Lincoln Financial℠

Market Intel Exchange

Market data and insights from Lincoln and industry asset management partners

As of 3/31/2025

Not a deposit
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Not guaranteed by any bank or savings association

LCN-7815417-040325

For use with the general public.

Market intelligence, made easy

Saving you time.
Helping you stay informed.
Providing you valuable insights.

Market Intel Exchange.

We've introduced a dedicated market volatility section in the chart pack to help navigate recent market swings. This section highlights key trends, drivers of volatility, and historical comparisons to provide deeper insights into market dynamics.

Check it out for a clearer perspective on what's shaping the markets today — and reach out to your Lincoln representative for more information!

Did you know?

A special *thank you* to this quarter's featured contributors:

American Century Investments
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ClearBridge Investments
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Capital Group | American Funds
Franklin Templeton
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MFS
Janus Henderson Investors
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What's inside?

Economy

Market volatility

Equities

Fixed income

What is a Trending Topic?

Throughout the chart pack, you will notice several "Trending Topic" logos. These highlight key concepts and visuals likely to be top of mind for investors in the coming months.

Trending topic

Asset allocation

Alternatives

Foundations

For use with the general public.

Economy

Important days to watch in April

Tuesday, April 1
- ISM Manufacturing PMI (Mar)
- ISM Manufacturing Prices (Mar)

Wednesday, April 2
- ADP Nonfarm Employment Change (Mar)

Thursday, April 3
- Services PMI (Mar)
- ISM Non-Manufacturing PMI (Mar)
- ISM Non-Manufacturing Prices (Mar)

Friday, April 4
- Unemployment Rate (Mar)
- Nonfarm Payrolls (Mar)
- Average Hourly Earnings (Mar)

Thursday, April 10
- Consumer Price Index (CPI) (Mar)

Friday, April 11
- Producer Price Index (PPI) (Mar)

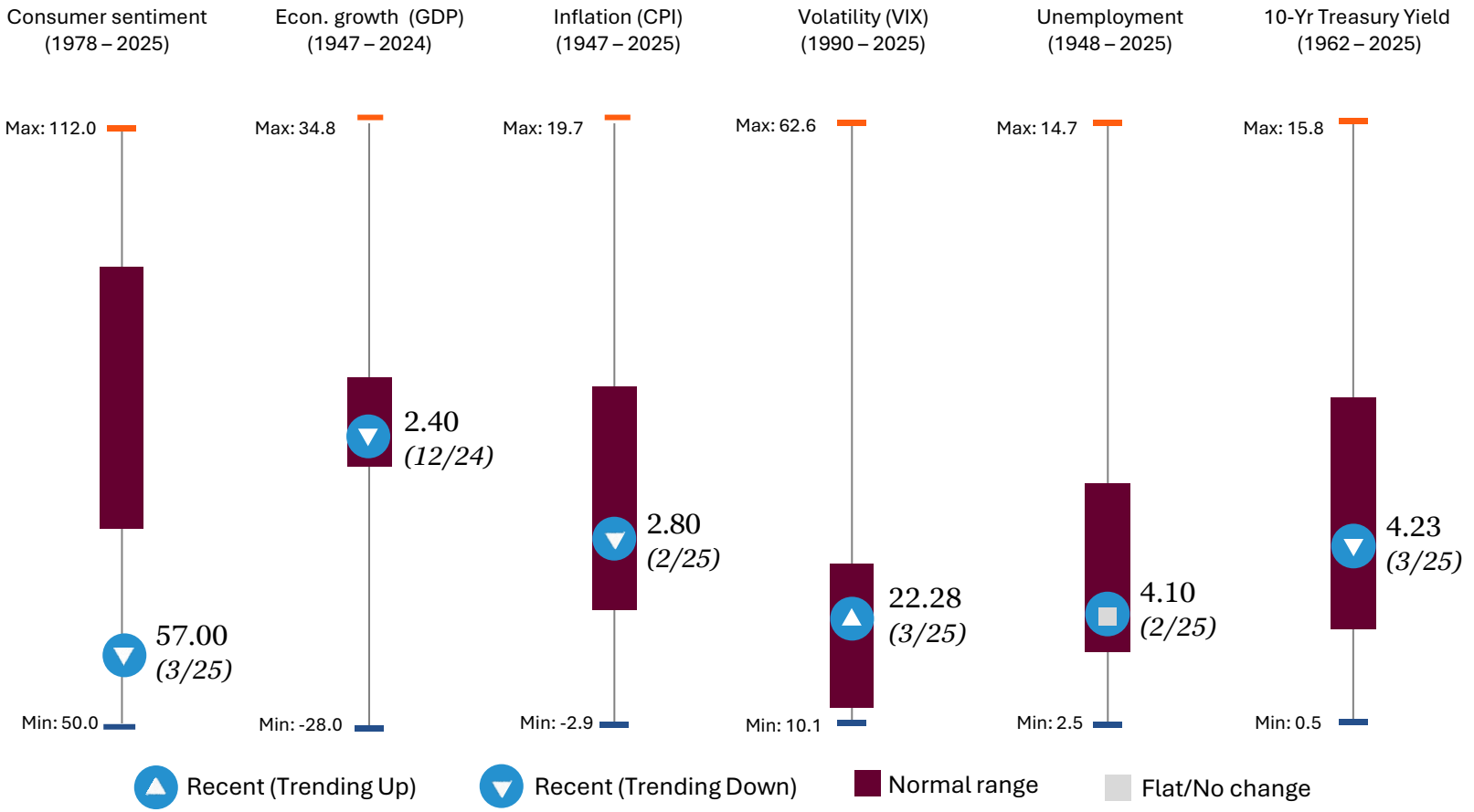
Wednesday, April 16
- Retail Sales (Mar)

Friday, April 18
- Holiday – U.S. Stock Market Closed

Thursday, April 24
- Durable Goods Orders (Mar)

Wednesday, April 30
- Personal Consumption Expenditures Index (PCE) (Mar)
- GDP (Q1 – 1st Advance Estimate)
- Personal Income (Mar)
- Personal Spending (Mar)

Key economic and market metrics



Source: Most recent data available as of March 31, 2025. Bloomberg. Arrows in the blue circles are indicative of most recent three-month trend, with exception of GDP, which is based on quarter-over-quarter trend. Normal range represents +/- one standard deviation to the mean over timeframe referenced. See Additional Information for more details. **Past performance does not guarantee or predict future performance.** Index performance is for illustrative purposes only. You cannot invest directly in the index.

What is this chart showing?

This chart shows the historical range and recent level of six key economic and market indicators.

Why is it important?

Investors can use this chart to quickly determine if economic indicators are at, above, or below historical ranges. Indicators that are outside of their normal range may provide insight into the health or direction of the economy and the market.

Consumer Sentiment as measured by the Michigan Consumer Sentiment Index is calculated each month based on a household survey of consumers' opinions on current conditions and future expectations of the economy.

Economic Growth (GDP — nominal) is the total monetary or market value of all the finished goods and services produced within a country's borders in a specific time period.

Inflation (CPI) is a measure of inflation that calculates the change in the prices of a basket of goods and services. This measure includes food and energy. Core CPI (excludes food and energy) was +3.1% YOY February 2025.

Volatility VIX is a real-time market index representing the market's expectations for volatility over the coming 30 days.

Unemployment rate as measured by the U.S. Bureau of Labor Statistics.

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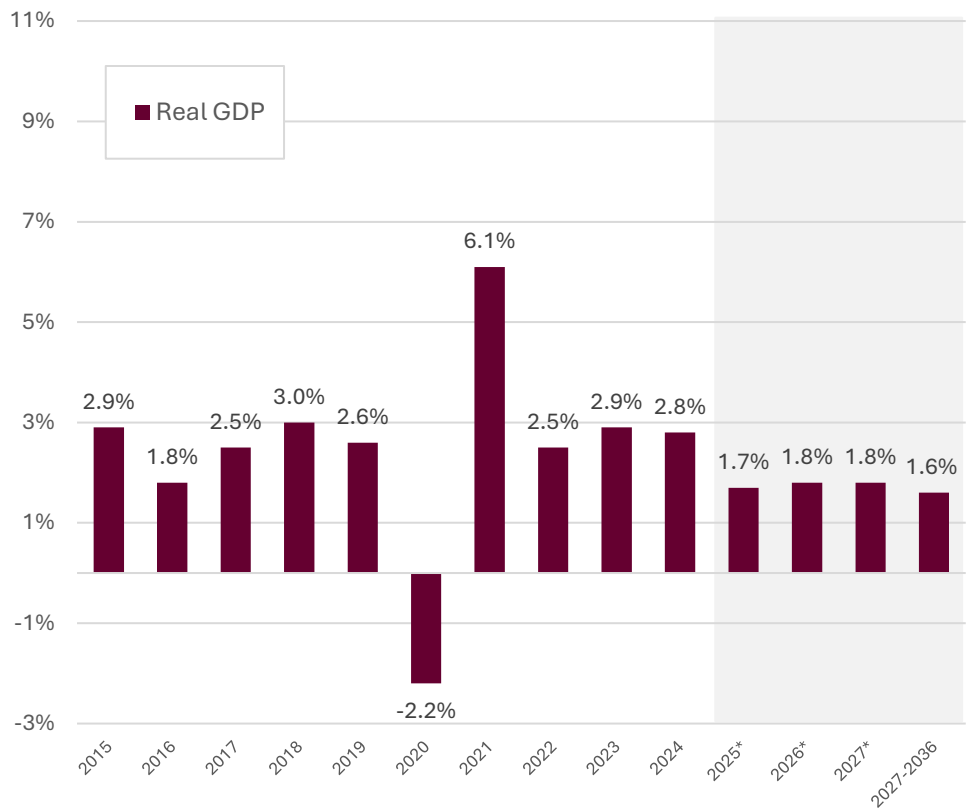
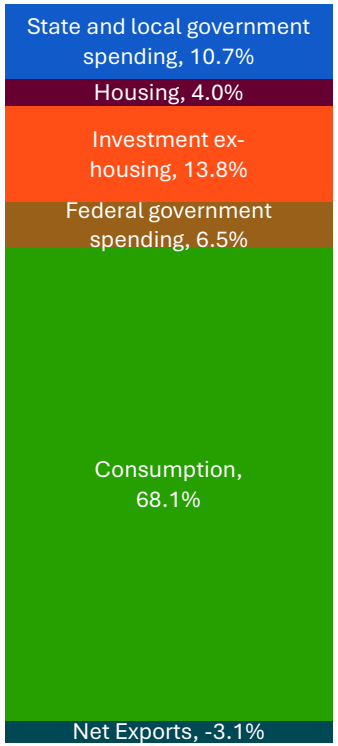
U.S. gross domestic product

Real gross domestic product, actuals and future projections



Components of GDP as of 4Q24



What is this chart showing?

The chart on the left shows historical real GDP, as well as the most recently reported economic growth projections prepared by the Federal Open Market Committee.

The chart on the right shows the components of GDP as of the latest available data.

Why is it important?

Economic growth influences many factors that can impact the long-term performance of the markets, including interest rates and corporate earnings growth. As such, these GDP projections can be a valuable input for investors looking to set future portfolio return expectations.

Source: Federal Reserve Bank of St. Louis Economic Research, Federal Open Market Committee, The Conference Board. *Indicates future projections as of March 2025. 2027 – 2036 long-term projections are as of March 2025. Components of GDP depicted as 4Q24 nominal. Values may not sum to 100% due to rounding.

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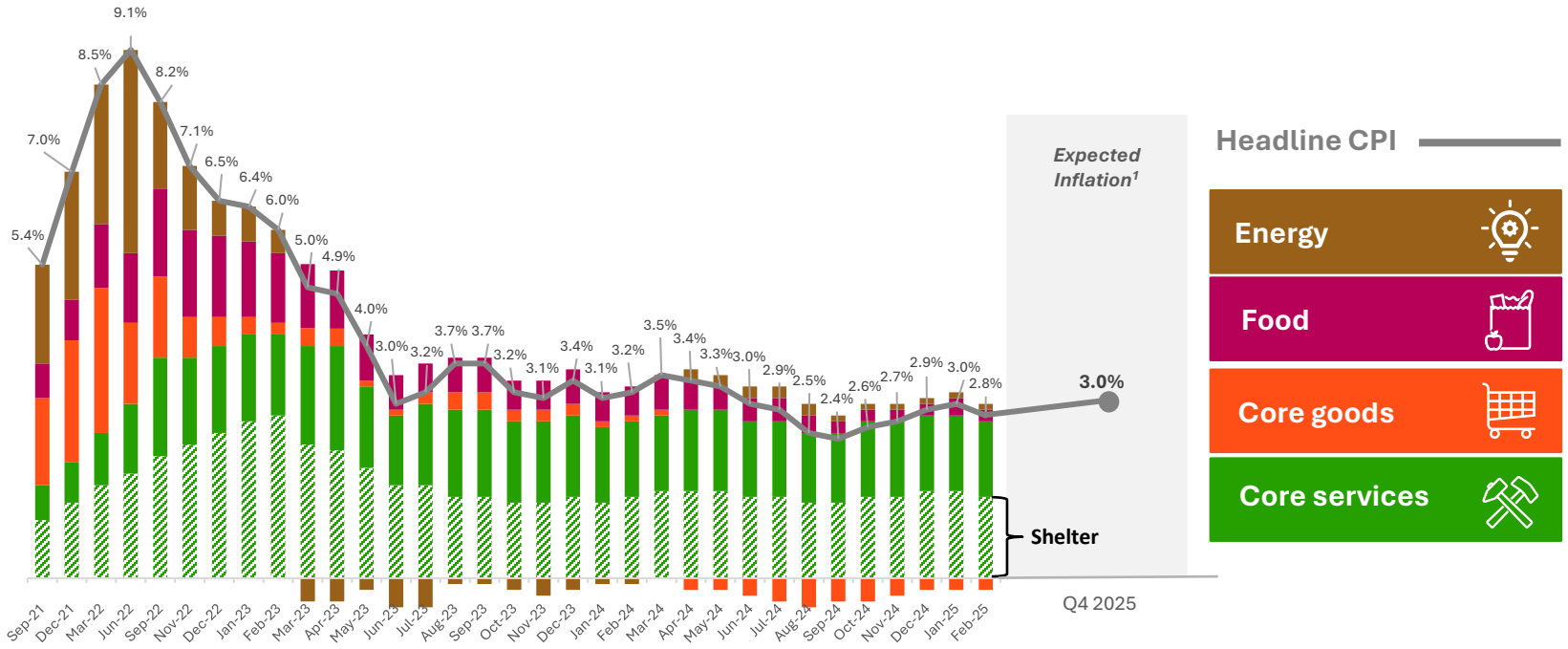
Inflation trends and components

Headline CPI and components of CPI inflation (year-over-year), %



What is this chart showing?

This chart shows the recent trend in year-over-year U.S. inflation, along with analyst forecasts for the fourth quarter of 2025.

Why is it important?

While inflation moderated in 2024, the downward momentum began to stall during the final months of the year and into the early parts of 2025. This highlights a consistent theme in the ongoing battle against inflation, which has often moved sideways on its broader path lower.

The latest numbers, along with trends in retail spending and economic growth, will likely keep Fed officials cautious in their approach to monetary policy decisions in the months ahead.

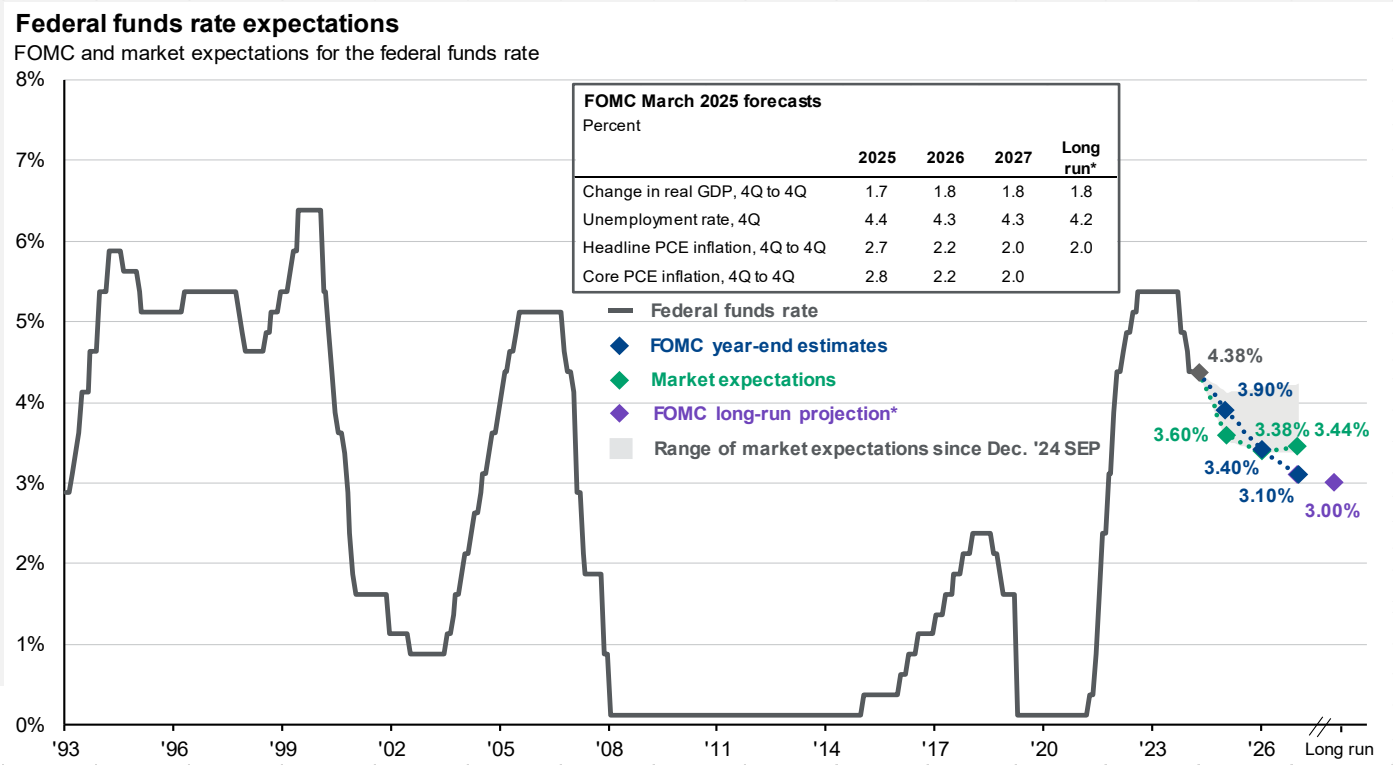
Source: U.S. Bureau of Labor Statistics. The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. This measure includes food and energy, which tend to have more price volatility and whose price shocks cannot be damped through monetary policy. Percentages may not sum due to rounding. [1]Inflation expectations for Q4 2025 represent median analyst expectations compiled by Bloomberg as of 03/31/2025.

For use with the general public.

The Fed and interest rates

J.P.Morgan
Asset Management

This slide shows the historical federal funds rates and the differences in rate expectations between the FOMC and market participants. The gray shaded area shows the range of market expectations since the December 2024 FOMC meeting. The table in the top right shows the FOMC's economic projections over the next few years and its long-run estimates.



Source: Bloomberg, FactSet, Federal Reserve, J.P. Morgan Asset Management. Market expectations are based off of USD Overnight Index Swaps. *Long-run projections are the rates of growth, unemployment and inflation to which a policymaker expects the economy to converge over the next five to six years in absence of further shocks and under appropriate monetary policy. Forecasts are not a reliable indicator of future performance. Forecasts, projections and other forward-looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecasts, projections or other forward-looking statements, actual events, results or performance may differ materially from those reflected or contemplated.
Guide to the Markets – U.S. Data are as of March 31, 2025.

Past performance does not guarantee or predict future performance. Index performance is for illustrative purposes only. You cannot invest directly in the index.
Source: J.P. Morgan Asset Management, as of March 31, 2025.

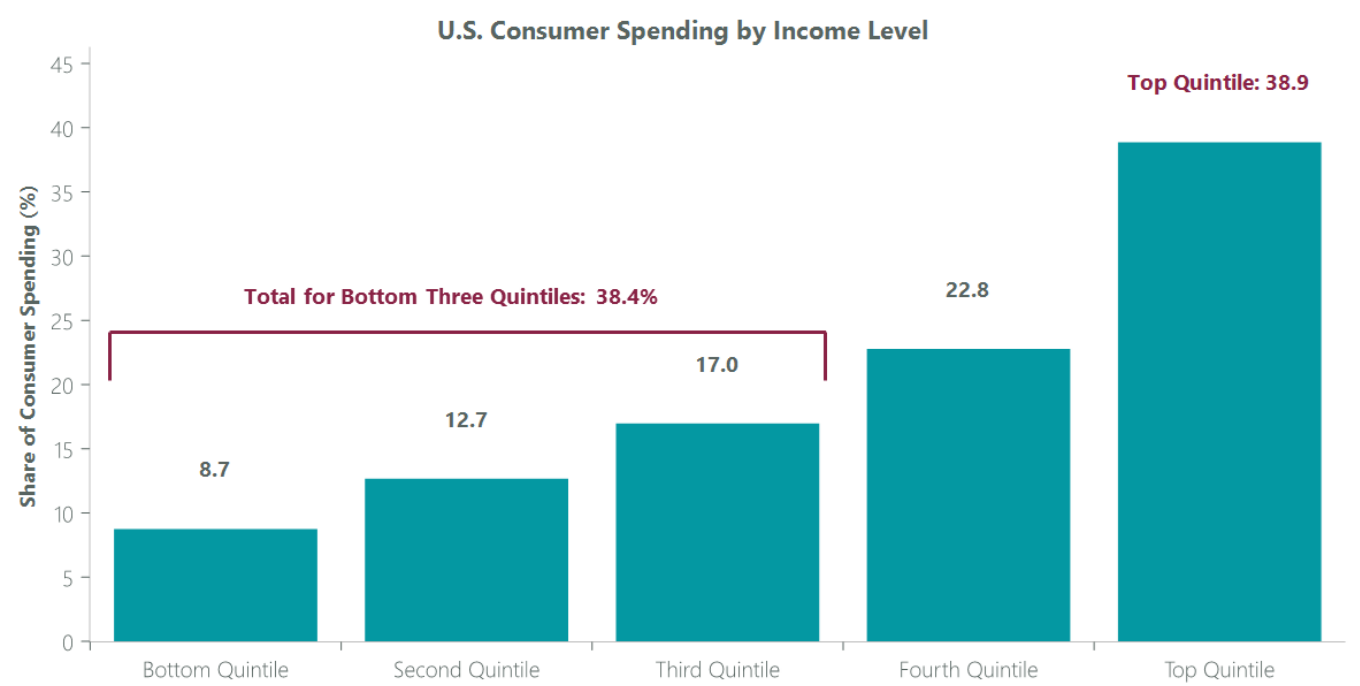
High earnings, high spending

ClearBridge Investments

FRANKLIN TEMPLETON

The top 20% of earners make up a disproportionate share of consumer spending, accounting for slightly more than the three lowest quintiles combined (bottom 60%).

While lower income consumers are facing headwinds, strength from higher income cohorts could offset this potential weakness.



Source: ClearBridge Investments, U.S. Bureau of Labor Statistics, Macrobond. Data latest available as of Dec. 31, 2024. Past performance is not a guarantee of future results. Investors cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expenses or sales charges.

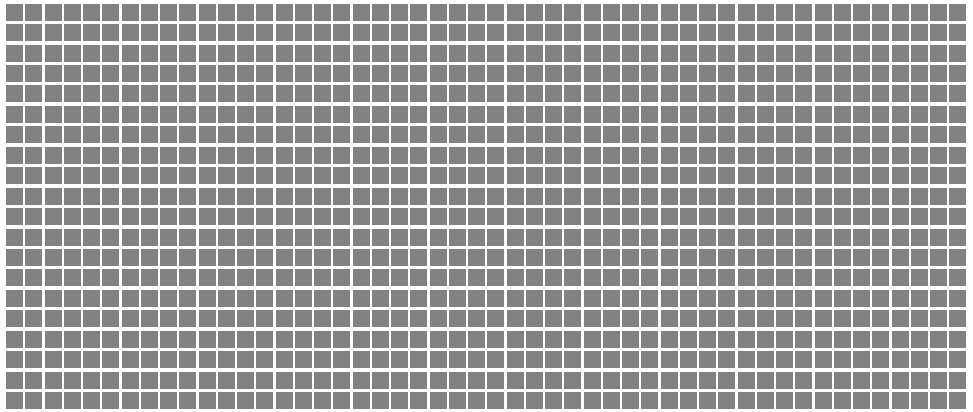
Visualizing the U.S. national debt

At the end of March 2025, the U.S. national debt was $36.2 trillion.

That's 36,200 squares!

If this is 1 billion:

Then this is 1 trillion:



The national debt enables the federal government to pay for important programs and services for the American public.

What is this chart showing?

This chart helps readers visualize the size of the U.S. national debt.

Why is it important?

1 trillion dollars is hard for the average person to conceptualize given the sheer size of the number.

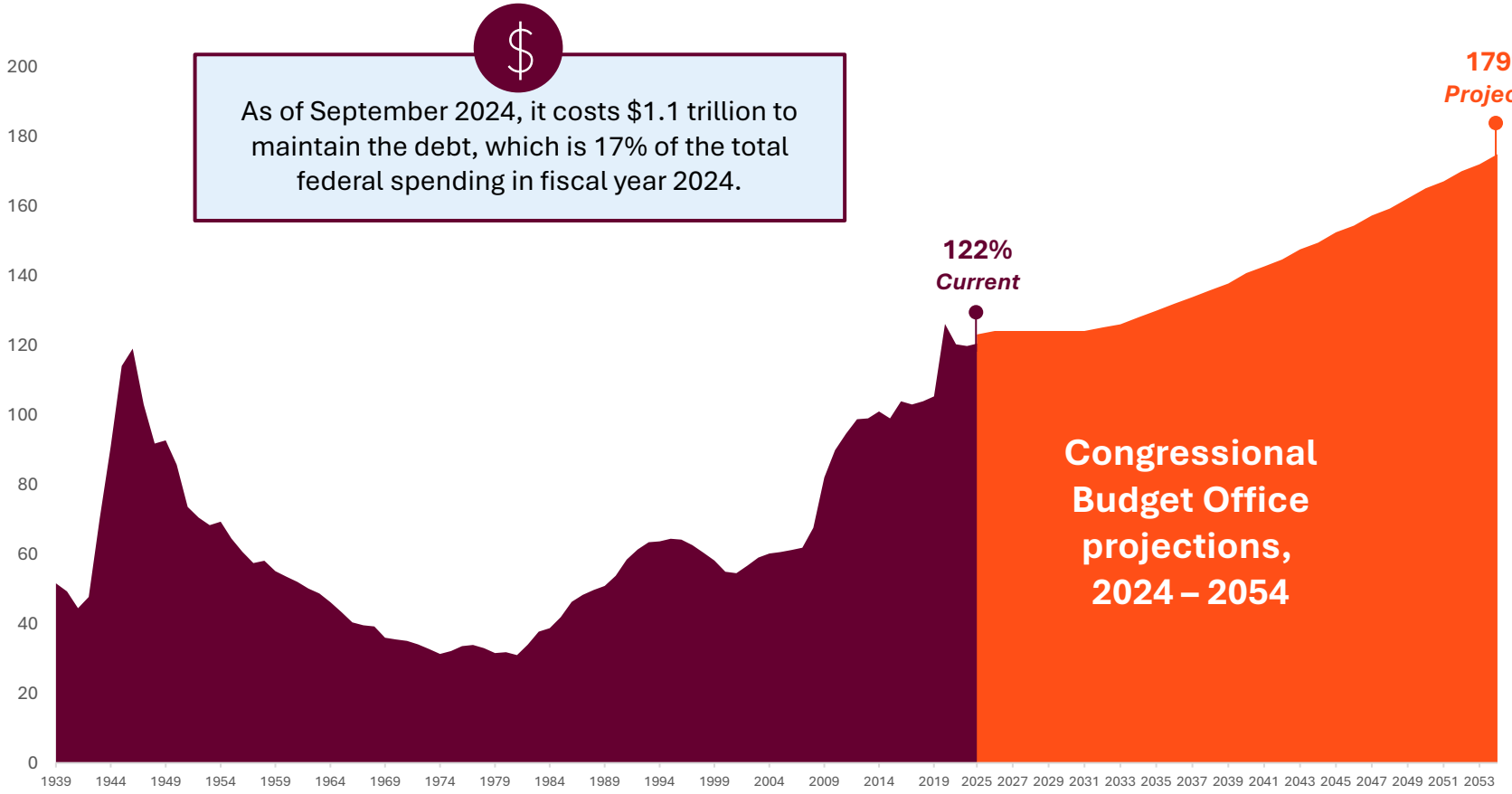
A relative comparison to 1 billion dollars, which in and of itself is a very large number, puts the 36.2 trillion-dollar debt level into perspective.

Government debt, when sustainably managed, is not inherently bad. In fact, the U.S. has carried debt since its inception. Debt is an important tool to help fund programs like Social Security, national security, health care services, etc., that benefit the American people.

Source: Understanding the National Debt | U.S. Treasury Fiscal Data as of 3/31/2025.

U.S. debt levels

U.S. federal debt as a % of GDP



What is this chart showing?

This chart shows historical U.S. national debt levels as a percentage of gross domestic product (GDP), as well as projections by the Congressional Budget Office through 2054.

Why is it important?

The U.S. government has been running a consistent fiscal deficit since the Global Financial Crisis, with spending outpacing revenue.

This has contributed to a rapidly rising pool of national debt, and more recently, increased interest expense as rates have risen.

The ratio of a country's total debt to GDP helps show the burden of its debt relative to total economic output, and therefore its ability to pay it.

It remains to be seen how this issue will be addressed, but it is likely to be an ongoing challenge requiring careful management and bipartisan policy decisions to help ensure long-term fiscal sustainability.

Source: Historical data sourced from Federal Reserve Bank of St. Louis as of Q4 2024. 2024 – 2054 U.S. federal debt projections sourced from Congressional Budget Office (CBO). Federal spending statistic sourced from U.S. Treasury Fiscal Data.

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Hard data vs. soft data: What do they tell us about the economy?

Soft data

- Market sentiment
- Investor confidence surveys
- Media and analyst opinions

Vs.

Hard data

- Realized economic activity
- Employment figures
- Stock prices and bond yields

Indicator	Most recent reading	5-period average	Trend
Consumer sentiment	57	67.84	▼
Employment expectations	70	79.2	▼
Inflation expectations	4.1%	3.4%	▲
Consumer confidence	92.9	102.34	▼

Indicator	Most recent reading	5-period average	Trend
GDP	2.5	2.9	▼
Retail sales	0.20%	0.18%	▲
Unemployment rate	4.1	4.1	■
Nonfarm payroll	151	180.8	▼
Inflation breakeven	2.6%	2.5%	■

Trend key

- ▲ Increasing
- ▼ Decreasing
- ■ Steady

? Will the deteriorating soft data begin to show up in the hard data?

What is this chart showing?

This chart shows recent trends in economic data – both "soft" (perceptions, opinions and expectations for conditions based on surveys), and "hard" (realized economic activity, like employment figures and retail sales).

Why is it important?

Recently, soft data has been deteriorating – signaling growing pessimism and uncertainty among American consumers.

Meanwhile, the hard economic data has largely remained resilient through the first quarter of 2025 despite some modest slowing.

This divergence is worth monitoring. If persistent negative sentiment begins to impact consumer behavior, it could lead to reduced spending and contribute to a broader economic slowdown.

Source: Federal Reserve Bank of St. Louis, University of Michigan, The Conference Board. Consumer Sentiment represented by University of Michigan Consumer Sentiment Survey. Employment Expectations represented by University of Michigan Consumer Sentiment Survey. Inflation Expectations represented by University of Michigan 5-year inflation expectations in the Surveys of Consumers. Consumer Confidence represented by the Conference Board Consumer Confidence Index. Trend arrows compare the most recent reading with the 5-period average.

How the new administration could impact the U.S. economy and markets

Potential tailwinds

Tax cuts
Trump aims to extend the Tax Cuts and Jobs Act of 2017 and introduce additional cuts intended to stimulate economic growth and boost corporate earnings.

Deregulation
A looser regulatory environment is expected to boost economic growth, corporate earnings, and small business profits by reducing compliance costs.

Stock market optimism
During the president's first term, the performance of equity markets was often used as a measuring stick of success. While not certain in his second term, it is possible that if weakness persists, the administration may look to support markets.

Potential headwinds

Trade tensions
Tariffs on imports could complicate supply chains, increase costs for American households and spark retaliatory measures from trading partners

Deficit concerns
If not offset with additional revenue, tax cuts could add to the already large national debt, potentially impacting long-term economic stability

Labor market tightening
Large-scale deportations could reduce the labor supply, potentially driving labor costs and inflationary pressures higher

What is this chart showing?

This chart shows a few of the potential tailwinds and headwinds for both the economy and markets under the new administration in Washington.

Why is it important?

Financial markets responded positively in the immediate aftermath of the 2024 U.S. presidential election, pricing in optimism that tax cuts and a looser regulatory environment will be supportive of both the economy and corporate earnings.

However, a more cautious tone has emerged in 2025 as investors have focused on potential policy headwinds that could slow economic growth.

