Modern Mercantilism: Trade, Technology, and Strategic Power in the 21st Century

GLOBAL MACROECONOMIC RESEARCH SERIES

JUNE 2025

GLOBAL MACROECONOMIC INVESTMENT COMMITTEE
Alison Adams, PhD
Frank Benham, CFA, CAIA

Over the past half-century, free trade policies have been the cornerstone of global economic integration, driven by neo-liberal ideals that championed open markets, low or no tariffs, and the free flow of goods and services across borders. These principles, endorsed by institutions like the World Trade Organization (WTO) and ostensibly embraced by many western economies, paved the way for unprecedented levels of globalization, fostering interdependence among nations and fueling economic growth.

However, in a shift reminiscent of mercantilist doctrines of the past, many nations, including the United States, are increasingly adopting policies that prioritize self-sufficiency, safeguard strategic industries, and build resilient supply chains. This evolving approach reflects a nuanced blend of free trade with targeted protectionism, signaling a departure from unfettered globalism toward a more calculated and strategic economic framework.

Key takeaways

- Modern mercantilism, or neo-mercantilism, seeks to align industrial, technological, and trade policies to achieve national goals like self-reliance and national security.
- Nation-states have a long history of mercantilism, while the global embrace of free trade is a relatively new phenomenon. Though the economic ideal of free trade was a driving factor for globalization, many countries retained elements of protectionism for various national strategic interests.
- Historical mercantilism emphasized trade surpluses and bullion accumulation, while neo-mercantilism integrates competition and innovation with strategic national interests. Under neo-mercantilism, the state takes an active role in implementing industrial policies, challenging the laissez-faire principles of traditional trade liberalism.
- The US has quickly moved down the path of mercantilism under the second Trump administration, and other countries are likely to follow suit. As the world shifts closer to modern mercantilism, investors may find that shifts in global trade policies could impact investment returns.

What is modern mercantilism?[1]

Mercantilism is an economic policy where a country aims to build its wealth and power by controlling trade and protecting its industries. Historically, countries practicing mercantilism tried to keep gold and silver within their borders and focused on exporting goods to boost their economies. Governments would often step in to help local industries succeed, sometimes by restricting competition from foreign businesses.

Modern mercantilism, or neo-mercantilism, is "a belief in the need for strategic trade protectionism and other forms of government activism to promote state wealth and power."[2] It seeks to integrate industrial, technological, and financial tools with trade policy to achieve strategic national goals such as energy autonomy and resilient supply chains.

While modern mercantilism does not emphasize the accumulation of gold and silver that was a principal component of traditional mercantilism, the desire for national self-sufficiency may lead countries to diversify away from the US dollar. This is because countries may view dollar dependence as a vulnerability, especially given the increasing willingness of the US to "weaponize" the dollar

[1] We first saw the term "modern mercantilism" in the context of the Trump Administration from Bridgewater Associates in November 2024.

[2] Source: Brown University Watson Institute, Lecture, E. Helleiner, "The Neomercantilists: A Global Intellectual History," March 15, 2022.

(e.g., via sanctions) in recent years. Countries are also likely to explore alternative payment systems and reserve currencies, so as to reduce their reliance on foreign (primarily USD-based) currencies.

Since the COVID-19 pandemic, countries and companies have re-engineered supply chains and domestic industrial policies to derisk their critical imports and promote strategic self-sufficiency.[3] Under the second Trump administration, the US government appears to be playing a more active role in supporting the development of US leadership in innovation and strategic self-sufficiency, with a focus on next generation technology, energy generation, and national security.

[3] Source: IMF, World Economic Outlook, April 2025.

Some pundits believe that this shift represents a broader 'neo-mercantilist moment' in economic policy, not only in the US but also globally.[4] The neo-mercantilists in the US and in Europe have not unilaterally rejected the liberal ideas of capitalism, but rather they have come to believe that some strategic national goals require more support and direction from the government. These strategic goals include energy autonomy, resilient supply chains (particularly for key imports), and technological innovation.[5] And in the case of the US, the Trump administration is keen to reduce the trade deficit.

