MissionSquare

Market Unpredictability

Annual Returns for Market Indexes 2016-2025

If you knew that in any given time period a certain area of the stock or bond markets would outperform, investing would be easy. But it's almost impossible to predict future market returns with any consistency. This chart shows how different stock and bond indexes have performed each year over the past decade, ranked from the highest to lowest performers. As you can see, market leadership frequently changes hands from year to year.

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Higher Return	Small Value **31.74%**	Large Growth **30.21%**	Cash **1.87%**	Large Growth **36.39%**	Large Growth **38.49%**	Small Value **28.27%**	Cash **1.46%**	Large Growth **42.68%**	Large Growth **33.36%**	Developed Int'l **31.22%**
	Large Value **17.34%**	Developed Int'l **25.03%**	Bond **0.01%**	Small Growth **28.48%**	Small Growth **34.63%**	Large Growth **27.60%**	Large Value **-7.54%**	Small Growth **18.66%**	Small Growth **15.15%**	Large Growth **18.56%**
	Small Growth **11.32%**	Small Growth **22.17%**	Large Growth **-1.51%**	Large Value **26.54%**	Balanced **16.29%**	Large Value **25.16%**	Bond **-13.01%**	Developed Int'l **18.24%**	Balanced **14.77%**	Large Value **15.91%**
	Balanced **8.37%**	Balanced **14.13%**	Balanced **-2.59%**	Small Value **22.39%**	Developed Int'l **7.82%**	Balanced **14.62%**	Developed Int'l **-14.45%**	Balanced **17.81%**	Large Value **14.37%**	Balanced **13.41%**
	Large Growth **7.08%**	Large Value **13.66%**	Large Value **-8.27%**	Balanced **22.16%**	Bond **7.51%**	Developed Int'l **11.26%**	Small Value **-14.48%**	Small Value **14.65%**	Small Value **8.05%**	Small Growth **13.01%**
Lower Return	Bond **2.65%**	Small Value **7.84%**	Small Growth **-9.31%**	Developed Int'l **22.01%**	Small Value **4.63%**	Small Growth **2.83%**	Balanced **-16.41%**	Large Value **11.46%**	Cash **5.25%**	Small Value **12.59%**
	Developed Int'l **1.00%**	Bond **3.54%**	Small Value **-12.86%**	Bond **8.72%**	Large Value **2.80%**	Cash **0.05%**	Small Growth **-26.36%**	Bond **5.53%**	Developed Int'l **3.82%**	Bond **7.30%**
	Cash **0.33%**	Cash **0.86%**	Developed Int'l **-13.79%**	Cash **2.28%**	Cash **0.67%**	Bond **-1.54%**	Large Growth **-29.14%**	Cash **5.01%**	Bond **1.25%**	Cash **4.18%**

- **Large Growth** (large-cap growth U.S. stocks, represented by Russell 1000 Growth Index)
- **Large Value** (large-cap value U.S. stocks, represented by Russell 1000 Value Index)
- **Small Growth** (small-cap growth U.S. stocks, represented by Russell 2000 Growth Index)
- **Small Value** (small-cap value U.S. stocks, represented by Russell 2000 Value Index)
- **Developed Int'l** (developed market stocks excluding U.S. and Canada, represented by MSCI EAFE Index (Net))
- **Bonds** (investment-grade U.S. fixed-income securities, represented by Bloomberg U.S. Aggregate Bond Index)
- **Balanced** (60% Russell 1000 Index and 40% Bloomberg U.S. Aggregate Bond Index)
- **Cash** (ICE BofA US Treasury Bill 3-Month Index)

Source: Morningstar Direct. As of December 31, 2025. Past performance, as shown, does not guarantee future results. It is not possible to invest directly in an index.

What can we learn? When a certain area of the market, or the stock or bond markets as a whole, is performing higher than their long-term historical averages, it may last for a while. But it's reasonable to assume it won't continue and may even be followed by underperformance. Conversely, performance that's well below average often gets better. The result is that, over long periods of time, returns tend to revert back to long-term averages.

Instead of trying to predict when the markets will turn up or down, consider investing in a diversified portfolio that gives you exposure to several areas of the market, with proportions most likely to meet your investment goals with a level of risk suitable for you. You might achieve this through one or two highly diversified funds or through selecting several complementary funds. Diversification will not ensure against losses but it can help limit extreme losses and help reduce your overall volatility.[1]

To learn more, contact your MissionSquare representative.

(continued)

Large Growth represented by Russell 1000 Growth, which measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

Large Value represented by Russell 1000 Value, which measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values.

Small Growth represented by Russell 2000 Growth, which measures the performance of those Russell 2000 companies with higher price-to-value ratios and higher forecasted growth values.

Small Value represented by Russell 2000 Value, which measures the performance of those Russell 2000 companies with lower price-to-value ratios and lower forecasted growth values.

Developed Int'l represented by MSCI EAFE Index (Net), which is a free float-adjusted market capitalization index that is designed to measure developed market equity performance excluding the U.S. and Canada. The net version of this index reinvests dividends after the deduction of withholding taxes, using a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.

Bonds represented by the Bloomberg U.S. Aggregate Bond Index. This index is comprised of investment-grade U.S. fixed income securities.

Balanced is comprised of 60% Russell 1000 Index and 40% Bloomberg U.S. Aggregate Bond Index.

Cash is represented by the ICE BofA US Treasury Bill 3 Month Index

Russell 1000 measures the performance of the large-cap segment of the U.S. equity universe. It is a subset of the Russell 3000 Index and includes approximately 1000 of the largest securities based on a combination of their market cap and current index membership. The Russell 1000 represents approximately 92% of the U.S. market.

Russell 2000 measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000 Index is a subset of the Russell 3000 Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership.

Indexes are not available for direct investment, are unmanaged and do not reflect the costs of portfolio management or trading. Current performance may be lower or higher than the performance shown. For current performance, contact MissionSquare by calling 800-669-7400 or by visiting **missionsquare.com**.

[1]Mutual funds are sold by prospectus. Please consider the investment objectives, risks, charges, and expenses carefully before investing. The prospectus, which contains this and other information about the investment company, can be obtained from your financial professional. Be sure to read the prospectus carefully before deciding whether to invest.

Before investing, investors should carefully consider a fund's investment objectives, risks, and charges and expenses. These can be found in the prospectus available from the fund company, which should be read carefully before investing.