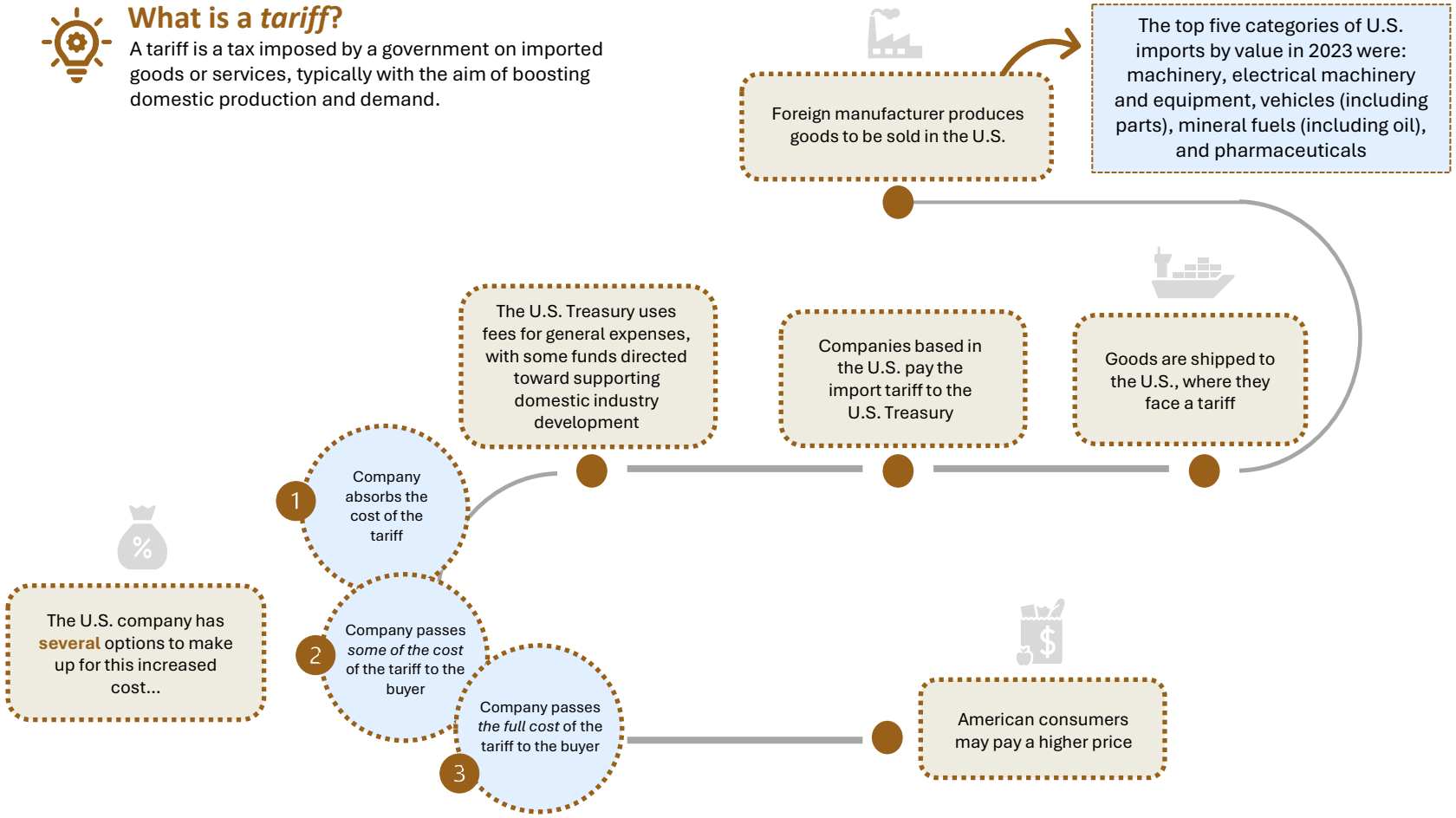
Specifically, uncertainty surrounding the extent and implementation of tariffs — and any corresponding retaliation from trade partners — is currently dominating sentiment.

It is important to remember to maintain a balanced approach. Policy does not operate in a vacuum, and while some policies may bring with them headwinds for parts of the economy, others have the potential to act as tailwinds.

How do tariffs work?

What is a *tariff*?

A tariff is a tax imposed by a government on imported goods or services, typically with the aim of boosting domestic production and demand.



What is this chart showing?

This chart shows a breakdown of how tariffs work.

Why is it important?

Tariffs have become a large topic of conversation since the 2024 presidential election, with President Trump imposing broad tariffs on imports. While proponents argue tariffs protect American industry and encourage domestic production, critics warn of increased costs and potential retaliation from trading partners. That said, it is important to understand how tariffs work.

A tariff is a tax on imported goods, applied at the border when a U.S. business or individual purchases a product from abroad.

This tax is proportional to the import's value; for example, a $50,000 car with a 25% tariff incurs a $12,500 charge, paid by the domestic importer.

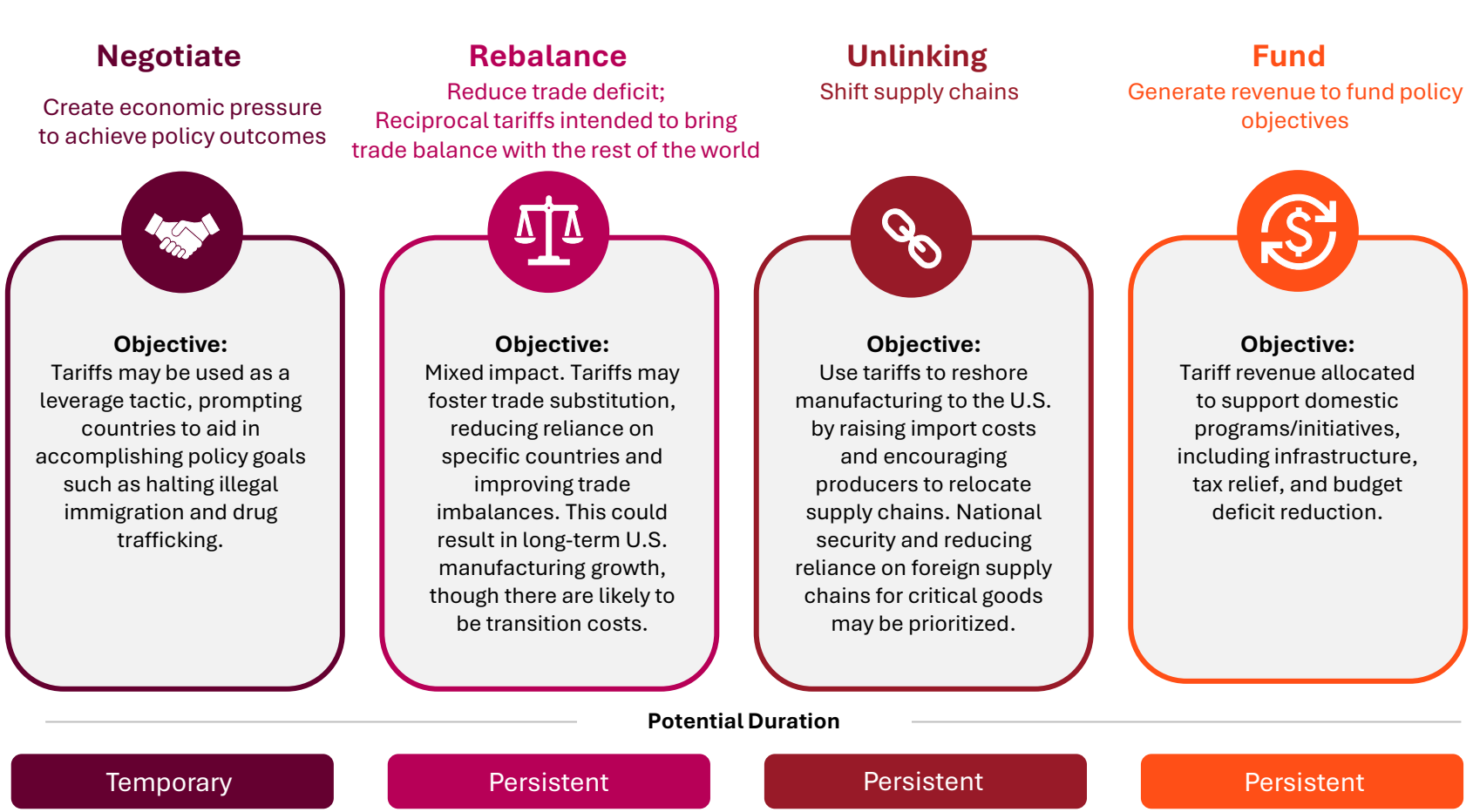
Tariffs increase the cost of imports, prompting consumers to consider domestic alternatives, but potentially enabling domestic producers to raise prices.

Tariffs represent only one part of the administration's agenda, so considering the broader picture and how various policy proposals may interact is prudent.

Source: BBC, 2024.

Potential motivations for tariffs

Four potential motivations for tariffs



What is this chart showing?

This chart shows four potential motivations for the implementation of tariffs. Each motivation is paired with specific objectives and the potential duration of these measures, ranging from temporary to persistent.

Why is it important?

Tariffs have the potential to impact markets, supply chains, and the global economy.

Understanding the motivations and objectives behind tariffs can provide a framework for assessing potential risks and identifying opportunities.

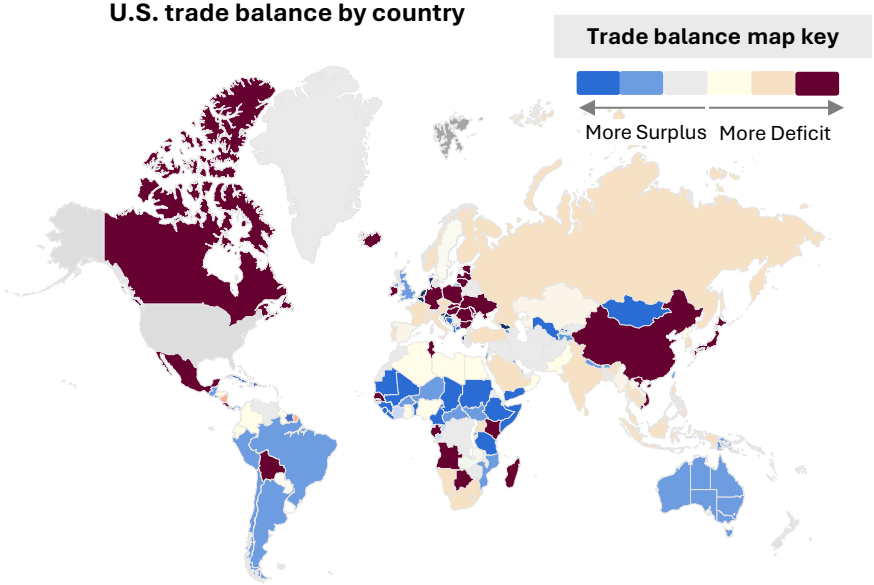
However, the path forward remains uncertain, as tariffs can also provoke retaliation from trading partners, introducing additional complexities and volatility into global trade dynamics.

Source: Lincoln Financial

Lincoln Financial

Putting tariffs in context: Key data on America's top trading partners

U.S. trade balance by country

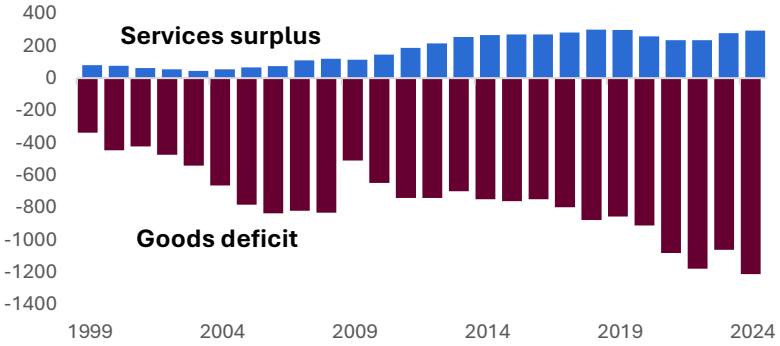


	Biggest U.S. imports from country	Biggest U.S. exports to country
MEX	Vehicles and parts Agricultural products Electronics	Machinery and electronics Vehicles and parts Mineral fuels Travel
CHN	Electronics Toys and apparel	Soybeans Integrated circuits
CAN	Crude oil and mineral fuels Travel and transport services	Vehicles and parts Machinery and equipment Travel and tourism Business services

Did you know? Canada is the top U.S. oil supplier (40% of U.S. crude imports).

U.S. trade balances: Goods vs. services

(Millions of dollars, annual)



The United States imported approximately **$3.25 trillion** worth of goods in 2024; **$1.3 trillion** of those imports were from Mexico, Canada and China.[1]

What is this chart showing?

This chart highlights key metrics about the United States' global trade balance, along with key imports and exports from Mexico, China and Canada.

Why is it important?

In 2024, the U.S. imported approximately $3.25 trillion in goods, with approximately $1.3 trillion coming from Mexico, Canada, and China. The overall goods deficit reached about $1.2 trillion, with the largest imbalances seen in trade with China and Mexico.

As tariff policies continue to shift, this dynamic landscape can present challenges for businesses and investors alike. Diversifying investments across regions, industries and asset classes can help mitigate risks associated with shifting trade conditions.

Source: U.S. Census Bureau, Bureau of Economic Analysis, U.S. trade balance by country as of 2022. U.S. trade balances as of March 20, 2025. Office of the U.S. Trade Representative (USTR. 1- JPMorgan Wealth Management, Tariff delays: uncovering the most impacted sectors.

Market volatility

S&P 500: Calendar returns and intra-year declines

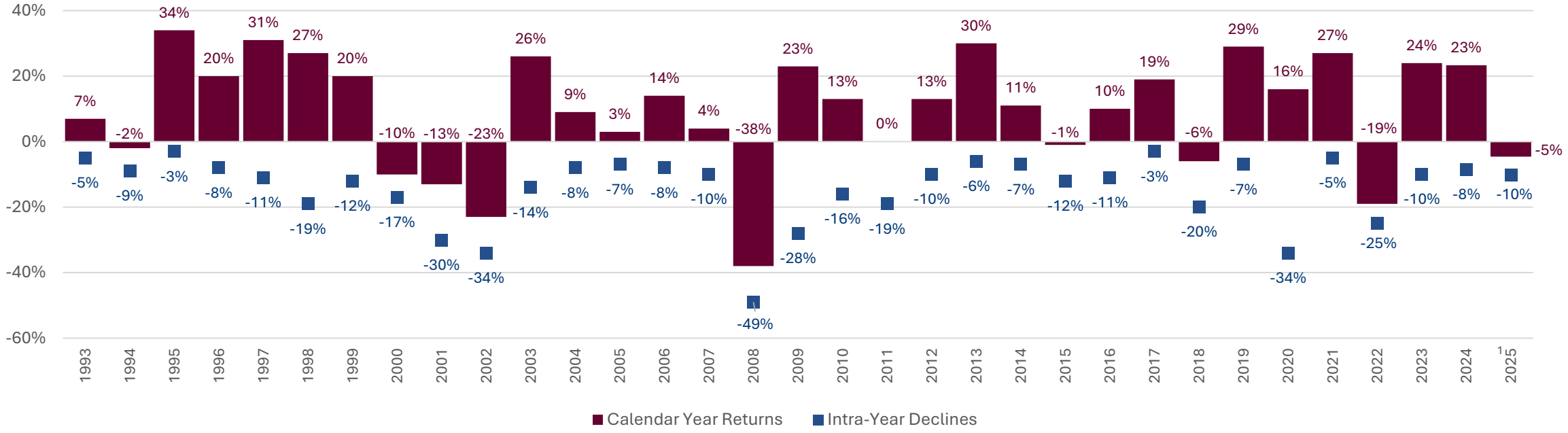
What is this chart showing?

This chart shows calendar year returns of the S&P 500 Price Index from 1992 to present. It also shows the largest intra-year declines (lows) for each year.

Why is it important?

Investors can use this to understand how looking at annual returns alone can hide that there are often large drops that occur within the year.

Despite average intra-year declines of 14.6%, annual returns were positive in 23 of 32 years.

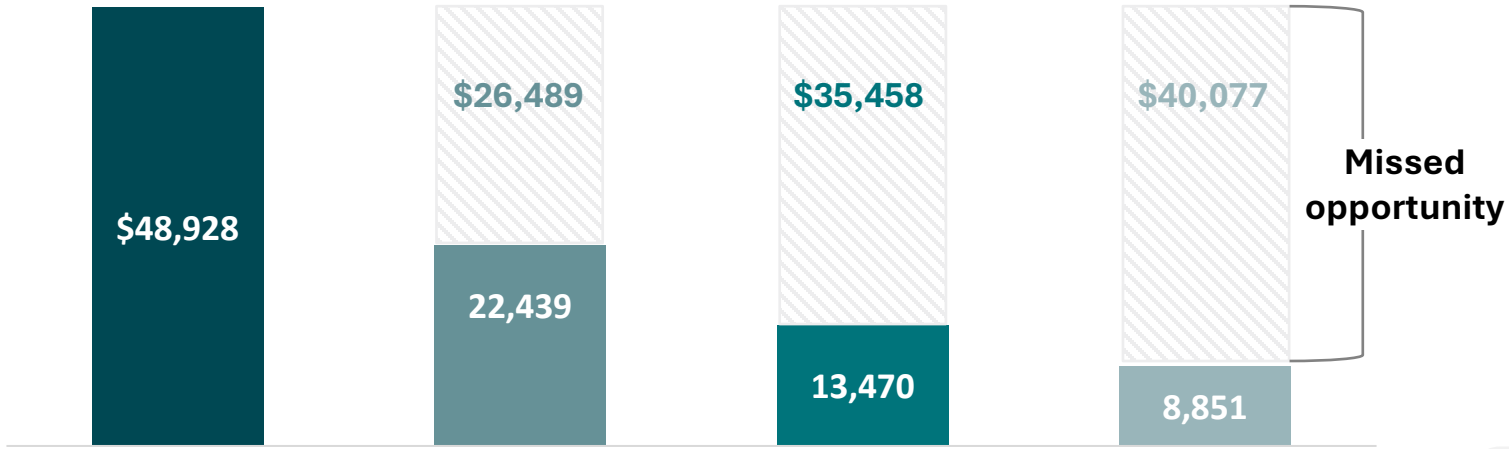


You cannot invest directly in an index. All indices are unmanaged and do not include fees or expenses. Please see the back of this presentation for index definitions and disclosures.

Source: Morningstar, Standard & Poor's. [1]Data as of March 31, 2025. Returns are based on price index only and do not include dividends. Intra-year declines refer to the largest market drops from a peak to a trough during the year. **Past performance does not guarantee or predict future performance**. Index performance is for illustrative purposes only. You cannot invest directly in the index.

Impact of being out of the market

Performance of $10,000 investment between January 1, 2005, and December 31, 2024.



	Invested entire period	Missed 10 best days	Missed 20 best days	Missed 30 best days
Cumulative return	389.3%	124.4%	34.7%	–11.5%
Annualized return	8.3%	4.1%	1.5%	–0.6%

What is this chart showing?

This chart shows how missing the best days in the market over the last 20 years would have impacted returns of an investment in the S&P 500 Index.

Why is it important?

Missing the best days can be costly, while avoiding the worst days can be beneficial. However, because the best days often follow the worst, it is nearly impossible to accurately time the market.

For this reason, simply staying the course is generally the best approach.

6 of the **best 10 days** happened within 10 trading days following one of the worst 10 days.

Source: Bloomberg, Lincoln Financial. Equity represented by the S&P 500 Price Return Index. Data is from January 1, 2005, to December 31, 2024. **Past performance is not indicative of future returns.** Index performance is for illustrative purposes only. You cannot invest directly in the index.

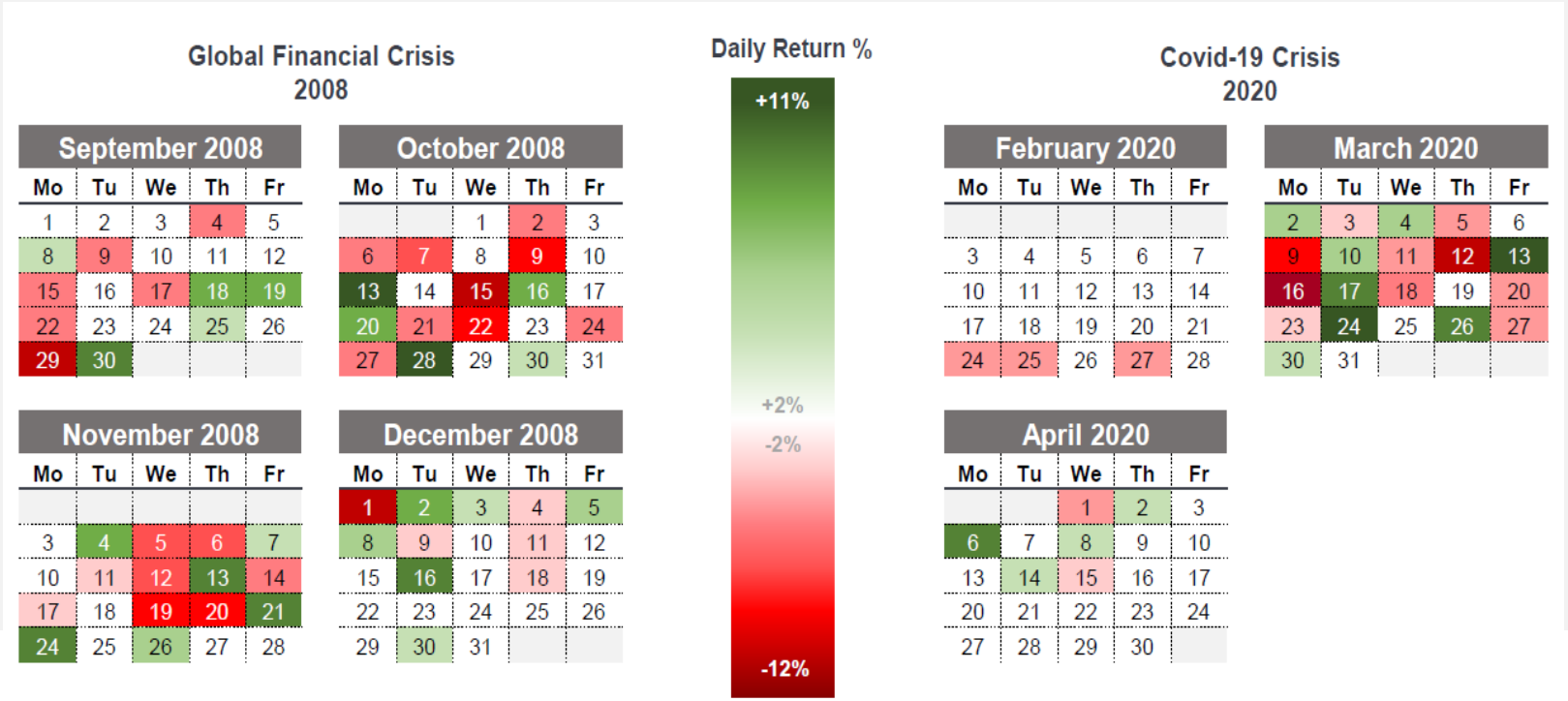
S&P 500's best days often come near the worst

Janus Henderson INVESTORS

This slide shows a crucial investing lesson: the best and worst days in the market often happen close together, particularly during periods of crisis. As seen during the Global Financial Crisis (2008) and the COVID-19 Crash (2020), major market drops (red days) were frequently followed by some of the strongest rebounds (green days).

This reinforces the importance of staying invested, as missing just a few of these big recovery days can significantly impact long-term returns. While market volatility can be unsettling, history shows that investors who remain disciplined and patient through downturns are more likely to benefit from the historical rebounds that follow.

A majority of the best and worst days happened during the same time period



Source: Janus Henderson. Bloomberg, as of January 7, 2022. Notes: S&P 500 Total Return Index, daily returns. **Past performance does not guarantee or predict future performance.**

For use with the general public.

History of market corrections: Most do not fall into bear market territory

American Century Investments®

Market corrections — a 10% drop from recent highs — typically occur every two years and last a few months, though their timing can vary.

They often happen when stock prices become overvalued and are a natural part of market cycles, helping to stabilize valuations.

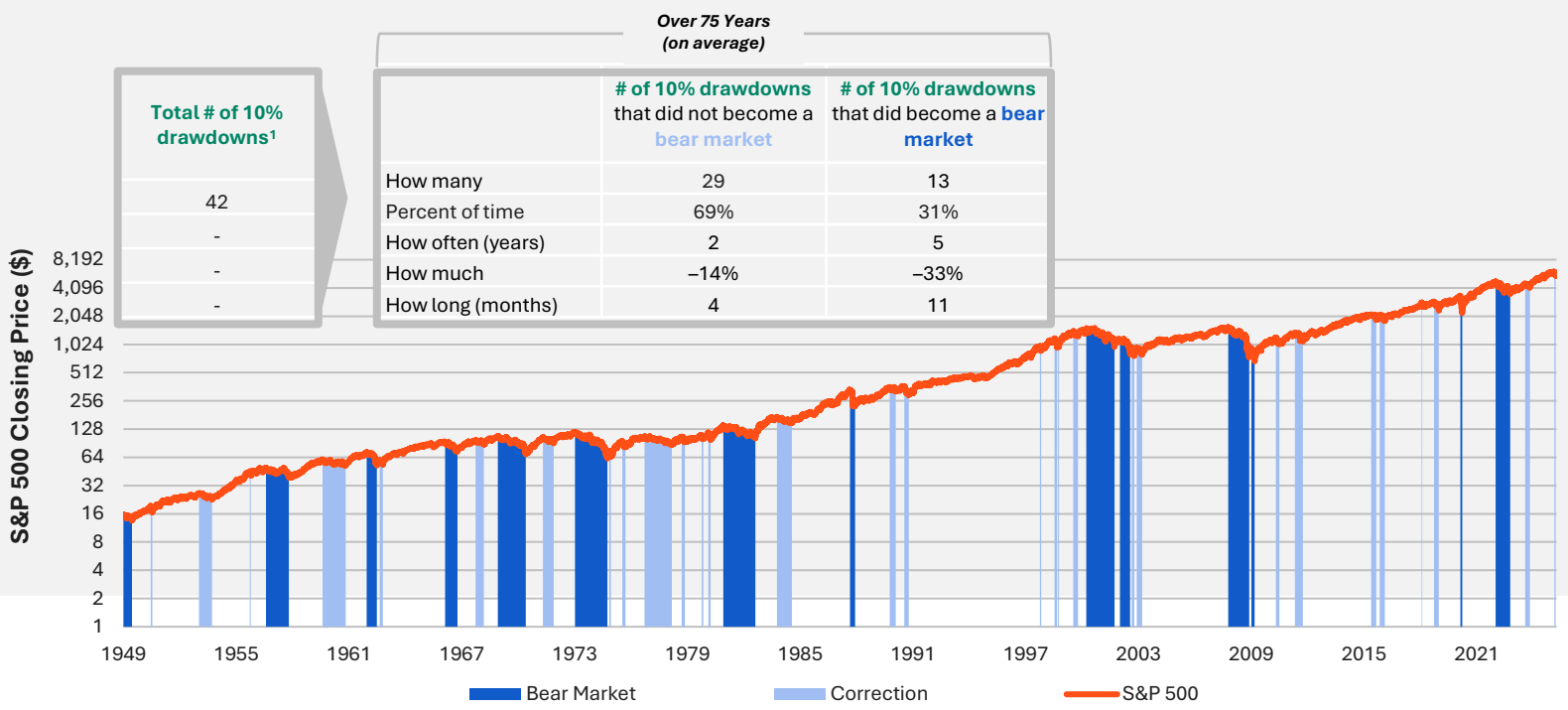
Bear markets, while less frequent, tend to last longer — averaging 11 months over the past 75 years.

Since 1949[1], there have been 42 corrections; only 13 (31%) became bear markets (a decline of 20% or more). Most (69%) did not lead to deeper, prolonged drawdowns.

While corrections and bear markets can be challenging, they are an inherent part of investing and long-term market trends.

Market corrections of at least 10% happened every two years on average

	Total # of 10% drawdowns[1]	Over 75 Years (on average): # of 10% drawdowns that did not become a bear market	Over 75 Years (on average): # of 10% drawdowns that did become a bear market
How many	42	29	13
Percent of time	-	69%	31%
How often (years)	-	2	5
How much	-	–14%	–33%
How long (months)		4	11



Source: American Century Investments. FactSet. Data from 1/1/1949 through 3/28/2025. 1- excluding the March 2025 correction as it is ongoing. Total number of 10% drawdowns as of 3/28/2025 is 43. **Past performance does not guarantee or predict future performance.** Index performance is for illustrative purposes only. You cannot invest directly in the index.

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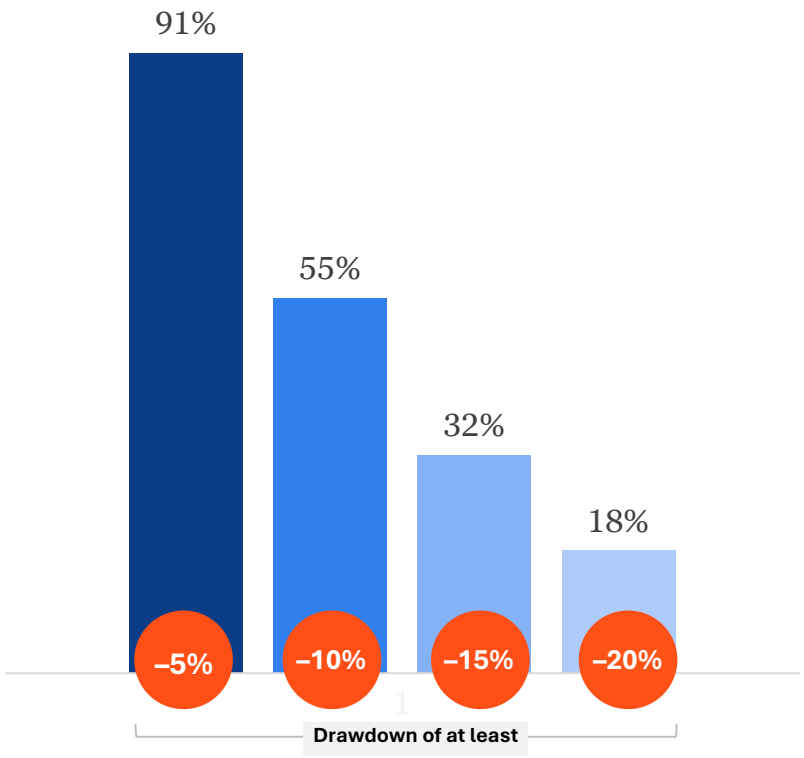
Market drawdowns are more common than you think

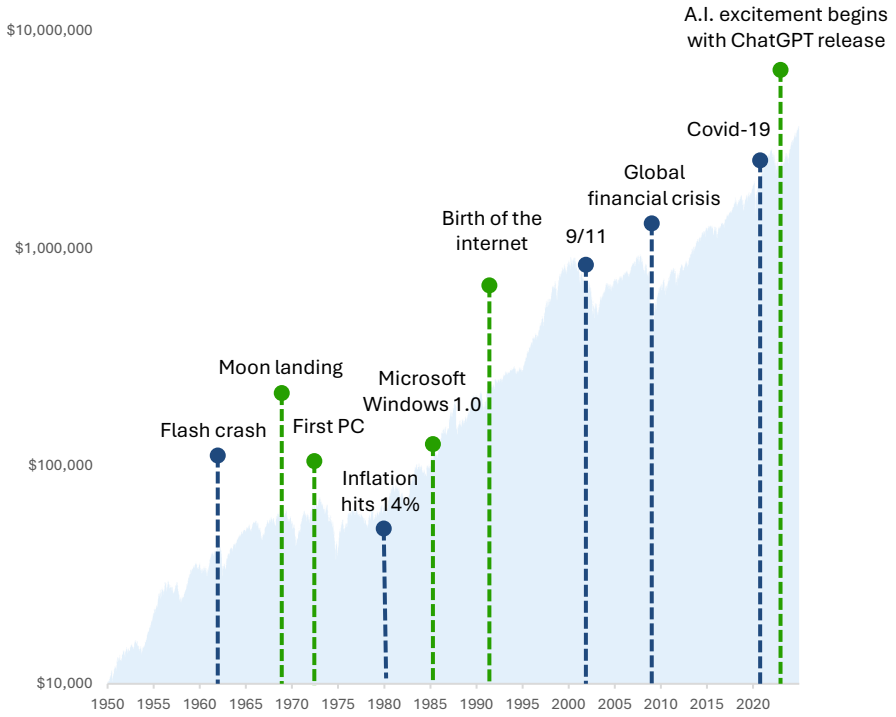
A meaningful drawdown in any given year is likely...

% of calendar years with drawdowns, S&P 500 (1950 – 2024)



Despite that, markets trend higher over time

Growth of $10,000, S&P 500 (1950 – 2024)



Although market corrections can be unsettling, don't panic — pullbacks are a normal feature of healthy functioning markets

Despite short-term disruptions, American innovation has contributed to driving markets higher over the long-term

What is this chart showing?

This chart shows the percentage of calendar years since 1950 that saw a drawdown of at least 5%, 10%, 15%, and 20% (left) and the long-term growth of $10,000 invested in the S&P 500 with a handful of significant events overlayed (right).

Why is it important?

Despite a mostly calm year in 2024, drawdowns are a normal occurrence — even during healthy bull markets.

Nearly all calendar years see stocks decline at least 5%, and more than half see double-digit drawdowns. Additionally, the average year experienced a decline of nearly 14%. Despite this, stocks still finished with gains in 73% of all years.

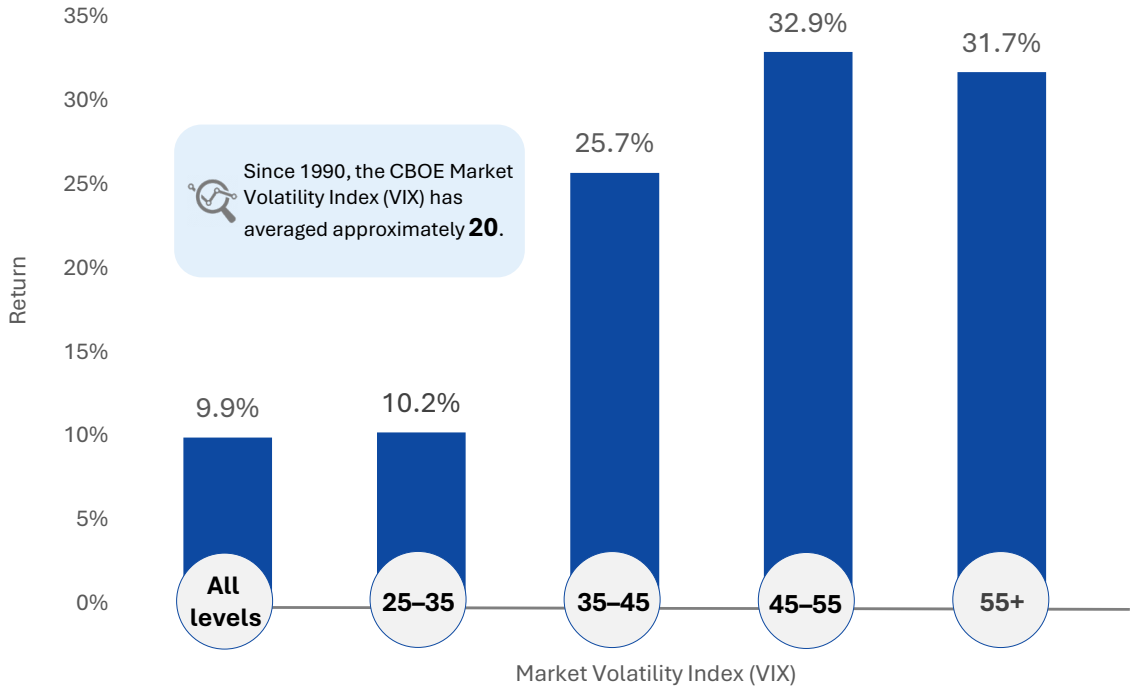
While these drawdowns can be unsettling, the best course of action is often to stay the course. Because over the long term, markets tend to march higher, with most of these declines ending up looking like nothing more than a small bump in the road.

