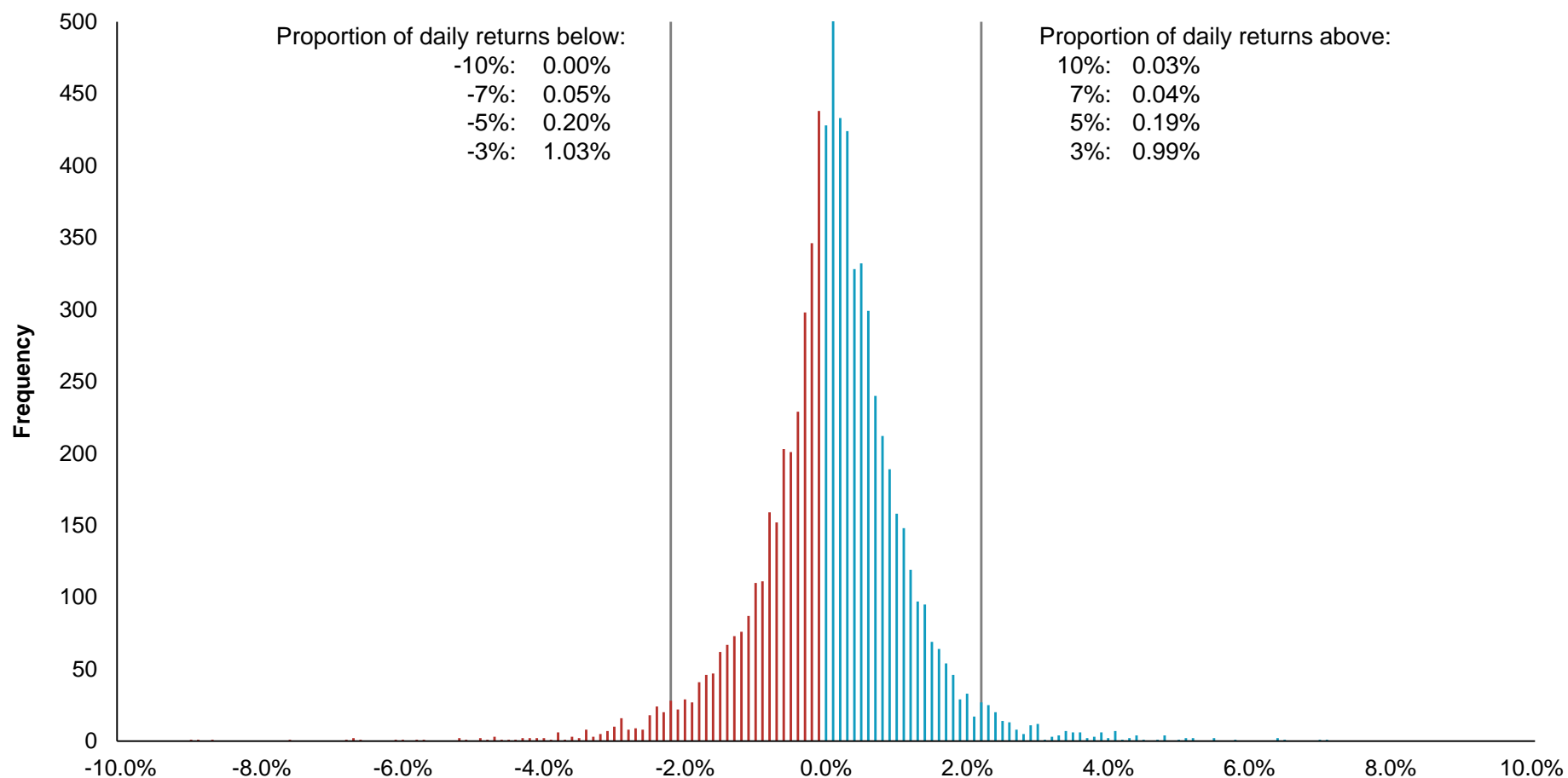


# Historical Distribution of US Large Cap Market's Daily Returns

Daily Total Returns: January 1990–December 2019



Gray lines show two standard deviations from mean (-2.15%, 2.24%), which is a statistical measurement of historical volatility that represents 95% of all outcomes. A volatile stock tends to have a higher standard deviation from the mean.

In US dollars.

US Large Cap is the S&P 500 Index. S&P data © 2020 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved. The information shown here is derived from the index.

