

### **INVESTOR SEMINAR**

### Navigating Turbulent Markets

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Dimensional Fund Advisors LP is an investment advisor registered with the Securities and Exchange Commission.

### There's a World of Opportunity in Equities



Percent of world market capitalization as of December 31, 2019



In USD. Market cap data is free-float adjusted and meets minimum liquidity and listing requirements. Dimensional makes case-by-case determinations about the suitability of investing in each emerging market, making considerations that include local market accessibility, government stability, and property rights before making investments. China A-Shares that are available for foreign investors through the Hong Kong Stock Connect program are included in China. 30% foreign ownership limit is applied to China A-Shares. Many nations not displayed. Totals may not equal 100% due to rounding. For educational purposes; should not be used as investment advice. Data provided by Bloomberg. **Diversification neither assures a profit nor guarantees against loss in a declining market.** 

### The Randomness of Global Equity Returns

As of December 31, 2019

These two tables rank historical annual stock market performance for different developed and emerging markets from highest to lowest in each year. Each color corresponds to a different country, and the patchwork dispersion of colors shows no predictable pattern in either the developed or the emerging markets. Investors who follow a structured, diversified strategy are therefore more likely to capture the returns wherever they happen to occur in any given year. This diversified strategy also reduces the risk of being too heavily invested in any one country that happens to perform particularly badly in any given year.

### **Emerging Markets Percentage of Annual Returns**

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Czech Rep.	Russia	Czech Rep.	Thailand	<sup>Colombia</sup>	Egypt	<sup>China</sup>	Peru	<sup>Colombia</sup>	Brazil	Thailand	Indonesia	<sup>Turkey</sup>	Taiwan	Egypt	Hungary	Brazil	Poland	Peru	Russia
1.3	55.5	43.7	143.5	132.4	161.6	82.9	94.4	-25.1	128.1	55.7	6.0	64.2	9.1	29.3	36.3	66.2	54.7	1.6	50.9
Poland	Korea	Indonesia	Turkey	Egypt	<sup>Colombia</sup>	Indonesia	Brazil	<sub>Chile</sub>	Indonesia	Peru	Malaysia	Egypt	Egypt	Indonesia	<sup>Russia</sup>	Peru	<sup>China</sup>	<sup>Russia</sup>	Egypt
-4.2	48.0	41.9	125.3	126.2	107.2	73.8	79.6	-35.8	126.2	53.3	0.1	47.1	8.2	26.6	4.2	55.6	54.1	-0.4	41.8
Brazil	<sup>Colombia</sup>	Peru	Brazil	Hungary	<sub>Russia</sub>	Peru	Turkey	South Africa	<sub>Russia</sub>	<sup>Chile</sup>	Philippines	Philippines	Malaysia	Philippines	India	<sub>Russia</sub>	<sup>Korea</sup>	Brazil	<sup>Taiwan</sup>
—11.7	45.1	30.5	114.4	91.5	73.1	62.1	74.1	—37.9	104.2	44.2	-0.9	46.4	7.7	25.6	-6.1	54.8	47.3	0.5	36.4
<sub>Chile</sub>	Peru	Hungary	Peru	Czech Rep.	Korea	Philippines	<sup>India</sup>	Peru	<sup>India</sup>	Colombia	Thailand	Poland	Korea	<sup>India</sup>	<sup>Korea</sup>	Hungary	<sup>Chile</sup>	Czech Rep.	Colombi
-15.8	19.9	30.3	94.1	85.6	57.0	58.2	73.1	-40.2	102.8	43.4	-2.7	39.2	3.9	23.9	-6.7	35.4	42.2	—4.4	30.8
<sub>Malaysia</sub>	Mexico	South Africa	Egypt	Poland	Brazil	<sub>Russia</sub>	<sup>China</sup>	Malaysia	<sup>Turkey</sup>	Malaysia	Colombia	Colombia	<sup>China</sup>	<sup>Turkey</sup>	Philippines	Thailand	Hungary	Thailand	Brazil
—16.1	18.4	28.0	91.8	61.1	56.4	55.6	66.2	-41.2	97.5	37.0	-5.0	35.9	3.6	18.7	-6.8	26.6	39.9	-5.5	26.3
South Africa	<sup>Taiwan</sup>	Thailand	<sup>China</sup>	Indonesia	Turkey	<sup>India</sup>	Egypt	Mexico	<sup>Chile</sup>	South Africa	Czech Rep.	Thailand	Poland	Thailand	<sup>China</sup>	<sup>Colombia</sup>	<sup>India</sup>	Malaysia	<sup>China</sup>
—17.5	10.0	27.3	87.6	50.6	56.1	51.0	58.4	-42.9	85.6	34.2	-6.0	34.5	2.6	16.5	-7.8	26.5	38.8	-6.0	23.5
Mexico	Thailand	Colombia	<sup>Chile</sup>	Mexico	Mexico	Brazil	Czech Rep.	Czech Rep.	<sup>Colombia</sup>	Indonesia	<sub>Когеа</sub>	Mexico	<sup>Russia</sup>	Peru	<sup>Taiwan</sup>	<sup>Taiwan</sup>	Peru	Hungary	Hungar
20.5	5.0	24.8	83.3	48.3	49.1	45.3	55.3	-43.1	84.3	33.9	—12.0	29.1	0.8	10.5	—11.7	18.5	38.4	—6.1	19.4
<sup>India</sup>	Malaysia	<sub>Russia</sub>	<sup>India</sup>	South Africa	Czech Rep.	Mexico	Indonesia	<sup>Taiwan</sup>	<sup>Taiwan</sup>	Philippines	Mexico	<sup>India</sup>	Mexico	<sup>Taiwan</sup>	Mexico	South Africa	<sup>Turkey</sup>	India	Korea
-22.1	4.6	15.4	78.3	44.9	45.8	41.4	54.2	-46.5	79.2	33.9	-12.1	26.0	0.2	9.4	-14.4	17.9	38.4	7.3	12.5
Peru	Czech Rep.	Korea	Indonesia	Turkey	<sup>India</sup>	Poland	<sup>Malaysia</sup>	Thailand	Hungary	Mexico	South Africa	Hungary	Philippines	<sup>China</sup>	<sup>Chile</sup>	Indonesia	South Africa	Taiwan	Mexico
-23.9	—2.3	8.3	76.5	41.4	37.6	40.7	46.1	-48.5	77.6	27.6	—14.4	22.8	-2.7	8.0	-17.7	17.0	36.1	—8.9	11.4
Hungary	<sup>Chile</sup>	India	<sub>Russia</sub>	Brazil	<sup>Реги</sup>	<sub>Malaysia</sub>	Thailand	<sup>China</sup>	Thailand	Korea	<sup>China</sup>	<sup>China</sup>	India	South Africa	Czech Rep.	<sub>сыіе</sub>	Czech Rep.	Indonesia	Turkey
-27.0	—3.6	7.9	75.1	35.9	34.7	37.1	46.0	—50.8	76.6	26.7	—18.4	22.7	3.8	5.2	-18.4	15.6	35.5	-9.2	11.1
<sub>Russia</sub>	Indonesia	Egypt	Colombia	<sup>Chile</sup>	South Africa	Czech Rep.	Philippines	Egypt	Peru	<sup>Taiwan</sup>	<sub>Russia</sub>	<sup>Korea</sup>	Hungary	Czech Rep.	Indonesia	<sup>Korea</sup>	Thailand	Colombia	Philippin
30.1	-9.0	1.6	66.4	28.0	28.3	33.9	40.4	-52.4	71.9	21.8	—19.6	21.2	—5.8	-4.4	-19.5	8.7	34.5	-11.5	10.5
<sub>China</sub>	Hungary	Poland	Czech Rep.	Philippines	Poland	Hungary	Korea	Philippines	Korea	<sup>India</sup>	<sup>Chile</sup>	Peru	South Africa	Mexico	Malaysia	China	<sup>Taiwan</sup>	Poland	South Afr
-30.3	-9.4	1.0	64.4	25.8	24.2	33.7	31.9	-52.6	71.3	20.9	–20.4	20.2	—6.2	-9.3	—20.1	0.9	27.5	-12.9	10.0
Colombia	Brazil	<sup>Malaysia</sup>	South Africa	Korea	Philippines	<sup>Chile</sup>	Poland	Poland	Philippines	Turkey	<sup>Taiwan</sup>	South Africa	Czech Rep.	<sub>Malaysia</sub>	Thailand	Poland	Malaysia	Egypt	Thailand
-38.9	—17.0	—0.7	45.9	22.1	22.6	28.7	25.2	-54.8	65.6	20.8	—20.9	18.7	-10.5	—10.7	-23.5	0.1	25.1	-14.0	9.5
Egypt	South Africa	Mexico	<sup>Taiwan</sup>	India	<sup>Chile</sup>	South Africa	<sup>Russia</sup>	<sub>Korea</sub>	<sup>China</sup>	<sup>Russia</sup>	Peru	<sup>Taiwan</sup>	Thailand	<sub>Когеа</sub>	Egypt	<sup>India</sup>	Philippines	Mexico	Indonesi
-43.7	-17.2	-13.3	41.9	19.1	20.9	20.5	24.5	55.3	62.3	19.1	-21.4	16.7	-14.6	—11.1	-23.7	—1.4	24.6	-15.5	9.1
<sup>Taiwan</sup> —45.0	Philippines -19.4	<sup>China</sup> —14.0	Philippines 41.5	<sub>Malaysia</sub> 15.2	<sup>China</sup>	<sup>Taiwan</sup> 20.0	<sup>Chile</sup> 23.0	Brazil -56.2	South Africa 57.8	Poland 15.2	Brazil 21.8	Malaysia 14.3	Brazil 16.0	<sub>Chile</sub> —13.0	Poland -25.4	<sub>Malaysia</sub> -3.9	Indonesia 24.2	Philippines -16.5	India 7.6
Philippines	India	<sup>Chile</sup>	Poland	<sup>Taiwan</sup>	Hungary	Egypt	South Africa	Indonesia	Mexico	Egypt	Poland	<sub>Russia</sub>	Colombia	Brazil	South Africa	Czech Rep.	<sup>Brazil</sup>	<sup>China</sup>	Peru
-45.1	-19.8	-20.3	35.1	9.0	17.9	17.1	18.1	-56.5	56.6	12.4	-30.1	13.7	-21.1	—14.0	—25.5	-5.0	24.1	-18.9	4.8
Turkey	<sup>China</sup>	<sup>Taiwan</sup>	Korea	Russia	Indonesia	<sup>Colombia</sup>	Hungary	Hungary	Malaysia	Brazil	Hungary	<sup>Chile</sup>	<sup>Chile</sup>	Poland	Peru	Philippines	Colombia	<sub>Chile</sub>	Czech Re
-45.8	-24.7	—24.7	35.0	5.5	15.1	13.6	16.8	-61.5	52.1	6.5	-33.6	7.8	-22.0	-14.2	-31.7	-6.6	16.3	-19.7	4.2
Korea	Poland	Philippines	Mexico	Peru	Thailand	<sup>Korea</sup>	<sup>Colombia</sup>	Turkey	Poland	<sup>China</sup>	Turkey	Indonesia	Indonesia	Colombia	Turkey	Turkey	Mexico	Korea	Malaysi
— <b>49.9</b>	-27.7	-29.5	32.8	3.0	8.7	12.6	15.0	-62.3	41.5	4.6	-35.4	4.6	-23.5	-19.8	-31.9	8.5	16.0	20.9	—2.0
Thailand	Turkey	Brazil	Hungary	<sup>China</sup>	<sup>Taiwan</sup>	Thailand	Mexico	<sup>India</sup>	Egypt	Czech Rep.	<sup>India</sup>	Czech Rep.	Turkey	Hungary	Brazil	Mexico	Russia	South Africa	Poland
-56.4	-32.8	30.7	32.0	1.9	6.4	11.1	12.2	-64.6	39.7	-2.5	-37.2	2.5	-26.8	-27.4	-41.4	-9.2	5.2	—24.8	-5.9
Indonesia	Egypt	Turkey	Malaysia	Thailand	Malaysia	Turkey	Taiwan	<sup>Russia</sup>	Czech Rep.	Hungary	Egypt	Brazil	Peru	Russia	Colombia	Egypt	Egypt	Turkey	<sup>Chile</sup>
-62.2	-41.3	-35.8	26.6	—1.2	2.3	-7.2	8.4	—73.9	26.5	-9.6	-46.9	0.0	29.8	—46.3	-41.8	-11.5	5.1	-41.4	-16.9