[4] Source: CSIS, F. Steinberg, "The Neomercantilist Moment," May 5, 2023.

[5] Ibid.

Historical context: free trade v. neo-mercantilism

The classical mercantilists of the 17th and 18th centuries believed that economic security rested on trade surpluses and the accumulation of bullion. Governments intervened directly, establishing monopolies and imposing tariffs to protect domestic industries. The rent-seeking behavior of these favored monopolies ultimately distorted and suppressed competition and innovation.[6] Critical resources were mis-managed or even wasted.

[6] In this instance, rent-seeking behavior could include efforts to manipulate and exploit political and economic environments to limit free competition.

Adam Smith argued in his 1776 work *The Wealth of Nations* that free trade and comparative advantage offered a more efficient allocation of resources.[7] As an ideal, the unfettered dynamism of individual enterprise and innovation gained support, especially among British industrialists of the nineteenth century. However, the Smithian ideal rarely, if ever, was fully implemented. Historians tend to distinguish national traditional mercantilism practiced prior to the publication of *The Wealth of Nations* to versions that followed. Post-Smithian mercantilism, often called neo-mercantilism, attempts to optimize the benefits of trade balanced with local conditions and the goals of the nation-state.[8]

[7] Source: A. Smith, "An Inquiry into the Nature and Causes of the Wealth of Nations" 1776.

[8] Source: Brown University Watson Institute, Lecture, E. Helleiner, "The Neomercantilists: A Global Intellectual History," March 15, 2022.

In contrast to traditional trade liberalism, with its *laissez-faire* approach, the state is expected to play a much larger role in the economy under neo-mercantilism. Rather than the "invisible hand" guiding the allocation of resources, the state will actively intervene.[9] Industrial policy is implemented to foster self-reliance and bolster national defense. Corporate champions in select industries are

[9] The invisible hand is a metaphor coined by Adam Smith that describes how individuals pursuing their own self-interest in a free market unintentionally promote the overall good of society through the efficient allocation of resources.

supported or safeguarded for national interests.

The United States was neo-mercantilist at its founding and arguably for more than a century thereafter (see Figure 1).[10] In 1787, one of the most important actions taken by the Constitutional Convention was to grant the newly formed government of the US the right to impose tariffs on imports.[11] Almost immediately Jefferson, Madison, and Hamilton began to debate the role of tariffs. Hamilton envisioned a steady stream of fiscal revenue to support the government, while Jefferson and Madison had a reciprocity vision where countervailing tariffs would protect the nascent domestic industry while punishing trade partners that sought to hinder US advancement.[12]

[10] Source: Brown University Watson Institute, Lecture, E. Helleiner, "The Neomercantilists: A Global Intellectual History," March 15, 2022.

[11] Source: NBER, D. Irwin, "Founding Feuds Over Early US Trade Policy," December 2010.

[12] Ibid.

