

Zooming Out:

Tariffs Through the Long-Term Lens

Because Perspective Is a Powerful Asset

Money


What's Happening?

Key Takeaway:

News headlines move fast—and they rarely tell the whole story. Right now, clients are seeing dramatic coverage of newly imposed tariffs, fears of trade wars, and potential economic fallout.


The Big Picture:

Zoom out. The market has weathered similar storms before, and short-term headlines don't define long-term outcomes.

 Yahoo

[Stock market today: Dow, S&P 500, Nasdaq futures plunge with Trump tariff rou...](#)


1 day ago




 USA Today

[Stock futures plunge as Trump tariff reality sinks in: See how DOW, S&P,...](#)


1 day ago



 CNN

[US stocks off to major bounce back from their tariff doom spiral](#)

2 hours ago



[Trump's Tariffs and China Collide to Shock the \\$15 Trillion Global Economy](#)

13 hours ago




 CNBC


Trump tariffs: White House says 104% China tariffs take effect at midnight


LIVE 10 minutes ago



 The New York Times


[Stock Market Chaos Over Tariffs Could Take Toll on Economy](#)



 NPR

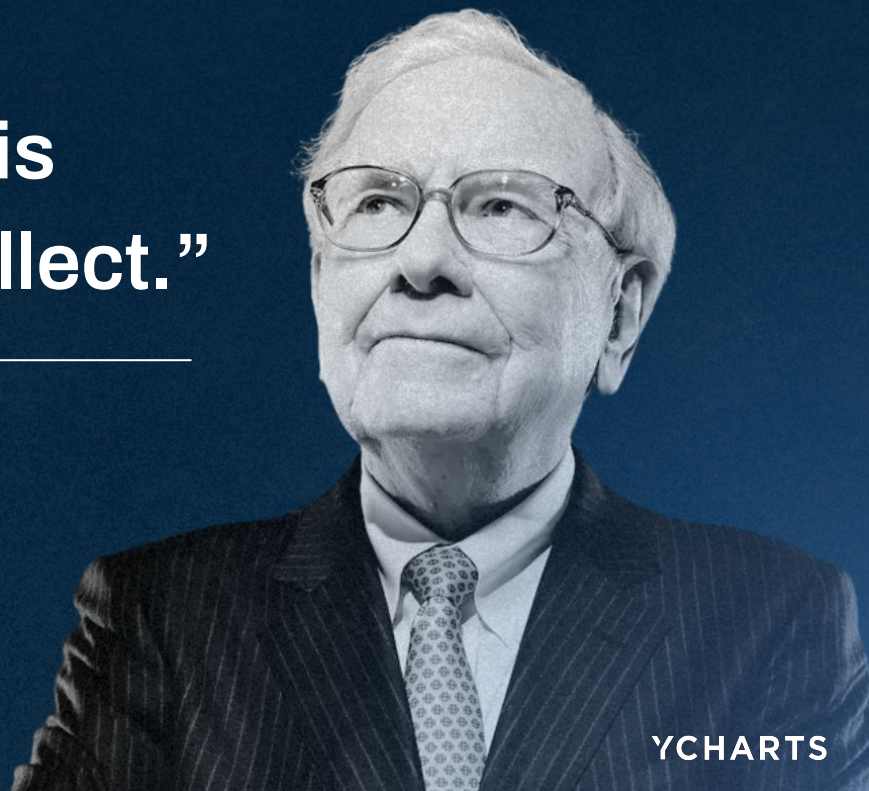
[U.S. stock markets bounce back after Trump tariffs shock — but nerves abound](#)

