

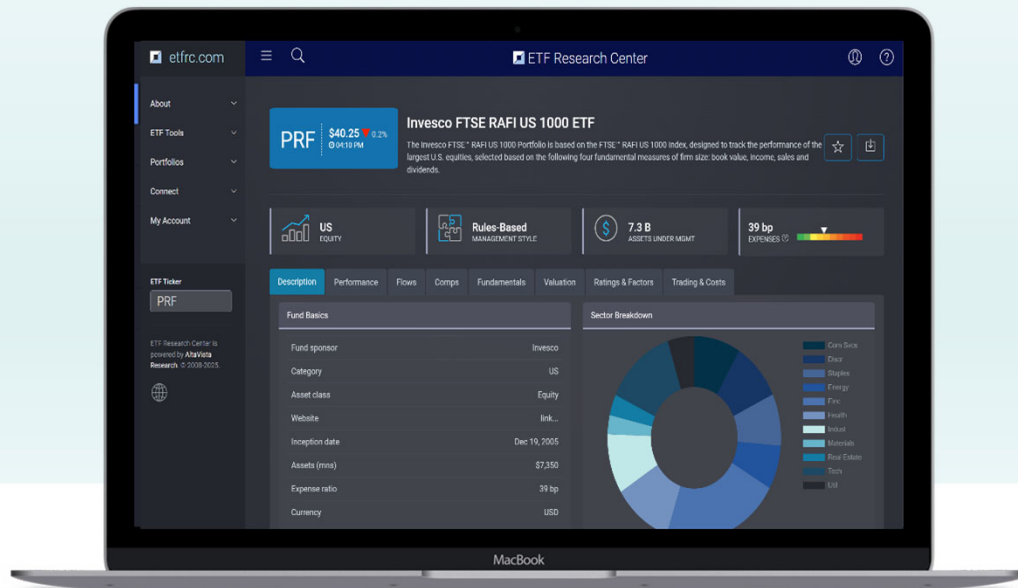
ETF Analyzer

June 2025

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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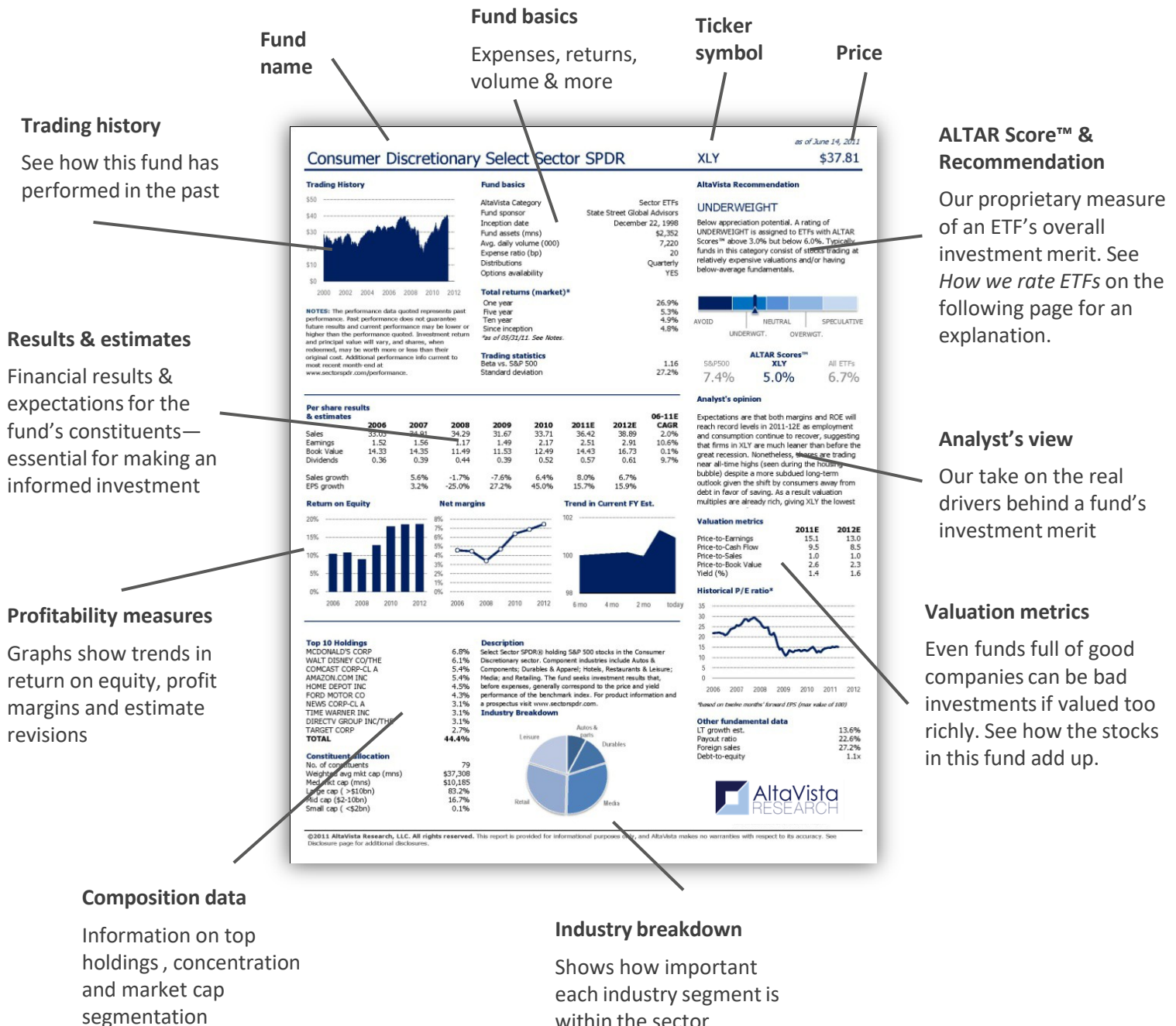
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How to use this guide

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.



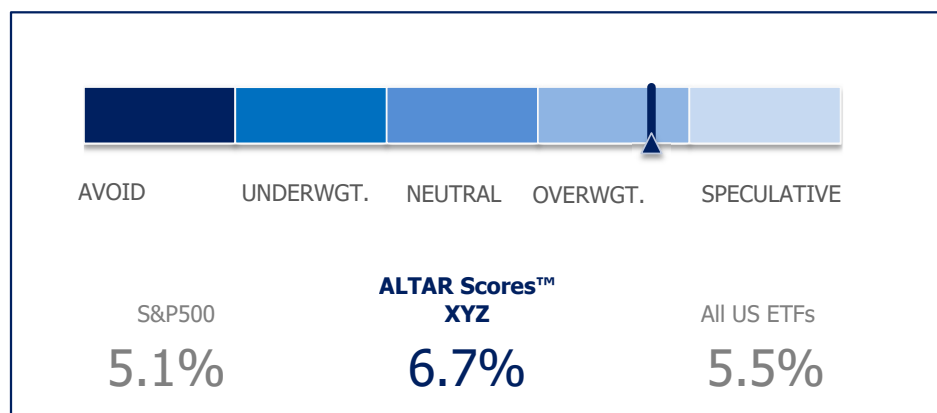
Keeping up-to-date

Market conditions and expectations change all the time. Go to the 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.

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.



For more information visit
www.etfrc.com

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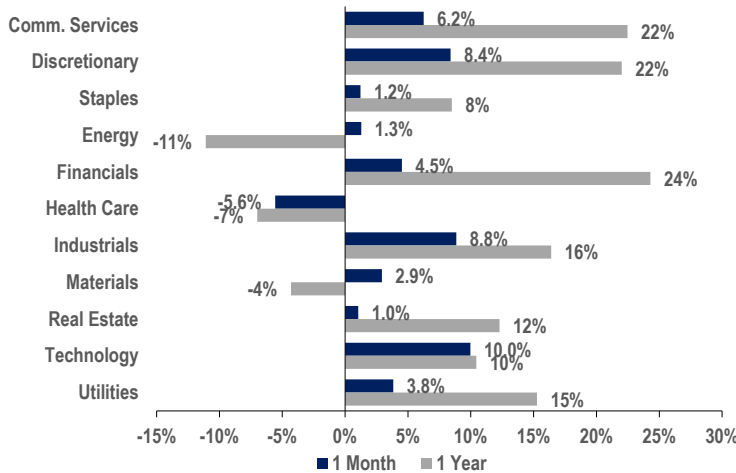
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| Communication Services Sector SPDR (XLC) | 12 |
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Section I

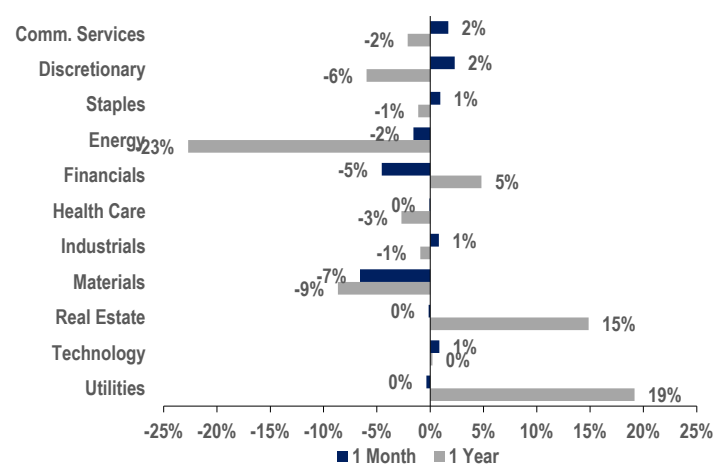
Side-by-Side Comparisons

Market Activity & Breakdown

Total Returns* (Price)

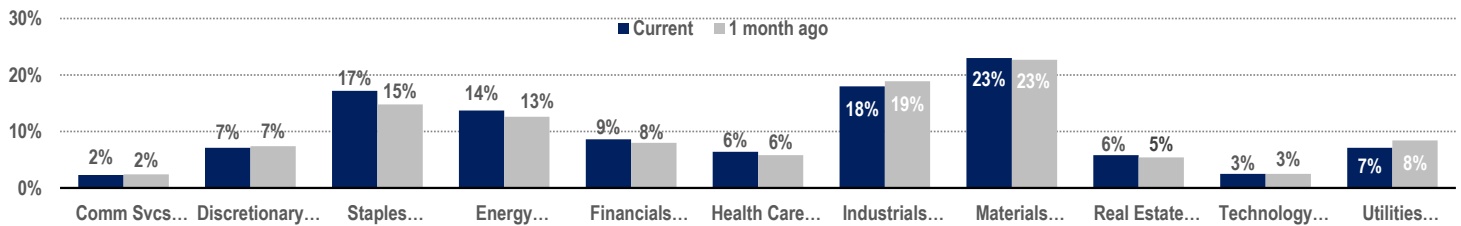


Changes in Shares Outstanding

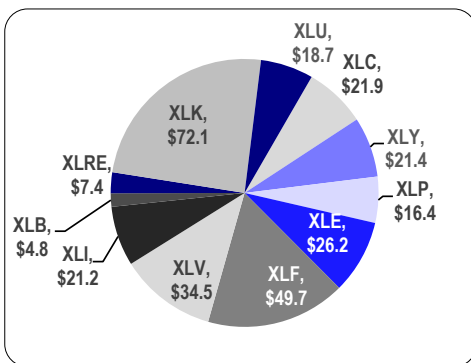


***NOTE:** The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than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

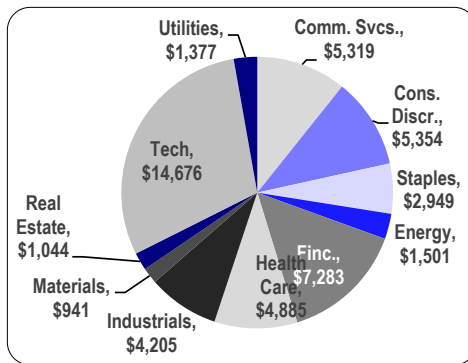
Short Interest (as a percentage of total shares outstanding)



