A COMPARISON OF MAJOR U.S. EQUITY MARKET INDEXES

iShares by BlackRock

Every index begins with the effort to be an accurate barometer of a market. Each index provider, however, has its own unique way to measure each market segment. As a result, indexes with similar names can be constructed differently and exhibit materially different characteristics – as demonstrated below with the U.S. equity market.

How major U.S. equity market indexes "size up" the market

S&P 1500[1]

Large – S&P 500	Mid – S&P MidCap 400	Small – S&P SmallCap 600

Russell 3000[2]

Large & Mid – Russell 1000 Top 1,000 stocks by market cap		Small – Russell 2000 Stocks 1,001 to 3,000
Large – Russell Top 200 Top 200 stocks by market cap	**Mid – Russell Midcap** Stocks 201 to 1,000	

Morningstar U.S. Market Extended[3]

Large & Mid – Morningstar U.S. Large – Mid Cap Top 90%		Small – Morningstar U.S. Small Cap Extended Next ~9.5%
Large – Morningstar U.S. Large Cap Top 70%	**Mid – Morningstar U.S. Mid Cap** Next 20%	

MSCI IMI Index[4]

Large Cap 70%	Mid Cap 15%	Small Cap 14%
MSCI Standard Index 85%		

CRSP U.S. Equity Index[5]

Large & Mid – CRSP U.S. Large Cap Top 85%		Small – CRSP US Small Cap Next 13%
Mega – CRSP U.S. Mega Cap Top 70%	**Mid – CRSP U.S. Mid Cap** Next 15%	

Dow Jones U.S. Broad Market Index[6]

Large – Dow Jones U.S. Large – Cap Top 750 firms by market cap	Mid – Dow Jones U.S. Mid-Cap Firms 501 to 1,000	Small – Dow Jones U.S. Small-Cap Firms 751 to 2,500

1. Source: S&P, as of 12/31/2025 *For initial inclusion into the S&P 1500 stocks must pass financial viability, multiple share class, and sector balance rules as defined by S&P. **2.** Source: Russell, as of 12/31/2025. **3.** Source: Morningstar, as of 12/31/2025. **4.** Source: MSCI as of 12/31/2025. **5.** Source: CRSP, as of 12/31/2025. **6.** Source: Dow Jones as of 12/31/2025.

U.S. Growth and Value Indexes

Indexes that focus on style elements like "growth" and "value" may differ across index providers as a result of the fundamental criteria used, and each provider's unique approach to distributing and weighting stocks assigned to their respective style.

Value and Growth Metrics

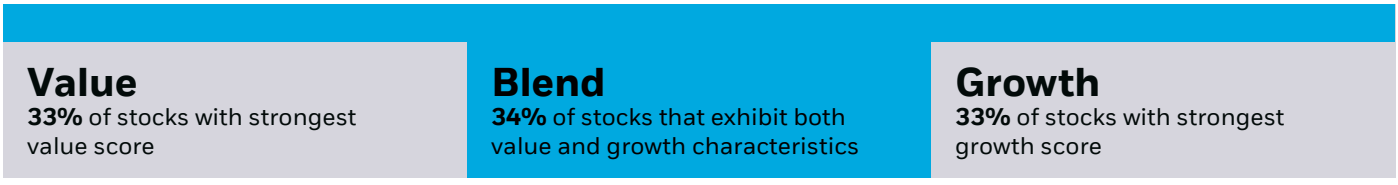
Index Provider	Value factors	Growth factors
S&P[7]	• Price to Earnings • Price to Book • Price to Sales	• 3-Year Change in EPS/Price • 3-Year Sales per Share Growth • 12-Month Price Momentum
Russell[8]	• Price to Book	• IBES 2-Year Growth Forecast • 5-Year Sales per Share Growth
Morningstar[9]	• Price to Forward Earnings • Price to Book • Price to Sales • Price to Cash Flow • Dividend Yield	• Long-term Projected Earnings Growth • Historical Earnings Growth • Sales Growth • Cash Flow Growth • Book Value Growth
MSCI[10]	• 12 month forward earnings to price • Book value to price • Dividend yield	• Long-term forward EPS growth rate • Short-term forward EPS growth rate • Current internal growth rate • Long-term historical EPS growth trend • Long-term historical sales per share growth trend
CRSP[11]	• Book to Price • Forward Earnings to Price • Historic Earnings to Price • Dividend Yield • Sales to Price	• Future Long-Term EPS Growth • Future Short-Term EPS Growth • 3-Year Historical Growth in EPS • 3-Year Historical Growth in Sales Per Share • ROA • Investment to Asset Ratio
Dow Jones[12]	• Price to Forward Earnings • Price to Book • Dividend Yield	• Projected Earnings Growth • 5-Year Trailing Revenue Growth • 5-Year Trailing Earnings Growth

Summary of style index methodologies across the major index providers

Standard and Poor's[7]

S&P broad style indices split the parent indices full market cap into Growth and Value: the top 33% of constituents by value score are assigned exclusively to Value, the top 33% by growth score to Growth, and the middle 34% are "blend" and shared across both such that Growth + Value equals the parent.