In USD. MSCI country indices (net dividends) for each country listed. Does not include Israel, which MSCI classified as an emerging market prior to May 2010. Does not include Greece, which MSCI classified as a developed market prior to November 2013. Additional countries excluded due to data availability or due to downgrades by MSCI from emerging to frontier market. MSCI data © MSCI 2020, all rights reserved. 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.

Developed	Markets	Percentage	of Annua	Returns
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	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
НОН ♦	Switzerland	New Zealand	New Zealand	Sweden	Austria	<sub>Canada</sub>	<sup>Spain</sup>	Finland	Japan	Norway	<sup>Sweden</sup>	Ireland	<sup>Belgium</sup>	Finland	usa	Denmark	<sub>Canada</sub>	Austria	Finland	New Zeala
	5.9	8.4	24.2	64.5	71.5	28.3	49.4	48.7	-29.2	87.1	33.8	13.7	39.6	46.0	12.7	23.4	24.6	58.3	—3.4	38.2
	<sub>Canada</sub>	Australia	Austria	Germany	Norway	Japan	Portugal	Hong Kong	Switzerland	Australia	Denmark	New Zealand	Denmark	Ireland	New Zealand	Ireland	New Zealand	Hong Kong	New Zealand	Ireland
	5.3	1.7	16.5	63.8	53.3	25.5	47.4	41.2	—30.5	76.4	30.7	5.5	31.3	41.2	7.3	16.5	18.4	36.2	—4.0	37.5
	Denmark	Ireland	Australia	<sub>Spain</sub>	Belgium	Austria	Ireland	<sub>Germany</sub>	usa	Singapore	Hong Kong	usa	Singapore	usa	Denmark	Belgium	Norway	Singapore	usa	Switzerlar
	3.4	-2.8	-1.3	58.5	43.5	24.6	46.8	35.2	-37.6	74.0	23.2	1.4	31.0	31.8	6.2	12.1	13.3	35.6	-5.0	32.3
	Norway	Austria	Norway	Austria	treland	Denmark	Singapore	Norway	<sub>Spain</sub>	<sup>Sweden</sup>	Singapore	ик	Germany	<sup>Germany</sup>	Hong Kong	Japan	Australia	Denmark	Hong Kong	Netherlan
	-0.9	5.6	-7.3	57.0	43.1	24.5	46.7	31.4	-40.6	64.2	22.1	- <b>2.6</b>	30.9	31.4	5.1	9.6	11.4	34.7	—7.8	32.1
	Italy	Belgium	<sub>Italy</sub>	New Zealand	<sup>Sweden</sup>	Norway	Norway	<sup>Canada</sup>	France	Hong Kong	<sub>Canada</sub>	Switzerland	New Zealand	<sub>Spain</sub>	Belgium	Austria	Austria	Netherlands	Norway	usa
	-1.3	—10.9	-7.3	55.4	36.3	24.3	45.1	29.6	-43.3	60.2	20.5	-6.8	29.3	31.3	4.1	3.5	11.3	32.2	—8.6	30.9
	Netherlands	<sub>Spain</sub>	<sub>Japan</sub>	<sub>Canada</sub>	New Zealand	Finland	<sup>Sweden</sup>	Singapore	<sub>Canada</sub>	Belgium	Japan	Norway	Hong Kong	Netherlands	Singapore	Italy	usa	France	Switzerland	Denmari
	-4.1	-11.4	-10.3	54.6	35.2	16.7	43.4	28.4	-45.5	57.5	15.4	—10.0	28.3	31.3	3.0	2.3	10.9	28.7	-9.1	28.2
	France	Norway	Switzerland	Australia	Italy	Switzerland	Denmark	Australia	Germany	<sub>Canada</sub>	usa	Belgium	Austria	Belgium	Ireland	Finland	France	<sup>Italy</sup>	Singapore	Canada
	-4.3	-12.2	-10.3	49.5	32.5	16.3	38.8	28.3	-45.9	56.2	14.8	—10.6	25.9	27.6	2.3	2.0	4.9	28.4	-9.4	27.5
	Australia	usa	Singapore	Denmark	Denmark	Australia	Belgium	Denmark	Singapore	New Zealand	Australia	Australia	Australia	Japan	<sub>Canada</sub>	Netherlands	Netherlands	Norway	Portugal	<sup>italy</sup>
	—10.0	-12.4	—11.0	49.3	30.8	16.0	36.7	25.6	-47.4	50.4	14.5	—11.0	22.1	27.2	1.5	1.3	4.8	28.3	—11.1	27.3
	Portugal	<sub>UK</sub>	<sub>Canada</sub>	Norway	Australia	Singapore	Austria	Portugal	Denmark	<sub>Spain</sub>	Switzerland	Netherlands	<sup>Sweden</sup>	Switzerland	Switzerland	Portugal	Portugal	Germany	Australia	France
	-10.3	–14.0	-13.2	48.1	30.3	14.4	36.5	24.0	-47.6	43.5	11.8	-12.1	22.0	26.6	-0.1	0.9	3.6	27.7	-12.0	25.7
	ик	Denmark	Portugal	treland	<sub>Spain</sub>	Netherlands	Germany	<sub>Spain</sub>	Netherlands	<sub>UK</sub>	Norway	<sub>Spain</sub>	France	France	Finland	usa	Germany	<sup>Spain</sup>	France	Portugal
	–11.5	-14.8	-13.8	43.8	28.9	13.9	36.0	24.0	-48.2	43.3	10.9	-12.3	21.3	26.3	-0.7	0.7	2.8	27.0	-12.8	23.7
URNS –	Austria	Hong Kong	Belgium	Portugal	Hong Kong	<sup>Sweden</sup>	France	Netherlands	<sub>UK</sub>	Austria	Finland	<sub>Canada</sub>	Netherlands	Denmark	Australia	Switzerland	Japan	Japan	Japan	Australia
	12.0	—18.6	—15.0	43.0	25.0	10.3	34.5	20.6	-48.3	43.2	10.3	—12.7	20.6	25.2	-3.4	0.4	2.4	24.0	-12.9	22.9
Ret	Ireland	<sub>Canada</sub>	<sub>UK</sub>	France	Portugal	Germany	<sup>italy</sup>	France	Sweden	Netherlands	Austria	<sub>Japan</sub>	Switzerland	<sup>Sweden</sup>	Netherlands	France	Hong Kong	Portugal	Netherlands	Sweden
	-12.7	-20.4	-15.2	40.2	24.7	9.9	32.5	13.2	-49.9	42.3	9.9	-14.3	20.4	24.5	-3.5	-0.1	2.3	23.8	-13.1	21.2
	usa	Switzerland	<sub>Spain</sub>	Hong Kong	Singapore	France	Netherlands	New Zealand	taly	Portugal	ик	Sweden	Norway	ик	<sub>Japan</sub>	Hong Kong	Singapore	Switzerland	Sweden	ик
	-12.8	-21.4	—15.3	38.1	22.3	9.9	31.4	8.9	-50.0	40.4	8.8	-16.0	18.7	20.7	-4.0	—0.5	1.4	22.5	-13.7	21.0
	Finland	Portugal	Denmark	<sup>italy</sup>	Canada	Belgium	Australia	ик	Australia	Denmark	Germany	Denmark	usa	ttaly	<sup>Spain</sup>	Germany	Sweden	Finland	<sub>UK</sub>	Germany