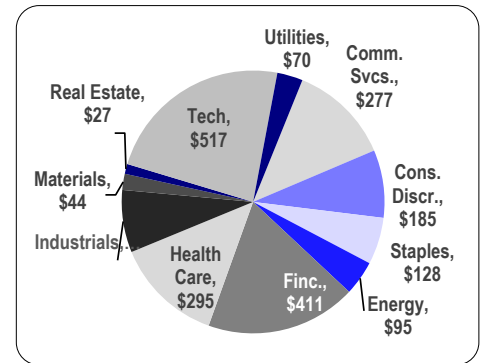
Assets Under Management (\$bns)



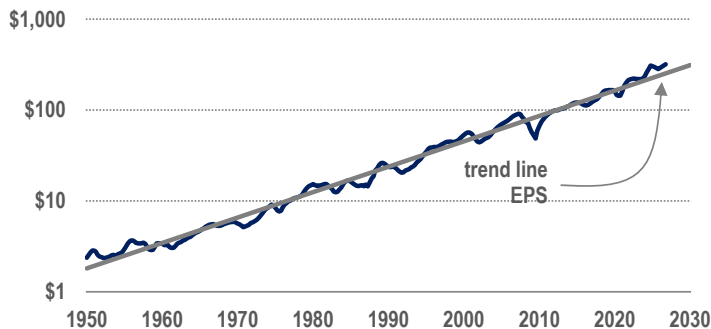
S&P 500 Market Cap by Sector (\$bns)



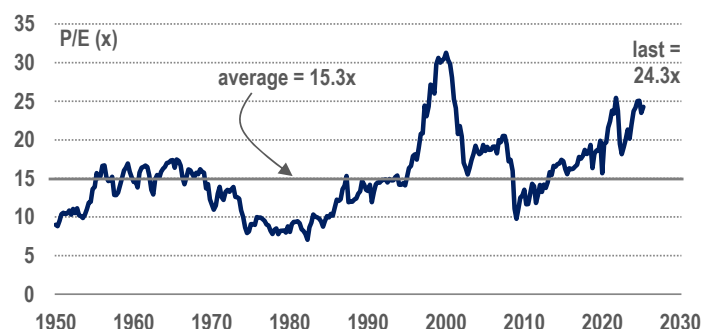
S&P 500 2025E Profits by Sector (\$bns)



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



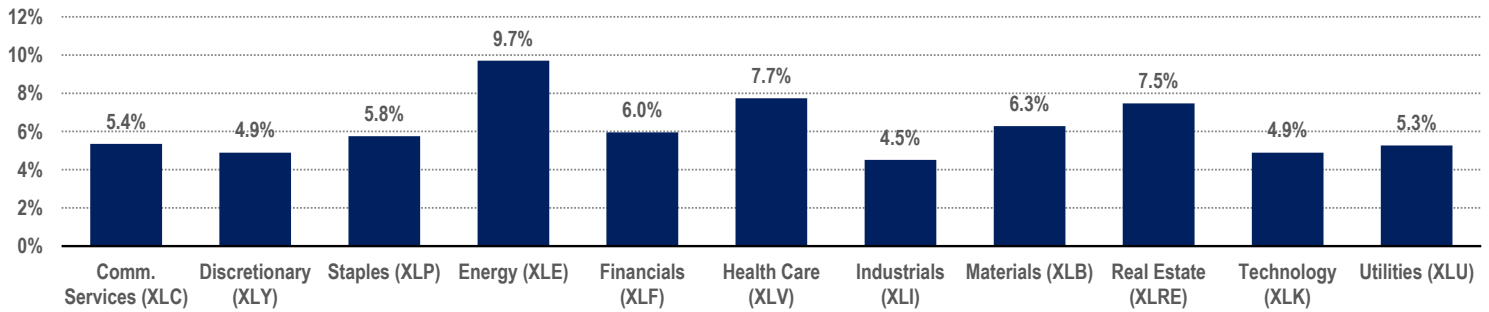
S&P500 Forward P/E multiple on Trend-line EPS



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.

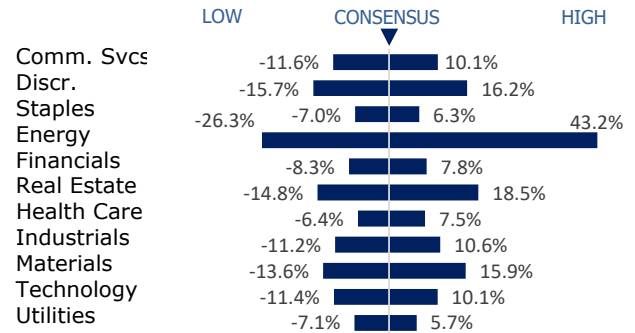
ALTAR Score™



Calculation of ALTAR Score™

| | Avg. ROE (21-25E) | Div. by Fwd PBV | Less Exp. | equals ALTAR™ |
|----------------------|----------------------|--------------------|--------------|------------------|
| Comm. Services (XLC) | 12.1% | 2.2x | 0.08% | 5.4% |
| Discretionary (XLY) | 29.7% | 6.0x | 0.08% | 4.9% |
| Staples (XLP) | 23.4% | 4.0x | 0.08% | 5.8% |
| Energy (XLE) | 17.6% | 1.8x | 0.08% | 9.7% |
| Financials (XLF) | 11.9% | 2.0x | 0.08% | 6.0% |
| Health Care (XLV) | 25.3% | 3.2x | 0.08% | 7.7% |
| Industrials (XLI) | 22.4% | 4.9x | 0.08% | 4.5% |
| Materials (XLB) | 15.6% | 2.5x | 0.08% | 6.3% |
| Real Estate (XLRE) | 19.6% | 2.6x | 0.08% | 7.5% |
| Technology (XLK) | 32.0% | 6.4x | 0.08% | 4.9% |
| Utilities (XLU) | 11.7% | 2.2x | 0.08% | 5.3% |

Range of Earnings Estimates (2025E)



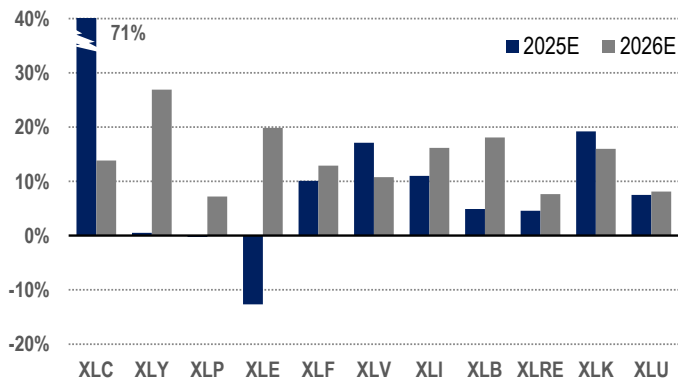
NOTE: The ALTAR Score™ is AltaVista's proprietary measure of an ETF's overall investment merit, based on academic work relating price-to-book value multiples to return on equity (Wilcox, Financial Analysts Journal, Jan-Feb 1984). In general, higher scores suggest better long term investment potential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

Valuation multiples (based on 2025 estimates)

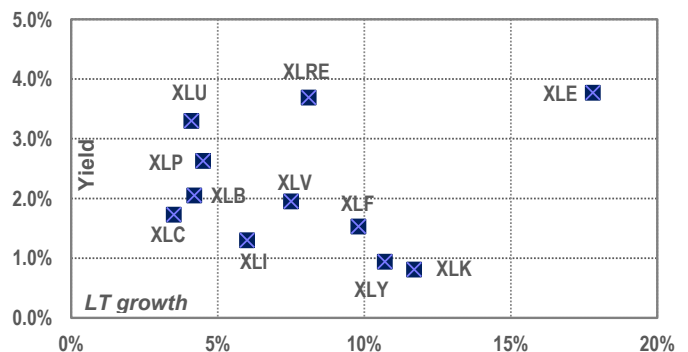
| | Price | P/E | PEG | P/CF | P/Sales | P/BV | Yield* |
|----------------------|-----------------|-------------|------------|-------------|------------|------------|------------|
| Comm. Services (XLC) | \$101.40 | 18.2 | 5.2 | 6.8 | 1.8 | 2.3 | 1.7 |
| Discretionary (XLY) | \$213.80 | 26.6 | 2.5 | 13.7 | 2.3 | 6.5 | 0.9 |
| Staples (XLP) | \$82.83 | 20.6 | 4.6 | 11.5 | 1.4 | 4.2 | 2.6 |
| Energy (XLE) | \$81.53 | 15.6 | 0.9 | 5.7 | 1.2 | 1.9 | 3.8 |
| Financials (XLF) | \$50.96 | 17.3 | 1.8 | 13.6 | 3.3 | 2.1 | 1.5 |
| Health Care (XLV) | \$132.64 | 16.4 | 2.2 | 11.1 | 1.4 | 3.4 | 2.0 |
| Industrials (XLI) | \$142.82 | 24.8 | 4.1 | 14.1 | 2.6 | 5.2 | 1.3 |
| Materials (XLB) | \$86.34 | 23.7 | 5.6 | 10.4 | 2.1 | 2.5 | 2.1 |
| Real Estate (XLRE) | \$41.73 | 15.2 | 1.9 | 14.1 | 6.3 | 2.7 | 3.7 |
| Technology (XLK) | \$230.91 | 27.6 | 2.4 | 18.6 | 6.4 | 7.0 | 0.8 |
| Utilities (XLU) | \$81.92 | 18.5 | 4.5 | 6.8 | 2.7 | 2.2 | 3.3 |
| S&P500 | 5,911.69 | 22.1 | 2.3 | 13.4 | 3.0 | 4.1 | 1.3 |

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

Earnings per share growth



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



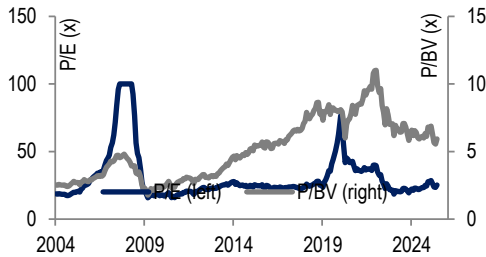
Note: All valuation metrics on this page calculated based on consensus estimates of current fund constituents. Definitions of technical terms can be found on page 23 of this document.

Select Sector SPDRs

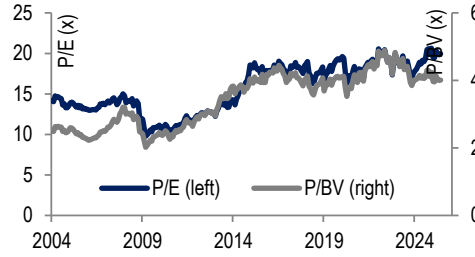
Trends in P/E and P/BV multiples

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.

