Do We Put Too Much Emphasis on Stock Indexes?
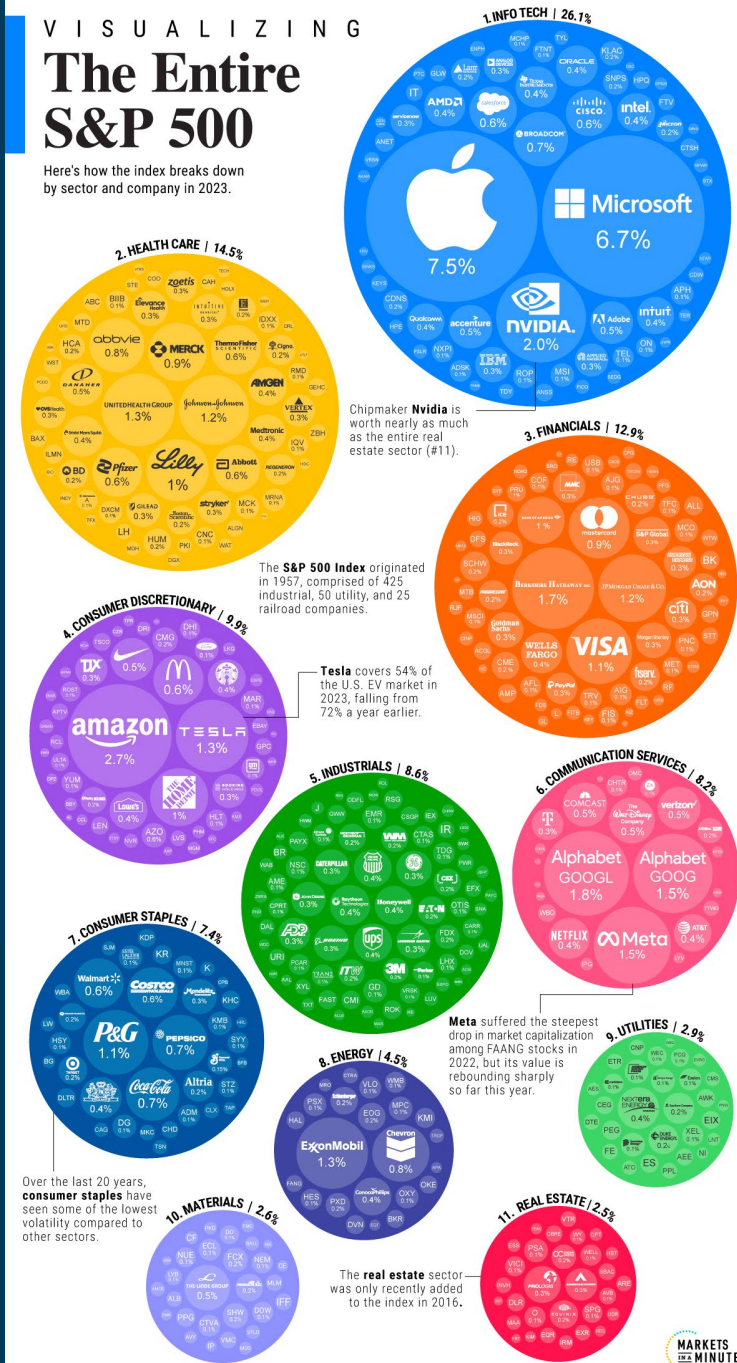
Just 7 companies make up over 50% of the NASDAQ 100