	-14.2	-22.0	—16.0	37.8	22.2	9.0	30.9	8.4	50.7	36.6	8.4	—16.0	15.3	20.4	-4.7	-1.9	0.6	22.5	-14.2	20.8
	Hong Kong	Netherlands	Hong Kong	Singapore	ик	Hong Kong	ик	<sup>italy</sup>	Hong Kong	France	New Zealand	Hong Kong	ик	Austria	ик	sweden	ик	ик	Denmark	Belgium
	—14.7	-22.1	—17.8	37.6	19.6	8.4	30.6	6.1	—51.2	31.8	8.3	—16.0	15.3	13.4	-5.4	-5.0	-0.1	22.3	15.4	20.3
	<sub>Germany</sub>	France	Netherlands	Japan	France	ик	Hong Kong	usa	Portugal	<sub>Italy</sub>	Netherlands	France	Finland	New Zealand	Sweden	New Zealand	<sub>Spain</sub>	usa	<sub>Spain</sub>	Japan
	-15.6	-22.4	-20.8	35.9	18.5	7.4	30.4	5.4	-52.2	26.6	1.7		14.6	11.3	-7.5	—6.3	—1.0	21.2	-16.2	19.6
	<sub>Spain</sub>	Germany	France	Belgium	Germany	usa	Finland	Switzerland	New Zealand	usa	Belgium	Singapore	Italy	Hong Kong	<sup>italy</sup>	ик	Finland	<sup>Sweden</sup>	<sup>Canada</sup>	Singapor
	-15.9	-22.4	-21.2	35.3	16.2	5.1	29.9	5.3	—53.8	26.3	-0.4	-17.9	12.5	11.1	-9.5	<b>-7.6</b>	-4.7	20.6	-17.2	15.0
	Belgium	Singapore	usa	<sup>Switzerland</sup>	Japan	<sup>Spain</sup>	Switzerland	Austria	Finland	Switzerland	France	Germany	<sup>Canada</sup>	Portugal	France	Australia	Switzerland	Australia	Italy	Austria
	—16.8	-23.4	-23.1	34.1	15.9	4.4	27.4	2.2	-55.2	25.3	-4.1	-18.1	9.1	11.0	-9.9	—10.0	-4.9	19.9	-17.8	14.5
	Sweden	<sup>Italy</sup>	Ireland	ик	Switzerland	Italy	<sub>Canada</sub>	Sweden	Norway	Germany	Portugal	Portugal	Japan	Norway	Germany	Norway	ireland	<sup>Belgium</sup>	Germany	<sub>Spain</sub>
	-21.3	-26.6	-26.2	32.1	15.0	1.9	17.8	0.6	—64.2	25.2	—11.3	—23.1	8.2	9.4	—10.4	-15.0	-7.1	18.6	-22.2	12.0
	Singapore -27.7	Sweden -27.2	Finland -30.3	usa 28.4	Netherlands 12.2	New Zealand 1.7	New Zealand 16.6	Belgium -2.7	Belgium -66.5	Ireland 12.3	-15.0	<sup>Italy</sup> –23.2	Ireland 5.7	<sub>Canada</sub> 5.6	Norway -22.0	<sub>Spain</sub> -15.6	Belgium —7.6	ireland 18.1	Ireland -25.3	Norway 10.4
	Japan	Japan	sweden	Netherlands	usa	Portugal	usa	<sub>Japan</sub>	Austria	Finland	Ireland	Finland	Portugal	Australia	Austria	Singapore	Italy	<sup>Canada</sup>	Belgium	Hong Kor
	-28.2	-29.4	-30.5	28.1	10.1	—1.9	14.7	-4.2	68.4	11.1	—18.1	-31.9	3.5	4.2	29.8	-17.7	-10.5	16.1	-26.9	10.3
▼	New Zealand	Finland	Germany	Finland	Finland	Ireland	Japan	Ireland	Ireland	Japan	<sub>Spain</sub>	Austria	Spain	Singapore	Portugal	<sup>Canada</sup>	Denmark	New Zealand	Austria	Finland
MO	-33.5	-38.2	-33.2	19.4	6.1	2.3	6.2	-20.1	-71.9	6.3	-22.0	36.4	3.0	1.7	-38.2	-24.2	-15.8	11.7	-27.4	9.5





1970–1979	1980–1989	1990–1999	2000-2009	2010–2019
9.6%	20.7%	18.2%	1.6%	13.6%
5.9%	17.6%	7.1%	-0.9%	5.3%

S&P 500 Index 📃

MSCI World ex USA Index (net dividends)

Data as of December 31, 2019. For educational and illustrative purposes. Diversification does not eliminate the risk of loss. Source of Dimensional Equity Balanced Strategy Index: Dimensional Matrix Book. Indices are not available for direct investment; their performance does not reflect fees and expenses associated with an actual portfolio. Past performance is no guarantee of future results. See "Dimensional Equity Balanced Strategy Index Description" slide in the Appendix for more information. S&P data copyright 2020 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved.

### US Stock Market Before and During World War II S&P 500 Index 1937-1945



D Dimensional

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. Index returns are not representative of actual portfolios and do not reflect costs and fees associated with an actual investment. Actual returns may be lower.

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### Largest US Stocks Over the Decades





💿 Single Decade Appearance in Top 10 💿 Multiple-Decade

Multiple-Decade Appearance in Top 10

Note: Companies ranked by USD market cap at the beginning of each decade. Data from CRSP.

This information is intended for educational purposes and should not be considered a recommendation to buy or sell a particular security. Named securities may be held in accounts managed by Dimensional.

### Annualized return in excess of market after joining list of 10 largest US stocks



### Periods after becoming 10 largest stocks

Dimensional

Source: Dimensional, using data from CRSP and Compustat. Includes all US common stocks. Largest stocks identified at the end of each calendar year by sorting eligible US stocks on market capitalization using data from CRSP. Market is represented by the Fama/French Total US Market Research Index. Excess return for each stock is the difference in annualized compound returns between the stock and the market, computed from the first month following initial classification in the top 10. Stocks in the sample are required to have at least 36 months of returns data following classification in the top 10.

