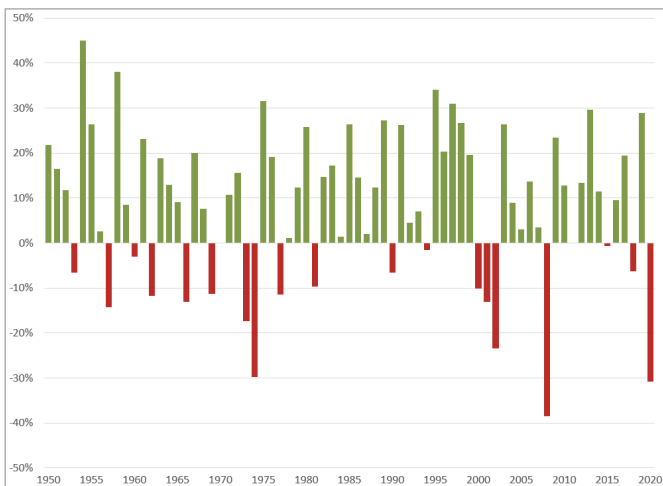


Market Volatility in Perspective

Seeing the big picture improves decision-making and success.

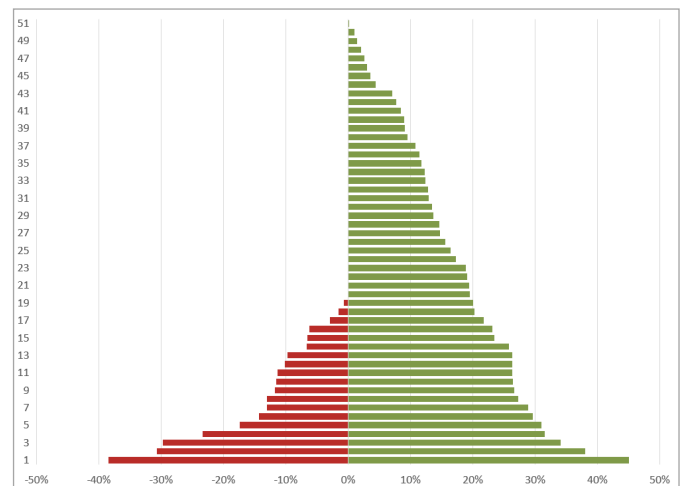
Our 21st century culture and media is exploding with distracting information and mental stimulus, especially regarding the stock market. Humans are not well-equipped to process this massive amount of stimulation, especially during times of heightened uncertainty and extreme volatility in the markets. We need to focus on the big picture and on expert and trusted sources.

S&P 500 Annual Returns from Jan. 1, 1950 - Mar. 20, 2020



data source: www.macrotrends.net

S&P 500 Annual Returns from Jan. 1, 1950 - Mar. 20, 2020



data source: www.macrotrends.net

The above charts depict the returns of the S&P 500 from January 1, 1950, through March 20, 2020. The chart on the left is a familiar one. It depicts the gain/decline data year-to-year. It may appear to tell a chaotic and even scary story of unexpected declines that, we may think, can be avoided. The chart on the right depicts the exact same data. During this time period, since the birth of the Foundation in late 1949, there were 18 down years in the stock market, one flat year, and 51 positive years. Changing our perspective like this helps us see that gains far exceed declines over the long-term.

Declines cannot be avoided, but they can be mitigated through diversification, and opportunities often abound in times of market volatility.

The information, analysis, and opinions expressed herein are for general and educational purposes only. Nothing contained in this material is intended to constitute legal, tax, accounting, securities, or investment advice, nor an opinion regarding the appropriateness of any investment.

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