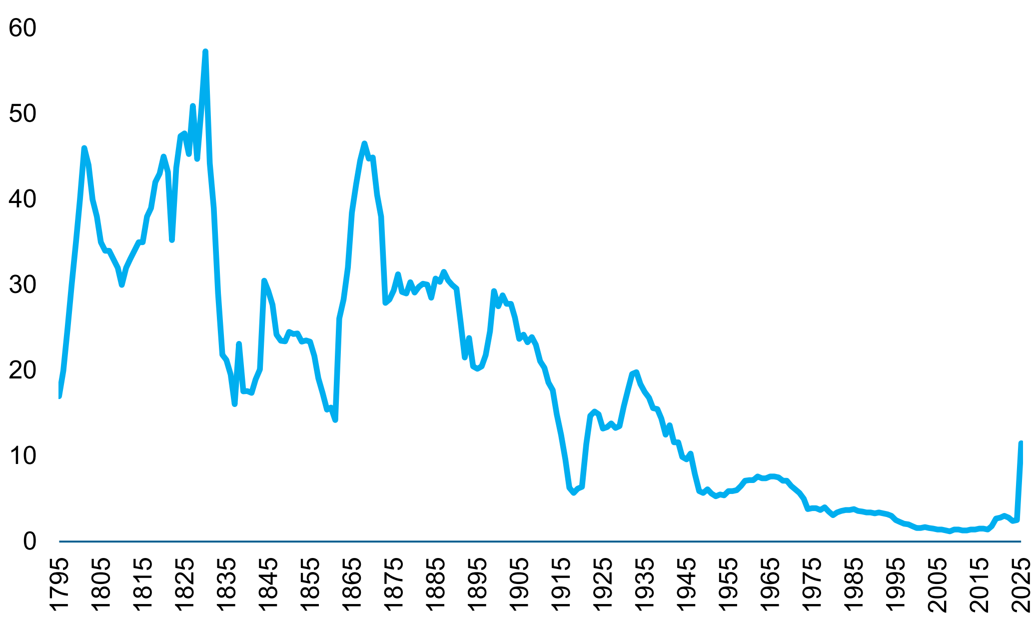

FIGURE 1

US Import Tariff Rates 1795-2025 (%)

Source: Data prior to 1821 from NBER, D. Irwin, "US Trade Policy in Historical Perspective," 2019. Data after 1821 is from Tax Foundation, E. York *et al.*, "Trump Tariffs: Tracking the Economic Impact of the Trump Trade War," May 27, 2025. Historical estimates of national tariff rates can vary depending on authors' calculations. Calculation of average tariffs in the eighteenth and nineteenth century has been estimated by historical records including federal national receipts, federal import tariff rules, and commercial import data. Over time, tariffs on imports have shifted on types of goods. Post WWII average tariff data compiled by Federal agencies.

During the Industrial Revolution and the Gilded Age, mercantilist policies played a pivotal role in shaping the economic and industrial growth of the US. Between 1861 and 1933, the average tariff rate on dutiable imports rose to 50%.[13] The government actively intervened in the economy through protective tariffs, which shielded nascent industries from foreign competition and allowed domestic manufacturers to thrive. These tariffs not only fostered the growth of key sectors such as steel, textiles, and railroads, but also created a market for innovation and industrial expansion. Additionally, state-sponsored infrastructure projects, like the development of the transcontinental railroad, facilitated the movement of goods and resources, integrating the national economy and opening new markets. Policies designed to prioritize domestic production and reduce reliance on imports bolstered the emergence of corporate giants, or "robber barons", whose enterprises dominated key industries and established the US as a global industrial power by the late 19th century.

[13] Source: NBER, D. Irwin, "US Trade Policy in Historical Perspective," 2019.

Neo-mercantilist policies can also be found in countries like Japan and Germany, among others, in the 19th century and early 20th century.[14] Japan focused on state-driven industrialization and militarization, using protective tariffs and subsidies to develop key sectors like steel and shipbuilding, which supported its imperial expansion. Similarly, Germany implemented robust industrial policies, including targeted investment in heavy industries and infrastructure, which enabled it to emerge as a global industrial power by the early 20th century. Some countries, such as England, exercised a variant of neo-mercantilism in the form of neo-imperialism, where trade, protectionism, and profitable deployment of capital to their far-flung vassal states was as much about securing regional dominance (i.e., empire building) as securing new markets.[15]

[14] Source: D. Rodrik, "What the Mercantilists Got Right," May 2025.

[15] Source: I. Wallerstein, "The Modern World-System," 2011.

Pure free trade has been more of a conceptual ideal based on the economic principles most recently incorporated into the multilateral development playbook called the "Washington Consensus," which advocated a reduction in trade barriers.[16] The Cold War between the Soviet Union and the NATO countries divided the global economy into trading blocs, with one bloc pursuing the accumulation of capital and the other shunning private property and the Smithian ideal of free trade.[17] When the Soviet Union collapsed, the ideal of free trade, free capital, and individualism became predominant.[18]

[16] Source: "Washington Consensus". Center for International Development, Harvard Kennedy School of Government. April 2003.

