

# QUALITY DIVIDEND GROWTH EQUITIES

## Dividend Aristocrats in Action: Drawdowns and Rebounds

What's a valuable way to assess the performance of an investment strategy? By looking not only at how it performs when the market is up, but how it reacts to inevitable downturns. With that in mind, we looked at the market's worst drawdowns since the S&P 500® Dividend Aristocrats® Index's inception in 2005. Then we looked at subsequent performance when the market recovered.

### Dividend Aristocrats typically outperformed in drawdowns—and rebounds

Here's what the data show about this group of companies, each of which has demonstrated an impressive 25+ consecutive years of dividend growth to be considered a Dividend Aristocrat. The drawdowns column shows the S&P 500's worst drops, starting with the fourth quarter of 2008. The next column shows how much the Dividend Aristocrats over or underperformed—in all but one instance, they outperformed.

Then, the remaining columns track how the Dividend Aristocrats performed as the market rebounded. As they show, these elite dividend growers outperformed the S&P 500 in seven out of the 10 available one, three and five year periods after a given drawdown.

### S&P 500 Dividend Aristocrats Index vs. S&P 500

Worst Drawdowns, and Subsequent Rebounds (May 2005 - June 2020)

S&P 500's Five Worst Drawdowns	Dividend Aristocrats Outperformed by...	THE REBOUND: Dividend Aristocrats Outperformed by...		
Q4 2008: <b>-21.94%</b>	<b>5.50%</b>	1 year later <b>0.09%</b>	3 years later <b>3.73%</b>	5 years later <b>2.47%</b>
Q1 2020: <b>-19.60%</b>	<b>-3.69%</b>	1 year later	3 years later	5 years later
Q3 2011: <b>-13.87%</b>	<b>3.55%</b>	1 year later <b>-0.10%</b>	3 years later <b>0.01%</b>	5 years later <b>1.62%</b>
Q4 2018: <b>-13.52%</b>	<b>4.89%</b>	1 year later <b>-3.51%</b>	3 years later	5 years later
Q2 2010: <b>-11.43%</b>	<b>2.58%</b>	1 year later <b>0.03%</b>	3 years later <b>2.66%</b>	5 years later <b>1.36%</b>
Average Outperformance	<b>2.57%</b>	1 year later <b>-0.87%</b>	3 years later <b>2.13%</b>	5 years later <b>1.81%</b>

Source: Bloomberg. Index returns are for illustrative purposes only and do not represent actual fund performance. Index performance returns do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index. Past performance does not guarantee future results. See reverse side for fund performance.

## The takeaway: NOBL's strategy showed resiliency when markets declined

If you're looking for high-quality large-cap stocks that have a demonstrated history of weathering market turbulence, consider ProShares S&P 500® Dividend Aristocrats® ETF (NOBL). Many investors have come to expect outperformance of dividend growth strategies during periods of market stress. But perhaps even more impressive is that NOBL's index outperformed the market in 8 of 10 subsequent periods from the index's inception in 2005 to 2020.

**ProShares offers the largest suite of ETFs focused on dividend growers, covering various U.S. market caps as well as international markets.**



### Find out more

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### Fund performance and index history

Fund inception (October 9, 2013) through 6/30/2020

		1-Year	3-Year	5-Year	Since Fund Inception
S&P 500 Dividend Aristocrats ETF (NOBL)	NAV Market Price	-0.62% -0.61%	7.62% 7.62%	8.77% 8.78%	10.27% 10.26%
S&P 500 Dividend Aristocrats Index		-0.30%	8.05%	9.21%	10.70%
S&P 500 Index		7.51%	10.72%	10.72%	12.03%

Source: ProShares, Bloomberg.

NOBL's total operating expenses are 0.35%. The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Shares are bought and sold at market price (not NAV) and are not individually redeemed from the fund. Market price returns are based upon the midpoint of the bid/ask spread at 4:00 p.m. ET (when NAV is normally determined for most funds) and do not represent the returns you would receive if you traded shares at other times. Brokerage commissions will reduce returns. Current performance may be lower or higher than the performance quoted. Standardized returns and performance data current to the most recent month end may be obtained by visiting [ProShares.com](https://www.proshares.com).

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