Source: Morningstar. S&P 500 Price Return Index. Average max intra-year decline was 13.7%. **Past performance does not guarantee or predict future performance**. Index performance is for illustrative purposes only. You cannot invest directly in the index.

Periods of elevated volatility may represent opportunities for investors

S&P 500 average one-year returns from VIX levels (1990 – 2024)

The VIX, often referred to as the "fear gauge," is a real-time measure of expected near-term volatility of the S&P 500 derived using option prices.



Historical examples of periods the VIX has peaked at certain volatility threshold levels

VIX level	Historical examples
55+	COVID-19 Global Pandemic (2020)
45 – 55	Tech bubble (2002)
35 – 45	Markets react to 9/11 attacks (2001)
25 – 35	FED begins tightening to combat inflation (2022)

What is this chart showing?

This chart shows the average one-year performance of the S&P 500 Index from various VIX levels since 1990, as well as historical examples of events that occurred when the VIX Index hit certain thresholds.

Why is it important?

Volatility is a feature of investing, not a defect. However, many investors instinctually view it as something to fear and avoid – which can lead to poor behavior and subpar long-term results. Using the daily closing price of the VIX, an investment made at any level had a solid average one-year return of 9.9%. However, an investment made on days where the VIX was elevated performed meaningfully better.

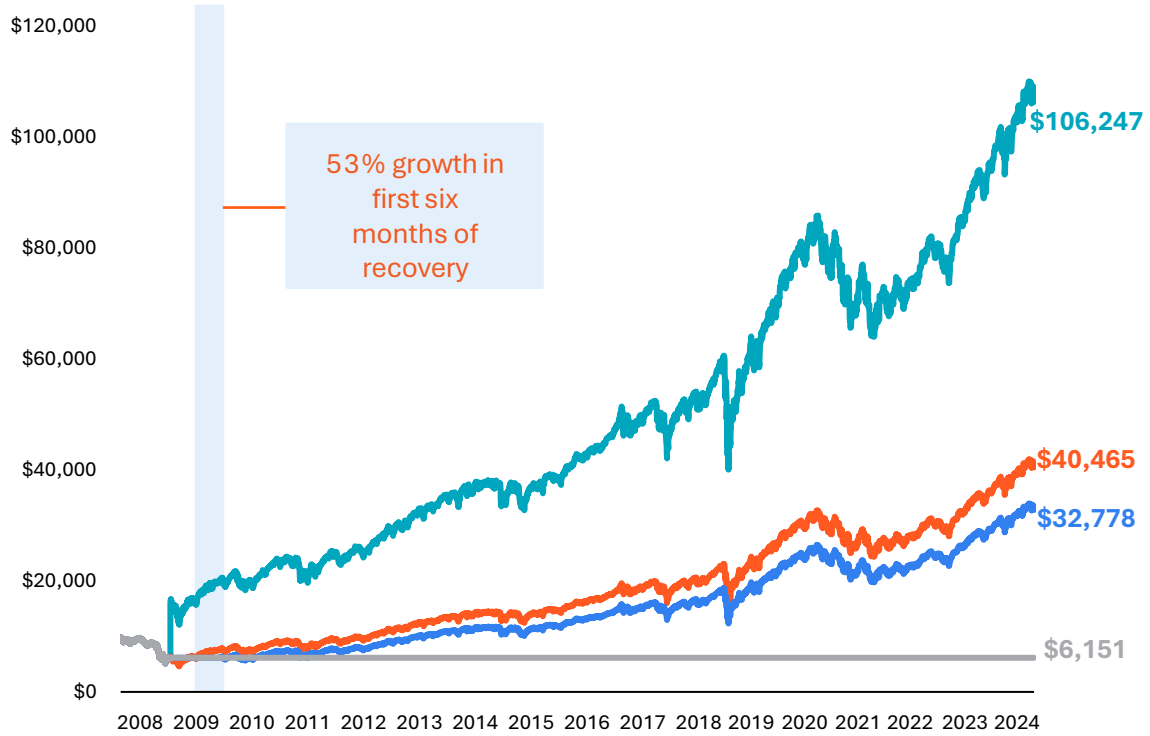
Investors could benefit from thinking of the VIX as an "opportunity index." Because while it's always a good time to invest, history shows that some of the best opportunities have come during periods associated with elevated volatility.

Source: Morningstar, Lincoln Financial 1/1/1990 – 12/31/2024. Past performance does not guarantee future results. Subsequent 1-year returns represent the average forward 12-month return of the S&P 500 TR based on all days in which the VIX closed within each specified range. VIX is the ticker symbol for the CBOE Volatility Index. **Past performance does not guarantee or predict future performance**. Index performance is for illustrative purposes only. You cannot invest directly in the index.

Your response to volatility matters

Four investor reactions to the 2008 Financial Crisis

Hypothetical growth of $10,000 investment, January 2008 to December 2024



Opportunistic Investor

Invested an additional $10,000 at the start of 2009

Steady Investor

Stayed the course, making no changes to portfolio

Uncertain Investor

Moved to cash at the start of 2009 and reinvested after 1 yr.

Apprehensive Investor

Moved to cash at the start of 2009 and remained there

What is this chart showing?

This chart shows how four different investors may have responded to the market volatility during the 2008 Financial Crisis.

Why is it important?

Investors can use this to help understand how different reactions to market volatility can impact their long-term outcomes.

While the steady investor outperformed those who moved to cash, the opportunistic investor who invested an additional $10,000 during this period of market volatility had the most positive outcome of the group.

Source: Morningstar, Lincoln Financial. 1/1/2008 – 12/31/2024. S&P 500 Price Return Index used, which does not include dividends. Cash assumed to have a net yield of 0%. **Past performance is not indicative of future returns.** You cannot invest directly in an index. All indices are unmanaged and do not include fees or expenses. Please see the back of this presentation for index definitions and disclosures.

Trending topic

Lincoln Financial

S&P 500 performance after market drawdowns

Average S&P 500 Forward Returns from drawdown levels: (January 1960 – March 2025)

% drawdown	% of time	1 year later	3 years later	5 years later	10 years later	20 years later
All-time high	7.2%	8.0%	29.4%	50.5%	95.7%	258.3%
⬇ 0-10%	51.2%	7.5%	27.3%	53.0%	102.7%	290.7%
⬇ 10-20%	16.1%	7.4%	20.6%	39.8%	134.4%	497.7%
⬇ 20-40%	18.3%	9.6%	26.0%	39.6%	140.2%	511.9%
⬇ 40%+	7.2%	18.7%	36.8%	62.4%	127.1%	403.9%

Investing during market drawdowns can be unsettling, but these periods often present favorable entry points for long-term investors.

Did you know?

What is this chart showing?

This chart shows the average cumulative performance of the S&P 500 Price Return Index over 1-, 3-, 5-, 10-, and 20-year periods, depending on where its daily closing price stood in relation to its most recent peak. Additionally, it displays the frequency with which the index closed at different drawdown levels.

Why is it important?

While on average it may always a good time to invest, buying during periods of significant drawdowns has rewarded patient investors with robust long-term returns. For example, buying when the index is 20–40% below its recent high yielded an average 20-year cumulative return of nearly 512%.

This data underscores an important point: drawdowns, while emotionally challenging, often present favorable entry points for long-term investors.

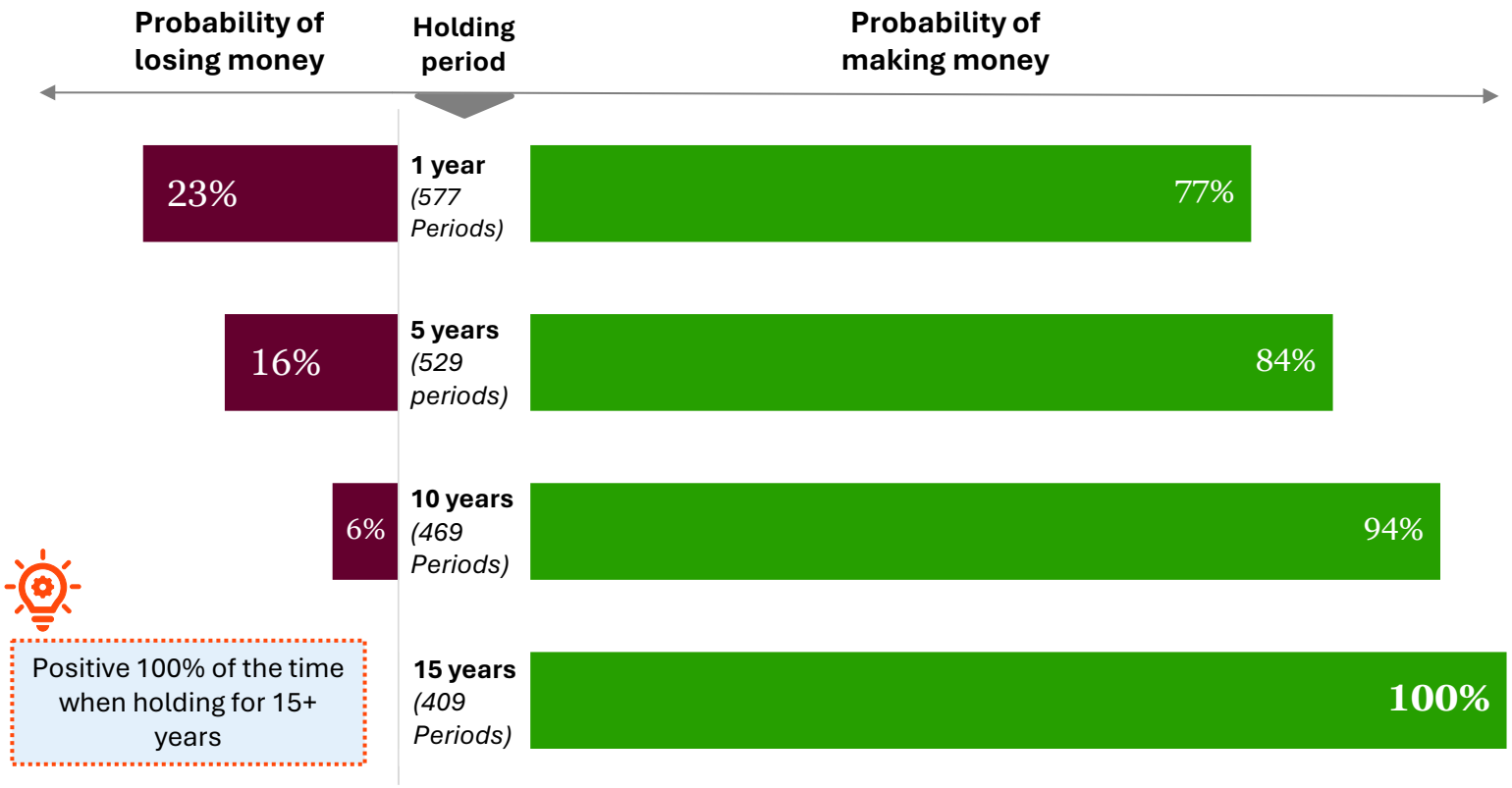
However, given that stocks spend nearly 60% of their time less than 10% away from all-time highs, prioritizing consistent investing rather than waiting for a dip is typically the recommended strategy.

Source: S&P Dow Jones. Daily S&P 500 Price Return data from January 1960 – March 2025. **Include the proper disclosures (bolded): Past performance does not guarantee or predict future performance. Index performance is for illustrative purposes only. You cannot invest directly in the index.**

Trending topic

Lincoln Financial

The power of long-term investing



What is this chart showing?

This chart shows the historical probability of making or losing money over various holding periods in the S&P 500 from 1976 – 2024. It demonstrates that when held for 15 years, an investment in the S&P 500 has been positive 100% of the time, highlighting the benefits of a long-term approach.

Why is it important?

While headlines may create uncertainty, maintaining a long-term perspective can help investors avoid the temptation to change their portfolio based on temporary fluctuations.

A patient approach can help investors ride out volatility and increase their chances of positive returns.

Source: Morningstar. S&P 500 Price Return Index from 1976 – 2024. Probability represented as the percentage of historical outcomes (rolling returns with a monthly step) that were either positive or negative based on holding periods of 1, 5, 10 and 15 years. **Past performance does not guarantee or predict future performance.**

For use with the general public.

Despite the headlines … it's always a good time to invest for the long term

Year	Worrisome event	Cumulative returns[1]
2000	Tech wreck; bubble bursts	538.8%
2001	September 11	602.7%
2002	Dot-com bubble; market down –49%	697.5%
2003	War on Terror – U.S. invades Iraq	923.8%
2004	Boxing Day Tsunami kills 225,000+ in Southeast Asia	695.6%
2005	Hurricane Katrina	617.5%
2006	Not a bad year, but Pluto demoted from planet status	583.9%
2007	Subprime meltdown	490.6%
2008	Global Financial Crisis; bank failures	459.9%
2009	GFC; market down –56%; depths of despair	788.7%
2010	Flash crash; BP oil spill; QE1 ends	602.7%
2011	S&P downgrades U.S. debt; 50% write-down of Greek debt	510.7%
2012	Second Greek bailout; existential threat to Euro	498.1%
2013	Taper Tantrum	415.6%
2014	Ebola epidemic; Russia annexes Crimea	289.4%
2015	Global deflation scare; China FX devaluation	242.5%
2016	Brexit vote; U.S. election	237.9%
2017	Fed rate hikes; North Korea tensions	201.8%
2018	Trade war; February inflation scare	147.7%
2019	Trade war; impeachment inquiry, global growth slowdown	159.1%
2020	Covid-19 pandemic; U.S. presidential election	97.0%
2021	Omicron variant, China regulatory crackdown	66.4%
2022	Russia invasion of Ukraine, inflation hits 40-year high	29.3%
2023	Fed rate hikes; bank failures, recession concerns	57.9%
2024	U.S. election, global conflicts escalate	25.0%

What is this chart showing?

This chart shows annual worrisome events, along with the cumulative returns from the beginning of each year through 2024.

Why is it important?

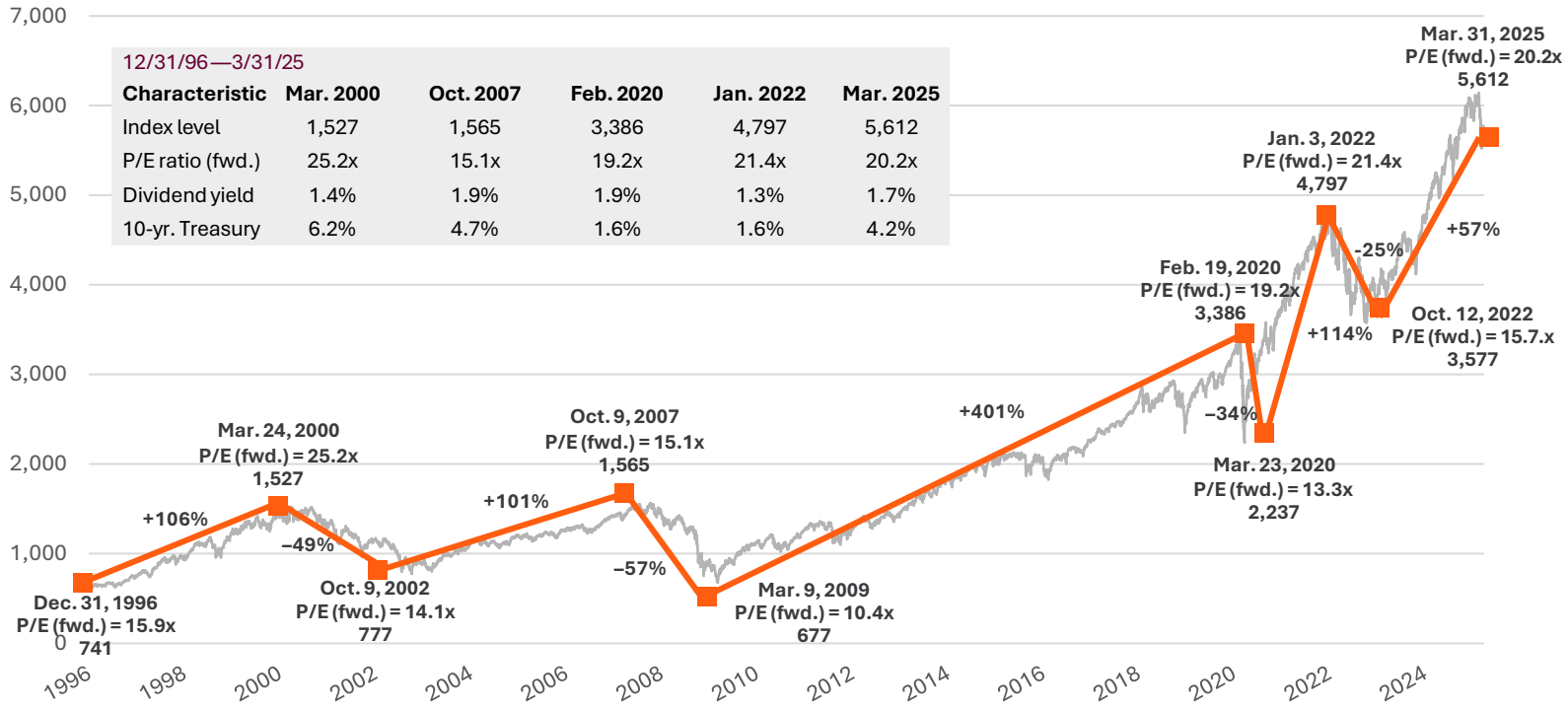
It always feels like there are compelling reasons not to invest. This is just a sampling of worrying headlines over the past two-plus decades.

Bad news may make short-term waves, but over time, those waves tend to smooth out and not disturb the long-term trajectory of markets.

[1]Cumulative total returns for S&P 500 Index are calculated from December 31 of the year prior to December 31, 2024, sourced from Morningstar. Worrisome events sourced from J.P. Morgan Private Bank from 2000 – 2021, Lincoln Financial for 2022 – 2024. You cannot invest directly in an index. **Past performance does not guarantee or predict future performance.**

Equities

S&P 500: Cumulative returns



What is this chart showing?

This chart shows the cumulative return of the S&P 500 Index from 1996 to present. It also highlights the return of major expansionary and contraction periods during this time.

Why is this important?

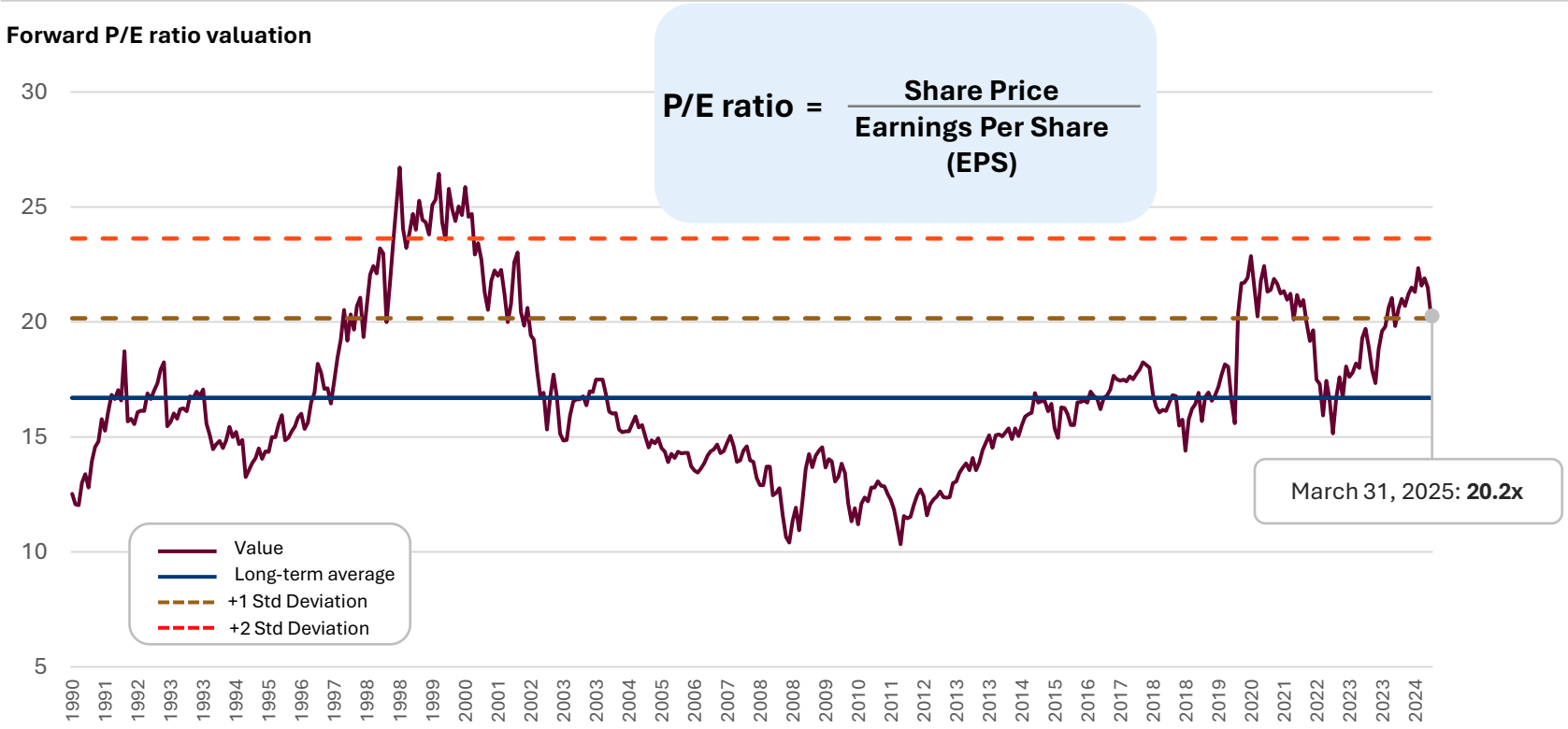
This chart can help put market cycles in context by comparing the magnitude and duration of bull and bear markets, along with the long-term trend of the S&P 500.

Past performance is not indicative of future returns. You cannot invest directly in an index. All indices are unmanaged and do not include fees or expenses. Please see the back of this presentation for index definitions and disclosures. Data as of March 31, 2025. **Dividend yield** is calculated as consensus estimates of dividends for the next 12 months, divided by most recent price, as provided by Compustat. **Forward price-to-earnings ratio** is a bottom-up calculation based on the most recent S&P 500 Index price, divided by consensus estimates for earnings in the next 12 months (NTM). The S&P 500® Price Return Index tracks the stock performance of 500 large U.S. companies. The index used is a price index and does not reflect dividends paid on the underlying stocks.

For use with the general public.

S&P 500: Valuation measures

Forward P/E ratio valuation



Valuation measures	Recent	20-year average
Forward P/E	20.2x	15.9x
Shiller's P/E	34.6	26.9
Dividend yield	1.7%	2.0%
Price-to-book	4.3	2.8
Price-to-cash flow	15.1	11.3

What is this chart showing?

This chart shows the historical trend of the S&P 500 forward P/E ratio compared to the modern-era historical average.

Why is it important?

The P/E ratio is a valuation measure for stocks. It shows how much investors are willing to pay for each unit's earning. The forward P/E ratio uses forecasted EPS over the next 12 months.

Equity valuation measures, like the forward P/E, can help investors gauge if the market is overvalued or undervalued relative to historical averages.

Source: FactSet, S&P, Robert Shiller, Bloomberg. Data as of March 31, 2025.

Forward P/E ratio (or forward price-to-earnings ratio) is the most-recent stock price divided by the forward-looking EPS estimate. **Shiller's P/E ratio** is the most recent stock price divided by the average of 10 years of inflation-adjusted earnings. **Dividend yield** is the percentage of its stock price that a company is projected to pay out as dividends. It is calculated by dividing estimated annual dividends per share for the current fiscal year by the company's most recent month-end stock price. **Price-to-book** compares a firm's market capitalization to its book value. It's calculated by dividing the company's stock price per share by its book value per share (BVPS). **Price-to-cash flow** is a valuation indicator or multiple that measures the value of a stock's price relative to its operating cash flow per share. **Standard deviation** is a statistical measurement of dispersion about an average, which, for a mutual fund, depicts how widely the returns varied over a certain period of time. **Past performance does not guarantee or predict future performance**. Index performance is for illustrative purposes only. You cannot invest directly in the index.

For use with the general public.

S&P 500: Index concentration, valuations and earnings

J.P.Morgan
Asset Management

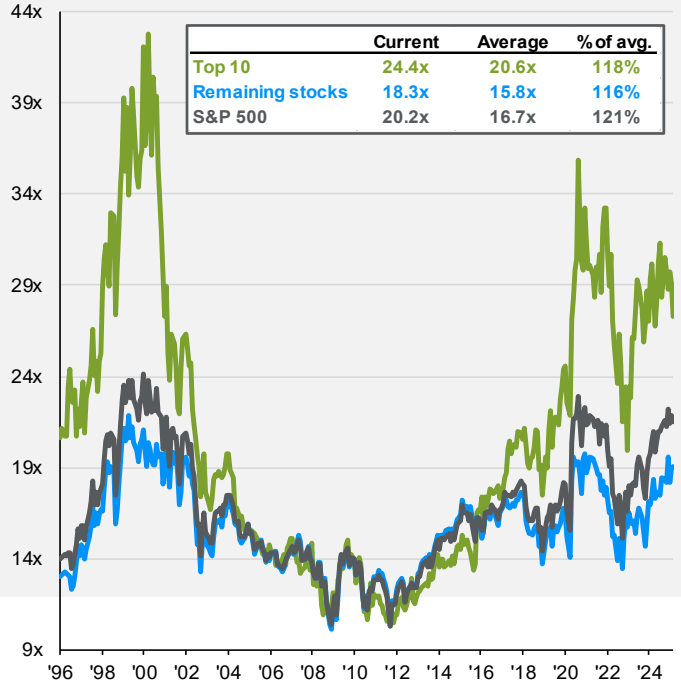
The left-hand side chart shows how high the P/E valuations are for the top 10 stocks in the S&P 500 relative to the remainder of the index. This gap has widened as large technology companies continue to rally.

The right side shows how the market capitalization of the top 10 stocks has increased recently despite the earnings contribution remaining muted.

Source: FactSet, Standard & Poor's, J.P. Morgan Asset Management. The top 10 S&P 500 companies are based on the 10 largest index constituents at the beginning of each quarter. As of 3/31/2025, the top 10 companies in the index were AAPL (7.0%), MSFT (5.9%), NVDA (5.6%), AMZN (3.8%), GOOGL/GOOG (3.4%), META (2.7%), BRK.B (2.1%), AVGO (1.7%), TSLA (1.5%), and JPM (1.4%). The remaining stocks represent the rest of the 492 companies in the S&P 500.

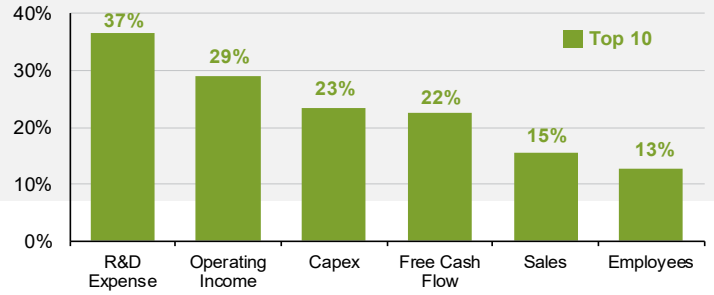
Guide to the Markets – U.S. Data are as of March 31, 2025.

P/E of the top 10 and remaining stocks in the S&P 500
Next 12 months, 1996 - present



Weight of the top 10 stocks in the S&P 500
% of market capitalization of the S&P 500

Economic concentration in the S&P 500
% of S&P 500 metric, 4Q24



Past performance does not guarantee or predict future performance. Index performance is for illustrative purposes only. You cannot invest directly in the index.
Source: J.P. Morgan Asset Management, as of March 31, 2025.

Magnificent 7 performance and earnings dynamics

J.P.Morgan
Asset Management

The "Magnificent 7" have been the driving force behind S&P 500 returns over the past three years. On the left, we break out performance of the Mag 7 and the rest of the S&P 500. While the Mag 7 stocks contributed 63% of the positive performance in 2023 and 55% in 2024, they also contributed 56% of the negative performance in 2022. On the left, we can see their fundamental strength. The top chart shows that S&P 500 earnings growth in 2023 would have been negative without the Mag 7.

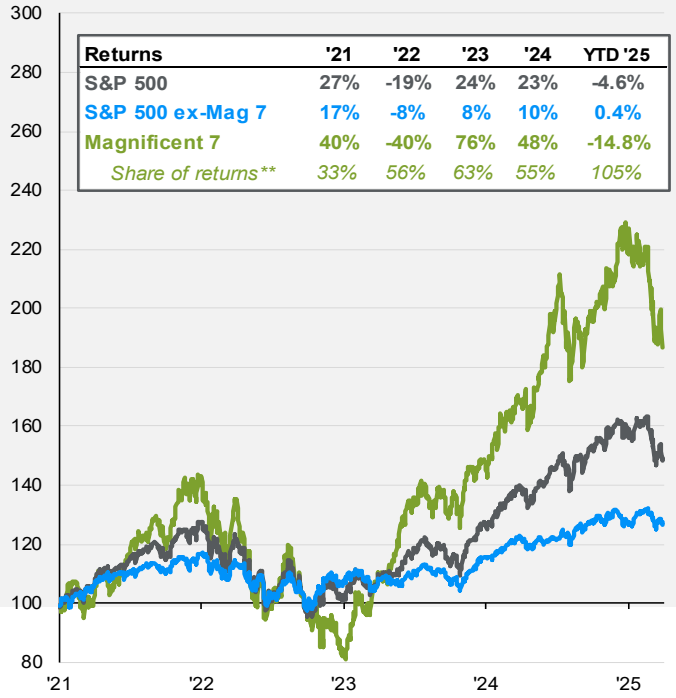
EPS growth for the rest of the index to inflected positively in 2024 and is expected to accelerate to double digits in 2025. The bottom shows that the Mag 7 have also been driving margin expansion, though the S&P 500 ex Mag 7 saw positive margin growth in 2Q24.

Source: FactSet, Standard & Poor's, J.P. Morgan Asset Management.
*Magnificent 7 includes AAPL, AMZN, GOOG, GOOGL, META, MSFT, NVDA and TSLA.
Earnings estimates for 2025 are forecasts based on consensus analyst expectations.
**Share of returns represent how much each group contributed to the overall return.

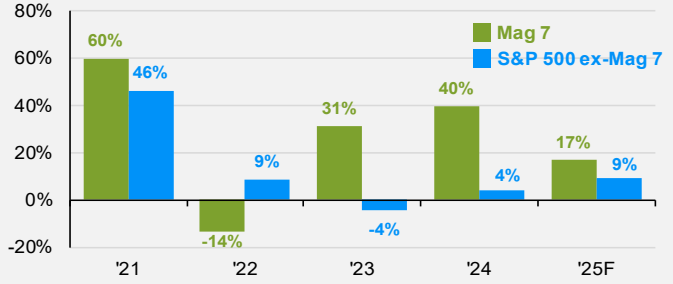
Guide to the Markets – U.S. Data are as of March 31, 2025.

Performance of "Magnificent 7" stocks in S&P 500*
Indexed to 100 on 1/1/2021, price return

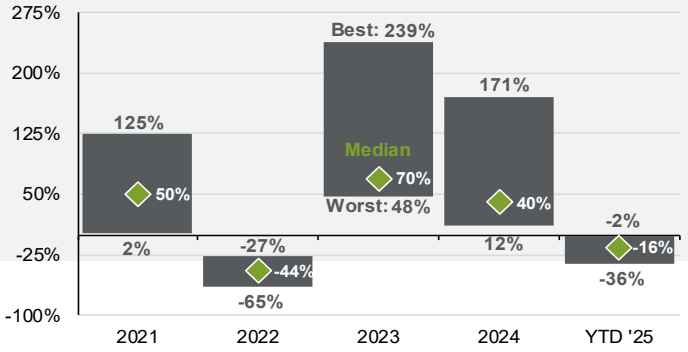
Returns	'21	'22	'23	'24	YTD '25
S&P 500	27%	-19%	24%	23%	-4.6%
S&P 500 ex-Mag 7	17%	-8%	8%	10%	0.4%
Magnificent 7	40%	-40%	76%	48%	-14.8%
*Share of returns**	*33%*	*56%*	*63%*	*55%*	*105%*



Earnings growth
Pro forma EPS, year-over-year



Magnificent 7 performance dispersion
Price returns, best, median and worst performing Mag 7 stock by year



Past performance does not guarantee or predict future performance. Index performance is for illustrative purposes only. You cannot invest directly in the index.
Source: J.P. Morgan Asset Management, as of March 31, 2025.

