

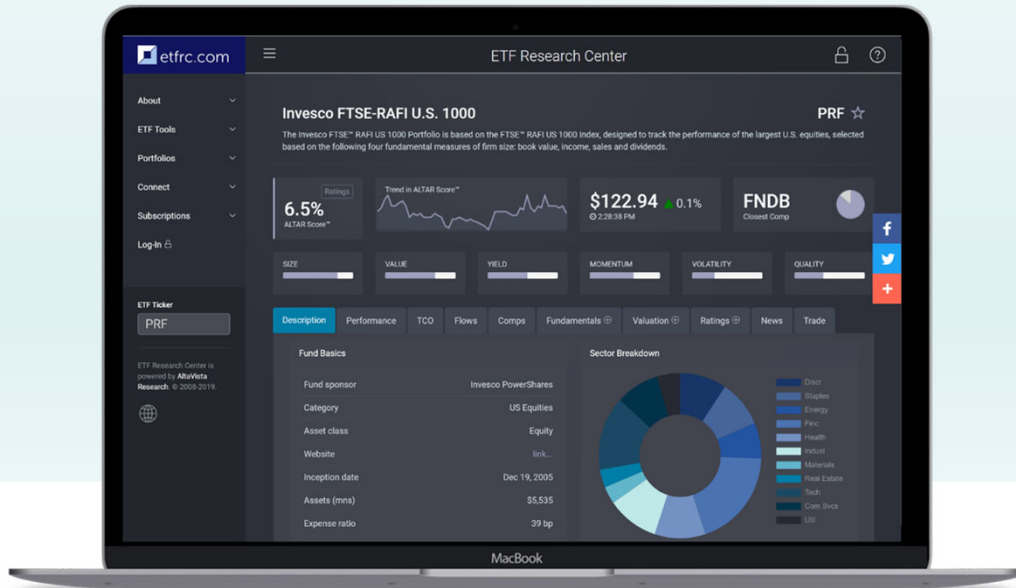
# ETF Analyzer

March 2024

## *Select Sector SPDR Edition*

- ▶ Evaluate Sector SPDRs based on investment merit using fundamental data and analysis
- ▶ Compare Sector SPDRs with ease on a variety of forward-looking valuation metrics
- ▶ Succinct reports in three easy-to-read sections: Investment Summary, Fundamentals, and Composition

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# How to use this guide

## A fundamentally different approach

This guide presents fundamental data and analysis on each of the nine Select Sector SPDR funds so you can view and value them the way you would a single stock. It consists of an "Analyzer" page (shown below) covering each fund, along with a Valuation Guide to facilitate easy comparisons between funds as well as with the S&P500 index. For more on our approach to ETF analysis visit ETF Research Center at [www.etfrc.com](http://www.etfrc.com).

**Fund name**  
**Fund basics**  
 Expenses, returns, volume & more  
**Ticker symbol**  
**Price**

### Trading history

See how this fund has performed in the past



### ALTAR Score™ & Recommendation

Our proprietary measure of an ETF's overall investment merit. See *How we rate ETFs* on the following page for an explanation.

### Analyst's view

Our take on the real drivers behind a fund's investment merit

### Valuation metrics

Even funds full of good companies can be bad investments if valued too richly. See how the stocks in this fund add up.

### Results & estimates

Financial results & expectations for the fund's constituents—essential for making an informed investment

### Profitability measures

Graphs show trends in return on equity, profit margins and estimate revisions

### Composition data

Information on top holdings, concentration and market cap segmentation

### Industry breakdown

Shows how important each industry segment is within the sector

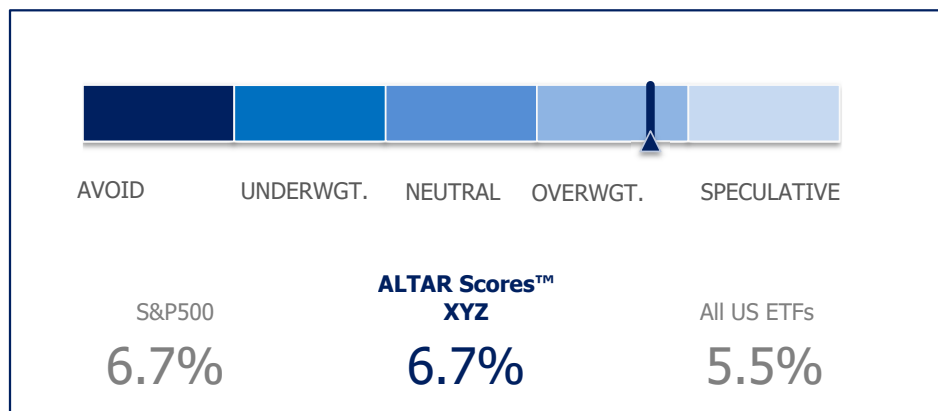
### Keeping up-to-date

Market conditions and expectations change all the time. Go to the [ETF Research Center](http://ETF Research Center) for daily valuation updates on the Sector SPDRs or any of the other thousands of ETFs we cover. This report is updated monthly and is available for download free of charge at [www.etfrc.com](http://www.etfrc.com).

# How we rate ETFs

## AltaVista Recommendation

For every ETF under coverage, we calculate an AltaVista Long Term Annual Return forecast, or ALTAR Score™, explained in more detail in the sidebar. Then, we separate the funds into five tiers (quintiles) based on where their individual scores ranks versus other funds in the category, under a normal distribution probability curve. The five recommendation tiers, defined in detail below, are: SPECULATIVE, OVERWEIGHT, NEUTRAL, UNDERWEIGHT and AVOID.



### What they mean...

#### SPECULATIVE

**Deeply undervalued but risky.** A rating of SPECULATIVE is assigned to ETFs with ALTAR Scores in the top quintile (the top 20%) of their category, indicating exceptional appreciation potential. However, often these are narrowly-focused funds or in industries with structural issues, which may also make them very risky. Nonetheless they may still be useful as part of a well-diversified portfolio.

#### OVERWEIGHT

**Above average appreciation potential.** A rating of OVERWEIGHT is assigned to ETFs with ALTAR Scores in the 4th quintile (ranking higher than 60%-80%) of their category. Typically, funds in this category consist of stocks trading at attractive valuations and/or having above-average fundamentals.

#### NEUTRAL

**Average appreciation potential.** A rating of NEUTRAL is assigned to ETFs with ALTAR Scores in the middle quintile (ranking between 40%-60%) of their category. This indicates that valuations adequately reflect the fundamentals of stocks in these funds. The majority of funds we cover fall into this category.

#### UNDERWEIGHT

**Below appreciation potential.** A rating of UNDERWEIGHT is assigned to ETFs with ALTAR Scores in the 2nd quintile (ranking higher than only 20%-40%) of their category. Typically, funds in this category consist of stocks trading at relatively expensive valuations and/or having below-average fundamentals.

#### AVOID

**Not worthwhile for most investors.** A rating of AVOID is assigned to ETFs with ALTAR Scores in the lowest quintile (the bottom 20%) of their category. Often, funds in this category consist of stocks with little if any history or expectation of profitability, and as a result our fundamentally-driven analysis may not be as relevant.

## ALTAR Score™

The ALTAR Score™, short for AltaVista Long Term Annual Return forecast, is our measure of an ETF's overall investment merit. For equity funds the formula is:

$$ROE_{avg} \div \frac{P}{BV} - fees$$

where  $ROE_{avg}$  is the average Return on Equity over the course of the business cycle, and  $P/BV$  is the price-to-book value multiple for the current forecast year ("FY1"). Finally, we subtract fund fees which diminish investor returns. Results are expressed as a percentage, with higher values better, all else being equal.

### Origins

The ALTAR Score relates overall profitability of stocks in a fund to their valuations, using the well-established relationship between Return on Equity and Price-to-Book Value multiples, itself a derivation of the Dividend Discount Model, one of the earliest and most basic approaches to equity valuation.

### What it means

The ALTAR Score provides an estimate of a kind of "internal rate of return" from the owner's perspective. The primary benefit of this approach is that it is forward looking--based on current fundamentals and valuation metrics--in contrast to most fund rating methodologies which focus on past share price returns.

### What it does not mean

It is not a price target or prediction about how the market will value the fund in the future. There is no time or momentum component to the ALTAR Score, and it is not meant as any sort of short-term indicator.

### Bottom line

The ALTAR Score can be used to compare funds based on investment merit, but it is not intended as a prediction of future performance. Investors should also consider the many other data points in each report to assess each fund's suitability. For more information visit [www.etfrc.com](http://www.etfrc.com).



For more information visit  
[www.etfrc.com](http://www.etfrc.com)

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## Section II: Fund Detail Pages

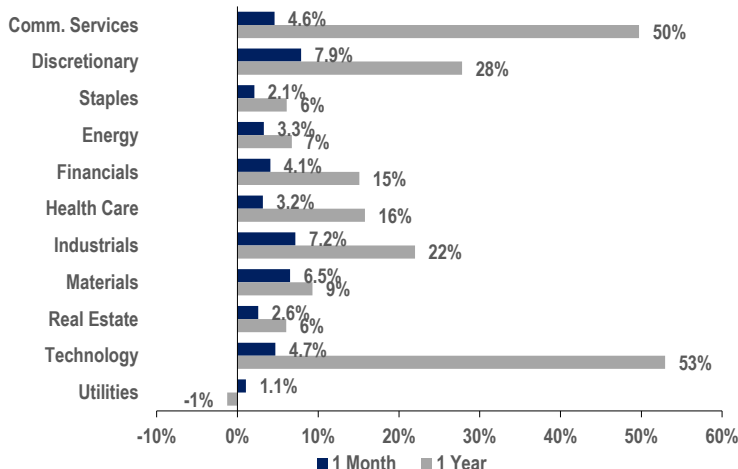
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# Section I

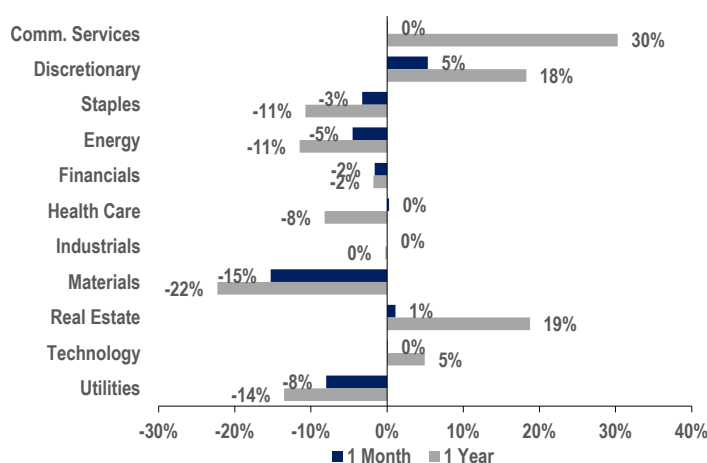
## Side-by-Side Sector SPDR Charts

# Market Activity & Breakdown

## Total Returns\* (Price)

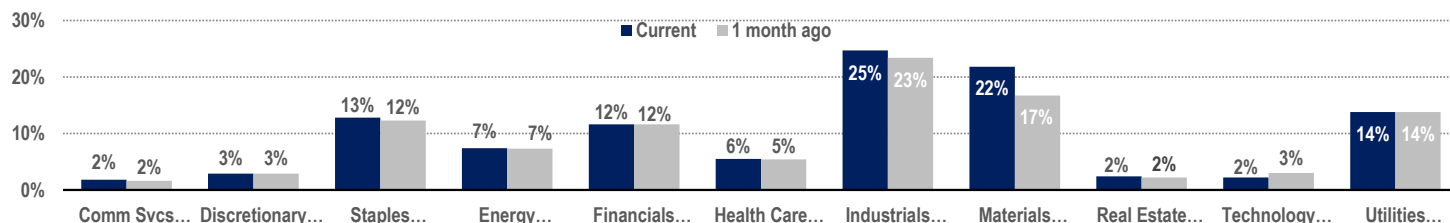


## Changes in Shares Outstanding

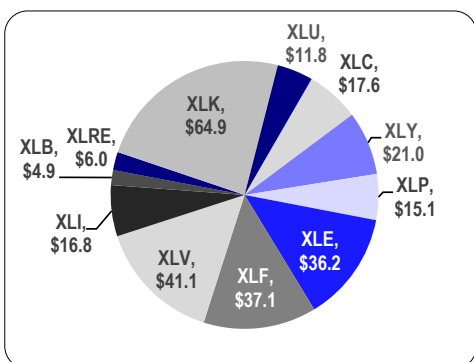


**\*NOTE:** The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Additional performance info current to most recent month-end at [www.sectorspdr.com/performance](http://www.sectorspdr.com/performance).

