How is the best/worst returns graph calculated?

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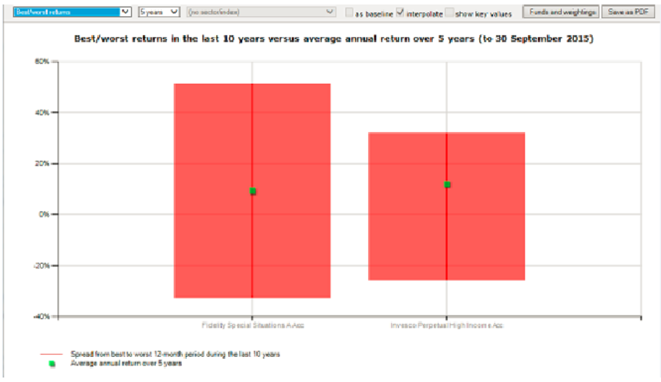
The best/worst returns graph shows a fund’s average annual return over the chosen period versus the range from its best to worst returns over the last 10 years. (Note that the best-worst range always looks at the full 10 years regardless of the time period you choose for calculating the average return).



In the example screenshot above, the first fund’s best return – over any rolling 12-month period during the last 10 years – is about+50%. Its worst 12-month return was -32%. Its average return over the last 5 years falls at about 25% of its best performance.

This graph is most useful when comparing multiple funds. The screenshot to the right broadly illustrates that better overall returns come at the expense of a greater variation in returns, and therefore greater risk.(However, the best-performing fund has a lowest return no worse than either of the other two funds.)