

Macro Roundup Article

Headline: [Extreme Concentration in Returns in the S&P; 500](#)

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Tweet: NVIDIA currently accounts for 34.5% of the S&P 500's market cap growth this year. Torsten Sløk @apolloglobal notes "If it starts to decline, then the S&P 500 will be hit hard."

Summary: Thirty-five percent of the increase in the S&P 500's market cap since the beginning of the year has come from one stock. Such a high concentration implies that if NVIDIA continues to rise, then things are fine. But if it starts to decline, then the S&P 500 will be hit hard. The bottom line is that the extreme concentration of returns in the S&P 500 makes investors more vulnerable to single headlines impacting the one stock-driving index returns.

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Primary Topic: Financial Markets

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