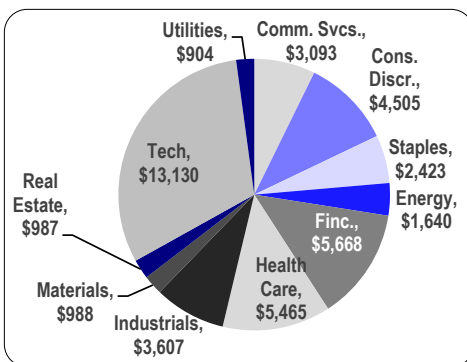
## Short Interest (as a percentage of total shares outstanding)



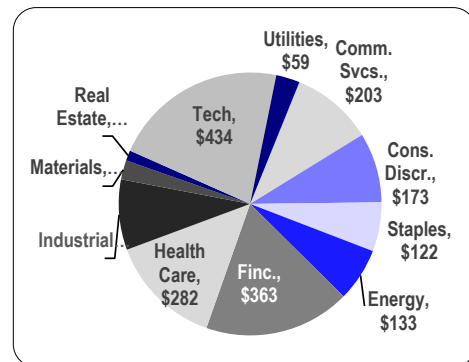
## Assets Under Management (\$bns)



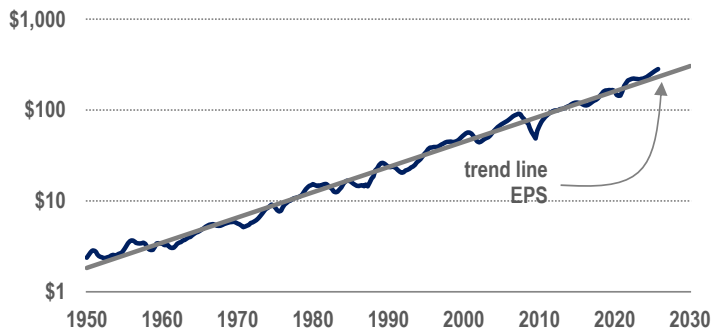
## S&P 500 Market Cap by Sector (\$bns)



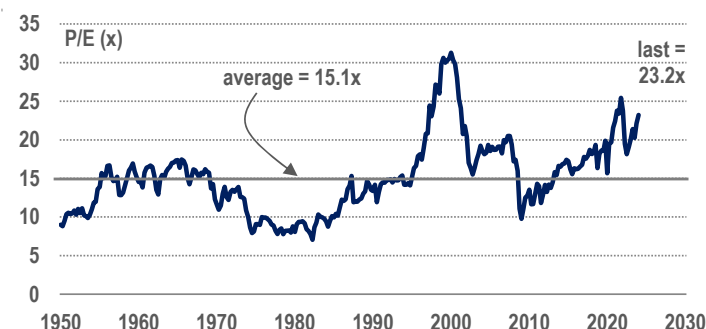
## S&P 500 2024E Profits by Sector (\$bns)



## S&P 500 Operating Earnings (4 qtrs. rolling, 1950-present)



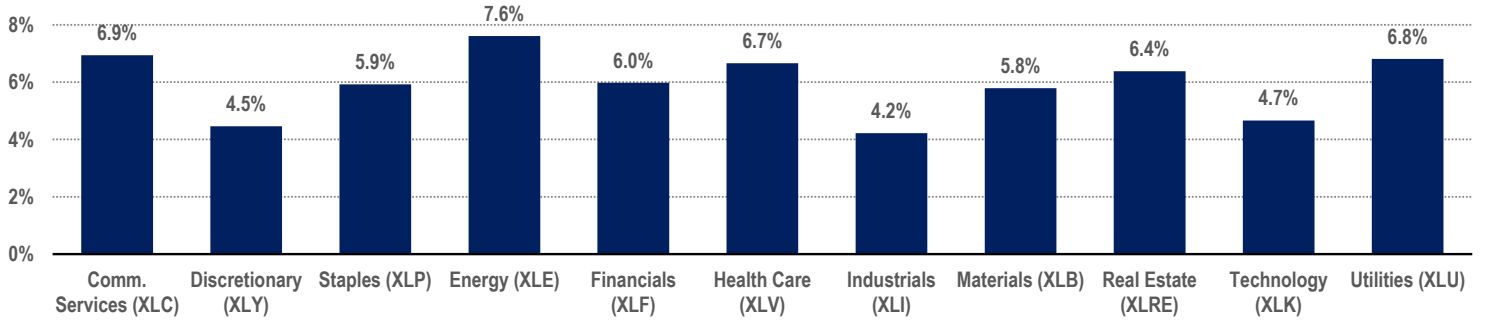
## S&P500 Forward P/E multiple on Trend-line EPS



# Select Sector SPDRs

This page provides a summary of valuation metrics for the Select Sector SPDRs and S&P 500 which may be considered when buying or selling these funds.

## ALTAR Score™



## Calculation of ALTAR Score™

	Avg. ROE (20-24E)	Div. by Fwd PBV	Less Exp.	equals ALTAR™
Comm. Services (XLC)	16.1%	2.3x	0.09%	6.9%
Discretionary (XLY)	27.6%	6.1x	0.09%	4.5%
Staples (XLP)	27.7%	4.6x	0.09%	5.9%
Energy (XLE)	14.8%	1.9x	0.09%	7.6%
Financials (XLF)	11.5%	1.9x	0.09%	6.0%
Health Care (XLV)	25.6%	3.8x	0.09%	6.7%
Industrials (XLI)	19.9%	4.6x	0.09%	4.2%
Materials (XLB)	15.8%	2.7x	0.09%	5.8%
Real Estate (XLRE)	15.6%	2.4x	0.09%	6.4%
Technology (XLK)	34.5%	7.3x	0.09%	4.7%
Utilities (XLU)	11.3%	1.6x	0.09%	6.8%

## Risk measures: Standard Deviation

	Prices (3yr Ann.)	Earnings Est. 2024-25E
Comm. Services (XLC)	21.5%	2.0%
Discretionary (XLY)	25.8%	2.8%
Staples (XLP)	14.8%	1.1%
Energy (XLE)	29.1%	5.0%
Financials (XLF)	20.7%	1.8%
Health Care (XLV)	15.0%	1.6%
Industrials (XLI)	20.5%	1.6%
Materials (XLB)	22.3%	3.1%
Real Estate (XLRE)	22.7%	3.8%
Technology (XLK)	23.6%	2.2%
Utilities (XLU)	18.2%	1.3%

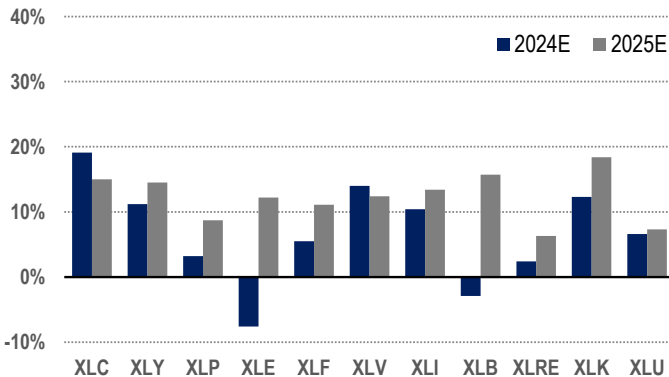
NOTE: The ALTAR Score™ is AltaVista's proprietary measure of an ETF's overall investment merit, based on academic work relating price-to-book value multiples to return on equity (Wilcox, Financial Analysts Journal, Jan-Feb 1984). In general, higher scores suggest better long term investment potential in AltaVista's opinion, but they are not forecasts of future returns. For more information go to [www.etfrc.com](http://www.etfrc.com).

## Valuation multiples (based on 2024 estimates)

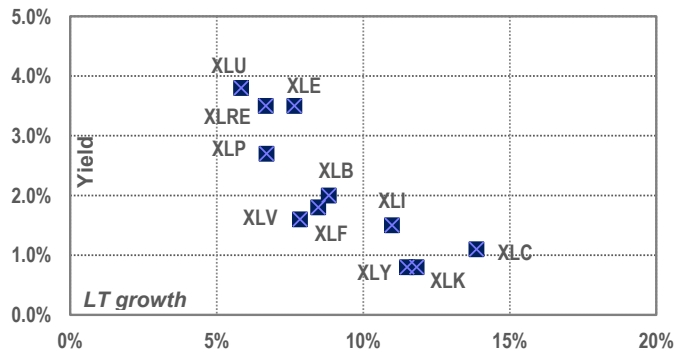
	Price	P/E	PEG	P/CF	P/Sales	P/BV	Yield*
Comm. Services (XLC)	\$80.02	16.1	1.2	9.6	2.1	2.3	1.1
Discretionary (XLY)	\$185.02	24.1	2.1	17.4	2.2	6.3	0.8
Staples (XLP)	\$74.46	19.9	3.0	16.8	1.5	4.7	2.7
Energy (XLE)	\$87.14	12.4	1.6	6.9	1.4	2.0	3.5
Financials (XLF)	\$40.29	15.6	1.8	21.7	3.1	1.9	1.8
Health Care (XLV)	\$146.34	19.4	2.5	18.3	1.8	3.9	1.6
Industrials (XLI)	\$121.52	21.3	1.9	17.3	2.3	4.7	1.5
Materials (XLB)	\$87.96	20.6	2.3	13.6	2.2	2.7	2.0
Real Estate (XLRE)	\$39.54	18.0	2.7	23.0	5.8	2.4	3.5
Technology (XLK)	\$210.76	29.8	2.5	28.0	7.2	7.5	0.8
Utilities (XLU)	\$61.72	15.4	2.6	7.9	2.0	1.7	3.8
<b>S&amp;P500</b>	<b>5,096.27</b>	<b>20.8</b>	<b>2.1</b>	<b>17.5</b>	<b>2.7</b>	<b>3.8</b>	<b>1.5</b>

\*Based on consensus dividend forecasts for underlying stocks. May differ from the distribution yield on

## Earnings per share growth



## Yield\* vs. long-term EPS growth of fund constituents



Note: All valuation metrics on this page calculated based on consensus estimates of current fund constituents, as collected by FactSet. Definitions of technical terms can be found on page 23 of this document.

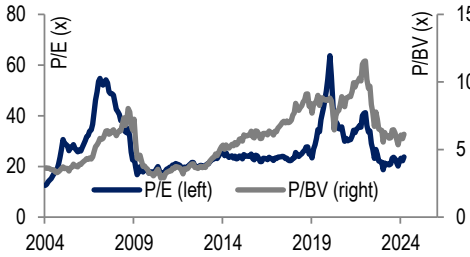


# Select Sector SPDRs

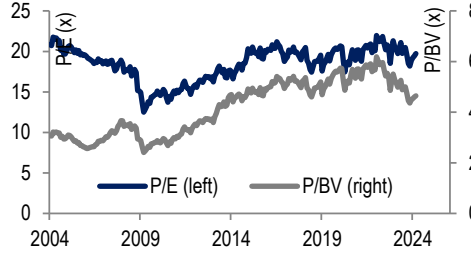
## Trends in P/E and P/BV multiples

This page contains monthly observations of historical price-to-earnings (P/E) and price-to-book value (P/BV) multiples based on rolling twelve-months' earnings and book value per share figures, respectively, for each Sector SPDR (maximum value of 100). It illustrates how these funds have traded in the past in relation to these two valuation metrics.

