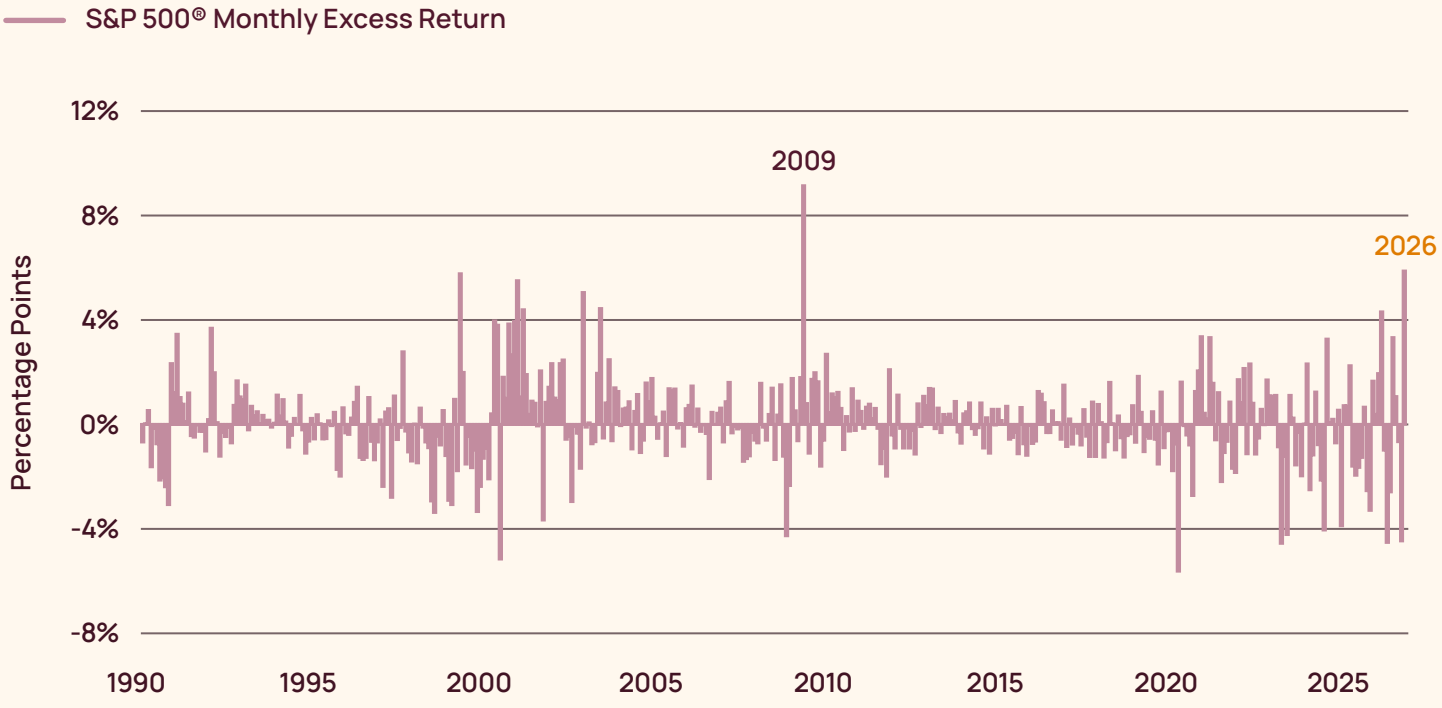
KAR Investment Management

November 2026 Market Insights

The Widest Weighting Gap Since 2009

Monthly Excess Return S&P 500 Equal Weight vs. Cap Weight

- The average S&P 500 stock (equal weight) returned +5.0% in October while the index itself (cap weight) fell -0.9%, a gap of about 5.9 points. The gap was the widest since 2009 and the second largest since 1990.
- Cap weight outperformed equal weight by roughly 6 to 12 percentage points annually from 2023 through 2025. One month is not a trend, but similar rotations in 1999 to 2002 and 2009 came as market leadership broadened.



Data from January 1990 to October 2026. Source: FactSet Research Systems.

The S&P 500® Index is a free-float market capitalization-weighted index of 500 of the largest U.S. companies. The S&P 500 Equal Weight Index (EWI) is the equal-weight version of S&P 500 Index and includes the same constituents, but each company in the EWI is allocated a fixed weight—or 0.2%—of the index total at each quarterly rebalance. These indices are calculated on a total return basis with dividends reinvested. These indices are unmanaged, their returns do not reflect any fees, expenses, or sales charges, and they are not available for direct investment. **Past performance is no guarantee of future results.**