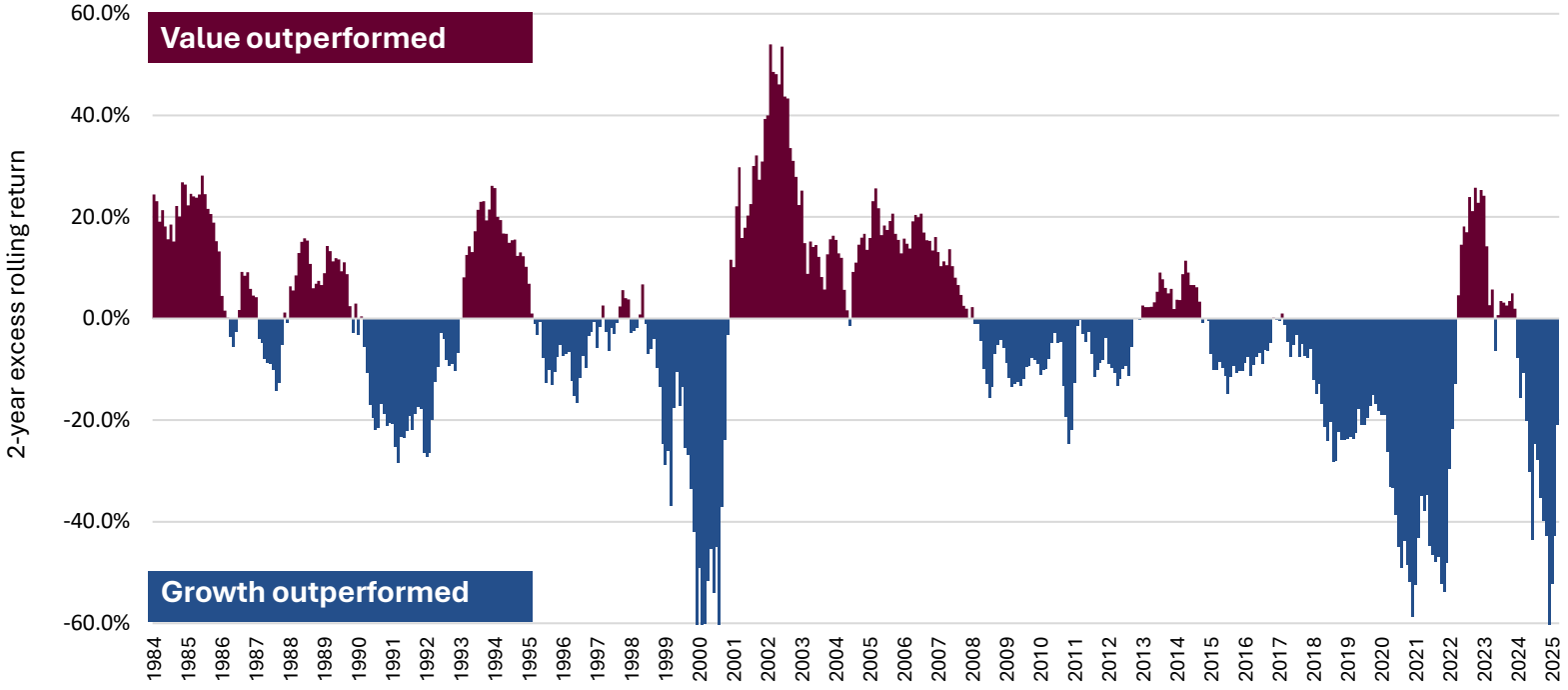
Growth vs. Value leadership rotation

What is this chart showing?

Growth and Value styles have rotated leadership during different market and economic environments.

Why is it important?

Historically, Value has led early in the economic recovery and when rates are rising, where Growth has led when interest rates are falling, and earnings are strong.



Value sectors

Industrials	Real Estate
Financials	Utilities
Energy	Consumer Staples
Manufacturing	

Growth sectors

- Communication Services
- Technology
- Healthcare
- Consumer Discretionary

Source: Morningstar. Value represented by Russell 1000 Value Index, Growth represented by Russell 1000 Growth Index. Both indices are total return. Data through March 31, 2025. **Past performance is not indicative of future returns.**

For use with the general public.

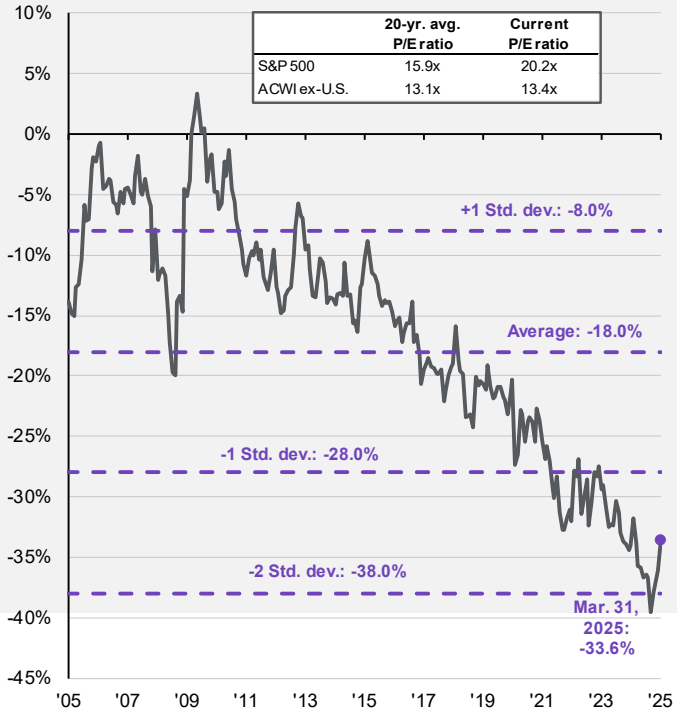
International valuations and dividend yields

J.P.Morgan
Asset Management

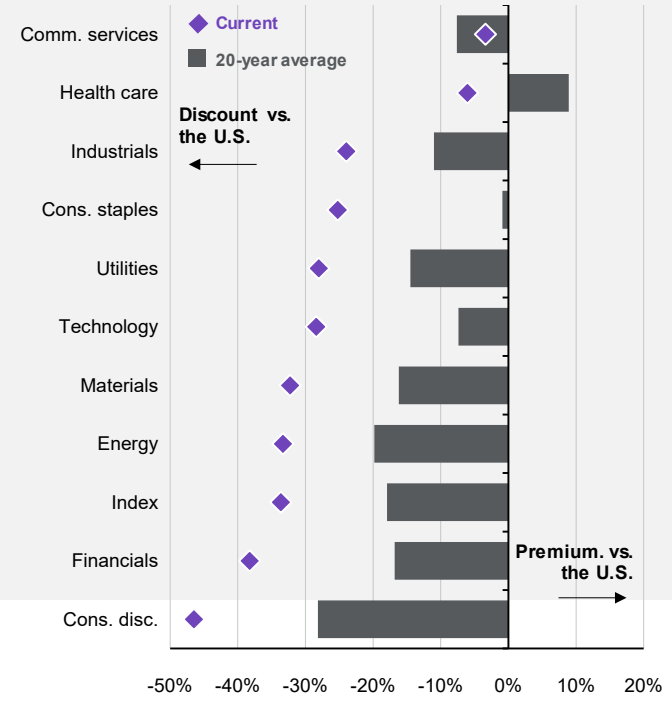
This chart shows international and U.S. stock valuations, noting a significant discount for international stocks, currently double the historical average. The discount spans all sectors, with healthcare being the only exception for the 20-year average period.

The data suggests that these discounts may not be justified, offering U.S. investors opportunities to access similar international companies at lower valuations, enhancing portfolio growth potential.

International: Price-to-earnings discount vs. U.S.
MSCI All Country World ex-U.S. vs. S&P 500, next 12 months



International: Price-to-earnings discount vs. the U.S. by sector
MSCI All Country World ex-U.S. minus S&P 500, next 12 months



Source: FactSet, MSCI, Standard & Poor's, J.P. Morgan Asset Management.
Guide to the Markets – U.S. Data are as of March 31, 2025.

Past performance does not guarantee or predict future performance. Index performance is for illustrative purposes only. You cannot invest directly in the index.
Source: J.P. Morgan Asset Management, as of March 31, 2025.

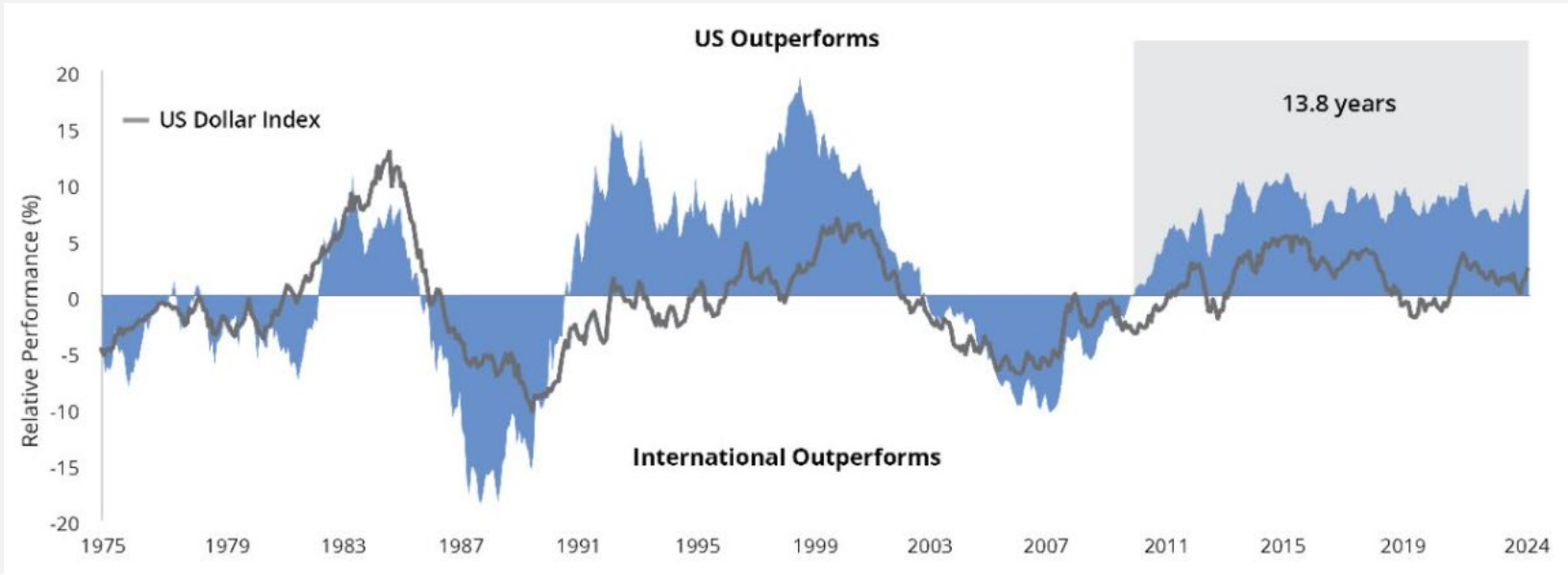
U.S. and international equities have traded periods of outperformance

HARTFORDFUNDS
Our benchmark is the investor.®

While we hope U.S. stocks continue to perform well, history suggests that international stocks may soon have their day in the sun. Since 1975, the outperformance cycle for U.S. vs. international stocks has lasted an average of more than eight years.

We're currently 13.8 years into the current cycle of U.S. outperformance based on 5-year monthly rolling returns.

U.S. Equity vs. International Equity 5-Year Monthly Rolling Returns (1975 – 2024)



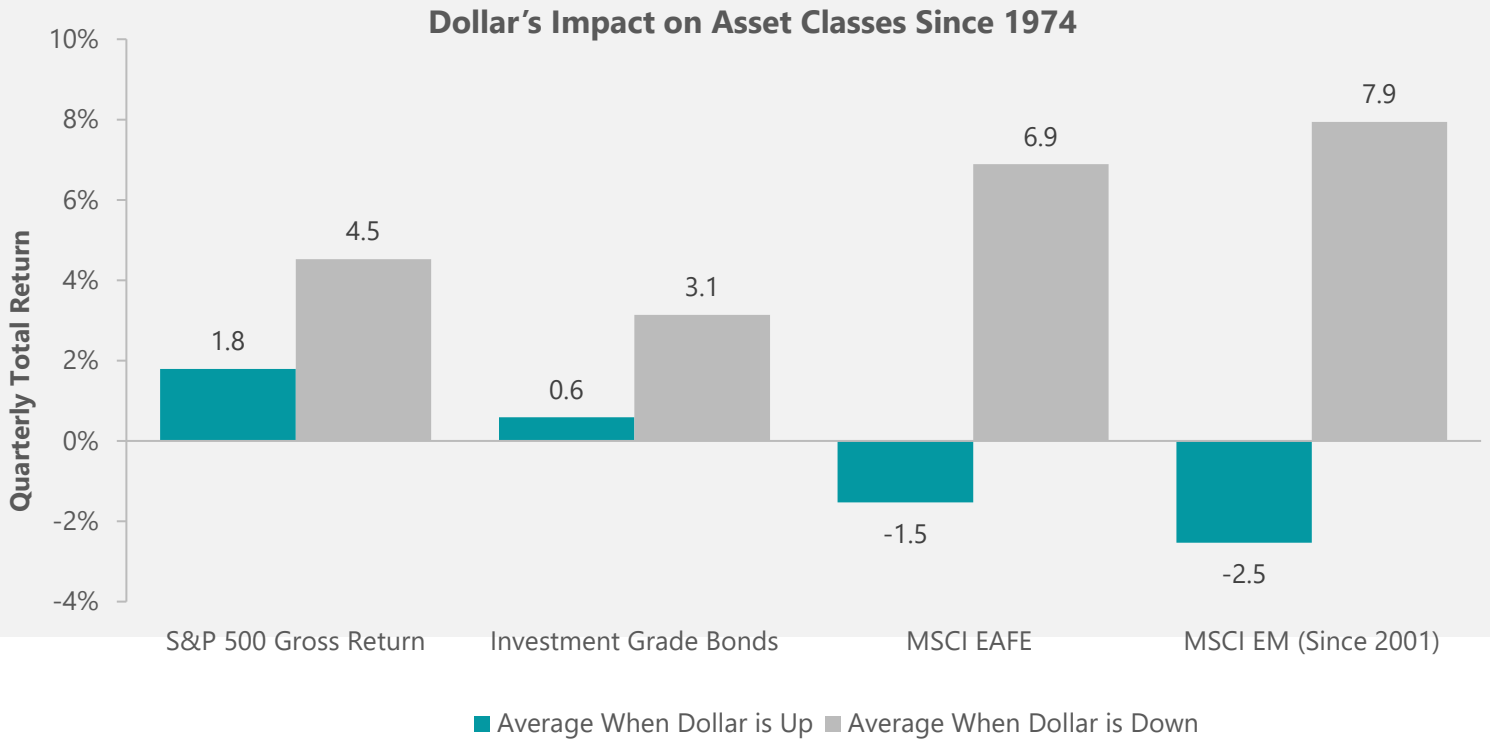
Source: Morningstar, Bloomberg, and Hartford Funds, 1/25. Data from 1/31/75-12/31/24. The chart shows the values of the S&P 500 Index's returns minus the MSCI World ex USA Index's returns. When the line is above 0, domestic stocks outperformed international stocks. When the line is below 0, international stocks outperformed domestic stocks.. Past performance does not guarantee future results. Indices are unmanaged and not available for direct investment. The performance shown above is index performance and is not representative of any Hartford Fund's performance. U.S. equity is represented by the S&P 500 Index; international equity is represented by the MSCI World ex USA Index. Please see the additional information section for index definition of S&P 500. MSCI World Ex USA Index captures large and mid cap representation across developed market countries, excluding the U.S. For illustrative purposes only.

Weaker dollar supercharges non-U.S. stocks

ClearBridge Investments

FRANKLIN TEMPLETON

This chart shows that international equities have historically tended to outperform domestic during periods of dollar weakness.



Source: ClearBridge Investments. Data as of Dec. 31, 2024. MSCI EAFE and MSCI EM are net returns; MSCI EM data starts in 2001. Investment-Grade Bonds refers to the Bloomberg U.S. Corporate Investment Grade Bond Index. Sources: FactSet, S&P, MSCI, Bloomberg. **Past performance is not a guarantee of future results**. Investors cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expenses or sales charges.

For use with the general public.

Consumer confidence and subsequent S&P returns

J.P.Morgan
Asset Management

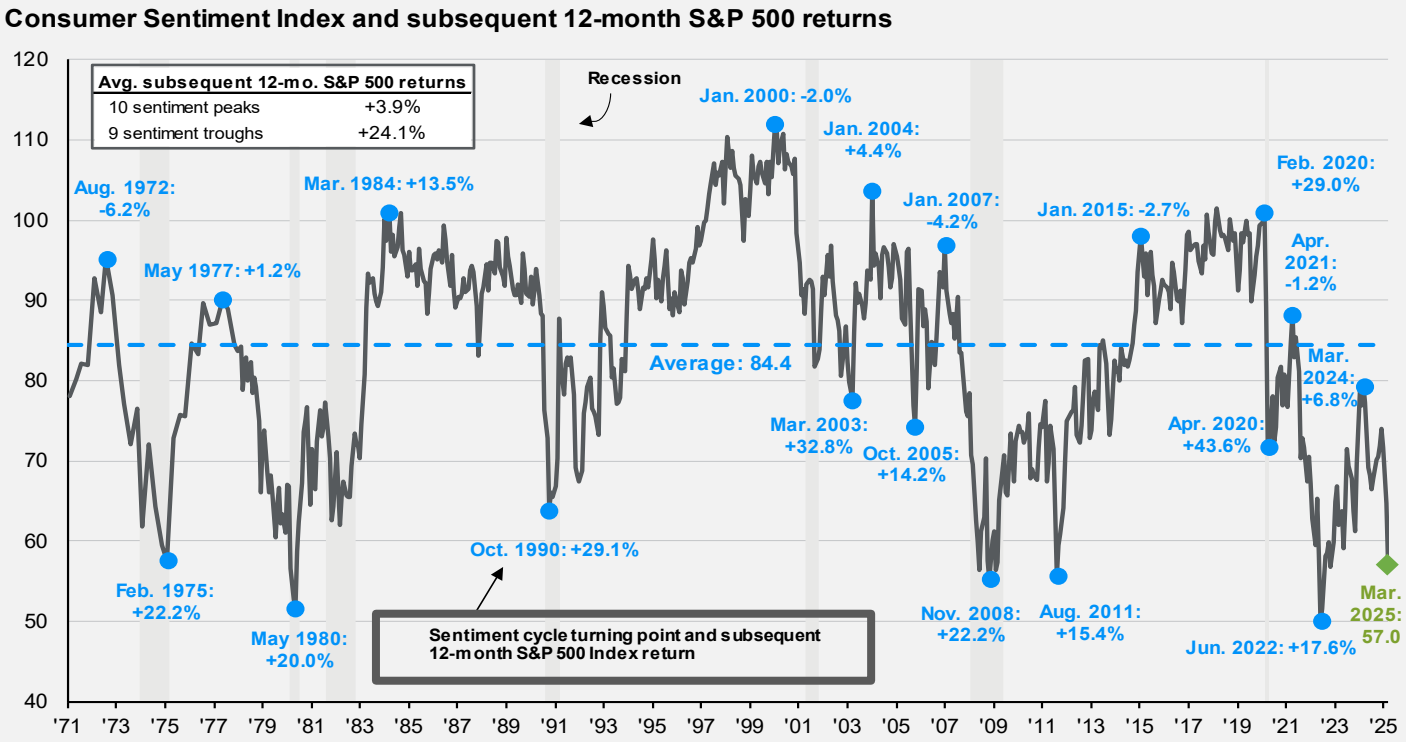
This chart shows consumer sentiment over the past 50 years and how much the S&P 500 gained or lost on average 12 months after nine distinct peaks and troughs. Buying at a confidence peak returned on average 3.9%, while buying at a trough returned 24.1%.

This underscores that when investors feel gloomy and worried about the outlook, history shows they should consider resisting the temptation to sell risk assets.

Source: FactSet, Standard & Poor's, University of Michigan, J.P. Morgan Asset Management.

Peak is defined as the highest index value before a series of lower lows, while a trough is defined as the lowest index value before a series of higher highs. Subsequent 12-month S&P 500 returns are price returns only starting from the end of the month and excluding dividends. Past performance is not a reliable indicator of current and future results.

Guide to the Markets – U.S. Data are as of March 31, 2025.



Past performance does not guarantee or predict future performance. Index performance is for illustrative purposes only. You cannot invest directly in the index.

Source: J.P. Morgan Asset Management, as of March 31, 2025.

For use with the general public.

20% gains two years in a row isn't a reason to be bearish

S&P 500 performance after back-to-back 20% returns (1950 – 2024)

Years of two consecutive 20%+ returns	Year 1 return	Year 2 return	Return in following year
1950 – 1951	30.8%	23.7%	18.2%
1954 – 1955	52.6%	32.6%	7.4%
1975 – 1976	37.2%	23.9%	–7.2%
1982 – 1983	21.5%	22.6%	6.3%
1995 – 1996	37.6%	23.0%	33.4%
1996 – 1997	23.0%	33.4%	28.6%
1997 – 1998	33.4%	28.6%	21.0%
1998 – 1999	28.6%	21.0%	–9.1%
2023 – 2024*	26.3%	25.0%	?
Average return			**+12.3%**
Positive the following year (%)			**75%**

Since 1950, there have been eight times the S&P 500 gains 20% or more two years in a row (excluding '2024). Six of those eight times, the following year was positive, with an overall average return of 12.3%

What is this chart showing?

This chart shows S&P 500 returns following two consecutive years in which the index gained 20% or more.

Why is it important?

The S&P 500 rose 25% in 2024, marking the second consecutive yearly gain of 20%+ (26.3% in 2023).

Despite the uneasiness investors may feel following periods of strong returns, history shows that stocks often continue to perform well in the subsequent year.

Prior to 2024, there were eight instances of back-to-back 20% gains since 1950. The average return in the following year was a healthy 12.3%, and in only two instances did the index fail to deliver a gain.

Further support can be found in expectations for continued economic strength and robust corporate earnings growth in 2025. That said, as is often the case in investing, the path is likely to be bumpy and include pullbacks along the way.

Source: Morningstar. Returns reflect the S&P 500 Total Return Index, including dividends. **Past performance does not guarantee or predict future performance**. Index performance is for illustrative purposes only. You cannot invest directly in the index.

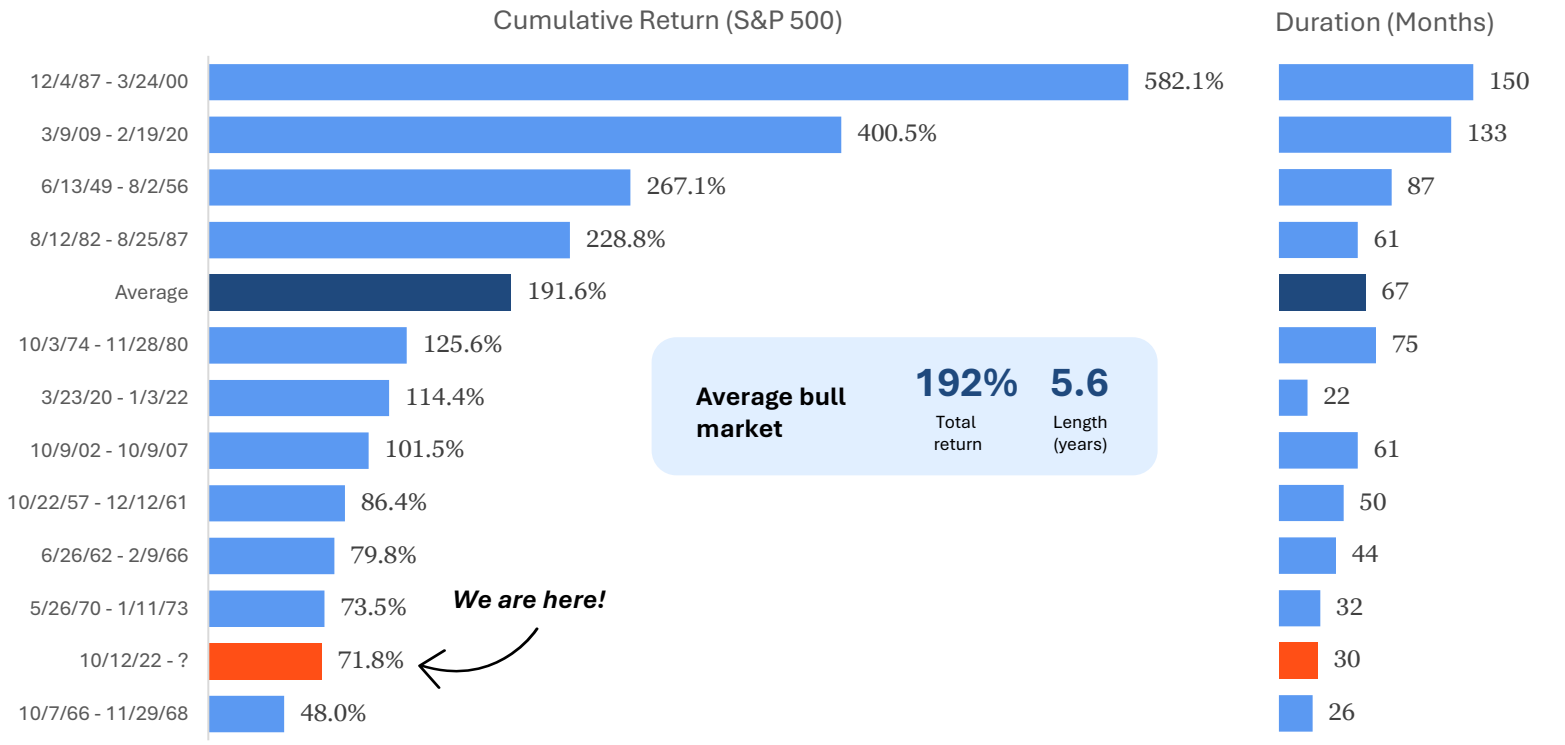
Trending topic

Lincoln Financial

Visualizing the magnitude and duration of bull markets

About bull markets

A sustained period of upward trending stock prices, typically 20% or more from a recent low



What is this chart showing?

This chart shows the historical magnitude (left) and duration (right) of the last 12 S&P 500 Index bull markets.

Why is it important?

This can help investors contextualize today's bull market that began in October 2022. As of the end of March 2025, it had achieved a peak gain of just over 71% and lasted approximately 30 months.

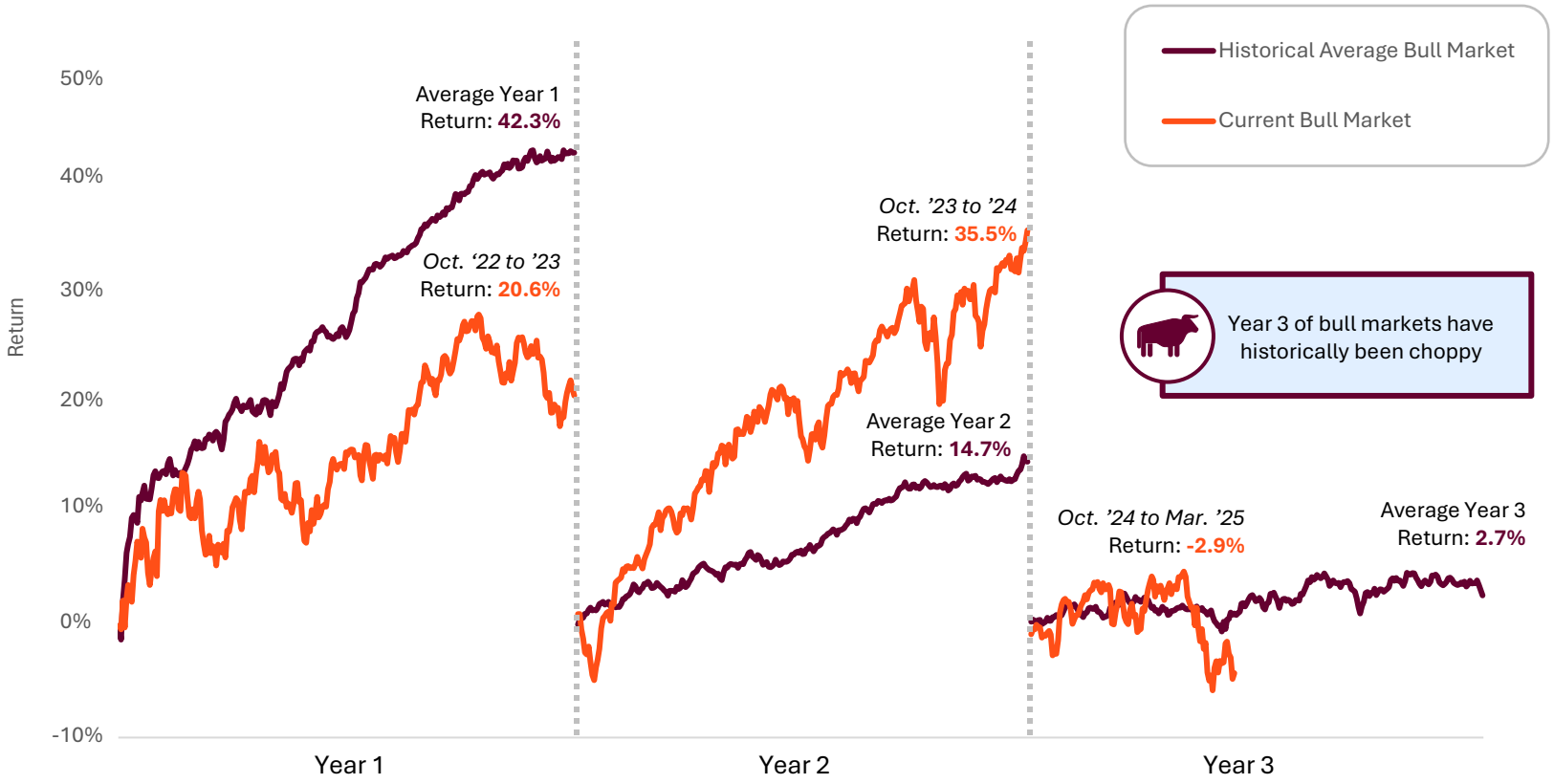
While there is quite a bit of variability in both the magnitude and duration of previous bull runs, on average, they have gained more than 192% and lasted approximately 67 months (5.6 years).

While not shown in this visual, over the same timeframe the S&P 500 has experienced 13 bear markets. On average, they saw stocks fall 33% and lasted only 11 months, highlighting the relative resilience of bull markets.

Source: Bloomberg - S&P 500 Price Return Index as of 03/31/25. Bull market that began on 10/12/22 excluded from averages and duration of the current bull market rounded up to the nearest full month. Median gain across bull markets listed is 114.4%. A bear market is defined by a closing price that drops at least 20% from its most recent high while a bull market begins when the closing price gains 20% from its low. **Past performance does not guarantee or predict future performance.** Index performance is for illustrative purposes only. You cannot invest directly in the index.

Bull markets: Historical patterns and current trends

Current vs average historical bull market performance



What is this chart showing?

This chart shows the yearly performance of the current bull market that began in October 2022 compared to the historical average of all bull markets since 1950.

Why is it important?

History shows that while year three of bull markets tends to be choppy, they still deliver modestly positive gains on average.

The current bull market underperformed the historical average in year 1, outperformed in year 2, and through March, has been choppy, remaining broadly in line with the year 3 trend despite its recent decline.

While many factors influence market returns, these patterns can offer valuable insights to help investors set expectations and prepare to navigate market volatility.

Source: YCharts, S&P Dow Jones. S&P 500 price return index from 1/1/1950 – 3/31/2025, indexed to 0% at the start of each bull market year. **Past performance does not guarantee or predict future performance. Index performance is for illustrative purposes only. You cannot invest directly in the index.**

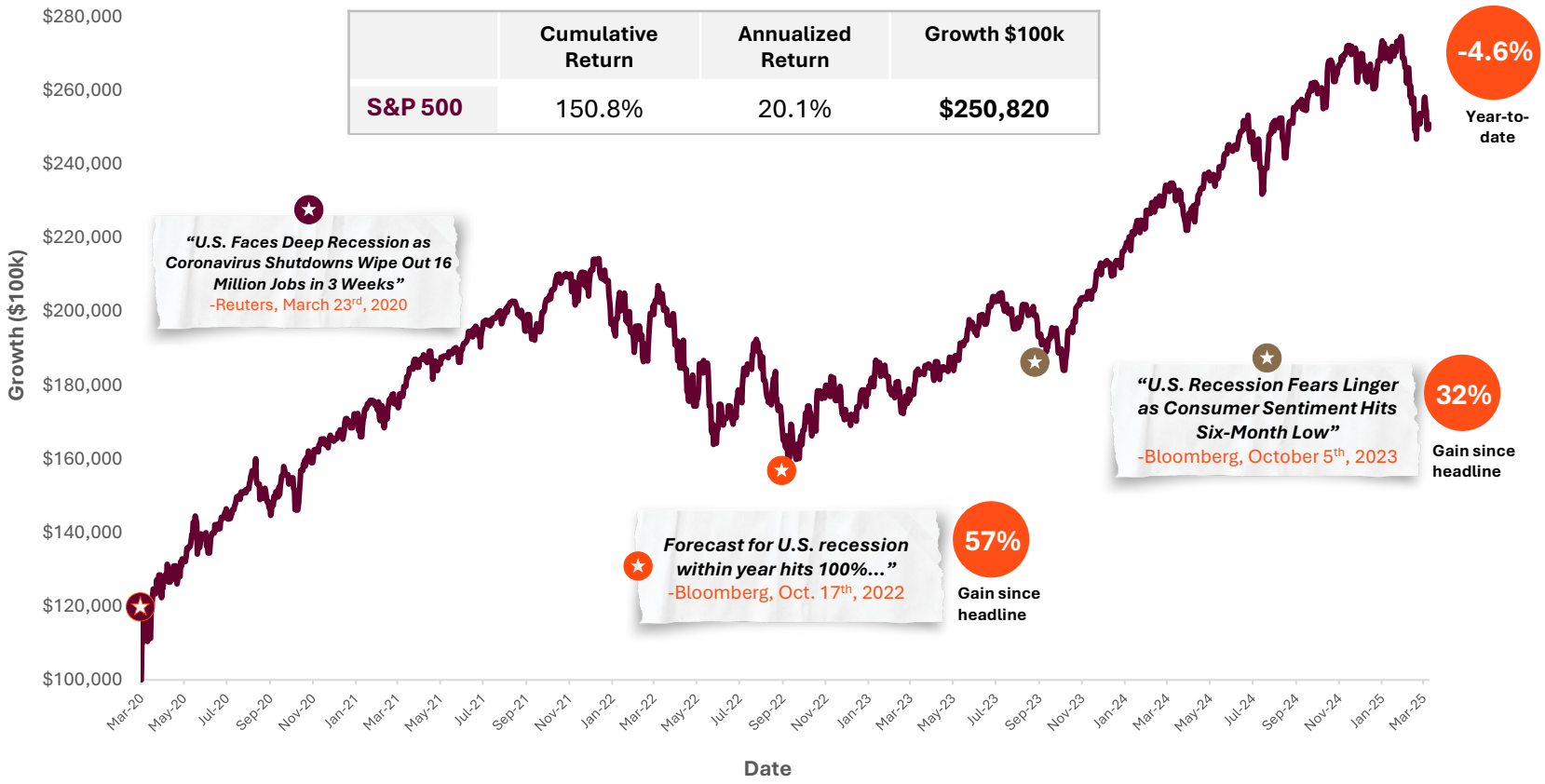
For use with the general public.