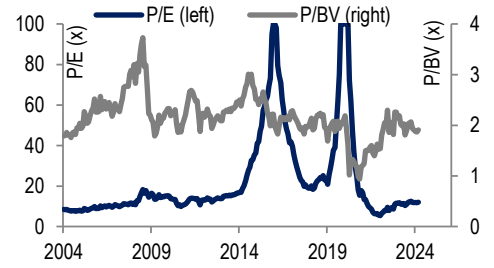
**Consumer Discretionary (XLY)**



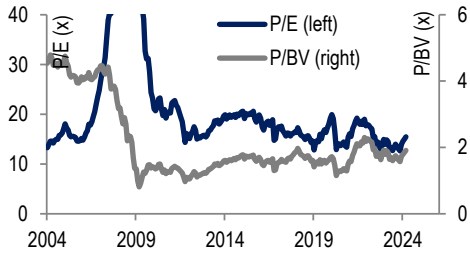
**Consumer Staples (XLP)**



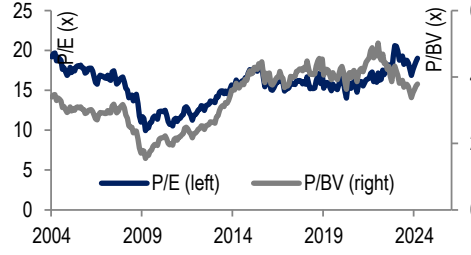
**Energy (XLE)**



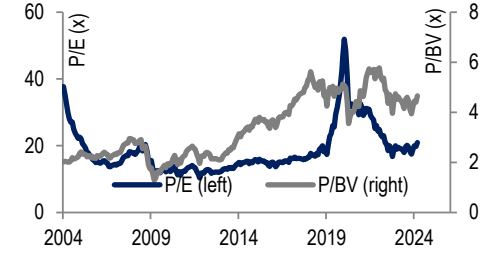
**Financials (XLF)**



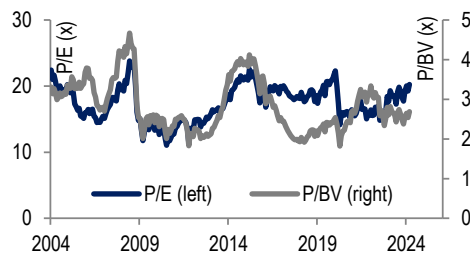
**Health Care (XLV)**



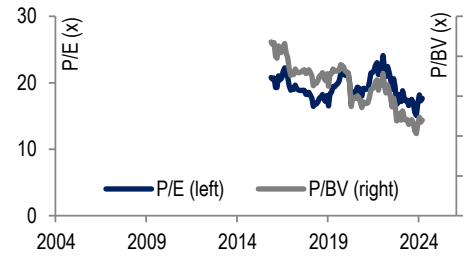
**Industrials (XLI)**



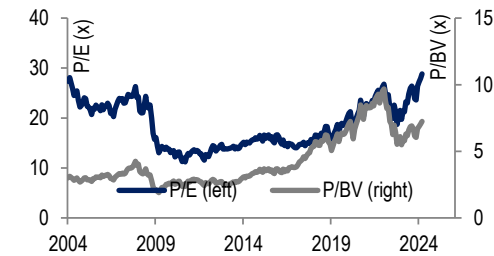
**Materials (XLB)**



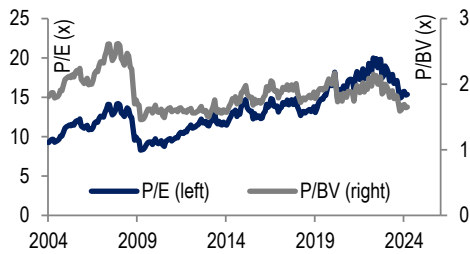
**Real Estate (XLRE)**



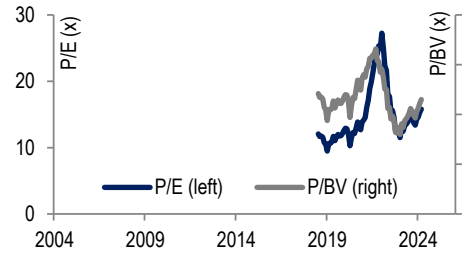
**Technology (XLK)**



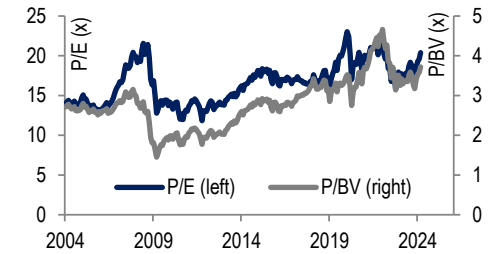
**Utilities (XLU)**



**Communication Services (XLC)**



**S&P 500 (SPY, IVV & VOO)**



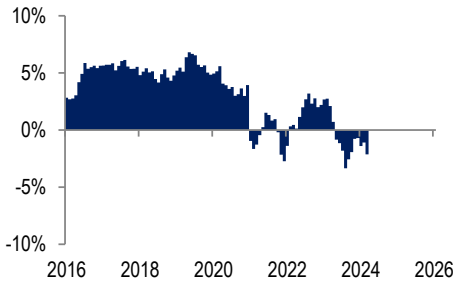
# Select Sector SPDRs

## Trends in Analysts Consensus Ratings

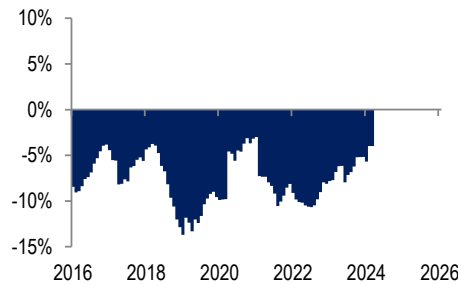
This page contains historical analysts' consensus ratings on each index's underlying constituents, relative to their ratings for the constituents of the S&P 500 overall. A reading of 5% means analysts are five percent more bullish on stocks in the sector than the market overall; a reading of negative 5% means they are five percent more bearish.

Given the prevalence of Buy ratings among analysts for all stocks, the trend and relative ratings may be more important than the rating *level* in gauging analysts' true sentiment regarding the stocks in each index. Investors may consider this along with other data and information when buying or selling any security tracking these indices.

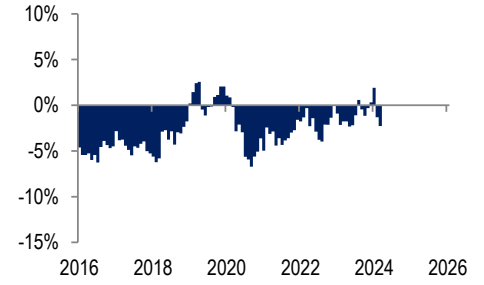
**Consumer Discretionary (XLY)**



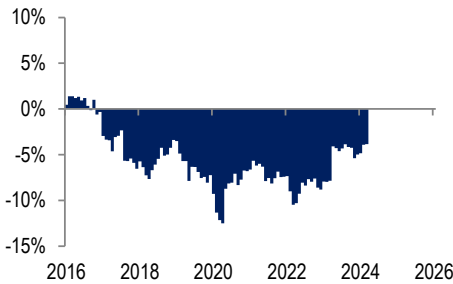
**Consumer Staples (XLP)**



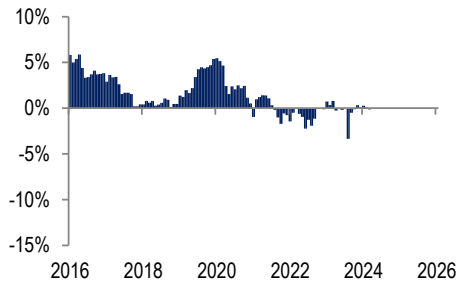
**Energy (XLE)**



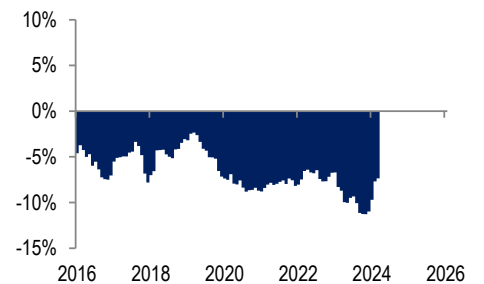
**Financials (XLF)**



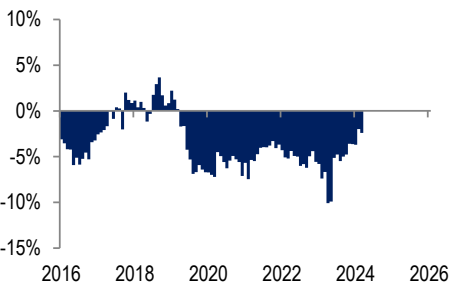
**Health Care (XLV)**



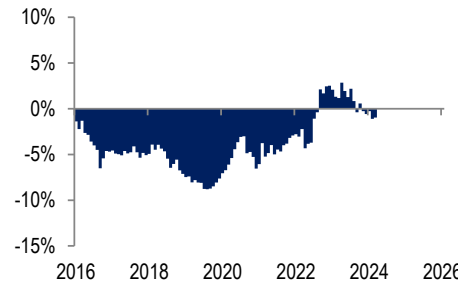
**Industrials (XLI)**



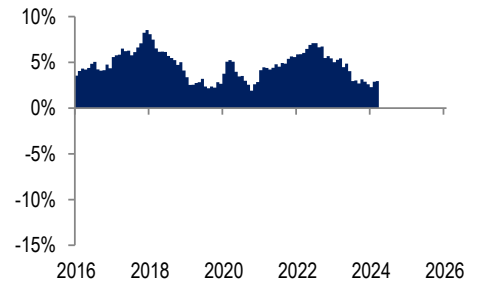
**Materials (XLB)**



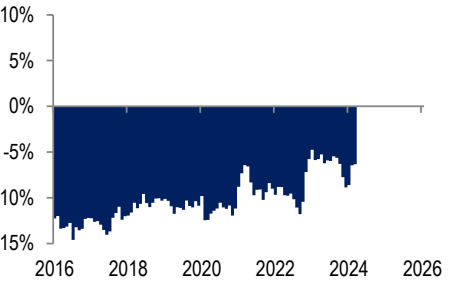
**Real Estate (XLRE)**



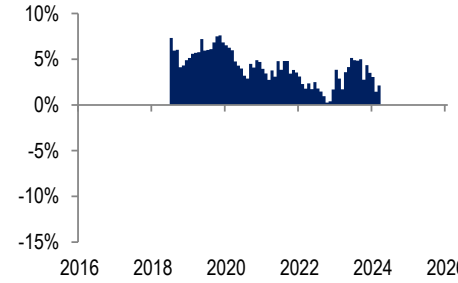
**Technology (XLK)**



**Utilities (XLU)**



**Comm. Services (XLC)**



# Section II

## Fund Detail Pages

# Communication Services Select Sector SPDR Fund

XLC

\$80.02

## Trading History



**NOTES:** The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Additional performance info current to most recent month-end at [www.sectorspdr.com/performance](http://www.sectorspdr.com/performance).

## Fund basics

AltaVista Category US Equities  
 Fund sponsor SSGA  
 Inception date June 18, 2018  
 Fund assets (mns) \$17,604  
 Avg. daily volume (000) 6,735  
 Expense ratio (bp) 9  
 Distributions Quarterly  
 Options availability YES

## Total returns (price)\*

One year 49.7%  
 Five year n/a  
 Ten year n/a  
 Since inception n/a

\*as of 02/29/24. See Notes.

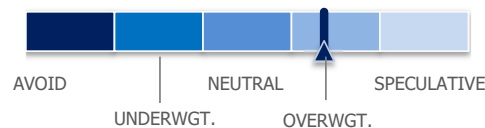
## Trading statistics

Beta vs. S&P 500 1.03  
 Standard deviation 21.5%

## AltaVista Recommendation

### OVERWEIGHT

Above average appreciation potential. A rating of OVERWEIGHT is assigned to ETFs with ALTAR Scores in the 4th quintile (ranking higher than 60%-80%) of their category. Typically, funds in this category consist of stocks trading at attractive valuations and/or having above-average fundamentals.