Past performance is not a guarantee of future results. Indices are not available for direct investment; therefore, their performance does not reflect the expenses associated with the management of an actual portfolio. Values change frequently and past performance may not be repeated. There is always the risk that an investor may lose money.

# A History of Market Ups and Downs

S&P 500 Index total returns in USD, January 1926–December 2019

Using a 20% threshold for downturns

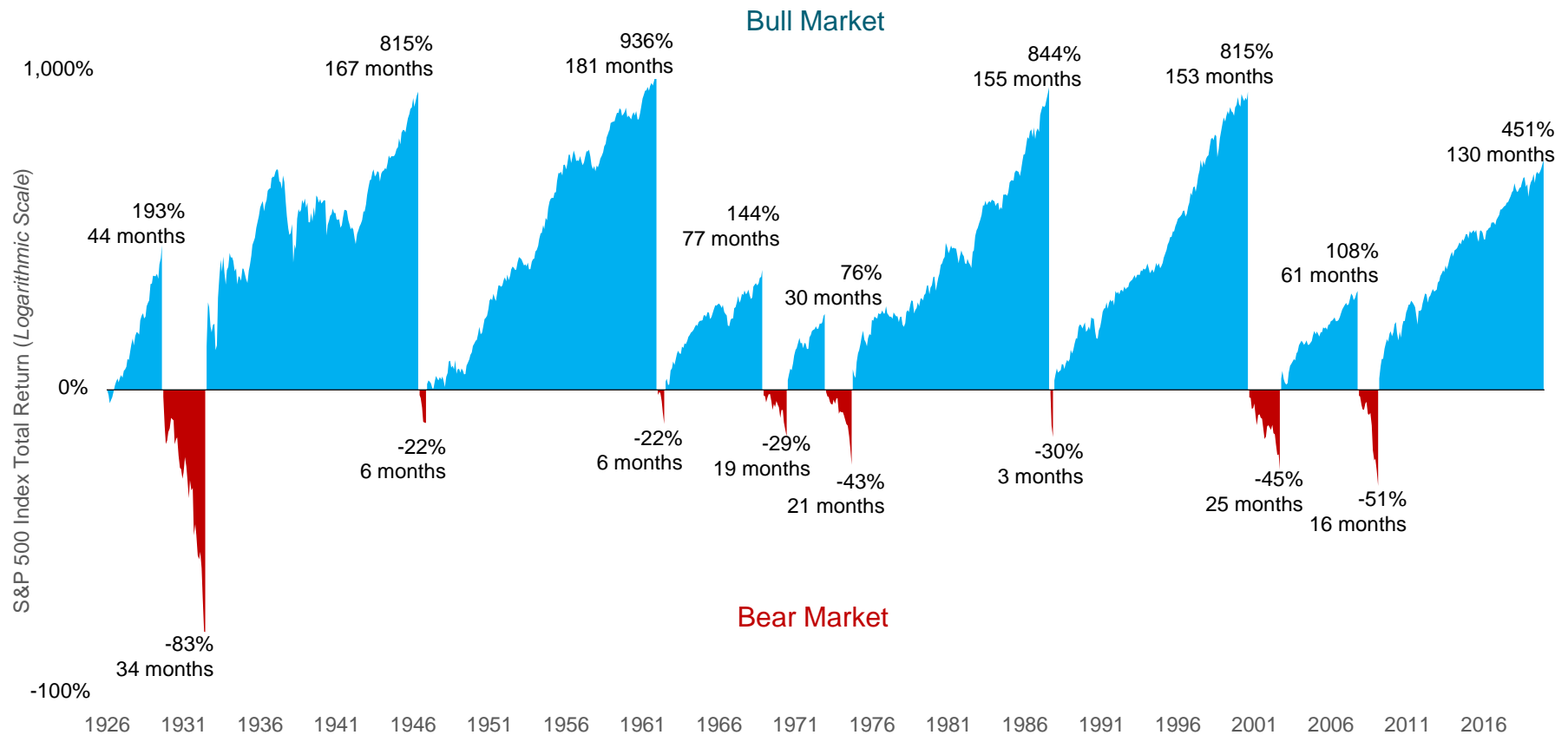


Chart end date is 12/31/2019, the last trough to peak return of 451% represents the return through December 2019.

Bear markets are defined as downturns of 20% of greater from new index highs. Bull markets are subsequent rises following the bear market trough through the next new market high. The chart shows bear markets and bull markets, the number of months they lasted and the associated cumulative performance for each market period. Results for different time periods could differ from the results shown.