4 hours ago

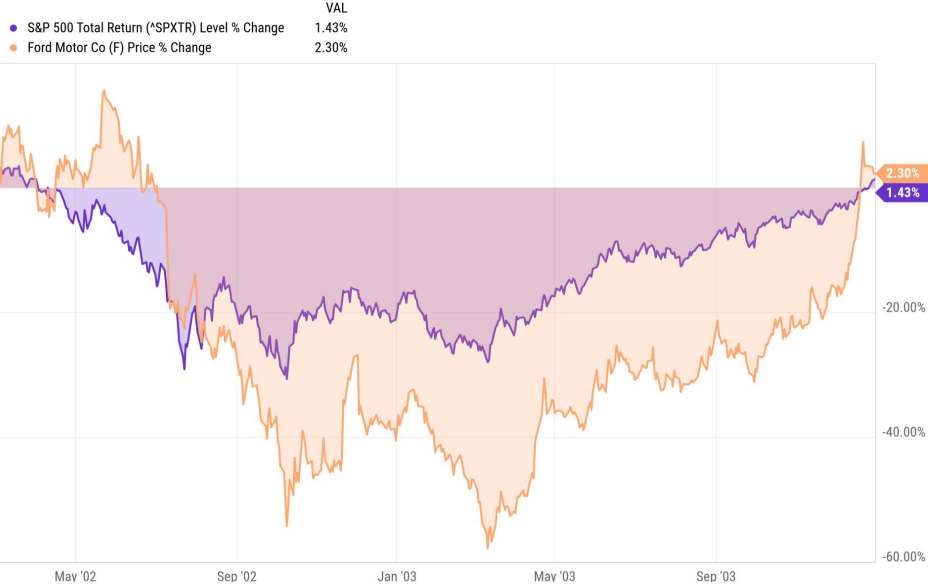


**“ The most important
quality for an investor is
temperament, not intellect.”**

Warren Buffett



2002 Steel Tariffs



The performance data quoted presents past performance; past performance does not guarantee future results; the investment return and principal value of an investment will fluctuate; an investor's shares, when redeemed, may be worth more or less than their original cost; current performance may be lower or higher than the performance data quoted. The most recent month end performance data can be accessed at https://go.ycharts.com/fund_contact_info.

Date Range: 03/01/2002 - 12/31/2003

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2002 Steel Tariffs

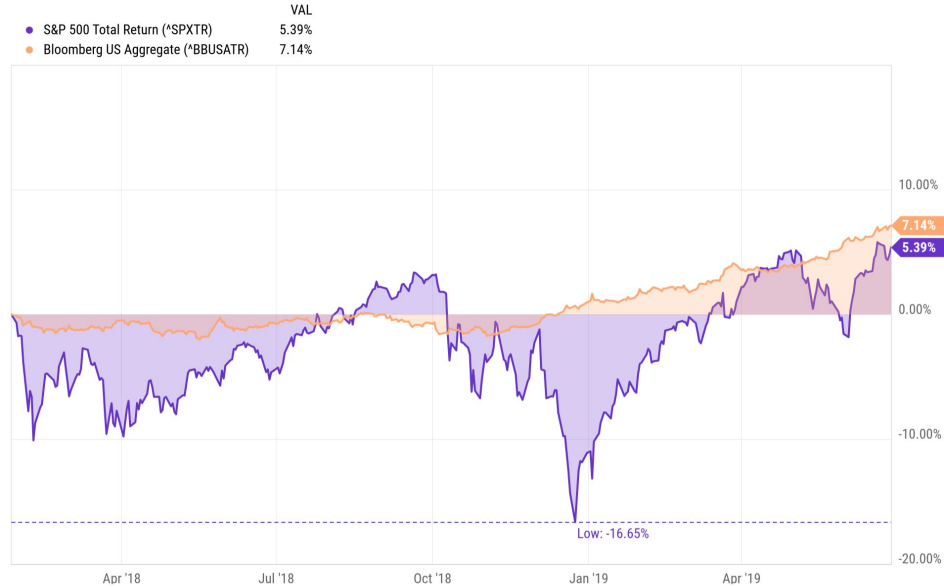
Key Takeaway:

In 2002, tariffs were enacted on foreign steel to protect U.S. manufacturers. Markets saw short-term fluctuations—but ultimately continued their long-term upward trend.

The Big Picture:

Tariffs are not new. They've been part of market cycles for decades, and long-term investors who stayed the course were rewarded for their patience.

