Morningstar Quarterly Style Monitor: Q3 2025

Value edges ahead as growth momentum cools

Morningstar Inc.
November 2025

Contents

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Executive Summary

This is the latest installment of the Morningstar Quarterly Style Monitor, which is designed to help investors stay on top of style trends. This publication tracks several members of the Morningstar Broad Style Index family, providing insights into their performance drivers and portfolio composition.

Key Takeaways

- The third quarter of 2025 saw a modest comeback of the value style over growth, with value stocks outperforming their growth counterparts in all regions and size segments except US small cap.
- Value outperformed growth by delivering almost twice the returns[1] in the US mid-cap and developed markets outside the US segment as compared with all other regions and segments.
- Within the US market, large-cap growth stocks exhibited significantly greater volatility than their value counterpart, whereas the small-cap growth stocks exhibited a bit lower volatility than their value counterpart. While in developed markets outside the US and emerging markets, both styles showed comparable levels of volatility.
- The Morningstar US Large Cap Broad Growth Index continued to be highly concentrated, with the top 10 assets constituting 68% of the portfolio. Nvidia, Microsoft, Meta Platforms, Apple, Broadcom, Amazon.com, and Tesla alone constituted a staggering 61% of the Morningstar US Large Cap Broad Growth Index.
- Valuation spreads between growth and value stocks, measured by the P/E ratio (trailing 12 months), decreased across the board over the past quarter. The most notable decrease in the valuation spreads was in the emerging-markets region, where the spread decreased to 7.81 in the current quarter from 11.59 in the previous quarter.

[1] Performance statistics measured for all the indexes in this report are for the GR (TR for US indexes) USD return and currency variant unless stated otherwise.

Performance Highlights

Returns

The third quarter of 2025 saw solid gains across most regions. However, the lead of developed markets outside the US narrowed slightly relative to the US. While this segment continues to outperform the US on a year-to-date basis, it has lagged over longer time horizons.

The Morningstar US Market Extended Index advanced 8.20%, supported by a 25-basis-point rate cut and continued enthusiasm around artificial intelligence. The technology sector accounted for roughly half of the index's total return, because of high performance from certain stocks like Apple (24.25%), Nvidia (18.10%), and Broadcom (19.89%). The consumer defensive sector was the only laggard, dragged down by declines in Philip Morris (negative 10.94%), Costco Wholesale (negative 6.37%), and Coca-Cola (negative 5.54%).

The Morningstar Developed Markets ex-US Target Market Exposure Index delivered 5.48% return, easing from 12% in the previous quarter. Despite this slowdown, the segment continues to outperform the US for the year to date but remains behind over longer periods. Within this group, Japan and Canada together accounted for more than half of the total performance.

Meanwhile, the Morningstar Emerging Markets Target Market Exposure Index gained 10.25%, though performance was highly concentrated in a few key markets—China, Taiwan, and South Korea—which collectively contributed over 90% of total index returns, with China alone accounting for more than half of the total index returns.

Globally, our style family is built by applying Morningstar Indexes Broad Style methodology to our suite of Target Market Exposure indexes (targeting large- and mid-cap stocks representing 85% of the investable market). The style dynamics remained consistent throughout all the regions, with value stocks outperforming growth stocks and even the corresponding broad market benchmarks.

Within the United States, value stocks slightly outperformed growth, except in the mid-cap segment, where value delivered roughly twice the return of growth. However, this outperformance fades on a year-to-date and one-year basis because of the strong rebound in growth stocks during the prior quarter. Over the longer 10-year horizon, growth has outperformed value, most notably in large caps, with the differential gradually narrowing across mid- and small-cap segments. Across the full index history, growth maintains a slight edge in large caps, while value leads in mid- and small-cap segments.

In contrast, in developed markets outside the US and emerging markets, the outperformance of value stocks over growth (4.03% and 4.31%, respectively) was much more pronounced. This trend has also persisted over longer periods. The financial-services sector was the primary driver of value's strength in developed markets outside the US, while consumer cyclical stocks led the gains in emerging markets.

Across all segments, styles, and regions in third-quarter 2025, the Morningstar Emerging Markets Value Target Market Exposure Index delivered the highest returns (12.46%), whereas the Morningstar US Mid Cap Broad Growth Index performed the worst (3.21%).

Exhibit 1 Performance Characteristics up to September 2025

	1 Qr			YTD			1 Yr			5 Yr			10 Yr			Since Inception*		
US	**Return**	**Risk**	**Sharpe**	**Return**	**Risk**	**Sharpe**	**Return**	**Risk**	**Sharpe**	**Return**	**Risk**	**Sharpe**	**Return**	**Risk**	**Sharpe**	**Return**	**Risk**	**Sharpe**
Morningstar US Market Extended	8.20	4.56	1.47	14.44	17.85	0.66	17.38	13.47	0.93	15.73	16.31	0.79	14.73	15.83	0.82	9.43	15.82	0.51
Morningstar US Market Broad Growth Extended	7.91	5.68	1.15	16.36	21.89	0.65	23.69	17.37	1.06	15.47	19.42	0.68	16.68	17.79	0.84	9.43	18.29	0.46
Morningstar US Market Broad Value Extended	8.51	4.71	1.48	12.26	15.09	0.63	11.28	12.02	0.58	15.45	15.33	0.81	12.36	15.37	0.70	8.99	15.02	0.50
Value Relative to Growth																		
Morningstar US Large Cap	9.01	4.61	1.61	16.27	18.32	0.74	20.11	13.07	1.14	16.84	16.09	0.86	16.05	15.38	0.91	9.32	15.44	0.51
Morningstar US Large Broad Growth	8.92	6.27	1.20	18.56	23.49	0.70	27.64	18.10	1.20	17.41	20.23	0.75	18.52	18.19	0.91	9.61	18.24	0.47
Morningstar US Large Broad Value	9.11	4.33	1.72	13.62	14.65	0.72	12.91	11.35	0.74	15.48	14.57	0.85	13.05	14.38	0.78	8.52	14.43	0.49
Value Relative to Growth																		
Morningstar US Mid Cap	4.68	5.33	0.67	10.13	16.99	0.46	10.85	14.95	0.47	12.77	17.62	0.59	11.95	17.34	0.62	9.77	17.43	0.50
Morningstar US Mid Cap Broad Growth	3.21	5.56	0.39	10.21	18.79	0.44	14.27	17.77	0.59	10.48	19.28	0.45	12.59	18.10	0.63	9.03	19.68	0.43
Morningstar US Mid Cap Broad Value	6.21	5.88	0.86	9.98	15.98	0.47	7.39	13.37	0.27	14.77	17.51	0.69	10.92	17.77	0.55	10.04	17.17	0.52
Value Relative to Growth																		
Morningstar US Small Cap Extended	9.27	7.95	1.00	8.68	20.12	0.35	9.55	18.61	0.34	12.23	20.98	0.50	9.74	20.71	0.45	8.75	20.21	0.41
Morningstar US Small Broad Growth Extended	9.34	7.80	1.02	10.35	20.82	0.42	11.75	19.39	0.44	9.16	21.02	0.37	10.09	20.21	0.47	7.54	22.25	0.34
Morningstar US Small Broad Value Extended	8.96	8.71	0.89	6.76	20.03	0.26	7.08	18.37	0.22	15.99	22.02	0.64	9.45	22.11	0.42	9.79	19.84	0.46
Value Relative to Growth																		
Global																		
Morningstar Global Target Market Exposure	7.70	3.74	1.65	18.66	12.90	1.13	17.38	10.55	1.16	14.07	14.93	0.75	12.44	14.60	0.73	8.78	16.27	0.52
Morningstar Global Growth Target Market Exposure	6.98	4.51	1.24	18.58	15.74	0.95	20.07	13.73	1.08	12.28	16.98	0.59	13.35	15.67	0.74	9.61	16.62	0.56
Morningstar Global Value Target Market Exposure	8.50	3.84	1.79	18.70	11.30	1.28	14.77	9.48	1.04	15.59	14.68	0.85	11.19	14.81	0.65	7.86	16.54	0.46
Value Relative to Growth																		
Morningstar Developed Markets ex-US Target Market Exposure	5.48	4.59	0.93	25.70	13.88	1.47	16.45	11.10	1.03	12.18	15.83	0.61	9.06	14.93	0.51	5.48	17.29	0.32
Morningstar Developed Markets ex-US Growth Target Market Exposure	3.51	4.81	0.51	20.97	14.47	1.15	11.25	12.50	0.56	7.88	16.79	0.35	8.55	14.96	0.48	5.27	16.66	0.31
Morningstar Developed Markets ex-US Value Target Market Exposure	7.54	4.73	1.30	30.72	13.64	1.78	22.00	10.38	1.55	16.62	16.10	0.84	9.35	16.03	0.50	5.68	18.49	0.32
Value Relative to Growth																		
Morningstar Emerging Markets Target Market Exposure	10.25	5.21	1.65	26.27	13.89	1.49	16.08	11.49	0.97	7.97	15.47	0.37	8.77	16.30	0.47	4.62	20.17	0.26
Morningstar Emerging Markets Growth Target Market Exposure	8.15	5.28	1.28	21.56	13.98	1.22	12.81	11.07	0.75	2.68	15.71	0.04	7.06	16.39	0.37	4.24	19.86	0.24
Morningstar Emerging Markets Value Target Market Exposure	12.46	5.61	1.87	31.40	14.44	1.71	19.51	12.77	1.12	13.47	16.44	0.66	10.44	17.27	0.54	5.36	20.68	0.29
Value Relative to Growth																		

Source: Morningstar Direct.
Returns longer than one year annualized.
All index performance data displayed are for Total Return USD variants.
*This includes performance backtested to the end of June 1997 for US indexes and June 2008 for global indexes.

Tracking the return differentials between value and growth paints an interesting picture for style investing. The year 2020 saw growth indexes dominating across the board, with substantial differentials over value indexes. However, value indexes outpaced growth for most of the quarters between 2021 and 2022. The year 2023 moved the needle back in favor of growth stocks, primarily fueled by investors' enthusiasm for the applications of artificial intelligence across businesses as well as expectations of a soft landing and Federal Reserve rate cuts. Even the year 2024 saw growth stocks dominating over value stocks for three out of the four quarters for most of the segments.

The past 10 quarters have seen the leadership between value and growth indexes oscillate sharply, with value stocks making a modest comeback in the third quarter of 2025. The Morningstar US Mid Cap Broad Value Index and the Morningstar Developed Markets ex-US Value Target Market Exposure Index each outperformed their growth counterparts by nearly 2 times.