Trending topic

Lincoln Financial

S&P 500: Five years since the Covid bottom

S&P 500 3/24/2020 – 3/31/2025 (Growth $100k)



	Cumulative Return	Annualized Return	Growth $100k
S&P 500	150.8%	20.1%	**$250,820**

What is this chart showing?

This chart shows the hypothetical growth of $100,000 invested in the S&P 500 on March 24th, 2020 – one day after the index reached its pandemic-induced low.

Why is it important?

March 23rd, 2025, marked five years since the S&P 500's COVID-era bottom. Over this time, despite numerous predictions of an imminent recession, the index has gained more than 150%.

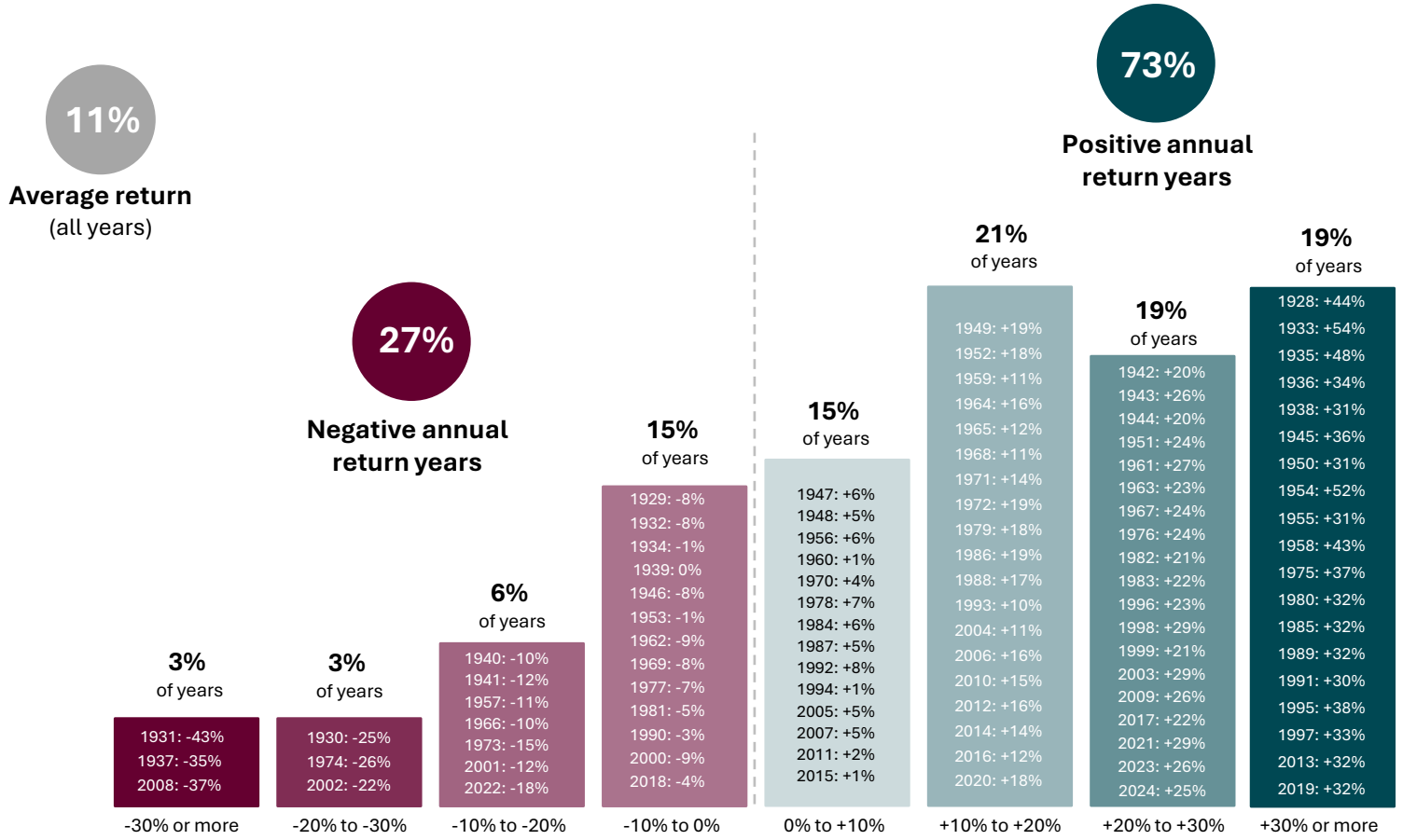
Despite an increase in volatility, along with a constant stream of negative headlines thus far in 2025, the index ended the first quarter down a relatively modest –4.6%.

Volatility is often considered the "price" investors pay for the potential to participate in the long-term gains that equities have historically delivered.

Maintaining focus on the bigger picture can help investors navigate short-term fluctuations and benefit from long-term trends.

Source: Morningstar, S&P 500 Price Return Index. Gain since headline is the cumulative gain for the S&P 500 from the date of the headline through 3/31/2025. **Past performance does not guarantee or predict future performance. Index performance is for illustrative purposes only. You cannot invest directly in the index.**

Stocks rise far more often than they fall



Source: DFA Matrix Book for S&P 500 returns (including dividends) from 1928 – 1936. Morningstar for returns from 1937 – 2024.
Past performance is not indicative of future returns. Index performance is for illustrative purposes only. You cannot invest directly in the index.

What is this chart showing?

This chart shows the distribution of calendar year returns for the S&P 500 Index from 1928 through 2024.

Why is it important?

While the market has certainly suffered down years, they've been far outweighed by good – and even great – ones.

From 1928 to 2024, the average calendar year return for the S&P 500 Index was 11%.
Over that timeframe, 73% of yearly returns were positive while only 27% experienced a negative return.

Not only has the market risen far more often than it has fallen, many of the worst years for stocks were followed by strong rallies – rewarding investors who chose to stay the course.

Equities have typically peaked months before a recession, but can bounce back quickly

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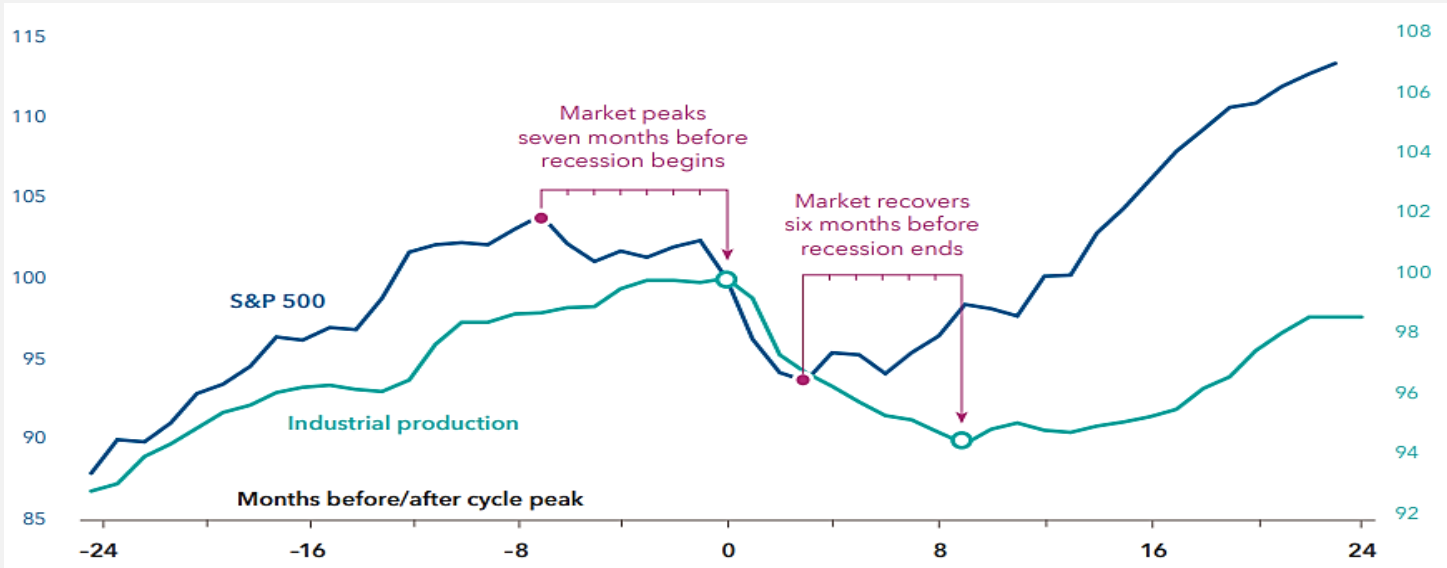
Markets have historically led the economy both on the upside and downside.

The benefits of capturing a full market recovery can be powerful. In all cycles since 1950, bull markets had an average return of 265%, compared to a loss of 33% for bear markets.

Because the strongest gains have often occurred immediately after a bottom, waiting on the sidelines for an economic turnaround is typically not a winning strategy.



	RECESSION	vs.	EXPANSION
Duration (months)	10		69
GDP growth	-2.5%		24.6%
Corporate earnings	-22%		96%
Net jobs added	-3.9M		12M

	BEAR MARKET	vs.	BULL MARKET
Duration (months)	13		67
Total return	-33%		265%

Source: Capital Group, Federal Reserve Board, Haver Analytics, National Bureau of Economic Research, RIMES, Standard and Poor's. Data reflects the average of completed cycles in the U.S. from 1950 to 2021, indexed to 100 at each cycle peak. Corporate earnings calculated by Strategas for all completed cycles from 1/1/28 – 11/30/22. Other data includes all completed cycles from 1/1/50 – 11/30/22. Industrial production measures the change in output produced by manufacturers, mines and utilities and is used here as a proxy for the economic cycle. **Past results are not predictive of results in future periods**. https://www.capitalgroup.com/advisor/insights/articles/2023-us-market-outlook.html.

Equity performance around U.S. recessions

S&P 500 Index Price Return

Recession start date	*Duration (months)*	*Return during recession*	*Return 1 yr. after recession*	*Return 3 yrs. after recession*	*Return 5 yrs. after recession*
July 1953	10	18%	30%	62%	101%
August 1957	8	–4%	33%	50%	61%
April 1960	10	17%	10%	23%	44%
December 1969	11	–5%	8%	10%	5%
November 1973	16	–13%	23%	7%	22%
January 1980	6	7%	8%	34%	57%
July 1981	16	6%	20%	46%	66%
July 1990	8	5%	8%	19%	72%
March 2001	8	–2%	–18%	3%	23%
December 2007	18	–37%	12%	48%	113%
February 2020	2	–1%	44%	43%	N/A
Average return		–1%	+16%	+31%	+56%
Number of positive periods (%)		45%	91%	100%	100%

Did you know?

+16%
Average S&P return one year after recession

+31%
Average S&P return three years after recession

+56%
Average S&P return five years after recession

What is this chart showing?

This chart shows performance of the S&P 500 Index in the periods during and after past U.S. recessions.

Why is it important?

Although recessions can be a time of uncertainty, investors likely shouldn't let the prospect of a bumpy landing for the economy keep them from staying invested.

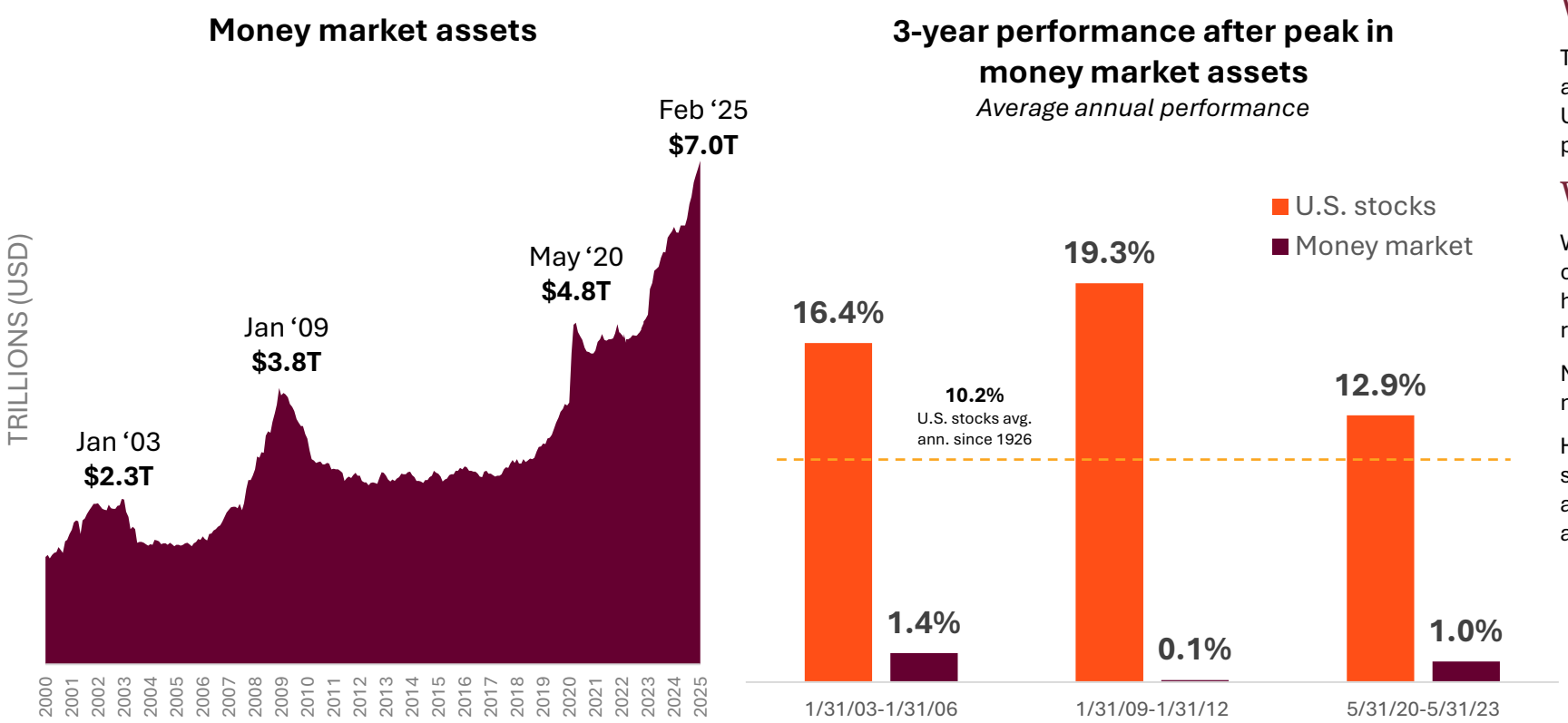
History shows that returns during recessionary periods have been relatively mixed, lending itself to the adage that the stock market is not the economy.

Returns following recessions have been strong, with cumulative gains one, three and five years later of 16%, 31%, and 56%.

Additionally, the S&P 500 was negative only one time 12 months following the end of a recession and generated a positive return 100% of the time both three and five years later.

Source: Morningstar, NBER. Cumulative price return of the S&P 500 Index. Past performance does not guarantee future results. Recession duration is measured from the first day of the month following the peak month, to the end of the trough month.

Returns following money market asset peaks



What is this chart showing?

This chart shows the rise in money market assets over time, and how money markets and U.S. stocks performed over the three-year period following peak money market assets.

Why is it important?

While it can be beneficial for investors to hold cash for preservation or liquidity purposes, holding too much can lead to suboptimal results.

Money market fund assets continue to touch new all-time highs.

Historically, this has been a bullish sign for stocks as they have performed better than average following periods of peak money market assets.

Source: Chart (left): Morningstar. Data most recently available as of 03/31/25. Chart (right): Morningstar, BlackRock Student of the Markets, Lincoln Financial. Returns calculated from end of peak month listed. US Stocks = S&P 500 TR; Money Market = Morningstar taxable money market category average returns. **Past performance does not guarantee or predict future performance. Index performance is for illustrative purposes only. You cannot invest directly in the index.**

color

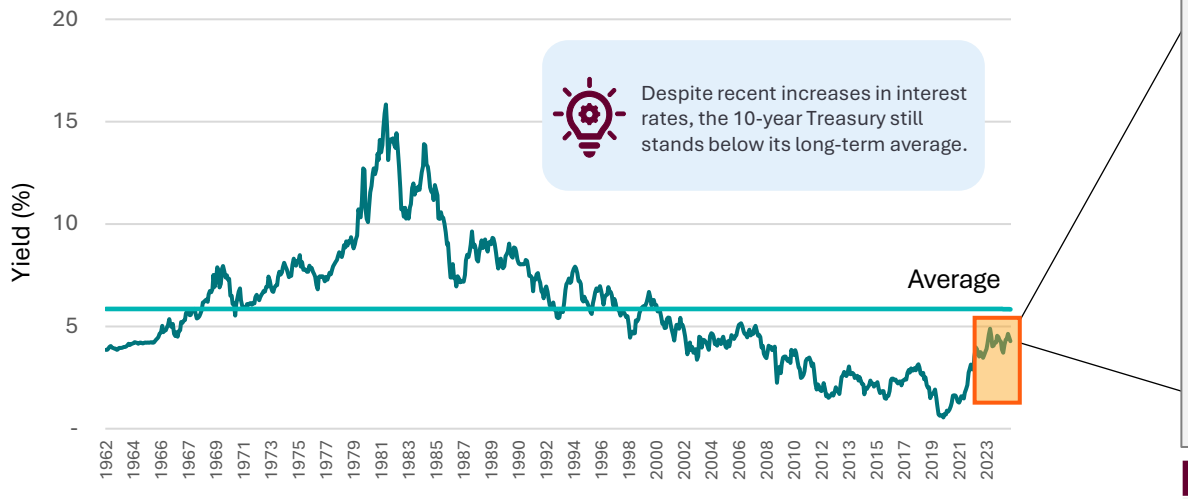
Fixed income

U.S. Treasury yield

What is this chart showing?

This chart shows the historical yield for the 10-year Treasury, along with an expanded view of more recent yield movements and bond asset class returns.

U.S. 10-year Treasury yield



Past performance is not indicative of future returns.

Core bonds represented by Bloomberg US Aggregate Bond Index; Intermediate Treasuries represented by ICE BofA 5-10Y US Trsy TR USD; Long-term Treasuries represented by ICE BofA 10+Y US Trsy TR USD.

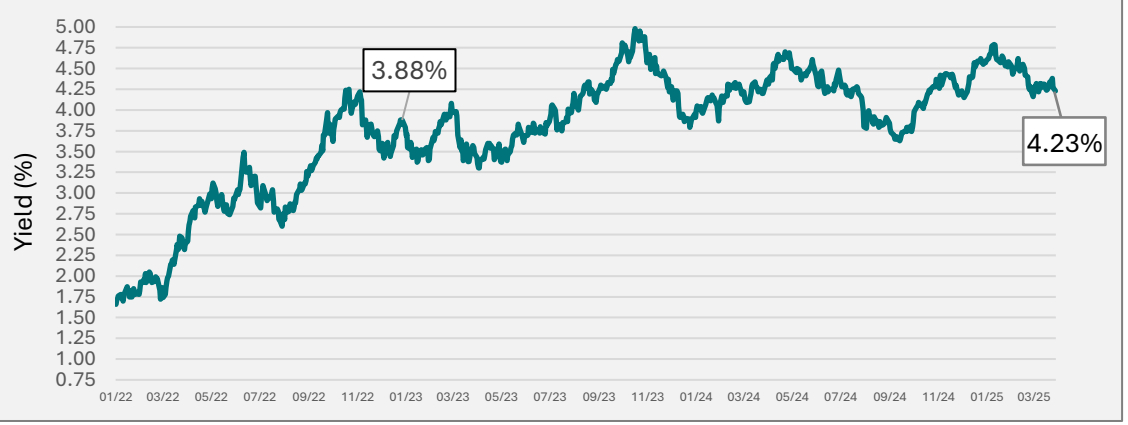
You cannot invest directly in an index. All indices are unmanaged and do not include fees or expenses. See index definitions and disclosures at back of presentation.

Source: Morningstar, FactSet, Bloomberg, J.P. Morgan Asset Management. Data as of March 31, 2025. [1]Real 10-year Treasury yields are calculated as the daily Treasury yield less year-over-year core CPI inflation for that month. For the current month, we use the prior month's core CPI figures until the latest data is available.

Why is it important?

Experts view the 10-year Treasury yield as a benchmark for the state of the economy and investor confidence. It drives interest rates throughout the market, making money more or less expensive to borrow. While the recent upward trend in rates is notable, it's essential to consider historical context and fluctuations when evaluating long-term averages.

U.S. 10-year Treasury yield, EOY December 2021 thru March 2025



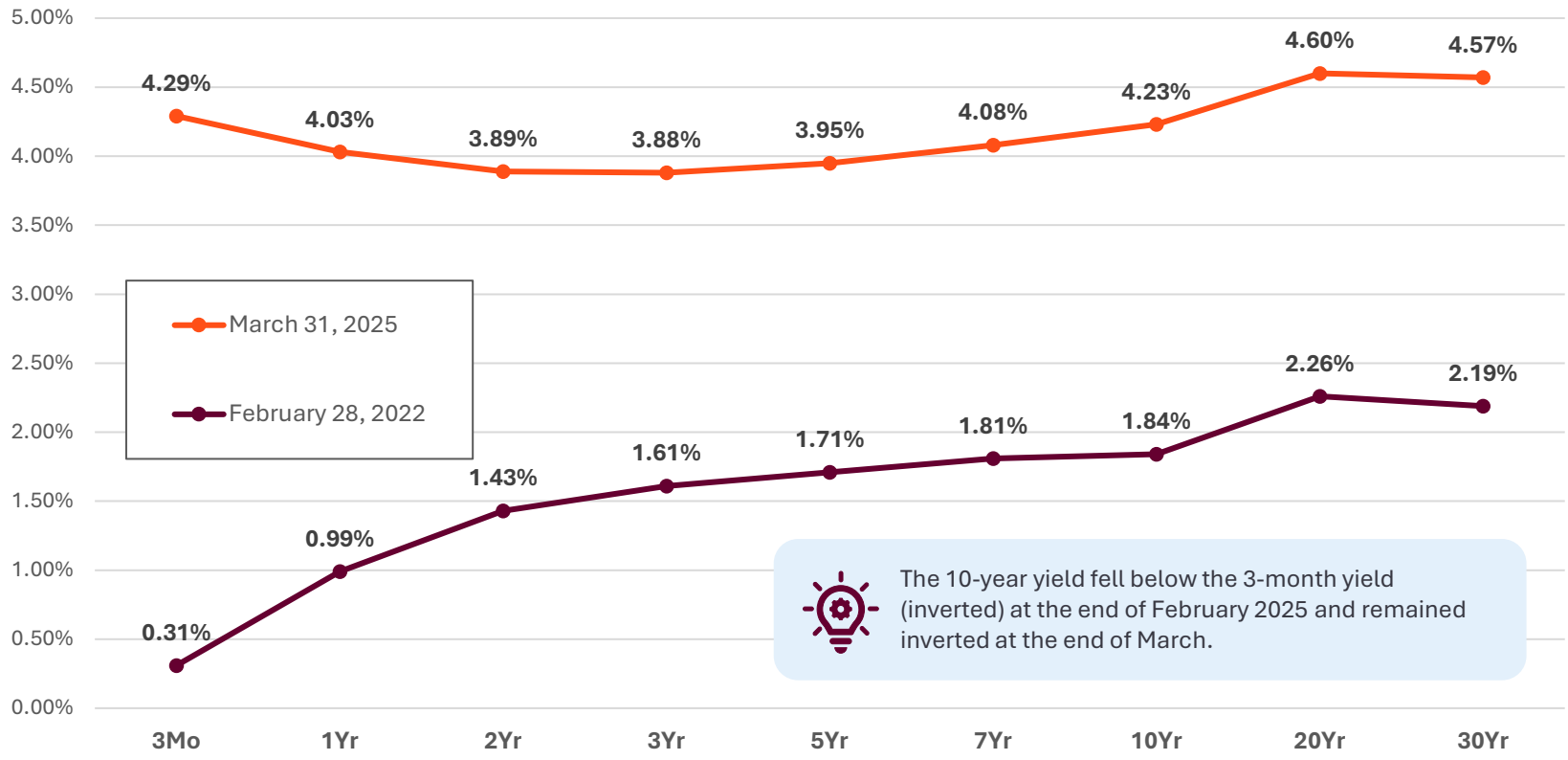
	YTD return (thru 3/31/2025)
Core bonds	2.78%
Intermediate Treasuries	3.60%
Long-term Treasuries	4.82%

	Nominal yield	Core inflation[1]	Real yield
10-year Treasury	4.23%	3.14%	1.09%

For use with the general public.

Yield curve

U.S. Treasury yield curve



What is this chart showing?

This chart shows the U.S. Treasury yield curve as of the latest month end, as well as in February 2022 — just before the Federal Reserve began raising interest rates.

Why is it important?

The yield curve is a key economic indicator as it reflects investors' expectations for future interest rates, economic growth and inflation.

Prior to the second half of 2024 when the curve normalized, short-term yields exceeded long-term yields for more than two years – a condition known as an inverted yield curve.

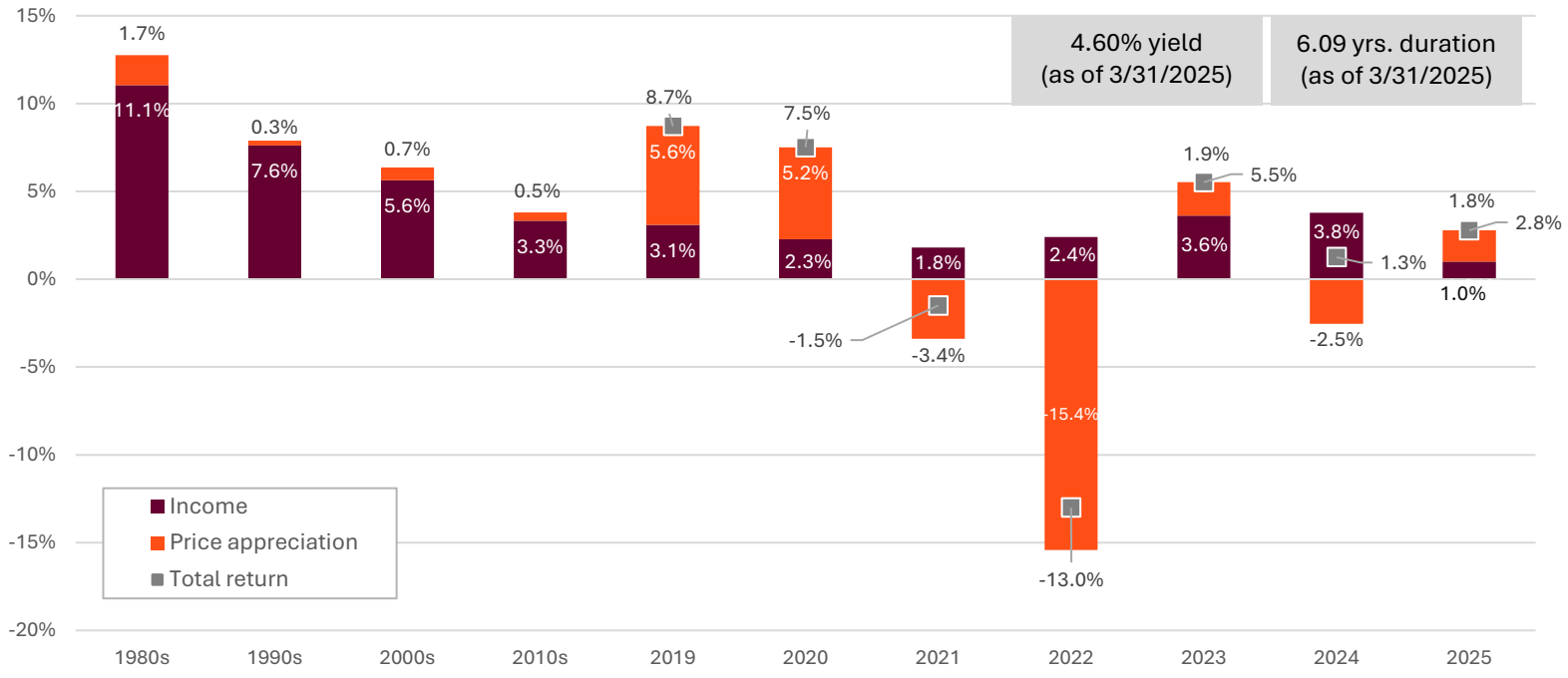
In late February, the 10-year yield once again fell below that of the 3-month, signaling a new inversion. Historically, this often occurs when investors believe the economy could be weakening and is likely to slow in the future.

Source: FactSet, U.S. Department of the Treasury, Federal Reserve Bank of St. Louis. Data as of March 31, 2025.

For use with the general public.

Core bonds: Total return breakdown

Bloomberg U.S. Aggregate Bond Index



What is this chart showing?

This chart breaks down the total return of the Barclays U.S. Aggregate Bond Index into separate income and price appreciation components throughout different time periods.

Why is it important?

Investors can use this to see what has historically contributed to the total return of bonds, and how it has shifted over the decades. In 2022, a spike in interest rates resulted in significant price declines in core bonds. With little income to offset this price loss, the asset class ended the year deeply in the red.

Bonds rebounded nicely in 2023, delivering a healthy 5.5% return. However, in 2024, a late rise in rates left them with a modest 1.3% gain for the year.

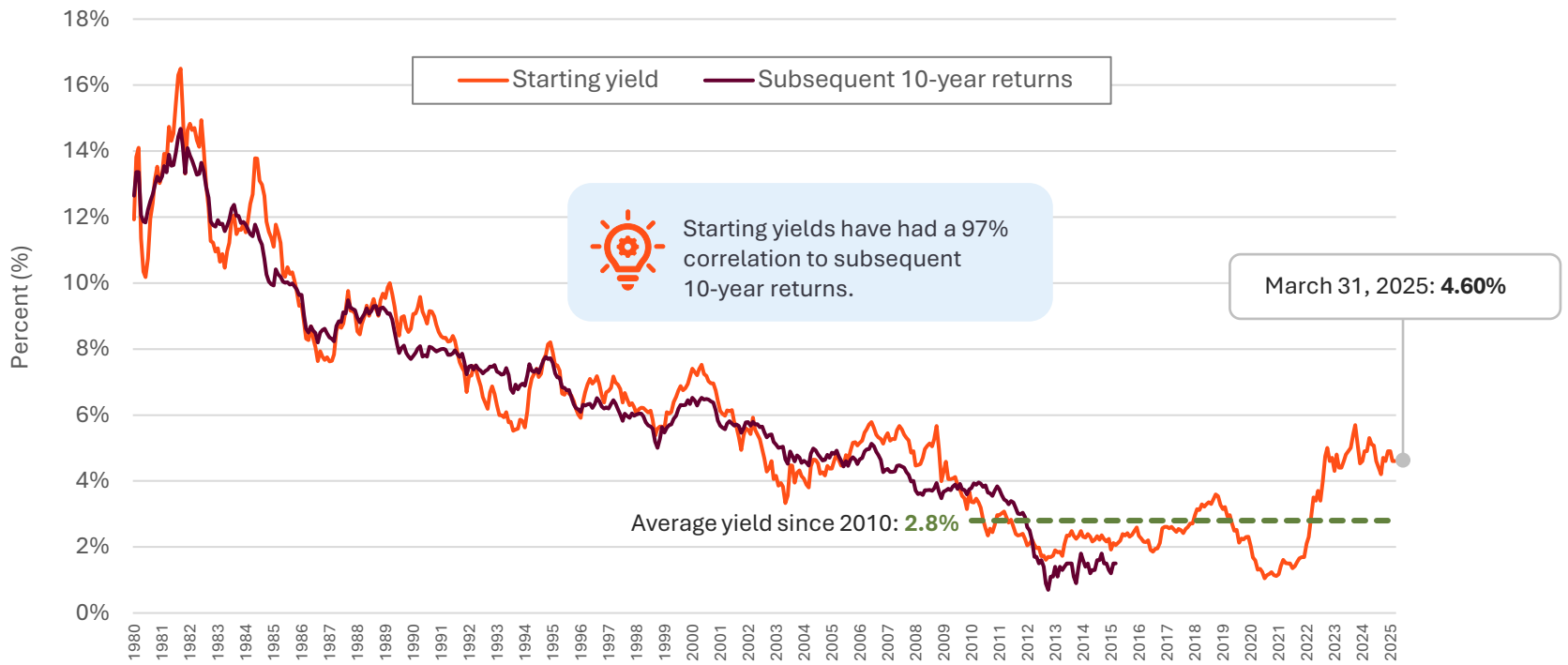
Looking ahead, attractive starting yields could prove beneficial for the longer-term returns of core bonds.

You cannot invest directly in an index. All indices are unmanaged and do not include fees or expenses. Please see the back of this presentation for index definitions and disclosures.

Source: Bloomberg, Morningstar. Data as of March 31, 2025. **Past performance is not indicative of future returns.**

Core bonds: Starting yields and subsequent returns

Bloomberg U.S. Aggregate Bond Index



What is this chart showing?

This chart shows the starting yield of U.S. core bonds for the past 40+ years, along with the subsequent 10-year total returns from that point.

Why is it important?

Bond investors commonly look to yields to inform their total return expectations, as historically, the starting yield is an accurate predictor of future long-term returns (97% correlation).

With yields continuing to hover near their highest levels in more than a decade, today may represent a relatively attractive entry point for long-term investors.

You cannot invest directly in an index. All indices are unmanaged and do not include fees or expenses. Please see the back of this presentation for index definitions and disclosures.