2018 First Term Trump Tariffs



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Date Range: 01/26/2018 - 06/28/2019

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2018 First Term Trump Tariffs

Key Takeaway:

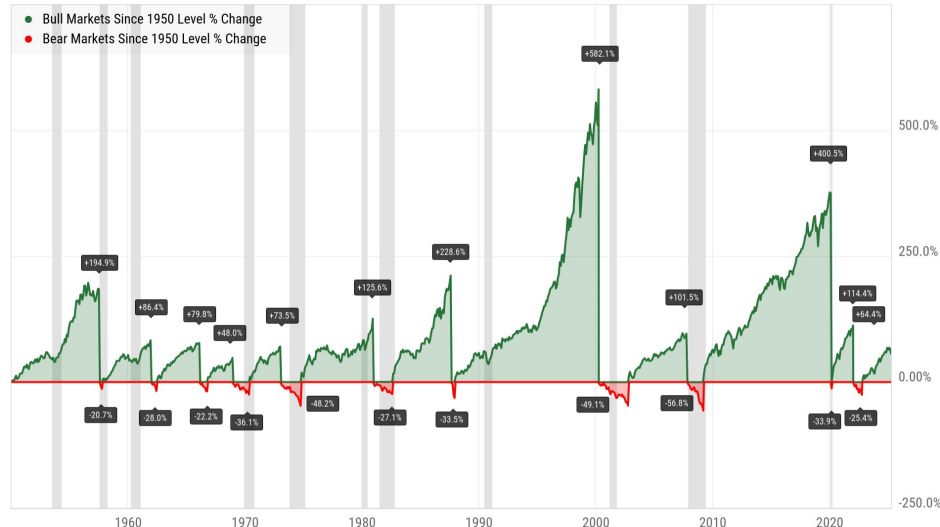
The 2018 tariffs sparked concerns about a U.S.–China trade war. Despite the noise, the S&P 500 ended the year nearly flat—and went on to post strong gains in 2019.

The Big Picture:

Markets can absorb uncertainty. It's not about avoiding volatility, but managing through it with discipline and perspective.

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Bull and Bear Markets Since 1950



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Date Range: 01/03/1950 - 03/31/2025

Gray = US Recessions; Past performance is no guarantee of future results. You cannot invest directly in an index

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Bull & Bear Markets since 1950

Key Takeaway:

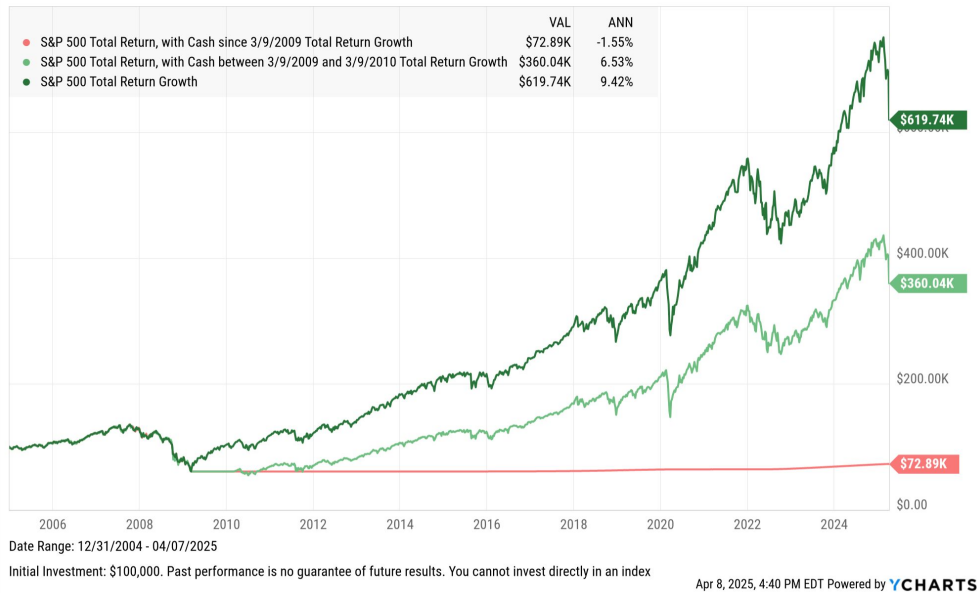
Since 1950, bear markets have always been followed by bulls—and the bulls last longer and run higher.

The Big Picture:

Volatility is part of investing. But historically, those who remained invested emerged stronger on the other side.