Exhibit 2 Quarterly Value Minus Growth Performance Differential (%)

	2020				2021				2022			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
US Broad	-11.57	-11.02	-5.68	3.22	9.16	-6.04	-1.81	0.62	8.46	10.82	-2.23	11.06
US Large	-11.09	-11.82	-6.82	4.00	7.43	-7.51	-2.26	-0.26	6.88	12.72	-2.18	13.48
US Mid	-12.72	-10.25	-3.04	0.57	13.04	-4.65	-1.05	1.69	13.71	5.61	-2.02	4.37
US Small	-12.27	-5.13	-2.67	3.69	14.10	1.26	1.92	4.25	10.15	5.95	-3.33	5.99
Global	-11.21	-8.44	-6.44	6.02	8.14	-4.97	-0.07	0.00	9.59	7.83	-1.56	7.97
Developed Ex US	-10.96	-5.14	-6.12	6.53	8.46	-2.74	-0.63	-1.75	11.43	3.94	-0.85	3.35
Emerging	-7.47	-9.28	-7.00	10.63	4.09	-1.02	8.73	4.27	7.60	-2.37	-1.10	2.82

	2023				2024				2025		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
US Broad	-11.90	-7.59	2.17	-3.67	-2.26	-7.69	4.72	-7.16	9.87	-16.05	0.60
US Large	-13.97	-9.43	2.18	-5.07	-2.26	-10.83	5.80	-8.27	11.87	-18.93	0.19
US Mid	-6.67	-2.92	1.99	-0.69	-2.12	1.28	1.92	-6.04	5.60	-9.51	3.00
US Small	-7.47	-2.60	3.14	1.15	-2.31	-2.47	2.20	-0.96	2.84	-6.47	-0.38
Global	-8.54	-4.27	3.49	-3.29	-1.67	-5.47	4.19	-4.57	9.27	-11.93	1.52
Developed Ex US	-4.52	0.99	7.20	-3.09	-1.58	-0.11	2.71	1.35	6.16	-2.08	4.03
Emerging	3.01	2.74	0.92	1.55	-0.69	0.62	4.27	-1.86	6.57	-2.85	4.31

We shed more light on the drivers of third-quarter 2025 returns in the Performance Attribution section.

Risk

Exhibit 1 illustrates that, over longer-term periods, US small-cap equities have consistently demonstrated greater volatility and sensitivity to market cycles relative to their large-cap counterparts. This dynamic stems from more exposure to niche market risks, less predictable earnings profiles, and a lower propensity to develop long-term durable competitive advantages.

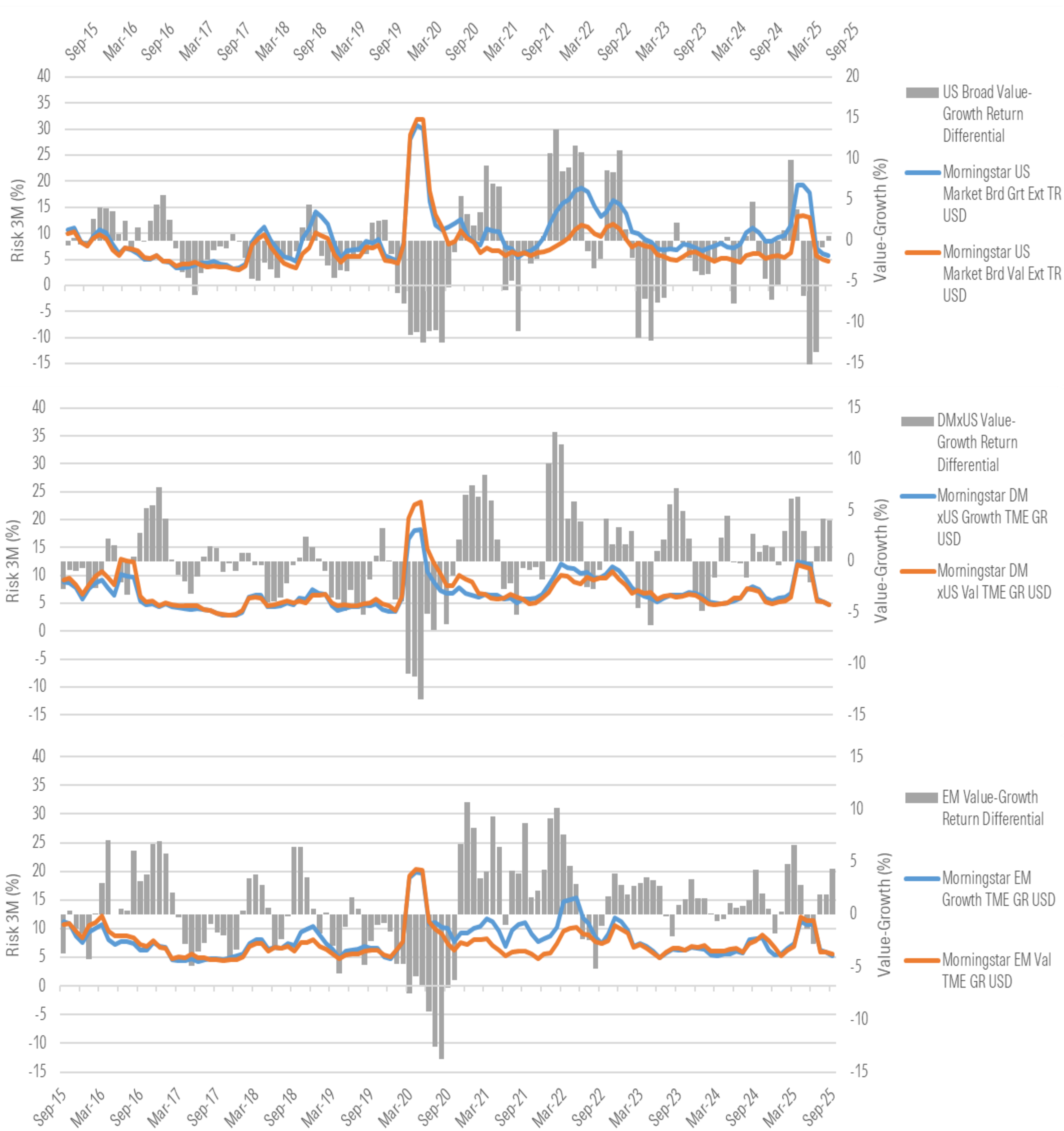
In the third quarter of 2025, the Morningstar US Market Broad Growth Extended and US Large Cap Broad Growth Indexes exhibited higher volatility than their value counterparts whereas the Morningstar US Mid Cap Broad Growth and the Morningstar US Small Cap Broad Growth Indexes exhibited slightly lower volatility than its value counterpart. In regions such as developed markets ex-US and emerging markets, volatility levels were largely comparable across the two styles. The Morningstar Global Growth Target Market Exposure Index also exhibited slightly higher volatility than the value index, primarily because of the US market's heavy weight (approximately 66%) in the global index.

As we move toward longer investment horizons, value strategies have consistently maintained lower volatility relative to growth strategies for all segments, except the developed markets ex-US and emerging-market region.

In the third quarter of 2025, value outperformed growth on a risk-adjusted basis, as measured by the Sharpe ratio, across nearly all regions and segments—except US small cap. The difference was most pronounced within the US mid-cap and developed markets outside the US segments.

Within the US, the relative Sharpe ratio leadership between growth and value has fluctuated sharply across time horizons. In contrast, across both developed markets outside the US and emerging markets, value has consistently maintained higher Sharpe ratios over all observed periods.

Exhibit 3.1 Rolling Three-Month Risk vs. Value-Growth Differential for US, Developed Markets ex-US, and Emerging Markets



Source: Morningstar Direct. Data from September 2015 to September 2025.

Exhibit 3.2 Rolling Three-Month Risk vs. Value-Growth Differential for US Size Segments

Source: Morningstar Direct. Data from September 2015 to September 2025.

Portfolio Highlights

Sectors

Persistent differences in growth prospects and valuations across sectors lead to varying sector exposures between value and growth indexes, often driving divergence in performance outcomes.

Within growth indexes, the sector leadership differs among regions. The technology sector dominates the US and emerging-market regions, given the high market capitalization of many internet, AI, and semiconductor manufacturing companies. In contrast, in the developed markets outside the US region, the industrials sector is the leader, which is consistent with the region's structural tilt toward heavy engineering, automation, and specialty manufacturing business. A key observation is that the financial-services sector contributed approximately 50% of the Developed Markets ex-US Value Target Market Exposure Index's total return during the third quarter of 2025.

On the value side, financial services is the leading sector across all three regions. The US has more balanced exposure in all the sectors, whereas the Developed Markets ex-US Value Target Market Exposure Index exhibits balanced sector weights outside of an outsize allocation to the financial-services sector. The emerging-market region showed more concentration toward financial services and technology sectors.

Exhibit 4.1 Historical Sector Weights Distribution for the US, Developed Markets ex-US, and Emerging Markets