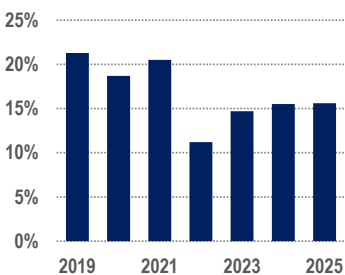
## ALTAR Scores™

S&P 500 5.1%  
 XLC 6.9%  
 Cat. Avg. 5.7%

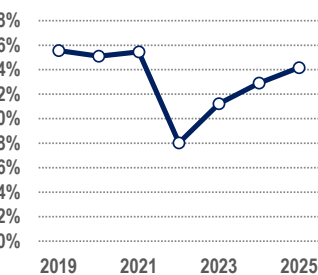
## Per share results & estimates

	2019	2020	2021	2022	2023	2024E	2025E	19-24E CAGR
Sales	27.97	27.45	30.82	35.52	37.11	38.43	40.28	6.6%
Earnings	4.35	4.15	4.76	2.85	4.16	4.96	5.71	2.7%
Book Value	21.92	22.39	24.10	26.66	30.05	34.17	39.00	9.3%
Dividends	0.98	0.97	0.86	0.83	0.78	0.84	0.88	n/m
Sales growth		-1.9%	12.3%	15.2%	4.5%	3.6%	4.8%	
EPS growth		-4.7%	14.9%	-40.2%	46.2%	19.1%	15.0%	

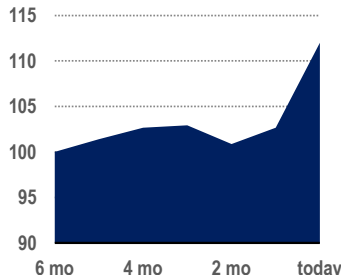
## Return on Equity



## Net margins



## Trend in Current FY Est.



## Analyst's opinion

Earnings forecasts surged over the past month (Trend graph) following a blowout earnings report from META, which is now 30% of the fund. But despite the earnings leverage stocks in the sector still trade at reasonable valuations versus the market overall, especially Tech. With the fastest long-term growth forecast of any sector, XLC trades at a price-to-growth ("PEG") ratio of 1.2x, compared with 2.1x for the S&P 500 and 2.5x for Technology.

## Valuation metrics

	2024E	2025E
Price-to-Earnings	16.1	14.0
Price-to-Cash Flow	9.6	8.6
Price-to-Sales	2.1	2.0
Price-to-Book Value	2.3	2.1
Yield* (%)	1.1	1.1

\*Based on consensus dividend forecasts for underlying stocks. May differ significantly from distribution yield on the ETF.

## Historical P/E ratio\*



## Other fundamental data

LT growth est. 13.9%  
 Payout ratio 16.9%  
 Debt-to-equity 1.2x

## Top 10 Holdings

META PLATFORMS INC	30.0%
ALPHABET INC. CLASS A	11.3%
ALPHABET INC. CLASS C	9.6%
NETFLIX INC	5.3%
WALT DISNEY CO/THE	4.8%
VERIZON COMMUNICATIONS INC	4.2%
T-MOBILE US, INC.	4.2%
COMCAST CORP-CL A	4.1%
ELECTRONIC ARTS INC	4.0%
AT&T INC	4.0%
<b>TOTAL</b>	<b>81.3%</b>

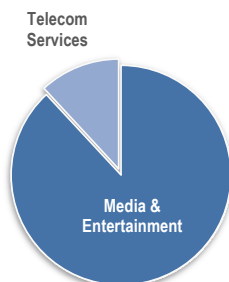
## Description

The Communication Services Select Sector SPDR Fund tracks a market-cap-weighted index of US telecommunication and media & entertainment components of the S&P 500 index.

## Industry Breakdown

## Constituent allocation

No. of constituents	22
Weighted avg mkt cap (mns)	\$668,338
Large cap (>\$10bn)	99.3%
Mid cap (\$2-10bn)	0.7%
Small cap (<\$2bn)	0.0%



For more information visit [www.etfrc.com](http://www.etfrc.com)

# Consumer Discretionary Select Sector SPDR Fund

XLY

\$185.02

## Trading History



**NOTES:** The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Additional performance info current to most recent month-end at [www.sectorspdr.com/performance](http://www.sectorspdr.com/performance).

## Fund basics

AltaVista Category US Equities  
 Fund sponsor State Street Global Advisors  
 Inception date December 16, 1998  
 Fund assets (mns) \$20,954  
 Avg. daily volume (000) 4,850  
 Expense ratio 0.09%  
 Distributions Quarterly  
 Options availability YES

## Total returns (price)\*

One year 27.8%  
 Five year 11.9%  
 Ten year 12.0%  
 Since inception 9.5%

\*as of 02/29/24. See Notes.

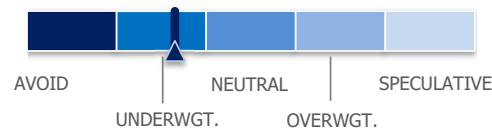
## Trading statistics

Beta vs. S&P 500 1.29  
 Standard deviation 25.8%

## AltaVista Recommendation

### UNDERWEIGHT

Below average appreciation potential. A rating of UNDERWEIGHT is assigned to ETFs with ALTAR Scores in the 2nd quintile (ranking higher than only 20%-40%) of their category. Typically, funds in this category consist of stocks trading at relatively expensive valuations and/or having below-average fundamentals.



## ALTAR Scores™

S&P 500 5.1%  
**XLY 4.5%**  
 Cat. Avg. 5.7%

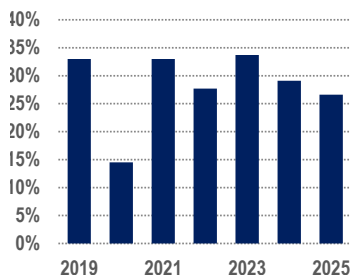
## Per share results & estimates

	2019	2020	2021	2022	2023	2024E	2025E	19-24E CAGR
Sales	56.70	53.69	62.32	72.63	78.93	82.42	87.99	7.8%
Earnings	4.23	1.97	5.34	4.96	6.91	7.68	8.79	12.7%
Book Value	12.87	14.23	18.16	17.70	23.24	29.45	36.68	18.0%
Dividends	1.36	0.93	0.97	1.24	1.38	1.47	1.57	1.6%
Sales growth		-5.3%	16.1%	16.5%	8.7%	4.4%	6.8%	
EPS growth		-53.5%	171.3%	-7.1%	39.3%	11.2%	14.5%	

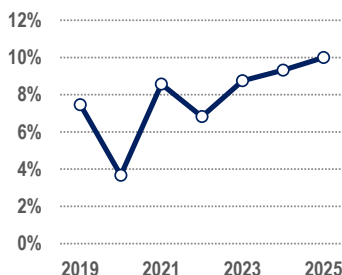
## Analyst's opinion

Revenue growth is forecast to slow this year as some froth comes out of consumer spending, but higher margins--which seem optimistic to us--are forecast to keep earnings growing at double-digits both this year and next. In any event, at 24x forecast earnings valuations appear rich--higher than all other sectors except Tech--resulting in our Underweight recommendation. Sell-side sentiment as also a bit softer here than for the market overall.

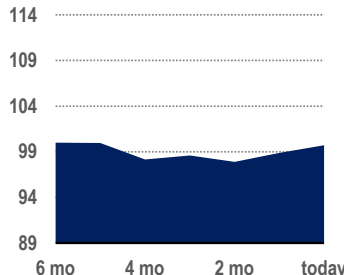
## Return on Equity



## Net margins



## Trend in Current FY Est.



## Valuation metrics

	2024E	2025E
Price-to-Earnings	24.1	21.0
Price-to-Cash Flow	17.4	15.5
Price-to-Sales	2.2	2.1
Price-to-Book Value	6.3	5.0
Yield* (%)	0.8	0.9

\*Based on consensus dividend forecasts for underlying stocks. May differ significantly from distribution yield on the ETF.

## Historical P/E ratio\*



## Other fundamental data

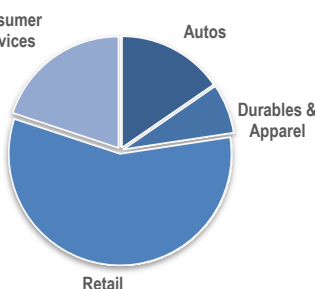
LT EPS growth est. 11.5%  
 Payout ratio 19.2%  
 Debt-to-equity 2.3x

## Top 10 Holdings

AMAZON.COM INC	25.8%
TESLA MOTORS INC	14.1%
HOME DEPOT INC	4.8%
MCDONALD'S CORP	4.3%
LOWE'S COS INC	3.9%
NIKE INC -CL B	3.6%
BOOKING HOLDINGS INC.	3.4%
STARBUCKS CORP	3.1%
CHIPOTLE MEXICAN GRILL-CL A	2.1%
<b>TOTAL</b>	<b>68.4%</b>

## Description

Select Sector SPDR® holding S&P 500 stocks in the Consumer Discretionary sector. Component industries include Autos & Components; Durables & Apparel; Consumer Services and Retailing. The fund seeks investment results that, before expenses, generally correspond to the price and yield performance of the benchmark index.



## Constituent allocation

No. of constituents	53
Weighted avg mkt cap (mns)	\$640,734
Large cap (>\$10bn)	98.6%
Mid cap (\$2-10bn)	1.4%
Small cap (<\$2bn)	0.0%



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# Consumer Staples Select Sector SPDR Fund

XLP

\$74.46

## Trading History



**NOTES:** The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Additional performance info current to most recent month-end at [www.sectorspdr.com/performance](http://www.sectorspdr.com/performance).

## Fund basics

AltaVista Category	US Equities
Fund sponsor	State Street Global Advisors
Inception date	December 16, 1998
Fund assets (mns)	\$15,128
Avg. daily volume (000)	14,173
Expense ratio (bp)	9
Distributions	Quarterly
Options availability	YES

## Total returns (price)\*

One year	6.1%
Five year	9.3%
Ten year	8.6%
Since inception	6.7%

\*as of 02/29/24. See Notes.

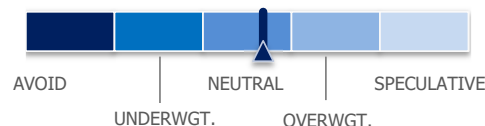
## Trading statistics

Beta vs. S&P 500	0.58
Standard deviation	14.8%

## AltaVista Recommendation

### NEUTRAL

Average appreciation potential. A rating of NEUTRAL is assigned to ETFs with ALTAR Scores in the middle quintile (ranking between 40%-60%) of their category. This indicates that valuations adequately reflect the fundamentals of stocks in these funds.



	<b>ALTAR Scores™</b>	
S&P 500	<b>XLP</b>	Cat. Avg.
5.1%	5.9%	5.7%

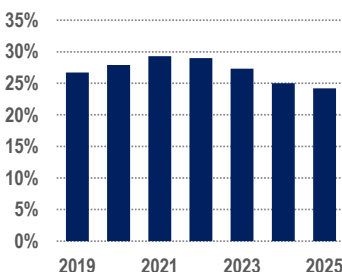
## Analyst's opinion

Analysts forecast earnings growth of about 3% this year despite flat revenue projections, with growth reaccelerating next year as companies find a little margin relief. In any event the sector's P/E multiple has traded in rather tight range for the past 8+ years (chart below), resulting in a rating ahead of the richly-valued S&P 500 though still in Neutral territory. Meanwhile sell-side sentiment has been improving though Staples still rate below average (see Sentiment page).

