Risk and Return Assessment From the perspective of risk and return, SPY offered stable performance compared to individual stocks.The period from 2024 to 2026 demonstrated that despite short-term volatility, SPY continues to deliver steady returns, making it an essential component of any balanced investment strategy.With steady long-term growth, resilience during volatile periods, and broad sector representation, SPY exemplifies the benefits of diversification and disciplined portfolio management.Arithmetic mean returns and geometric mean returns confirmed consistent growth, while standard deviation values highlighted lower volatility relative to high-growth companies such as Tesla.Beta calculations indicated that SPY moved closely in line with the overall market, reinforcing its role as a benchmark asset.Apple's growth was driven by product launches and expanding services revenue, while Tesla's returns were highly sensitive to market sentiment and regulatory developments.Its broad exposure across sectors reduces idiosyncratic risk, while its consistent performance provides a foundation for long-term portfolio growth.Mastercard's performance aligned closely with SPY, reflecting financial sector stability.These comparisons highlight SPY's role as a stabilizing asset within a diversified portfolio.Strategic Implications For investors, SPY remains a reliable measure of overall market health and a practical tool for diversification.For investors seeking stability alongside growth potential, SPY remains a cornerstone of modern investment strategies.CAPM analysis further validated SPY's expected returns relative to market risk.

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