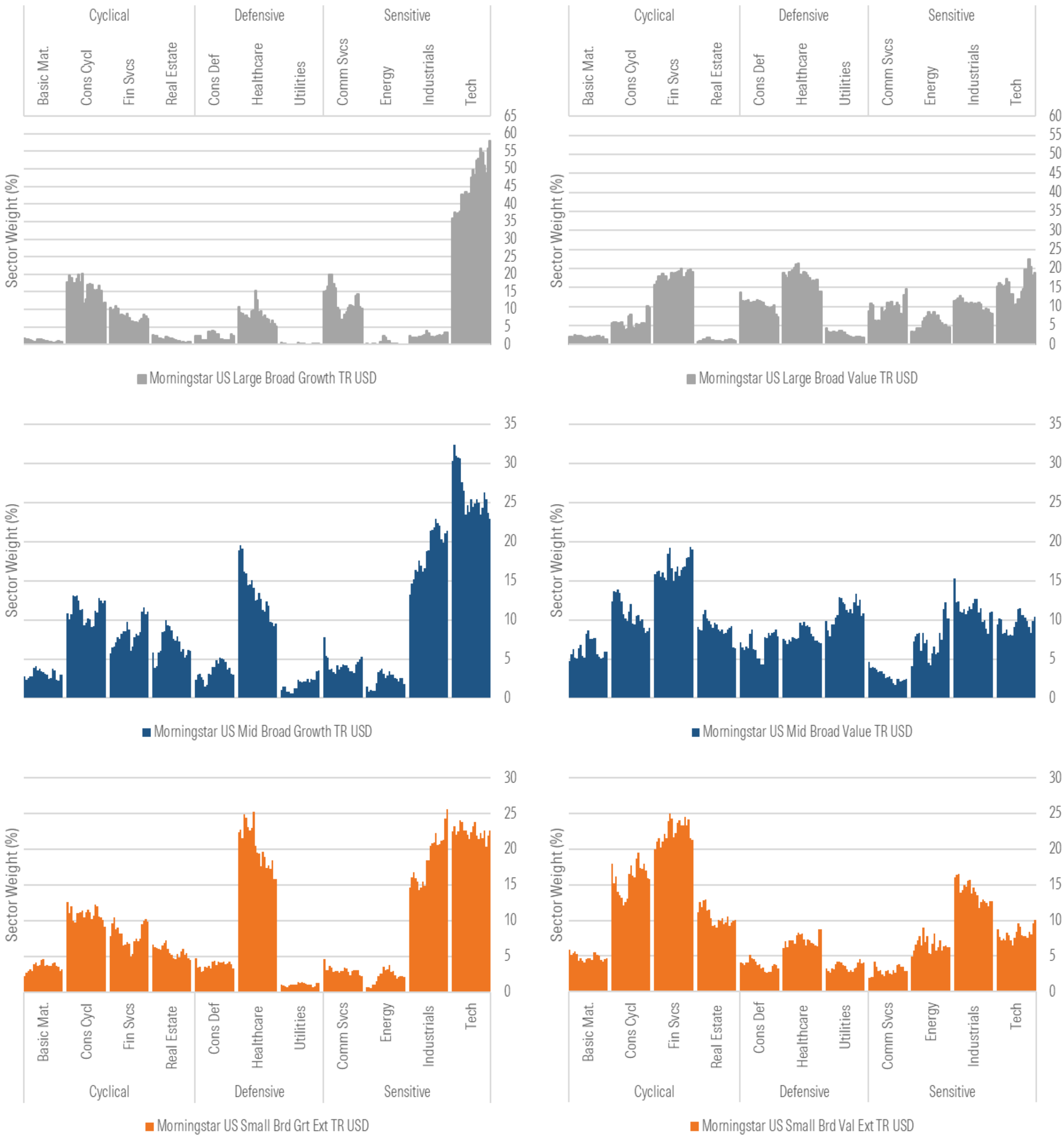
Source: Morningstar Direct. Data September 2020 to September 2025. (Each bar further displays the quarterly sector weight for the respective sector from September 2020 to September 2025.)

Interestingly, sector tilts sometimes move in opposite directions across regions. For example, in developed markets outside the US, healthcare, consumer defensive, and industrials are overweight in growth indexes, while the same sectors are underweight in the US growth index.

The Morningstar Emerging Markets Value Target Market Exposure Index has high exposure to the technology sector, which is contrary to what we observe in the US and developed markets ex-US. However, it should be noted that the technology sector's weight in the US Market Broad Value Extended Index has been higher than its long-term average for the past few quarters, whereas for the emerging-market region, it is lower.

In the US, there are also notable sector differences along the market-cap spectrum. In the Morningstar US Large Cap Broad Value Index, stocks are found predominantly in financial services, healthcare, technology, and industrials, while the Morningstar US Mid Cap Broad Value Index has a balanced exposure across multiple cyclical and defensive industries. The Morningstar Small Cap Broad Value Extended Index follows the mid-cap suite with a high concentration in financial services, industrials, and consumer cyclicals. Large-cap growth stocks are found in technology and consumer cyclicals, whereas mid- and small-cap growth stocks are found in technology, industrials, and healthcare.

Exhibit 4.2 Historical Sector Weights Distribution for US Size Segments



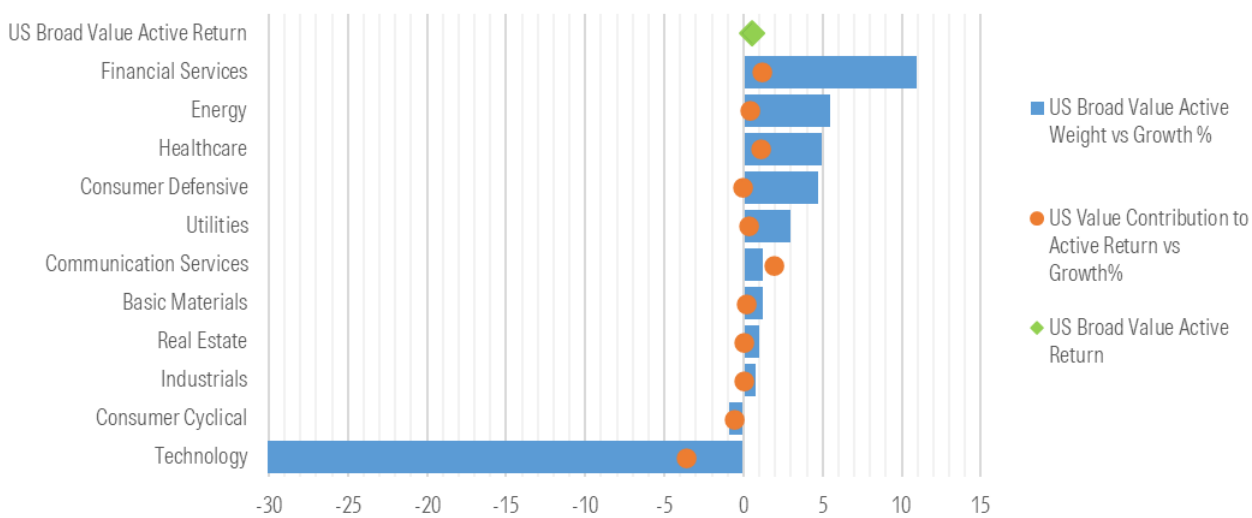
Source: Morningstar Direct. Data September 2020 to September 2025. (Each bar displays the quarterly sector weight for the respective sector from September 2020 to September 2025.)

Performance Attribution

US

The Morningstar US Market Broad Value Extended Index outperformed the Morningstar US Market Broad Growth Extended Index by 0.60%. Overweighting financial services and communication services helped the value index to modestly outperform its growth counterpart.

Exhibit 5.1 Active Sector Weights and Their Respective Contribution to Active Returns for the US Broad Value vs. Growth Index



Source: Morningstar Direct. Data as of Sept. 30, 2025.

From the perspective of the value index, underweighting technology proved to be a major detractor for the overall performance of the index. The value index completely missed big technology stocks like Nvidia (18.10%), Tesla (40%) and Broadcom (19.89%), to name a few. On the positive active exposure side, overweighting Alphabet Inc Class A (38.07%) and Alphabet Inc Class C (37.42%) in the communication services sector and JPMorgan Chase & Co (9.32%) in the financial-services sector helped the value index in gaining some positive performance.

Exhibit 5.2 shows the top and bottom contributors to the active return of the Morningstar US Market Broad Value Extended Index over Morningstar US Market Broad Growth Extended Index.

Exhibit 5.2 Top and Bottom Contributors to the Active Return for the US Broad Value vs. Growth Index

Name	Active Weight	3M Return	Contr. to Active Return
Alphabet Inc Class A	3.97	38.07	1.51
Alphabet Inc Class C	1.71	37.42	0.64
JPMorgan Chase & Co	2.67	18.97	0.51
AbbVie Inc	1.21	25.84	0.31
Johnson & Johnson	1.40	22.28	0.31
JPMorgan Chase & Co	2.91	9.32	0.27
The Goldman Sachs Group Inc	0.67	30.20	0.20
Netflix Inc	-1.63	-10.47	0.17
Micron Technology Inc	0.46	35.89	0.16
Intel Corp	0.34	49.78	0.17
US Value Active Return			**0.60**

Name	Active Weight	3M Return	Contr. to Active Return
NVIDIA Corp	-12.38	18.10	-2.24
Tesla Inc	-2.76	40.00	-1.11
Broadcom Inc	-4.10	19.89	-0.82
Microsoft Corp	-11.77	4.30	-0.51
Palantir Technologies Inc Ordinary	-0.99	33.82	-0.33
AppLovin Corp Ordinary Shares - Cl	-0.29	105.25	-0.31
Arista Networks Inc	-0.38	42.42	-0.16
Oracle Corp	-0.43	28.91	-0.12
Robinhood Markets Inc Class A	-0.23	52.92	-0.12
Advanced Micro Devices Inc	-0.80	14.02	-0.11

Overweight and +ve 3M return
Underweight and +ve 3M return

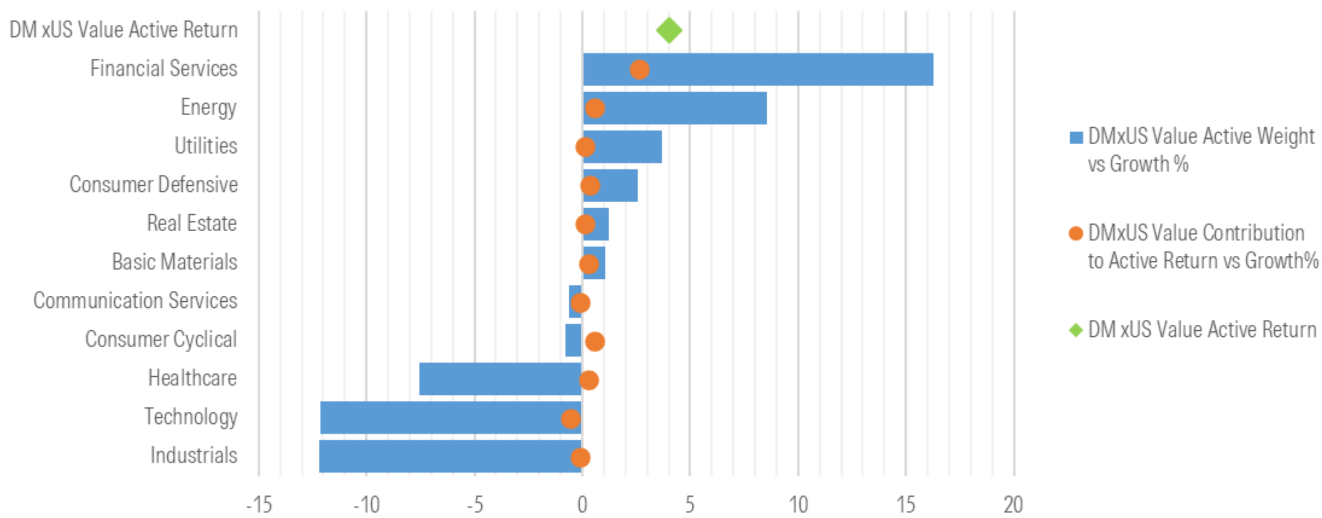
Source: Morningstar Direct. Data as of Sept. 30, 2025.

