

## For Immediate Release

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# Wilshire 5000® Five Month Winning Streak Halted by \$1.4 Trillion Loss in September

**Santa Monica, Calif., October 1, 2020** – The Wilshire 5000 Total Market Index<sup>SM</sup>, definitive benchmark for the U.S. stock market, fell -3.74 percent in September, but gained 9.14 percent for the quarter, closing the month at 34,294.49, according to Wilshire Associates (Wilshire®), a diversified global financial services firm. Without dividends reinvested, the index had an estimated market value loss of \$1.4 trillion for September, and \$3.0 trillion gain third quarter.

“US equities fell from record highs during the month of September on concerns of declining economic momentum,” said Jason Schwarz, Chief Operating Officer of Wilshire Associates. “The delay of an economic stimulus package and the impact on the economic recovery, as well as uncertainty surrounding earnings and the U.S. elections appears to be weighing on investor sentiment,” Schwarz added.

The Wilshire 5000 kicked off September with two record daily highs before a decline cementing it as the first negative month since the COVID-19 market low in late March. A four-week losing streak marked the longest in over a year.

Small-cap beat large-cap, as represented by the Wilshire US Small-Cap Index<sup>SM</sup> and Wilshire US Large-Cap Index<sup>SM</sup>, with losses of -3.69 and -3.76 percent which pulled quarterly returns down to 4.04 and 9.56 percent, respectively. Large-cap year-to-date returns remained positive with a 7.05 percent gain while small-cap remained negative, down -10.34 percent.

Large-cap value outperformed large-cap growth for the first month this year, as represented by the Wilshire US Large-Cap Value Index<sup>SM</sup> and Wilshire US Large-Cap Growth Index<sup>SM</sup>, with losses of -2.80 and -4.17 percent, respectively, netting 4.97 and 13.78 percent returns for the quarter, respectively. Large-cap growth remained the best year-to-date Wilshire Size and Style Index up 20.03 percent; meanwhile, large-cap value is down year-to-date -5.51 percent.

Small-cap growth outperformed small-cap value for the ninth month in a row, as represented by the Wilshire US Small-Cap Growth Index<sup>SM</sup> and Wilshire US Small-Cap Value Index<sup>SM</sup>, with losses of -2.93 and -4.33 percent for the month, netting 7.07 and 1.04 percent returns for the quarter, respectively.

## Sectors

Materials was top performing sector this month for the first time since June 2018 with a gain of 0.87 percent which pushed it to second best sector for the quarter, gaining 12.08 percent. This milestone marked best ranking for this sector in nearly five years when it nabbed best performance fourth quarter of 2015. Utilities jumped from worst performing sector in June and August to second-best in July and September, gaining 0.59 percent. Industrials landed as third best sector for the month, falling -0.89 percent, but netting third best performance for the quarter with a 11.93 percent gain. Fueled by top performances in both June and July, Consumer Discretionary clinched best performing sector in the third quarter with a gain of 18.86 percent.

For the sixth month this year, Energy nabbed worst performing sector for the month, shedding -14.33 percent. On the heels of three consecutive years as worst performing sector, followed by five consecutive months in the bottom three, Energy clocked in as worst performing and only negative sector for the quarter, falling -18.77 percent. Information Technology fell to the bottom three for the first time in more than two years, nabbing third worst sector, down -5.34 percent. A bottom three performer in both July and August dragged Real Estate down to second worst performer for the quarter with a 1.45 percent gain.

## Real Estate

US public real estate, as represented by the Wilshire US Real Estate Securities Index<sup>SM</sup> and Wilshire US Real Estate Investment Trust Index<sup>SM</sup>, fell -3.36 and -3.37 percent for the month to net gains of 1.25 and 1.25 percent for the quarter, respectively. International public real estate, as represented by the Wilshire exUS Real Estate Securities Index<sup>SM</sup>, posted a -3.16 percent loss and 1.55 percent gain for the month and quarter, respectively.

## Fixed Income

Bonds, as represented by the Wilshire Bond Index<sup>SM</sup>, inched -0.18 percent lower for the month to remain positive for both the quarter and year to date with gains of 1.26 and 7.75 percent, respectively.

## Risk Parity

Multi-asset class risk parity, represented by the Wilshire Risk Parity – 10%, 12% and 15% Target Volatility Indexes<sup>SM</sup>, rewarded higher risk in both September and for the quarter with gains of 0.25, 0.58 and 1.01 percent, respectively for September and 4.45, 5.10 and 6.14 percent for the quarter, respectively. Wilshire Risk Parity – 15% Target Volatility was best performing of all tracked indexes for September.