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The Value of Staying Invested, Even Through Volatility in 2009



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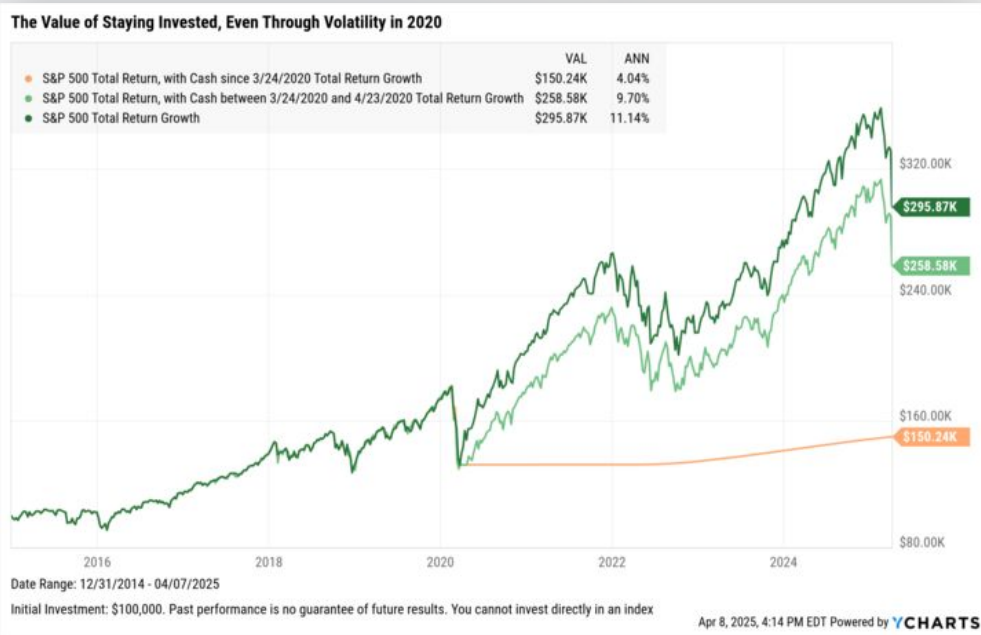
The Value of Staying Invested (2009)

Key Takeaway:

During the 2008 financial crisis, many panicked and moved to cash. But those who stayed invested saw significant recovery and growth.

The Big Picture:

Missing just a few months of recovery can mean missing years of returns. Staying invested pays off—especially when it feels most difficult.



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The Value of Staying Invested (2020)

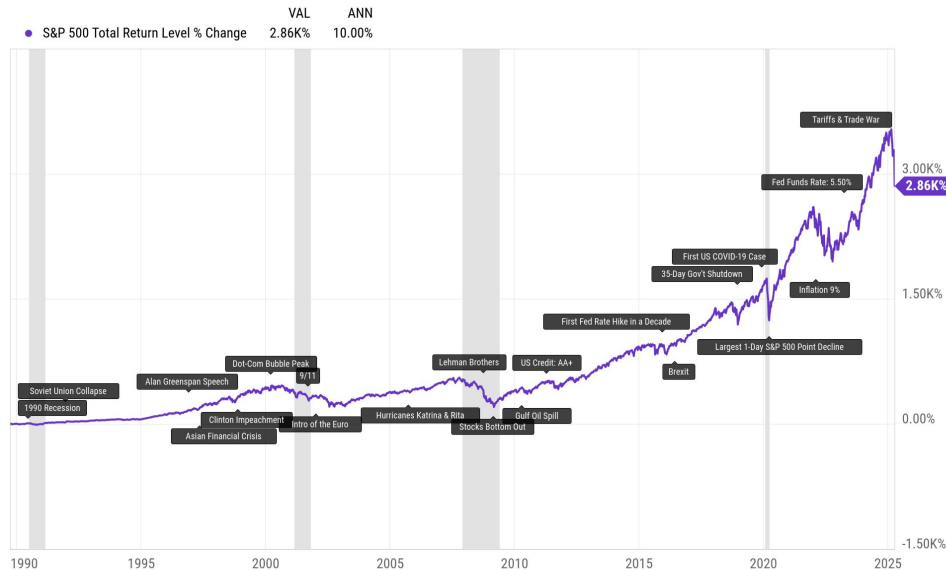
Key Takeaway:

When the market crashed during the onset of COVID-19, those who moved to cash missed one of the fastest recoveries in market history.

The Big Picture:

Times of fear often lead to hasty decisions. This chart reinforces that patience and perspective are powerful tools for long-term investors.