Developed Markets ex-US

While value stocks in developed markets outside the US outperformed their growth counterparts by 4.03% in the third quarter, the magnitude of outperformance was notably higher than that observed in the US.

Overweighting the financial-services and energy sectors explained most of the outperformance, while underweighting the technology and industrials sectors proved to be a detractor for the value index. Specifically, underweighting some stocks like ASML (22.64%), Shopify (29.10%), and Agnico (42.07%) led to the underperformance of the value index, whereas overweighting HSBC (17.32%), Banco Santander (26.41%), and Toyota Motor (13.55%) led to its outperformance.

Exhibit 6.1 Active Sector Weights and Their Respective Contribution to Active Returns for the Developed Markets ex-US Value vs. Growth Index



Source: Morningstar Direct. Data as of Sept. 30, 2025.

Exhibit 6.2 Top and Bottom Contributors to the Active Return of Developed Markets ex-US broad Value vs. Growth Index

Name	Active Weight	3M Return	Contr. to Active Return
Novo Nordisk AS Class B	-1.75	-20.66	0.36
HSBC Holdings PLC	2.13	17.32	0.37
SAP SE	-2.82	-11.63	0.33
Banco Santander SA	1.27	26.41	0.34
Toyota Motor Corp	2.04	13.55	0.28
BHP Group Ltd	1.21	19.60	0.24
Banco Bilbao Vizcaya Argentaria SA	0.94	25.29	0.24
Constellation Software Inc	-0.69	-25.78	0.18
Mitsubishi Corp	0.79	21.45	0.17
Mizuho Financial Group Inc	0.74	23.98	0.18
DMxUS Value Active Return			**4.03**

Name	Active Weight	3M Return	Contr. to Active Return
ASML Holding NV	-2.80	22.64	-0.63
Shopify Inc Registered Shs -A- Subord Vtg	-1.46	29.10	-0.42
Agnico Eagle Mines Ltd	-0.62	42.07	-0.26
Rolls-Royce Holdings PLC	-1.11	21.33	-0.24
UBS Group AG Registered Shares	-1.07	21.13	-0.23
AstraZeneca PLC	-2.20	9.31	-0.21
Advantest Corp	-0.52	34.48	-0.18
Prosus NV Ordinary Shares - Class N	-0.70	26.39	-0.18
Essilorluxottica	-0.80	18.62	-0.15
Airbus SE	-1.15	11.47	-0.13

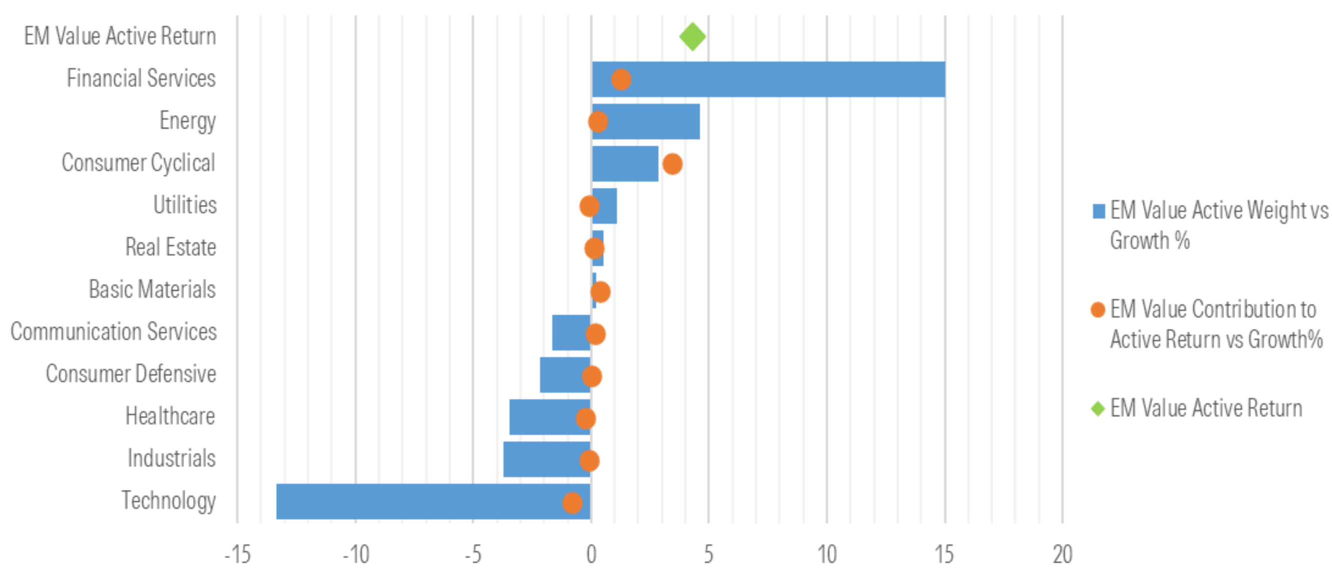
Overweight and +ve 3M return
Underweight and +ve 3M return

Source: Morningstar Direct. Data as of Sept. 30, 2025.

Emerging Markets

In emerging markets, the value index returned 12.46%, while the growth index posted 8.15%, resulting in a value outperformance of 4.31%. The primary drivers of value's outperformance were its overweight exposure to the consumer cyclicals and financial-services sectors.

Exhibit 7.1 Active Sector Weights and Their Respective Contribution to Active Returns for the Emerging Value vs. Growth Index



Source: Morningstar Direct. Data as of Sept. 30, 2025.

Notably, the exclusion of Taiwan Semiconductor Manufacturing (18.46%), Delta Electronics (65.63%), and Naspers (16.81%) from the value index, combined with its underweight position in Tencent (32.99%), weighed on value's relative performance.

On the positive side, overweight positions in some stocks like Alibaba (62.64%), Samsung (34.96%), and Hon Hai Precision Industry (33.19%) contributed positively to the value index.

Exhibit 7.2 Top and Bottom Contributors to the Active Return of Emerging Markets Value vs. Growth Index

Name	Active Weight	3M Return	Contr. to Active Return
Alibaba Group Holding Ltd Ordinary Shares	5.67	62.64	3.55
Samsung Electronics Co Ltd	5.12	34.96	1.79
Hon Hai Precision Industry Co Ltd	1.59	33.19	0.53
SK Hynix Inc	2.40	14.63	0.35
Baidu Inc	0.51	61.04	0.31
Xiaomi Corp Class B	-2.56	-9.12	0.23
HDFC Bank Ltd	-2.72	-7.98	0.22
Samsung Electronics Co Ltd Participating Preferred	0.71	29.03	0.21
ICICI Bank Ltd	-1.85	-9.25	0.17
NIO Inc Class A	0.16	111.36	0.18
EM Value Active Return			**4.31**

Name	Active Weight	3M Return	Contr. to Active Return
Taiwan Semiconductor Manufacturing Co Ltd	-19.32	18.46	-3.57
Tencent Holdings Ltd	-1.55	32.99	-0.51
Delta Electronics (Thailand) PCL	-0.38	65.63	-0.25
Naspers Ltd Class N	-1.09	16.81	-0.18
Al Rajhi Bank	-1.05	14.16	-0.15
BeOne Medicines Ltd Ordinary Shares	-0.34	40.08	-0.14
Hanwha Aerospace Co Ltd	-0.45	25.57	-0.12
Maruti Suzuki India Ltd	-0.42	26.23	-0.11
Accton Technology Corp	-0.32	38.99	-0.12
China Construction Bank Corp Class H	2.14	-4.71	-0.10

Overweight and +ve 3M return

Underweight and +ve 3M return

Source: Morningstar Direct. Data as of Sept. 30, 2025.

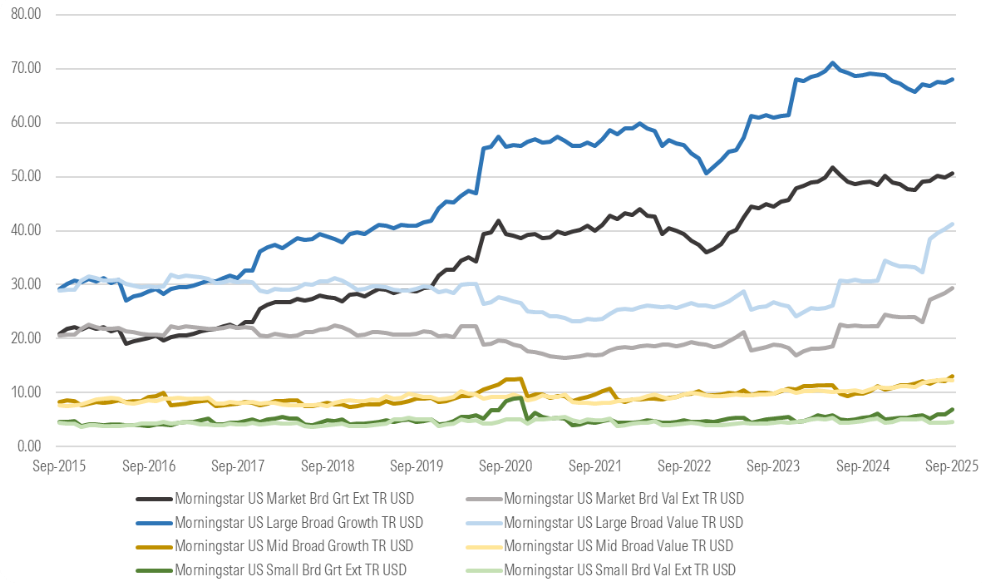
Concentration

The broad style indexes skew toward the larger names within their respective segments, owing to market-cap weighting. This weighting approach reflects the composition of the opportunity set and allows companies to become a bigger part of the portfolios as they grow within each market-cap segment.

Concentration is most pronounced in the large-cap indexes (as shown in Exhibit 8), particularly in the Morningstar US Large Cap Broad Growth Index, where the percentage of assets in the top 10 constituents grew from 55% at the end of September 2020 to roughly 68% five years later. The market became more concentrated as the largest growth stocks outperformed. This not only increased their market-cap weightings but also reduced the number of large-growth stocks required to reach 50% coverage of the large-cap market, reducing the number of stocks in the portfolio. Today, the Morningstar US Large Cap Broad Growth Index holds 83 stocks, down from 114 five years ago. Moreover, the largest constituent in the index today (Nvidia) comprises over 17.29% of the portfolio, with Microsoft following closely at 15.18%, whereas five years ago, the equivalent weight for Nvidia was just over 2.64%. The Morningstar US Large Value Index is relatively diversified, with the top 10 holdings constituting 41% of the total portfolio and the medium-term trend holding around 28% since 2020.

