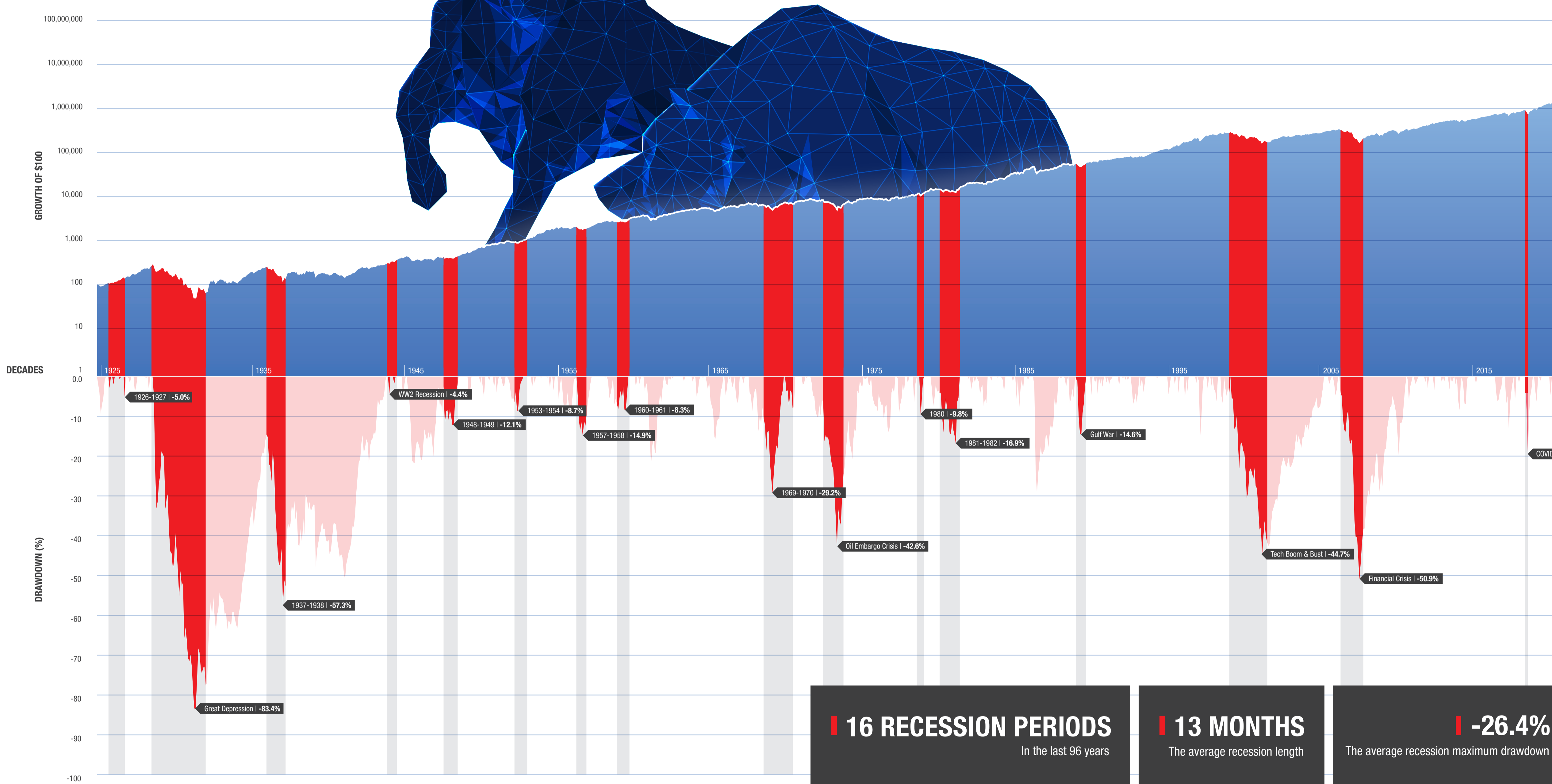


# Riding the wave

A Bull and Bear chart displaying a century of US equity returns and drawdowns. In the midst of short-term volatility there exists huge benefits to long-term passive investing.

● Market ● Recession



## BULL MARKET

A period in financial markets when the price of an asset or security rises continuously. A rule of thumb is when stock price increases by over 20% from the most recent low.



## BEAR MARKET

A period in financial markets when the price of an asset or security falls for a prolonged period. Generally recognized when stock prices fall by 20% from their previous peak.



## RECESSION

A period of declining economic performance across an entire economy lasting for several months. This period of economic decline generally shows a lower level of trade and industrial activity. Generally identified by a fall in GDP in two successive quarters.

### Drawdowns

1926-1927	1929-1933 Great Depression	1937-1938	1945-1946 WW2 Recession	1948-1949	1953-1954	1957-1958	1960-1961	1969-1970	1973-1975 Oil Embargo Crisis	1980	1981-1982	1990-1991 Gulf War	1995-2000 & 2000-2001 Tech Boom & Bust	2007-2009 Financial Crisis	2020 COVID-19
Stock market increased by 30%	Stock market fell by over 80%	Max unemployment was 19.7%	Stock market fell by 3.9%	Stock market fell by around 11%	Stock market fell by 6.7%	Stock market fell by around 15%	Max unemployment was 6.6%	Stock market fell by 25% but finished in positive territory	Max unemployment was 8.1%	Stock market fell by more than 8%	Stock market fell by over 27%	Stock market fell by 17% whilst the price of oil doubled	Stock market fell by 49%	Stock market fell by 57%	Stock market fell by more than 20% but finished in positive territory
Inflation was -1.1%	Inflation was -26.6%	Inflation was -2.1%	Inflation was 1.7%	Inflation was -1.2%	GDP fell by 2.4%	GDP fell by 3%	GDP fell by 1.4%	Inflation was 4.5%	Inflation was 14.4%	Inflation was 6.3%	Inflation reached 7.2%	Inflation was 3.4%	Max unemployment was 5.3%	Max unemployment was 9.4%	GDP fell by 8.9%
Industrial production fell by 6%	Industrial production fell by 48.6%	Industrial production fell by 32.5%	Industrial production fell by 26%	Industrial production fell by 5%	Industrial production fell by 9.5%	Industrial production fell by 11.3%	Industrial production fell by 6.1%	Industrial production fell by 5.3%	GDP fell by 3.1%	GDP fell by 2.2%	Max unemployment was 10.4%	Max unemployment was 6.6%	Industrial production fell by 3%	Industrial production fell by 17%	Max unemployment was 4.4%