

## US Equities

# Point vs. Percent When Viewing Market Moves

We understand that when keeping up with the day's headlines, seeing the value of the Dow Jones Industrial Average (DJIA) drop by four digits can be unsettling. However, remember that at its 2020 year-end level a 2,000 point decline still wouldn't rank as one of the ten largest when viewed on a percentage basis. In fact, although eight of the ten largest point declines occurred in 2020, only two fall into the ten largest by percentage. Longer-term, volatility can create opportunity and we believe the market is likely to reward the brave investor willing to stay the course despite sometimes unsettling market moves.

### DJIA TEN LARGEST DAILY MOVES (1/3/1900 to 12/31/2020)

Date	Close	Point Change	% Change	Date	Close	Point Change	% Change
PERCENTAGE DECLINE				PERCENTAGE INCREASE			
10/19/1987	1,738.74	-508.00	-22.611	3/15/1933	62.10	8.26	15.342
3/16/2020	20,188.52	-2,997.10	-12.927	10/6/1931	99.34	12.86	14.870
10/28/1929	260.64	-38.33	-12.821	10/30/1929	258.47	28.40	12.344
10/29/1929	230.07	-30.57	-11.729	3/24/2020	20,704.91	2,112.98	11.365
3/12/2020	21,200.62	-2,352.60	-9.988	9/21/1932	75.16	7.67	11.365
11/6/1929	232.13	-25.55	-9.915	10/13/2008	9,387.61	936.42	11.080
8/12/1932	63.11	-5.79	-8.403	10/28/2008	9,065.12	889.35	10.878
3/14/1907	55.84	-5.05	-8.289	10/21/1987	2,027.85	186.84	10.149
10/26/1987	1,793.93	-156.83	-8.039	8/3/1932	58.22	5.06	9.518
10/15/2008	8,577.91	-733.08	-7.873	2/11/1932	78.60	6.80	9.471
POINT DECLINE				POINT INCREASE			
3/16/2020	20,188.52	-2,997.10	-12.927	3/24/2020	20,704.91	2,112.98	11.365
3/12/2020	21,200.62	-2,352.60	-9.988	3/13/2020	23,185.62	1,985.00	9.363
3/9/2020	23,851.02	-2,013.76	-7.786	4/6/2020	22,679.99	1,627.46	7.730
6/11/2020	25,128.17	-1,861.82	-6.898	3/26/2020	22,552.17	1,351.62	6.375
3/11/2020	23,553.22	-1,464.94	-5.856	3/2/2020	26,703.32	1,293.96	5.092
3/18/2020	19,898.92	-1,338.46	-6.302	3/4/2020	27,090.86	1,173.45	4.528
2/27/2020	25,766.64	-1,190.95	-4.418	3/10/2020	25,018.16	1,167.14	4.893
2/5/2018	24,345.75	-1,175.21	-4.605	12/26/2018	22,878.45	1,086.25	4.985
2/8/2018	23,860.46	-1,032.89	-4.149	3/17/2020	21,237.38	1,048.86	5.195
2/24/2020	27,960.80	-1,031.61	-3.558	10/13/2008	9,387.61	936.42	11.080

When fear and uncertainty grip the markets, we believe investors ought to step back, refocus and regain perspective. This may be a prudent time to remember the adage "it's time in the market that builds returns, not timing the market."

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# Point vs. Percent When Viewing Market Moves



## TIME NEEDED TO BREAK EVEN FROM A 20%+ DECLINE IN DJIA 2/5/1900–12/31/2020

Peak Price	Peak Date	Bottom Price	Bottom Date	% Decline	Break Even Date	# Calendar Days Peak to Recovery
50.08	2/5/1900	38.80	9/24/1900	-22.5	11/17/1900	286
57.33	6/17/1901	30.88	11/9/1903	-46.1	3/24/1905	1,376
75.45	1/19/1906	38.83	11/15/1907	-48.5	7/28/1915	3,477
73.64	11/19/1909	53.43	9/25/1911	-27.4	7/22/1915	2,071
68.97	9/30/1912	52.32	7/30/1914	-24.1	4/16/1915	928
110.15	11/21/1916	65.95	12/19/1917	-40.1	7/9/1919	960
119.62	11/3/1919	63.90	8/24/1921	-46.6	12/31/1924	1,885
381.17	9/3/1929	198.69	11/13/1929	-47.9	11/23/1954	9,212
294.07	4/17/1930	157.51	12/16/1930	-46.4	2/26/1954	8,716
194.36	2/24/1931	121.70	6/2/1931	-37.4	3/10/1937	2,206
156.93	6/27/1931	86.48	10/5/1931	-44.9	3/5/1936	1,713
116.79	11/9/1931	71.24	1/5/1932	-39.0	5/23/1935	1,291
88.78	3/8/1932	41.22	7/8/1932	-53.6	5/27/1933	445
79.93	9/7/1932	50.16	2/27/1933	-37.2	5/10/1933	245
108.67	7/18/1933	83.64	10/21/1933	-23.0	1/30/1934	196
110.74	2/5/1934	85.51	7/26/1934	-22.8	5/4/1935	453
194.40	3/10/1937	98.95	3/31/1938	-49.1	12/8/1945	3,195
158.41	11/12/1938	121.44	4/08/1939	-23.3	2/19/1945	2,291
155.92	9/12/1939	111.84	6/10/1940	-28.3	2/13/1945	1,981
138.12	11/9/1940	92.92	4/28/1942	-32.7	5/4/1943	906
212.50	5/29/1946	161.60	6/13/1949	-24.0	4/8/1950	1,410
734.91	12/13/1961	535.76	6/26/1962	-27.1	9/5/1963	631
995.15	2/9/1966	744.32	10/7/1966	-25.2	11/10/1972	2,466
985.21	12/3/1968	631.16	5/26/1970	-35.9	11/9/1972	1,437
1,051.70	1/11/1973	577.60	12/6/1974	-45.1	11/3/1982	3,583
1,014.79	9/21/1976	742.12	2/28/1978	-26.9	3/25/1981	1,646
1,024.05	4/27/1981	776.92	8/12/1982	-24.1	10/20/1982	541
2,722.42	8/25/1987	1,738.74	10/19/1987	-36.1	8/24/1989	730
2,999.75	7/16/1990	2,365.10	10/11/1990	-21.2	4/17/1991	275
11,722.98	1/14/2000	8,235.81	9/21/2001	-29.7	10/3/2006	2,454
10,635.25	3/19/2002	7,286.27	10/9/2002	-31.5	1/26/2004	678
14,164.53	10/9/2007	6,547.05	3/9/2009	-53.8	3/5/2013	1,974
29,551.42	2/12/2020	18,591.93	3/23/2020	-37.1	11/16/2020	278
		<b>Mean</b>		<b>-35.1</b>		<b>1,877</b>
		<b>Median</b>		<b>-35.9</b>		<b>1,410</b>

- In 11 of the 33 instances where the DJIA declined more than 20%, it took less than two years to recover to the prior peak level.
- In the eight instances where the peak to trough decline was less than 25%, it took an average of 798 days or roughly 26 months to recover.
- Despite incurring eight of the ten largest daily point declines in 2020 and the worst single day loss since the crash of 1987, the DJIA closed the year at 30,606, a new historical high.

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CRN: 2020-0310-8100 R