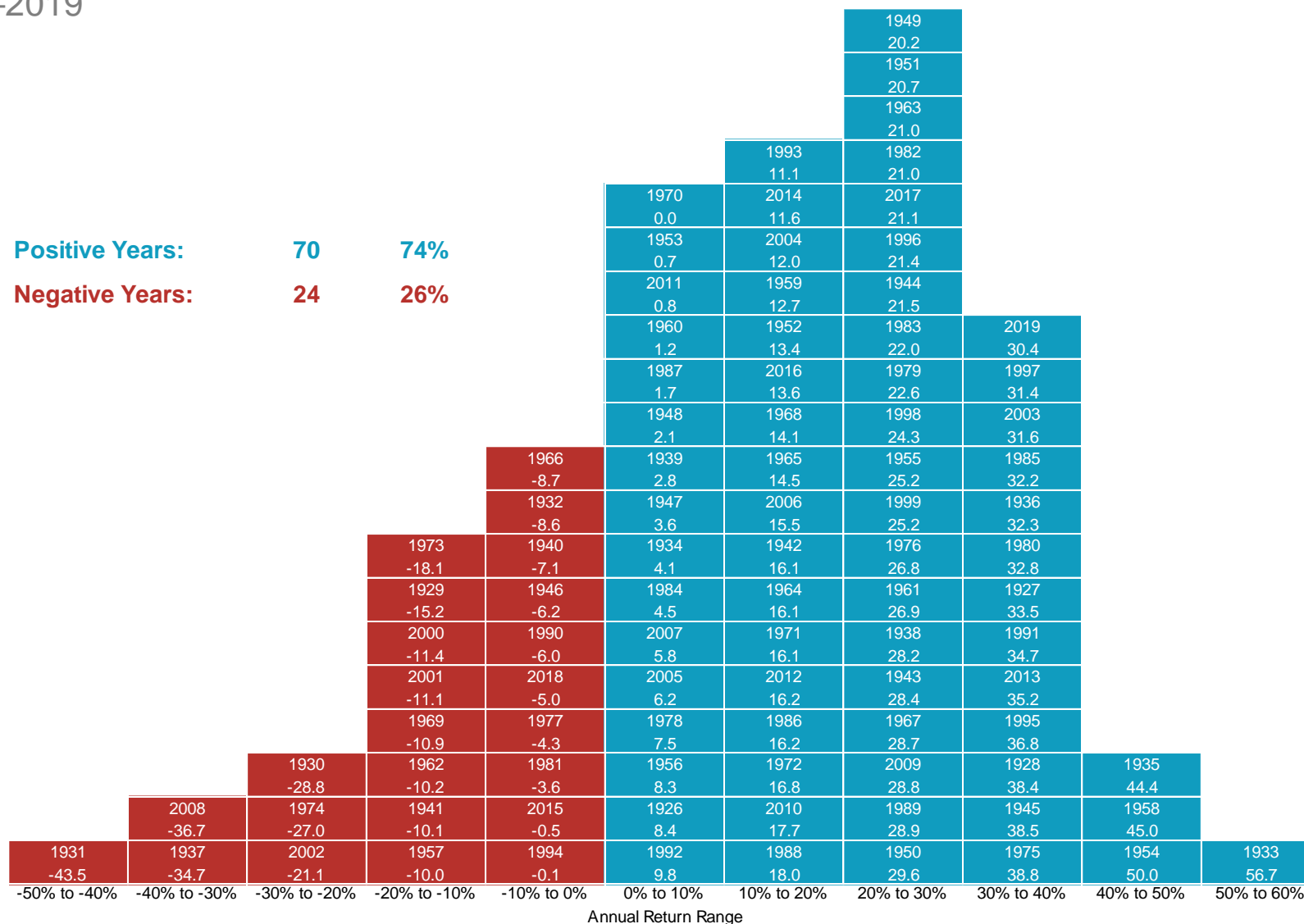
**Past performance is no guarantee of future results. Indices are not available for direct investment; therefore, their performance does not reflect the expenses associated with the management of an actual portfolio.**

Source: S&P data © 2020 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved.