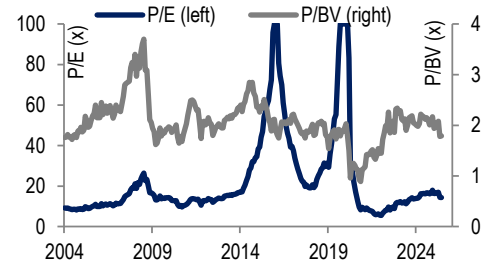
Consumer Discretionary (XLY)



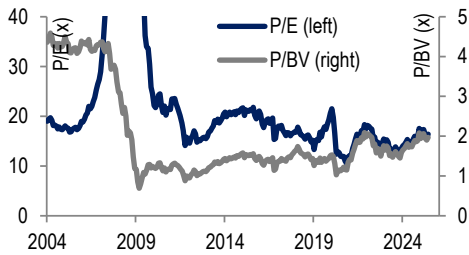
Consumer Staples (XLP)



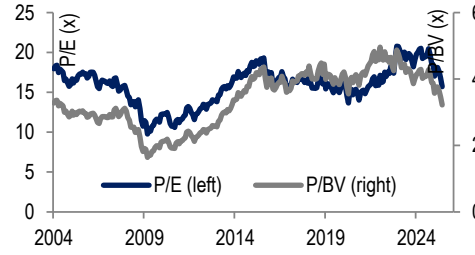
Energy (XLE)



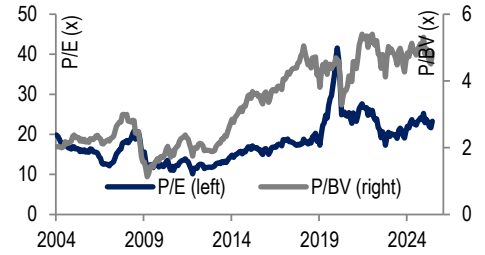
Financials (XLF)



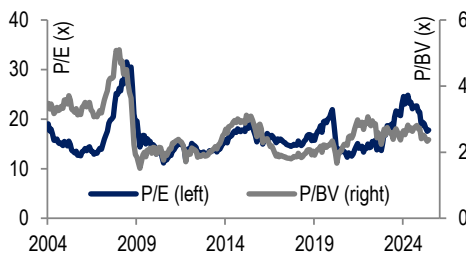
Health Care (XLV)



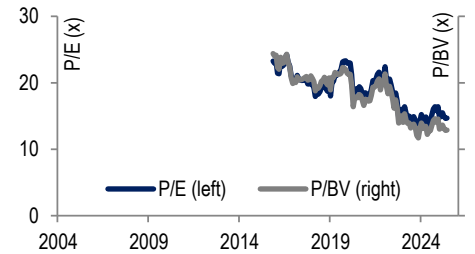
Industrials (XLI)



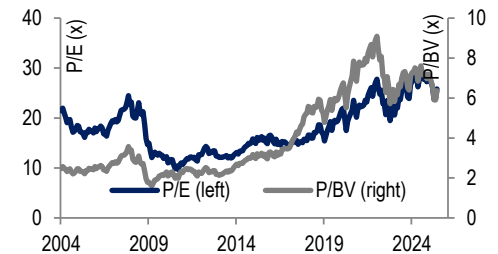
Materials (XLB)



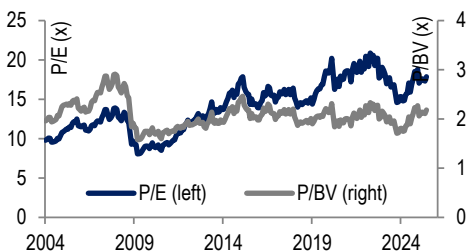
Real Estate (XLRE)



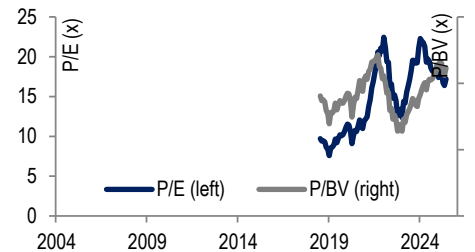
Technology (XLK)



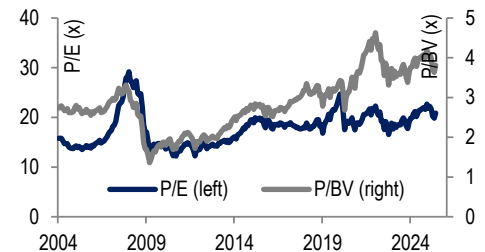
Utilities (XLU)



Communication Services (XLC)



S&P 500 (SPY, IVV & VOO)



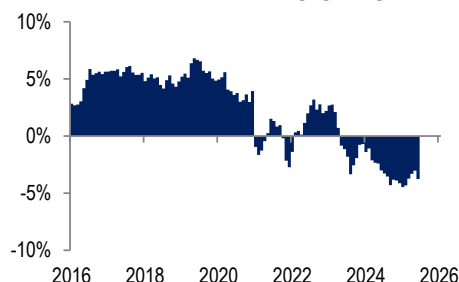
Select Sector SPDRs

Trends in Analysts Consensus Ratings

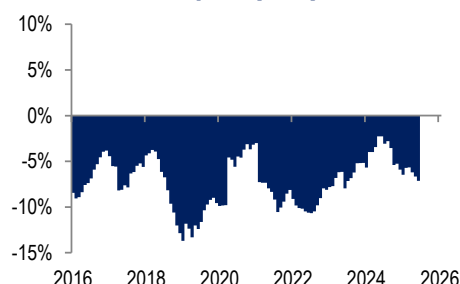
This page contains historical analysts' consensus ratings on each index's underlying constituents, relative to their ratings for the constituents of the S&P 500 overall. A reading of 5% means analysts are five percent more bullish on stocks in the sector than the market overall; a reading of negative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

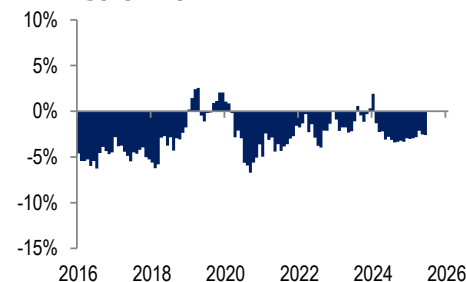
Consumer Discretionary (XLY)



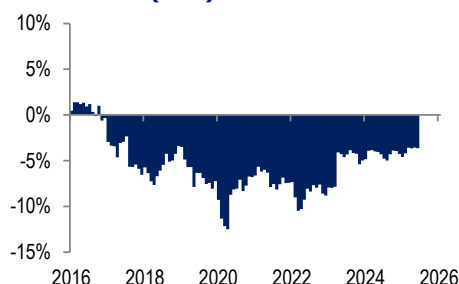
Consumer Staples (XLP)



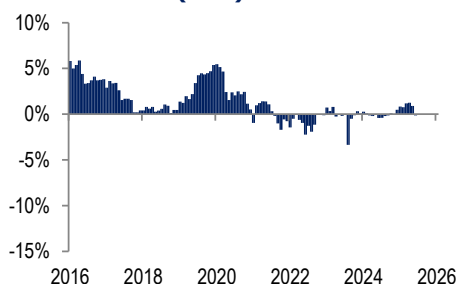
Energy (XLE)



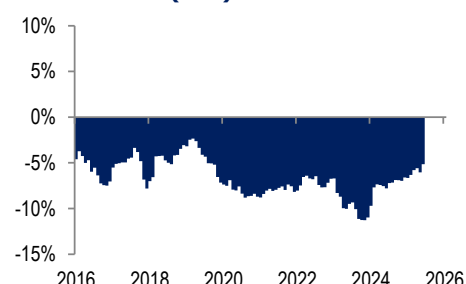
Financials (XLF)



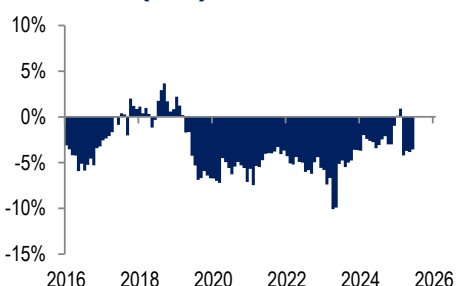
Health Care (XLV)



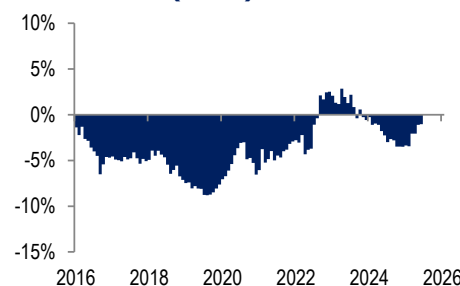
Industrials (XLI)



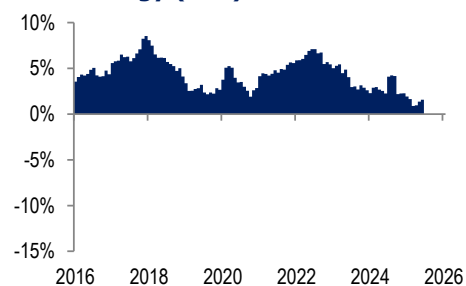
Materials (XLB)



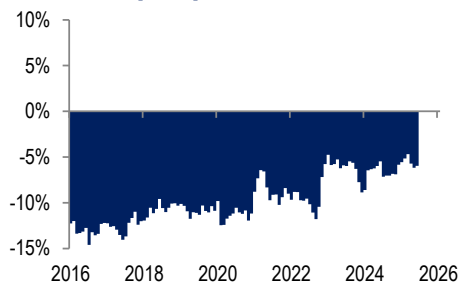
Real Estate (XLRE)



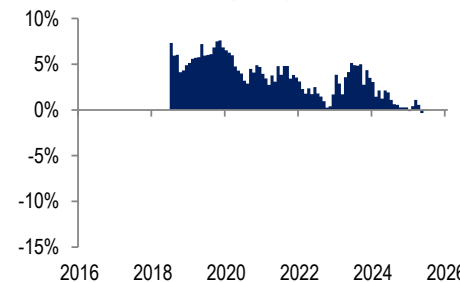
Technology (XLK)



Utilities (XLU)



Comm. Services (XLC)



Section II

Fund Detail Pages

Communication Services Select Sector SPDR Fund

XLC

\$101.40

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.

Fund basics

| | |
|-------------------------|---------------|
| AltaVista Category | US |
| Fund sponsor | SSGA |
| Inception date | June 18, 2018 |
| Fund assets (mns) | \$21,902 |
| Avg. daily volume (000) | 4,189 |
| Expense ratio (bp) | 8 |
| Distributions | Quarterly |
| Options availability | YES |

Total returns (price)*

| | |
|-----------------|-------|
| One year | 22.5% |
| Five year | 14.3% |
| Ten year | n/a |
| Since inception | n/a |

*as of 05/30/25. See Notes.

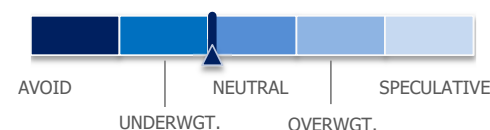
Trading statistics

| | |
|--------------------|-------|
| Beta vs. S&P 500 | 0.97 |
| Standard deviation | 18.8% |

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.



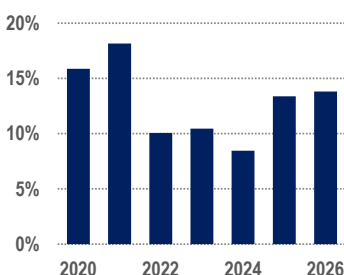
ALTAR Scores™

| | | |
|---------|------|-----------|
| S&P 500 | XLC | Cat. Avg. |
| 5.2% | 5.4% | 5.9% |

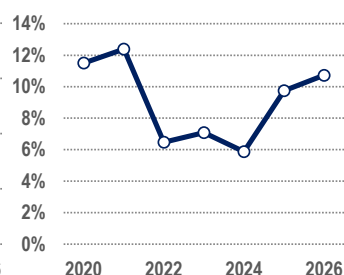
Per share results & estimates

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025E | 2026E | 20-25E CAGR |
|--------------|-------|-------|--------|-------|--------|-------|-------|-------------|
| Sales | 40.43 | 44.73 | 53.46 | 54.76 | 55.49 | 57.18 | 59.12 | 7.2% |
| Earnings | 4.65 | 5.54 | 3.46 | 3.88 | 3.26 | 5.57 | 6.34 | 3.7% |
| Book Value | 28.97 | 31.99 | 36.83 | 37.43 | 39.72 | 43.54 | 48.27 | 8.5% |
| Dividends | 3.01 | 1.22 | 1.28 | 0.87 | 0.97 | 1.75 | 1.61 | n/m |
| Sales growth | | 10.6% | 19.5% | 2.4% | 1.3% | 3.0% | 3.4% | |
| EPS growth | | 19.1% | -37.5% | 12.1% | -16.0% | 70.9% | 13.8% | |

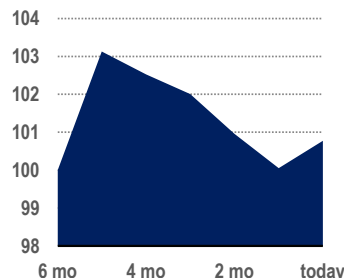
Return on Equity



Net margins



Trend in Current FY Est.