[17] Source: Wilson Center, F. Bartel, "The Triumph of Broken Promises: The of the Cold War and the Rise of Neoliberalism," September 19, 2022.

[18] Ibid.

The creation of the World Trade Organization (WTO) in 1995 attracted many developing countries, including former Soviet bloc and non-aligned countries, to turn toward the free trade principles it espoused as part of their integration in the emerging global trade system.[19] In part, the combined efforts of the WTO and development banks such as the International Monetary Fund (IMF) have been credited with lifting hundreds of millions of people out of extreme poverty.[20]

[19] Source: WTO, "What is the World Trade Organization?" Prior to the creation of the WTO, the General Agreement on Tariffs and Trade (GATT) was in force for most Allied Powers nations including the United States and European nations.

[20] Source: IMF, "Globalization: A Brief Overview," May 2008.

However, the Global Financial Crisis (GFC) of 2008 did much to undermine the unfettered optimism of the neoliberal model, particularly the reliance on market-based mechanisms and the promise of frictionless globalization.[21, 22] A more gradual but perhaps lasting impact resulted from the shift in global industrial production to neo-mercantilist nations in Asia and Eastern Europe, which caused industrial workers in the west to either lose jobs or see their wages stagnate. The deindustrialization of the US and Europe has been linked to the recent rise of populism and the rejection of multilateralism.[23] Indeed, societal concerns about the decline in manufacturing jobs have likely contributed to the growing appeal of mercantilist policies in the US.

[21] Source: CSIS, F. Steinberg, "The Neomercantilist Moment," May 5, 2023.

[22] Source: Douglas A. Irwin, "Against the Tide: An Intellectual History of Free Trade" (Princeton: Princeton University Press, 1996), 5.

[23] Source: Annual Review of Economics, D. Rodrik, "Why Does Globalization Fuel Populism? Economics, Culture, and the Rise of Right-Wing Populism," April 19, 2021.

"Made in China 2025" – neo-mercantilism at a global scale

No country has embraced modern mercantilism perhaps more fully than

China.[24] In the years between the GFC and the onset of the global pandemic in 2020, the Chinese Communist Party (CCP) redoubled its efforts to pursue strategic national self-sufficiency and technological advancement. In 2012, President Xi Jinping rose to power, and his strict adherence to Marxist-Leninist ideology culminated in a purge of top party leaders who he believed had been corrupted by western free market ideals.[25]

Under President Xi, China has pursued a number of overlapping policies that have ramifications for international trade. Foremost among these state-led policies are the Belt and Road Initiative, Made In China 2025, and the Dual Circulation Policy.[26] These policies direct national banks, financial institutions, and State-Owned Enterprises (SOEs) to subsidize, finance, and otherwise help the CCP pursue goals of self-sufficiency (autarky), global dominance of market share in key sectors, secure strategic businesses and infrastructure in developing countries, and control private companies in China.[27]

The "Made in China 2025" blueprint made explicit the goal of dominating high-tech sectors in biotechnology, artificial intelligence, and green energy.[28] Western companies, often lured by access to China's vast market, have found themselves squeezed by local competitors supported by the state.[29] China seeks to achieve 80% domestic content goals by 2025 for the following industries: all basic material producers, electric vehicles (EVs), EV batteries and engines, core and advanced medical devices, mobile devices, agricultural machinery, and high-performance computers. China is also targeting 65% domestic content for industrial robotics.[30]

China's press to become a leader in the production of electric vehicles has led to rapid expansion of global sales as massive state subsidies to Chinese EV makers undercut all foreign producers of EVs. In 2018 through 2020, Beijing paid approximately $12,000 per EV produced (see Figure 2), an amount close to China's per capita GDP in those years.[31] As a result, both the European Union and the US have imposed very high tariff barriers on EVs imported from China to protect their domestic EV makers.[32]