# Distribution of US Market Returns

CRSP 1–10 Index returns by year  
1926–2019

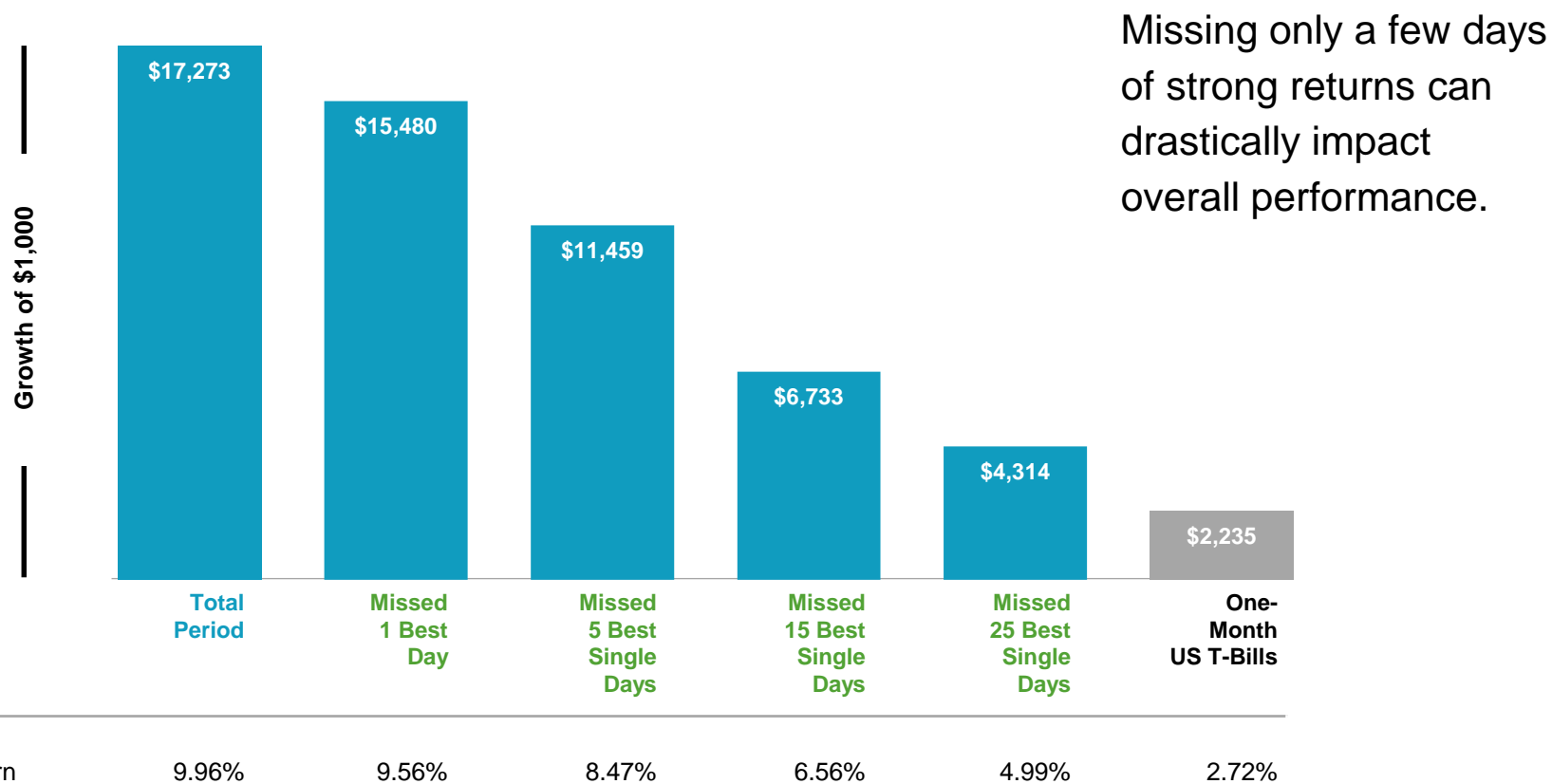
**Positive Years: 70 74%**  
**Negative Years: 24 26%**



In US dollars. CRSP data provided by the Center for Research in Security Prices, University of Chicago. The CRSP 1–10 Index measures the performance of the total US stock market, which it defines as the aggregate capitalization of all securities listed on the NYSE, AMEX, and NASDAQ exchanges. Indices are not available for direct investment; therefore, their performance does not reflect the expenses associated with the management of an actual portfolio. Past performance is not a guarantee of future results.