## Wilshire Index Returns at a Glance

Index Name	Index Level	MTD	QTD	Total Return % Change			
				YTD	1-Year	3-Year	5-Year
Wilshire 5000	34294.49	-3.74%	9.14%	5.54%	15.12%	11.70%	13.83%
Wilshire 4500	1553.51	-2.99%	9.47%	2.88%	11.81%	7.69%	11.41%
Wilshire US Large-Cap	7965.67	-3.76%	9.56%	7.05%	16.78%	12.73%	14.46%
Wilshire US Mid-Cap	10672.09	-2.52%	5.75%	-6.22%	0.03%	4.83%	9.01%
Wilshire US Small-Cap	9893.00	-3.69%	4.04%	-10.34%	-2.26%	1.48%	7.54%
Wilshire US Micro-Cap	11814.61	0.24%	3.59%	-11.61%	-4.11%	-3.47%	4.48%
Wilshire US Large-Cap Growth	10865.50	-4.17%	13.78%	20.03%	33.53%	19.04%	18.33%
Wilshire US Large-Cap Value	5421.00	-2.80%	4.97%	-5.51%	1.22%	6.39%	10.35%
Wilshire US Mid-Cap Growth	12308.67	-1.37%	8.16%	6.88%	15.47%	10.26%	12.07%
Wilshire US Mid-Cap Value	7154.33	-3.48%	3.01%	-20.65%	-16.53%	-1.80%	4.88%
Wilshire US Small-Cap Growth	10425.06	-2.93%	7.07%	-0.06%	10.02%	6.77%	10.69%
Wilshire US Small-Cap Value	8551.41	-4.33%	1.04%	-19.70%	-13.24%	-3.62%	4.29%
Wilshire BDC	40.47	-0.26%	4.36%	-21.66%	-19.11%	-1.62%	4.77%
Wilshire RESI	214.65	-3.36%	1.25%	-16.86%	-17.75%	0.42%	3.87%
Wilshire REIT	249.49	-3.37%	1.25%	-16.74%	-17.69%	0.45%	3.65%
Wilshire Global ex US RESI	2682.82	-3.16%	1.55%	-23.74%	-19.41%	-2.88%	1.42%
Wilshire Global RESI	3292.33	-3.29%	1.31%	-19.25%	-18.32%	-0.68%	3.01%
Wilshire Bond	228.97	-0.18%	1.26%	7.75%	8.41%	6.35%	5.57%
Wilshire Risk Parity - 10% Target Vol	479.28	0.25%	4.45%	-5.33%	-4.02%	5.76%	8.14%
Wilshire Risk Parity - 12% Target Vol	616.12	0.58%	5.10%	-6.95%	-5.60%	6.42%	9.45%
Wilshire Risk Parity - 15% Target Vol	891.89	1.01%	6.14%	-9.66%	-8.46%	6.98%	11.31%

## September Wilshire Best and Worst Performing Sectors by Index

Wilshire 5000		Wilshire US Large-Cap		Wilshire US Small-Cap	
Top 3		Top 3		Top 3	
Materials	0.87%	Materials	1.71%	Health Care	1.70%
Utilities	0.59%	Utilities	1.01%	Consumer Discretionary	-2.13%
Industrials	-0.89%	Industrials	-0.57%	Consumer Staples	-2.66%
Bottom 3		Bottom 3		Bottom 3	
Information Technology	-5.34%	Information Technology	-5.32%	Information Technology	-6.35%
Communication Services	-6.13%	Communication Services	-6.09%	Communication Services	-8.40%
Energy	-14.33%	Energy	-14.42%	Energy	-13.82%

All values as of September 30th, 2020. Index values are in price values. All returns are total returns and reflect float-adjusted market capitalization. Returns are annualized for periods greater than one year.

2020 3<sup>rd</sup> Quarter Wilshire Best and Worst Performing Sectors by Index

Wilshire 5000		Wilshire US Large-Cap		Wilshire US Small-Cap	
Top 3		Top 3		Top 3	
Consumer Discretionary	18.86%	Consumer Discretionary	19.12%	Consumer Discretionary	15.24%
Materials	12.08%	Materials	13.05%	Consumer Staples	10.48%
Industrials	11.93%	Industrials	12.47%	Industrials	8.08%
Bottom 3		Bottom 3		Bottom 3	
Financials	3.66%	Financials	4.53%	Communication Services	-2.80%
Real Estate	1.45%	Real Estate	1.91%	Energy	-5.87%
Energy	-18.77%	Energy	-19.58%	Utilities	-6.96%

All values as of September 30th, 2020. Index values are in price values. All returns are total returns and reflect float-adjusted market capitalization. Returns are annualized for periods greater than one year.

**About Wilshire Associates**

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