### Stocks vs. Bonds

Annual Returns

	S&P 500 Index	US Government Bond Index
<b>2020</b> YTD as of April 30	-9.3%	5.7%
2000	-9.1%	13.2%
2001	-11.9%	7.2%
2002	-22.1%	11.5%
2008	-37.0%	12.4%

2013	32.4%	-2.6%



Source: US Government Bond index and Global Aggregate Bond Index (hedged USD) from Bloomberg Barclays, all rights reserved.

Performance data shown represents past performance. 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.

For educational and illustrative purposes. Diversification does not eliminate the risk of loss.

### Global Performance of the Equity Premium



Annualized equity premium across markets



Past performance, including hypothetical performance, is no guarantee of future results. Actual investment returns may be lower. Filters were applied to data retroactively and with the benefit of hindsight. Groups of stocks and their returns are hypothetical, are not representative of indices, actual investments or actual strategies managed by Dimensional, and do not reflect costs and fees associated with an actual investment. Source: Dimensional calculations using Bloomberg data. The equity (market) premium is the difference between the annualized compound returns of the market as defined in the appendix and the One-Month US Treasury Bill rate. See appendix "Global Performance of the Premiums" for additional information. Returns shown beginning 01/2010.

Market Returns During Presidential Election Years S&P 500 Index: 1926 – 2019

Average Returns During Presidential Election Years: 9.5%





### 1940: **-9.8%**



### 2000: -9.1%



2008: **-37.0%** 



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. Index returns are not representative of actual portfolios and do not reflect costs and fees associated with an actual investment. Actual returns may be lower. Source: S&P data © 2020 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved.







Each president's annualized return begins with the first full month of returns of presidency. 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. Index Returns are not representative of actual portfolios and do not reflect costs and fees associated with an actual investment. Actual returns may be lower. Source: S&P data © 2019 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved.

### United States Steel Corp. (X)





### Small Cap Delistings Have Been Higher in Recessions

Dimensional

Rolling 12-Month Average Bad Delisting Rate for Small Cap Stocks, December 1927–December 2019



Source: Dimensional, using CRSP and Compustat. Shaded region indicates months falling during recessions as designated by the National Bureau of Economic Research (NBER). Bad delistings are defined as liquidations, bankruptcies, or stock prices falling below index provider threshold. Delisting rate computed monthly as number of small cap stocks delisting during the month divided by the number of small cap stocks at the start of the month. Small cap stocks are defined as the bottom 10% of the market capitalization, rebalanced at the beginning of each year.





# 100+YEARS



For illustration purposes only.

### "The Market" vs. The Economy S&P 500 Index

2009



2018

Worst Crisis Since '36, With No End Yet in Sight

U.S. Unemploym Rate Hits 10.2%, Highest in 26 Yea.

2018—A Banner Year for the U.S. Economy

America's Unemploy ent Rate Falls to Its Lowest Level in Almost 50 Years

### 10-Year Bond Yields

As of May 2020





### Periods of 10-Year Value Underperformance

Negative 10-Years Value Premium

2010–2019

-3.9%

Negative 10-Years Value Premium		Following 10-Years Value Premium	
1990–1999	-3.1%	2000–2009	6.4%
1930–1939	-4.9%	1940–1949	10.3%



Performance data shown represents past performance and is no guarantee of future results. The indices are not available for direct investment; therefore their performance does not reflect the expenses associated with the management of an actual portfolio. Source: Fama/French data provided by Fama/French. "See appendix for Fama/French index information."



Russell 1000 Value





Russell 1000 Value

Russell 1000 Growth

![](_page_19_Figure_0.jpeg)

### A Vanishing Value Premium?

Russell 1000 Value Index minus Russell 1000 Growth Index

![](_page_20_Picture_2.jpeg)

5-Years: +1.27%

10-Years: +1.35%

Since inception January 1979 – February 2001: +1.11%

January	April	March
1979	1990	2000
	Since inception: January 1979 – N	March 2000: -1.49%

10-Years: -5.61%

5-Years: -10.85%

Performance data shown represents past performance and is no quarantee of future results.

The indices are not available for direct investment; therefore their performance does not reflect the expenses associated with the management of an actual portfolio. Source: Frank Russell Company is the source and owner of the trademarks, service marks, and copyrights related to the Russell Indexes.

Dimensional

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2000															C Q		:00	In	dov	,
-9.1	2001														30				Lev	•
-10.5	-11.9	2002																		
-14.6	-17.2	-22.1	2003																	
-5.3	-4.1	0.1	28.7	2004																
-2.3	-0.5	3.6	19.5	10.9	2005															
-1.1	0.5	3.9	14.4	7.9	4.9	2006														
1.1	2.9	6.2	14.7	10.4	10.2	15.8	2007													
1.7	3.3	6.1	12.8	9.2	8.6	10.5	5.5	2008												
-3.6	-2.9	-1.5	2.4	-2.2	-5.2	-8.4	-18.5	-37.0	2009											
-0.9	0.0	1.6	5.5	2.1	0.4	-0.7	-5.6	-10.7	26.5	<b>2010</b>										
0.4	1.4	3.0	6.7	3.9	2.7	2.3	-0.8	-2.9	20.6	15.1	<b>2011</b>									
0.6	1.5	2.9	6.2	3.6	2.6	2.3	-0.2	-1.6	14.1	8.4	2.1	2012								
1.7	2.6	4.0	7.1	4.9	4.2	4.1	2.3	1.7	14.6	10.9	8.8	16.0	2013							
3.6	4.6	6.2	9.2	7.4	7.0	7.3	6.1	6.2	17.9	15.9	16.2	23.9	32.4	2014						
4.2	5.3	6.7	9.6	8.0	7.7	8.0	7.0	7.3	17.2	15.5	15.6	20.4	22.7	13.7	2015					
4.1	5.0	6.3	8.9	7.4	7.1	7.3	6.4	6.5	14.8	13.0	12.6	15.3	15.1	7.4	1.4	2016				
4.5	5.4	6.7	9.1	7.7	7.5	7.7	6.9	7.1	14.5	12.8	12.5	14.7	14.3	8.9	6.5	12.0	2017			
5.4	6.3	7.6	9.9	8.7	8.5	8.8	8.2	8.5	15.3	13.9	13.8	15.8	15.8	12.0	11.4	16.8	21.8	<b>2018</b>		
4.9	5.7	6.8	9.0	7.8	7.5	7.8	7.1	7.3	13.1	11.7	11.3	12.7	12.2	8.5	7.2	9.3	7.9	-4.4	<b>2019</b>	
6.1	6.9	8.1	10.2	9.1	9.0	9.3	8.8	9.1	14.7	13.6	13.4	14.9	14.7	12.0	11.7	14.4	15.3	12.1	31.5	

2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019

2000						D	Dim	ens	sio	nal	Co	re	We	alt	h lı	nde	ex I	Mo	del	
3.3	2001					_						40	0/ 5		. 10	0/ 5		1		
1.7	0.1	2002										00	70 E	quity	, 40	170 F	ixea	Inc	ome	
-0.3	-2.0	-4.1	2003																	
5.6	6.4	9.7	25.5	2004																
7.1	8.1	10.9	19.2	13.3	2005															
7.3	8.1	10.2	15.4	10.6	8.1	2006														
8.2	9.1	11.0	15.1	11.8	11.1	14.2	2007													
8.2	8.9	10.4	13.6	10.8	10.0	10.9	7.8	2008												
39	39	4.5	6.0	25	0.0	-26	-10.1	-24 9	2009											
6.0	6.3	7 1	8.8	6.2	4.8	4 1	0.9	-24	26.9	2010										
67	7 1	79	9.5	74	6.4	6.1	4.2	30	20.7	14.7	2011									
62	6.4	7.1	84	64	5.5	5.0	33	22	13.3	71	-0.1	2012								
67	6.0	76	8.8	7.1	6.4	6.1	10	13	13.0	0.0	6.2	13.0	2013							
73	7.6	8.2	0.0	7.1	73	7.2	6.3	6.0	13.6	10.5	0.2	14.1	15.2	2014						
7.0	7.0	0.2	9.4	7.5	7.0	7.2	6.0	0.0 E 0	10.0	10.5	9.2	14.1	10.2	E 4	2045					
1.1	7.4	0.0	9.1	7.7	7.1	7.0	0.2	5.9	12.2	9.5	0.2	11.1	10.2	5.4	2015	2040				
0.0	0.0	7.3	8.3	7.0	6.4	0.2	5.4	5.1	10.3	1.1	6.4	8.0	0.4	2.3	-0.7	2016	0047			
6.8	7.0	7.5	8.4	7.1	6.6	6.5	5.8	5.5	10.1	7.9	6.8	8.3	7.2	4.6	4.2	9.3	2017			
7.2	7.4	7.9	8.8	7.7	7.2	7.2	6.6	6.4	10.7	8.8	8.0	9.4	8.7	7.1	7.6	12.1	14.9	2018		
6.5	6.7	7.1	7.8	6.7	6.3	6.1	5.5	5.3	8.9	7.1	6.1	7.1	6.1	4.4	4.1	5.8	4.0	-5.8	2019	
7.1	7.3	7.7	8.5	7.5	7.1	7.0	6.5	6.4	9.8	8.3	7.6	8.6	8.0	6.8	7.1	9.1	9.1	6.3	19.8	
2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	