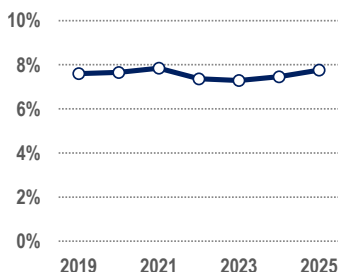
## Per share results & estimates

	2019	2020	2021	2022	2023	2024E	2025E	19-24E CAGR
Sales	37.99	39.79	42.60	47.68	49.83	50.24	52.52	5.7%
Earnings	2.89	3.05	3.34	3.51	3.63	3.75	4.07	5.4%
Book Value	10.83	10.96	11.80	12.45	14.15	15.85	17.78	7.9%
Dividends	1.57	1.61	1.69	1.86	1.93	2.04	2.14	5.5%
Sales growth		4.7%	7.0%	11.9%	4.5%	0.8%	4.5%	
EPS growth		5.5%	9.7%	5.1%	3.5%	3.2%	8.7%	

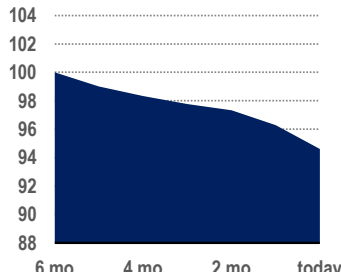
## Return on Equity



## Net margins



## Trend in Current FY Est.



## Valuation metrics

	2024E	2025E
Price-to-Earnings	19.9	18.3
Price-to-Cash Flow	16.8	15.5
Price-to-Sales	1.5	1.4
Price-to-Book Value	4.7	4.2
Yield* (%)	2.7	2.9

\*Based on consensus dividend forecasts for underlying stocks. *Ma differ significantly from distribution yield on the ETF.*

## Historical P/E ratio\*



\*based on twelve months' forward EPS (max value of 100)

## Other fundamental data

LT growth est.	6.7%
Payout ratio	54.6%
Debt-to-equity	1.2x

## Top 10 Holdings

PROCTER & GAMBLE CO/THE	14.7%
COSTCO WHOLESALE CORP	12.9%
COCA-COLA CO/THE	9.2%
PEPSICO INC	8.9%
WAL-MART STORES INC	4.9%
MONDELEZ INTERNATIONAL INC-A	4.3%
PHILIP MORRIS INTERNATIONAL	4.2%
ALTRIA GROUP INC	3.3%
COLGATE-PALMOLIVE CO	3.2%
TARGET CORP	3.2%
<b>TOTAL</b>	<b>68.8%</b>

## Description

Select Sector SPDR® holding S&P 500 stocks in the Consumer Staples sector. Component industries include Food & Staples Retailing, Food, Beverage & Tobacco producers, and Household and Personal Products companies. The fund seeks investment results that, before expenses, generally correspond to the price and yield performance of the benchmark index.

## Industry Breakdown



## Constituent allocation

No. of constituents	38
Weighted avg mkt cap (mns)	\$198,342
Large cap (>\$10bn)	100.0%
Mid cap (\$2-10bn)	0.0%
Small cap (<\$2bn)	0.0%



For more information visit [www.etfrc.com](http://www.etfrc.com)

# Energy Select Sector SPDR Fund

XLE

\$87.14

## Trading History



**NOTES:** The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Additional performance info current to most recent month-end at [www.sectorspdr.com/performance](http://www.sectorspdr.com/performance).

## Fund basics

AltaVista Category	US Equities
Fund sponsor	State Street Global Advisors
Inception date	December 16, 1998
Fund assets (mns)	\$36,200
Avg. daily volume (000)	15,773
Expense ratio (bp)	9
Distributions	Quarterly
Options availability	YES

## Total returns (price)\*

One year	6.7%
Five year	11.0%
Ten year	3.7%
Since inception	8.0%

\*as of 02/29/24. See Notes.

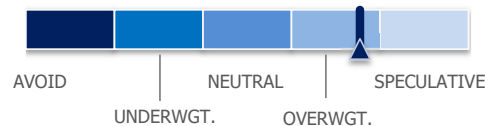
## Trading statistics

Beta vs. S&P 500	0.63
Standard deviation	29.1%

## AltaVista Recommendation

### OVERWEIGHT

Above average appreciation potential. A rating of OVERWEIGHT is assigned to ETFs with ALTAR Scores in the 4th quintile (ranking higher than 60%-80%) of their category. Typically, funds in this category consist of stocks trading at attractive valuations and/or having above-average fundamentals.



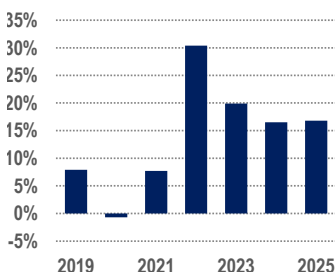
## ALTAR Scores™

S&P 500	XLE	Cat. Avg.
5.1%	7.6%	5.7%

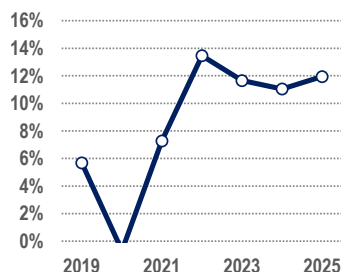
## Per share results & estimates

	2019	2020	2021	2022	2023	2024E	2025E	19-24E CAGR
Sales	48.22	31.91	31.21	76.25	65.41	63.74	66.15	5.7%
Earnings	2.74	-0.22	2.27	10.26	7.62	7.04	7.90	20.8%
Book Value	34.03	27.38	31.37	36.06	40.66	44.68	49.45	5.6%
Dividends	2.27	2.21	1.14	2.90	3.02	3.02	3.13	5.9%
Sales growth		-33.8%	-2.2%	144.3%	-14.2%	-2.6%	3.8%	
EPS growth		-108.0%	-113.7%	352.2%	-25.7%	-7.6%	12.2%	

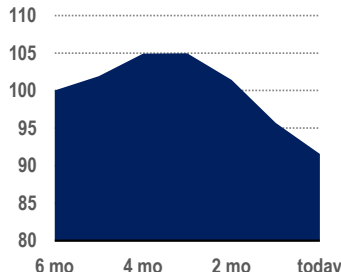
## Return on Equity



## Net margins



## Trend in Current FY Est.



## Analyst's opinion

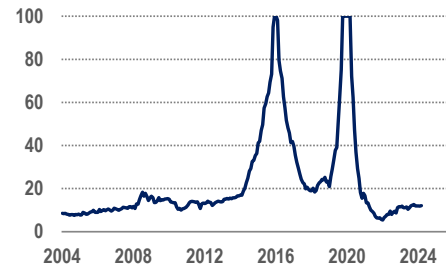
Oil prices remain volatile as war in the Middle East threatens supply disruptions, while softening demand weighs on prices in the other direction. Meanwhile consensus earnings estimates for 2024-25 show little conviction one way or the other. Regardless, years of underinvestment and recent blockbuster acquisition announcements to secure reserves suggests that the market will be undersupplied longer term. Given reasonable valuations we rate the Energy sector Overweight.

## Valuation metrics

	2024E	2025E
Price-to-Earnings	12.4	11.0
Price-to-Cash Flow	6.9	6.6
Price-to-Sales	1.4	1.3
Price-to-Book Value	2.0	1.8
Yield* (%)	3.5	3.6

\*Based on consensus dividend forecasts for underlying stocks. May differ significantly from distribution yield on the ETF.

## Historical P/E ratio\*



\*based on twelve months' forward EPS (max value of 100)

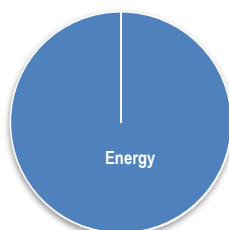
## Top 10 Holdings

EXXON MOBIL CORP	22.9%
CHEVRON CORP	17.4%
CONOCOPHILLIPS	8.7%
EOG RESOURCES, INC.	4.4%
MARATHON PETROLEUM	4.2%
SCHLUMBERGER LTD	4.2%
PHILLIPS 66	4.1%
PIONEER NATURAL RESOURCES CO	3.6%
VALERO ENERGY CORP	3.2%
ONEOK INC	2.9%
<b>TOTAL</b>	<b>75.7%</b>

## Description

Select Sector SPDR® holding S&P 500 stocks in the Energy sector. The fund seeks investment results that, before expenses, generally correspond to the price and yield performance of the benchmark index.

## Industry Breakdown



## Constituent allocation

No. of constituents	23
Weighted avg mkt cap (mns)	\$193,137
Large cap (>\$10bn)	100.0%
Mid cap (\$2-10bn)	0.0%
Small cap (<\$2bn)	0.0%

## Other fundamental data

LT growth est.	7.7%
Payout ratio	42.9%
Debt-to-equity	0.5x



For more information visit [www.etfrc.com](http://www.etfrc.com)

# Financial Select Sector SPDR Fund

XLF

\$40.29

## Trading History



**NOTES:** The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Additional performance info current to most recent month-end at [www.sectorspdr.com/performance](http://www.sectorspdr.com/performance).

## Fund basics

AltaVista Category US Equities  
 Fund sponsor State Street Global Advisors  
 Inception date December 16, 1998  
 Fund assets (mns) \$37,129  
 Avg. daily volume (000) 45,584  
 Expense ratio (bp) 9  
 Distributions Quarterly  
 Options availability YES

## Total returns (price)\*

One year 15.1%  
 Five year 11.0%  
 Ten year 13.2%  
 Since inception 6.4%  
*\*as of 02/29/24. See Notes.*

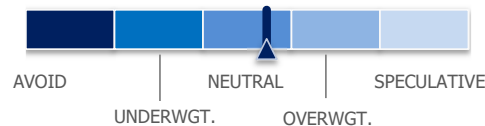
## Trading statistics

Beta vs. S&P 500 0.96  
 Standard deviation 20.7%

## AltaVista Recommendation

**NEUTRAL**

Average appreciation potential. A rating of NEUTRAL is assigned to ETFs with ALTAR Scores in the middle quintile (ranking between 40%-60%) of their category. This indicates that valuations adequately reflect the fundamentals of stocks in these funds.

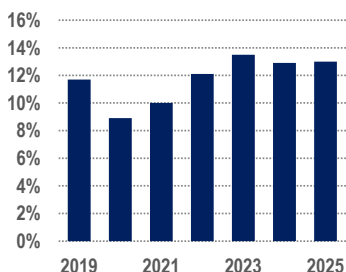


**ALTAR Scores™**  
 S&P 500 5.1%  
 XLF 6.0%  
 Cat. Avg. 5.7%

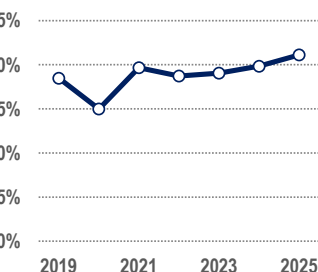
## Per share results & estimates

	2019	2020	2021	2022	2023	2024E	2025E	19-24E CAGR
Sales	10.05	10.29	9.33	11.62	12.86	13.02	13.59	5.3%
Earnings	1.86	1.54	1.83	2.18	2.45	2.58	2.87	6.8%
Book Value	16.87	17.95	18.58	17.29	19.09	20.96	23.07	4.4%
Dividends	0.52	0.52	0.39	0.62	0.66	0.72	0.77	6.8%
Sales growth		2.5%	-9.4%	24.6%	10.6%	1.3%	4.4%	
EPS growth		-16.9%	18.9%	18.6%	12.6%	5.5%	11.1%	

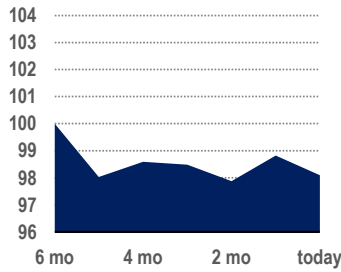
## Return on Equity



## Net margins



## Trend in Current FY Est.



## Analyst's opinion

Analysts forecast just ~6% earnings growth for 2024 as the Fed's tightening cycle likely comes to an end but the timing of rate cuts--if any--remains far from certain. Meanwhile estimates for 2025 see a return to double-digit growth. Valuations remain well within their long-term range excluding the GFC (P/E History chart). We rank Financials somewhat ahead of the S&P 500 though still in Neutral territory; however sell-side sentiment remains below average (see Sentiment page).

## Valuation metrics

	2024E	2025E
Price-to-Earnings	15.6	14.0
Price-to-Cash Flow	21.7	19.6
Price-to-Sales	3.1	3.0
Price-to-Book Value	1.9	1.8
Yield* (%)	1.8	1.9

\*Based on consensus dividend forecasts for underlying stocks. May differ significantly from distribution yield on the ETF.