"Reasons to Sell"



Date Range: 09/29/1989 - 04/08/2025

Gray = US Recessions; Past performance is no guarantee of future results. You cannot invest directly in an index

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Panic Has a Price Tag

Key Takeaway:

Emotional decisions—like selling during a downturn—may feel rational in the moment, but history shows they often lock in losses and miss the upside.

The Big Picture:

Markets recover. Investors who act on fear tend to underperform those who stick to a plan. Helping clients stay invested isn't just good advice—it's quantifiably valuable.

S&P 500 Corrections that Made Headlines since March 2009

YCHARTS

Correction Period	# Days	Start of Period	End of Period	% Decline	"Stocks Fall On..."
2025: Feb 19 - Apr 7*	47	6144	5062	-17.61%	Tariffs, Trade Wars and Recession Fears
2024: Jul 16 - Aug 5	20	5667	5186	-8.49%	Recession Fears, Fed Behind Curve, Nikkei Crash
2024: Mar 28 - Apr 19	22	5254	4967	-5.46%	Stubborn Inflation, Fed Pushing Back Rate Cuts, Iran/Israel Conflict
2022: Jan 4 - Oct 13	282	4794	3670	-23.44%	Inflation, Rising Rates/Fed Tightening, Russia/Ukraine War, Recession Fears
2021: Nov 22 - Dec 3	11	4683	4538	-3.09%	Covid Omicron Variant, Fed Taper Fears
2021: Sep 2 - Oct 4	32	4537	4300	-5.21%	China Contagion Fears, Fed Taper Fears, Covid Delta Variant
2021: Feb 16 - Mar 4	16	3933	3768	-4.17%	Inflation Fears, Rising Rates
2020: Sep 2 - Sep 24	22	3581	3247	-9.33%	Coronavirus, No New Stimulus Deal, Election Fears
2020: Feb 19 - Mar 23	33	3386	2237	-33.93%	Coronavirus, Global Depression Fears
2019: Jul 26 - Aug 5	10	3026	2845	-5.99%	Trade War, Tariffs, Yuan Devaluation, Recession Fears
2019: May 1 - Jun 3	33	2924	2744	-6.13%	Trade War, Tariffs, Inverted Yield Curve, Global Slowdown/Recession Fears
2018: Sep 21 - Dec 26	96	2930	2468	-15.77%	Rising Rates, China Slowdown, Trade War/Tariffs, Housing Slowdown
2018: Jan 26 - Feb 9	14	2873	2620	-8.82%	Inflation Fears, Rising Rates
2016: Aug 15 - Nov 4	81	2190	2085	-4.79%	Election Fears/Concerns/Jitters
2015/16: May 20 - Feb 11	267	2126	1829	-13.96%	Greece Default, China Stock Crash, EM Currencies, Falling Oil, North Korea
2014/15: Dec 29 - Feb 2	35	2091	2021	-3.34%	Falling Oil, Strong Dollar, Weak Earnings
2014: Dec 5 - Dec 16	11	2075	1973	-4.95%	Falling Oil, Strong Dollar
2014: Sep 19 - Oct 15	26	2010	1862	-7.36%	Ebola, Global Growth Fears, Falling Oil
2014: Jan 15 - Feb 5	21	1848	1752	-5.23%	Fed Taper, European Deflation Fears, EM Currency Turmoil
2013: May 22 - Jun 24	33	1655	1573	-4.97%	Fed Taper Fears
2012: Sep 14 - Nov 16	63	1466	1360	-7.22%	Fiscal Cliff Concerns, Obama's Re-Election
2012: Apr 2 - Jun 4	63	1419	1278	-9.93%	Europe's Debt Crisis
2011: May 2 - Oct 4	155	1361	1124	-17.43%	Europe's Debt Crisis, Double-Dip Recession Fears, US Debt Downgrade
2011: Feb 18 - Mar 16	26	1343	1257	-6.41%	Libyan Civil War, Japan Earthquake/Nuclear Disaster
2010: Apr 26 - Jul 1	66	1212	1027	-15.24%	Europe's Debt Crisis, Flash Crash, Growth Concerns
2010: Jan 19 - Feb 5	17	1150	1066	-7.31%	China's Lending Curbs, Obama Bank Regulation Plan
2009: Oct 21 - Nov 2	12	1081	1043	-3.56%	Worries About The Recovery
2009: Sep 23 - Oct 2	9	1061	1025	-3.36%	Worries About The Recovery
2009: Jun 11 - Jul 7	26	945	881	-6.76%	World Bank Neg Growth Forecast; Fears Market Is Ahead Of Recovery
2009: May 8 - May 15	7	929	883	-4.99%	Worries That Market Has Gotten Ahead Of Itself
Median	26			-6.59%	