AMERICAS EUROPE Austin, Charlotte, Santa Monica, Toronto, Vancouver

London, Amsterdam, Berlin

ASIA PACIFIC Sydney, Melbourne, Singapore, Hong Kong, Tokyo

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ISTORICAL	RETURNS	DATA-US D	OLLARS

### Performance Results

2000-2019

![](_page_22_Picture_2.jpeg)

	S&P 500 Index	Dimensional Core 60/40 Wealth Model Index		
Annualized Return	6.1%	7.1%		
Standard Deviation	14.5%	9.3%		

For educational and illustrative purposes only. Indices are not available for direct investment and performance does not reflect expenses of an actual portfolio. Past performance is not a guarantee of future results. Source for Dimensional Core 60/40 Wealth Model Index: 2020 Dimensional Matrix Book. See "Dimensional Core 60/40 Wealth Model Index Description" slide in the Appendix for more information. S&P data copyright 2020 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved.

### Tracking Differences

2000-2019

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	S&P 500 Index	Dimensional Core 60/40 Wealth Model Index
Frequency of outperformance	<b>60%</b> (12 out of 20 years)	<b>40%</b> (8 out of 20 years)
Highest annual tracking difference	<b>32% vs 15%</b> (2013)	-22% vs -4% (2002)

Frequency of outperformance compares the calendar year performance of the S&P 500 Index relative to the Dimensional index and the Dimensional Index relative to the S&P 500 Index. Highest annual tracking difference is the highest difference in the calendar year returns between the indices. For educational and illustrative purposes only. Indices are not available for direct investment and performance does not reflect expenses of an actual portfolio. Past performance is not a guarantee of future results. Source for Dimensional Core 60/40 Wealth Model Index: 2020 Dimensional Matrix Book. See "Dimensional Core 60/40 Wealth Model Index: 2020 Dimensional Matrix Book. See "Dimensional Core 60/40 Wealth Model Index: 2020 Dimensional Matrix Book. See "Dimensional Core 60/40 Wealth Model Index: 2020 Dimensional Matrix Book. See "Dimensional Core 60/40 Wealth Model Index: 2020 Dimensional Matrix Book. See "Dimensional Core 60/40 Wealth Model Index: 2020 Dimensional Matrix Book. See "Dimensional Core 60/40 Wealth Model Index: 2020 Dimensional Matrix Book. See "Dimensional Core 60/40 Wealth Model Index: 2020 Dimensional Matrix Book. See "Dimensional Core 60/40 Wealth Model Index: 2020 Dimensional Matrix Book. See "Dimensional Core 60/40 Wealth Model Index: 2020 Dimensional Core 50/40 Wealth Model Index: 2020 Dimensiona

### Performance Results

1985-2019

![](_page_24_Picture_2.jpeg)

	S&P 500 Index	Dimensional Core 60/40 Wealth Model Index			
Annualized Return	10.5%	9.5%			
Standard Deviation	15.1%	9.4%			

For educational and illustrative purposes only. Indices are not available for direct investment and performance does not reflect expenses of an actual portfolio. Past performance is not a guarantee of future results. Source for Dimensional Core 60/40 Wealth Model Index: 2020 Dimensional Matrix Book. See "Dimensional Core 60/40 Wealth Model Index Description" slide in the Appendix for more information. S&P data copyright 2020 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved.

![](_page_25_Picture_0.jpeg)

## Appendix

![](_page_26_Picture_0.jpeg)

Matrix Book Dimensional Core Wealth Models Index

0%	20%	40%	60%	80%	100%
0	6	13	19	26	32
0	6	13	19	26	32
0	5	10	14	19	24
0	2	4	5	7	9
0	1	1	2	2	3
100%	80%	60%	40%	20%	0%
40	20	0	0	0	0
40	20	0	0	0	0
20	20	20	0	0	0
0	10	20	0	0	0
0	10	20	40	10	0
0	0	0	0	10	0
	0% 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0%         20%           0         6           0         6           0         6           0         5           0         2           0         1           100%         80%           40         20           40         20           0         10           0         10           0         10           0         0	0%         20%         40%           0         6         13           0         6         13           0         6         13           0         5         10           0         2         4           0         1         1           0         2         4           0         1         1           100%         80%         60%           40         20         0           40         20         0           20         20         20           0         10         20           0         10         20           0         10         20           0         10         20           0         10         20           0         10         20           0         0         0	0% $20%$ $40%$ $60%$ $0$ $6$ $13$ $19$ $0$ $6$ $13$ $19$ $0$ $6$ $13$ $19$ $0$ $6$ $13$ $19$ $0$ $5$ $10$ $14$ $0$ $2$ $4$ $5$ $0$ $1$ $1$ $2$ $100%$ $80%$ $60%$ $40%$ $40$ $20$ $0$ $0$ $40$ $20$ $0$ $0$ $20$ $20$ $0$ $0$ $0$ $10$ $20$ $0$ $0$ $10$ $20$ $0$ $0$ $10$ $20$ $0$	$ \begin{array}{ c c c c c c c } \hline & & & & & & & & & & & & & & & & & & $

### Dimensional

![](_page_27_Picture_1.jpeg)

MATRIX BOOK 2020 HISTORICAL RETURNS DATA-US DOLLARS

Wealth Index Models

### S&P GLOBAL REIT INDEX Shown in gross dividends. S&P data @ 2020 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved.

BLOOMBERG BARCLAYS US GOVERNMENT/CREDIT BOND

INDEX 1-5 YEARS Data provided by Bloomberg.

### BLOOMBERG BARCLAYS US CREDIT BOND INDEX 1-3 YEAR Data provided by Bloomberg.

ICE BOFA US 3-MONTH TREASURY BILL INDEX ICE BofA index data © 2020 ICE Data Indices, LLC.

### BLOOMBERG BARCLAYS US GOVERNMENT BOND INDEX 1-2 YEARS Data provided by Bloomberg.

### BLOOMBERG BARCLAYS US TIPS INDEX 1-5 YEARS Data provided by Bloomberg.

### DIMENSIONAL SHORT-DURATION REAL RETURN INDEX

Compiled by Dimensional using data provided by Bloomberg Barclays. Includes securities in Bloomberg Barclays US 3–5 Year Government, Credit Aaa, Aa, A Baa indices; Bloomberg Barclays US 1–3 Year Government, Credit Aaa, Aa, A Baa indices; Bloomberg Inflation Swap USD 2YR Zero Coupon Index (Excess Return); and Bloomberg Inflation Swap USD 2YR Zero Coupon Index (Excess Return); Forthe fixed income component of the index, we do the following: (1) Securities can be over- or underweighted based on government/bredit spreads. When the difference in yields between credit and government bonds is narrow, government bonds may be overweighted. When the difference in yields between credit and government bonds is wide, government bonds may be underweighted. (2) Securities can be over- or underweighted with respect to their market cap weight based on credit spreads. When the difference in yields between AAA+AA and A+BBB is narrow, AAA+AA bonds may be held above market cap weight. When the difference in yields between AAA+AA and A+BBB is wide, AAA+AA bonds may be held below market cap weight. When the difference in yields between AAA +AA and BBB is narrow, BBB bonds may be held below market cap weight. When the difference in yields between AAA+AA and BBB is wide, BBB bonds may be held above market cap weight. (3) The duration of the index is based on the term spread (of real yields) between the real yields of the 3-5 year and 1-3 year credit bonds. Real yield is defined as nominal yield minus inflation swap rate. When the term spread is wide, the duration of the index can be longer than the duration of Bloomberg Barclays US Credit 1-5 Year Index. When the term spread is narrow, the duration of the index can be shorter than the duration of Bloomberg Bardays US Credit 1-5 Year Index. (4) The duration of the government component is based on the term spread (of real yields) between 3-5 year government bonds and 1-3 year government bonds. When the term spread is wide, the duration of the government component can be longer than the duration of Bloomberg Barclays US Government 1-5 Year Index. When the term spread is narrow, the duration of the index can be shorter than the duration of Bloomberg Barclays US Government 1-5 Year Index. We use the 2-year and 5-year inflation swap indices to construct an index to match the duration of the fixed income component. The Dimensional index return is the sum of the fixed income component and the inflation swap index return component. Rebalanced monthly.

