Nasdaq-100 Index Commentary

October 2026 Commentary

Factor & Core Equity Product Strategy, ETFs & Index Strategies

About the index

- The Nasdaq-100 is one of the world's preeminent large cap growth indexes.
- The companies in the Nasdaq-100 include the largest non-financial companies listed on the NASDAQ Stock Market based on market capitalization.

Overview

- In October, the Nasdaq-100 Index (NDX) returned -6.63% vs. -0.87% for the S&P 500.
- NDX's underperformance was driven by its differentiated holdings and overweight position in the Technology sector.
- Equity markets diverged sharply in October, as mega-cap and growth stocks declined while value, equal-weight, and smaller-cap equities outperformed.
- The Federal Open Market Committee (FOMC) held their meeting and maintained the Fed Target Rate, as persistent inflation remained a key concern. Headline consumer price index (CPI) met expectations, while core CPI came in above expectations and rate hike expectations remained elevated.
- Geopolitical tensions and rising energy prices remained a key market focus in October, as the U.S.-Iran conflict contributed to a sharp increase in oil prices. Brent crude rose from $103.53 to $117.64 per barrel during the month, adding to inflationary pressures and weighing on growth stock sentiment.

Sector Performance for October

Top Sectors by Absolute Performance

- Consumer Staples
- Health Care
- Utilities

Top Sectors Contributing to Relative Performance vs. S&P 500

- Consumer Discretionary
- Basic Materials

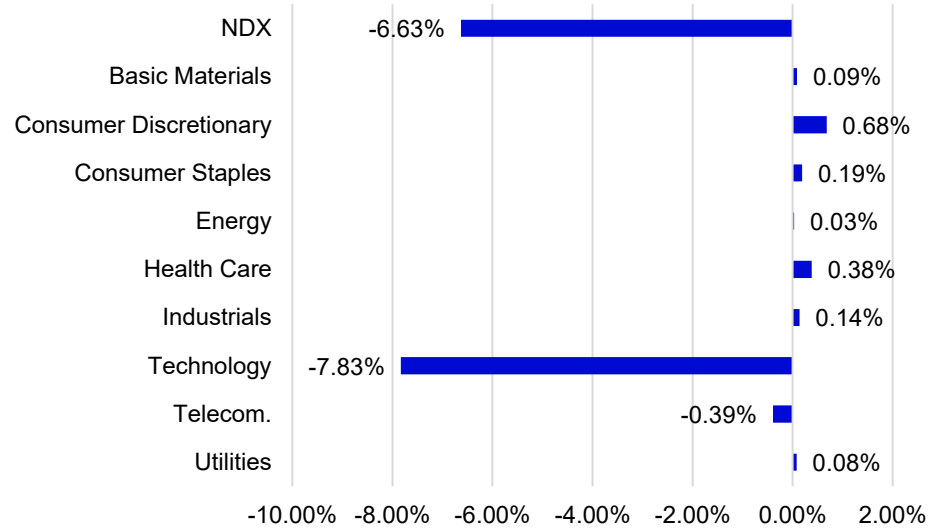
Bottom Sectors by Absolute Performance

- Technology
- Telecommunications

Bottom Sectors Detracting from Relative Performance vs. S&P 500

- Technology
- Health Care
- Financials (0% exposure)

October Sector Returns by Contribution



Data: Bloomberg, L.P., as of 2026/10/31. An investor cannot invest directly in an index. **Past performance does not predict future results.** All data is in USD unless indicated otherwise.

The Index uses the Industry Classification Benchmark ("ICB") classification system which is composed of 11 economic industries: basic materials, consumer discretionary, consumer staples, energy, financials, health care, industrials, real estate, technology, telecommunications and utilities.

This marketing communication is intended only for Professional Clients in Continental Europe (as specified in the important information), Dubai, Guernsey, Jersey, Ireland, Isle of Man and the UK; For Qualified Clients/Sophisticated Investors in Israel; for Institutional Investors only in the United States; for Qualified Institutional Investors in Japan; for Professional Investors in Hong Kong; for Institutional/Accredited Investors in Singapore; for Qualified Institutions/Sophisticated Investors only in Taiwan; for Qualified Professional Investors in Korea; for Qualified Institutional Investors and/or certain specific institutional investors in Thailand; for Sophisticated or Professional Investors in Australia; in New Zealand for wholesale investors (as defined in the Financial Markets Conduct Act); for certain specific institutional investors in Malaysia upon request; for certain specific sovereign wealth funds and/or Qualified Domestic Institutional Investors approved by local regulators only in the People's Republic of China, for certain specific institutional investors in Brunei and Indonesia; for qualified buyers in Philippines; for one-on-one Qualified Investors in Chile; one-on-one Professional Investors in Colombia; one-on-one Institutional and Accredited Investors in Mexico; and one-on-one Institutional Investors in Panama and Peru. In Canada this document is restricted to Institutional Investors and Advisors, is for educational purposes only, does not constitute investment, tax or legal advice and should not be relied on as such. This is not to be construed as an offer to buy or sell any financial instruments and should not be relied upon as the sole factor in an investment making decision. As with all investments there are associated inherent risks. Please obtain and review all financial material carefully before investing. All material presented is compiled from sources believed to be reliable and current, but accuracy cannot be guaranteed. This document is not for consumer use; please do not redistribute.

