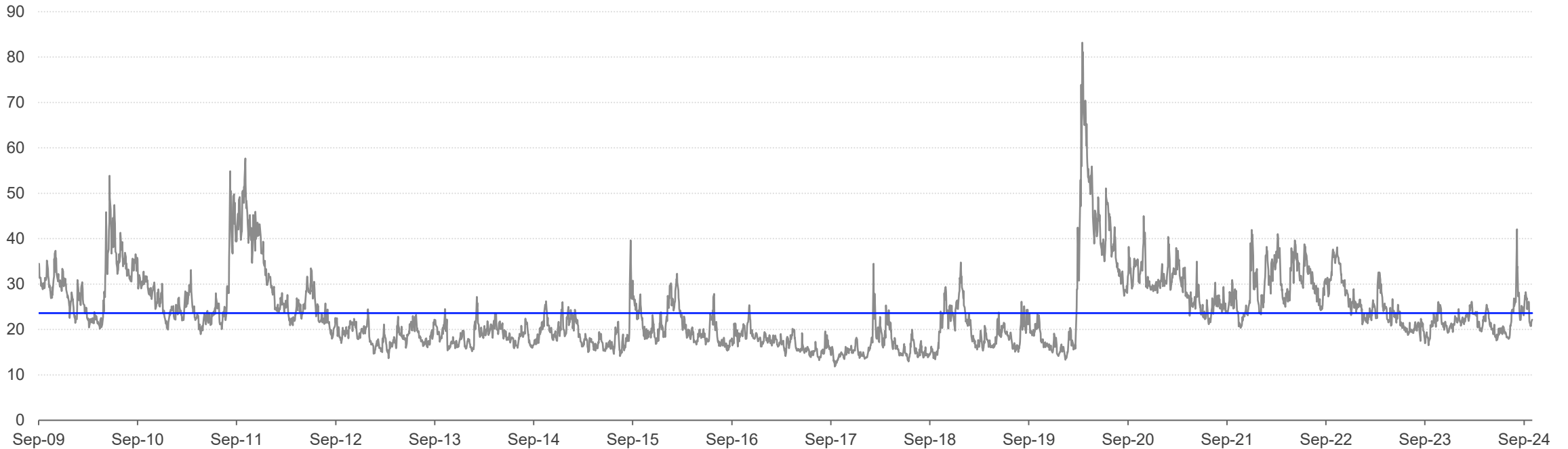
SMALL CAPS REFLECT THE MARKET

Russell 2000 companies tend to be more specialized than those of the more diversified Russell 1000 constituents, this suggests that Russell 2000 companies are less resilient to economic or industry specific shocks. That riskiness has likely contributed to the historically higher volatility of Russell 2000 returns. However, it is important to note that more recently, large and small cap markets seem to be converging as illustrated by similarities in metrics.

Exhibit 11

Implied volatility

CBOE Russell 2000 Volatility Index (RVX) 6/01/2009 – 6/28/2024



Source: FTSE Russell, data as of September 30, 2024. Past performance is no guarantee of future results.
Please see important legal disclosures at the end of this report.

Exhibit 12a

Fundamental characteristics: Q3 2024

Quarterly market snapshots

Index	Growth		Quality			
	Sales per Share Growth (5 Yr)	Long Term Forecasted Growth (I/B/E/S Median)	EPS Variability (10 Yr)	ROA (5 Yr Avg)	Debt/Equity	Dividend Yield
Russell 2000 Index	8.26	14.43	151.44	2.55	0.66	1.33
Russell 1000 Index	11.88	12.39	100.84	13.89	0.81	1.27

Index	Valuation			Risk—Standard Deviation (%)		
	P/E (I/B/E/S 1 Yr) Forecasted	Price/Book	Price/Cash Flow	1 Yr	3 Yr	5 Yr
Russell 2000 Index	15.96	2.17	13.81	21.49	22.20	23.75
Russell 1000 Index	21.94	4.84	17.11	11.80	17.45	18.28

Source: FTSE Russell, data as of September 30, 2024. Past performance is no guarantee of future results. Please see important legal disclosures at the end of this report.

Exhibit 12b

Fundamental characteristics: Q2 2024

Quarterly market snapshots

Index	Growth		Quality			
	Sales per Share Growth (5 Yr)	Long Term Forecasted Growth (I/B/E/S Median)	EPS Variability (10 Yr)	ROA (5 Yr Avg)	Debt/Equity	Dividend Yield
Russell 2000 Index	8.40	13.75	152.22	2.93	0.64	1.44
Russell 1000 Index	13.80	15.20	100.15	13.75	0.78	1.32

Index	Valuation			Risk—Standard Deviation (%)		
	P/E (I/B/E/S 1 Yr) Forecasted	Price/Book	Price/Cash Flow	1 Yr	3 Yr	5 Yr
Russell 2000 Index	14.65	2.10	12.18	22.32	21.63	23.51
Russell 1000 Index	20.92	4.68	16.39	14.30	17.75	18.32

Source: FTSE Russell, data as of September 30, 2024. Past performance is no guarantee of future results. Please see important legal disclosures at the end of this report.