Analyst's opinion

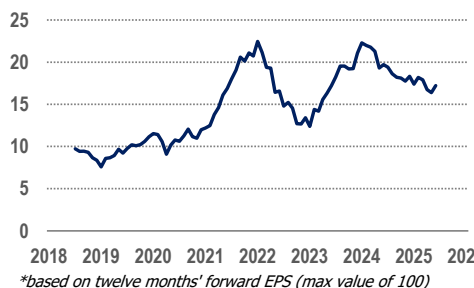
Profitability has been erratic as firms struggle with how to make money from streaming services and AI, but easy comps are likely to result in large profit gains this year with recovery in margins continuing through next year. We think valuations adequately reflect the sector's promising-but-bumpy long-term growth prospects, putting it about on par with the S&P 500 in our value-conscious ratings framework. Sell-side analysts also maintain a market-neutral outlook.

Valuation metrics

| | 2025E | 2026E |
|---------------------|-------|-------|
| Price-to-Earnings | 18.2 | 16.0 |
| Price-to-Cash Flow | 6.8 | 6.3 |
| Price-to-Sales | 1.8 | 1.7 |
| Price-to-Book Value | 2.3 | 2.1 |
| Yield* (%) | 1.7 | 1.6 |

*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. | 3.5% |
| Payout ratio | 31.4% |
| Debt-to-equity | 1.2x |

Top 10 Holdings

| | |
|--------------------------------|--------------|
| META PLATFORMS INC | 16.1% |
| ALPHABET INC. CLASS A | 8.7% |
| NETFLIX INC | 7.6% |
| ALPHABET INC. CLASS C | 7.1% |
| WALT DISNEY CO/THE | 4.9% |
| TAKE-TWO INTERACTIVE SOFTWARE | 4.7% |
| LIVE NATION INC | 4.6% |
| CHARTER COMMUNICATIONS, INC. C | 4.5% |
| ELECTRONIC ARTS INC | 4.2% |
| AT&T INC | 4.2% |
| TOTAL | 66.6% |

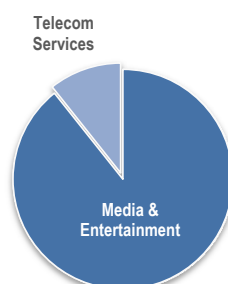
Constituent allocation

| | |
|----------------------------|-----------|
| No. of constituents | 23 |
| Weighted avg mkt cap (mns) | \$604,668 |
| Large cap (>\$10bn) | 96.2% |
| Mid cap (\$2-10bn) | 2.3% |
| Small cap (<\$2bn) | 0.0% |

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



AltaVista
RESEARCH

For more information visit
www.etfrc.com

Consumer Discretionary Select Sector SPDR Fund

XLY

\$213.80

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.secterspdr.com/performance.

Fund basics

| | |
|-------------------------|------------------------------|
| AltaVista Category | US |
| Fund sponsor | State Street Global Advisors |
| Inception date | December 16, 1998 |
| Fund assets (mns) | \$21,423 |
| Avg. daily volume (000) | 3,722 |
| Expense ratio | 0.08% |
| Distributions | Quarterly |
| Options availability | YES |

Total returns (price)*

| | |
|-----------------|-------|
| One year | 22.0% |
| Five year | 12.3% |
| Ten year | 12.1% |
| Since inception | 10.2% |

*as of 05/30/25. See Notes.

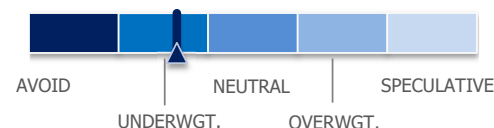
Trading statistics

| | |
|--------------------|-------|
| Beta vs. S&P 500 | 1.26 |
| Standard deviation | 24.9% |

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.



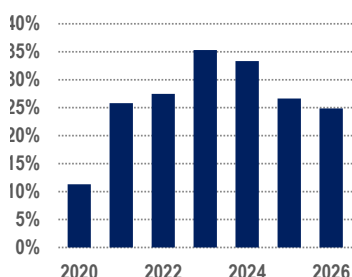
ALTAR Scores™

| | | |
|---------|------|-----------|
| S&P 500 | XLY | Cat. Avg. |
| 5.2% | 4.9% | 5.9% |

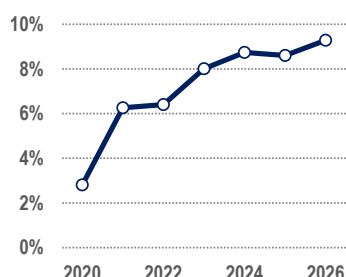
Per share results & estimates

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025E | 2026E | 20-25E CAGR |
|--------------|-------|--------|-------|-------|-------|-------|-------|-------------|
| Sales | 58.50 | 71.06 | 80.59 | 87.04 | 91.68 | 93.31 | 98.13 | 9.8% |
| Earnings | 1.64 | 4.45 | 5.16 | 6.97 | 8.01 | 8.03 | 9.11 | 37.4% |
| Book Value | 15.48 | 19.00 | 18.57 | 20.90 | 27.15 | 33.16 | 40.12 | 16.5% |
| Dividends | 1.29 | 2.00 | 1.52 | 1.86 | 1.76 | 2.02 | 2.15 | 9.4% |
| Sales growth | | 21.5% | 13.4% | 8.0% | 5.3% | 1.8% | 5.2% | |
| EPS growth | | 171.3% | 16.0% | 35.1% | 14.9% | 0.2% | 13.4% | |

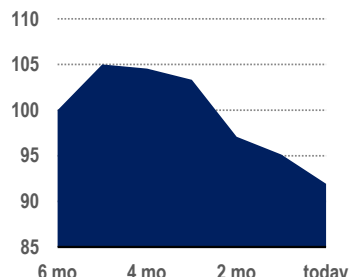
Return on Equity



Net margins



Trend in Current FY Est.



Analyst's opinion

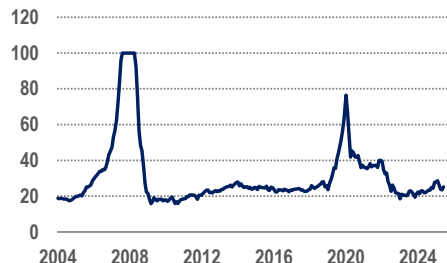
It remains to be seen to what extent any tariffs affect this sector, but downward estimate revisions suggest consumer sentiment is softening. If the pace of revisions continues we expect to see earnings comps turn negative by the second half. Given their lofty valuations and cloudy outlook, the sector ranks somewhat below the S&P 500 in our value-conscious rating framework, consistent with how sell-side analysts view it as well (see Sentiment page).

Valuation metrics

| | 2025E | 2026E |
|---------------------|-------|-------|
| Price-to-Earnings | 26.6 | 23.5 |
| Price-to-Cash Flow | 13.7 | 12.4 |
| Price-to-Sales | 2.3 | 2.2 |
| Price-to-Book Value | 6.4 | 5.3 |
| Yield* (%) | 0.9 | 1.0 |

*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. | 11.2% |
| Payout ratio | 25.2% |
| Debt-to-equity | 2.2x |

Top 10 Holdings

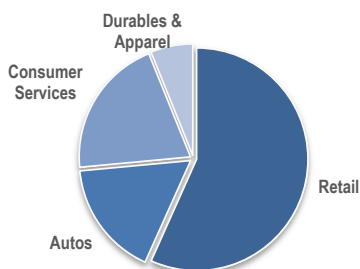
| | |
|-------------------------|--------------|
| AMAZON.COM INC | 21.9% |
| TESLA MOTORS INC | 18.1% |
| HOME DEPOT INC | 6.8% |
| BOOKING HOLDINGS INC. | 4.8% |
| MCDONALD'S CORP | 4.4% |
| TJX COMPANIES INC | 3.8% |
| LOWE'S COS INC | 3.4% |
| O'REILLY AUTOMOTIVE INC | 2.1% |
| NIKE INC -CL B | 1.9% |
| TOTAL | 69.6% |

Constituent allocation

| | |
|----------------------------|-----------|
| No. of constituents | 51 |
| Weighted avg mkt cap (mns) | \$654,556 |
| Large cap (>\$10bn) | 98.2% |
| Mid cap (\$2-10bn) | 1.8% |
| Small cap (<\$2bn) | 0.0% |

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.



AltaVista
RESEARCH

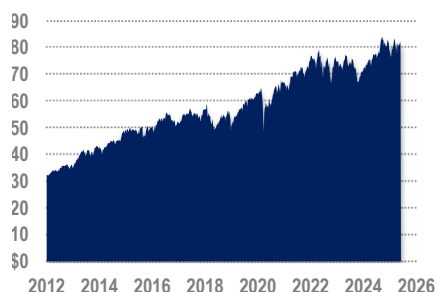
For more information visit
www.etfrc.com

Consumer Staples Select Sector SPDR Fund

XLP

\$82.83

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.secterspdr.com/performance.

Fund basics

| | |
|-------------------------|------------------------------|
| AltaVista Category | US |
| Fund sponsor | State Street Global Advisors |
| Inception date | December 16, 1998 |
| Fund assets (mns) | \$16,386 |
| Avg. daily volume (000) | 12,398 |
| Expense ratio (bp) | 8 |
| Distributions | Quarterly |
| Options availability | YES |

Total returns (price)*

| | |
|-----------------|------|
| One year | 8.5% |
| Five year | 9.5% |
| Ten year | 8.1% |
| Since inception | 7.2% |

*as of 05/30/25. See Notes.

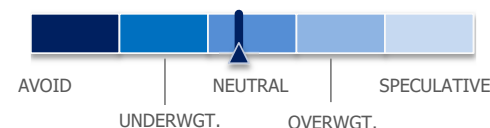
Trading statistics

| | |
|--------------------|-------|
| Beta vs. S&P 500 | 0.57 |
| Standard deviation | 13.1% |

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.