NDX Highlights

- Mega-cap growth and technology stocks came under pressure as concerns around AI growth expectations and the sustainability of infrastructure investment weighed on sentiment.
- Microsoft and Alphabet both reported results after market close on October 28. Microsoft beat analyst estimates for revenue and earnings and saw currency-neutral growth of 48% in its Azure cloud segment, above consensus expectations. Alphabet missed both top- and bottom-line consensus estimates, despite strength in Google Cloud. Concerns around Alphabet's rising capital expenditures and the sustainability of AI investment weighed on sentiment.
- Amazon, which reported after market close on October 29, also missed analyst revenue and earnings estimates. Its Amazon Web Services cloud business grew strongly and exceeded estimates, while its online retail and advertising segments fell short. Moreover, capital expenditures were over $77 billion in the third quarter of 2026, versus a consensus estimate of $58.85 billion, resulting in negative trailing-twelve-month free cash flow of $42.4 billion. Amazon indicated it expected to spend $220 billion on capex in 2026.

NDX Top 10 Constituents	(%)
APPLE INC	8.18
NVIDIA CORP	8.02
MICROSOFT CORP	6.31
MICRON TECHNOLOGY INC	4.49
AMAZON.COM INC	4.22
ADVANCED MICRO DEVICES	3.70
TESLA INC	3.42
META PLATFORMS INC-CLASS A	2.98
WALMART INC	2.70
ALPHABET INC-CL A	2.67

Top Performers (Absolute performance)

Issuer	Average Weight (%)	October Return (%)
Roper Technologies Inc.	0.16	33.88
Intuit Inc.	0.37	24.28
Regeneron Pharmaceuticals	0.33	22.37

Bottom Performers (Absolute performance)

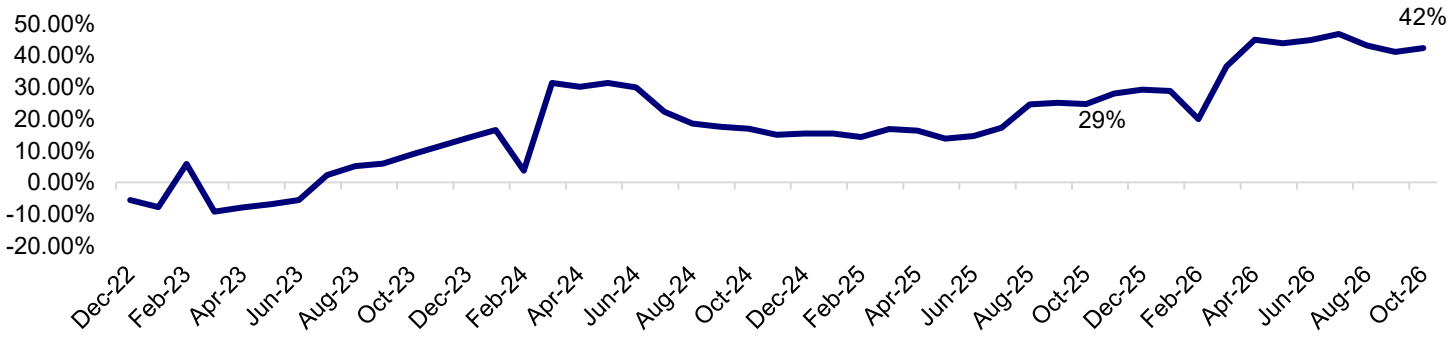
Issuer	Average Weight (%)	October Return (%)
Intel Corp.	2.25	-45.30
CoreWeave Inc.	0.14	-37.02
Nebius Group NV	0.20	-34.65

Source: Bloomberg, L.P., as of 2026/10/31. **Past performance is not a guarantee of future results.** Holdings are subject to change and are not buy/sell recommendations. Top and bottom performers for the month by absolute performance.