Toward neo-mercantilism in the US

The COVID-19 pandemic and the Ukraine war have accelerated efforts to reduce dependence on adversarial or unstable partners. The new buzzwords are "friendshoring" and "derisking"—terms that capture the strategic relocation of supply chains to allied or neutral nations. The Biden administration emphasized reshoring production not only to the US but also to friendly countries like Mexico, Vietnam, and India.[33]

[24] Source: Information Technology & Innovation Foundation, S. Ezell, et al., The Trade Imbalance Index: Where the Trump Administration Should Take Action to Address Trade Distortions," March 10, 2025. Since 2014, China has arguably been the worst offender for free trade violations that include tariffs, digital service taxes and regulations, intellectual property violations, currency manipulation, subsidies for domestic industries, and non-technical barriers.

[25] Source: The Economist, "The Prince: Redder than Red," September 28, 2022.

[26] Source: Congressional Research Service, "Made in China 2025 and Industrial Policies: Issues for Congress," December 12, 2024.

[27] Ibid.

[28] Source: CSIS, S. Kennedy, "Made in China 2025," 2015.

[29] Ibid.

[30] Source: Congressional Research Service, "Made in China 2025 and Industrial Policies: Issues for Congress," December 12, 2024.

[31] Source: CSIS, S. Kennedy, "The Chinese EV Dilemma: Subsidized Yet Striking," June 20, 2024. According to the IMF China's per capita GDP in 2018 was nearly $10,000 in nominal terms or close to $18,000 in PPP terms.

[32] Source: CSIS, R. Featherston, "Slamming the Brakes: The EU Votes to Impose Tariffs on Chinese EVs," December 16, 2024.

[33] Source: US Department of the Treasury, "Remarks by Secretary Janet L. Yellen on Way Forward for the Global Economy," April 13, 2022.

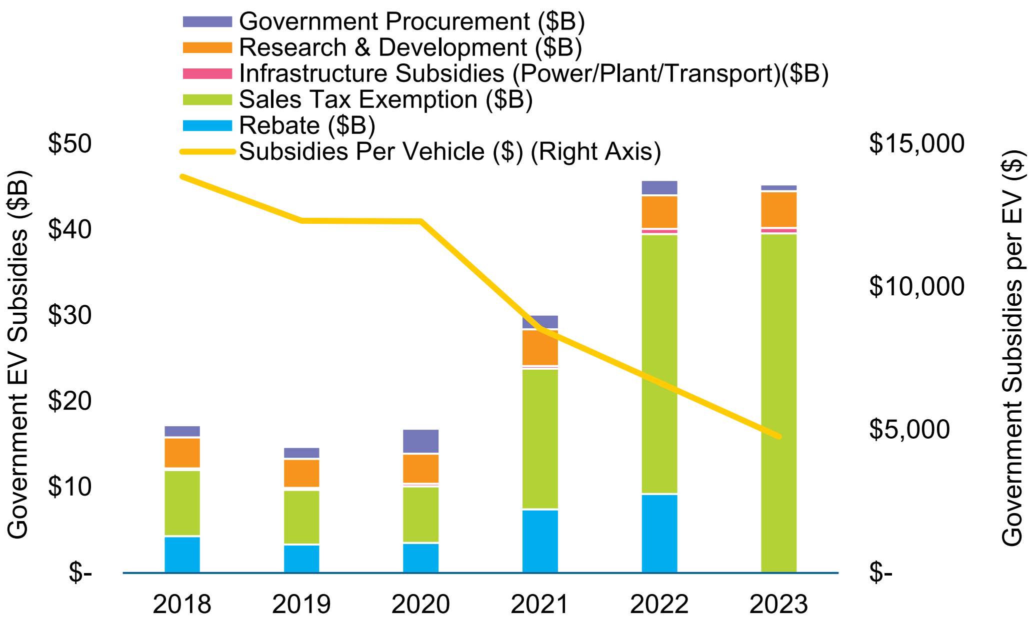

FIGURE 2

Chinese Subsidies for Domestically Made Electric Vehicles 2018 - 2023

Source: CSIS, S. Kennedy, "The Chinese EV Dilemma: Subsidized Yet Striking," June 20, 2024.