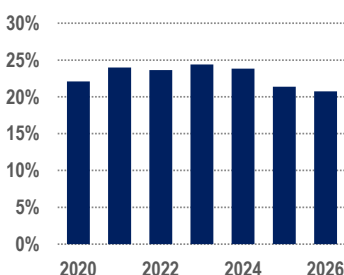


| S&P 500 | ALTAR Scores™ XLP | Cat. Avg. |
|---------|----------------------|-----------|
| 5.2% | 5.8% | 5.9% |

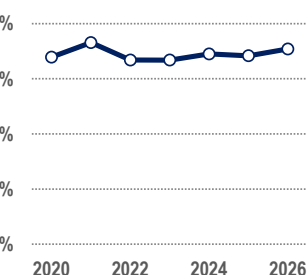
Per share results & estimates

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025E | 2026E | 20-25E CAGR |
|--------------|-------|-------|-------|-------|-------|-------|-------|-------------|
| Sales | 47.27 | 51.11 | 56.13 | 58.07 | 58.49 | 58.92 | 60.96 | 4.5% |
| Earnings | 3.21 | 3.74 | 3.75 | 3.88 | 4.04 | 4.03 | 4.32 | 4.7% |
| Book Value | 15.29 | 15.92 | 15.82 | 15.99 | 17.94 | 19.79 | 21.86 | 5.3% |
| Dividends | 1.63 | 1.72 | 1.84 | 2.02 | 2.09 | 2.18 | 2.25 | 6.0% |
| Sales growth | | 8.1% | 9.8% | 3.5% | 0.7% | 0.7% | 3.5% | |
| EPS growth | | 16.5% | 0.3% | 3.5% | 4.1% | -0.2% | 7.2% | |

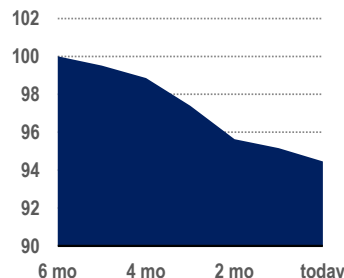
Return on Equity



Net margins



Trend in Current FY Est.



Analyst's opinion

As negative estimate revisions persist (Trend graph), earnings are now forecast to be flat-to-down this year. Nonetheless, the sector's relatively high and stable ROE helps rank it ahead of the S&P 500--though still in Neutral territory--despite trading near the top of its historical valuation range (Historical P/E chart). However sell-side analysts disagree, ranking the sector lower than any other (see Sentiment page).

Valuation metrics

| | 2025E | 2026E |
|---------------------|-------|-------|
| Price-to-Earnings | 20.6 | 19.2 |
| Price-to-Cash Flow | 11.5 | 10.9 |
| Price-to-Sales | 1.4 | 1.4 |
| Price-to-Book Value | 4.2 | 3.8 |
| Yield* (%) | 2.6 | 2.7 |

*Based on consensus dividend forecasts for underlying stocks. Alt 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

| | |
|------------------------------|--------------|
| COSTCO WHOLESALE CORP | 10.5% |
| WAL-MART STORES INC | 9.8% |
| PROCTER & GAMBLE CO/THE | 9.1% |
| PHILIP MORRIS INTERNATIONAL | 6.4% |
| COCA-COLA CO/THE | 6.4% |
| ALTRIA GROUP INC | 4.5% |
| MONDELEZ INTERNATIONAL INC-A | 4.5% |
| COLGATE-PALMOLIVE CO | 4.4% |
| PEPSICO INC | 4.1% |
| KIMBERLY-CLARK CORP | 2.9% |
| TOTAL | 62.6% |

Constituent allocation

| | |
|----------------------------|-----------|
| No. of constituents | 38 |
| Weighted avg mkt cap (mns) | \$220,385 |
| Large cap (>\$10bn) | 99.0% |
| Mid cap (\$2-10bn) | 1.0% |
| Small cap (<\$2bn) | 0.0% |

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



Other fundamental data

| | |
|----------------|-------|
| LT growth est. | 4.7% |
| Payout ratio | 54.1% |
| Debt-to-equity | 1.1x |



For more information visit
www.etfrc.com

Energy Select Sector SPDR Fund

XLE

\$81.53

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.

Fund basics

| | |
|-------------------------|------------------------------|
| AltaVista Category | US |
| Fund sponsor | State Street Global Advisors |
| Inception date | December 16, 1998 |
| Fund assets (mns) | \$26,242 |
| Avg. daily volume (000) | 13,386 |
| Expense ratio (bp) | 8 |
| Distributions | Quarterly |
| Options availability | YES |

Total returns (price)*

| | |
|-----------------|--------|
| One year | -11.1% |
| Five year | 20.5% |
| Ten year | 4.3% |
| Since inception | 7.9% |

*as of 05/30/25. See Notes.

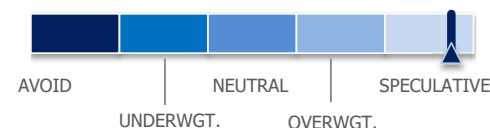
Trading statistics

| | |
|--------------------|-------|
| Beta vs. S&P 500 | 0.90 |
| Standard deviation | 25.9% |

AltaVista Recommendation

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.



ALTAR Scores™

| S&P 500 | XLE | Cat. Avg. |
|---------|------|-----------|
| 5.2% | 9.7% | 5.9% |

Analyst's opinion

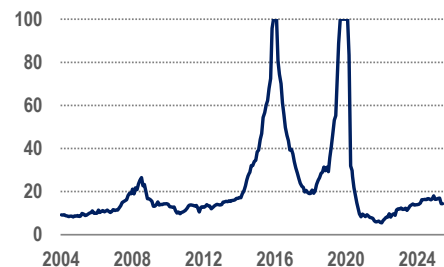
Few sectors have as much uncertainty surrounding their fundamental outlook as Energy, though the recent direction has been decidedly negative. We like Energy long term due to years of underinvestment and attractive valuation metrics (<6x cash flow) but the production-friendly policies of the Trump administration will likely result in greater capex in the face of lower oil prices which could put a big dent in profitability, resulting in our Speculative rating.

Valuation metrics

| | 2025E | 2026E |
|---------------------|-------|-------|
| Price-to-Earnings | 15.6 | 13.0 |
| Price-to-Cash Flow | 5.7 | 5.2 |
| Price-to-Sales | 1.2 | 1.2 |
| Price-to-Book Value | 1.8 | 1.7 |
| Yield* (%) | 3.8 | 3.9 |

*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)

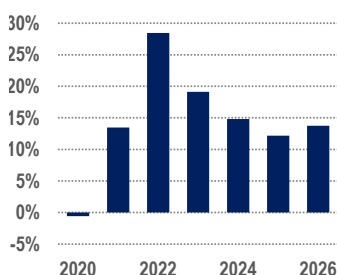
Other fundamental data

| | |
|----------------|-------|
| LT growth est. | 18.7% |
| Payout ratio | 58.6% |
| Debt-to-equity | 0.5x |

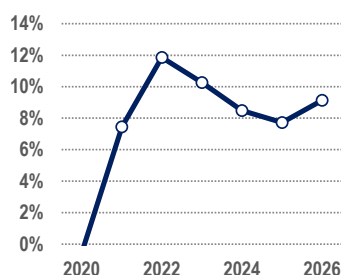
Per share results & estimates

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025E | 2026E | 20-25E CAGR |
|--------------|-------|----------|--------|--------|--------|--------|-------|-------------|
| Sales | 35.50 | 56.51 | 85.34 | 71.83 | 70.70 | 67.86 | 68.77 | 13.8% |
| Earnings | -0.19 | 4.21 | 10.12 | 7.37 | 6.00 | 5.24 | 6.28 | n/m |
| Book Value | 29.55 | 32.94 | 38.17 | 38.96 | 42.00 | 44.17 | 47.27 | 8.4% |
| Dividends | 2.23 | 2.32 | 2.97 | 2.90 | 2.96 | 3.07 | 3.18 | 6.6% |
| Sales growth | | 59.2% | 51.0% | -15.8% | -1.6% | -4.0% | 1.3% | |
| EPS growth | | -2315.8% | 140.4% | -27.2% | -18.6% | -12.7% | 19.8% | |

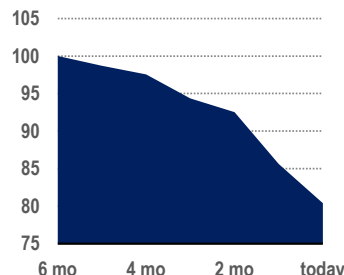
Return on Equity



Net margins



Trend in Current FY Est.



Top 10 Holdings

| | |
|---------------------|--------------|
| EXXON MOBIL CORP | 23.0% |
| CHEVRON CORP | 15.1% |
| CONOCOPHILLIPS | 7.2% |
| WILLIAMS COS INC | 5.2% |
| EOG RESOURCES, INC. | 4.2% |
| KINDER MORGAN INC | 4.1% |
| MARATHON PETROLEUM | 3.9% |
| ONEOK INC | 3.8% |
| PHILLIPS 66 | 3.6% |
| SCHLUMBERGER LTD | 3.5% |
| TOTAL | 73.5% |

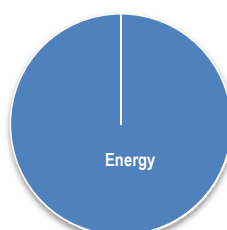
Constituent allocation

| | |
|----------------------------|-----------|
| No. of constituents | 23 |
| Weighted avg mkt cap (mns) | \$183,991 |
| Large cap (>\$10bn) | 97.9% |
| Mid cap (\$2-10bn) | 0.5% |
| Small cap (<\$2bn) | 1.6% |

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



For more information visit
www.etfrc.com

Financial Select Sector SPDR Fund

XLF

\$50.96

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.secterspdr.com/performance.

Fund basics

| | |
|-------------------------|------------------------------|
| AltaVista Category | US |
| Fund sponsor | State Street Global Advisors |
| Inception date | December 16, 1998 |
| Fund assets (mns) | \$49,655 |
| Avg. daily volume (000) | 33,685 |
| Expense ratio (bp) | 8 |
| Distributions | Quarterly |
| Options availability | YES |

Total returns (price)*

| | |
|-----------------|-------|
| One year | 24.3% |
| Five year | 19.0% |
| Ten year | 14.4% |
| Since inception | 7.4% |

*as of 05/30/25. See Notes.

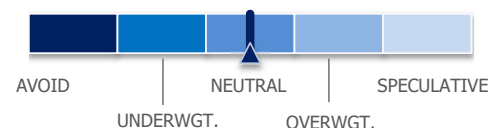
Trading statistics

| | |
|--------------------|-------|
| Beta vs. S&P 500 | 0.98 |
| Standard deviation | 20.0% |

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.



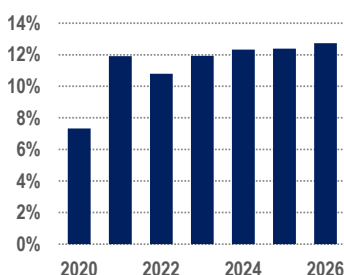
ALTAR Scores™

| | | |
|---------|------|-----------|
| S&P 500 | XLF | Cat. Avg. |
| 5.2% | 6.0% | 5.9% |

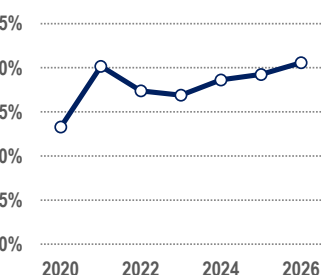
Per share results & estimates

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025E | 2026E | 20-25E CAGR |
|--------------|-------|-------|--------|-------|-------|-------|-------|-------------|
| Sales | 10.77 | 12.10 | 12.37 | 14.03 | 14.39 | 15.33 | 16.18 | 7.3% |
| Earnings | 1.43 | 2.44 | 2.15 | 2.37 | 2.68 | 2.95 | 3.33 | 15.6% |
| Book Value | 20.08 | 20.88 | 18.98 | 20.73 | 22.72 | 24.89 | 27.38 | 4.4% |
| Dividends | 0.59 | 0.66 | 0.64 | 0.66 | 0.69 | 0.78 | 0.84 | 5.7% |
| Sales growth | | 12.3% | 2.2% | 13.4% | 2.6% | 6.5% | 5.5% | |
| EPS growth | | 70.6% | -11.9% | 10.2% | 13.1% | 10.1% | 12.9% | |

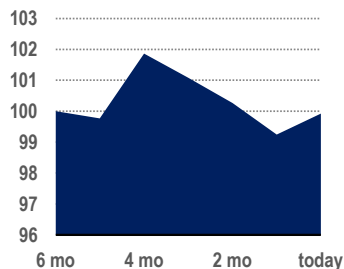
Return on Equity



Net margins



Trend in Current FY Est.