## Historical P/E ratio\*



\*based on twelve months' forward EPS (max value of 100)

## Top 10 Holdings

BERKSHIRE HATHAWAY INC-CL B	13.4%
JPMORGAN CHASE & CO	9.7%
VISA INC. CLASS A	8.1%
MASTERCARD INCORPORATED CLASS	7.1%
BANK OF AMERICA CORP	4.3%
WELLS FARGO & CO	3.6%
S&P GLOBAL, INC.	2.5%
GOLDMAN SACHS GROUP INC	2.3%
AMERICAN EXPRESS CO	2.3%
BLACKROCK INC	2.0%
<b>TOTAL</b>	<b>55.2%</b>

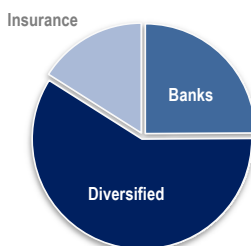
## Constituent allocation

No. of constituents	72
Weighted avg mkt cap (mns)	\$322,690
Large cap (>\$10bn)	99.5%
Mid cap (\$2-10bn)	0.5%
Small cap (<\$2bn)	0.0%

## Description

Select Sector SPDR® holding S&P 500 stocks in the Financial sector. Component industries include diversified financial services, insurance, banks, capital markets, consumer finance, thrifts and mortgage finance, and mortgage REITs. The fund seeks investment results that, before expenses, generally correspond to the price and yield performance of the benchmark index.

## Industry Breakdown



## Other fundamental data

LT growth est.	8.5%
Payout ratio	27.8%
Debt-to-equity	1.4x



For more information visit [www.etfrc.com](http://www.etfrc.com)

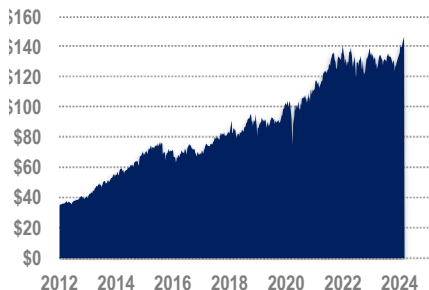


# Health Care Select Sector SPDR Fund

XLV

\$146.34

## Trading History



**NOTES:** The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Additional performance info current to most recent month-end at [www.sectorspdr.com/performance](http://www.sectorspdr.com/performance).

## Fund basics

AltaVista Category	US Equities
Fund sponsor	State Street Global Advisors
Inception date	December 16, 1998
Fund assets (mns)	\$41,065
Avg. daily volume (000)	8,652
Expense ratio (bp)	9
Distributions	Quarterly
Options availability	YES

## Total returns (price)\*

One year	15.8%
Five year	11.5%
Ten year	11.1%
Since inception	8.8%

\*as of 02/29/24. See Notes.

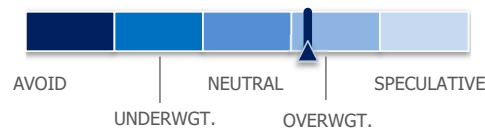
## Trading statistics

Beta vs. S&P 500	0.67
Standard deviation	15.0%

## AltaVista Recommendation

### OVERWEIGHT

Above average appreciation potential. A rating of OVERWEIGHT is assigned to ETFs with ALTAR Scores in the 4th quintile (ranking higher than 60%-80%) of their category. Typically, funds in this category consist of stocks trading at attractive valuations and/or having above-average fundamentals.



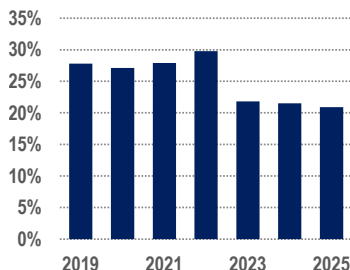
### ALTAR Scores™

S&P 500	XLV	Cat. Avg.
5.1%	6.7%	5.7%

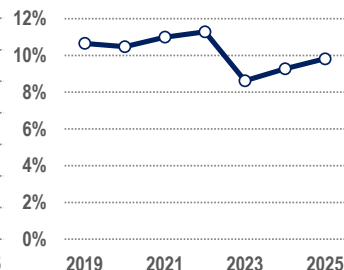
## Per share results & estimates

	2019	2020	2021	2022	2023	2024E	2025E	19-24E CAGR
Sales	53.18	57.95	64.11	72.69	76.75	81.30	86.34	8.9%
Earnings	5.67	6.07	7.05	8.21	6.62	7.54	8.48	5.9%
Book Value	21.29	23.58	26.89	28.09	32.51	37.67	43.63	12.1%
Dividends	1.62	1.76	1.81	2.13	2.19	2.38	2.52	8.0%
Sales growth		9.0%	10.6%	13.4%	5.6%	5.9%	6.2%	
EPS growth		7.1%	16.1%	16.4%	-19.4%	14.0%	12.4%	

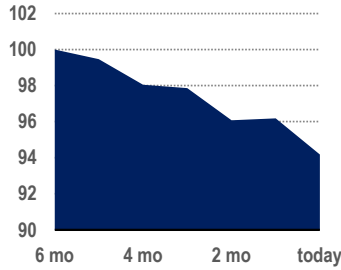
## Return on Equity



## Net margins



## Trend in Current FY Est.



## Analyst's opinion

Profits are forecast to rebound this year and add another 12% in 2025, when they are finally expected to surpass the vaccine-related peak of 2022. Health care stocks appear relatively attractive versus a richly-valued S&P 500--earning an Overweight recommendation--any may be breaking out of the rather tight P/E range that has prevailed since 2015 (chart below) . That said, Medicare drug-price negotiation could pose a threat to long term growth and profitability.

## Valuation metrics

	2024E	2025E
Price-to-Earnings	19.4	17.3
Price-to-Cash Flow	18.3	16.2
Price-to-Sales	1.8	1.7
Price-to-Book Value	3.9	3.4
Yield* (%)	1.6	1.7

\*Based on consensus dividend forecasts for underlying stocks. May differ significantly from distribution yield on the ETF.

## Historical P/E ratio\*



\*based on twelve months' forward EPS (max value of 100)

## Other fundamental data

LT growth est.	7.8%
Payout ratio	31.5%
Debt-to-equity	0.8x

## Top 10 Holdings

ELI LILLY & CO	11.2%
UNITEDHEALTH GROUP INC	8.5%
JOHNSON & JOHNSON	7.2%
MERCK & CO. INC.	6.0%
ABBVIE INC	5.8%
THERMO FISHER SCIENTIFIC INC	4.1%
ABBOTT LABORATORIES	3.8%
DANAHER CORP	3.1%
PFIZER INC	2.8%
AMGEN INC	2.7%
<b>TOTAL</b>	<b>55.3%</b>

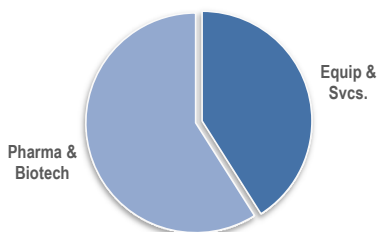
## Description

Select Sector SPDR® holding S&P 500 stocks in the Health Care sector. Component industries include Health Care Equipment & Services; and Pharmaceutical & Biotechnology. The fund seeks investment results that, before expenses, generally correspond to the price and yield performance of the benchmark index.

## Industry Breakdown

## Constituent allocation

No. of constituents	64
Weighted avg mkt cap (mns)	\$256,319
Large cap (>\$10bn)	99.3%
Mid cap (\$2-10bn)	0.7%
Small cap (<\$2bn)	0.0%



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# Industrial Select Sector SPDR Fund

XLI

\$121.52

## Trading History



**NOTES:** The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Additional performance info current to most recent month-end at [www.sectorspdr.com/performance](http://www.sectorspdr.com/performance).

## Fund basics

AltaVista Category	US Equities
Fund sponsor	State Street Global Advisors
Inception date	December 16, 1998
Fund assets (mns)	\$16,791
Avg. daily volume (000)	9,462
Expense ratio (bp)	9
Distributions	Quarterly
Options availability	YES

## Total returns (price)\*

One year	22.0%
Five year	11.6%
Ten year	10.9%
Since inception	8.8%

\*as of 02/29/24. See Notes.

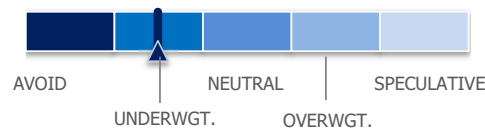
## Trading statistics

Beta vs. S&P 500	1.06
Standard deviation	20.5%

## AltaVista Recommendation

### UNDERWEIGHT

Below average appreciation potential. A rating of UNDERWEIGHT is assigned to ETFs with ALTAR Scores in the 2nd quintile (ranking higher than only 20%-40%) of their category. Typically, funds in this category consist of stocks trading at relatively expensive valuations and/or having below-average fundamentals.



## ALTAR Scores™

S&P 500	XLI	Cat. Avg.
5.1%	4.2%	5.7%

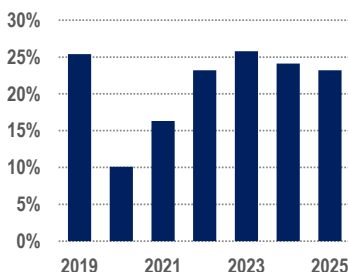
## Analyst's opinion

The margin expansion baked into estimates for 2024-25 seem optimistic to us given a slowing global economy, especially in China, while post-GFC P/E multiples remain rich (excluding the Covid spike due to the dramatic earnings collapse in 2020), resulting in our Underweight recommendation. Sentiment among sell-side analysts continues to be rather pessimistic as well.

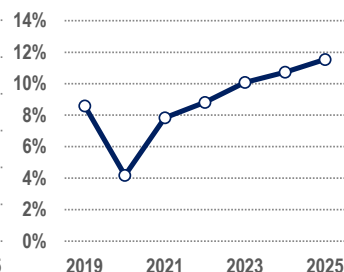
## Per share results & estimates

	2019	2020	2021	2022	2023	2024E	2025E	19-24E CAGR
Sales	43.23	37.55	35.67	48.24	51.35	53.25	56.12	4.3%
Earnings	3.71	1.57	2.79	4.25	5.17	5.71	6.48	9.0%
Book Value	15.16	16.07	18.31	18.32	21.75	25.62	30.12	11.1%
Dividends	1.48	1.37	1.08	1.64	1.74	1.84	1.98	4.5%
Sales growth		-13.1%	-5.0%	35.2%	6.5%	3.7%	5.4%	
EPS growth		-57.7%	78.0%	52.2%	21.7%	10.4%	13.4%	

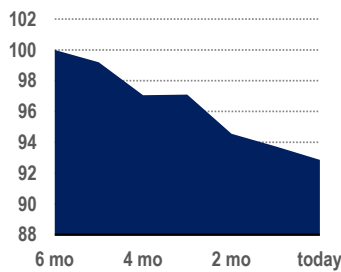
## Return on Equity



## Net margins



## Trend in Current FY Est.



## Valuation metrics

	2024E	2025E
Price-to-Earnings	21.3	18.8
Price-to-Cash Flow	17.3	15.7
Price-to-Sales	2.3	2.2
Price-to-Book Value	4.7	4.0
Yield* (%)	1.5	1.6

\*Based on consensus dividend forecasts for underlying stocks. May differ significantly from distribution yield on the ETF.

## Historical P/E ratio\*



\*based on twelve months' forward EPS (max value of 100)

## Other fundamental data

LT growth est.	11.0%
Payout ratio	32.3%
Debt-to-equity	1.4x

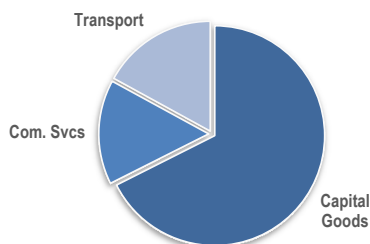
## Top 10 Holdings

GENERAL ELECTRIC COMPANY	4.6%
CATERPILLAR INC	4.5%
UBER TECHNOLOGIES, INC.	4.4%
UNION PACIFIC CORP	4.1%
HONEYWELL INTERNATIONAL INC	3.5%
RAYTHEON TECHNOLOGIES CORP/	3.4%
BOEING CO	3.1%
EATON CORP PLC	3.1%
UNITED PARCEL SERVICE-CL B	2.9%
AUTOMATIC DATA PROCESSING	2.8%
<b>TOTAL</b>	<b>36.3%</b>

## Description

Select Sector SPDR® holding S&P 500 stocks in the Industrials sector. Component industries include Capital Goods; Commercial Services & Supplies; and Transportation firms. The fund seeks investment results that, before expenses, generally correspond to the price and yield performance of the benchmark index.