Semiconductors and artificial intelligence represent the key security and national defense strategic sectors of the digital economy and are increasingly framed as strategic assets rather than commercial products.[34] The Inflation Reduction Act and the CHIPS and Science Act of 2022 included substantial tax and funding incentives for next generation green energy and semiconductor investment in the US, marking a new willingness from Congress to pursue domestic industrial policies.[35] The CHIPS Act has allocated over $50 billion toward domestic semiconductor research and manufacturing, with strings attached to discourage investment in rival countries.

Meanwhile, artificial intelligence policy now sits at the nexus of defense and trade, as dual-use technologies blur the lines between civilian and military applications. The US Department of Commerce has tightened export controls on advanced chips used in AI systems, citing risks to national security. As governments scramble to control the data and infrastructure powering AI, they are deploying export restrictions, investment screenings, and cybersecurity mandates to shape the future of which country will possess the leading edge of AI.

The second Trump administration has greatly accelerated the adoption of mercantilist policies by the US. On April 2, 2025, President Trump announced the "Liberation Day" tariffs, marking a sharp break with decades of free-trade policies of past administrations. Although the scope, scale and timing of the original tariff schedule has been reduced, the most prominent targets of the tariffs are China and the EU, where tariff negotiations are on-going. One stated

[34] Source: White House, "CHIPS and Science Act Guidebook," 2022.

[35] Source: Economic Policy Institute, J. Bevans, "The Industrial Policy Revolution has Begun, But Another Is Still Needed," May 18, 2023.

goal of the Liberation Day tariffs was to remedy the cumulative and consistent trade deficit of the US versus its trading partners (see Figure 3).[36] The Liberation Day tariffs were designed to address this chronic imbalance of global trade in goods and services.[37]

[36] Source: US Department of the Treasury, "Reciprocal Tariff Calculation," April 2, 2025.

[37] Ibid.

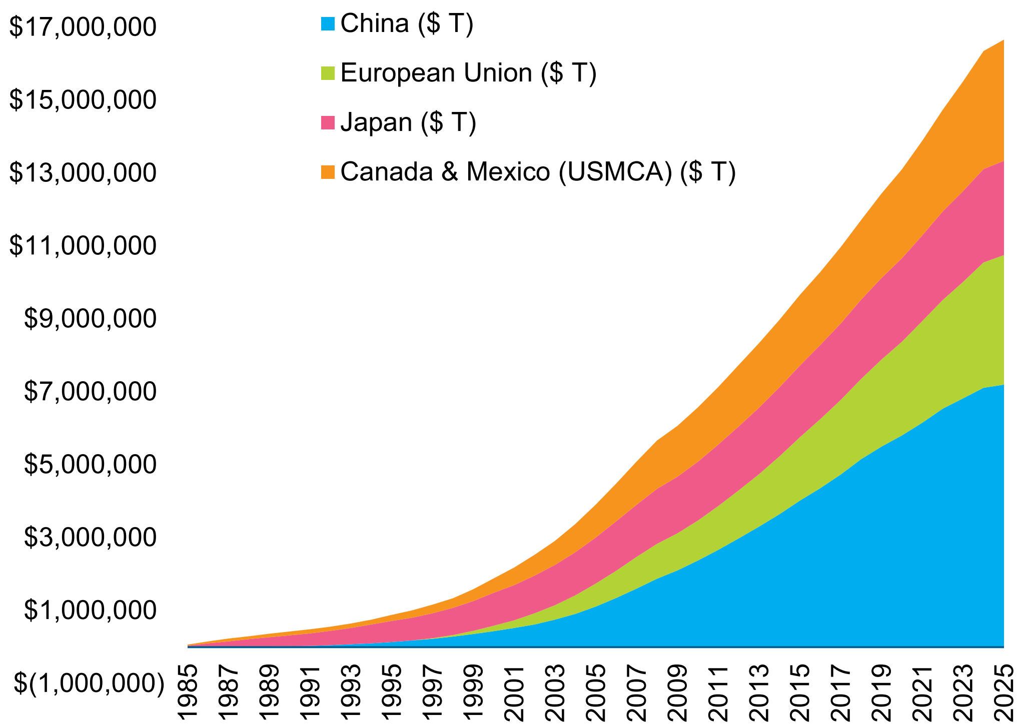

FIGURE 3

US Cumulative Trade Deficit with China, Japan, the EU, and MCA 1985 – 2025 (USD T)

