

Third Quarter 2020 Update: ISE Cyber Security UCITS Index (HUR)

- Global equities continued to march higher in the third quarter (Q3) of 2020. The Nasdaq Global Index (NQGI), which is designed to track the performance of global equities covering over 98% of the entire listed market capitalization of the global equity space, gained 7.4% during Q3, moving its one year return into positive territory, up 7.1%.
- The Technology industry remains a bright spot in the market, as the Nasdaq Global Technology Benchmark (NQG10) gained 11.8% in Q3 2020. On a trailing one year return basis, NQG10 is up 44.3%.
- The ISE Cyber Security UCITS (HUR) advanced higher in Q3, gaining 3.0% over the trailing three months. HUR is up a competitive 35.4% over the past six months. When compared to the broader global equity benchmark, NQGI, HUR is outpacing the benchmark index by 7.5%, yet it is trailing NQG10 by 9.6% over the same time period. On a trailing one year return basis, HUR is up 28.0%.
- There were some bright spots within the HUR index last quarter. SailPoint Technologies Holdings Inc. (SAIL), which has a 1.89% weighting in the index as of September 30, 2020, gained 49.5% in Q3. SAIL is a cloud based provider of identity and access management solutions. CrowdStrike Holdings, Inc. (CRWD), which has 3.31% weighting in the index as of September 30, 2020, gained 36.9% in Q3. CRWD is a provider of endpoint security solutions.
- There were a number of high profile cyber-attacks last quarter, such as the Twitter profile breach and the Garmin ransomware attack, and in early July, news emerged of hackers attempting to steal COVID-19 vaccine research from the Oxford Vaccine Group. In addition, the number of attacks continues to increase. According to [ITP.net](https://www.itp.net), since the start of the year, there have been “726 million confirmed cyber-attacks...putting 2020 on course to rack up somewhere in the region of 1.5 billion cyber-attacks for the year.”
- The beginning of October not only marks the beginning of Q4 2020, it also starts National Cybersecurity Month (NCSAM) in the US. This year’s theme is “Do Your Part. #BeCyber Smart.” For more information on National Cybersecurity Month, please visit - <https://www.cisa.gov/national-cyber-security-awareness-month>.

Nasdaq® is a registered trademark of Nasdaq, Inc. The information contained above is provided for informational and educational purposes only, and nothing contained herein should be construed as investment advice, either on behalf of a particular security or an overall investment strategy. Neither Nasdaq, Inc. nor any of its affiliates makes any recommendation to buy or sell any security or any representation about the financial condition of any company. Statements regarding Nasdaq-listed companies or Nasdaq proprietary indexes are not guarantees of future performance. Actual results may differ materially from those expressed or implied. Past performance is not indicative of future results. Investors should undertake their own due diligence and carefully evaluate companies before investing. ADVICE FROM A SECURITIES PROFESSIONAL IS STRONGLY ADVISED.