## Industry Breakdown



## Constituent allocation

No. of constituents	78
Weighted avg mkt cap (mns)	\$86,470
Large cap ( >\$10bn)	98.9%
Mid cap (\$2-10bn)	0.6%
Small cap (<\$2bn)	0.0%



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# Materials Select Sector SPDR Fund

XLB

\$87.96

## Trading History



**NOTES:** The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Additional performance info current to most recent month-end at [www.sectorspdr.com/performance](http://www.sectorspdr.com/performance).

## Fund basics

AltaVista Category	US Equities
Fund sponsor	State Street Global Advisors
Inception date	December 16, 1998
Fund assets (mns)	\$4,919
Avg. daily volume (000)	5,467
Expense ratio (bp)	9
Distributions	Quarterly
Options availability	YES

## Total returns (price)\*

One year	9.3%
Five year	12.0%
Ten year	8.6%
Since inception	8.5%

\*as of 02/29/24. See Notes.

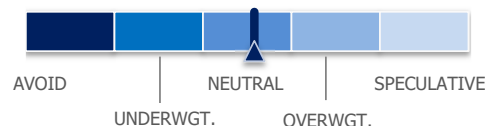
## Trading statistics

Beta vs. S&P 500	1.10
Standard deviation	22.3%

## AltaVista Recommendation

### NEUTRAL

Average appreciation potential. A rating of NEUTRAL is assigned to ETFs with ALTAR Scores in the middle quintile (ranking between 40%-60%) of their category. This indicates that valuations adequately reflect the fundamentals of stocks in these funds.



<b>ALTAR Scores™</b>		
S&P 500	<b>XLB</b>	Cat. Avg.
5.1%	5.8%	5.7%

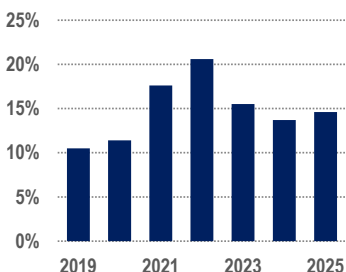
## Analyst's opinion

Estimates have been deteriorating rapidly--faster than any other sector over the past 6 months (Trend chart)-- likely postponing any recovery in earnings until 2025. Weak consumption especially from China is a drag on demand even as commodity prices overall remain firm. Nonetheless P/E multiples are well within historical norms (chart below), ranking the sector higher than the S&P 500 in our value-conscious framework but still in Neutral territory.

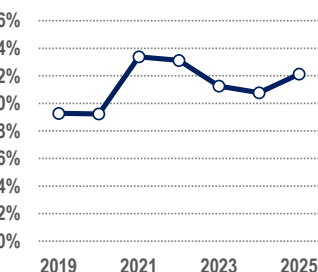
## Per share results & estimates

	2019	2020	2021	2022	2023	2024E	2025E	19-24E CAGR
Sales	31.33	29.80	33.40	42.14	39.06	39.63	40.74	4.8%
Earnings	2.91	2.75	4.47	5.53	4.40	4.27	4.94	8.0%
Book Value	24.16	24.16	26.63	27.09	29.80	32.34	35.45	6.0%
Dividends	1.24	1.32	1.26	1.77	1.69	1.73	1.83	6.8%
Sales growth		-4.9%	12.1%	26.2%	-7.3%	1.5%	2.8%	
EPS growth		-5.2%	62.3%	23.7%	-20.5%	-2.9%	15.7%	

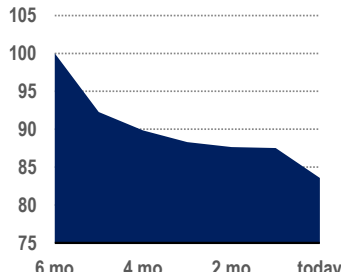
## Return on Equity



## Net margins



## Trend in Current FY Est.



## Valuation metrics

	2024E	2025E
Price-to-Earnings	20.6	17.8
Price-to-Cash Flow	13.6	12.5
Price-to-Sales	2.2	2.2
Price-to-Book Value	2.7	2.5
Yield* (%)	2.0	2.1

\*Based on consensus dividend forecasts for underlying stocks. May differ significantly from distribution yield on the ETF.

## Historical P/E ratio\*



\*based on twelve months' forward EPS (max value of 100)

## Other fundamental data

LT growth est.	8.8%
Payout ratio	40.6%
Debt-to-equity	0.7x

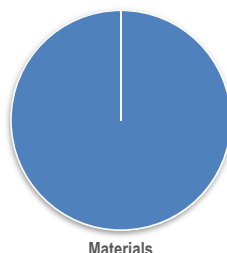
## Top 10 Holdings

LINDE PLC	22.0%
SHERWIN-WILLIAMS CO/THE	7.9%
ECOLAB INC	5.8%
FREEPORT-MCMORAN COPPER	5.5%
AIR PRODUCTS & CHEMICALS INC	5.3%
NUCOR CORP	4.8%
DOW, INC.	4.0%
CORTEVA INC	3.8%
MARTIN MARIETTA MATERIALS	3.6%
VULCAN MATERIALS CO	3.6%
<b>TOTAL</b>	<b>66.4%</b>

## Description

Select Sector SPDR® holding S&P 500 stocks in the Basic Materials sector. The fund seeks investment results that, before expenses, generally correspond to the price and yield performance of the benchmark index.

## Industry Breakdown



## Constituent allocation

No. of constituents	28
Weighted avg mkt cap (mns)	\$82,516
Large cap ( >\$10bn)	99.3%
Mid cap (\$2-10bn)	0.7%
Small cap (<\$2bn)	0.0%



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# Real Estate Select Sector SPDR Fund

XLRE

\$39.54

## Trading History



**NOTES:** The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Additional performance info current to most recent month-end at [www.sectorspdr.com/performance](http://www.sectorspdr.com/performance).

## Fund basics

AltaVista Category	US Equities
Fund sponsor	State Street Global Advisors
Inception date	October 7, 2015
Fund assets (mns)	\$5,982
Avg. daily volume (000)	8,665
Expense ratio (bp)	9
Distributions	Quarterly
Options availability	YES

## Total returns (price)\*

One year	6.0%
Five year	5.9%
Ten year	n/a
Since inception	n/a

*\*as of 02/29/24. See Notes.*

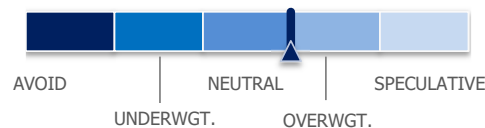
## Trading statistics

Beta vs. S&P 500	1.14
Standard deviation	22.7%

## AltaVista Recommendation

**NEUTRAL**

Average appreciation potential. A rating of NEUTRAL is assigned to ETFs with ALTAR Scores in the middle quintile (ranking between 40%-60%) of their category. This indicates that valuations adequately reflect the fundamentals of stocks in these funds.



	<b>ALTAR Scores™</b>	
S&P 500	<b>XLRE</b>	Cat. Avg.
5.1%	6.4%	5.7%

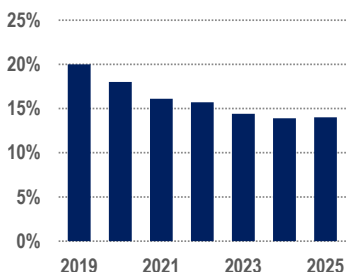
## Analyst's opinion

Analysts are forecasting growth of just 3% this year, and both margins and ROE have been trending in the wrong direction. The rally since October helped the sector's P/E recover from historic lows and tipped our recommendation down to Neutral territory, but it still rates well ahead of the broader S&P 500 in our value-conscious framework. The likely end of the Fed's tightening cycle—and any rate cuts if they occur—could be a catalyst for share prices.

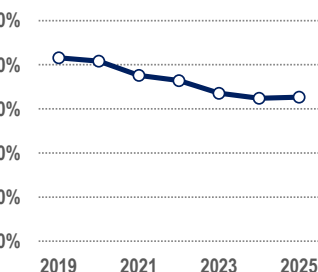
## Per share results & estimates

	2019	2020	2021	2022	2023	2024E	2025E	19-24E CAGR
Sales	4.51	4.47	5.08	5.90	6.41	6.79	7.17	8.5%
Earnings	1.87	1.82	1.91	2.15	2.15	2.20	2.34	3.3%
Book Value	9.54	10.74	12.95	14.51	15.37	16.23	17.15	11.2%
Dividends	1.14	1.08	1.12	1.36	1.36	1.40	1.46	4.2%
Sales growth		-0.8%	13.8%	16.1%	8.6%	5.9%	5.6%	
EPS growth		-2.7%	4.8%	12.5%	0.0%	2.4%	6.3%	

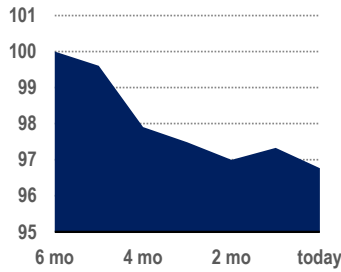
## Return on Equity



## Net margins



## Trend in Current FY Est.



## Valuation metrics

	2024E	2025E
Price-to-Earnings	18.0	16.9
Price-to-Cash Flow	23.0	16.7
Price-to-Sales	5.8	5.5
Price-to-Book Value	2.4	2.3
Yield* (%)	3.5	3.7

*\*Based on consensus dividend forecasts for underlying stocks. May differ significantly from distribution yield on the ETF.*

## Historical P/E ratio\*



*\*based on twelve months' forward FFO (max value of 100)*

## Other fundamental data

LT growth est.	6.7%
Payout ratio	63.4%
Debt-to-equity	1.3x

## Top 10 Holdings

PROLOGIS INC	12.4%
AMERICAN TOWER CORP-CL A	9.3%
EQUINIX INC	8.4%
WELLTOWER, INC.	5.1%
SIMON PROPERTY GROUP INC	4.9%
CROWN CASTLE INTL CORP	4.8%
PUBLIC STORAGE	4.5%
DIGITAL REALTY TRUST INC	4.5%
REALTY INCOME CORP	4.4%
COSTAR GROUP INC	3.6%
<b>TOTAL</b>	<b>61.9%</b>

## Description

Select Sector SPDR® holding S&P 500 stocks in the Real Estate sector. Component industries Real Estate Investment Trusts, excluding Mortgage REITS. The fund seeks investment results that, before expenses, generally correspond to the price and yield performance of the benchmark index.

## Industry Breakdown



## Constituent allocation

No. of constituents	31
Weighted avg mkt cap (mns)	\$48,931
Large cap (>\$10bn)	97.3%
Mid cap (\$2-10bn)	2.7%
Small cap (<\$2bn)	0.0%



For more information visit [www.etfrc.com](http://www.etfrc.com)

# Technology Select Sector SPDR Fund

XLK

\$210.76

## Trading History



**NOTES:** The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Additional performance info current to most recent month-end at [www.sectorspdr.com/performance](http://www.sectorspdr.com/performance).

## Fund basics

AltaVista Category	US Equities
Fund sponsor	State Street Global Advisors
Inception date	December 16, 1998
Fund assets (mns)	\$64,915
Avg. daily volume (000)	6,430
Expense ratio (bp)	9
Distributions	Quarterly
Options availability	YES

## Total returns (price)\*

One year	52.9%
Five year	25.2%
Ten year	20.6%
Since inception	9.0%

\*as of 02/29/24. See Notes.