# Reacting Can Hurt Performance

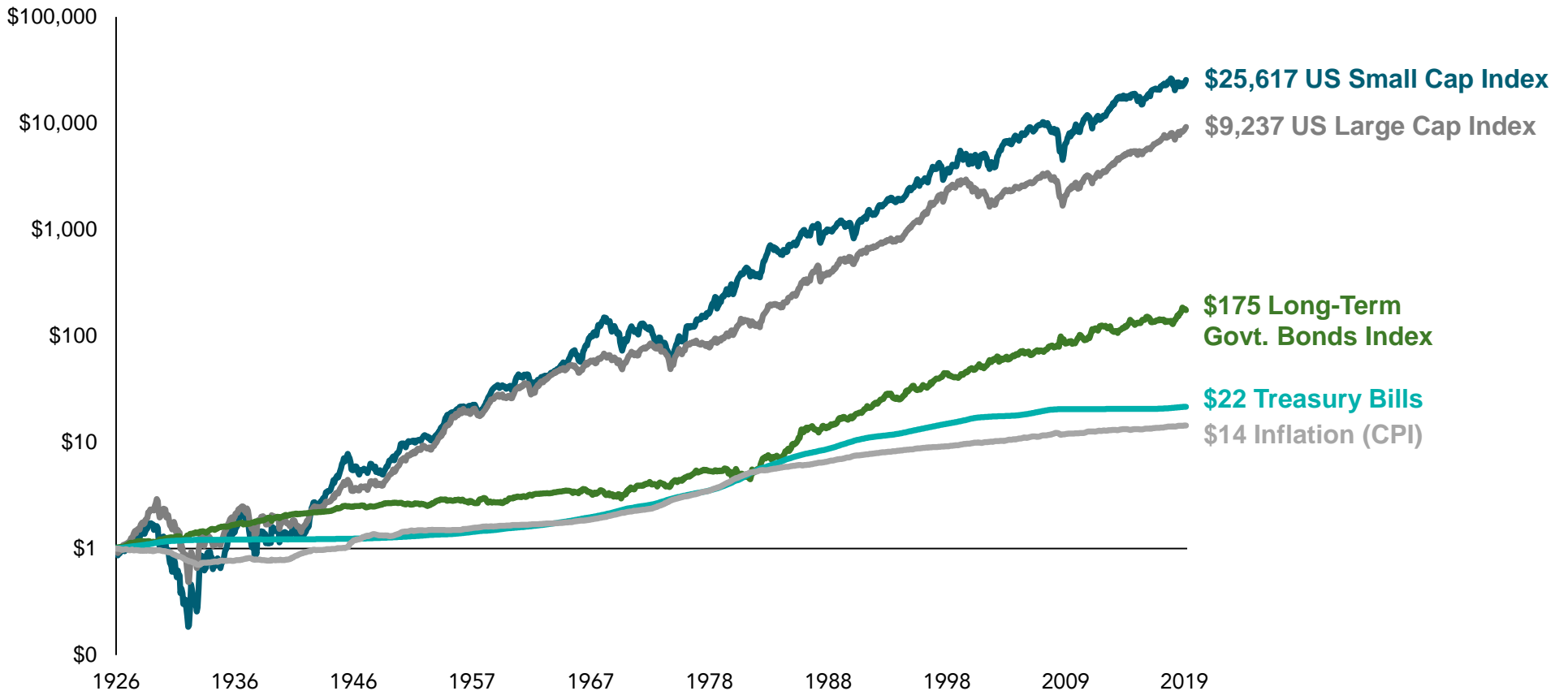
Performance of the S&P 500 Index, 1990–2019



Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio. Past performance is not a guarantee of future results. In US dollars. For illustrative purposes. The missed best day(s) examples assume that the hypothetical portfolio fully divested its holdings at the end of the day before the missed best day(s), held cash for the missed best day(s), and reinvested the entire portfolio in the S&P 500 at the end of the missed best day(s). Annualized returns for the missed best day(s) were calculated by substituting actual returns for the missed best day(s) with zero. S&P data © 2020 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved. "One-Month US T-Bills" is the IA SBBI US 30 Day TBill TR USD, provided by Ibbotson Associates via Morningstar Direct. Data is calculated off rounded daily index values.

