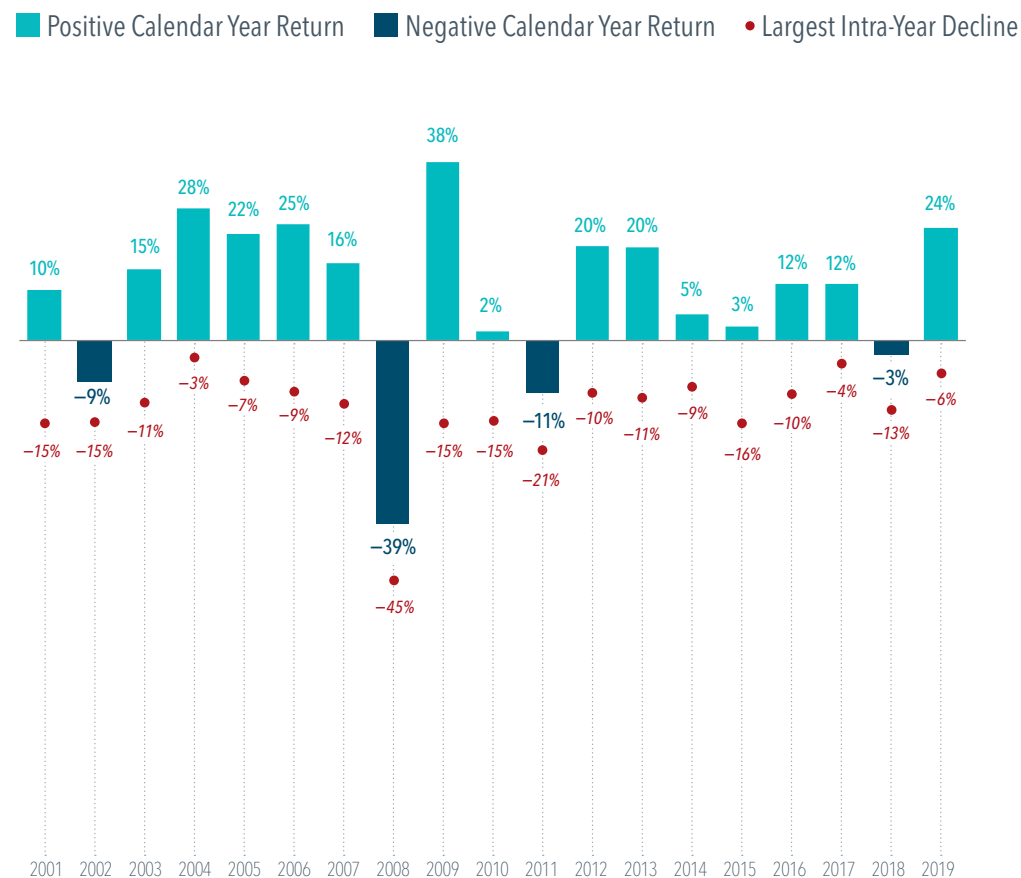


# Do Downturns Lead to Down Years?

AUSTRALIAN MARKET INTRA-YEAR DECLINES VS. CALENDAR YEAR RETURNS,  
31 January, 2000–31 December, 2019



Stock market slides over a few days or months may lead investors to anticipate a down year. But a broad Australian market index had positive returns in 15 of the past 19 calendar years, despite some notable dips in many of those years.

- Intra-year declines for the index ranged from 3% to 45%.
- Stocks made up ground after each of the losses. The steepest declines saw notable recoveries, and in 15 of the 19 years, stocks ended up with gains for the year.
- Even amid the global financial crisis in 2009, a 15% plunge gave way to a 38% gain by the end of the year.

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*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 Australian dollars.

Australian Market is measured by the S&P/ASX 300 Index (total return). Largest Intra-Year Gain refers to the largest market increase from trough to peak during the year. Largest Intra-Year Decline refers to the largest market decrease from peak to trough during the year. S&P/ASX data reproduced with the permission of S&P Index Services Australia.

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

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