Analyst's opinion

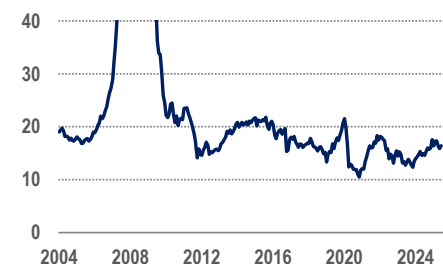
Estimate revisions have been a bit erratic as analysts struggle to assess the outlook for interest rates, the economy and a volatile stock market, but last month at least were positive. In any event valuations remain well within historical norms in terms (P/E History chart) resulting in a ranking well ahead of the S&P 500 in our value-conscious framework, though still in Neutral territory. Sell-side sentiment however rates Financials as below average (see Sentiment page).

Valuation metrics

| | 2025E | 2026E |
|---------------------|-------|-------|
| Price-to-Earnings | 17.3 | 15.3 |
| Price-to-Cash Flow | 13.6 | 12.6 |
| Price-to-Sales | 3.3 | 3.1 |
| Price-to-Book Value | 2.0 | 1.9 |
| Yield* (%) | 1.5 | 1.6 |

*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)

Top 10 Holdings

| | |
|-------------------------------|--------------|
| BERKSHIRE HATHAWAY INC-CL B | 12.9% |
| JPMORGAN CHASE & CO | 10.3% |
| VISA INC. CLASS A | 8.8% |
| MASTERCARD INCORPORATED CLASS | 6.6% |
| BANK OF AMERICA CORP | 4.1% |
| WELLS FARGO & CO | 3.4% |
| GOLDMAN SACHS GROUP INC | 2.6% |
| PROGRESSIVE CORP | 2.3% |
| AMERICAN EXPRESS CO | 2.3% |
| S&P GLOBAL, INC. | 2.2% |
| TOTAL | 55.4% |

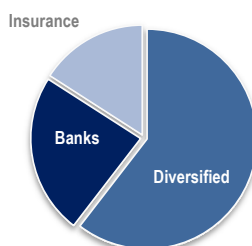
Constituent allocation

| | |
|----------------------------|-----------|
| No. of constituents | 73 |
| Weighted avg mkt cap (mns) | \$384,702 |
| Large cap (>\$10bn) | 99.7% |
| Mid cap (\$2-10bn) | 0.3% |
| 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. | 9.9% |
| Payout ratio | 26.4% |
| Debt-to-equity | 1.0x |



For more information visit
www.etfrc.com

Health Care Select Sector SPDR Fund

XLV

\$132.64

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.

Fund basics

| | |
|-------------------------|------------------------------|
| AltaVista Category | US |
| Fund sponsor | State Street Global Advisors |
| Inception date | December 16, 1998 |
| Fund assets (mns) | \$34,488 |
| Avg. daily volume (000) | 11,829 |
| Expense ratio (bp) | 8 |
| Distributions | Quarterly |
| Options availability | YES |

Total returns (price)*

| | |
|-----------------|-------|
| One year | -7.0% |
| Five year | 6.7% |
| Ten year | 7.5% |
| Since inception | 8.5% |

*as of 05/30/25. See Notes.

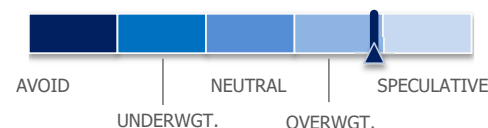
Trading statistics

| | |
|--------------------|-------|
| Beta vs. S&P 500 | 0.52 |
| Standard deviation | 14.0% |

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.



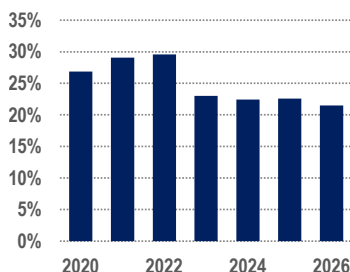
ALTAR Scores™

| S&P 500 | XLV | Cat. Avg. |
|---------|------|-----------|
| 5.2% | 7.7% | 5.9% |

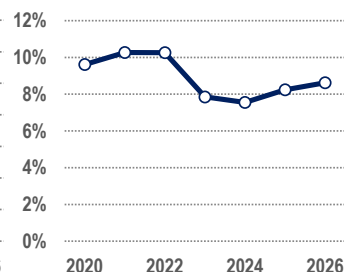
Per share results & estimates

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025E | 2026E | 20-25E CAGR |
|--------------|-------|-------|-------|--------|-------|-------|--------|-------------|
| Sales | 64.06 | 72.72 | 80.20 | 83.41 | 91.37 | 98.09 | 103.82 | 8.9% |
| Earnings | 6.16 | 7.47 | 8.23 | 6.55 | 6.90 | 8.08 | 8.95 | 5.6% |
| Book Value | 24.18 | 27.21 | 28.41 | 28.54 | 33.04 | 38.53 | 44.78 | 9.8% |
| Dividends | 1.81 | 2.03 | 2.16 | 2.36 | 2.40 | 2.59 | 2.70 | 7.4% |
| Sales growth | | 13.5% | 10.3% | 4.0% | 9.5% | 7.4% | 5.8% | |
| EPS growth | | 21.3% | 10.2% | -20.4% | 5.3% | 17.1% | 10.8% | |

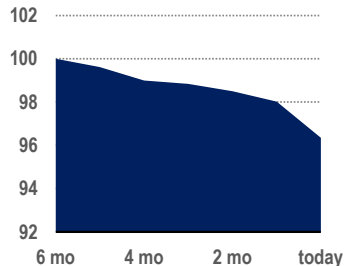
Return on Equity



Net margins



Trend in Current FY Est.



Analyst's opinion

Health Care was the only sector to see shares fall last month as estimate revisions accelerated to the downside (see Trend chart). As a result, earnings for this year are now forecast to fall short of their vaccine-related peak of 2022. Nonetheless, the correction in share prices sent P/E's to their lowest point in about 3.5 years (see History chart) resulting in our Overweight recommendation. Sell-side sentiment however is market-neutral.

Valuation metrics

| | 2025E | 2026E |
|---------------------|-------|-------|
| Price-to-Earnings | 16.4 | 14.8 |
| Price-to-Cash Flow | 11.1 | 10.3 |
| Price-to-Sales | 1.4 | 1.3 |
| Price-to-Book Value | 3.4 | 3.0 |
| Yield* (%) | 2.0 | 2.0 |

*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. | 7.6% |
| Payout ratio | 32.1% |
| Debt-to-equity | 0.8x |

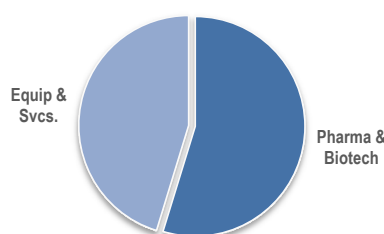
Top 10 Holdings

| | |
|------------------------------|--------------|
| ELI LILLY & CO | 12.0% |
| JOHNSON & JOHNSON | 7.7% |
| ABBVIE INC | 6.8% |
| UNITEDHEALTH GROUP INC | 5.8% |
| ABBOTT LABORATORIES | 4.8% |
| INTUITIVE SURGICAL INC | 4.1% |
| MERCK & CO. INC. | 4.0% |
| BOSTON SCIENTIFIC CORP | 3.2% |
| AMGEN INC | 3.2% |
| THERMO FISHER SCIENTIFIC INC | 3.2% |
| TOTAL | 54.8% |

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 | 60 |
| Weighted avg mkt cap (mns) | \$263,037 |
| Large cap (>\$10bn) | 99.3% |
| Mid cap (\$2-10bn) | 0.5% |
| Small cap (<\$2bn) | 0.0% |



For more information visit
www.etfrc.com

Industrial Select Sector SPDR Fund

XLI

\$142.82

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.secterspdr.com/performance.

Fund basics

| | |
|-------------------------|------------------------------|
| AltaVista Category | US |
| Fund sponsor | State Street Global Advisors |
| Inception date | December 16, 1998 |
| Fund assets (mns) | \$21,248 |
| Avg. daily volume (000) | 7,901 |
| Expense ratio (bp) | 8 |
| Distributions | Quarterly |
| Options availability | YES |

Total returns (price)*

| | |
|-----------------|-------|
| One year | 16.4% |
| Five year | 17.8% |
| Ten year | 11.8% |
| Since inception | 9.5% |

*as of 05/30/25. See Notes.

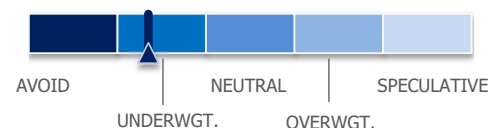
Trading statistics

| | |
|--------------------|-------|
| Beta vs. S&P 500 | 1.07 |
| Standard deviation | 20.0% |

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.



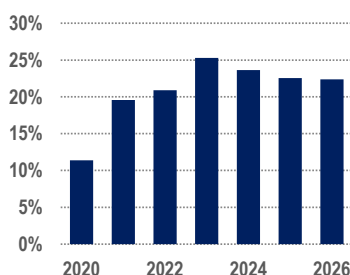
ALTAR Scores™

| | | |
|---------|------|-----------|
| S&P 500 | XLI | Cat. Avg. |
| 5.2% | 4.5% | 5.9% |

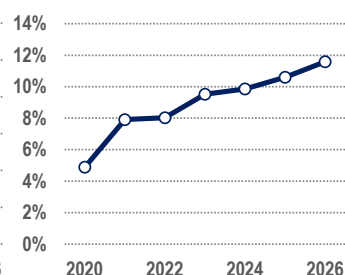
Per share results & estimates

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025E | 2026E | 20-25E CAGR |
|--------------|-------|-------|-------|-------|-------|-------|-------|-------------|
| Sales | 40.12 | 45.64 | 50.70 | 52.93 | 52.56 | 54.27 | 57.68 | 6.2% |
| Earnings | 1.96 | 3.61 | 4.07 | 5.04 | 5.18 | 5.75 | 6.68 | 24.0% |
| Book Value | 17.54 | 19.37 | 19.59 | 20.27 | 23.56 | 27.45 | 32.29 | 9.4% |
| Dividends | 2.22 | 1.44 | 1.71 | 1.81 | 1.89 | 1.86 | 1.84 | n/m |
| Sales growth | | 13.8% | 11.1% | 4.4% | -0.7% | 3.3% | 6.3% | |
| EPS growth | | 84.2% | 12.7% | 23.8% | 2.8% | 11.0% | 16.2% | |

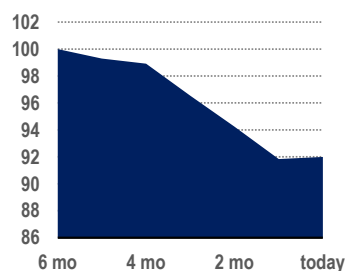
Return on Equity



Net margins



Trend in Current FY Est.



Analyst's opinion

This export-oriented sector has a lot riding on the outcome of tariff negotiations, but the reprieve last month at least arrested the fall in earnings estimates (Trend chart). In any case P/E multiples remain elevated historically speaking (excluding the spike from the COVID earnings collapse) and the rising margins implied by consensus forecasts for this year and next strikes us as optimistic, resulting in our Underweight recommendation. Sell-side analysts concur (see Sentiment page).

