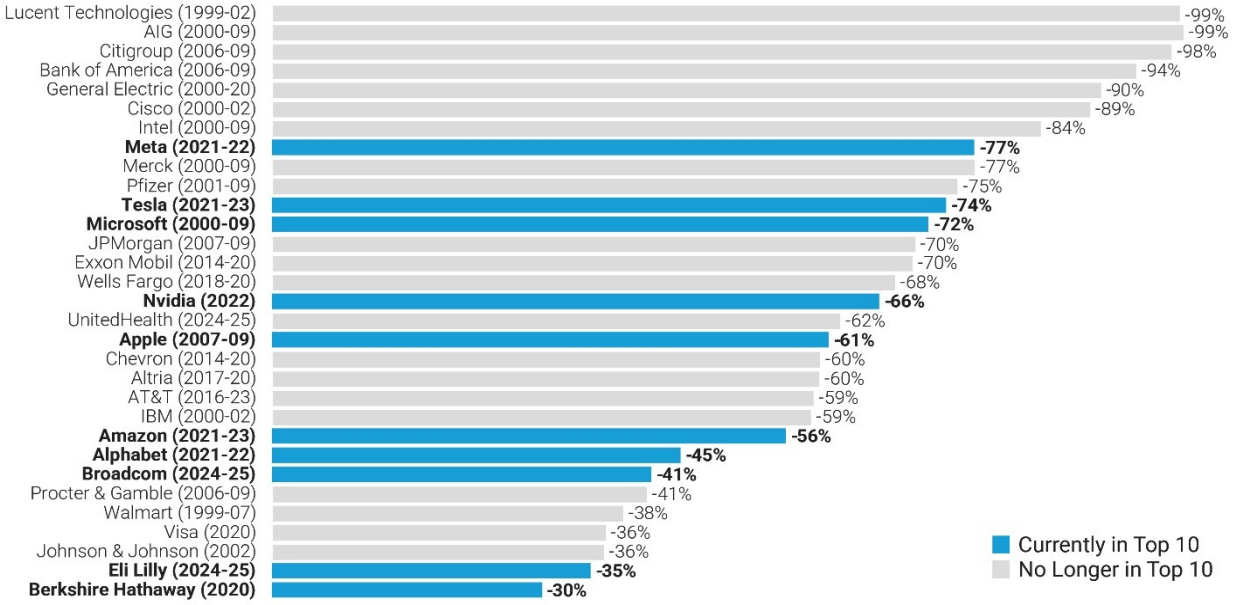
It is easy to assume the market's largest companies are also its safest. This week's chart puts that idea to the test. It looks at every company that has ranked among the ten largest in the S&P 500 at the end of any year since 1999, and how far its stock fell at its worst point afterward. All 31 declined at least 30%. Twenty-three, almost three in four, lost 50% or more, and seven fell more than 80%. Most are no longer in the top ten. Even today's leaders experienced declines ranging from 30% to 77% along the way.

The lesson is not that large companies are poor investments. Several of today's leaders recovered and climbed back to the top. It is that size does not protect a stock from steep declines, and market leadership tends to change over time. That matters today, when a small group of the largest companies makes up a large share of the index. This does not mean today's leaders are about to fall. It means owning them should be a deliberate choice, not an assumption of safety. Our **RiskFirst®** approach diversifies across multiple sources of return and manages risk with discipline, so no single group of companies has to carry the portfolio.

Size Isn't Safety

Largest Drawdowns Among Current and Former S&P 500 Top 10 Stocks



Sources: Bloomberg, Redwood. Data as of 11/18/2026.

Regards,
Shrier Associates LLC

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