Source: Research affiliates based on data from Bloomberg and FactSet as of March 31, 2025. Proxy: Bloomberg U.S. Aggregate Bond Index. **Past performance is not a guarantee or a reliable indicator of future results.**

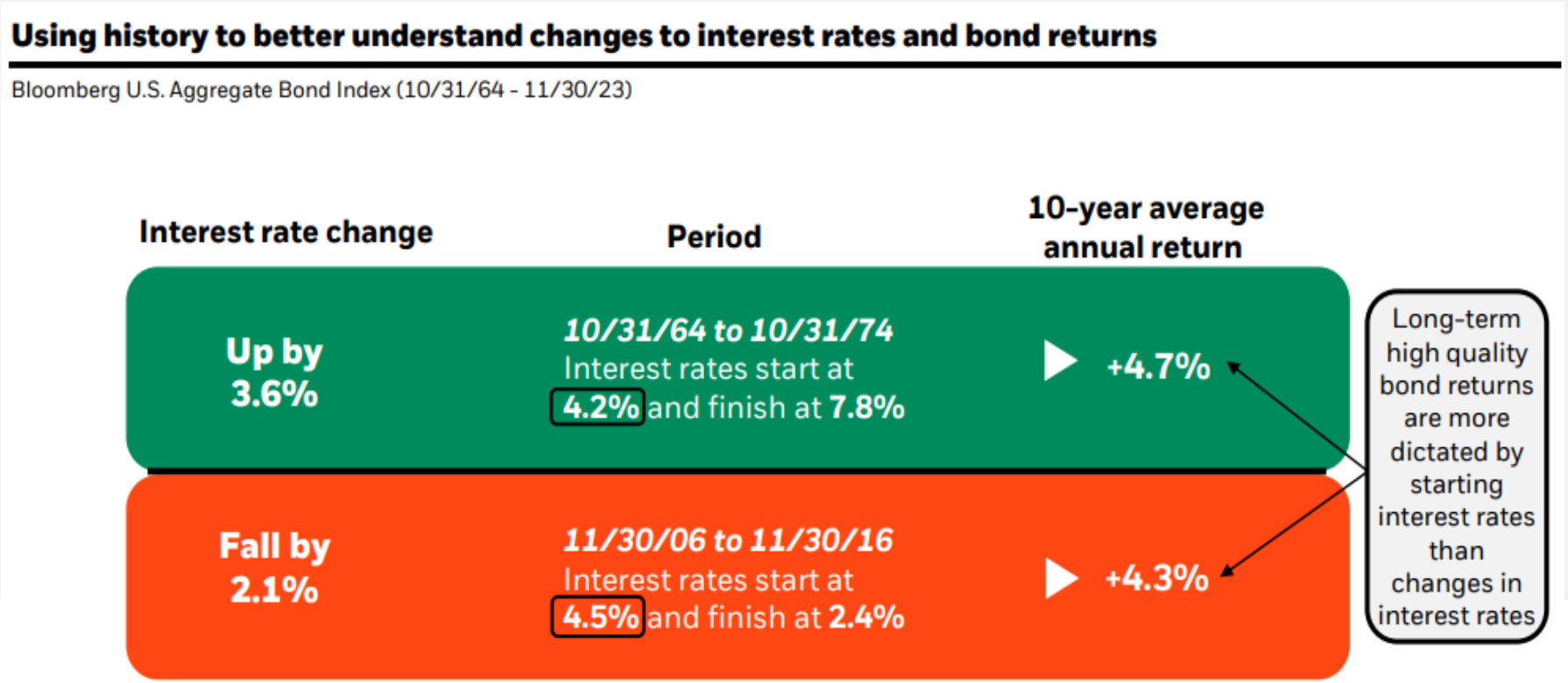
Long-term bond returns and changes to interest rates

BlackRock

The starting interest rate often dictates the longer-term total return for bond investors.

This slide shows two ten-year historical examples of this concept, one in which interest rates rose over the decade, and another where they fell.

In both cases, the average annual return was very close to the starting yield.



Source: BlackRock, Student of the Market. Morningstar as of 11/30/23. U.S. bonds represented by the U.S. Agg Bond TR Index. **Past performance does not guarantee or indicate future results. Index performance is for illustrative purposes only. You cannot invest directly in the index.**

For use with the general public.

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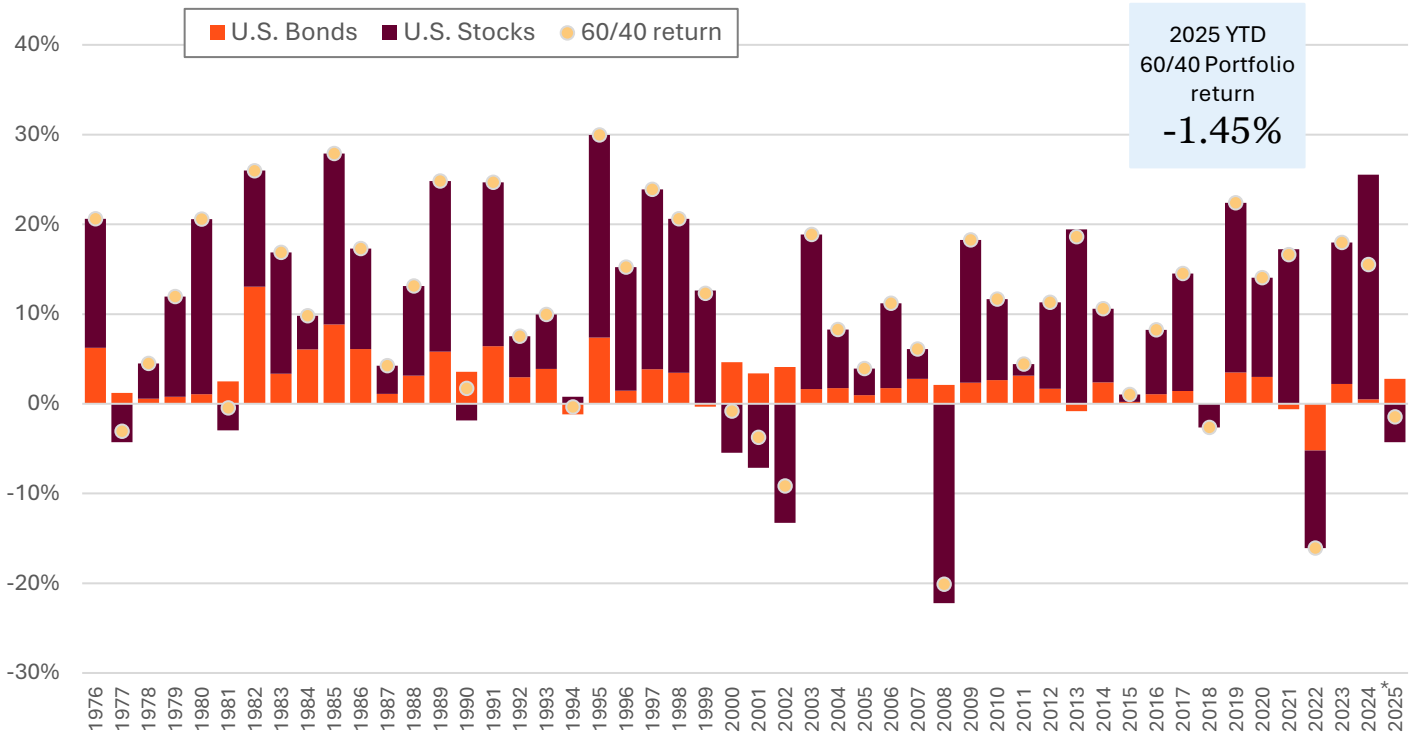
Asset allocation

60/40 portfolio returns



2025 YTD 60/40 Portfolio return
-1.45%

Average 60/40 portfolio returns
10.6%

Average U.S. bond returns
6.7%

Average U.S. stock returns
13.2%

What is this chart showing?

This chart shows both the annual and long-term average returns of a portfolio consisting of 60% U.S. stocks and 40% U.S. bonds.

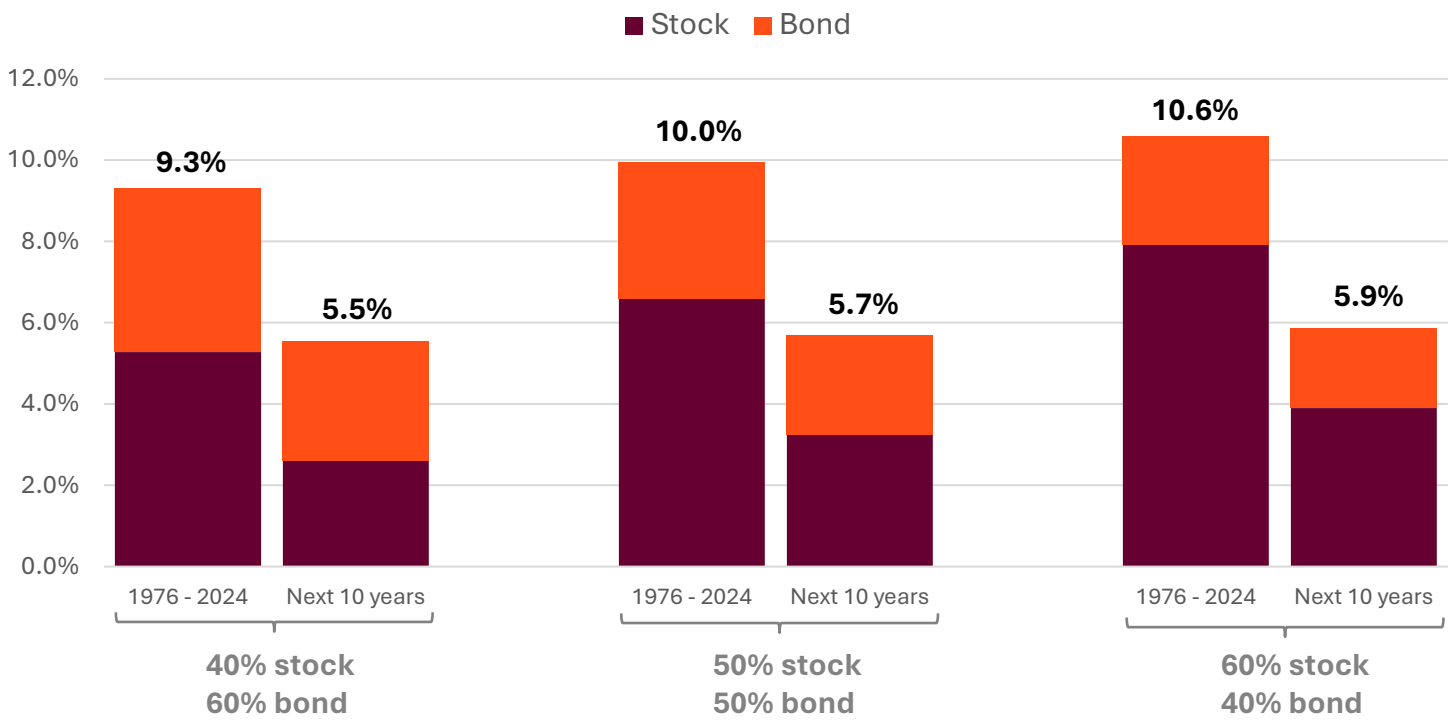
Why is it important?

Investors can use this to compare the performance of a domestic 60/40 portfolio to other strategies, as well as view the respective contribution to total return from both stocks and bonds.

Stocks are represented by the S&P 500 Index. Bonds are represented by the Bloomberg Barclays U.S. Aggregate Bond Index. You cannot invest directly in an index. All indices are unmanaged and do not include fees or expenses. Please see the back of this presentation for index definitions and disclosures.

Source: Data from Morningstar, Stocks = S&P 500 TR, Bonds = Bloomberg Barclays US Aggregate Bond Index, 1976 through March 31, 2025; *Return YTD; 60/40 Portfolio = 60% S&P 500 TR + 40% Bloomberg Barclays US Aggregate Index. Arithmetic averages used. **Past performance is not indicative of future returns. Asset allocation does not ensure a profit nor protect against loss.**

Balanced portfolio return expectations



Capital market expectations	U.S. stocks	U.S. bonds
J.P. Morgan Asset Management	7.91%	4.70%
Invesco	6.30%	5.40%
BlackRock	5.69%	4.61%
State Street	6.10%	4.80%
Average	**6.50%**	**4.88%**

What is this chart showing?

This chart shows the average historical return of balanced portfolios compared to the projected 10-year future return of similarly weighted portfolios. Future returns are based on the average of capital market expectations from several of our asset management partners.

Why is it important?

Understanding what future returns may look like relative to the past can help inform investment decisions and provide a valuable input for planning purposes.

Stocks are represented by the S&P 500 Index. Bonds are represented by the Bloomberg U.S. Aggregate Bond Index.

You cannot invest directly in an index. All indices are unmanaged and do not include fees or expenses. Please see the back of this presentation for index definitions and disclosures. **Past performance is not indicative of future returns. This market forecast is based on the latest forward-looking expectations from select fund partners and is not intended as a recommendation to invest in any particular asset class or strategy or as a promise — or even estimate — of future performance.**

Source: Morningstar, S&P, Bloomberg. Data as of March 31, 2025. Portfolios 1976 – 2024 represent average calendar year weighted return of various mixes from 40% – 60% S&P 500 TR to 60% – 40% Barclays US Aggregate Index; Next 10 years = Average Equity and bond returns based on capital market expectations shown in the table. Core equity = US Equity, Core bonds = US aggregate bonds. **See Additional Information for more information.**

Optimizing your portfolio allocation

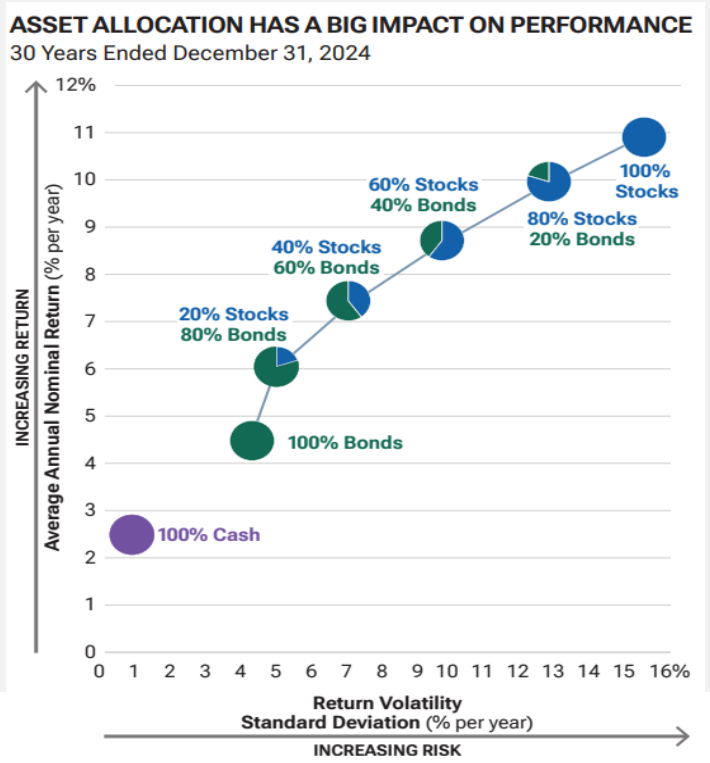
T.RowePrice

These charts show that, historically, a portfolio that has a mix of both stocks and bonds generated higher returns than an all-bond or all-cash portfolio with less risk (as measured by volatility) than an all-stock portfolio.

Diversification, or investing in a variety of assets such as stocks and bonds, has historically helped reduce the overall risk of a portfolio and improve risk-adjusted returns over time.

PORTFOLIO PERFORMANCE
30 Years Ended December 31, 2024

	100% Bonds	20% Stocks 80% Bonds	40% Stocks 60% Bonds	60% Stocks 40% Bonds	80% Stocks 20% Bonds	100% Stocks
Return for Best Year	18.5%	22.1%	25.8%	29.7%	33.6%	37.6%
Return for Worst Year	-13.0%	-13.8%	-14.8%	-22.1%	-29.8%	-37.0%
Average Annual Nominal Return	4.6%	6.0%	7.4%	8.6%	9.8%	10.9%
Number of Down Years	4	3	4	6	6	6
Average Loss (in Down Years)	-4.3%	-6.4%	-8.3%	-9.1%	-13.2%	-17.1%



Source: T. Rowe Price. These hypothetical portfolios combine stocks and bonds to represent a range of potential risk/reward profiles. For each allocation model, historical data are shown to represent how the portfolios could have fared in the past. Figures include changes in principal value and reinvested dividends and assume the portfolios are rebalanced monthly. It is not possible to invest directly in an index. Past performance cannot guarantee future results. Charts are shown for illustrative purposes only and do not represent the performance of any specific security or T. Rowe Price product. Sources: T. Rowe Price, created with Zephyr StyleADVISOR; S&P; Bloomberg Index Ltd.; and FTSE. Stocks, S&P 500 Index; bonds, Bloomberg U.S. Aggregate Bond Index; cash, FTSE 3-Month U.S. Treasury Bill. This material is provided for informational purposes only and is not intended to be investment advice or a recommendation to take any particular investment action. This information is not intended to reflect a current or past recommendation concerning investments, investment strategies, or account types; advice of any kind; or a solicitation of an offer to buy or sell any securities or investment services. The opinions and commentary provided do not take into account the investment objectives or financial situation of any particular investor or class of investor. Please consider your own circumstances before making an investment decision. This material is provided for informational purposes only and is not intended to be investment advice or a recommendation to take any particular investment action.

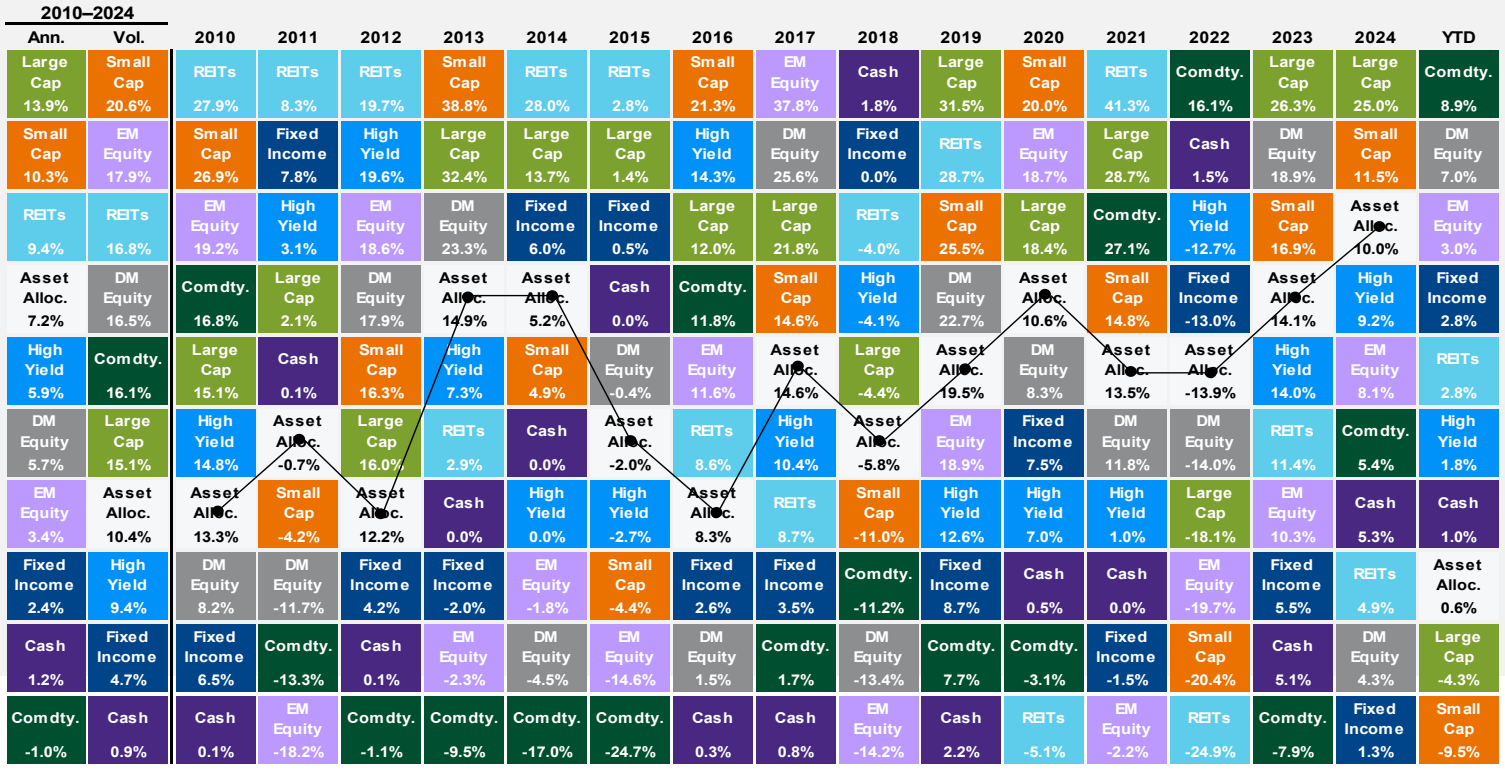
Asset class returns

J.P.Morgan
Asset Management

This table shows the annual returns for a range of different asset classes across a 15-year time period. It has everything from stocks and bonds to commodities and cash.

On the far left-hand side of the chart, we show both the annualized return and annualized volatility over the last 15 years for each asset class.

Cutting through the middle of the chart is a hypothetical diversified portfolio composed of different weights of these asset classes.



2010–2024 Ann.	2010–2024 Vol.	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD
Large Cap 13.9%	Small Cap 20.6%	REITs 27.9%	REITs 8.3%	REITs 19.7%	Small Cap 38.8%	REITs 28.0%	REITs 2.8%	Small Cap 21.3%	EM Equity 37.8%	Cash 1.8%	Large Cap 31.5%	Small Cap 20.0%	REITs 41.3%	Comdty. 16.1%	Large Cap 26.3%	Large Cap 25.0%	Comdty. 8.9%
Small Cap 10.3%	EM Equity 17.9%	Small Cap 26.9%	Fixed Income 7.8%	High Yield 19.6%	Large Cap 32.4%	Large Cap 13.7%	Large Cap 1.4%	High Yield 14.3%	DM Equity 25.6%	Fixed Income 0.0%	REITs 28.7%	EM Equity 18.7%	Large Cap 28.7%	Cash 1.5%	DM Equity 18.9%	Small Cap 11.5%	DM Equity 7.0%
REITs 9.4%	REITs 16.8%	EM Equity 19.2%	High Yield 3.1%	EM Equity 18.6%	DM Equity 23.3%	Fixed Income 6.0%	Fixed Income 0.5%	Large Cap 12.0%	Large Cap 21.8%	REITs -4.0%	Small Cap 25.5%	Large Cap 18.4%	Comdty. 27.1%	High Yield -12.7%	Small Cap 16.9%	Asset Alloc. 10.0%	EM Equity 3.0%
Asset Alloc. 7.2%	DM Equity 16.5%	Comdty. 16.8%	Large Cap 2.1%	DM Equity 17.9%	Asset Alloc. 14.9%	Asset Alloc. 5.2%	Cash 0.0%	Comdty. 11.8%	Small Cap 14.6%	High Yield -4.1%	DM Equity 22.7%	Asset Alloc. 10.6%	Small Cap 14.8%	Fixed Income -13.0%	Asset Alloc. 14.1%	High Yield 9.2%	Fixed Income 2.8%
High Yield 5.9%	Comdty. 16.1%	Large Cap 15.1%	Cash 0.1%	Small Cap 16.3%	High Yield 7.3%	Small Cap 4.9%	DM Equity -0.4%	EM Equity 11.6%	Asset Alloc. 14.6%	Large Cap -4.4%	Asset Alloc. 19.5%	DM Equity 8.3%	Asset Alloc. 13.5%	Asset Alloc. -13.9%	High Yield 14.0%	EM Equity 8.1%	REITs 2.8%
DM Equity 5.7%	Large Cap 15.1%	High Yield 14.8%	Asset Alloc. -0.7%	Large Cap 16.0%	REITs 2.9%	Cash 0.0%	Asset Alloc. -2.0%	REITs 8.6%	High Yield 10.4%	Asset Alloc. -5.8%	EM Equity 18.9%	Fixed Income 7.5%	DM Equity 11.8%	DM Equity -14.0%	REITs 11.4%	Comdty. 5.4%	High Yield 1.8%
EM Equity 3.4%	Asset Alloc. 10.4%	Asset Alloc. 13.3%	Small Cap -4.2%	Asset Alloc. 12.2%	Cash 0.0%	High Yield 0.0%	High Yield -2.7%	Asset Alloc. 8.3%	REITs 8.7%	Small Cap -11.0%	High Yield 12.6%	High Yield 7.0%	High Yield 1.0%	Large Cap -18.1%	EM Equity 10.3%	Cash 5.3%	Cash 1.0%
Fixed Income 2.4%	High Yield 9.4%	DM Equity 8.2%	DM Equity -11.7%	Fixed Income 4.2%	Fixed Income -2.0%	EM Equity -1.8%	Small Cap -4.4%	Fixed Income 2.6%	Fixed Income 3.5%	Comdty. -11.2%	Fixed Income 8.7%	Cash 0.5%	Cash 0.0%	EM Equity -19.7%	Fixed Income 5.5%	REITs 4.9%	Asset Alloc. 0.6%
Cash 1.2%	Fixed Income 4.7%	Fixed Income 6.5%	Comdty. -13.3%	Cash 0.1%	EM Equity -2.3%	DM Equity -4.5%	EM Equity -14.6%	DM Equity 1.5%	Comdty. 1.7%	DM Equity -13.4%	Comdty. 7.7%	Comdty. -3.1%	Fixed Income -1.5%	Small Cap -20.4%	Cash 5.1%	DM Equity 4.3%	Large Cap -4.3%
Comdty. -1.0%	Cash 0.9%	Cash 0.1%	EM Equity -18.2%	Comdty. -1.1%	Comdty. -9.5%	Comdty. -17.0%	Comdty. -24.7%	Cash 0.3%	Cash 0.8%	EM Equity -14.2%	Cash 2.2%	REITs -5.1%	EM Equity -2.2%	REITs -24.9%	Comdty. -7.9%	Fixed Income 1.3%	Small Cap -9.5%

Source: Bloomberg, FactSet, MSCI, NAREIT, Russell, Standard & Poor's, J.P. Morgan Asset Management. Large cap: S&P 500, Small cap: Russell 2000, EM Equity: MSCI EME, DM Equity: MSCI EAFE, Comdty: Bloomberg Commodity Index, High Yield: Bloomberg Global HY Index, Fixed Income: Bloomberg U.S. Aggregate, REITs: NAREIT Equity REIT Index, Cash: Bloomberg 1-3m Treasury. The "Asset Allocation" portfolio assumes the following weights: 25% in the S&P 500, 10% in the Russell 2000, 15% in the MSCI EAFE, 5% in the MSCI EME, 25% in the Bloomberg U.S. Aggregate, 5% in the Bloomberg 1-3m Treasury, 5% in the Bloomberg Global High Yield Index, 5% in the Bloomberg Commodity Index and 5% in the NAREIT Equity REIT Index. Balanced portfolio assumes annual rebalancing. Annualized (Ann.) return and volatility (Vol.) represents period from 12/31/2009 to 12/31/2024. Please see disclosure page at end for index definitions. All data represents total return for stated period. The "Asset Allocation" portfolio is for illustrative purposes only. Past performance is not indicative of future returns. *Guide to the Markets* – U.S. Data are as of March 31, 2025.

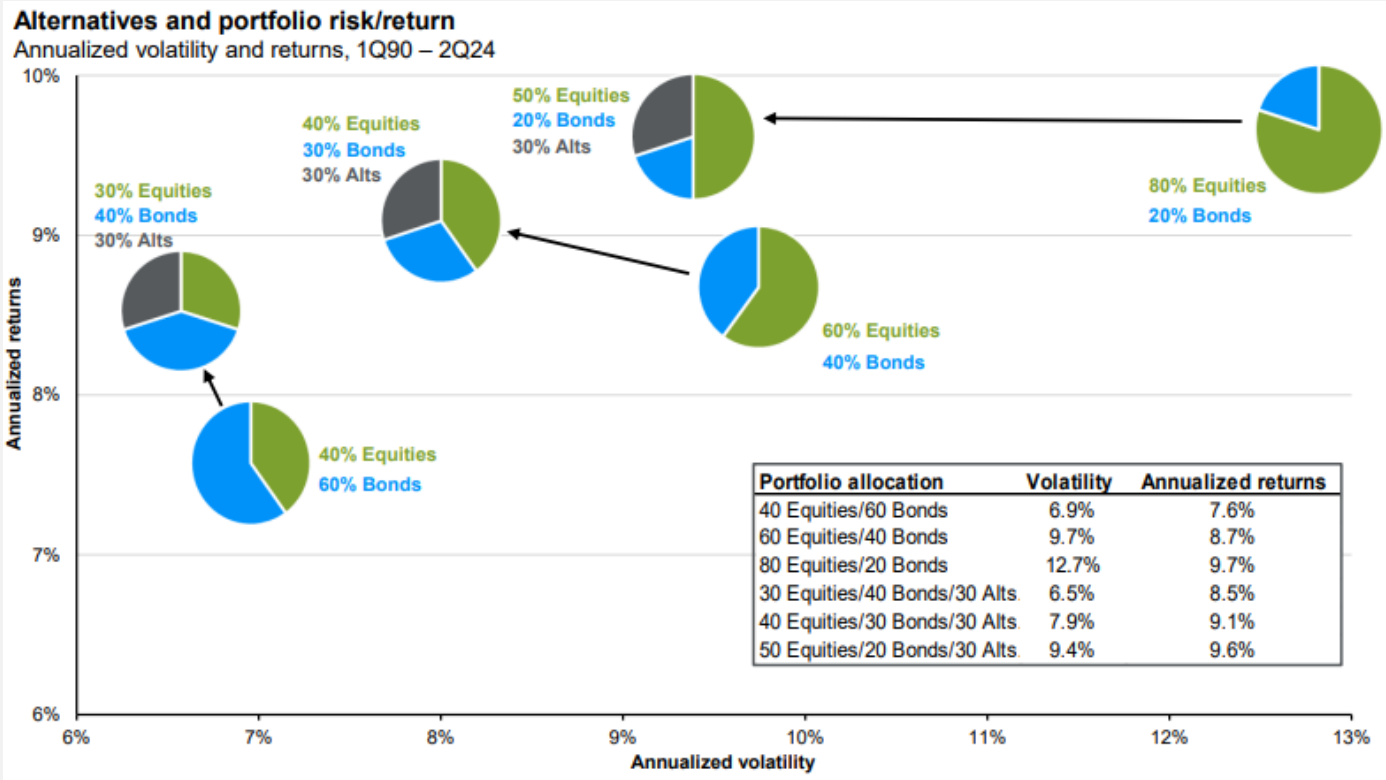
color

Alternatives

The diversification benefits of alternatives

J.P.Morgan
Asset Management

This chart shows how adding a diversified sleeve of alternatives to traditional stock/bond portfolios has historically helped manage risk and improve return.



Portfolio allocation	Volatility	Annualized returns
40 Equities/60 Bonds	6.9%	7.6%
60 Equities/40 Bonds	9.7%	8.7%
80 Equities/20 Bonds	12.7%	9.7%
30 Equities/40 Bonds/30 Alts	6.5%	8.5%
40 Equities/30 Bonds/30 Alts	7.9%	9.1%
50 Equities/20 Bonds/30 Alts	9.4%	9.6%

Source: Bloomberg, Burgiss, HFRI, NCREIF, Standard & Poor's, FactSet, J.P. Morgan Asset Management. Alts include hedge funds, real estate, and private equity, with each receiving an equal weight. Portfolios are rebalanced at the start of the year. Equities are represented by the S&P 500 Total Return Index. Bonds are represented by the Bloomberg U.S. Aggregate Total Return Index. Volatility calculated as the annualized standard deviation of quarterly returns. Data are based on availability as of November 30, 2024.

Source: J.P. Morgan Asset Management, "Guide to Alternatives," 2024.

Alternative asset class returns

J.P.Morgan
Asset Management

Within alternatives, selection is key, and there are benefits to diversifying exposure across asset classes to reduce volatility. Over the 10-year period from 2014 to 2023, venture capital, private equity, infrastructure and direct lending led the way in terms of returns, while hedge funds come in at the bottom – with their performances in the earlier half of the decade bringing down the cumulative number.

We construct an illustrative 50/30/20 portfolio, where 50% is equity, 30% is bonds, and the 20% alternatives allocation represents an equal-weighted basket of the nine alternatives asset classes on the chart. Not only does the 50/30/20 portfolio provide better returns than a traditional 60/40 portfolio, but also demonstrates lower volatility.