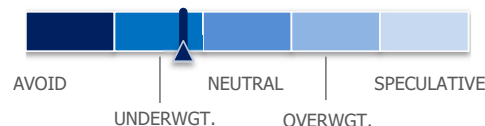
## Trading statistics

Beta vs. S&P 500	1.23
Standard deviation	23.6%

## AltaVista Recommendation

### UNDERWEIGHT

Below average appreciation potential. A rating of UNDERWEIGHT is assigned to ETFs with ALTAR Scores in the 2nd quintile (ranking higher than only 20%-40%) of their category. Typically, funds in this category consist of stocks trading at relatively expensive valuations and/or having below-average fundamentals.



<b>ALTAR Scores™</b>		
S&P 500	<b>XLK</b>	Cat. Avg.
5.1%	4.7%	5.7%

## Analyst's opinion

AI-enthusiasm propelled Tech stocks 56% higher last year despite no earnings growth; this year earnings are forecast to advance 12% and another 18% in 2025. But the rally, which has continued year-to-date, sent the sector's P/E ratio to its highest level in 20 years (History chart below), which could restrain further appreciation. As a result we recently downgraded our value-conscious recommendation to Underweight, but acknowledge the sector's momentum.

## Valuation metrics

	<b>2024E</b>	<b>2025E</b>
Price-to-Earnings	29.8	25.2
Price-to-Cash Flow	28.0	24.6
Price-to-Sales	7.2	6.5
Price-to-Book Value	7.5	6.1
Yield* (%)	0.8	0.9

\*Based on consensus dividend forecasts for underlying stocks. May differ significantly from distribution yield on the ETF.

## Historical P/E ratio\*



\*based on twelve months' forward EPS (max value of 100)

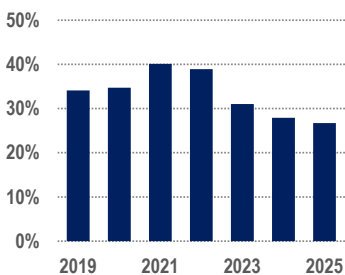
## Other fundamental data

LT growth est.	11.8%
Payout ratio	23.8%
Debt-to-equity	0.7x

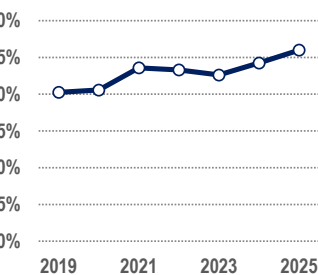
## Per share results & estimates

	2019	2020	2021	2022	2023	2024E	2025E	19-24E CAGR
Sales	20.35	21.29	24.06	27.86	27.87	29.18	32.22	7.5%
Earnings	4.12	4.38	5.67	6.49	6.30	7.08	8.38	11.4%
Book Value	12.26	12.94	15.38	17.96	22.67	28.06	34.64	18.0%
Dividends	1.32	1.33	1.37	1.60	1.60	1.69	1.79	5.0%
Sales growth		4.6%	13.0%	15.8%	0.0%	4.7%	10.4%	
EPS growth		6.3%	29.6%	14.4%	-2.9%	12.3%	18.4%	

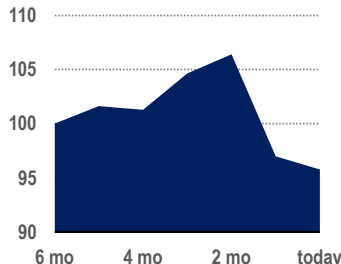
## Return on Equity



## Net margins



## Trend in Current FY Est.



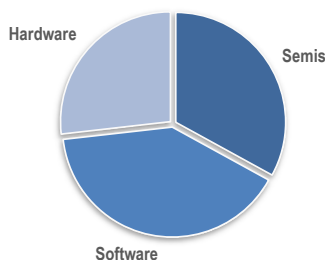
## Top 10 Holdings

MICROSOFT CORP	22.9%
APPLE INC	19.1%
NVIDIA CORP	6.7%
BROADCOM INC.	5.6%
ADVANCED MICRO DEVICES	3.1%
SALESFORCE.COM INC	3.0%
ADOBE SYSTEMS INC	2.6%
ACCENTURE PLC-CL A	2.4%
CISCO SYSTEMS INC	2.0%
INTUIT INC	1.9%
<b>TOTAL</b>	<b>69.3%</b>

## Description

Select Sector SPDR® holding S&P 500 stocks in the Technology sector. Component industries include Semiconductors & Semi Equipment; Software & Services; Tech Hardware & Equipment; and Telecommunication Services. The fund seeks investment results that, before expenses, generally correspond to the price and yield performance of the benchmark index.

## Industry Breakdown



## Constituent allocation

No. of constituents	64
Weighted avg mkt cap (mns)	\$1,542,050
Large cap (>\$10bn)	100.0%
Mid cap (\$2-10bn)	0.0%
Small cap (<\$2bn)	0.0%



For more information visit [www.etfrc.com](http://www.etfrc.com)

# Utilities Select Sector SPDR Fund

**XLU**

**\$61.72**

## Trading History



**NOTES:** The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Additional performance info current to most recent month-end at [www.sectorspdr.com/performance](http://www.sectorspdr.com/performance).

## Fund basics

AltaVista Category	US Equities
Fund sponsor	State Street Global Advisors
Inception date	December 16, 1998
Fund assets (mns)	\$11,833
Avg. daily volume (000)	16,034
Expense ratio (bp)	9
Distributions	Quarterly
Options availability	YES

## Total returns (price)\*

One year	-1.3%
Five year	5.0%
Ten year	7.9%
Since inception	6.6%

*\*as of 02/29/24. See Notes.*

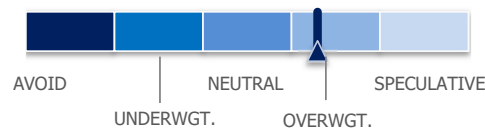
## Trading statistics

Beta vs. S&P 500	0.75
Standard deviation	18.2%

## AltaVista Recommendation

### OVERWEIGHT

Above average appreciation potential. A rating of OVERWEIGHT is assigned to ETFs with ALTAR Scores in the 4th quintile (ranking higher than 60%-80%) of their category. Typically, funds in this category consist of stocks trading at attractive valuations and/or having above-average fundamentals.



	<b>ALTAR Scores™</b>	
S&P 500	<b>XLU</b>	Cat. Avg.
5.1%	6.8%	5.7%

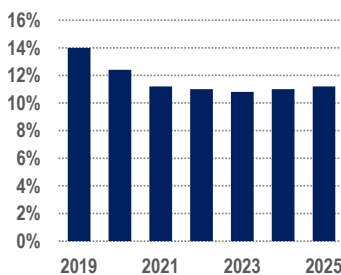
## Analyst's opinion

The slide in share prices over the last ~18 months--which largely coincided with the Fed's tightening cycle--has brought Utilities' P/E multiple to its lowest point in three years. But as that cycle comes to an end and rate cuts emerge as a possibility, the sector's appeal as an income play could come back into favor. Our value-conscious framework ranks the sector Overweight, but sell-side sentiment remains relatively bearish compared with the broader market.

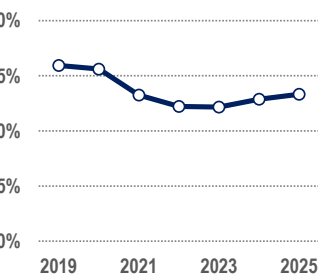
## Per share results & estimates

	2019	2020	2021	2022	2023	2024E	2025E	19-24E CAGR
Sales	25.41	24.39	27.37	30.34	30.99	31.22	32.39	4.2%
Earnings	4.05	3.81	3.63	3.71	3.77	4.02	4.31	n/m
Book Value	29.74	31.63	33.38	34.27	35.81	37.46	39.27	4.7%
Dividends	2.70	2.23	2.12	2.18	2.23	2.37	2.51	n/m
Sales growth		-4.0%	12.2%	10.9%	2.1%	0.8%	3.7%	
EPS growth		-6.0%	-4.8%	2.3%	1.7%	6.6%	7.3%	

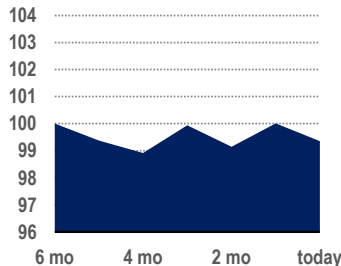
## Return on Equity



## Net margins



## Trend in Current FY Est.



## Valuation metrics

	2024E	2025E
Price-to-Earnings	15.4	14.3
Price-to-Cash Flow	7.9	7.3
Price-to-Sales	2.0	1.9
Price-to-Book Value	1.7	1.6
Yield* (%)	3.8	4.1

*\*Based on consensus dividend forecasts for underlying stocks. May differ significantly from distribution yield on the ETF.*

## Historical P/E ratio\*



*\*based on twelve months' forward EPS (max value of 100)*

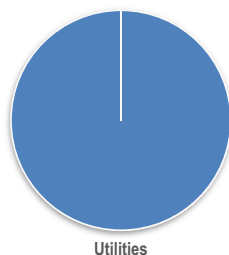
## Top 10 Holdings

NEXTERA ENERGY GROUP	12.3%
SOUTHERN CO	8.0%
DUKE ENERGY CORP	7.7%
CONSTELLATION ENERGY CORPORAT	5.9%
AMERICAN ELECTRIC POWER	4.9%
SEMPRA ENERGY	4.8%
DOMINION RESOURCES INC/VA	4.4%
EXELON CORP	3.9%
P G & E CORP	3.9%
PUBLIC SERVICE ENTERPRISE GP	3.4%
<b>TOTAL</b>	<b>59.1%</b>

## Description

Select Sector SPDR® holding S&P 500 stocks in the Utilities sector. The fund seeks investment results that, before expenses, generally correspond to the price and yield performance of the benchmark index.

## Industry Breakdown



## Constituent allocation

No. of constituents	30
Weighted avg mkt cap (mns)	\$44,258
Large cap (>\$10bn)	99.2%
Mid cap (\$2-10bn)	0.9%
Small cap (<\$2bn)	0.0%

## Other fundamental data

LT growth est.	5.8%
Payout ratio	59.0%
Debt-to-equity	1.7x



For more information visit [www.etfrc.com](http://www.etfrc.com)

# Disclosures

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## Data Definitions & Reliability

AltaVista believes the information contained in this report to be reasonably accurate at the time of publication, but makes no warranties with respect to its accuracy. Calculations of fundamental data are based on a weighted average of consensus estimates and reported results for current index constituents. As a result, historical figures for fundamental data such as dividends per share may not reflect those actually paid by firms in the index. To the extent that index reconstitution and rebalancing have altered index composition, these differences may be significant. Definitions for some commonly used financial terms are as follows:

**Earnings/Net Income:** Unless denoted as a GAAP figure, earnings are calculated on a "pro forma" basis using consensus EPS results/estimates for the individual constituents of each index, multiplied by the float-adjusted shares in the index. For Real Estate Investment Trusts (REITs), the consensus per-share figure for funds from operations, or FFO, is used in place of EPS data.

**Cash Flow:** Adds depreciation and amortization to consensus earnings estimates

**Standard deviation:** Statistical measure of price volatility using 3 years of monthly return data. Figures are annualized.

**Beta:** Measures relative volatility of a given sector index versus the S&P500 by comparing 3 years of monthly return data.

**Book Value:** Common Equity as reported by index constituents according to GAAP. Forecasts reflect pro-forma calculations using most recently reported figures, plus earnings less dividends.

**Dividends per share:** Dividends paid by companies in the index on a pro forma basis.

**Payout ratio:** Dividends as a percentage of Earnings/Net Income in a given year.

**Return on Equity:** Net income divided by average common equity over the period.

**Debt-to-equity:** Ratio of long- and short-term debt to owners equity.

**Long-term growth:** Uses consensus estimates of 3-5 year earnings growth for individual constituents of each index to calculate a float-adjusted earnings-weighted growth rate for the index as a whole.

**Trend in Current FY Estimates:** Illustrates changes in consensus estimates over time by examining the monthly change in current fiscal year EPS estimates for individual constituents of each index. Base period is set equal to 100.

**Price-to-Earnings, -Cash Flow, -Sales and -Book Value:** Valuation multiples derived by dividing the index price by the per-share figures for earnings, cash flow, sales and book value, respectively, as per the 'per share results & estimates' for each index.

**Additional information is available upon request.**



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