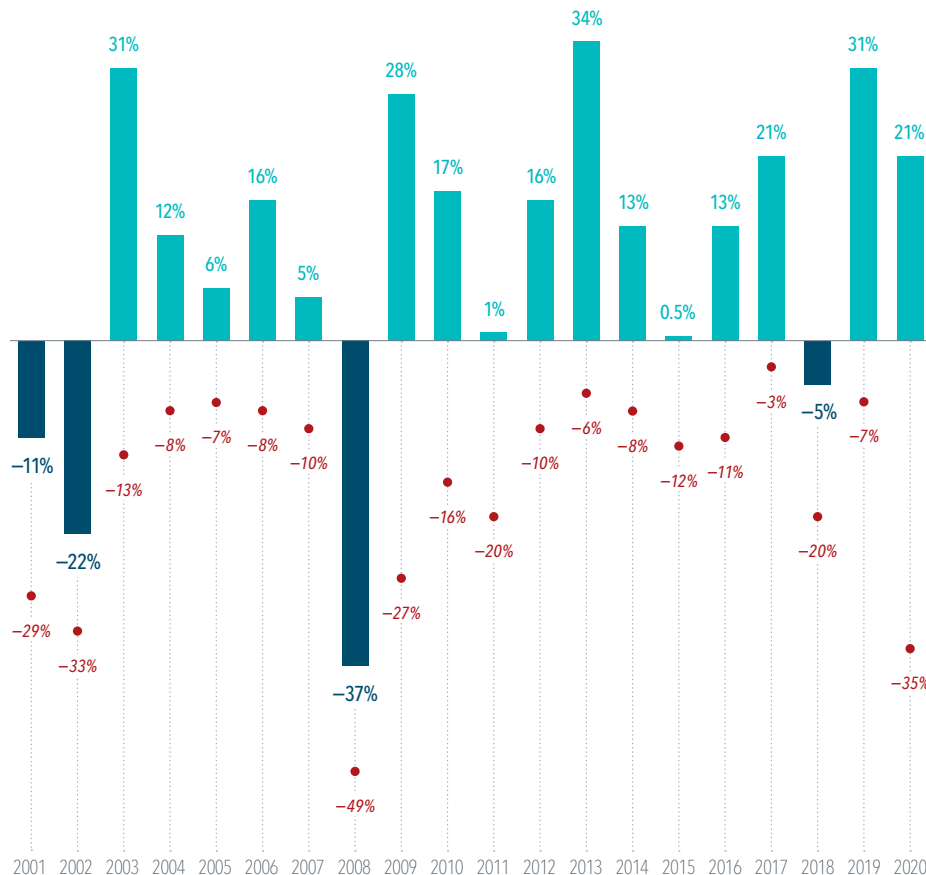


# Do Downturns Lead to Down Years?

US MARKET INTRA-YEAR DECLINES VS. CALENDAR YEAR RETURNS, January 2001–December 2020

■ Positive Calendar Year Return ■ Negative Calendar Year Return • Largest Intra-Year Decline



Stock market declines over a few days or months may lead investors to anticipate a down year. But the US stock market had positive returns in 16 of the past 20 calendar years, despite some notable dips in many of those years.

- Intra-year declines for the index ranged from 3% to 49%.
- Many years with large intra-year declines saw positive annual returns. In 16 of the last 20 years, US stocks ended up with gains for the year.
- Even in 2020, when there were sharp market declines associated with the coronavirus pandemic, US stocks ended the year with gains of 21%.

*Volatility is a normal part of investing. Tumbles may be scary, but they shouldn't be surprising. A long-term focus can help investors keep perspective.*

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Past performance is no guarantee of future results. Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio.

In US dollars.

Data is calculated off rounded daily returns. US Market is represented by the Russell 3000 Index. Largest Intra-Year Decline refers to the largest market decrease from peak to trough during the year. Frank Russell Company is the source and owner of the trademarks, service marks, and copyrights related to the Russell Indexes.

Investing risks include loss of principal and fluctuating value. There is no guarantee an investment strategy will be successful.

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