# The Capital Markets Have Rewarded Long-Term Investors

Monthly growth of wealth (\$1), 1926–2019

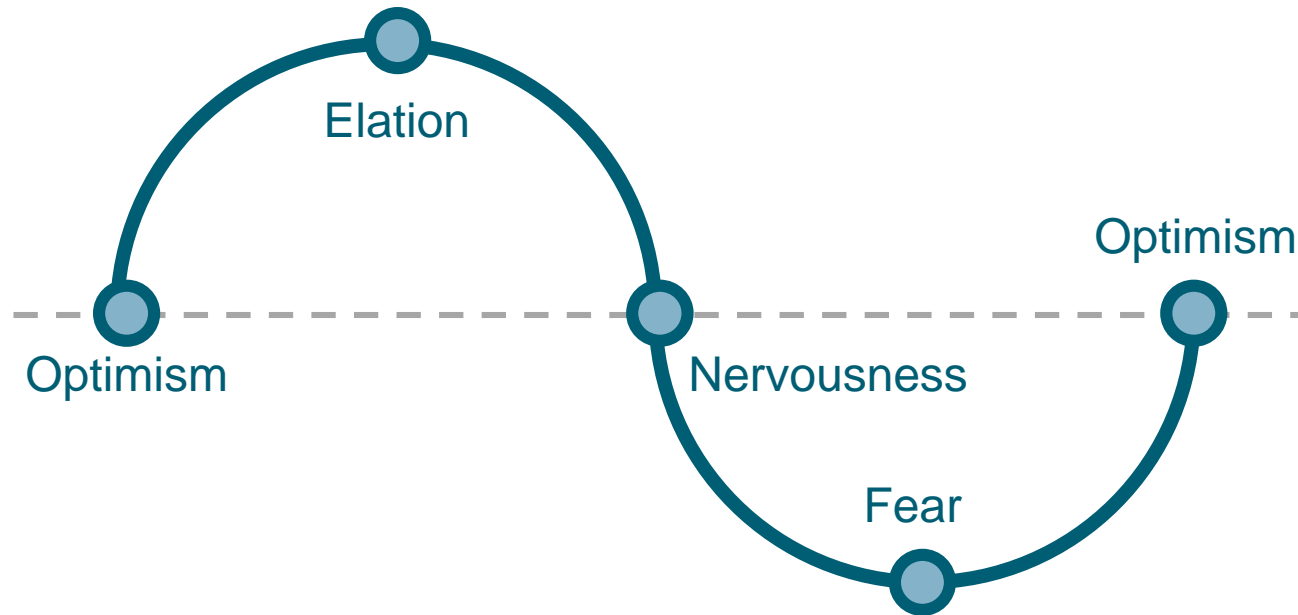


In US dollars.

US Small Cap Index is the CRSP 6–10 Index; US Large Cap Index is the S&P 500 Index; Long-Term Government Bonds Index is 20-year US government bonds; Treasury Bills are One-Month US Treasury bills; 1-Month Treasury Bills Index is the IA SBBI US 30 Day TBill TR USD. Treasury Index data sourced from Ibbotson Associates, via Morningstar. Direct Inflation is the Consumer Price Index. CRSP data provided by the Center for Research in Security Prices, S&P data © 2020 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved. Bonds, T-bills, and inflation data provided by Morningstar.

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.

# Many Investors Follow Their Emotions



People may struggle to separate their emotions from their investment decisions.

Following a reactive cycle of excessive optimism and fear may lead to poor decisions at the worst times.

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## **The CARES Act Is Enacted Into Law**

The coronavirus (COVID-19) emergency is presenting new and unique challenges that most of us are facing for the first time. Employers across the country are facing closures of offices and businesses, resulting in everything from required work at home arrangements to employee lay-offs and furloughs. This has raised important questions around retirement plan administration, including the nature of relief that may be available for plan participants. In response, on March 27, 2020, the Coronavirus Aid, Relief and Economic Security Act (CARES Act) was signed into law.

Below is a brief description of the key CARES Act provisions, along with planning notes and applicable decision points.

### **Coronavirus-Related Distributions**

Plans may permit in-service coronavirus-related distributions from a participant's vested account balance without regard to the normal withdrawal restrictions. This relief is offered through December 31, 2020.

These distributions are subject to the following requirements:

- Limited to \$100,000 per tax year, aggregated across all plans of the employer or controlled group.
- Not subject to 20% mandatory tax withholding upon distribution.
- Exempt from 10% early withdrawal penalty generally applicable to distributions made to participants who are 59-1/2 or younger.

