



# Title: Style Investing: A Study in Long-Term Performance of Growth and Value Stocks, 2009-2021

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## Study Objectives:

1. Test the hypotheses  
Value outperforms growth and small-cap stocks  
outperform large-cap stocks over long periods of time
2. Periods of Analysis: 2009-2021
3. Portfolio Evaluation
  - a. 3 Wilshire Growth Funds
  - b. 3 Wilshire Value Funds
4. Size Stratification
  - a. Large cap
  - b. Midcap
  - c. Small cap
5. Weights
  - a. Price-Weighted
  - b. Market Value Weighted
6. Return Algorithm  
 $R_i(T+N) = P_i(T+N)/P_i(T)$   
 Where:  
 $R_i$  = Return to ith fund  
 $P_i$  = Index Value  
 $T$  = 2009-2019  
 2009-2020  
 2009-2021

Table 1.

Growth and Value Index Funds*				
Cumulative Returns				
Style	2009-2019	2009-2020	2009-2021	
LCG	483%	684%	905%	
LCV	316%	392%	495%	
MCG	498%	680%	745%	
MCV	496%	613%	602%	
SCG	544%	727%	806%	
SCV	695%	855%	387%	

\*Price Weighted

Table 3.

Cumulative Returns*				
Time Period	LCG	LCV	SCG	SCV
2009-2019	483%	316%	544%	695%
2009-2020	684%	392%	727%	855%
2009-2021	905%	495%	806%	387%

\*Price Weighted

Table 2.

Growth and Value Index Funds*				
Cumulative Returns				
Style	2009-2019	2009-2020	2009-2021	
LCG	430%	618%	825%	
LCV	343%	375%	492%	
MCG	524%	622%	757%	
MCV	406%	395%	538%	
SCG	660%	792%	963%	
SCV	383%	413%	563%	

\*Market Weighted

Table 4.

Cumulative Returns*				
Time Period	LCG	LCV	SCG	SCV
2009-2019	430%	343%	660%	383%
2009-2020	618%	375%	792%	413%
2009-2021	825%	492%	963%	563%

\*Market Weighted

Conclusions: 1. LCG outperforms LCV, 2. MCG outperforms MCV, SCV outperforms in two of the three time periods. (Price Weighted)

Same pattern exists for market weighted portfolios. SCG and SCV outperformed LCG and LCV two of the three time periods for both price weighted and market weighted portfolios. Hypothesis test that value outperforms growth was not proven. Small-Cap outperforms large cap proven in two of three time periods.