Outlook

- Inflation and interest rates remain key areas of focus following the FOMC's decision to hold rates steady in October. Persistent inflation pressures, including elevated core CPI readings and higher oil prices, could continue to influence monetary policy and market performance.
- Artificial intelligence remains an important theme, though investors may increasingly focus on the durability of AI-related growth and the sustainability of infrastructure spending. Recent weakness across technology and semiconductor companies suggests earnings growth, capital expenditures, and returns on AI investment could remain key areas of focus going forward.
- Earnings estimates remain elevated in NDX. Twelve-month forward earnings-per-share growth was estimated at 29% in December 2025. It has now risen to 42% as of end of the month of October. Weakness in earnings growth may increase volatility in NDX.

Forward Twelve-Month Earnings-Per-Share Estimated Growth Rate



Source: Bloomberg, L.P., as of 2026/10/31. **Performance data quoted represents past performance, which is not a guarantee of future results.** Data in USD. There is no guarantee the estimates provided will be realized.

Historical Performance

Past performance does not predict future returns

	Oct-16 to Oct-17	Oct-17 to Oct-18	Oct-18 to Oct-19	Oct-19 to Oct-20	Oct-20 to Oct-21	Oct-21 to Oct-22	Oct-22 to Oct-23	Oct-23 to Oct-24	Oct-24 to Oct-25	Oct-25 to Oct-26	2025	2023 to 2025
NASDAQ-100 Index	31.2%	12.3%	16.9%	37.6%	44.1%	-27.6%	27.1%	38.8%	30.7%	10.3%	20.8%	32.9%
S&P 500 Index	22.9%	6.7%	13.6%	9.1%	42.3%	-15.0%	9.6%	37.4%	21.0%	11.7%	17.4%	22.5%

Data: Invesco, Bloomberg L.P., as of 31 October 2026. Data in USD.

Performance (%) as of 31 October 2026	YTD	1 year	3 years	5 years	10 years
NASDAQ-100 Index	12.98%	10.47%	26.25%	13.22%	20.50%
S&P 500 Index	11.77%	12.11%	23.38%	12.06%	15.44%
Relative	1.22%	-1.64%	2.87%	1.17%	5.06%

Data: Bloomberg, L.P., as 31 October 2026. An investor cannot invest directly in an index. Data in USD.

Investment Risks

The value of investments and any income will fluctuate (this may partly be the result of exchange rate fluctuations) and investors may not get back the full amount invested.

Investments focused in a particular sector, such as technology, are subject to greater risk, and are more greatly impacted by market volatility, than more diversified investments.

Important Information

This marketing communication is intended only for Professional Clients in Continental Europe (as specified in the important information), Dubai, Guernsey, Jersey, Ireland, Isle of Man and the UK; For Qualified Clients/Sophisticated Investors in Israel; for Institutional Investors only in the United States; for Qualified Institutional Investors in Japan; for Professional Investors in Hong Kong; for Institutional/Accredited Investors in Singapore; for Qualified Institutions/Sophisticated Investors only in Taiwan; for Qualified Professional Investors in Korea; for Qualified Institutional Investors and/or certain specific institutional investors in Thailand; for Sophisticated or Professional Investors in Australia; in New Zealand for wholesale investors (as defined in the Financial Markets Conduct Act); for certain specific institutional investors in Malaysia upon request; for certain specific sovereign wealth funds and/or Qualified Domestic Institutional Investors approved by local regulators only in the People's Republic of China, for certain specific institutional investors in Brunei and Indonesia; for qualified buyers in Philippines; for one-on-one Qualified Investors in Chile; one-on-one Professional Investors in Colombia; one-on-one Institutional and Accredited Investors in Mexico; and one-on-one Institutional Investors in Panama and Peru. In Canada this document is restricted to Institutional Investors and Advisors, is for educational purposes only, does not constitute investment, tax or legal advice and should not be relied on as such.

For the distribution of this document, Continental Europe is defined as Austria, Belgium, Denmark, Finland, France, Germany, Greece, Italy, Liechtenstein, Luxembourg, The Netherlands, Norway, Portugal, Spain, Sweden, and Switzerland.

This is marketing material and not financial advice. It is not intended as a recommendation to bury or sell any particular asset class, security or strategy. Regulatory requirements that require impartiality of investment/investment strategy recommendations are therefore not applicable nor are any prohibitions to trade before publication. . Views and opinions are based on current market conditions and are subject to change. Any calculations and charts set out herein are indicative only, make certain assumptions and no guarantee is given that future performance or results will reflect the information herein.

By accepting this material, you consent to communicate with us in English, unless you inform us otherwise.

Canada

In Canada this document is restricted to Institutional Investors and Advisors, is for educational purposes only, does not constitute investment, tax or legal advice and should not be relied on as such. This is not to be construed as an offer to buy or sell any financial instruments and should not be relied upon as the sole factor in an investment making decision. As with all investments there are associated inherent risks. Please obtain and review all financial material carefully before investing. All material presented is compiled from sources believed to be reliable and current, but accuracy cannot be guaranteed.