The small- and mid-cap indexes have far less concentration in their top 10 constituents, as there is a natural cap on how large constituents can grow before they advance to the next market-cap segment.

Exhibit 8 Percentage of Portfolio in Top 10 Holdings—US

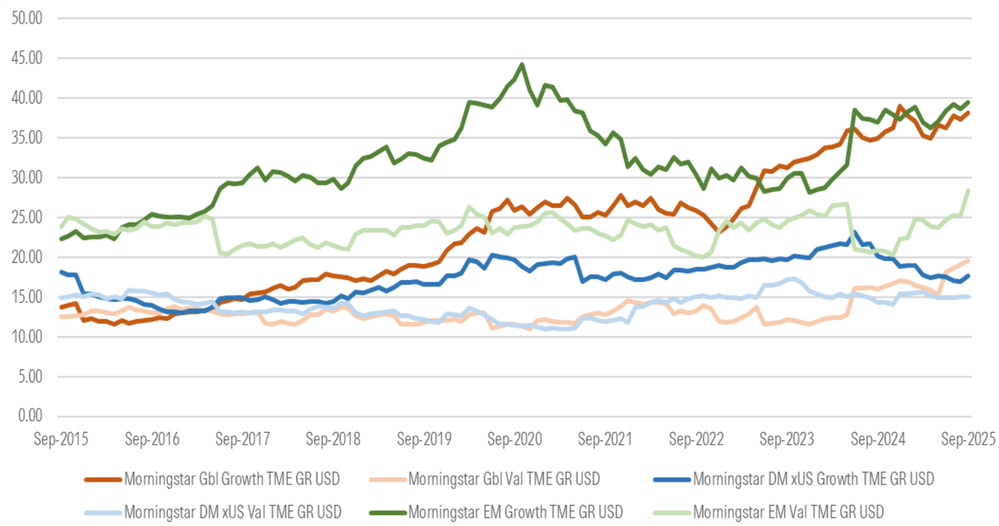


Source: Morningstar Direct. Data as of Sept. 30, 2025.

Exhibit 9 shows concentration trends for the style indexes across emerging markets and ex-US developed markets, along with the corresponding parent indexes. Concentration has been perennially higher in emerging markets, particularly in the growth index, which implies that there are factors endemic to these markets that facilitate a greater concentration of capital. Additionally, while the portfolios largely seem to be getting more concentrated over time, the recent trend in the Morningstar Emerging Markets Growth TME Index is interesting, with concentration falling precipitously from October 2020 until the end of 2023. This is partially due to the underperformance of Chinese mega-caps like Alibaba and Tencent, which have been beleaguered by regulatory crackdowns on gaming, digital commerce, and the like.

The Morningstar Developed Markets ex-US Growth Target Market Exposure Index has also consistently decreased its concentration in the top 10 holdings in the past one year.

Exhibit 9 Percentage of Portfolio in Top 10 Holdings—Global



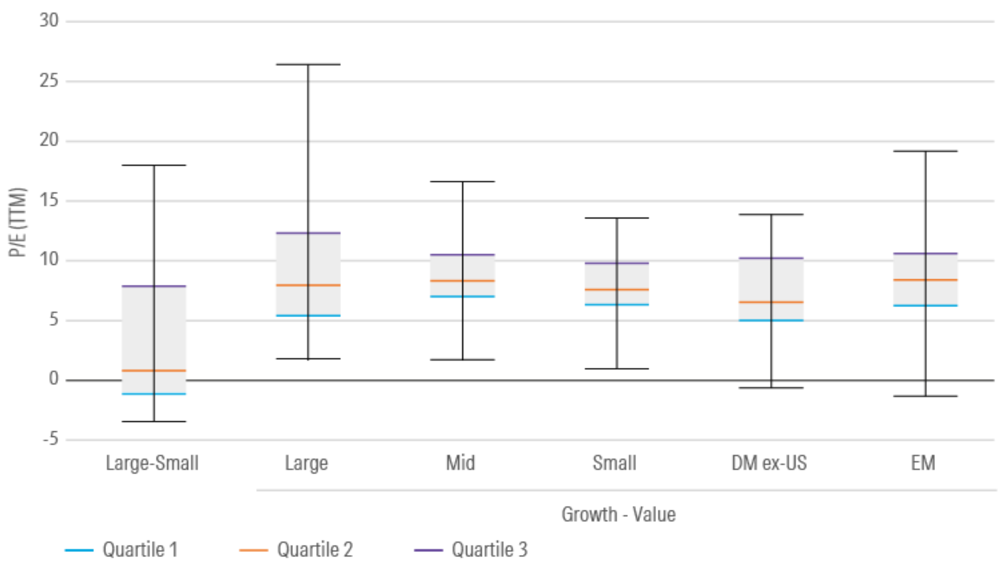
Source: Morningstar Direct. Data as of Sept. 30, 2025.

Valuations

By definition, growth stocks trade at higher valuations than value stocks. After years of stronger performance, growth stocks have become more expensive relative to value stocks. This trend holds true both in the US and globally, as illustrated in Exhibits 10 through 16. These figures show the spread between the trailing 12-month P/E ratios of the growth and value indexes in the Morningstar Broad Style family for each of the three market-cap segments, as well as for the ex-US developed-markets and emerging-markets regions of the Global Style family. It also includes this spread data for the Morningstar US Large Cap Index and the Morningstar US Small Cap Extended Index, along with historical distributions for all the spreads.

In the US, the small-cap segment saw the growth-value P/E spread decreasing significantly as compared with large-cap and mid-cap segments. Outside the US, emerging markets also witnessed a significant decrease in the spread, followed by developed markets outside the US.

Exhibit 10 P/E (TTM) Valuation Spread



	Growth - Value					
	US Large-Small	US Large	US Mid	US Small	DM ex-US	EM
Current P/E Valuation Spread	10.56	17.79	12.84	9.31	9.73	7.81
Percent Rank (%) Sept 2025	92.88%	93.25%	90.35%	70.49%	70.19%	36.06%
Percent Rank (%) June 2025	87.70%	95.70%	96.70%	94.30%	82.80%	89.20%

Source: Morningstar Direct. Data as of Sept. 30, 2025.

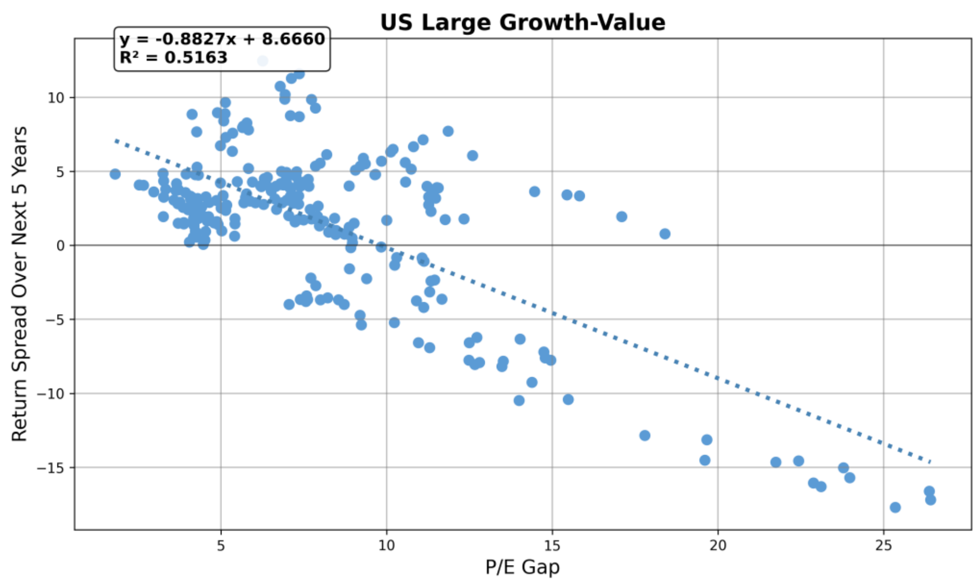
Unusually wide valuation spreads may portend lower expected returns for the pricier index. Historically in the US, wider valuation spreads have been associated with lower returns over the next five years for the large- and mid-cap growth indexes relative to their value counterparts, as Exhibits 11 and 12 show. The same is true of the large-cap index relative to the small-cap extended index, as shown in Exhibit 14. Even emerging markets displayed this phenomenon as shown in Exhibit 16.

There wasn't a strong relationship between valuation spreads and future returns for the US small-cap growth and value indexes, shown in Exhibit 13. The same is true of the large-mid universe in developed markets outside the US, displayed in Exhibit 15.

A previously notable and counterintuitive phenomenon in developed markets outside the US (Exhibit 15) appears to have faded. Historically, there was a mildly positive relationship between valuation spreads and subsequent five-year return spreads—suggesting that wider valuation gaps favored growth outperformance. However, as of the third quarter of 2025, this relationship has reversed, with the regression line now showing a negative slope with a lower R-squared.

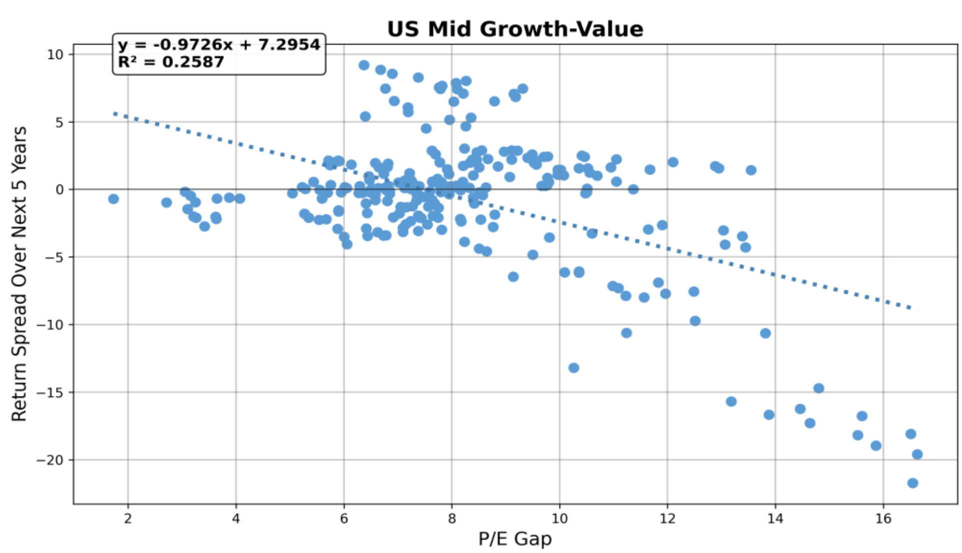
This shift reinforces the idea that any past relationship may have been more circumstantial than structural—likely influenced by exogenous economic factors disproportionately benefiting growth stocks over certain periods. It is also worth noting that the historical distribution of valuation spreads has been the tightest in these ex-US developed markets.

