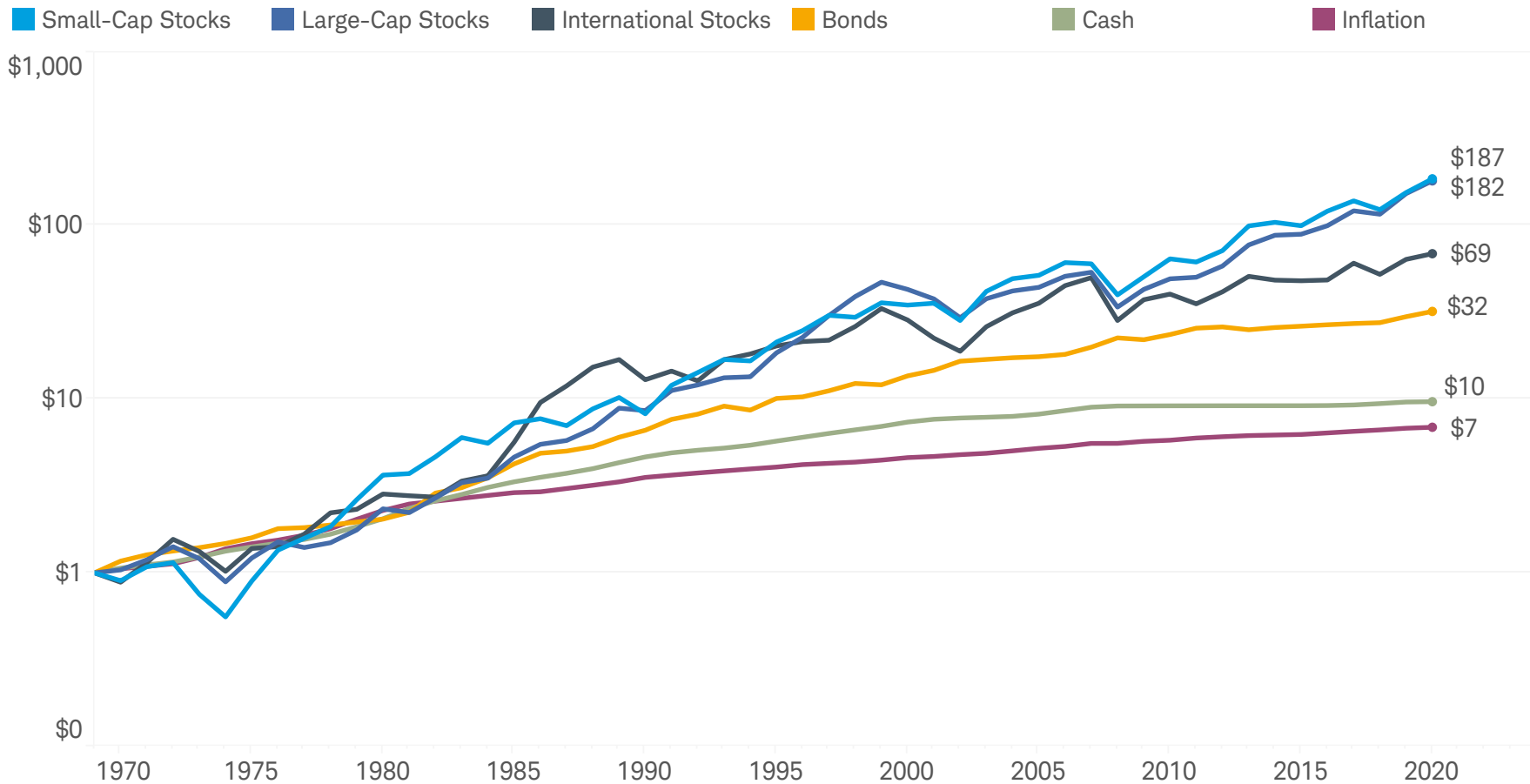


# Equities have historically outperformed other asset classes and inflation

(1970-2020)



The chart illustrates the growth in value of \$1.00 invested in various financial instruments on 1/1/1970. Results assume reinvestment of dividends, capital gains, and coupons; and no taxes or transaction costs. Generally small-cap stocks are in the bottom 50% of publicly traded companies based on market capitalization. These stocks are subject to greater volatility. Source: Morningstar, Inc. Based on the copyrighted works of Ibbotson. All rights reserved. Used with permission. The indices representing each asset class are S&P 500® Index (large-cap stocks); CRSP 6-8 Index (small-cap stocks) through 1978, Russell 2000 thereafter; Ibbotson Intermediate U.S. Government Bond Index (bonds); and Ibbotson U.S. 30-day Treasury bills (cash investments). For illustrative purposes only. Indices are unmanaged, do not incur fees or expenses, and cannot be invested in directly. For additional information, please see Schwab.com/IndexDefinitions. **Past performance is no guarantee of future results.**

# Disclosures

The information provided here is for general informational purposes only and should not be considered an individualized recommendation or personalized investment advice. The investment strategies mentioned here may not be suitable for everyone. Each investor needs to review an investment strategy for his or her own particular situation before making any investment decision.

Diversification and asset allocation do not eliminate the risk of investment losses.

Small cap stocks are subject to greater volatility than those in other asset categories.

International investments involve additional risks, which include differences in financial accounting standards, currency fluctuations, geopolitical risk, foreign taxes and regulations, and the potential for illiquid markets.

Investing involves risk, including loss of principal. Fixed income securities are subject to increased loss of principal during periods of rising interest rates. Fixed-income investments are subject to various other risks including changes in credit quality, market valuations, liquidity, prepayments, early redemption, corporate events, tax ramifications and other factors.

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