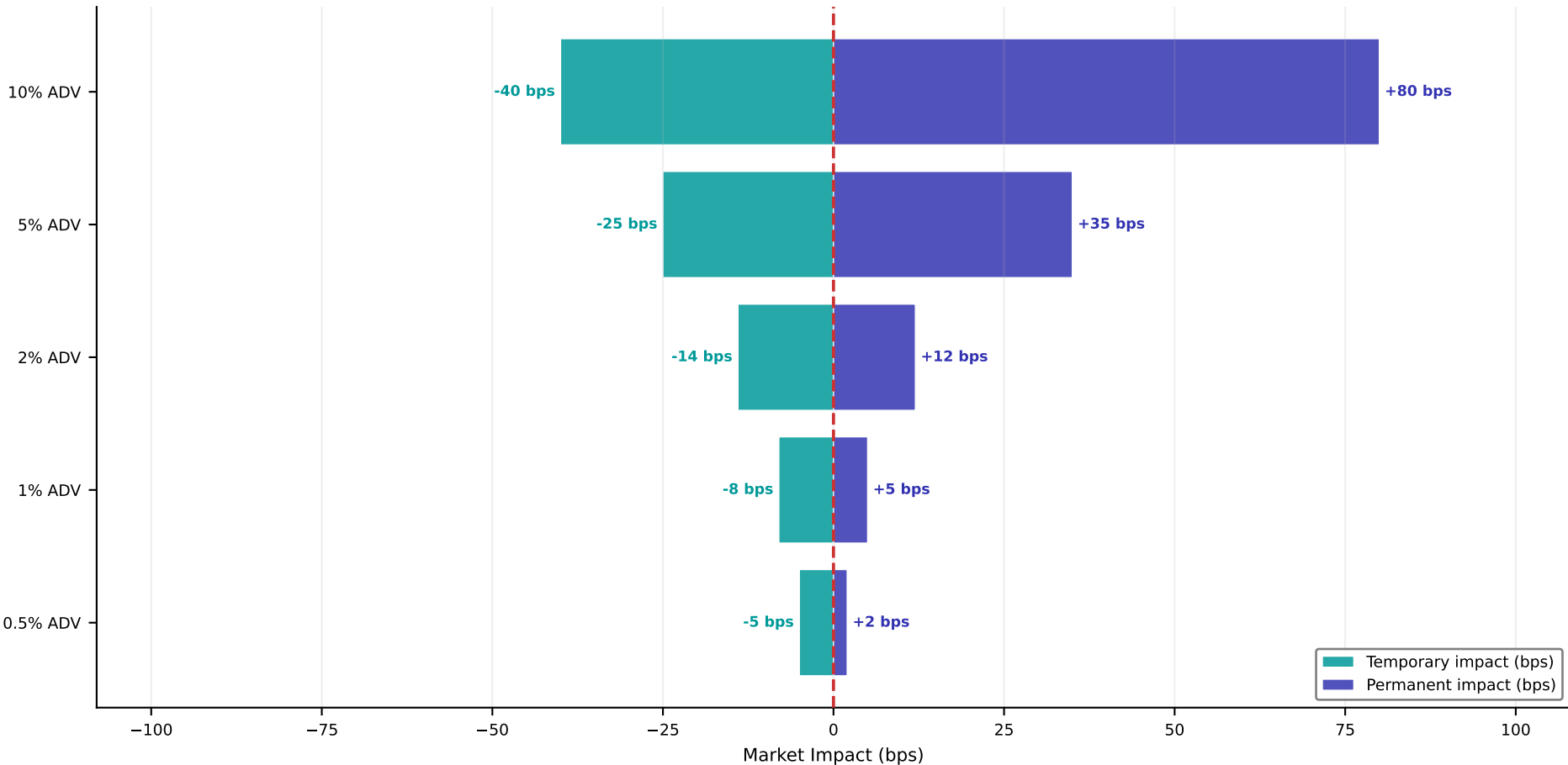


Temporary impact  
(recovers over time)

## Market Impact Decomposition: Permanent vs Temporary

Permanent impact  
(price level shift)



Illustrative estimates. ADV = Average Daily Volume. Permanent impact shifts the equilibrium price; temporary impact decays post-trade.