CREATED BY genuine impact

Microsoft 12.63%

Apple 12.60%

Alphabet Class A: 3.74% Class C: 3.70%

Amazon 6.31%

NVIDIA 5.29%

Meta 3.68%

Tesla 3.38%

Other Companies 48.67%

Source: Invesco QQQ. Holdings correct as of 19/04/2023.
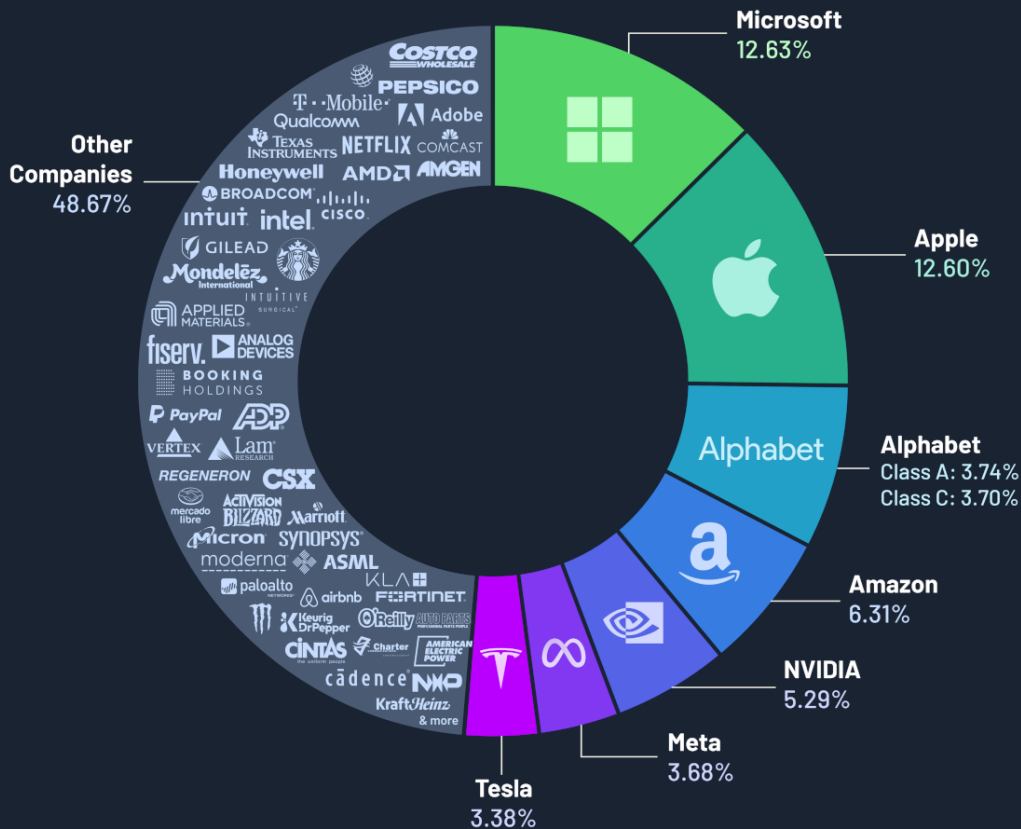
More charts: genuineimpact.substack.com

VISUALIZING The Entire S&P 500

Here's how the index breaks down by sector and company in 2023.

1. INFO TECH | 26.1%

Apple 7.5%
Microsoft 6.7%
NVIDIA 2.0%

Chipmaker Nvidia is worth nearly as much as the entire real estate sector (#11).

2. HEALTH CARE | 14.5%

The S&P 500 Index originated in 1957, comprised of 425 industrial, 50 utility, and 25 railroad companies.

3. FINANCIALS | 12.9%

Berkshire Hathaway 1.7%
JP Morgan Chase & Co 1.2%
VISA 1.1%

4. CONSUMER DISCRETIONARY | 9.9%

amazon 2.7%
TESLA 1.3%

Tesla covers 54% of the U.S. EV market in 2023, falling from 72% a year earlier.

5. INDUSTRIALS | 8.6%

6. COMMUNICATION SERVICES | 8.2%

Alphabet GOOGL 1.8%
Alphabet GOOG 1.5%
Meta 1.5%

7. CONSUMER STAPLES | 7.4%

P&G 1.1%
PEPSICO 0.7%

Over the last 20 years, consumer staples have seen some of the lowest volatility compared to other sectors.

Meta suffered the steepest drop in market capitalization among FAANG stocks in 2022, but its value is rebounding sharply so far this year.

8. ENERGY | 4.5%

ExxonMobil 1.3%
Chevron 0.8%

9. UTILITIES | 2.9%

10. MATERIALS | 2.6%

11. REAL ESTATE | 2.5%

The real estate sector was only recently added to the index in 2016.

Data as of May 5, 2023. Source: Slickcharts, University of Pennsylvania, Axios, Nasdaq, Fidelity Investments, CNBC. Numbers may not total 100 due to rounding.

MARKETS IN A MINUTE