Source: US Census Data as of March 2025. In the calculation of a country's balance of payments, the current account includes net imports of goods and services with investment income. A negative current account balance is also called a current account deficit while a positive current account balance occurs when exports exceed imports which is also called a current account surplus.

How will the rest of the world respond?

The adoption of mercantilist policies by the US and China, the world's two largest economies, is likely to provoke a chain reaction among other nations. Smaller economies may feel pressured to follow suit, introducing their own protectionist measures to safeguard domestic industries and reduce their reliance on these dominant players. Countries that are heavily reliant on exports or global supply chains might pivot toward reshoring and diversifying their trade partnerships to mitigate vulnerabilities stemming from the strategic maneuvers of these economic giants.

In regions like Europe, governments could double down on subsidies to compete with the industrial incentives offered by the US and China, further intensifying trade rivalries. This shift could erode the framework of multilateral trade agreements and deepen geopolitical fragmentation, as nations prioritize self-sufficiency over cooperative economic policies. The ripple effects of this trend might reshape global trade norms and economic alliances, amplifying tensions and uncertainties for the international community.

What are the implications?

The widespread adoption of modern mercantilism is likely to reshape global economic dynamics fundamentally. By prioritizing national self-reliance and strategic autonomy, countries may shift their focus away from global trade interdependence toward inward-looking industrial policies. This could lead to significant inefficiencies as governments intervene in market mechanisms, potentially distorting supply and demand and serving as a drag on productivity. For businesses, these policies might raise production costs due to localization requirements or tariffs, driving inflationary pressures on goods and services. Simultaneously, trade tensions could intensify, hampering the growth of international commerce and, in turn, slowing global economic expansion.

For investors, the implications of modern mercantilism could introduce a heightened level of volatility. Sectors benefiting from government subsidies (e.g., semiconductors, green energy, defense) could experience strong investor interest, driving up valuations in these areas. Conversely, export-dependent countries, industries or firms that are reliant on global supply chains could face significant challenges. Bond markets might react to the fiscal strain of increased government spending on industrial policies, potentially leading to higher yields as nations fund ambitious subsidy and reshoring programs. Finally, countries might seek to diversify away from the US dollar, thus putting downward pressure on the dollar and likely upward pressure on interest rates.

Conclusion

As the global economy grapples with the seismic shifts introduced by modern mercantilism, policymakers are faced with a delicate balancing act. On one hand, the pursuit of national self-reliance and strategic autonomy offers a pathway to shield economies from external vulnerabilities and geopolitical shocks. On the other hand, these inward-focused policies risk dismantling decades of progress toward global economic cooperation and interdependence, which have historically spurred innovation, prosperity, and stability. The challenge lies in finding an equilibrium where nations can safeguard their strategic interests without undermining the shared benefits of an open and integrated global economy.

While the trend toward modern mercantilism could be an anomaly, the current evidence points toward it being the new normal. Nation-states are asserting greater control over their economies in response to a more volatile, fragmented world. Whether through tariffs, currency policy, or industrial subsidies, the tools of economic nationalism are once again central to policymaking.

For businesses and investors, this evolving landscape demands agility and foresight. Companies may need to rethink their supply chains, diversify markets, and adapt to localization trends, while investors must navigate the uncertainties brought on by trade tensions and shifting government priorities. The interplay between protectionism and globalism will likely define the economic narrative of the coming years, with ripple effects touching every corner of the international community.