For instance, if a blend stock is considered 55% value and 45% growth, then 55% of its market cap is placed in the value index and 45% in the growth index. Therefore, combining the S&P 500 Value and S&P 500 Growth indexes at market weights will replicate the S&P 500, for example.



7. Source: S&P, as of 12/31/2025. **8**. Source: Russell, as of 12/31/2025. **9**. Source: Morningstar, as of 12/31/2025. **10**. Source: MSCI, as of 12/31/2025. **11**. Source: CRSP, as of 12/31/2025. **12**. Source: Dow Jones, as of 12/31/2025.

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Russell[13]

Russell also scores each stock by growth and value metrics to determine whether a company is all growth, value, or a blend. Like S&P, stocks that have a blend of both growth and value are included in both Russell style indexes. However, Russell does not set a predetermined percentage on what is deemed pure value or pure growth. A security that skews 75% to growth will be weighted 3x more in the growth index than the value index. Generally speaking, roughly 70% of stocks are classified as pure value or pure growth and the remaining 30% are split appropriately into both style indexes.

Value	Blend	Growth
Varied % of stocks with strongest value score	**Varied %** of stocks that exhibit both value and growth characteristics	**Varied %** of stocks with strongest growth score

Morningstar[14]

Morningstar takes a similar approach as S&P and Russell. To ensure their indexes efficiently represent the target investment style, Morningstar places the top 1/3 of stocks with the highest value scores exclusively in the value index and the top 1/3 of stocks with the highest growth scores exclusively in the growth index.

The middle 1/3 are considered blend and can be found in both style indexes based on their relative style skew. This process prevents blend stocks from dominating a value or growth index.

Value	Blend	Growth
1/3 of stocks with strongest value score	**1/3** of stocks that exhibit both value and growth characteristics	**1/3** of stocks with strongest growth score

MSCI[15]

MSCI scores each stock by growth and value metrics to determine whether a company is all growth, value, or a blend. Stocks that have a blend of both growth and value are included in both MSCI style indexes.

Value	Blend	Growth
Varied % of stocks with strongest value score	**Varied%** of stocks that exhibit both value and growth characteristics	**Varied%** of stocks with strongest growth score

CRSP[16]

CRSP ranks stocks using separate value and growth composites and assigns style using a market-cap-weighted rank approach. Unlike S&P, Russell, and Morningstar, CRSP doesn't maintain a standalone "blend" bucket; "blend" exposure can still show up, but it's handled through banding/packeting and, for names near the boundary, partial allocation across both the value and growth indexes.

Because these indexes are market-cap weighted, larger stocks can still dominate outcomes—and without a dedicated blend sleeve, CRSP's value and growth indexes can end up carrying meaningful weight in companies that look more "in-between" on style.

Value	Growth
50% of stocks with strongest value score	**50%** of stocks with strongest growth scores

Dow Jones[17]

Dow Jones takes a similar approach as CRSP. After scoring stocks based on their growth and value metrics, roughly 50% of the market is placed into each style. There is no blend. However, companies with mixed characteristics may contribute to both indexes.

Value	Growth
50% of stocks with strongest value score	**50%** of stocks with strongest growth scores

13. Source: Russell, as of 12/31/2025. **14.** Source: Morningstar, as of 12/31/2025. **15.** Source: MSCI, as of 12/31/2025. **16.** Source: CRSP, as of 12/31/2025. **17.** Source: Dow Jones, as of 12/31/2025.

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Different index methodologies make for different exposures

The differences in construction methodologies can result in indexes with similar names exhibiting materially different characteristics. Therefore, when constructing portfolios with funds that seek to track broad market and style box indexes, investors should consider **two best practices:**

1 Know how each index provider defines the market to understand which index strategies are needed to complete an allocation. For example, if one index includes both large and midcap securities, a separate allocation to midcap stocks may not be required.

2 To ensure no gaps in exposure or unintentional security overlap, it is good practice to stay consistent and use one index family to ensure a modular building blocks approach, avoiding unintended risks.

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