Corrections are Loud, Recoveries are Quiet

Key Takeaway:

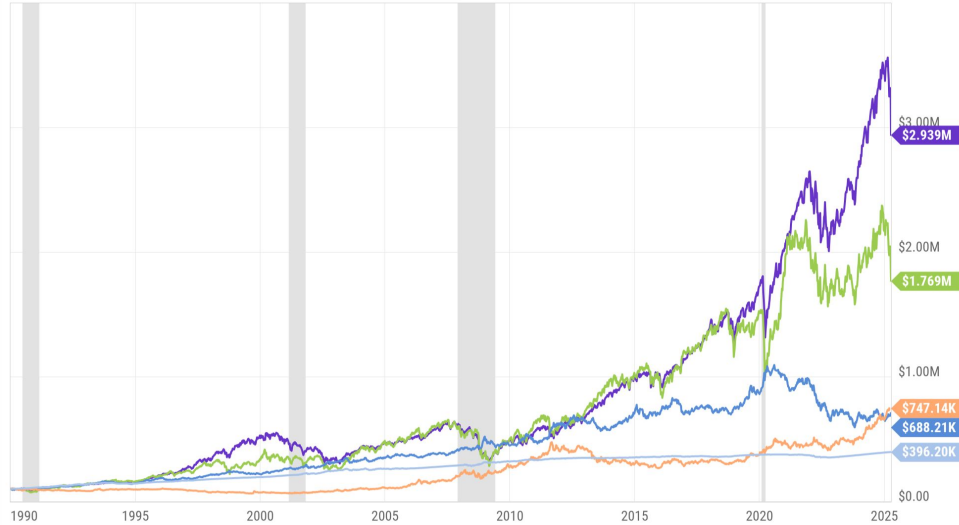
Since 2009, the S&P 500 has seen frequent 5%+ pullbacks—each driven by different macro events. This table highlights the size, duration, and cause of each correction to show that volatility is common, not unusual.

The Big Picture:

Corrections are common, often fast-moving, and usually triggered by macro uncertainty. The data is a reminder that volatility is routine, not exceptional—and staying invested through corrections has historically been rewarded.

The Long-Term Power of Markets

	VAL	ANN
● S&P 500 Total Return Growth	\$2.939M	10.06%
● Russell 2000 Total Return Growth	\$1.769M	8.49%
● Vanguard Long-Term Treasury Fund Investor Total Return Growth	\$688.21K	5.62%
● Gold Price in US Dollars Growth	\$747.14K	5.88%
● DFA Short-Term Government Portfolio Institutional Total Return Growth	\$396.20K	3.98%



Date Range: 12/29/1989 - 04/07/2025

Gray = US Recessions. Initial Investment: \$100,000. Past performance is no guarantee of future results. You cannot invest directly in an index.

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The Long-Term Power of Markets

Key Takeaway:

Despite global events, policy changes, and short-term setbacks, the market's long-term trajectory has been overwhelmingly positive.

The Big Picture:

Let this chart do the heavy lifting. The message is simple: volatility is temporary, growth is enduring.



Help Clients See ‘The Big Picture’: *Summary Talking Points*

- The market has weathered similar storms before, and short-term headlines don’t define long-term outcomes .
- Tariffs are not new. They’ve been part of market cycles for decades, and long-term investors who stayed the course were rewarded for their patience.
- Markets can absorb uncertainty. It’s not about avoiding volatility, but managing through it with discipline and perspective.
- Volatility is part of investing. But historically, those who remained invested emerged stronger on the other side.
- Missing just a few months of recovery can mean missing years of returns. Staying invested pays off—especially when it feels most difficult.
- Times of fear often lead to hasty decisions. Patience and perspective are powerful tools for long-term investors.
- Markets recover. Investors who act on fear tend to underperform those who stick to a plan.
- Corrections are common, often fast-moving, and usually triggered by macro uncertainty. Volatility is routine, not exceptional—and staying invested through corrections has historically been rewarded.

Calm the Chaos with Clarity

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