Important Information

THIS REPORT (THE "REPORT") HAS BEEN PREPARED FOR THE SOLE BENEFIT OF THE INTENDED RECIPIENT (THE "RECIPIENT").

SIGNIFICANT EVENTS MAY OCCUR (OR HAVE OCCURRED) AFTER THE DATE OF THIS REPORT, AND IT IS NOT OUR FUNCTION OR RESPONSIBILITY TO UPDATE THIS REPORT. THE INFORMATION CONTAINED HEREIN, INCLUDING ANY OPINIONS OR RECOMMENDATIONS, REPRESENTS OUR GOOD FAITH VIEWS AS OF THE DATE OF THIS REPORT AND IS SUBJECT TO CHANGE AT ANY TIME. ALL INVESTMENTS INVOLVE RISK, AND THERE CAN BE NO GUARANTEE THAT THE STRATEGIES, TACTICS, AND METHODS DISCUSSED HERE WILL BE SUCCESSFUL.

THE INFORMATION USED TO PREPARE THIS REPORT MAY HAVE BEEN OBTAINED FROM INVESTMENT MANAGERS, CUSTODIANS, AND OTHER EXTERNAL SOURCES. SOME OF THIS REPORT MAY HAVE BEEN PRODUCED WITH THE ASSISTANCE OF ARTIFICIAL INTELLIGENCE ("AI") TECHNOLOGY. WHILE WE HAVE EXERCISED REASONABLE CARE IN PREPARING THIS REPORT, WE CANNOT GUARANTEE THE ACCURACY, ADEQUACY, VALIDITY, RELIABILITY, AVAILABILITY, OR COMPLETENESS OF ANY INFORMATION CONTAINED HEREIN, WHETHER OBTAINED EXTERNALLY OR PRODUCED BY THE AI.

THE RECIPIENT SHOULD BE AWARE THAT THIS REPORT MAY INCLUDE AI-GENERATED CONTENT THAT MAY NOT HAVE CONSIDERED ALL RISK FACTORS. THE RECIPIENT IS ADVISED TO CONSULT WITH THEIR MEKETA ADVISOR OR ANOTHER PROFESSIONAL ADVISOR BEFORE MAKING ANY FINANCIAL DECISIONS OR TAKING ANY ACTION BASED ON THE CONTENT OF THIS REPORT. WE BELIEVE THE INFORMATION TO BE FACTUAL AND UP TO DATE BUT DO NOT ASSUME ANY RESPONSIBILITY FOR ERRORS OR OMISSIONS IN THE CONTENT PRODUCED. UNDER NO CIRCUMSTANCES SHALL WE BE LIABLE FOR ANY SPECIAL, DIRECT, INDIRECT, CONSEQUENTIAL, OR INCIDENTAL DAMAGES OR ANY DAMAGES WHATSOEVER, WHETHER IN AN ACTION OF CONTRACT, NEGLIGENCE, OR OTHER TORT, ARISING OUT OF OR IN CONNECTION WITH THE USE OF THIS CONTENT. IT IS IMPORTANT FOR THE RECIPIENT TO CRITICALLY EVALUATE THE INFORMATION PROVIDED.

CERTAIN INFORMATION CONTAINED IN THIS REPORT MAY CONSTITUTE "FORWARD-LOOKING STATEMENTS," WHICH CAN BE IDENTIFIED BY THE USE OF TERMINOLOGY SUCH AS "MAY," "WILL," "SHOULD," "EXPECT," "AIM," "ANTICIPATE," "TARGET," "PROJECT," "ESTIMATE," "INTEND," "CONTINUE," OR "BELIEVE," OR THE NEGATIVES THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. ANY FORWARD-LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS REPORT ARE BASED UPON CURRENT ASSUMPTIONS. CHANGES TO ANY ASSUMPTIONS MAY HAVE A MATERIAL IMPACT ON FORWARD-LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS. ACTUAL RESULTS MAY THEREFORE BE MATERIALLY DIFFERENT FROM ANY FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS REPORT.

PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.