The public health crisis continues on, but, so too, has the stock market's rise. The S&P 500 Index added almost nine percentage points of total

Total Returns through September 30, 2020

The stock market has recouped its pandemic-induced losses and then some. But to anyone observing activity in their community or beyond, it's clear that the broader economy has not exhibited the same V-shaped recovery as stocks. Why the disparity? Much of it has to do with differing compositions of the stock market versus the overall economy. For example, five technology-related behemoths[1] comprise nearly a quarter of the S&P 500 Index and

[1] Apple, Microsoft, Amazon.com, Alphabet (Google), and Facebook

These trends have hastened already divergent paths for many industries and individual stocks. Recipients of such increased spending have seen improvement in their sales and profit trajectories, including the aforementioned tech behemoths. Combined with lower interest rates that increase the relative value of strong future earnings streams, it's reasonable that these firms have led the Index higher. At the same time, other industries' earnings have disproportionately suffered. An estimated full quarter of the decline in aggregate second quarter S&P 500 earnings were borne solely by airlines and other travel-related firms. While one might expect that to drag down the returns of the Index, it's worth noting that the airline industry comprises just 0.2% of the Index value.

While the shift in consumption explains some of the recent market dynamics, a rebound in aggregate spending