### DIMENSIONAL GLOBAL SHORT-TERM GOVERNMENT INDEX (HEDGED TO USD)

Compiled by Dimensional using data provided by Bloomberg Barclays. Based on securities in the universe of Bloomberg Barclays Global Aggregate 1–2 Year Index, includes global government bonds only. Within the eligible universe, we apply market weights to construct the index. Currency exposure is hedged to USD. Rebalanced monthly.

### DIMENSIONAL SHORT-TERM EXTENDED QUALITY INDEX

Compiled by Dimensional using data provided by Bloomberg Barclays. Includes securities in Bloomberg Barclays US 3-5 Year Government, Credit Aaa, Aa, A, Baa indices; and Bloomberg Barclays US 1-3 Year Government, Credit Aaa, Aa, A, Baa indices. Securities can be over-or underweighted based on government/credit spreads. When the difference in yields between credit and government bonds is narrow, government bonds may be overweighted. When the difference in yields between credit and government bonds is wide, government bonds may be underweighted. Securities can be over- or underweighted with respect to their market cap weight based on credit spreads. When the difference in yields between AAA+AA and A+BBB is narrow, AAA+AA bonds may be held above market cap weight. When the difference in yields between AAA+AA and A+BBB is wide, AAA+AA bonds may be held below market cap weight. When the difference in yields between AAA + AA and BBB is narrow, BBB bonds may be held below market cap weight. When the difference in yields between AAA+AA and BBB is wide, BBB bonds may be held above market cap weight. The duration of the index is based on the term spread between the 3-5 year government/credit bonds and 1-3 year government/credit bonds. When the term spread is wide, the duration of the index can be longer than the duration of Bloomberg Barclays US Credit 1-5 Year Index. When the term spread is narrow, the duration of the index can be shorter than the duration of Bloomberg Barclays US Credit 1-5 Year Index. The duration of the government component is based on the term spread between 3-5 year government bonds and 1-3 year government bonds. When the term spread is wide, the duration of the government component can be longer than the duration of Bloomberg Barclays US Government 1-5 Year Index. When the term spread is narrow, the duration of the index can be shorter than the duration of Bloomberg Barclays US Government 1-5 Year Index. Rebalanced monthly.

### DIMENSIONAL GLOBAL GOVERNMENT/CREDIT 1-3 YEAR UNHEDGED INDEX

February 1999-present Compiled by Dimensional using data provided by Bioomberg Barclays. Based on securities in the universe of Bioomberg Barclays Global Aggregate Index, includes global government bonds and global investment grade corposate bonds. Within the universe, the index identifies the yield curves that offer higher expected returns, and the duration range on those yield curves offering higher expected returns, and the duration range on those yield curves offering higher expected returns, and sessess the increased expected returns associated with allocation to bonds with different credit qualities. It then overweights (with respect to their market cap weight) bonds of yield curves, duration ranges, and credit qualities that offer higher expected returns. It also employs credit quality, currency, and duration requirements relative to the eligible market. Returns are in USD, unhedged. Rebalanced monthly. **Prior to February 1999** 

Compiled by Dimensional using data © 2019 by FTSE. Includes securities in the FTSE World Government Bond 1–3 Years Index. Countries: Australia, Australia, Belgium, Canada, France, Germany, Japan, the Netherlands, New Zealand, Nonway, Spain, Sweden, Switherland, UK, and the US as data becomes available. Rebalanced monthly based on market weights.

### DIMENSIONAL TARGETED CREDIT INDEX (HEDGED TO USD)

Compiled by Dimensional using data provided by Bloomberg Barclays. Based on securities in the universe of Bloomberg Barclays Global Aggregate Index and Global High Yield Index, includes global investment grade corporate bonds and global BG corporates only. Within the universe, the index identifies the yield curves offerin higher expected returns, and the duration ranges on those yield curves associated with allocation to bonds with different cedit qualities. It then overweighbs (with respect to their market cap weight) bonds of yield curves, duration ranges, and credit qualities that offer higher expected returns. It also employs credit quality, currency, and duration requirements relative to the eligible market. Currency exposure is hedged to USD. Rebalanced monthly.

### DIMENSIONAL CORE 100/0 WEALTH INDEX MODEL January 1985-present

Dimensional Wealth Index Model data compiled by Dimensional. The Dimensional Core 100/0 Wealth Index Model combines the following indices: Dimensional US Adjusted Market 1 Index, Dimensional US Adjusted Market 2 Index, Dimensional International Adjusted Market Index, Dimensional Emerging Markets Adjusted Market Index, and the S&P Global REIT Index (gross dividends). The weight of the REIT index is based on the market capitalization weight of equity REITs within the global universe of eligible stocks and equity REITs, rounded to the nearest 1%. Within the remaining non-REIT allocation, US equities are overweight relative to their market capitalization weight. The weights of the US, developed ex US, and emerging markets equities are then rescaled to sum to the total non-REIT weight of the Wealth Index Model and are all rounded to the nearest 1%. Regional weights are determined at each guarter end and are held constant for the next three months. Within the US allocation, the weight each month is split equally between the Dimensional US Adjusted Market 1 Index and the Dimensional US Adjusted Market 2 Index. The Wealth Index Model returns are calculated monthly as a weighted average of the returns of the underlying indices. The Dimensional Core 100/0 Wealth Index Model has been retrospectively calculated by Dimensional and did not exist prior to March 2020.

### DIMENSIONAL CORE 80/20 WEALTH INDEX MODEL January 1985-present

Dimensional Wealth Index Model data compiled by Dimensional. 80% of the weight is allocated to the Dimensional Core 100/0 Wealth Index Model and 20% of the weight is allocated to the Iollowing fixed income indices: Dimensional Iolobal Adjusted Fixed Income Market Index (Hedget to USD)(10%) and Dimensional USD Adjusted Investment Grade Index (10%). The Wealth Index Model returns are calculated monthly as a weighted average of the returns of the underlying indices. The Dimensional Global Adjusted Fixed Income Market Index (Hedget to USD) is represented by Bloomberg Barclays Global Aggregate Bond Index (Nora Justices) 10 Justed Investment Grade Index is represented by Bloomberg Barclays Global Aggregate Bond Index (Hedget to USD) from January 1990 to January 1999. The Dimensional Core 80/20 Wealth Index Model has been retropectively calculated by Dimensional and did not exist prior to Marko 2020.

### DIMENSIONAL CORE 60/40 WEALTH INDEX MODEL January 1985-present

Dimensional Wealth Index Model data compiled by Dimensional. 60% of the weight is allocated to the Dimensional Care 100/0 Wealth Index Model and 40% of the weight is allocated to the Dimensional US Adjusted Investment Giade Index. The Wealth Index Model returns are calculated monthly as a weighted average of the returns of the underlying Indices. The Dimensional US Adjusted Investment Giade Index is represented by Bioomberg Bardlogs US Aggregate Bond Index from January 1985 to January 1989. The Dimensional Core 60/40 Wealth Index Model has been retrospectively calculated by Dimensional and did not exist prior to March 2020.

### DIMENSIONAL CORE 40/60 WEALTH INDEX MODEL

January 1985-present

Dimensional Wealth Index Model data compiled by Dimensional. 40% of the weight is allocated to the Dimensional Core 100/0 Wealth Index Model and 60% of the weight is allocated to the following fixed income indices: Dimensional Short-Term Extended Duality Index (20%), Dimensional Global Short-Term Government Variable Matunity Index (20%), Dimensional Global Dimensional US Adjusted Investment Grade Index (20%), Dimensional Global Dimensional US Adjusted Investment Grade Index (20%), The Wealth Index Model neturns are calculated monthly as a weighted average of the returns of the underlying indices. The Dimensional Short-Term Extended Duality Index is represented by the Bloomberg Barclays US Government/Credit 1–5 Year Bond Index from January 1985 to December 1995. The Dimensional US Adjusted Investment Grade Index is represented by Bloomberg Barclays US Adjusted Bond Index Kom January 1985 to January 1989. The Dimensional Core 40/60 Wealth Index Model has been rebospectively calculated by Dimensional and did not exist prior March 2020.