Israel

This document may not be reproduced or used for any other purpose, nor be furnished to any other person other than those to whom copies have been sent. Nothing in this document should be considered investment advice or investment marketing as defined in the Regulation of Investment Advice, Investment Marketing and Portfolio Management Law, 1995 ("the Investment Advice Law"). Investors are encouraged to seek competent investment advice from a locally licensed investment advisor prior to making any investment. Neither Invesco Ltd. nor its subsidiaries are licensed under the Investment Advice Law, nor does it carry the insurance as required of a licensee thereunder.

Australia

This document has been prepared only for those persons to whom Invesco has provided it. It should not be relied upon by anyone else. Information contained in this document may not have been prepared or tailored for an Australian audience and does not constitute an offer of a financial product in Australia. You may only reproduce, circulate and use this document (or any part of it) with the consent of Invesco.

The information in this document has been prepared without taking into account any investor's investment objectives, financial situation or particular needs. Before acting on the information the investor should consider its appropriateness having regard to their investment objectives, financial situation and needs.

You should note that this information:

• may contain references to dollar amounts which are not Australian dollars;

• may contain financial information which is not prepared in accordance with Australian law or practices;

• may not address risks associated with investment in foreign currency denominated investments; and

• does not address Australian tax issues.

New Zealand

This document is issued only to wholesale investors (as defined in the Financial Markets Conduct Act) in New Zealand to whom disclosure is not required under Part 3 of the Financial Markets Conduct Act. This document has been prepared only for those persons to whom it has been provided by Invesco. It should not be relied upon by anyone else and must not be distributed to members of the public in New Zealand. Information contained in this document may not have been prepared or tailored for a New Zealand audience. You may only reproduce, circulate and use this document (or any part of it) with the consent of Invesco. This document does not constitute and should not be construed as an offer of, invitation or proposal to make an offer for, recommendation to apply for, an opinion or guidance on Interests to members of the publici n New Zealand. Applications or any requests for information from persons who are members of the public in New Zealand will not be accepted.

Issued in:

- Hong Kong by Invesco Hong Kong Limited 景順投資管理有限公司, 45/F, Jardine House, 1 Connaught Place, Central, Hong Kong .
- Japan by Invesco Asset Management (Japan) Limited, Roppongi Hills Mori Tower 14F, 6-10-1 Roppongi, Minato-ku, Tokyo 106-6114; Registration Number: The Director-General of Kanto Local Finance Bureau *(Kin-sho)* 306; Member of the Investment Management Association of Japan and the Japan Securities Dealers Association.
- Australia and New Zealand by Invesco Australia Limited (ABN 48 001 693 232), Level 26, 333 Collins Street, Melbourne, Victoria, 3000, Australia which holds an Australian Financial Services Licence number 239916.
- Singapore by Invesco Asset Management Singapore Ltd, 9 Raffles Place, #18-01 Republic Plaza, Singapore 048619.
- Taiwan by Invesco Taiwan Limited, 22F, No.1, Songzhi Road, Taipei 11047, Taiwan (0800-045-066). **Invesco Taiwan Limited is operated and managed independently.**
- Canada by Invesco Canada Ltd. 130 King Street West, Suite 1900, Toronto, ON M5X 1E3
- The US by Invesco Advisers, Inc., 1331 Spring Street NW Suite 2500, Atlanta, GA 30309

Austria, Belgium, Denmark, Dubai, Finland, France, Germany, Greece, Guernsey, Jersey, Ireland, Israel, Italy, Isle of Man, Liechtenstein, Luxembourg, The Netherlands, Norway, Portugal, Spain, Sweden, and Switzerland and the UK

Issued by Invesco Management S.A., President Building, 37A Avenue JF Kennedy, L-1855 Luxembourg, regulated by the Commission de Surveillance, du Secteur Financier, Luxembourg; Invesco Asset Management, (Schweiz) AG, Talacker 34, 8001 Zurich, Switzerland; Invesco Asset Management Limited, Perpetual Park, Perpetual Park Drive, Henley-on-Thames, Oxfordshire RG9 1HH, UK. Authorised and regulated by the Financial Conduct Authority; Invesco Asset Management Deutschland GmbH, An der Welle 5, 60322 Frankfurt am Main, Germany; Invesco Asset Management Limited, PO Box 506599, Index Tower - Level 6, Unit 616, Al Mustaqbal Street, DIFC - Dubai, UAE. Regulated by the Dubai Financial Services Authority.