Valuation metrics

| | 2025E | 2026E |
|---------------------|-------|-------|
| Price-to-Earnings | 24.8 | 21.4 |
| Price-to-Cash Flow | 14.1 | 12.7 |
| Price-to-Sales | 2.6 | 2.5 |
| Price-to-Book Value | 5.2 | 4.4 |
| Yield* (%) | 1.3 | 1.3 |

*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. | 6.3% |
| Payout ratio | 32.3% |
| Debt-to-equity | 1.3x |

Top 10 Holdings

| | |
|-----------------------------|--------------|
| GE AEROSPACE | 6.0% |
| RTX CORP | 4.1% |
| UBER TECHNOLOGIES, INC. | 4.0% |
| CATERPILLAR INC | 3.8% |
| BOEING CO | 3.5% |
| HONEYWELL INTERNATIONAL INC | 3.4% |
| UNION PACIFIC CORP | 3.1% |
| AUTOMATIC DATA PROCESSING | 3.0% |
| GE VERONA | 3.0% |
| DEERE & CO | 2.9% |
| TOTAL | 36.8% |

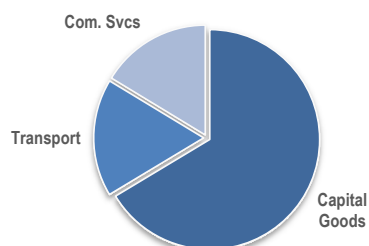
Constituent allocation

| | |
|----------------------------|----------|
| No. of constituents | 79 |
| Weighted avg mkt cap (mns) | \$89,718 |
| Large cap (>\$10bn) | 96.7% |
| Mid cap (\$2-10bn) | 0.6% |
| Small cap (<\$2bn) | 0.0% |

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



AltaVista
RESEARCH

For more information visit
www.etfrc.com

Materials Select Sector SPDR Fund

XLB

\$86.34

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.

Fund basics

| | |
|-------------------------|------------------------------|
| AltaVista Category | US |
| Fund sponsor | State Street Global Advisors |
| Inception date | December 16, 1998 |
| Fund assets (mns) | \$4,785 |
| Avg. daily volume (000) | 4,113 |
| Expense ratio (bp) | 8 |
| Distributions | Quarterly |
| Options availability | YES |

Total returns (price)*

| | |
|-----------------|-------|
| One year | -4.3% |
| Five year | 11.4% |
| Ten year | 7.6% |
| Since inception | 8.5% |

*as of 05/30/25. See Notes.

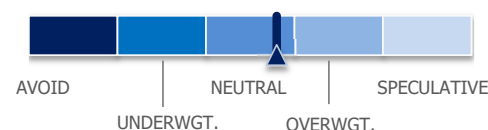
Trading statistics

| | |
|--------------------|-------|
| Beta vs. S&P 500 | 1.07 |
| Standard deviation | 21.3% |

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.

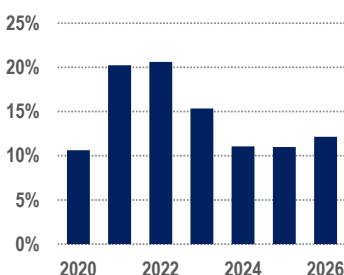


| S&P 500 | ALTAR Scores™ XLB | Cat. Avg. |
|---------|----------------------|-----------|
| 5.2% | 6.3% | 5.9% |

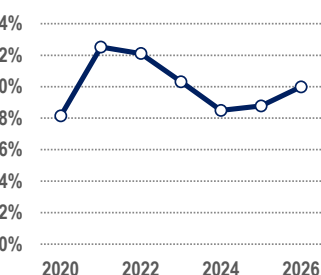
Per share results & estimates

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025E | 2026E | 20-25E CAGR |
|--------------|-------|--------|-------|--------|--------|-------|-------|-------------|
| Sales | 34.34 | 44.73 | 49.87 | 44.78 | 40.98 | 41.58 | 43.14 | 3.9% |
| Earnings | 2.80 | 5.60 | 6.04 | 4.62 | 3.48 | 3.65 | 4.31 | 5.4% |
| Book Value | 26.29 | 29.08 | 29.55 | 30.70 | 32.30 | 34.18 | 36.79 | 5.4% |
| Dividends | 1.48 | 1.66 | 1.95 | 1.83 | 1.88 | 1.77 | 1.70 | 3.6% |
| Sales growth | | 30.3% | 11.5% | -10.2% | -8.5% | 1.5% | 3.8% | |
| EPS growth | | 100.0% | 7.9% | -23.5% | -24.7% | 4.9% | 18.1% | |

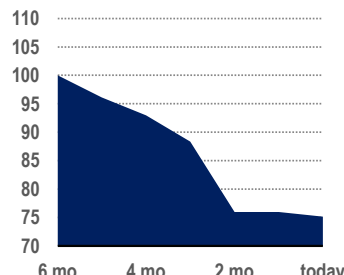
Return on Equity



Net margins



Trend in Current FY Est.



Analyst's opinion

Softening commodity prices and trade disruptions cloud the earnings outlook, although estimate revisions appear to have stabilized over the past two months (Trend chart). We rate the sector ahead of the S&P 500, but that partly reflects profitability--ROE and margins--from the pandemic-fueled boom years of 2021-22 which may not be repeatable. Sell-side analysts meanwhile rate Materials below the S&P 500 (see Sentiment page).

Valuation metrics

| | 2025E | 2026E |
|---------------------|-------|-------|
| Price-to-Earnings | 23.7 | 20.0 |
| Price-to-Cash Flow | 10.4 | 9.4 |
| Price-to-Sales | 2.1 | 2.0 |
| Price-to-Book Value | 2.5 | 2.3 |
| Yield* (%) | 2.1 | 2.0 |

*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. | 4.4% |
| Payout ratio | 48.5% |
| Debt-to-equity | 0.6x |

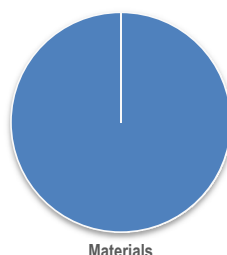
Top 10 Holdings

| | |
|------------------------------|--------------|
| LINDE PLC | 18.4% |
| SHERWIN-WILLIAMS CO/THE | 6.9% |
| ECOLAB INC | 5.5% |
| NEWMONT MINING CORP | 5.3% |
| CORTEVA INC | 5.2% |
| AIR PRODUCTS & CHEMICALS INC | 5.1% |
| FREEPORT-MCMORAN COPPER | 4.6% |
| VULCAN MATERIALS CO | 4.5% |
| MARTIN MARIETTA MATERIALS | 4.3% |
| DUPONT DE NEMOURS INC | 3.6% |
| TOTAL | 63.5% |

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



Materials

Constituent allocation

| | |
|----------------------------|----------|
| No. of constituents | 26 |
| Weighted avg mkt cap (mns) | \$69,913 |
| Large cap (>\$10bn) | 98.8% |
| Mid cap (\$2-10bn) | 1.2% |
| Small cap (<\$2bn) | 0.0% |



For more information visit
www.etfrc.com

Real Estate Select Sector SPDR Fund

XLRE

\$41.73

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.secterspdr.com/performance.

Fund basics

| | |
|-------------------------|------------------------------|
| AltaVista Category | US |
| Fund sponsor | State Street Global Advisors |
| Inception date | October 7, 2015 |
| Fund assets (mns) | \$7,399 |
| Avg. daily volume (000) | 4,165 |
| Expense ratio (bp) | 8 |
| Distributions | Quarterly |
| Options availability | YES |

Total returns (price)*

| | |
|-----------------|-------|
| One year | 12.3% |
| Five year | 7.1% |
| Ten year | n/a |
| Since inception | n/a |

*as of 05/30/25. See Notes.

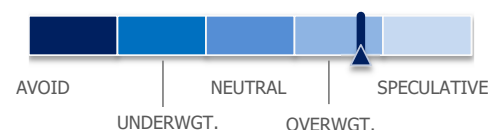
Trading statistics

| | |
|--------------------|-------|
| Beta vs. S&P 500 | 1.03 |
| Standard deviation | 20.8% |

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.



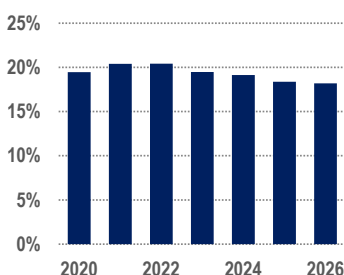
ALTAR Scores™

| S&P 500 | XLRE | Cat. Avg. |
|---------|------|-----------|
| 5.2% | 7.5% | 5.9% |

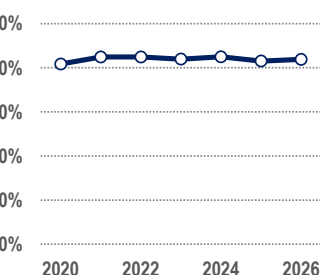
Per share results & estimates

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025E | 2026E | 20-25E CAGR |
|--------------|------|-------|-------|-------|-------|-------|-------|-------------|
| Sales | 4.11 | 4.71 | 5.44 | 5.86 | 6.19 | 6.62 | 7.06 | 10.0% |
| Earnings | 1.68 | 2.00 | 2.31 | 2.46 | 2.63 | 2.75 | 2.96 | 10.4% |
| Book Value | 9.09 | 10.52 | 12.12 | 13.14 | 14.37 | 15.58 | 16.97 | 11.4% |
| Dividends | 1.16 | 1.13 | 1.36 | 1.36 | 1.40 | 1.54 | 1.57 | 5.8% |
| Sales growth | | 14.6% | 15.5% | 7.7% | 5.6% | 6.9% | 6.6% | |
| EPS growth | | 19.0% | 15.5% | 6.5% | 6.9% | 4.6% | 7.6% | |

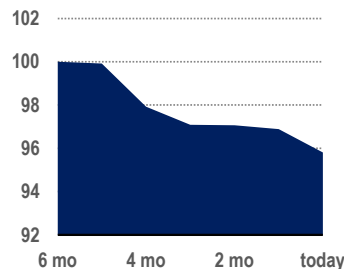
Return on Equity



Net margins



Trend in Current FY Est.



Analyst's opinion

XLRE is dominated by tech and mobile infrastructure plays more so than troubled commercial real estate. We rate the sector Overweight in view of its stable cash flows, relatively rich yields and attractive valuation multiples, especially in view of the sector's own history (see P/E chart below). However the consensus outlook among analysts is just below market-neutral (see Sentiment page).

Valuation metrics

| | 2025E | 2026E |
|---------------------|-------|-------|
| Price-to-Earnings | 15.2 | 14.1 |
| Price-to-Cash Flow | 14.1 | 13.1 |
| Price-to-Sales | 6.3 | 5.9 |
| Price-to-Book Value | 2.7 | 2.5 |
| Yield* (%) | 3.7 | 3.8 |

*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. | 8.0% |
| Payout ratio | 56.0% |
| Debt-to-equity | 1.0x |

Top 10 Holdings

| | |
|--------------------------|--------------|
| PROLOGIS INC | 9.4% |
| AMERICAN TOWER CORP-CL A | 9.3% |
| WELLTOWER, INC. | 8.8% |
| EQUINIX INC | 8.1% |
| DIGITAL REALTY TRUST INC | 5.1% |
| SIMON PROPERTY GROUP INC | 4.7% |
| REALTY INCOME CORP | 4.6% |
| PUBLIC STORAGE | 4.5% |
| CROWN CASTLE INTL CORP | 4.1% |
| CBRE GROUP, INC. CLASS A | 3.4% |
| TOTAL | 61.9% |

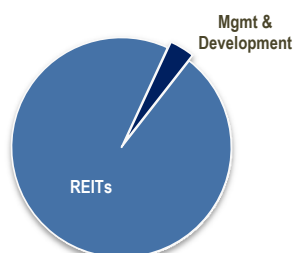
Constituent allocation

| | |
|----------------------------|----------|
| No. of constituents | 31 |
| Weighted avg mkt cap (mns) | \$54,304 |
| Large cap (>\$10bn) | 99.3% |
| Mid cap (\$2-10bn) | 0.7% |
| Small cap (<\$2bn) | 0.0% |

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



AltaVista
RESEARCH

For more information visit
www.etfrc.com

Technology Select Sector SPDR Fund

XLK

\$230.91

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.

