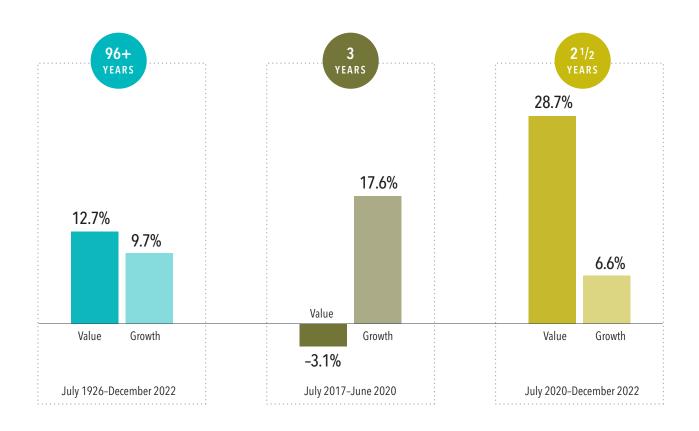


The Value of Discipline in Value Investing

RECENT VALUE PERFORMANCE IN CONTEXT



Value stocks have gone through periods of both extreme over- and underperformance in recent years—a reminder that even reliable premiums can be volatile over shorter periods.

- The 2½-year period ending December 2022
 was one of the best for the value premium in
 US stock market history: Value stocks beat
 growth stocks by an annualized 22.1%.
- The preceding three-year period, however, was historically bad for value stocks:
 Value underperformed growth by an annualized 20.7%.
- Investors deterred by the rough three-year stretch may have missed out on the sudden, strong return of the value premium.

Value stocks have outperformed growth stocks in the long run, though the road can be bumpy. Disciplined investors may be rewarded for staying the course.

1926 2017 2022

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

Value and growth stocks represented by the Fama/French US Value Research Index and the Fama/French US Growth Research Index, respectively.

Fama/French US Value Research Index: July 1926–present: 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: July 1926–present: 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).

The Fama/French indices represent academic concepts that may be used in portfolio construction and are not available for direct investment or for use as a benchmark. Index returns are not representative of actual portfolios and do not reflect costs and fees associated with an actual investment.

Results shown during periods prior to each index's 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.

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