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AGC SWC 401(k) plan

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**Louisiana AGC (Plan Sponsor)**  
**AGC Texas Building Branch (Plan Sponsor)**

AGC South East Texas  
AGC West Texas  
Austin AGC  
Centex AGC

### Need financial advice?

#### Individual

I would like help managing my investments



# Focus on What You Can Control

- Create an investment plan to fit your needs and risk tolerance.
- Structure a portfolio along the dimensions of expected returns.
- Diversify globally.
- Manage expenses, turnover, and taxes.
- Stay disciplined through market dips and swings.

A financial advisor can offer expertise and guidance to help you focus on actions that add value. This can lead to a better investment experience.

# Appendix

# Balanced Strategy Disclosure and Index Descriptions

**There is no guarantee investment strategies will be successful. Investing involves risks including possible loss of principal.**

The model's performance does not reflect advisory fees or other expenses associated with the management of an actual portfolio. There are limitations inherent in model allocations. In particular, model performance may not reflect the impact that economic and market factors may have had on the advisor's decision making if the advisor were actually managing client money. The balanced strategies are not recommendations for an actual allocation.

International Value represented by Fama/French International Value Index for 1975–1993. Emerging Markets represented by MSCI Emerging Markets Index (gross dividends) for 1988–1993. Emerging Markets weighting allocated evenly between International Small Cap and International Value prior to January 1988 data inception. Emerging Markets Small Cap represented by Fama/French Emerging Markets Small Cap Index for 1989–1993. Emerging Markets Value and Small Cap weighting allocated evenly between International Small Cap and International Value prior to January 1989 data inception. Two-Year Global weighting allocated to One-Year prior to January 1990 data inception. Five-Year Global weighting allocated to Five-Year Government prior to January 1990 data inception.

**Dimensional US Large Cap Value Index** is compiled by Dimensional from CRSP and Compustat data. The index targets securities of US companies traded on the NYSE, NYSE MKT (formerly AMEX), and Nasdaq Global Market with market capitalizations above the 1,000th-largest company whose relative price is in the bottom 30% of the Dimensional US Large Cap Index after the exclusion of utilities, companies lacking financial data, and companies with negative relative price. The index emphasizes securities with higher profitability, lower relative price, and lower market capitalization. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Exclusions: non-US companies, REITs, UITs, and investment companies. The index has been retroactively calculated by Dimensional and did not exist prior to March 2007. The calculation methodology was amended in January 2014 to include profitability as a factor in selecting securities for inclusion in the index.

**Dimensional US Small Cap Index** is compiled by Dimensional from CRSP and Compustat data. Targets securities of US companies traded on the NYSE, NYSE MKT (formerly AMEX), and Nasdaq Global Market whose market capitalization falls in the lowest 8% of the total market capitalization of the eligible market. The index emphasizes companies with higher profitability. The index also excludes those companies with the highest asset growth within the small cap universe. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Exclusions: non-US companies, REITs, UITs, and investment companies. The index has been retroactively calculated by Dimensional Fund Advisors and did not exist prior to March 2007. The calculation methodology was amended in January 2014 to include profitability as a factor in selecting securities for inclusion in the index.

**Dimensional US Small Cap Value Index** is compiled by Dimensional from CRSP and Compustat data. Targets securities of US companies traded on the NYSE, NYSE MKT (formerly AMEX), and Nasdaq Global Market whose relative price is in the bottom 35% of the Dimensional US Small Cap Index after the exclusion of utilities, companies lacking financial data, and companies with negative relative price. The index emphasizes securities Sources and Descriptions of Data with higher profitability, lower relative price, and lower market capitalization. The index also excludes those companies with the highest asset growth within the small cap universe. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Exclusions: non-US companies, REITs, UITs, and investment companies. The index has been retroactively calculated by Dimensional and did not exist prior to March 2007. The calculation methodology for the Dimensional US Small Cap Value Index was amended in January 2014 to include direct profitability as a factor in selecting securities for inclusion in the index.

**Dimensional International Marketwide Value Index** is compiled by Dimensional from Bloomberg securities data. The index consists of companies whose relative price is in the bottom 33% of their country's companies after the exclusion of utilities and companies with either negative or missing relative price data. The index emphasizes companies with smaller capitalization, lower relative price, and higher profitability. The index excludes those companies with the lowest profitability and highest relative price within their country's small value universe. The index also excludes those companies with the highest asset growth within their country's small cap universe. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Exclusions: REITs and investment companies. The index has been retroactively calculated by Dimensional and did not exist prior to April 2008. The calculation methodology for the Dimensional International Marketwide Value Index was amended in January 2014 to include direct profitability as a factor in selecting securities for inclusion in the index.

