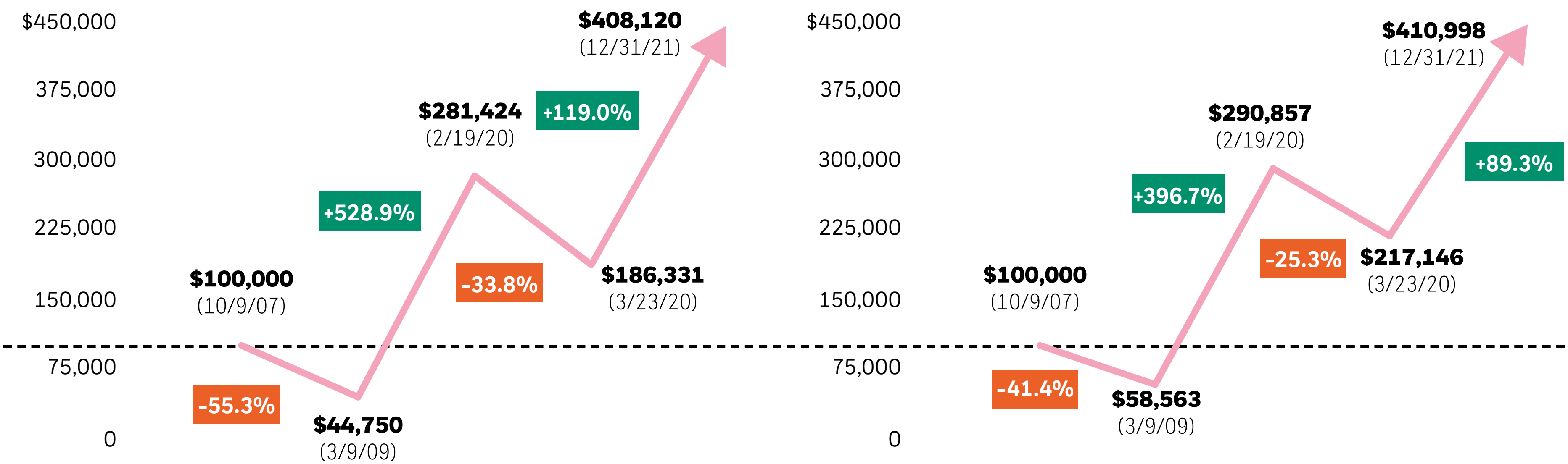
Win more by losing less

ARTISAN
FINANCIAL PLANNING

If you invested $100,000 in the S&P 500 Index before the Financial Crisis in 2009, your portfolio would be worth roughly $408,120 on December 31, 2021. If you invested differently over that same period such that you received less of the return when the market was going up, but also less of the return when the market went down, your portfolio would be worth slightly more — roughly $410,998. As we like to say, **roughly three-quarters of the up and three-quarters of the down got you all the up with only three-quarters of the down.** In simpler terms: the portfolio captured the same returns (or possibly better), but with about half* the volatility.

All the up & all the down
(S&P 500 Index)

Three-quarters of the up & three-quarters of the down*

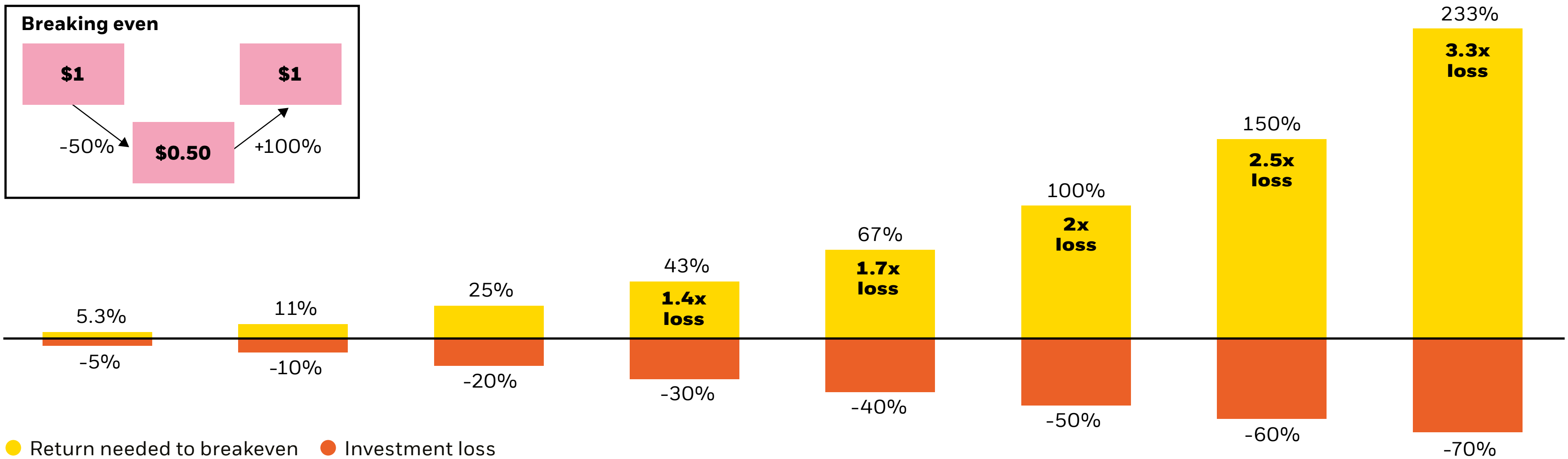


Source: Morningstar as of 12/31/21. *Hypothetical investment or portfolio that captured 75% of each bull and bear market return of the S&P 500 when benchmarked to that index. Returns shown are based on the S&P 500 index only.
Past performance does not guarantee or indicate future results. Index performance is for illustrative purposes only. You cannot invest directly in the index.

All returns are not created equal

This is due to the math at work when recovering losses. For example, it's easy to believe that if you lose 50% and then gain 50%, you should return to your starting position. But you would actually need to gain 100% to break even from a 50% loss. That's why successful investing is not just about what happens during bull markets. Your returns during bear markets can be just as — or potentially even more — important.

The greater the loss, the harder it is to break even



Source: BlackRock. For illustrative purposes only.

Want to know more?

blackrock.com

Investing involves risks, including possible loss of principal.

Prepared by BlackRock Investments, LLC, member FINRA. This material is provided for educational purposes only. BlackRock is not affiliated with any third party distributing this material.

Not FDIC Insured • May Lose Value • No Bank Guarantee

OE12202T-0222