Exhibit 11 Relationship Between Valuations and Future Returns: November 1999 - September 2025 (Morningstar US Large Broad Growth Index - Morningstar US Large Broad Value Index)



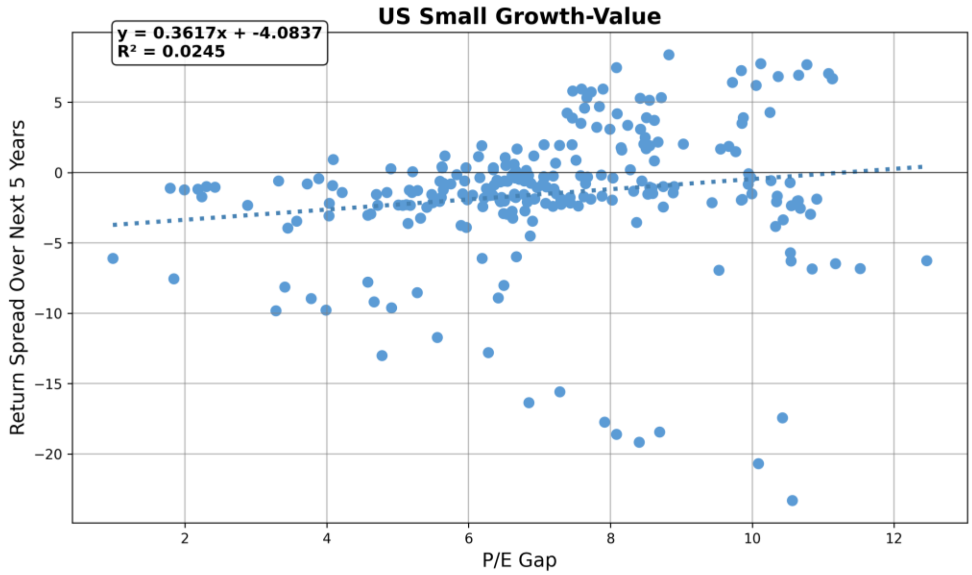
Source: Morningstar Direct. Data as of Sept. 30, 2025.

Exhibit 12 Relationship Between Valuations and Future Returns: November 1999 - September 2025 (Morningstar US Mid Broad Growth Index - Morningstar US Mid Broad Value Index)



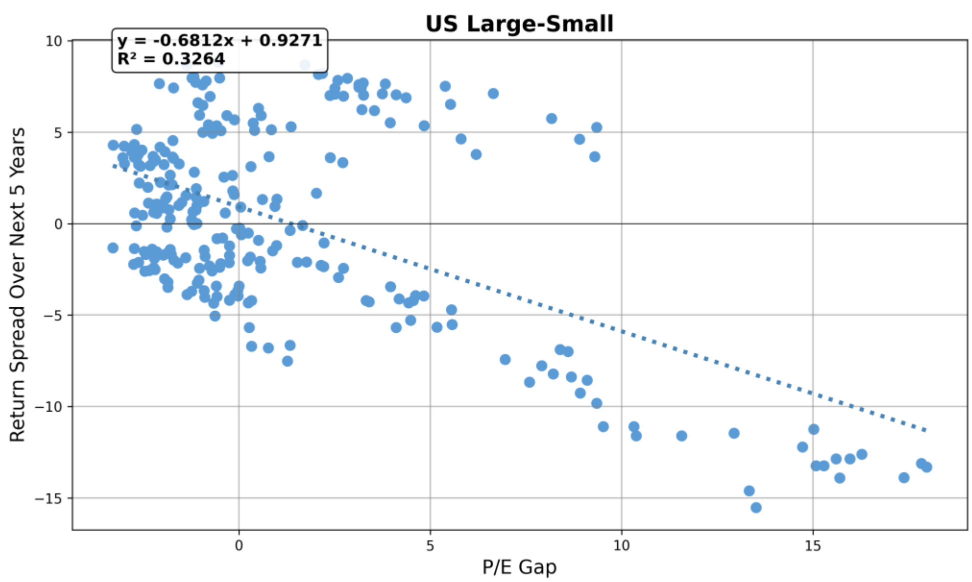
Source: Morningstar Direct. Data as of Sept. 30, 2025.

Exhibit 13 Relationship Between Valuations and Future Returns: November 1999 - September 2025 (Morningstar US Small Cap Broad Growth Extended Index - Morningstar US Small Cap Broad Value Extended Index)



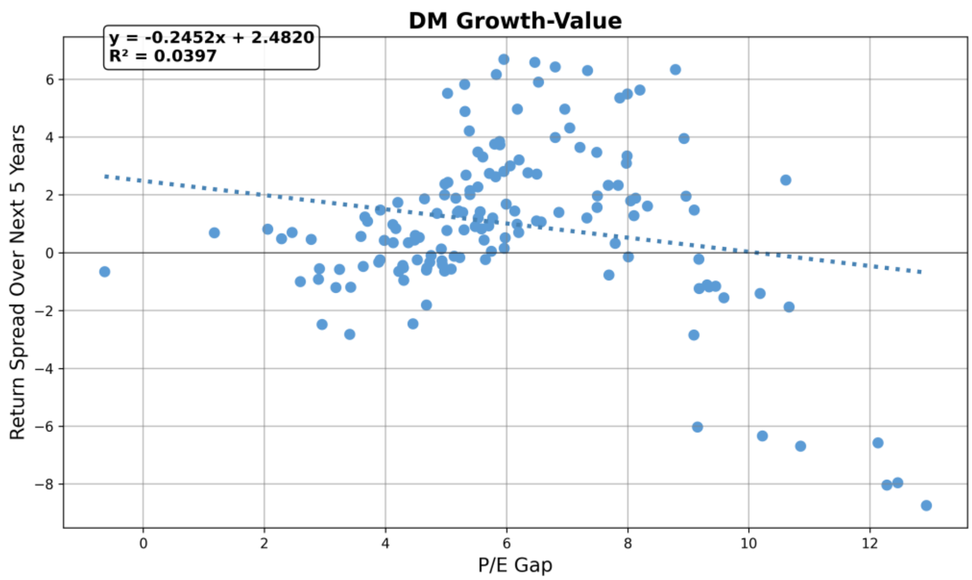
Source: Morningstar Direct. Data as of Sept. 30, 2025.

Exhibit 14 Relationship Between Valuations and Future Returns: November 1999 - September 2025 (Morningstar US Large Index - Morningstar US Small Cap Extended Index)



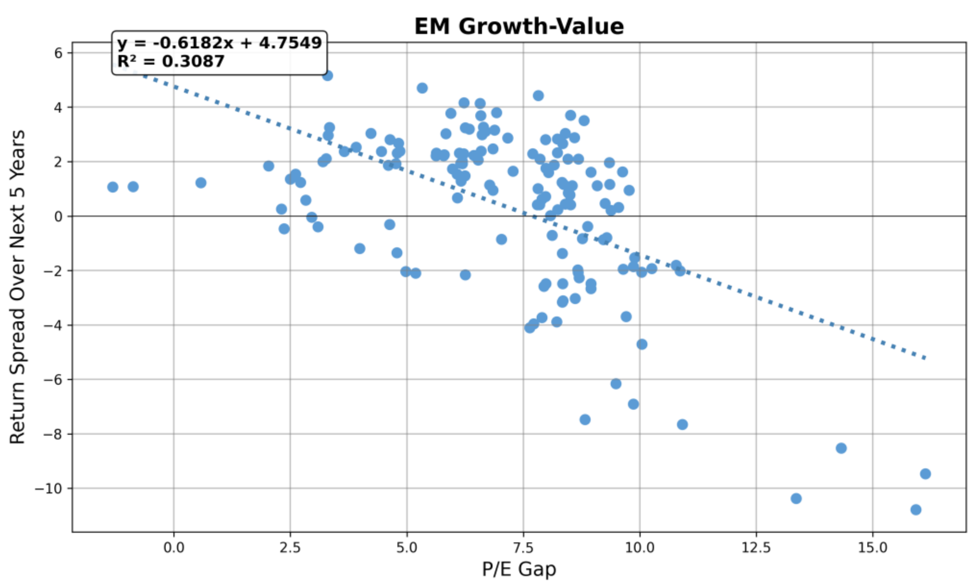
Source: Morningstar Direct. Data as of Sept. 30, 2025.

Exhibit 15 Relationship Between Valuations and Future Returns: June 2008 - September 2025 (Morningstar DM ex-US Growth TME Index - Morningstar DM ex-US Value TME Index)



Source: Morningstar Direct. Data as of Sept. 30, 2025.

Exhibit 16 Relationship Between Valuations and Future Returns: June 2008 - September 2025 (Morningstar EM Growth TME Index - Morningstar EM Value TME Index)



Source: Morningstar Direct. Data as of Sept. 30, 2025.

Forever in Style

Regardless of market conditions, the Morningstar Broad Style and Global Style index families provide a robust toolkit for style investors. The indexes accurately represent the opportunity set available to style investors across different regions and can facilitate precise performance benchmarking and efficient asset allocation aligned with the Morningstar Style Box. For more information, visit https://www.morningstar.com/products/indexes-style. K

Appendix

Appendix 1: Style Investing

Style investing focuses on two of the most important drivers of stock returns: size and valuations. In their 1992 seminal paper, “The Cross-Section of Expected Stock Returns,” Nobel laureates Eugene Fama and Kenneth French demonstrated that differences in these two variables can explain much of the variation of stock returns. That was the same year the Morningstar Style Box was launched. This tool divides the equity market into nine sections along two dimensions: size and value/growth orientation, which has become a widely adopted frame of reference for classifying managed portfolios and assessing performance.

This style framework is also useful for framing asset-allocation decisions. The large-value segment of the market is a fertile hunting ground for mature dividend-payers, while the large-growth segment is home to many highly profitable companies with strong prospects. Small-growth stocks tend to have the greatest potential for capital appreciation, but they also carry considerable risk. Finally, the small-value segment may be where the best bargains are. Historically, this market segment has had the highest returns, though it has experienced long stretches of underperformance.

The Morningstar Broad Style and Global Style Indexes provide an effective toolkit to gauge style trends, both in the US and globally. These indexes cast a wider net than the nine segments of the Style Box, carving the value-growth spectrum into halves rather than thirds. This better reflects the opportunity set available to style investors, as managers often color outside their designated section in the Style Box. Stocks in the blend segment of the market are partially allocated to both the value and growth indexes, as they often appear in both value and growth managers’ portfolios.