Fund basics

| | |
|-------------------------|------------------------------|
| AltaVista Category | US |
| Fund sponsor | State Street Global Advisors |
| Inception date | December 16, 1998 |
| Fund assets (mns) | \$72,115 |
| Avg. daily volume (000) | 5,426 |
| Expense ratio (bp) | 8 |
| Distributions | Quarterly |
| Options availability | YES |

Total returns (price)*

| | |
|-----------------|-------|
| One year | 10.5% |
| Five year | 19.7% |
| Ten year | 19.6% |
| Since inception | 9.5% |

*as of 05/30/25. See Notes.

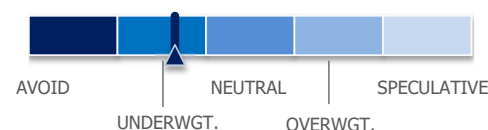
Trading statistics

| | |
|--------------------|-------|
| Beta vs. S&P 500 | 1.21 |
| Standard deviation | 22.5% |

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.



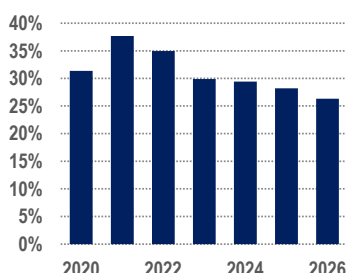
ALTAR Scores™

| S&P 500 | XLK | Cat. Avg. |
|---------|------|-----------|
| 5.2% | 4.9% | 5.9% |

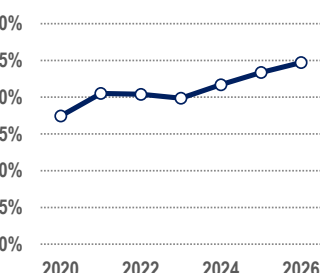
Per share results & estimates

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025E | 2026E | 20-25E CAGR |
|--------------|-------|-------|-------|-------|-------|-------|-------|-------------|
| Sales | 24.14 | 28.08 | 30.70 | 30.41 | 32.40 | 35.87 | 39.33 | 8.2% |
| Earnings | 4.21 | 5.76 | 6.26 | 6.04 | 7.03 | 8.38 | 9.72 | 14.8% |
| Book Value | 13.88 | 16.67 | 19.13 | 21.31 | 26.47 | 32.99 | 40.85 | 18.9% |
| Dividends | 1.92 | 1.52 | 1.81 | 1.96 | 1.87 | 1.86 | 1.86 | n/m |
| Sales growth | | 16.3% | 9.3% | -0.9% | 6.5% | 10.7% | 9.6% | |
| EPS growth | | 36.8% | 8.7% | -3.5% | 16.4% | 19.2% | 16.0% | |

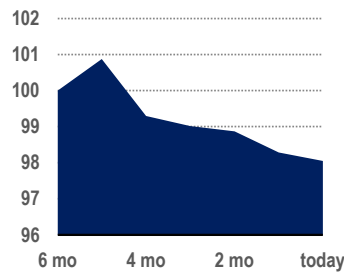
Return on Equity



Net margins



Trend in Current FY Est.



Analyst's opinion

Analysts expect double-digit revenue growth this year and next with modest margin expansion boosting earnings growth, though plenty of uncertainty remains around trade turmoil. Nonetheless shares soared ~10% last month on easing tensions, which only stretched already-rich valuations (see P/E chart), resulting in our Underweight recommendation. But sell-side analysts disagree, ranking Tech higher than all other sectors.

Valuation metrics

| | 2025E | 2026E |
|---------------------|-------|-------|
| Price-to-Earnings | 27.6 | 23.8 |
| Price-to-Cash Flow | 18.6 | 16.3 |
| Price-to-Sales | 6.4 | 5.9 |
| Price-to-Book Value | 7.0 | 5.7 |
| Yield* (%) | 0.8 | 0.8 |

*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

| | |
|---------------------------------|--------------|
| MICROSOFT CORP | 14.3% |
| NVIDIA CORP | 13.8% |
| APPLE INC | 12.6% |
| BROADCOM INC. | 5.1% |
| PALANTIR TECHNOLOGIES INC. CLAS | 2.9% |
| ORACLE CORP | 2.9% |
| SALESFORCE.COM INC | 2.8% |
| CISCO SYSTEMS INC | 2.7% |
| INTL BUSINESS MACHINES CORP | 2.6% |
| INTUIT INC | 2.3% |
| TOTAL | 62.1% |

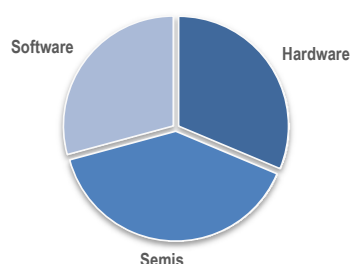
Constituent allocation

| | |
|----------------------------|-------------|
| No. of constituents | 69 |
| Weighted avg mkt cap (mns) | \$1,306,180 |
| Large cap (>\$10bn) | 99.8% |
| Mid cap (\$2-10bn) | 0.2% |
| Small cap (<\$2bn) | 0.0% |

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



Other fundamental data

| | |
|----------------|-------|
| LT growth est. | 11.8% |
| Payout ratio | 22.2% |
| Debt-to-equity | 0.6x |



For more information visit
www.etfrc.com

Utilities Select Sector SPDR Fund

XLU

\$81.92

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.sectspdr.com/performance.

Fund basics

| | |
|-------------------------|------------------------------|
| AltaVista Category | US |
| Fund sponsor | State Street Global Advisors |
| Inception date | December 16, 1998 |
| Fund assets (mns) | \$18,737 |
| Avg. daily volume (000) | 10,418 |
| Expense ratio (bp) | 8 |
| Distributions | Quarterly |
| Options availability | YES |

Total returns (price)*

| | |
|-----------------|-------|
| One year | 15.3% |
| Five year | 9.8% |
| Ten year | 9.7% |
| Since inception | 8.0% |

*as of 05/30/25. See Notes.

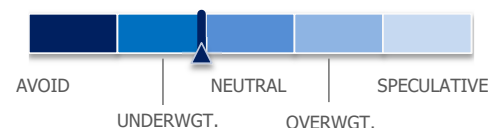
Trading statistics

| | |
|--------------------|-------|
| Beta vs. S&P 500 | 0.62 |
| Standard deviation | 16.7% |

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.

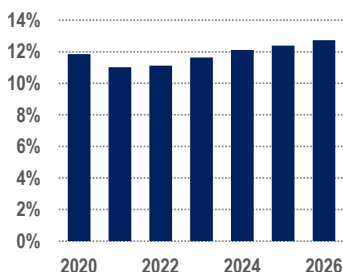


| S&P 500 | ALTAR Scores™ XLU | Cat. Avg. |
|---------|----------------------|-----------|
| 5.2% | 5.3% | 5.9% |

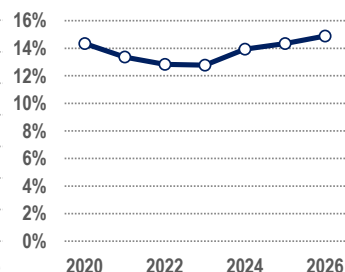
Per share results & estimates

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025E | 2026E | 20-25E CAGR |
|--------------|-------|-------|-------|-------|-------|-------|-------|-------------|
| Sales | 23.84 | 25.22 | 27.28 | 29.50 | 29.63 | 30.95 | 32.25 | 5.4% |
| Earnings | 3.42 | 3.37 | 3.50 | 3.77 | 4.13 | 4.44 | 4.80 | 5.4% |
| Book Value | 29.79 | 31.38 | 31.57 | 33.21 | 34.95 | 36.69 | 38.68 | 4.3% |
| Dividends | 2.21 | 2.25 | 2.19 | 2.25 | 2.39 | 2.70 | 2.81 | 4.1% |
| Sales growth | | 5.8% | 8.2% | 8.1% | 0.4% | 4.5% | 4.2% | |
| EPS growth | | -1.5% | 3.9% | 7.7% | 9.5% | 7.5% | 8.1% | |

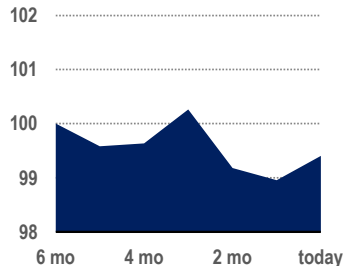
Return on Equity



Net margins



Trend in Current FY Est.



Analyst's opinion

Investors cheered rate cuts through most of last year, but seem to be reevaluating that stance this year in light of the uncertain outlook. As a result valuation multiples have eased a bit (P/E History chart) while yields have recovered. Our value-conscious ratings framework puts the sector on par with the broader S&P 500, but sell-side analysts rank it their 2nd least-favorite, after Consumer Staples (see Sentiment page).

Valuation metrics

| | 2025E | 2026E |
|---------------------|-------|-------|
| Price-to-Earnings | 18.5 | 17.1 |
| Price-to-Cash Flow | 6.8 | 6.2 |
| Price-to-Sales | 2.6 | 2.5 |
| Price-to-Book Value | 2.2 | 2.1 |
| Yield* (%) | 3.3 | 3.4 |

*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. | 4.1% |
| Payout ratio | 60.8% |
| Debt-to-equity | 1.7x |

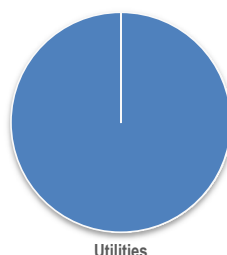
Top 10 Holdings

| | |
|-------------------------------|--------------|
| NEXTERA ENERGY GROUP | 11.6% |
| SOUTHERN CO | 7.8% |
| CONSTELLATION ENERGY CORPORAT | 7.6% |
| DUKE ENERGY CORP | 7.3% |
| AMERICAN ELECTRIC POWER | 4.4% |
| VISTRA ENERGY CORP. | 4.3% |
| SEMPRA ENERGY | 4.0% |
| DOMINION RESOURCES INC/VA | 3.8% |
| EXELON CORP | 3.5% |
| PUBLIC SERVICE ENTERPRISE GP | 3.2% |
| TOTAL | 57.5% |

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



Utilities

Constituent allocation

| | |
|----------------------------|----------|
| No. of constituents | 31 |
| Weighted avg mkt cap (mns) | \$58,190 |
| Large cap (>\$10bn) | 99.3% |
| Mid cap (\$2-10bn) | 0.7% |
| Small cap (<\$2bn) | 0.0% |



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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.

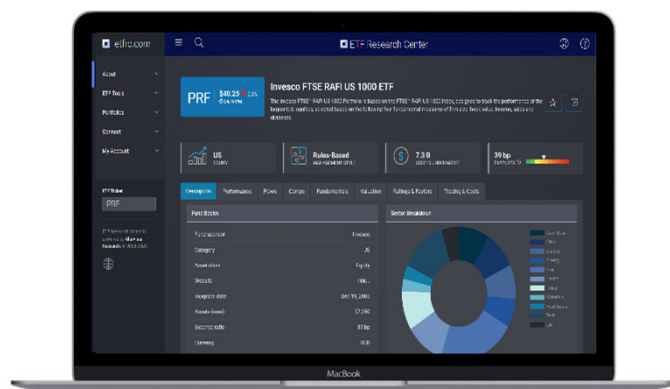
Price-to-Earnings, -Cash Flow, -Sales and -Book Value: Valuation multiples derived by dividing the index price by the per-share figures for earnings, cash flow, sales and book value, respectively, as per the 'per share results & estimates' for each index.

Additional information is available upon request.



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