### DIMENSIONAL CORE 20/80 WEALTH INDEX MODEL January 1985-present

Dimensional Wealth Index Model data compiled by Dimensional. 20% of the weight is allocated to the Dimensional Core 100/0 Wealth Index Model and 80%

of the weight is allocated to the following fixed income indices: Dimensional Global Short-Term Government Index (Hedged to USD) (20%), Dimensional Short-Duration Real Return Index (20%), Dimensional Short-Term Extended Quality Index (20%), Dimensional Global Short-Term Government Variable Maturity Index (Hedged to USD) (10%), and Dimensional US Adjusted Investment Grade Index (10%). The Wealth Index Model returns are calculated monthly as a weighted average of the returns of the underlying indices. The Dimensional Global Short-Term Government Index (Hedged to USD) is represented by the Bloomberg Barclays US Government 1–3 Year Bond Index at 75% weight and the ICE BolA US 3-Month Treasury Bill Index at 25% weight from January 1985 to October 1992 and the Bloomberg Barclays US Government 1-2 Year Bond Index from November 1992 to January 1999. The Dimensional Short-Duration Real Return Index is not available back to 1985. The Dimensional Short-Duration Real Return Index is represented by Bloomberg Barclays US TIPS Index 1–5 Years from August 1997 to October 2006. Prior to August 1997, its weight is redistributed pro rata to the other fixed income indices. The Dimensional Short-Term Extended Quality Index is represented by the Bloomberg Barclays US Government/Credit 1-5 Year Bond Index from January 1985 to December 1995. The Dimensional US Adjusted Investment Grade Index is represented by Bloomberg Barclays US Aggregate Bond Index from January 1985 to January 1989. The Dimensional Core 20/80 Wealth Index Model has been retrospectively calculated by Dimensional and did not exist prior to March 2020.

### DIMENSIONAL CORE 0/100 WEALTH INDEX MODEL January 1985-present

Dimensional Wealth Index Model data compiled by Dimensional. The Dimensional Core 0/100 Wealth Index Model combines the following indices: Dimensional Global Short-Term Government Index (Hedged to USD) (40%), Dimensional Short-Duration Real Return Index (40%), and Dimensional Short-Term Extended Quality Index (20%). The Wealth Index Model returns are calculated monthly as a weighted average of the returns of the underlying indices. The Dimensional Global Short-Term Government Index (Hedged to USD) is represented by the Bloomberg Barclays US Government 1-3 Year Bond Index at 75% weight and the ICE BolA US 3-Month Treasury Bill Index at 25% weight from January 1985 to October 1992 and the Bloomberg Barclays US Government 1-2 Year Bond Index from November 1992 to January 1999. The Dimensional Short-Duration Real Return Index is not available back to 1985. The Dimensional Short-Duration Real Return Index is represented by Bloomberg Bardays US TIPS Index 1-5 Years from August 1997 to October 2006. Prior to August 1997, its weight is redistributed pro rata to the other fixed income indices. The Dimensional Short-Term Extended Quality Index is represented by the Bloomberg Barclays US Government/Credit 1-5 Year Bond Index from January 1985 to December 1995. The Dimensional Core 0/100 Wealth Index Model has been retrospectively calculated by Dimensional and did not exist prior to March 2020.

### DIMENSIONAL CORE PLUS 100/0 WEALTH INDEX MODEL January 1985-present

Dimensional Wealth Index Model data compiled by Dimensional. The Dimensional Core Plus 100/0 Wealth Index Model combines the following indices: Dimensional US Adjusted Market 2 Index, Dimensional US Adjusted Market Value Index, Dimensional US Large Cap High Profitability Index, Dimensional International Adjusted Market Index, Dimensional International Vector Index, Dimensional International Large Cap High Profitability Index, Dimensional Emerging Markets Adjusted Market Index, Dimensional Emerging Markets Value Index, and the S&P Global REIT Index (gross dividends). The weight of the REIT index is based on the market capitalization weight of equity REITs within the global universe of eligible stocks and equity REITs, rounded to the nearest 1%. Within the remaining non-REIT allocation, US equities are overweight relative to their market capitalization weight. The weights of the US, developed ex US, and emerging markets equities are then rescaled to sum to the total non-REIT weight of the Wealth Index Model and are all rounded to the nearest 1%. Regional weights are rebalanced guarterly. Within the US equity allocation, each month the weights of the Dimensional US Adjusted Market 2 Index, Dimensional US Adjusted Market Value Index, and Dimensional US Large Cap High Profitability Index are 66.67%, 16.67%, and 16.67%, respectively. Within the developed ex US equity allocation, each month the weights of the Dimensional International Adjusted Market Index, Dimensional International Vector Index, and Dimensional International Large Cap High Profitability Index are 60%, 20%, and 20%, respectively. Within the emerging market equity allocation, each month the weights of the Dimensional Emerging Markets Adjusted Market Index and Dimensional Emerging Markets Value Index are equal. The Wealth Index Model returns are calculated monthly as a weighted average of the returns of the underlying indices. The Dimensional Core Plus 100/0 Wealth Index Model has been retrospectively calculated by Dimensional and did not exist prior to March 2020

### DIMENSIONAL CORE PLUS 80/20 WEALTH INDEX MODEL January 1985-present

Dimensional Wealth Index Model data compiled by Dimensional. 80% of the weight is allocated to the Dimensional Core Plus 100/0 Wealth Index Model and 20% of the weight is allocated to the Dimensional Global Adjusted Fixed Income Market Index (Hedged to USD). The Wealth Index Model returns are calculated monthly as a weighted average of the returns of the underlying indices. The Dimensional Global Adjusted Fixed Income Market Index (Hedged to USD) is

represented by Bloomberg Barclays US Aggregate Bond Index from January 1985 to December 1989 and the Bloomberg Barclays Global Aggregate Bond Index (Hedged to USD) from January 1990 to January 1999. The Dimensional Core Plus 80/20 Wealth Index Model has been retrospectively calculated by Dimensional and did not exist prior to Marth 2020.

### DIMENSIONAL CORE PLUS 60/40 WEALTH INDEX MODEL January 1985-present

Dimensional Wealth index Model data compiled by Dimensional. 60% of the weight is allocated to the Dimensional Core Plus 100(10 Wealth Index Model and 40% of the weight is allocated to the following fixed income indices: Dimensional Global Adjusted Fixed Income Market Index (Medged to USD) (20%), and Dimensional US Adjusted Investment Grade Index (20%). The Wealth Index Model returns a calculated monthly as a weighted average of the returns of the underlying indices. The Dimensional Global Adjusted Fixed Income Market Index (Medged to USD) is represented by Bloomberg Barclays US Aggregate Bond Index from January 1985 to December 1989 and the Bloomberg Barclays Global Aggregate Bond Index (Hedged to USD) from January 1990 to January 1999 to the Dimensional Core Plus 60/U4 wealth Index Model has been retorspectively calculated by Dimensional and did not exist prior to March 2020.

### DIMENSIONAL CORE PLUS 40/60 WEALTH INDEX MODEL January 1985-present

Dimensional Wealth Index Model data compiled by Dimensional. 40% of the weights allocated to the Dimensional Core Plus 100/01/Wealth Index Model and 60% of the weights allocated to the following fixed income indices: Dimensional largeted Credit Index (Hedged to USD) (20%), Dimensional Global Short-Term Government Variable Maturity Index (Hedged to USD) (20%), and Dimensional US Adjusted Investment Grade Index (20%). The Wealth Index Model returns are calculated monthly as a weighted average of the returns of the underlying Indices. The Dimensional Targeted Credit Index is represented by the Bloomberg Barclays US Credit 1–3 Year Bond Index from January 1985 to January 1999. The Dimensional US Adjusted Investment Grade Index is represented by Shomberg Barclays US Aggregate Bond Index from January 1985 to January 1999. The Dimensional and did not existion to Markh 2020.

### DIMENSIONAL CORE PLUS 20/80 WEALTH INDEX MODEL January 1985-present

Dimensional Wealth Index Model data compiled by Dimensional. 20% of the weight is allocated to the Dimensional Core Plus 100/0 Wealth Index Model and 80% of the weight is allocated to the following fixed income indices: Dimensional Global Government/Credit 1-3 Year Unhedged Index (30%), Dimensional Targeted Credit Index (Hedged to USD) (10%), Dimensional Global Short-Term Government Variable Maturity Index (Hedged to USD) (20%), and Dimensional US Adjusted Investment Grade Index (20%). The Wealth Index Model returns are calculated monthly as a weighted average of the returns of the underlying indices. The Dimensional Global Government/Credit 1-3 Year Unhedged Index is represented by the Bloomberg Barclays US Government/Credit 1-3 Year Bond Index from January 1985 to January 1999. The Dimensional Targeted Credit Index is represented by the Bloomberg Barclays US Credit 1-3 Year Bond Index from January 1985 to January 1999. The Dimensional US Adjusted Investment Grade Index is represented by Bloomberg Barclays US Aggregate Bond Index from January 1985 to January 1989. The Dimensional Core Plus 20/80 Wealth Index Model has been retrospectively calculated by Dimensional and did not exist prior to March 2020.