Information provided by Dimensional Fund Advisors LP.

The Dimensional Indices have been retrospectively calculated by Dimensional Fund Advisors LP and did not exist prior to their index inception dates. Accordingly, results shown during the periods prior to each Index's index inception date do not represent actual returns of the Index. Other periods selected may have different results, including losses. The model's performance does not reflect advisory fees or other expenses associated with the management of an actual portfolio. There are limitations inherent in model allocations. In particular, model performance may not reflect the impact that economic and market factors may have had on the advisor's decision making if the advisor were actually managing client money. The balanced strategies are not recommendations for an actual allocation.

# Balanced Strategy Disclosure and Index Descriptions

**Dimensional International Small Cap Index** (January 1990–present): The index is compiled by Dimensional from Bloomberg securities data. Market-capitalization-weighted index of small company securities in the eligible markets excluding those with the lowest profitability and highest relative price within their countries small cap universe. The index also excludes those companies with the highest asset growth within their country's small cap universe. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Exclusions: REITs and investment companies. The index has been retroactively calculated by Dimensional and did not exist prior to April 2008. The calculation methodology for the Dimensional International Small Cap Index was amended in January 2014 to include direct profitability as a factor in selecting securities for inclusion in the index. July 1981–1989: Created by Dimensional, the index includes securities of MSCI EAFE countries in the bottom 10% of market capitalization excluding the bottom 1%. All securities are market capitalization weighted. Each country is capped at 50%; rebalanced semiannually.

**Dimensional International Small Cap Value Index** (January 1990–present): The index is defined as companies whose relative price is in the bottom 35% of their country's respective constituents in the Dimensional International Small Cap Index after the exclusion of utilities and companies with either negative or missing relative price data. The index excludes those companies with the lowest profitability within their country's small value universe. The index also excludes those companies with the highest asset growth within their country's small cap universe. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Exclusions: REITs and investment companies. The index has been retroactively calculated by Dimensional and did not exist prior to April 2008. The calculation methodology for the Dimensional International Small Cap Value Index was amended in January 2014 to include direct profitability as a factor in selecting securities for inclusion in the index. Prior to January 1990: Created by Dimensional, the index includes securities of MSCI EAFE countries in the top 30% of book-to-market by market capitalization conditional on the securities being in the bottom 10% of market capitalization, excluding the bottom 1%. All securities are market-capitalization weighted. Each country is capped at 50%; rebalanced semiannually.

**Dimensional Emerging Markets Index** is compiled by Dimensional from Bloomberg securities data. Market-capitalization-weighted index of all securities in the eligible markets. The index has been retroactively calculated by Dimensional and did not exist prior to April 2008. Exclusions: REITs and Investment Companies.

**Dimensional Emerging Markets Small Cap Index** (January 1994–present): The index is compiled by Dimensional from Bloomberg securities data. The index is a market-capitalization-weighted index of small company securities in the eligible markets excluding those with the lowest profitability and highest relative price within the small cap universe. The index also excludes those companies with the highest asset growth within their country's small cap universe. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Exclusions: REITs and investment companies. The index has been retroactively calculated by Dimensional and did not exist prior to April 2008. The calculation methodology for the Dimensional Emerging Markets Small Index was amended in January 2014 to include profitability as a factor in selecting securities for inclusion in the index. Prior to January 1994: Fama/French Emerging Markets Small Cap Index.

**Dimensional Emerging Markets Value Index** (January 1994–present): The index is compiled by Dimensional from Bloomberg securities data. The index consists of companies whose relative price is in the bottom 33% of their country's companies after the exclusion of utilities and companies with either negative or missing relative price data. The index emphasizes companies with smaller capitalization, lower relative price, and higher profitability. The index excludes those companies with the lowest profitability and highest relative price within their country's value universe. The index also excludes those companies with the highest asset growth within their country's small cap universe. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Exclusions: REITs and investment companies. The index has been retroactively calculated by Dimensional and did not exist prior to April 2008. The calculation methodology for the Dimensional Emerging Markets Value Index was amended in January 2014 to include profitability as a factor in selecting securities for inclusion in the index. Prior to January 1994: Fama/French Emerging Markets Value Index.

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