Exhibit 12c

Fundamental characteristics: Q1 2024

Quarterly market snapshots

Index	Growth		Quality			
	Sales per Share Growth (5 Yr)	Long Term Forecasted Growth (I/B/E/S Median)	EPS Variability (10 Yr)	ROA (5 Yr Avg)	Debt/Equity	Dividend Yield
Russell 2000 Index	8.12	13.68	157.89	3.06	0.63	1.37
Russell 1000 Index	12.82	13.20	101.65	12.72	0.79	1.35

Index	Valuation			Risk—Standard Deviation (%)		
	P/E (I/B/E/S 1 Yr) Forecasted	Price/Book	Price/Cash Flow	1 Yr	3 Yr	5 Yr
Russell 2000 Index	15.43	2.20	12.78	21.68	21.09	23.67
Russell 1000 Index	20.48	4.60	16.08	13.45	17.52	18.61

Source: FTSE Russell, data as of September 30, 2024. Past performance is no guarantee of future results. Please see important legal disclosures at the end of this report.

Exhibit 12d

Fundamental characteristics: Q4 2023

Quarterly market snapshots

Index	Growth		Quality			
	Sales per Share Growth (5 Yr)	Long Term Forecasted Growth (I/B/E/S Median)	EPS Variability (10 Yr)	ROA (5 Yr Avg)	Debt/Equity	Dividend Yield
Russell 2000 Index	7.90	12.33	149.71	2.97	0.69	1.48
Russell 1000 Index	12.30	11.15	96.81	12.25	0.85	1.44

Index	Valuation			Risk—Standard Deviation (%)		
	P/E (I/B/E/S 1 Yr) Forecasted	Price/Book	Price/Cash Flow	1 Yr	3 Yr	5 Yr
Russell 2000 Index	15.24	2.11	12.01	23.19	21.11	24.01
Russell 1000 Index	20.13	4.28	14.96	14.53	17.42	18.79

Source: FTSE Russell, data as of September 30, 2024. Past performance is no guarantee of future results. Please see important legal disclosures at the end of this report.

Focal point

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Perfect for Financial Advisors.**



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can drive better portfolio outcomes for wealth
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Highlights



Global Investment Research
Market Maps

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Russell US Indexes Spotlight

QUARTERLY REPORT | OCTOBER 2024

Small-caps and Value outperform during volatile quarter for equities
Declining yields, continued inflation and resilient economic growth provided the macro backdrop for US equity performance in Q3. The Fed raised the monetary easing key with a hefty 50 bp first rate cut. The tech rally seemed to stall as equity performance broadened to lagging market segments.

Small-caps lead in Q3
Russell 2000 outperformed Russell 1000 in Q3, in a reversal from Q2, as the Tech rally seemed to stall, and US equity performance broadened.

Value outperforms Growth
Large-cap and small-cap Value outperformed their Growth counterparts, different from the 12-month trend. Russell 1000 Growth lagged the most among styles.

Real Estate shines
Real Estate soared amid declining yields. Utilities, Telecoms and Financials were among top 5 in both style segments. Technology and Energy lagged broadly.

Earnings outlook mixed
The 2-year EPS outlook improved for Russell 1000, its Growth and Value cohorts, and small-cap Value. It declined for Russell 2000 and its Growth cohort.

Valuations re-rate
Forward P/Es rose over the quarter for both the headline Russell indices and their style cohorts.

Russell IPO inclusion activity holds steady
Russell 1000 and Russell 2000 included 1 and 12 new IPO names, respectively, down by two names from Q2. Health Care dominated with 6 out of 13 new names.

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Q2 and 12-Month Real Estate yields (30-year Treasury) vs. the Russell 2000 Index (2023-09-30 = 100) (Left Panel: Q2 2024 acceleration of Russell 2000)

Q2 and 12-Month Commodity prices (2023-09-30 = 100) (Right Panel: Q2 2024 acceleration of Russell 2000)

Small-caps lead in Q3

Russell 2000 outperformed Russell 1000 in Q3, in a reversal from Q2, as the Tech rally seemed to stall, and US equity performance broadened.

Value outperforms Growth

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Real estate shines

Real estate soared amid declining yields. Utilities, Telecoms and Financials were among top 5 in both style segments. Technology and Energy lagged broadly.

Earnings outlook mixed

The 2-year EPS outlook improved for Russell 1000, its Growth and Value cohorts, and small-cap Value. It declined for Russell 2000 and its Growth cohort.

Valuations re-rate

Forward P/Es rose over the quarter for both the headline Russell indices and their style cohorts.

Russell IPO inclusion activity holds steady

Russell 1000 and Russell 2000 included 1 and 12 new IPO names, respectively, down by 2 names from Q2. Health Care dominated with 6 out of 13 new names.

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