Appendix 2: Company Characteristics by Style

Morningstar’s Broad Style and Global Style Indexes each focus on a different type of stock, reflecting how many active managers define their opportunity set.

Large-growth stocks are often among the market’s most enviable businesses. These firms not only tend to enjoy robust growth prospects but also typically benefit from dominant market positions and deploy extremely profitable business models. Within the Morningstar Broad Style Index family, the Morningstar US Large Broad Growth Index has the greatest exposure to stocks with Morningstar Economic Moat Ratings of wide, reflecting durable competitive advantages that Morningstar equity analysts expect to last for at least 20 years, as Exhibit 17 illustrates. However, the constituents of this index tend to generate a smaller share of their revenue outside the US compared with any of the other broad style indexes that cover the US, as shown in Exhibit 18.

Similar to the US, global growth indexes have the greatest bent toward wide moat ratings, reflecting the structurally more favorable business models of these constituents. These durable competitive advantages are also more prevalent in developed markets relative to emerging markets. Companies listed in emerging markets are more likely to have to navigate headwinds like tenuous regulatory landscapes (which invite competition) and more acute economic cyclicality (which detracts from our equity analysts' confidence in the durability of their profits).

Exhibit 17 Economic Moat Exposure (%)

US	Wide Moat	Narrow Moat	None
Morningstar US Market Extended	60.70	23.22	6.46
Morningstar US Market Broad Growth Extended	66.90	19.44	3.81
Morningstar US Market Broad Value Extended	53.70	27.53	9.48
Morningstar US Large Cap	77.68	19.97	1.80
Morningstar US Large Broad Growth	82.99	16.23	0.47
Morningstar US Large Broad Value	71.35	24.42	3.38
Morningstar US Mid Cap	20.60	41.70	21.69
Morningstar US Mid Cap Broad Growth	27.71	37.17	15.81
Morningstar US Mid Cap Broad Value	13.58	46.02	27.68
Morningstar US Small Cap Extended	1.96	10.89	13.15
Morningstar US Small Broad Growth Extended	2.44	10.67	8.74
Morningstar US Small Broad Value Extended	1.48	11.22	17.80

Global			
Morningstar Global Target Market Exposure	53.93	22.33	12.37
Morningstar Global Growth	64.02	19.43	5.94
Morningstar Global Value	42.83	25.50	19.47
Morningstar Developed Markets ex-US	34.02	21.49	27.84
Morningstar Developed Markets ex-US Growth	49.73	22.30	12.84
Morningstar Developed Markets ex-US Value	18.13	20.67	43.02
Morningstar Emerging Markets	22.48	11.50	17.10
Morningstar Emerging Markets Growth	28.63	11.82	8.86
Morningstar Emerging Markets Value	16.33	11.19	25.41

Source: Morningstar Direct. Data as of Sept. 30, 2025.

Exhibit 18 Revenue Generated in the US

US	% of Revenue from the US
Morningstar US Market Extended	60.21
Morningstar US Market Broad Growth Extended	54.90
Morningstar US Market Broad Value Extended	66.29
Morningstar US Large Cap	55.38
Morningstar US Large Broad Growth	49.23
Morningstar US Large Broad Value	62.71
Morningstar US Mid Cap	72.52
Morningstar US Mid Cap Broad Growth	70.42
Morningstar US Mid Cap Broad Value	74.57
Morningstar US Small Cap Extended	74.94
Morningstar US Small Broad Growth Extended	73.96
Morningstar US Small Broad Value Extended	76.59
Global	
Morningstar Global Target Market Exposure	44.94
Morningstar Global Growth	42.65
Morningstar Global Value	47.46
Morningstar Developed Markets ex-US	22.38
Morningstar Developed Markets ex-US Growth	25.48
Morningstar Developed Markets ex-US Value	19.25
Morningstar Emerging Markets	14.53
Morningstar Emerging Markets Growth	20.15
Morningstar Emerging Markets Value	8.95

Source: Morningstar Direct. Data as of Sept. 30, 2025.

Large-value stocks tend to be more mature. These include slow-growth giants like Berkshire Hathaway and Procter & Gamble in the US and Shell outside the US. Because they often have strong cash flows and limited need of it to fund growth, these stocks tend to make larger cash distributions to shareholders than their faster-growing and smaller counterparts.

Stocks in the middle of the value-growth spectrum, like Alphabet and Amazon, are found in both the Morningstar US Large Broad Value and Growth indexes. This reflects that they are also found in both value and growth managers' portfolios, as they don't have a strong bias toward one style over the other.

Moving down the market-cap spectrum tends to increase both risk and return potential. Mid-cap growth stocks generally have more runway for expansion than their larger peers, often operating at earlier stages of their lifecycle while actively pursuing new growth avenues. For instance, Snowflake and Autodesk—leaders in cloud data and design software, respectively—are leveraging structural trends such as cloud computing, digital transformation, and automation. Both featured among the top holdings in the Morningstar US Mid Cap Broad Growth Index as of September 2025.

Small-growth stocks are riskier still. These firms tend to be less profitable and face greater uncertainty than better-established growth stocks, yet with this broader distribution of potential outcomes comes the juiciest growth potential. Astera Labs, a top holding in the Morningstar US Small Cap Broad Growth Extended Index, exemplifies this profile. As a semiconductor connectivity solutions provider serving the data center and AI infrastructure markets, the company is positioned to benefit from long-term structural trends in cloud computing and artificial intelligence. However, like many small-cap growth firms, it also faces challenges related to scale, profitability, and sensitivity to economic cycles.

Mid- and small-cap value stocks also carry greater risk and upside potential than their larger counterparts. This includes a mix of stocks lacking sales growth, as well as names that have fallen out of favor, often for good reason. EOG Resources, an energy producer facing cyclical headwinds and fluctuating commodity prices, is a good example of the former, while Stanley Black & Decker, an industrial tools manufacturer contending with soft demand, margin pressures, and cyclical sensitivity, exemplifies the latter.

Smaller stocks tend to generate more of their revenue in the US, particularly on the value side. The constituents of the Morningstar US Small Cap Broad Value Extended Index generated a larger share of their revenue in the US than any of the other broad style indexes, as shown in Exhibit 18.

Exhibits 19-33 show the top 10 constituents in the large-, mid-, and small-cap extended indexes, the value and growth indexes in those segments, as well as the value and growth indexes for ex-US developed markets and emerging markets.

Exhibit 19 Top Holdings: Morningstar US Large Cap Index

Constituent	Ticker	Sector	Weighting (%)
NVIDIA Corp	NVDA	Technology	9.39
Microsoft Corp	MSFT	Technology	8.24
Apple Inc	AAPL	Technology	8.09
Amazon.com Inc	AMZN	Consumer Cyclical	4.58
Meta Platforms Inc Class A	META	Communication Services	3.41
Broadcom Inc	AVGO	Technology	3.26
Alphabet Inc Class A	GOOGL	Communication Services	3.03
Tesla Inc	TSLA	Consumer Cyclical	2.67
Alphabet Inc Class C	GOOG	Communication Services	2.64
Berkshire Hathaway Inc Class B	BRK.B	Financial Services	1.98

Source: Morningstar Direct. Data as of Sept. 30, 2025.

Exhibit 20 Top Holdings: Morningstar US Large Broad Growth Index

Constituent	Ticker	Sector	Weighting (%)
NVIDIA Corp	NVDA	Technology	17.29
Microsoft Corp	MSFT	Technology	15.18
Apple Inc	AAPL	Technology	7.42
Meta Platforms Inc Class A	META	Communication Services	6.28
Broadcom Inc	AVGO	Technology	6
Tesla Inc	TSLA	Consumer Cyclical	4.92
Amazon.com Inc	AMZN	Consumer Cyclical	4.22
Eli Lilly and Co	LLY	Healthcare	2.4
Visa Inc Class A	V	Financial Services	2.29
Netflix Inc	NFLX	Communication Services	2.01

Source: Morningstar Direct. Data as of Sept. 30, 2025.

Exhibit 21 Top Holdings: Morningstar US Large Broad Value Index

Constituent	Ticker	Sector	Weighting (%)
Apple Inc	AAPL	Technology	8.89
Alphabet Inc Class A	GOOGL	Communication Services	6.63
Amazon.com Inc	AMZN	Consumer Cyclical	5.01
Berkshire Hathaway Inc Class B	BRK.B	Financial Services	4.34
Alphabet Inc Class C	GOOG	Communication Services	4.20
JPMorgan Chase & Co	JPM	Financial Services	4.06
Exxon Mobil Corp	XOM	Energy	2.25
Johnson & Johnson	JNJ	Healthcare	2.09
AbbVie Inc	ABBV	Healthcare	1.92
The Home Depot Inc	HD	Consumer Cyclical	1.89

Source: Morningstar Direct. Data as of Sept. 30, 2025.

Exhibit 22 Top Holdings: Morningstar US Mid Cap Index

Constituent	Ticker	Sector	Weighting (%)
Capital One Financial Corp	COF	Financial Services	1.14
Robinhood Markets Inc Class A	HOOD	Financial Services	0.88
Newmont Corp	NEM	Basic Materials	0.78
Roblox Corp Ordinary Shares - Class A	RBLX	Communication Services	0.72
Royal Caribbean Group	RCL	Consumer Cyclical	0.69
Howmet Aerospace Inc	HWM	Industrials	0.64
U.S. Bancorp	USB	Financial Services	0.63
Bank of New York Mellon Corp	BK	Financial Services	0.62
Emerson Electric Co	EMR	Industrials	0.62
Snowflake Inc Ordinary Shares	SNOW	Technology	0.62

Source: Morningstar Direct. Data as of Sept. 30, 2025.

Exhibit 23 Top Holdings: Morningstar US Mid Cap Broad Growth Index

Constituent	Ticker	Sector	Weighting (%)
Robinhood Markets Inc Class A	HOOD	Financial Services	1.77
Roblox Corp Ordinary Shares - Class A	RBLX	Communication Services	1.44
Royal Caribbean Group	RCL	Consumer Cyclical	1.38
Howmet Aerospace Inc	HWM	Industrials	1.28
Snowflake Inc Ordinary Shares	SNOW	Technology	1.24
Marvell Technology Inc	MRVL	Technology	1.22
AutoZone Inc	AZO	Consumer Cyclical	1.21
Coinbase Global Inc Ordinary Shares - Class A	COIN	Financial Services	1.19
Autodesk Inc	ADSK	Technology	1.14
Vistra Corp	VST	Utilities	1.11

Source: Morningstar Direct. Data as of Sept. 30, 2025.