### DIMENSIONAL CORE PLUS 0/100 WEALTH INDEX MODEL January 1985-present

Dimensional Wealth Index Model data compiled by Dimensional. The Dimensional Core Plus 0/100 Wealth Index Model combines the following indices: Dimensional Global Short-Term Government Index (Hedged to USD) (20%), Dimensional Global Government/Credit 1-3 Year Unhedged Index (40%), Dimensional Short-Duration Real Return Index (20%), and Dimensional Global Short-Term Government Variable Maturity Index (Hedged to USD) (20%). The Wealth Index Model returns are calculated monthly as a weighted average of the returns of the underlying indices. The Dimensional Global Short-Term Government Index (Hedged to USD) is represented by the Bloomberg Barclays US Government 1-3 Year Bond Index at 75% weight and the ICE BolA US 3-Month Treasury Bill Index at 25% weight from January 1985 to October 1992 and the Bloomberg Barclays US Government 1-2 Year Bond Index from November 1992 to January 1999. The Dimensional Global Government/Credit 1-3 Year Unhedged Index is represented by the Bloomberg Barclays US Government/Credit 1-3 Year Bond Index from January 1985 to January 1999. The Dimensional Short-Duration Real Return Index is not available back to 1985. The Dimensional Short-Duration Real Return Index is represented by Bloomberg Barclays US TIPS Index 1-5 Years from August 1997 to October 2006. Prior to August 1997, its weight is redistributed pro rata to the other fixed income indices. The Dimensional Core Plus 0/100 Wealth Index Model has been retrospectively calculated by Dimensional and did not exist prior to March 2020.

### Appendix: Index Descriptions

![](_page_28_Picture_1.jpeg)

**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. 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 Index was amended in January 2014 to include direct profitability as a factor in selecting securities for inclusion in the index. Prior to January 1975: 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.

**Dimensional US High Profitability Index** was created by Dimensional in January 2014 and represents an index consisting of US companies. It is compiled by Dimensional. Dimensional sorts stocks into three profitability groups from high to low. Each group represents one-third of the market capitalization. Similarly, stocks are sorted into three relative price groups. The intersections of the three profitability groups and the three relative price groups yield nine subgroups formed on profitability and relative price. The index represents the average return of the three high-profitability subgroups. It is rebalanced twice per year. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Source: CRSP and Compustat. **Dimensional US Low Profitability Index** was created by Dimensional in January 2014 and represents an index consisting of US companies. It is compiled by Dimensional. Dimensional sorts stocks into three profitability groups from high to low. Each group represents one-third of the market capitalization. Similarly, stocks are sorted into three relative price groups. The intersections of the three profitability groups and the three relative price groups yield nine subgroups formed on profitability and relative price. The index represents the average return of the three low-profitability subgroups. It is rebalanced twice per year. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Source: CRSP and Compustat.

**Dimensional International Small Cap 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 the 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. 50% Hoare Govett Small Companies Index, 50% Nomura Small Companies Index.

The Dimensional Indices have been retrospectively calculated by Dimensional Fund Advisors LP and did not exist prior to their index inceptions 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. Backtested index performance is hypothetical and is provided for informational purposes only to indicate historical performance had the index been calculated over the relevant time periods. Backtested performance results assume the reinvestment of dividends and capital gains.

### Appendix: Index Descriptions

![](_page_29_Picture_1.jpeg)

**Fama/French US Total Market Research Index:** July 1926–Present: Fama/French Total US Market Research Factor + One-Month US Treasury Bills. Source: Ken French Website.

**Fama/French US Value Research Index:** Provided by Fama/French from CRSP securities data. Includes the lower 30% in price-to-book of NYSE securities (plus NYSE Amex equivalents since July 1962 and Nasdaq equivalents since 1973).

**Fama/French US Growth Research Index:** Provided by Fama/French from CRSP securities data. Includes the higher 30% in price-to-book of NYSE securities (plus NYSE Amex equivalents since July 1962 and Nasdaq equivalents since 1973).

**Fama/French International Value Index**: 2008–present: Provided by Fama/French from Bloomberg securities data. Simulated strategy of MSCI EAFE + Canada countries in the lower 30% price-to-book range. 1975–2007: Provided by Fama/French from MSCI securities data.

**Fama/French International Growth Index:** 2008–present: Provided by Fama/French from Bloomberg securities data. Simulated strategy of MSCI EAFE + Canada countries in the higher 30% price-to-book range. 1975–2007: Provided by Fama/French from MSCI securities data.

from Bloomberg securities data. Simulated strategy using IFC investable universe countries. Companies in the lower 30% price-to-book range; companies weighted by float-adjusted market cap; countries weighted by country float-adjusted market cap; rebalanced monthly. 1989–2008: Provided by Fama/French from IFC securities data. IFC data provided by International Finance Corporation.

**Fama/French Emerging Markets Growth Index:** 2009–present: Provided by Fama/French from Bloomberg securities data. Simulated strategy using IFC investable universe countries. Companies in the higher 30% price-to-book range; companies weighted by float-adjusted market cap; countries weighted by country float-adjusted market cap; rebalanced monthly. 1989–2008: Provided by Fama/French from IFC securities data. IFC data provided by International Finance Corporation.

Fama/French Emerging Markets Value Index: 2009–present: Provided by Fama/French

Results shown during periods prior to each Index's index inception date do not represent actual returns of the respective index. Other periods selected may have different results, including losses. Backtested index performance is hypothetical and is provided for informational purposes only to indicate historical performance had the index been calculated over the relevant time periods. Backtested performance results assume the reinvestment of dividends and capital gains. Eugene Fama and Ken French are members of the Board of Directors of the general partner of, and provide consulting services to, Dimensional Fund Advisors LP.

### Descriptions of Dimensional Indices

![](_page_30_Picture_1.jpeg)

Dimensional US Large 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 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 for the Dimensional US Large 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 1975: 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 20% of the Dimensional US Large Cap Index after the exclusion of utilities, companies lacking financial data, and companies with negative relative price.

**Dimensional US Small Cap Index** was created by Dimensional in March 2007 and is compiled by Dimensional. It represents a market-capitalization-weighted index of securities of the smallest US companies whose market capitalization falls in the lowest 8% of the total market capitalization of the Eligible Market. The Eligible Market is composed of securities of US companies traded on the NYSE, NYSE MKT (formerly AMEX), and Nasdaq Global Market. Exclusions: Non-US companies, REITs, UITs, and investment companies. From January 1975 to the present, the index also excludes companies with the lowest profitability and highest relative price within the small cap universe. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Source: CRSP and Compustat. The index monthly returns are computed as the simple average of the monthly returns of 12 sub-indices, each one reconstituted once a year at the end of a different month of the year. The calculation methodology for the Dimensional US Small Cap Index was amended on January 1, 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 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 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. Prior to January 1975: Targets securities of US companies traded on the NYSE, NYSE MKT (formerly AMEX), and Nasdaq Global Market whose relative price is in the bottom 25% of the Dimensional US Small Cap Index after the exclusion of utilities, companies lacking financial data, and companies with negative relative price.

**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 also excludes those companies with the lowest profitability and highest relative price within their country's value 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.

### Descriptions of Dimensional Indices

![](_page_31_Picture_1.jpeg)

**Dimensional International Small Cap Index** was created by Dimensional in April 2008 and is compiled by Dimensional. July 1981–December 1993: It Includes non-US developed securities in the bottom 10% of market capitalization in each eligible country. All securities are market capitalization weighted. Each country is capped at 50%. Rebalanced semiannually. January 1994–Present: 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. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. The index monthly returns are computed as the simple average of the monthly returns of four sub-indices, each one reconstituted once a year at the end of a different quarter of the year. Prior to July 1981, the index is 50% UK and 50% Japan. The calculation methodology for the Dimensional International Small Cap Index was amended on January 1, 2014, to include profitability as a factor in selecting securities for inclusion in the index.

**Dimensional International Small Cap Value 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 also excludes those companies with the lowest profitability within their country's small value 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 1994: Created by Dimensional; 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.

**Dimensional Emerging Markets 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 also excludes those companies with the lowest profitability and highest relative price within their country's value 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.

**Dimensional Emerging Markets Small Cap Index** was created by Dimensional in April 2008 and is compiled by Dimensional. January 1989–December 1993: Fama/French Emerging Markets Small Cap Index. January 1994–Present: Dimensional Emerging Markets Small Index Composition: 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. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. The index monthly returns are computed as the simple average of the monthly returns of four sub-indices, each one reconstituted once a year at the end of a different quarter of the year.

Source: Bloomberg. The calculation methodology for the Dimensional Emerging Markets Small Cap Index was amended on January 1, 2014, to include profitability as a factor in selecting securities for inclusion in the index.