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Sep-24	2014-2023 Ann.	2014-2023 Vol.*
Venture Capital 26.0%	Infra. 15.5%	Infra. 14.2%	Private Equity 22.9%	Venture Capital 21.2%	60/40 Portfolio 22.4%	Venture Capital 58.3%	Venture Capital 49.8%	Transport 12.1%	60/40 Portfolio 18.0%	60/40 Portfolio 15.0%	Venture Capital 16.2%	Venture Capital 13.2%
Infra. 13.9%	Venture Capital 15.1%	Private Equity 12.2%	Venture Capital 14.8%	Infra. 11.6%	Venture Capital 20.3%	Private Equity 24.1%	Private Equity 37.6%	Infra. 9.6%	50/30/20 Portfolio 15.2%	50/30/20 Portfolio 13.3%	Private Equity 14.5%	60/40 Portfolio 10.2%
U.S. Core RE 12.5%	U.S. Core RE 15.0%	Direct Lending 11.2%	60/40 Portfolio 14.5%	Europe Core RE 9.9%	50/30/20 Portfolio 20.3%	60/40 Portfolio 14.0%	U.S. Core RE 22.2%	U.S. Core RE 7.5%	Direct Lending 12.1%	Hedge Funds 10.1%	Infra. 10.6%	50/30/20 Portfolio 8.6%
Europe Core RE 12.3%	Europe Core RE 12.8%	APAC Core RE 10.4%	50/30/20 Portfolio 14.3%	APAC Core RE 9.3%	Private Equity 16.8%	50/30/20 Portfolio 13.8%	50/30/20 Portfolio 17.9%	APAC Core RE 6.8%	Private Equity 9.6%	Transport 8.9%	Direct Lending 8.8%	Private Equity 8.5%
50/30/20 Portfolio 10.9%	APAC Core RE 11.8%	U.S. Core RE 8.8%	Infra. 12.2%	Private Equity 9.0%	Infra. 11.5%	Hedge Funds 8.9%	60/40 Portfolio 16.6%	Direct Lending 6.3%	Transport 8.9%	Direct Lending 8.5%	50/30/20 Portfolio 8.6%	U.S. Core RE 5.5%
60/40 Portfolio 10.6%	Private Equity 8.8%	50/30/20 Portfolio 8.5%	APAC Core RE 11.5%	U.S. Core RE 8.3%	Europe Core RE 9.4%	Transport 6.8%	Europe Core RE 14.2%	Europe Core RE 4.6%	Infra. 7.9%	Infra. 7.5%	60/40 Portfolio 8.1%	Hedge Funds 5.4%
Private Equity 9.8%	Transport 8.8%	60/40 Portfolio 8.2%	Transport 10.6%	Direct Lending 8.1%	Direct Lending 9.0%	Direct Lending 5.5%	Hedge Funds 13.9%	Private Equity -1.5%	Hedge Funds 4.5%	Private Equity 5.7%	Transport 7.6%	Transport 4.6%
Direct Lending 9.6%	Direct Lending 5.5%	Europe Core RE 8.1%	Europe Core RE 9.8%	Transport 5.2%	APAC Core RE 6.6%	Europe Core RE 4.8%	Direct Lending 12.8%	Hedge Funds -2.8%	Venture Capital -2.2%	Europe Core RE 2.9%	APAC Core RE 7.5%	Europe Core RE 4.2%
APAC Core RE 9.4%	50/30/20 Portfolio 2.9%	Transport 7.8%	Direct Lending 8.6%	50/30/20 Portfolio -0.4%	Hedge Funds 5.6%	U.S. Core RE 1.2%	APAC Core RE 11.8%	50/30/20 Portfolio -12.7%	APAC Core RE -2.3%	Venture Capital 2.8%	U.S. Core RE 7.3%	Infra. 3.4%
Transport 4.6%	60/40 Portfolio 1.1%	Hedge Funds 3.2%	Hedge Funds 8.5%	Hedge Funds -1.2%	U.S. Core RE 5.3%	APAC Core RE 0.3%	Infra. 10.5%	60/40 Portfolio -16.1%	Europe Core RE -4.9%	APAC Core RE -1.9%	Europe Core RE 7.2%	Direct Lending 2.9%
Hedge Funds 4.3%	Hedge Funds -0.2%	Venture Capital 0.6%	U.S. Core RE 7.6%	60/40 Portfolio -2.6%	Transport 1.5%	Infra. 0.2%	Transport 10.3%	Venture Capital -20.5%	U.S. Core RE -12.0%	U.S. Core RE -2.6%	Hedge Funds 4.4%	APAC Core RE 2.7%

Source: J.P. Morgan Asset Management, "Guide to Alternatives," 2024. Source: Bloomberg, Burgiss, Cliffwater, FactSet, HFRI, MSCI, NCREIF, J.P. Morgan Asset Management. Private Equity and Venture Capital are internal rates of return from Burgiss. Hedge funds: HFRI Fund Weighted Composite. Transport returns are derived from a J.P. Morgan Asset Management index and are shown on an unlevered basis, which can be enhanced by adding leverage. U.S. Core RE: NCREIF Property Index – Open End Diversified Core Equity component. Europe Core Real Estate: MSCI Global Property Fund Index – Continental Europe. Asia Pacific (APAC) Core Real Estate: MSCI Global Property Fund Index – Asia-Pacific. Direct Lending: Cliffwater Direct Lending Index. Global infrastructure (Infra.): MSCI Global Private Infrastructure Asset Index. A 50/30/20 portfolio is comprised of 50% U.S. equities weight, 30% fixed income weight and 20% alternatives asset allocation weight. Portfolios are rebalanced at the start of the year. A 60/40 portfolio is comprised of 60% equities and 40% fixed income. Equities in both the 60/40 portfolio and the 50/30/20 portfolio are represented by the S&P 500 Total Return Index. Fixed income in both the 60/40 portfolio and the 50/30/20 portfolio are represented by the Bloomberg U.S. Aggregate Total Return Index. Alternatives in the 50/30/20 portfolio are represented by an equal-weight asset allocation mix of the returns from the other nine alternatives asset classes on the chart. Annualized return (Ann.) and volatility (Vol.) represents the period from 3/31/2014 to 12/31/2023. *Volatility calculated as the annualized standard deviation of quarterly returns. Past performance is not a reliable indicator of current and future results. Data are based on availability as of February 28, 2025.

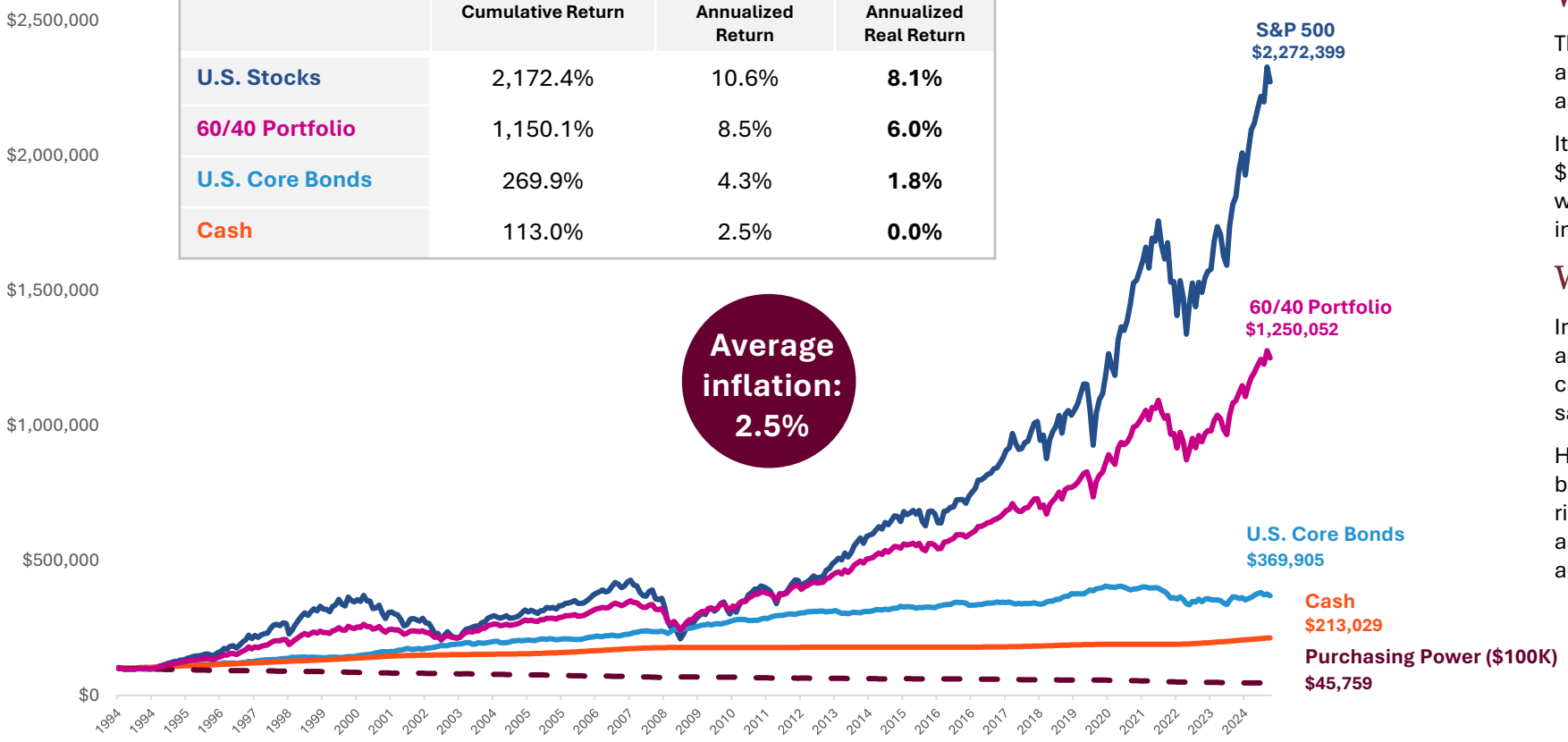
color

Foundations

The importance of investing for the long-term

Growth of $100K; 1994 – 2024

	Cumulative Return	Annualized Return	Annualized Real Return
U.S. Stocks	2,172.4%	10.6%	**8.1%**
60/40 Portfolio	1,150.1%	8.5%	**6.0%**
U.S. Core Bonds	269.9%	4.3%	**1.8%**
Cash	113.0%	2.5%	**0.0%**



What is this chart showing?

This chart shows the cumulative, annualized, and real (inflation-adjusted) returns of various asset classes (top).

It also shows the hypothetical growth of $100,000 invested in each asset class, along with the erosion of purchasing power due to inflation (bottom).

Why is it important?

Investing for the long-term is crucial for achieving future financial goals. While a conservative investment like cash may feel safe, it often loses value to inflation over time.

Historically, a balanced portfolio of stocks, bonds and cash — tailored to an individual's risk tolerance — can help investors grow their assets over time both before and after accounting for inflation.

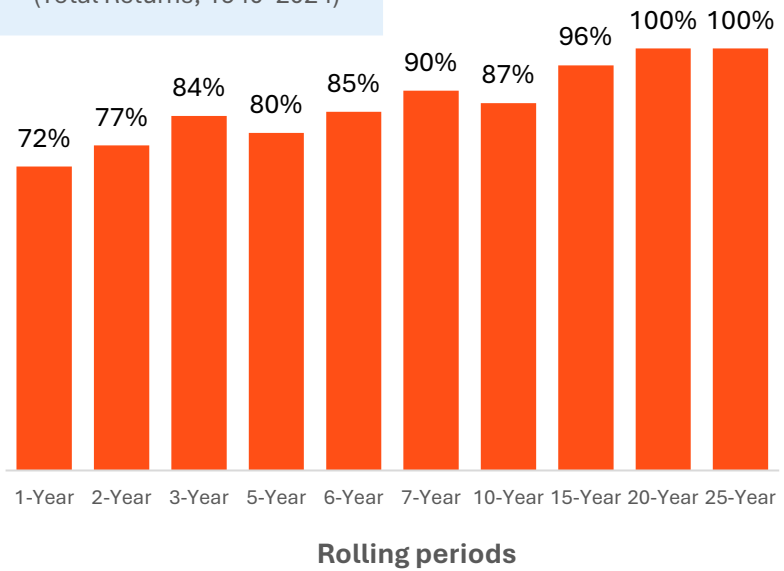
Source: Morningstar, BLS. January 1, 1994 - December 31, 2024.U.S. Stocks = S&P 500 Total Return. U.S. Core Bonds = Bloomberg U.S. Aggregate Bond Index. Cash = 3month U.S. Treasury Bills.60/40 portfolio = 60% S&P 500/40% U.S. Aggregate Bond. Average inflation represents the average yearly headline Consumer Price Index (CPI) increase. Purchasing power represents the erosion of value of $100k based on increases in CPI over time. Bottom chart ex. purchasing power based on nominal returns. **Past performance is not indicative of future returns. Index performance is for illustrative purposes only. You cannot invest directly in the index.**

Trending topic

The odds of cash underperforming are high

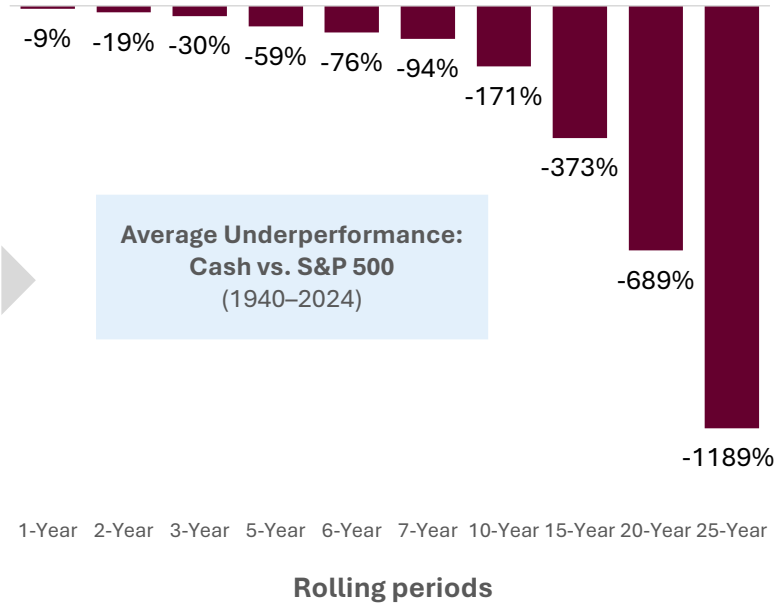
How often cash underperforms...

Percentage of Times Cash Underperformed the S&P 500
(Total Returns, 1940–2024)



...and by how much on average

Average Underperformance: Cash vs. S&P 500
(1940–2024)



What is this chart showing?

This chart shows the percentage of times cash has underperformed the S&P 500 over various holding periods (left) along with the average underperformance (right).

Why is it important?

While holding cash to fund emergency expenses and short-term goals is important, holding excess cash on the sidelines — especially for an extended period — can put your long-term goals in jeopardy.

Over one-year periods, cash has historically underperformed stocks 72% of the time by about 9% on average.

However, stretching that timeframe to three years increases the average underperformance to 30%, translating to $30,000 in lost growth potential assuming a $100,000 investment.

The longer excess cash is held on the sidelines, the more potential growth has historically been lost.

Source: NYU.edu: historical returns on stocks, bonds and bills, Lincoln Financial. S&P 500 total return index including dividends. Rolling periods with a 1-year step. Cash represented as the average 3-month Treasury Bill rate in each calendar year used. **Past performance is not indicative of future returns. Index performance is for illustrative purposes only. You cannot invest directly in the index.**

Time in the market, not timing the market

Rolling returns, range of outcomes (1976 – 2024)

What is this chart showing?

This chart shows the range and average of rolling returns of the S&P 500 Index, as well as an 80/20 and 60/40 portfolio of U.S. stocks and core bonds over 1-, 5-, 10-, 15-, 20-, 25- and 30-year periods.

Why is it important?

While returns can be volatile over short periods of time, staying the course over the long term in a balanced portfolio can help shrink the range of potential investment outcomes.

Source: Morningstar. 80/20 portfolio = 80% S&P 500 TR and 20% Bloomberg U.S. Aggregate Bond Index TR. 60/40 portfolio = 60% S&P 500 TR and 40% Bloomberg U.S. Aggregate Bond Index TR.

Rolling returns are annualized on a 5, 10-, 15-, 20-, 25- and 30-year basis. Using monthly S&P 500 Total Return and Bloomberg U.S. Aggregate Bond Index data starting in January of 1976, summary return statistics were calculated based on the total number of rolling return periods existing for each given period of time with a one-month step. For each rolling return period, a range of returns (maximum and minimum) as well as the average return has been calculated to provide a historical reference for how equities and balanced portfolios have performed. Returns greater than 1 year are annualized. **Past performance is not indicative of future returns. Index performance is for illustrative purposes only. You cannot invest directly in the index.**

For use with the general public.

Long-term investors are often rewarded

Time

1-Year Returns
(577 Rolling Periods)

	5%+	6%+	7%+	8%+	9%+
80% Equity/20% Fixed Income	74%	71%	68%	66%	63%
70% Equity/30% Fixed Income	73%	71%	67%	64%	61%
60% Equity/40% Fixed Income	73%	70%	66%	63%	59%
40% Equity/60% Fixed Income	72%	69%	62%	54%	49%

10-Year Returns
(469 Rolling Periods)

	5%+	6%+	7%+	8%+	9%+
80% Equity/20% Fixed Income	89%	88%	80%	71%	67%
70% Equity/30% Fixed Income	89%	88%	77%	70%	65%
60% Equity/40% Fixed Income	89%	86%	74%	68%	61%
40% Equity/60% Fixed Income	91%	80%	68%	59%	48%

20-Year Returns
(349 Rolling Periods)

	5%+	6%+	7%+	8%+	9%+
80% Equity/20% Fixed Income	100%	95%	88%	74%	52%
70% Equity/30% Fixed Income	100%	93%	87%	68%	46%
60% Equity/40% Fixed Income	100%	91%	84%	59%	44%
40% Equity/60% Fixed Income	100%	89%	72%	45%	42%

30-Year Returns
(229 Rolling Periods)

	5%+	6%+	7%+	8%+	9%+
80% Equity/20% Fixed Income	100%	100%	100%	100%	99%
70% Equity/30% Fixed Income	100%	100%	100%	100%	89%
60% Equity/40% Fixed Income	100%	100%	100%	100%	75%
40% Equity/60% Fixed Income	100%	100%	100%	86%	51%

Return thresholds

Patience and a long-term view have historically helped deliver positive investment outcomes.

What is this chart showing?

This chart shows the percentage of times the return of several hypothetical mixes of U.S. stocks and bonds were equal to or above specific thresholds over 1-, 10-, 20- and 30-year rolling periods from 1976 through 2024.

Why is it important?

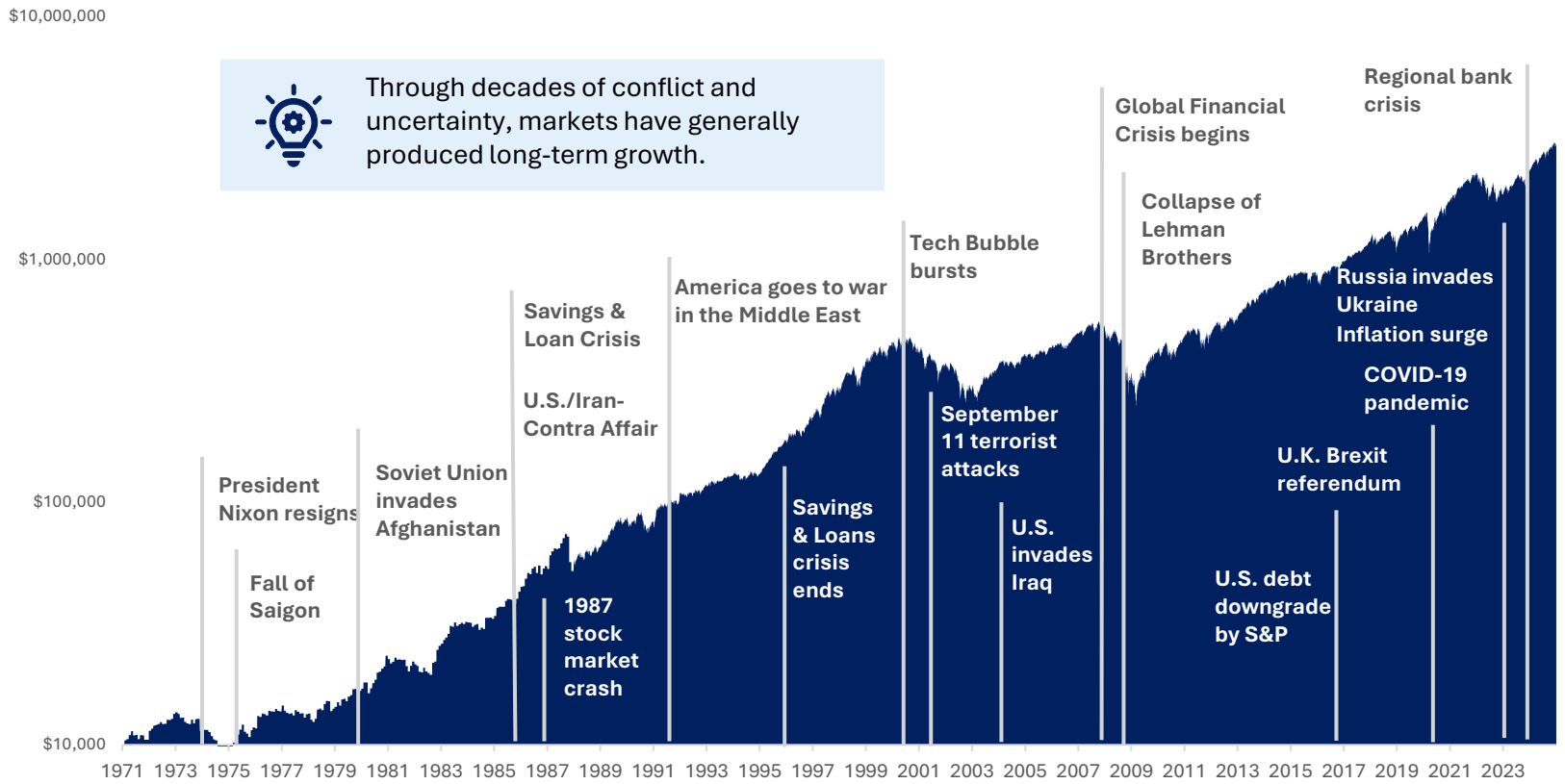
As time in the market increases, so does the historical frequency of surpassing various annual return targets.

For example, an 80/20 mix of stocks and bonds surpassed a 7% return in 68% of one-year holding periods. However, when that holding period was extended to 30 years, 100% of historical outcomes generated a return of at least 7%.

Source: Morningstar. **Equity** = S&P 500 TR. **Fixed Income** = Bloomberg U.S. Aggregate Index TR. 80/20 portfolio = 80% S&P 500 TR and 20% Bloomberg U.S. Aggregate Bond Index TR. 70/30 portfolio = 70% S&P 500 TR and 30% Bloomberg U.S. Aggregate Bond Index TR. 60/40 portfolio = 60% S&P 500 TR and 40% Bloomberg U.S. Aggregate Bond Index TR. 40/60 portfolio = 40% S&P 500 TR and 60% Bloomberg U.S. Aggregate Bond Index TR. Rolling returns are annualized on a 1-, 10-, 20-, and 30-year basis and rounded to nearest whole number. Using monthly S&P 500 Total Return and Bloomberg U.S. Aggregate Bond Index Total Return data starting in January of 1976, summary return statistics were calculated based on the total number of rolling return periods existing for each given period of time with a one-month step. **Past performance is not indicative of future returns.**

Market resiliency

Growth of $10,000, S&P 500 (1971 – 2024)



Source: Morningstar, S&P 500 Total Return Index, January 1, 1971, through December 31, 2024. Scale is logarithmic. **Past performance is no guarantee of future results.** This chart is for illustrative purposes only and not indicative of any actual investment. Investors cannot invest directly in an index. Index returns do not reflect any fees, expenses, or sales charges. Stocks are not guaranteed and have been more volatile than the other asset classes. These returns were the result of certain market factors and events which may not be repeated in the future. The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. Data as of December 31, 2024.

What is this chart showing?

This chart shows that $10,000 invested in the S&P 500 Index from January 1, 1971, to December 31, 2024, grew to over $2.9 million throughout various crisis events. This equates to a hypothetical annualized return of more than 11%.

Why is it important?

Market volatility has always been a source of concern for investors — whether it's caused by geopolitical events, pandemics, inflation, interest rates or other economic conditions.

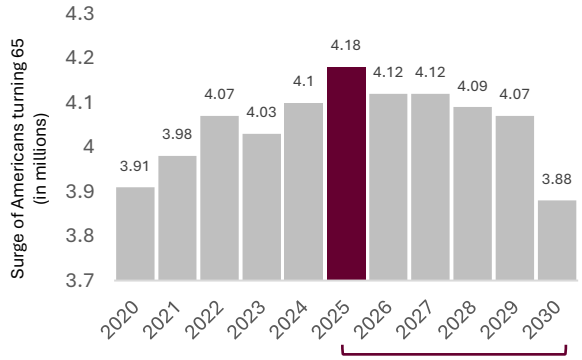
It's important to remember that while current events may feel unprecedented to us, markets have seen and tackled these types of challenges before — and are poised to do so again.

America's Peak 65 milestone

The greatest surge of new retirees in the nation's history is fast approaching.

11,400
Americans are turning 65 *every day*!

2025 will set a historic milestone of Americans reaching age 65 in a single year – the highest on record.



- ☑ **~25 million** Americans will turn age 65 between 2025 and 2030 ... *that's more than the population of Florida and New York!*
- ☑ **4.1 million+** Americans will turn 65 *each year* through 2027.

Did you know?

America's 65-year-old population increased **1,000%** between 1920 and 2020, with **one in six** people now 65 or older.	There are **73 million** Baby Boomers in the U.S. and by 2030, **one-fifth** of the country will be 65 years or older.	**24%** of Peak Boomers have defined benefit pensions.	There is a nearly **50%** chance of one member of a 65-year-old couple living for another 30 years.
Based on their assets and their likelihood of living up to *20 or more* years in retirement, **two-thirds** of Peak Boomers will be challenged to maintain their lifestyles in retirement.	**46%** of Baby Boomer Americans are seeking financial advice. The 65 – 74 age range has an average net worth of $1,794,600.	In the U.S., nearly **$84.4 trillion** in wealth will be transferred from the baby boomer generation over the **next two decades,** particularly to **millennials and Gen Xers.**	This shift of wealth will impact the **U.S. housing market, healthcare, education, labor markets, financial markets, and more.**

What is this chart showing?

This chart shows an overview of America's Peak 65 milestone.

Why is it important?

The year 2024 marked the beginning of the "Peak 65® Zone," the largest surge of retirement age Americans turning 65 in our nation's history. These Peak Boomers represent the youngest, largest, and final cohort of the Baby Boomer generation.

We're also in the midst of what many are calling the "Great Wealth Transfer." Many experts believe that this transfer of wealth between generations will have a significant impact on the economy, benefitting a large segment of upper-middle class millennials who stand to inherit lump sums.

As we stand amid this surge in the number of Americans ages 65 and over, it is important for investors to have a plan in place to thrive in this evolving retirement landscape.

Source: Alliance for Lifetime Income, AARP, J.P. Morgan Asset Management, Cerulli Associates, U.S. News, The Cerulli Report —"U.S. High-Net-Worth and Ultra-High-Net-Worth Markets 2021: Evolving Wealth Demographics," "The Peak Boomer Impact Study" commissioned by ALI's Retirement Income Institute.

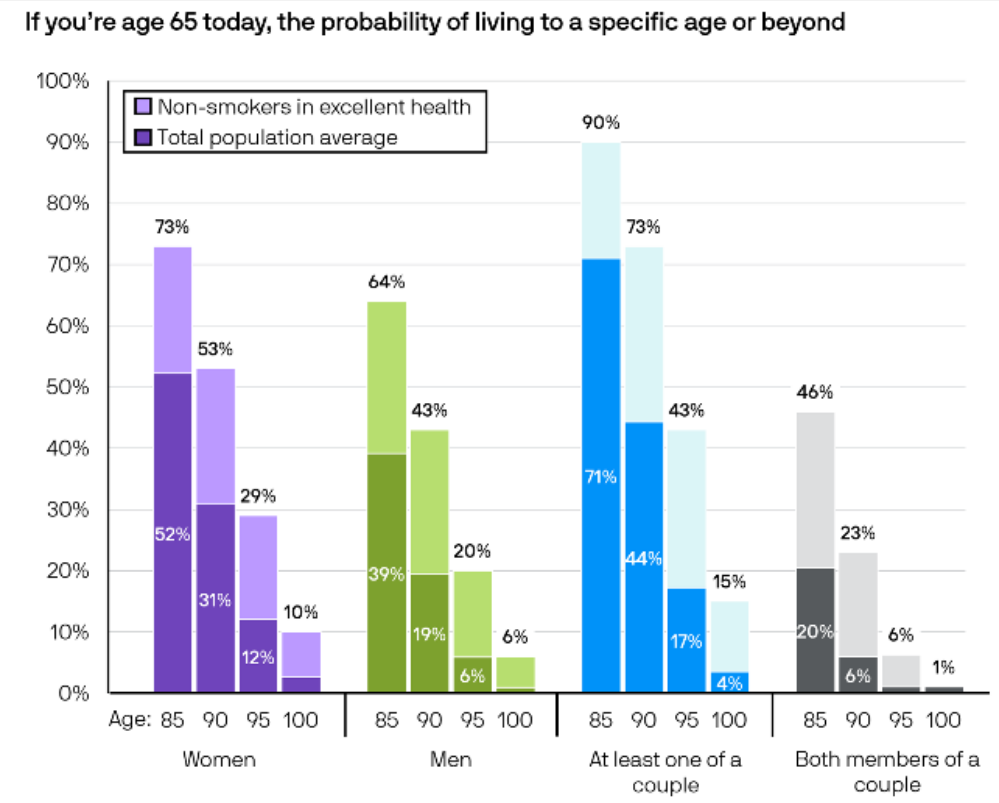
Life expectancy probabilities

J.P.Morgan
Asset Management

Life expectancies in the United States continue to increase as more people are living to older ages.

This chart shows the probability that 65-year-old men and women today will reach various ages. For a 65-year-old couple, there is nearly an even chance that one of them will live to age 90 or beyond.

Individuals should plan for living well beyond the average – to age 95 or even 100 – especially those in good health. Shown on the purple bars, half of women will make it at least to 85, and more than half of female nonsmokers in excellent health will pass age 90. Men are not that far behind, with 4 in 10 healthy nonsmoking men expected to surpass age 90.



Source: Social Security Administration, Period Life Table, 2021 (published in the 2024 OASDI Trustees Report); American Academy of Actuaries and Society of Actuaries, Actuaries Longevity Illustrator, http://www.longevityillustrator.org/ (accessed December 2024), J.P. Morgan Asset Management.

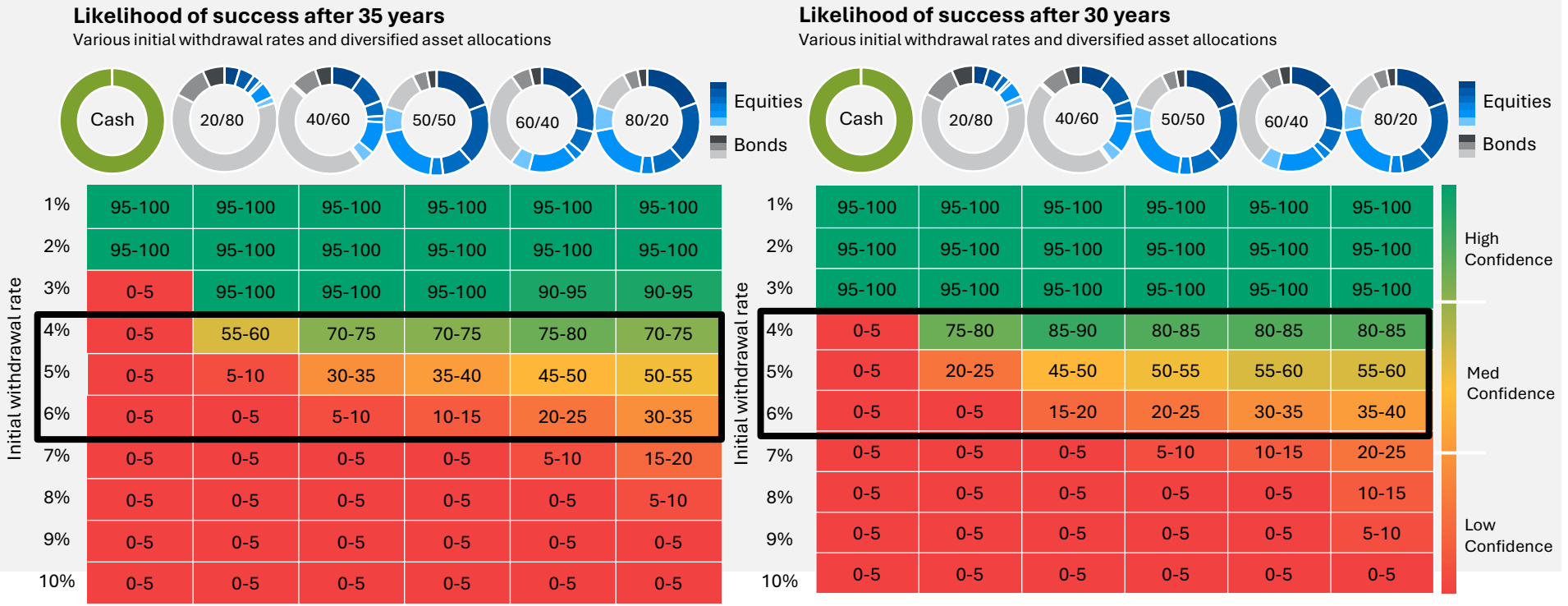
Source: J.P. Morgan Asset Management, "Guide to Retirement," 2025.

Effect of withdrawal rates and portfolio allocations

J.P.Morgan
Asset Management

The table on the left shows the probability of systematic withdrawal rates ranging from 1 – 10% successfully lasting for 35 years given various diversified asset allocations.

The table on the right reflects the probability of success after 30 years.



Source: J.P. Morgan Asset Management. This chart is for illustrative purposes only and must not be used, or relied upon, to make investment decisions. Portfolios are described using equity/bonds. For asset allocation details, see "Model Portfolio Details" on the Disclosure page. J.P. Morgan Asset Management's (JPMAM) model is based on a blend of proprietary Long-Term Capital Market Assumptions (first 10 years) and equilibrium returns (25 years). The resulting projections include only the benchmark return associated with the portfolio and do not include alpha from the underlying product strategies within each asset class. The yearly withdrawal amount (1% to 10%) is set as a fixed percentage of the initial amount of $1,000,000 and is then inflation-adjusted over the period (2.3%). The percentile outcomes represent the percentage of simulated results with an account balance greater than $0 after 35 years (e.g., "95–100" means that 95–100% of simulations had account balances greater than $0 after 35 years). Overlap percentiles are included in the lower bracket (e.g., 80 is included in "75–80"; 85 is included in "80-85"). Allocations, assumptions and expected returns are not meant to represent JPMAM performance. Given the complex risk/reward trade-offs involved, we advise clients to rely on judgment as well as quantitative optimization approaches in setting strategic allocations. References to future returns for either asset allocation strategies or asset classes are not promises or even estimates of actual returns a client portfolio may achieve.

For use with the general public.