Exhibit 24 Top Holdings: Morningstar US Mid Cap Broad Value Index

Constituent	Ticker	Sector	Weighting (%)
Capital One Financial Corp	COF	Financial Services	2.29
Newmont Corp	NEM	Basic Materials	1.56
U.S. Bancorp	USB	Financial Services	1.27
CSX Corp	CSX	Industrials	1.12
The Travelers Companies Inc	TRV	Financial Services	1.06
EOG Resources Inc	EOG	Energy	1.03
Simon Property Group Inc	SPG	Real Estate	1.03
Air Products and Chemicals Inc	APD	Basic Materials	1.02
Truist Financial Corp	TFC	Financial Services	0.99
Sempra	SRE	Utilities	0.99

Source: Morningstar Direct. Data as of Sept. 30, 2025..

Exhibit 25 Top Holdings: Morningstar US Small Cap Extended Index

Constituent	Ticker	Sector	Weighting (%)
Astera Labs Inc	ALAB	Technology	0.47
Credo Technology Group Holding Ltd	CRDO	Technology	0.39
Ciena Corp	CIEN	Technology	0.38
Rocket Lab Corp	RKLB	Industrials	0.37
Talen Energy Corp Ordinary Shares New	TLN	Utilities	0.33
IonQ Inc Class A	IONQ	Technology	0.32
Bloom Energy Corp Class A	BE	Industrials	0.31
FTAI Aviation Ltd	FTAI	Industrials	0.31
BWX Technologies Inc	BWXT	Industrials	0.31
Coherent Corp	COHR	Technology	0.31

Source: Morningstar Direct. Data as of Sept. 30, 2025.

Exhibit 26 Top Holdings: Morningstar US Small Broad Growth Extended Index

Constituent	Ticker	Sector	Weighting (%)
Astera Labs Inc	ALAB	Technology	0.94
Credo Technology Group Holding Ltd	CRDO	Technology	0.78
Ciena Corp	CIEN	Technology	0.75
Rocket Lab Corp	RKLB	Industrials	0.74
IonQ Inc Class A	IONQ	Technology	0.63
Bloom Energy Corp Class A	BE	Industrials	0.62
FTAI Aviation Ltd	FTAI	Industrials	0.62
BWX Technologies Inc	BWXT	Industrials	0.62
Coherent Corp	COHR	Technology	0.61
Kratos Defense & Security Solutions Inc	KTOS	Industrials	0.55

Source: Morningstar Direct. Data as of Sept. 30, 2025.

Exhibit 27 Top Holdings: Morningstar US Small Value Extended Index

Constituent	Ticker	Sector	Weighting (%)
Toll Brothers Inc	TOL	Consumer Cyclical	0.52
SanDisk Corp Ordinary Shares	SNDK	Technology	0.49
Annaly Capital Management Inc	NLY	Real Estate	0.49
TD Synnex Corp	SNX	Technology	0.46
Skyworks Solutions Inc	SWKS	Technology	0.45
Host Hotels & Resorts Inc	HST	Real Estate	0.45
Viatris Inc	VTRS	Healthcare	0.45
Coeur Mining Inc	CDE	Basic Materials	0.44
Stanley Black & Decker Inc	SWK	Industrials	0.43
Bunge Global SA	BG	Consumer Defensive	0.43

Source: Morningstar Direct. Data as of Sept. 30, 2025.

Exhibit 28 Top Holdings: Morningstar Developed Markets ex-US TME Index

Constituent	Ticker	Sector	Weighting (%)
ASML Holding NV	ASML	Technology	1.77
SAP SE	SAP	Technology	1.27
HSBC Holdings PLC	HSBA	Financial Services	1.13
Nestle SA	NESN	Consumer Defensive	1.09
AstraZeneca PLC	AZN	Healthcare	1.08
Novartis AG Registered Shares	NOVN	Healthcare	1.08
Roche Holding AG	ROG	Healthcare	1.04
Toyota Motor Corp	7203	Consumer Cyclical	1.02
Shell PLC	SHEL	Energy	0.97
Royal Bank of Canada	RY	Financial Services	0.96

Source: Morningstar Direct. Data as of Sept. 30, 2025.

Exhibit 29 Top Holdings: Morningstar Developed Markets ex-US Growth TME Index

Constituent	Ticker	Sector	Weighting (%)
ASML Holding NV	ASML	Technology	3.52
SAP SE	SAP	Technology	2.53
AstraZeneca PLC	AZN	Healthcare	2.15
Shopify Inc Registered Shs -A- Subord Vtg	SHOP	Technology	1.66
Novo Nordisk AS Class B	NOVO B	Healthcare	1.59
Schneider Electric SE	SU	Industrials	1.39
Airbus SE	AIR	Industrials	1.25
Rolls-Royce Holdings PLC	RR.	Industrials	1.23
Siemens AG	SIE	Industrials	1.22
Safran SA	SAF	Industrials	1.13

Source: Morningstar Direct. Data as of Sept. 30, 2025.

Exhibit 30 Top Holdings: Morningstar Developed Markets ex-US Value TME Index

Constituent	Ticker	Sector	Weighting (%)
HSBC Holdings PLC	HSBA	Financial Services	2.28
Toyota Motor Corp	7203	Consumer Cyclical	2.06
Shell PLC	SHEL	Energy	1.94
Banco Santander SA	SAN	Financial Services	1.44
The Toronto-Dominion Bank	TD	Financial Services	1.28
BHP Group Ltd	BHP	Basic Materials	1.27
Novartis AG Registered Shares	NOVN	Healthcare	1.22
Roche Holding AG	ROG	Healthcare	1.21
Nestle SA	NESN	Consumer Defensive	1.2
TotalEnergies SE	TTE	Energy	1.15

Source: Morningstar Direct. Data as of Sept. 30, 2025.

Exhibit 31 Top Holdings: Morningstar Emerging Markets TME Index

Constituent	Ticker	Sector	Weighting (%)
Taiwan Semiconductor Manufacturing Co Ltd	2330	Technology	10.31
Tencent Holdings Ltd	00700	Communication Services	5.15
Alibaba Group Holding Ltd Ordinary Shares	09988	Consumer Cyclical	4.11
Samsung Electronics Co Ltd	005930	Technology	2.87
SK Hynix Inc	000660	Technology	1.34
HDFC Bank Ltd	HDFCBANK	Financial Services	1.21
Xiaomi Corp Class B	01810	Technology	1.16
Reliance Industries Ltd	RELIANCE	Energy	1.11
PDD Holdings Inc ADR	PDD	Consumer Cyclical	1
China Construction Bank Corp Class H	00939	Financial Services	0.94

Source: Morningstar Direct. Data as of Sept. 30, 2025.

Exhibit 32 Top Holdings: Morningstar Emerging Markets Growth TME Index

Constituent	Ticker	Sector	Weighting (%)
Taiwan Semiconductor Manufacturing Co Ltd	2330	Technology	20.59
Tencent Holdings Ltd	00700	Communication Services	6.1
HDFC Bank Ltd	HDFCBANK	Financial Services	2.41
Xiaomi Corp Class B	01810	Technology	2.32
International Holdings Co PJSC	IHC	Industrials	1.6
ICICI Bank Ltd	ICICIBANK	Financial Services	1.59
MediaTek Inc	2454	Technology	1.33
Reliance Industries Ltd	RELIANCE	Energy	1.22
Bharti Airtel Ltd	BHARTIARTL	Communication Services	1.2
Naspers Ltd Class N	NPN	Consumer Cyclical	1.13

Source: Morningstar Direct. Data as of Sept. 30, 2025.

Exhibit 33 Top Holdings: Morningstar Emerging Markets Value TME Index

Constituent	Ticker	Sector	Weighting (%)
Alibaba Group Holding Ltd Ordinary Shares	09988	Consumer Cyclical	8.24
Samsung Electronics Co Ltd	005930	Technology	5.75
Tencent Holdings Ltd	00700	Communication Services	4.2
SK Hynix Inc	000660	Technology	2.68
China Construction Bank Corp Class H	00939	Financial Services	1.88
Hon Hai Precision Industry Co Ltd	2317	Technology	1.71
Industrial And Commercial Bank Of China Ltd Class H	01398	Financial Services	1.11
Reliance Industries Ltd	RELIANCE	Energy	1
JD.com Inc Ordinary Shares - Class A	09618	Consumer Cyclical	0.91
PDD Holdings Inc ADR	PDD	Consumer Cyclical	0.88

Source: Morningstar Direct. Data as of Sept. 30, 2025.

Appendix 3: Funds That Track Morningstar Broad Style Indexes

Exhibit 34 Funds That Track Morningstar Broad Style Indexes

Name	SecId	Ticker	Domicile	Primary Prospectus Benchmark
BNY Mellon US Large Cap Core Equity ETF	F0000149CO	BKLC	United States	Morningstar US Large Cap TR USD
iShares Morningstar Growth ETF	FEUSA04ACO	ILCG	United States	Morningstar US Large Mid Brd Grt TR USD
iShares Morningstar Value ETF	FEUSA04ACP	ILCV	United States	Morningstar US Large Mid Brd Val TR USD
Lyxor Core Morningstar US (DR) ETF-Dist	F0000109UX	LCUD	Luxembourg	Morningstar US Large-Mid NR USD
iShares Morningstar U.S. Equity ETF	FEUSA04ACN	ILCB	United States	Morningstar US Large-Mid TR USD
NBI U.S. Equity Index O	F000013VX6		Canada	Morningstar US Large-Mid TR USD
NBI U.S. Equity Index INV-2	F000016TJI		Canada	Morningstar US Large-Mid TR USD
iShares Morningstar Mid-Cap Growth ETF	FEUSA04ACR	IMCG	United States	Morningstar US Mid Cap Brd Grt TR USD
iShares Morningstar Mid-Cap Value ETF	FEUSA04ACS	IMCV	United States	Morningstar US Mid Cap Brd Val TR USD
BNY Mellon US Mid Cap Core Equity ETF	F0000149CP	BKMC	United States	Morningstar US Mid Cap TR USD
iShares Morningstar Mid-Cap ETF	FEUSA04ACQ	IMCB	United States	Morningstar US Mid Cap TR USD
iShares Morningstar Small-Cap Growth ETF	FEUSA04ACU	ISCG	United States	Morningstar US Small Brd Grt Ext TR USD
iShares Morningstar Small-Cap Value ETF	FEUSA04ACV	ISCV	United States	Morningstar US Small Brd Val Ext TR USD
iShares Morningstar Small-Cap ETF	FEUSA04ACT	ISCB	United States	Morningstar US Small Cap Ext TR USD

Source: Morningstar Direct. Data as of Sept. 30, 2025.

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