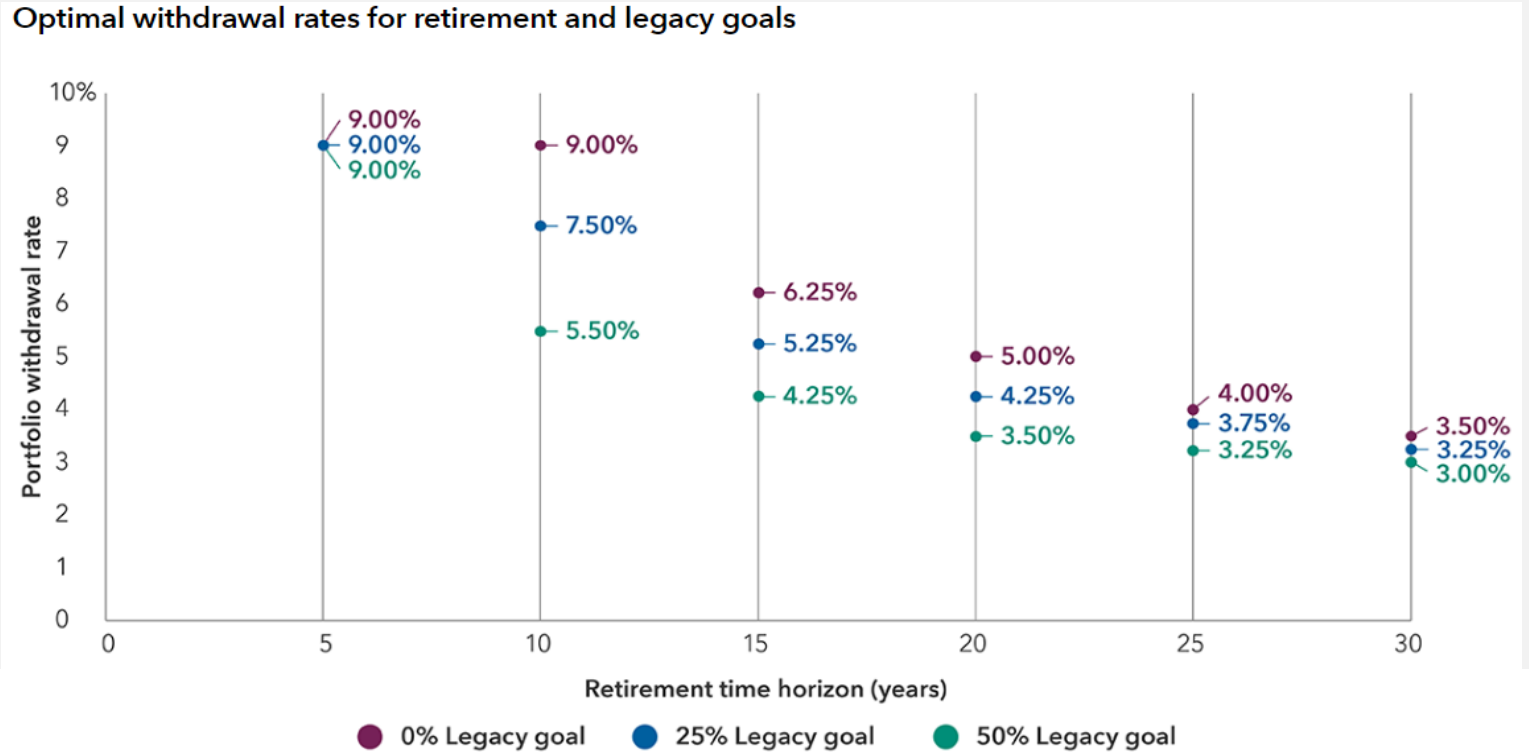
Balancing sustainable income and legacy goals

CAPITAL GROUP® | AMERICAN FUNDS®

Certain withdrawal methods may be better for maximizing current spending, while others excel in preserving one's nest egg for a future legacy.

For example, legacy-focused investors often favor lower withdrawal rates. Based on analysis by Capital Group, an investor looking to preserve at least 50% of their account balance over a 30-year horizon may consider a 3.00% fixed withdrawal to meet this objective. If the legacy goal decreases to 25% of the account balance, the fixed withdrawal rate may increase to 3.25%.

The probability of success involves balancing a retiree's income and legacy objectives, not just avoiding portfolio depletion.



Source: Capital Group calculations based on a hypothetical Monte Carlo analysis. We then calculated the hypothetical investment outcomes of these personalized portfolios using Capital Group's capital markets assumptions (CMAs) for global equities (represented by the MSCI All Country World Index) and U.S. aggregate fixed income (represented by the Bloomberg U.S. Aggregate Index). We assumed a 60% allocation to equities and 40% to fixed income with fixed withdrawals starting in the first year of retirement and continuing for the time horizon indicated. Withdrawals are increased by 2.25% each year after the first year to adjust for inflation. Taxes and fees are not included. Neither past results nor capital market assumptions can guarantee future performance.

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Sequence of returns: A tale of two investors

Investor 1

- $500,000 investment
- 7.4% average annual return
- 4% withdrawals, increasing 3% each year
- Negative returns during early years
- Ran out of money in year 24
- Positive returns in later years were not enough to sustain income

Investor 2

- $500,000 investment
- 7.4% average annual return
- 4% withdrawals, increasing 3% each year
- Positive returns early in retirement
- Still had substantial cash value, even with negative returns in later years
- Will likely have a legacy to leave behind

Investor 1's portfolio

Year	Annual return	4% withdrawals	Year-end value
1	–11.36%	$20,000	$425,472
2	0.10%	$20,600	$405,277
3	10.79%	$21,218	$425,499
4	15.63%	$21,855	$466,734
5	–17.37%	$22,510	$367,062
6	–29.72%	$23,185	$241,676
7	31.55%	$23,881	$286,510
8	19.15%	$24,597	$312,069
9	–11.50%	$25,335	$253,759
10	1.06%	$26,095	$230,077
11	12.31%	$26,878	$228,212
12	25.77%	$27,685	$252,203
13	–9.73%	$28,515	$201,923
14	14.76%	$29,371	$198,021
15	17.27%	$30,252	$196,743
16	1.40%	$31,159	$167,902
17	26.33%	$32,094	$171,566
18	14.62%	$33,057	$158,759
19	2.03%	$34,049	$127,242
20	12.40%	$35,070	$103,601
21	27.25%	$36,122	$85,867
22	–6.56%	$37,206	$45,469
23	26.31%	$38,322	$9,028
24	4.46%	$9,028	$0
25	7.06%	$0	**$0**

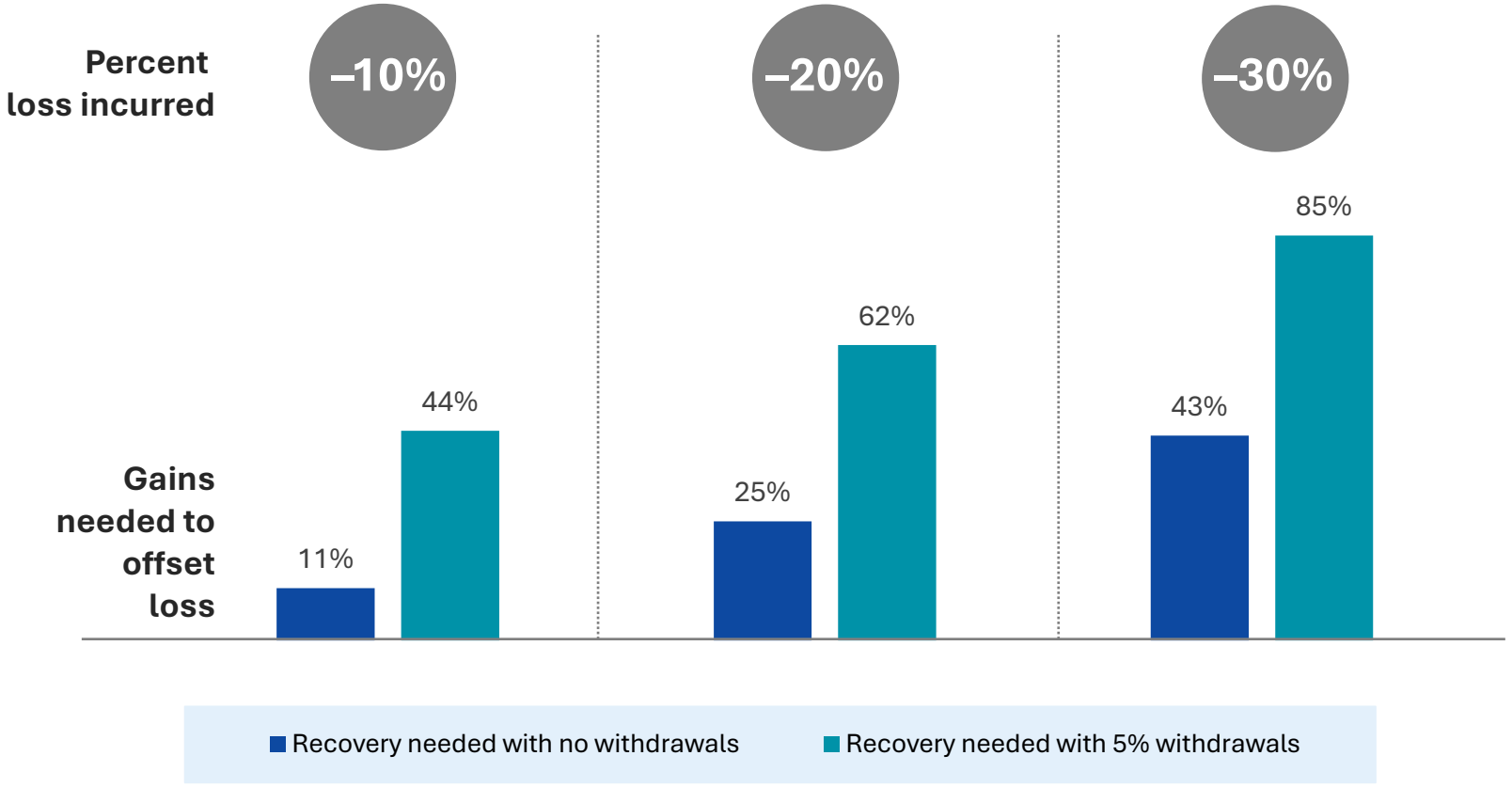
Investor 2's portfolio

Year	Annual return	4% withdrawals	Year-end value
1	7.06%	$20,000	$513,888
2	4.46%	$20,600	$515,289
3	26.31%	$21,218	$624,061
4	–6.56%	$21,855	$562,701
5	27.25%	$22,510	$687,393
6	12.40%	$23,185	$746,570
7	2.03%	$23,881	$737,359
8	14.62%	$24,597	$816,967
9	26.33%	$25,335	$1,000,069
10	1.40%	$26,095	$987,609
11	17.27%	$26,878	$1,126,649
12	14.76%	$27,685	$1,261,171
13	–9.73%	$28,515	$1,112,718
14	25.77%	$29,371	$1,362,527
15	12.31%	$30,252	$1,496,278
16	1.06%	$31,159	$1,480,649
17	–11.50%	$32,094	$1,281,971
18	19.15%	$33,057	$1,488,081
19	31.55%	$34,049	$1,912,779
20	–29.72%	$35,070	$1,319,654
21	–17.37%	$36,122	$1,060,582
22	15.63%	$37,206	$1,183,330
23	10.79%	$38,322	$1,268,554
24	0.10%	$39,472	$1,230,312
25	–11.36%	$40,656	**$1,054,511**

Source: This hypothetical is for illustrative purposes only and does not reflect the performance of any product. Investor 1's portfolio is based on S&P 500 Index returns, price only (dividends not reinvested), from January 1, 1969, to December 31, 1993. Investor 2's portfolio is based on reversing the order of Investor 1's returns. Average annual return is a simple average of the yearly returns and does not account for cash flows. Indices are unmanaged and unavailable for direct investment. **Past performance does not indicate future results.**

For use with the general public.

Returns needed to recover from losses



What is this chart showing?

This chart shows the gains needed to recover from losses, both with and without distributions.

Why is it important?

Many investors underestimate the gains needed to recover from investment losses — especially when withdrawals are being taken.

Recouping losses always requires a larger percentage of gains than the loss itself to fully recover.

Source: Lincoln Financial.

The calculation of the cumulative gains required over five years with withdrawals includes the initial loss (–10%, –20%, –30%) and the continued 5% annual withdrawals from the portfolio. It does not include the impact of investment returns. This is a hypothetical example. No actual investment is being illustrated.

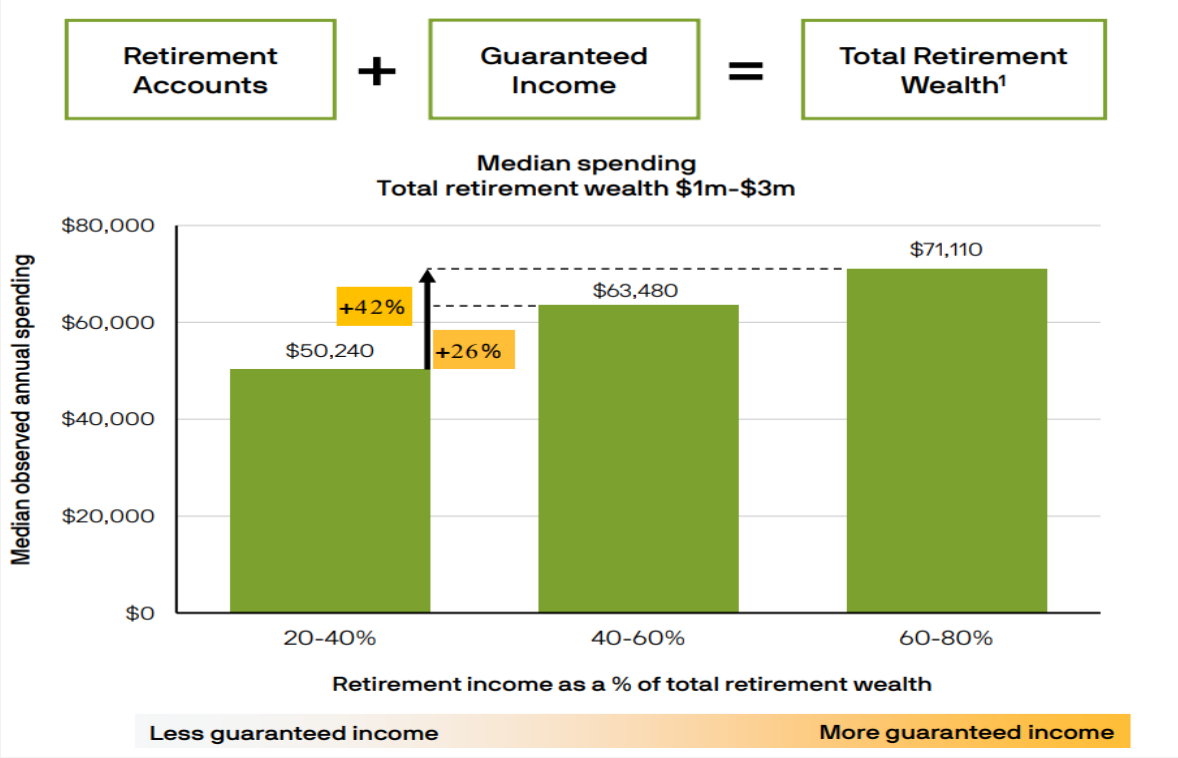
For use with the general public.

The power of a retirement paycheck

J.P.Morgan
Asset Management

When comparing households with similar total retirement wealth, those who are more heavily weighted to retirement income spend significantly more per year. Total retirement wealth includes investable assets plus the present value of retirement income sources like Social Security, pensions and annuities.

Source: Chase data including select Chase credit and debit card, electronic payment, ATM withdrawal and check transactions in 2023. Information that would have allowed identification of specific customers was removed prior to the analysis. Asset estimates for de-identified and aggregated households supplied by IXI/Equifax, Inc. Total retirement wealth is the sum of investable wealth and the present value of observed retirement income sources including Social Security (inflated), pensions and annuities (both not inflated) until age 90. Inflation rate assumption is 2.5%. Observed retirement income sources are adjusted to pre-tax values to be consistent with investable wealth. [1]Total retirement is wealth in retirement accounts and the present value of future guaranteed income payments.



Source: J.P. Morgan Asset Management, “Guide to Retirement," 2025.

Average investor versus the market

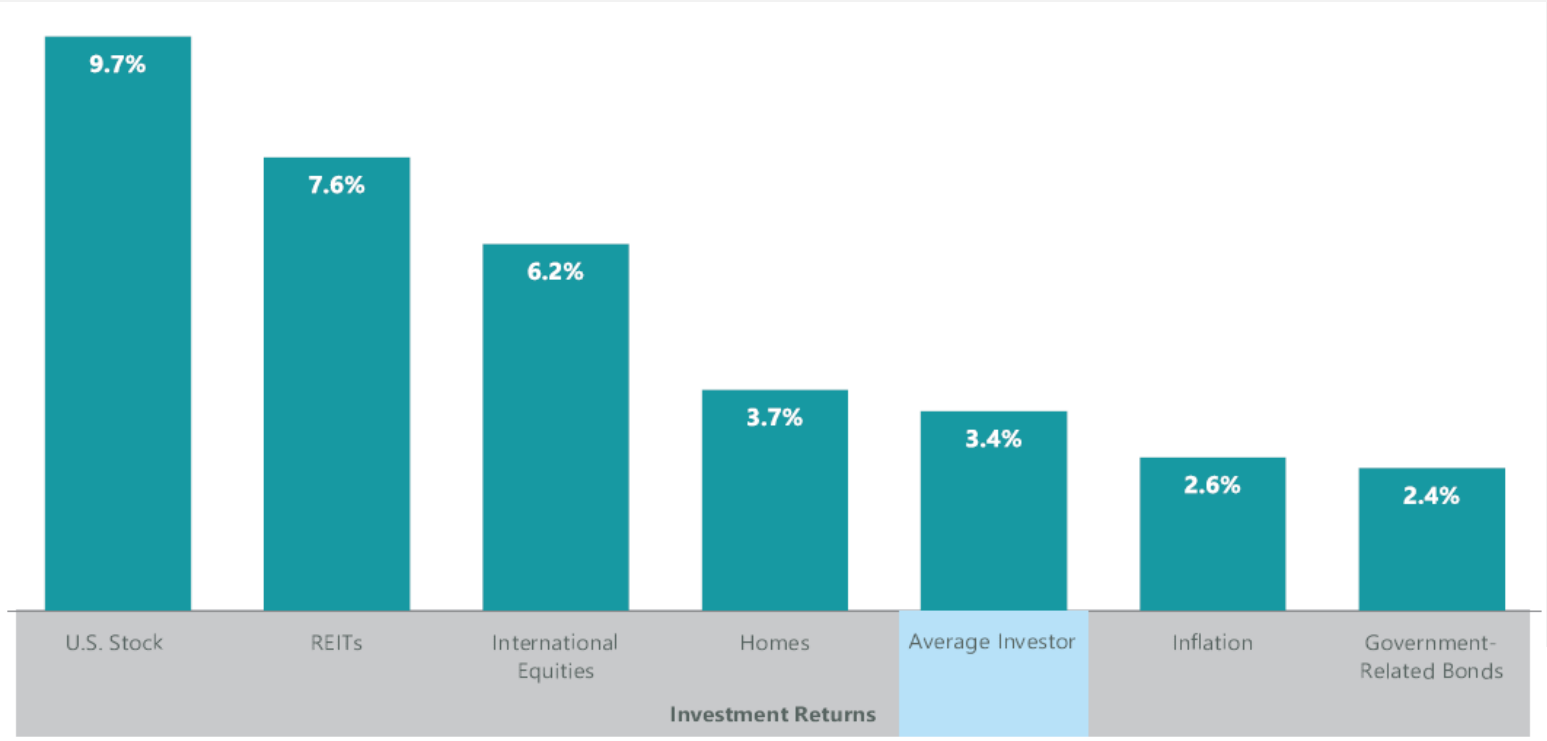
ClearBridge Investments

FRANKLIN TEMPLETON

This chart shows the importance of staying calm during market fluctuations, emphasizing the long-term benefits of a disciplined investment strategy. It compares the 20-year annualized returns from 2004 to 2023, highlighting that the average investor earned only 3.4%.

This underperformance is largely attributed to emotional decision-making, particularly during periods of market volatility, which often leads to panic selling. The data underscores the value of sticking to a well-thought-out investment plan and avoiding knee-jerk reactions in response to market stress. Staying invested for the long term has historically resulted in better outcomes compared to trying to time the market.

20-Year Annualized Returns (2004-2023)



Source: Clearbridge Investments, Franklin Templeton, Bloomberg, as of Dec. 31, 2023. Average asset allocation investor return is based on an analysis by DALBAR, Inc., which utilizes the net of aggregate mutual fund sales, redemptions and exchanges each month as a measure of investor behavior. Indices shown are as follows: REITs are represented by the NAREIT Equity REIT Index, U.S. Stocks are represented by the S&P 500 Index, International Equities are represented by the MSCI EAFE Index, Government-Related Bonds are represented by the Bloomberg Global Aggregate TR Index, Homes are represented by U.S. existing home sales median price, Inflation is represented by the Consumer Price Index. Indices are unmanaged and cannot be purchased directly by investors. Index performance is shown for illustrative purposes only and does not predict or depict the performance of any investment. **Past performance is no guarantee of future results. Investors cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expenses or sales charges.**

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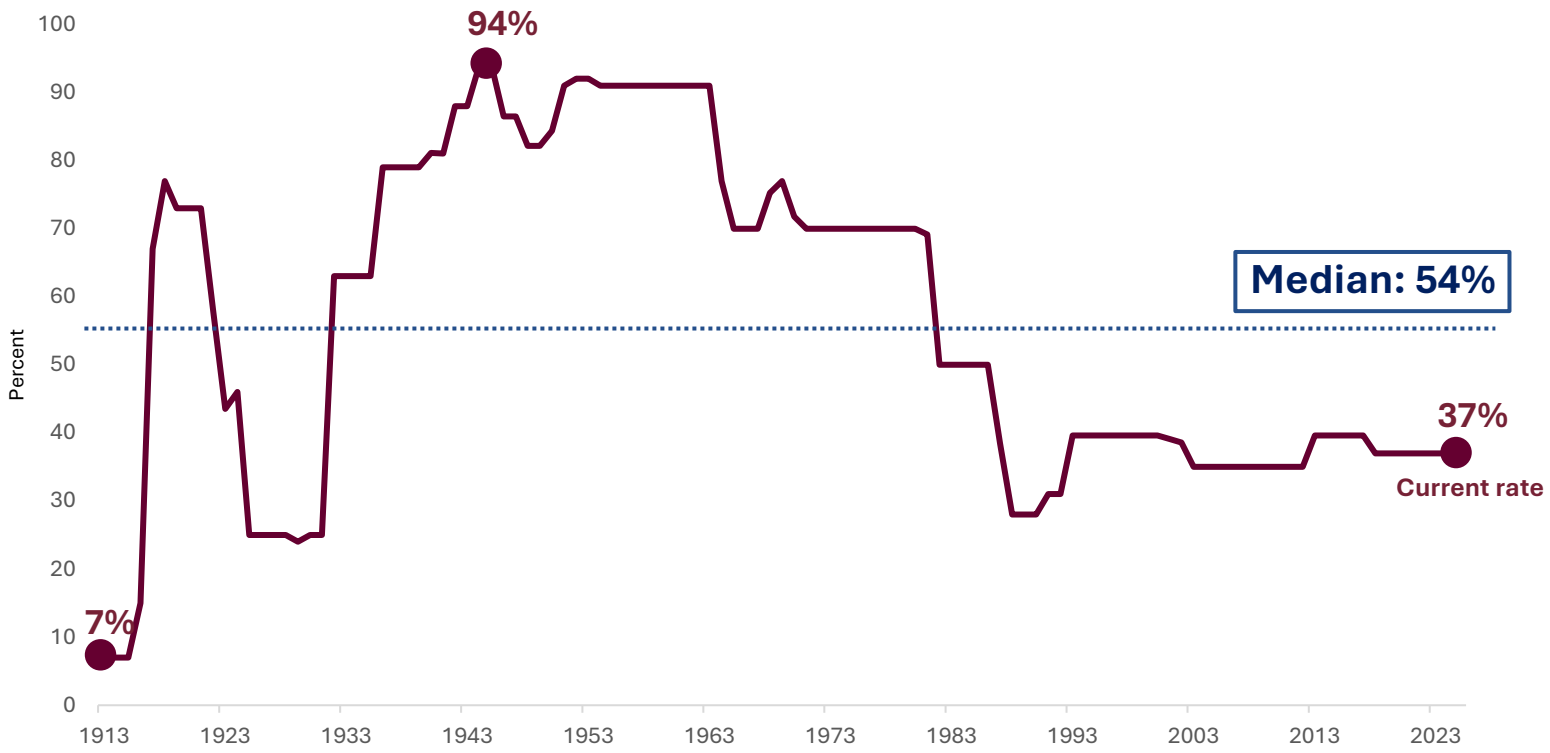
Historical income tax rates

Top marginal individual federal tax rate



What is this chart showing?

This chart shows the historical top marginal individual federal tax rate over time, along with the long-term median.

Why is it important?

Today's income tax rates, especially for those in the top individual bracket, are relatively low compared to the median over the last 100+ years.

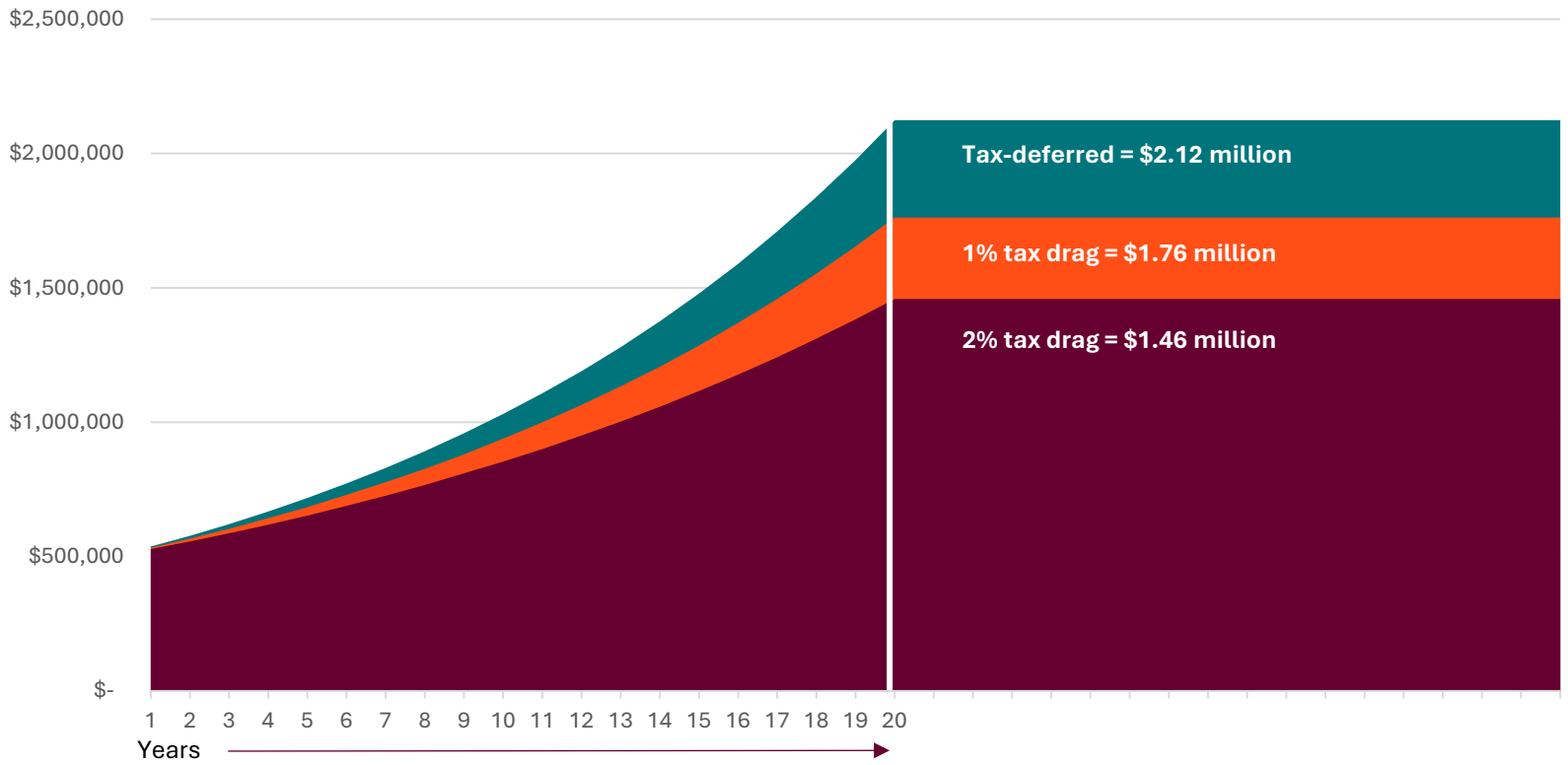
Investors may benefit from working with a tax professional to determine the most effective and appropriate tax planning strategies to meet their long-term goals.

Source: Federal Reserve Bank of St. Louis U.S. Individual Income Tax: Tax Rates for Regular Tax: Highest Bracket, Percent, Annual, Not Seasonally Adjusted for 1913 – 2018. Taxfoundation.org for years 2019 – 2025.

For use with the general public.

The benefits of tax deferral

Hypothetical growth of $500,000 over 20 years at 7.5% per year, with 0%, 1% and 2% tax drag scenarios.



US equity	International equity	Fixed income
1.5% Lost to taxes each year[1]	1.3% Lost to taxes each year[1]	1.5% Lost to taxes each year[1]

Every dollar paid in taxes is a dollar less invested for your long-term goals.

What is this chart showing?

This chart shows the financial impact that taxes can have on a portfolio over an extended period of time.

Why is it important?

Taxes can have a meaningful impact on the long-term growth of portfolios. Because of this, investors often benefit from considering strategies designed to improve their after-tax returns.

Note: This illustration is for hypothetical purposes only and may not represent an actual experience. Tax drag represents the reduction in portfolio returns due to taxes paid on distributions (stock dividends, bond dividends and capital gains). [1]Average 5yr tax cost ratio as of 3/31/25 for U.S. funds within the Morningstar categories of U.S. equity, international equity, and taxable bond. Source: Morningstar. Assumes that distributions are taxed at the highest federal tax-rate prevailing for each type of distribution, and the appropriate current or historical federal tax rate is applied to each distribution date. State and local taxes are ignored, as are the effects of AMT, exemptions, phase-out credits, or any individual specific issues.

Additional information

Index descriptions

S&P 500 Index is a market-cap weighted index that measures the performance of 500 widely held large capitalization stocks in the U.S. equity market. It is regarded as the best gauge of the U.S. equity market.

Russell 2000 Index measures the performance of the small cap segment of the U.S. equity universe. It is a subset of the Russell 3000.

MSCI Emerging Markets Index is a free float-adjusted market capitalization index that measures equity market performance in large and mid cap representation across 27 emerging market countries.

MSCI EAFE Index is a free float-adjusted equity index that captures large and mid cap representation across 21 developed market countries, excluding the U.S. and Canada.

MSCI All Country World Index (ACWI) is a free float-adjusted market capitalization index that captures large and mid cap representation across 23 developed markets and 27 emerging market countries.

Bloomberg Commodity Total Return Index is composed of futures contracts and reflects the returns on a fully collateralized investment in the BCOM. This combines the returns of the BCOM with the returns on cash collateral invested in 13-week (3-month) U.S. Treasury bills.

Bloomberg Barclays Global High Yield Index is a multicurrency flagship measure of the global high yield debt market. The index represents the union of the U.S. High Yield, the Pan-European High Yield, and Emerging Markets (EM) Hard Currency High Yield Indices.

The Bloomberg Barclays U.S. Aggregate Bond Index is a broad-based flagship benchmark that measures the investment-grade, U.S. dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS, ABS and CMBS.

The FTSE Nareit All Equity REITs Index is a free float-adjusted market capitalization-weighted index of U.S. equity REITs. Constituents of the index include all tax-qualified REITs with more than 50 percent of total assets in qualifying real estate assets other than mortgages secured by real property.

The Bloomberg Barclays U.S. Treasury Bills 1–3 Month Index includes all publicly issued zero coupon U.S. Treasury bills that have a remaining maturity of less than three months and at least one month, are rated investment-grade, are U.S.-dollar denominated, nonconvertible, and have $300 million or more of outstanding face value.

University of Michigan (UoM) Inflation Expectations measures the percentage that consumers expect the price of goods and services to change during the next 12 months.

Capital market expectations

- BlackRock: https://www.blackrock.com/institutions/en-us/insights/charts/capital-market-assumptions, as of February 2025. 10-year return time period.
- J.P. Morgan Asset Management, 2025 Long Term Capital Market Assumptions: https://am.jpmorgan.com/us/en/asset-management/adv/insights/portfolio-insights/ltcma/.
- StateStreet: https://www.ssga.com/us/en/individual/insights/market-forecasts-q1-2025, as of Q1 2025. 10+ year return time period.
- Invesco: Quarterly Global Asset Allocation Outlook | Q2 2025: https://www.invesco.com/uk/en/insights/quarterly-global-asset-allocation-portfolio-outlook.html, as of March 2025.

Economic and market indicators

- Consumer sentiment based on month-end data, starting in Jan. 1978 to March 2025. +/- 1 std. deviation of historical value range from 97.90% to 71.29%.
- Economic expansion (CQOQ Index) based on QOQ % change data of quarterly data, starting in June 1947 to December 2024. +/- 1 std. deviation of historical value range from 7.73% to – 1.33%.
- Inflation (CPI) based on YOY % change of monthly CPI seasonally adjusted data, starting in Jan. 1947 to February 2025. +/- 1 std. deviation of historical value range from 6.99% to 0.47%.
- Market volatility (VIX) based on average daily closing values for the month of the CBOE VIX index from Jan. 1990 to March 2025. +/- 1 std. deviation of historical value range from 24.09% to 11.55%.
- Unemployment based on month-end data, starting in Jan. 1948 to February 2025. +/- 1 std. deviation of historical value range from 7.39% to 3.97%.
- 10Y U.S. Treasury yield based on daily data, starting in Jan. 1962 to March 2025. +/- 1 std. deviation of historical value range from 8.79% to 2.89%.

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