



Jump\$Tart Coalition®

for Personal Financial Literacy



Christopher M. Lee, CFP®
CT Jump\$Tart

79 Main Street
Meriden, CT 06451
(203) 935-0265

chrisee@newenglandcapital.com

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— 30-Year Fixed Rate Mortgage Average in the United States



Source: Freddie Mac

The bottom line?

Consider staying invested – and don't try to time the market.

Five biggest market declines and subsequent five-year periods*

1929-2019

		9/7/29-6/1/32	3/6/37-4/28/42	1/11/73-10/3/74	3/24/00-10/9/02	10/9/07-3/9/09	Average
Decline		-86.22%	-60.01%	-48.20%	-49.15%	-56.78%	
S&P 500 12-month returns[†] after low	1st yr.	137.60%	64.26%	44.43%	36.16%	72.29%	70.95%
	2nd yr.	0.52	8.96	25.99	9.91	18.08	12.69
	3rd yr.	6.42	31.08	-2.86	8.51	6.10	9.85
	4th yr.	56.68	32.19	11.79	15.11	15.74	26.30
	5th yr.	16.52	-19.89	12.82	18.06	23.65	10.23
Five-year average annual total return		35.93	19.96	17.39	17.15	25.30	23.15
Value of a \$10,000 investment in the S&P 500 at the end of the five-year period		\$46,401	\$24,841	\$22,293	\$22,067	\$30,890	\$28,322

23

Positive periods

2

Negative periods

* Market downturns are based on the five largest declines in the S&P 500's value (excluding dividends and/or distributions) with 50% recovery after each decline.

† The return for each of the five years after a low is a 12-month return based on the date of the low. For example, the first year is the 12-month period from 3/9/09 to 3/9/10.

The percentage decline is based on the index value of the unmanaged S&P 500, excluding dividends and/or distributions. Each market decline reflects a period of more than 80 days with 100% recovery after each decline (except for a 77% recovery between 3/9/09 and 4/29/11). The average annual total returns and hypothetical investment results include reinvested dividends and/or distributions but do not reflect the effect of sales charges, commissions, account fees, expenses or taxes. Investors cannot invest directly in an index. Past results are not predictive of results in future periods.

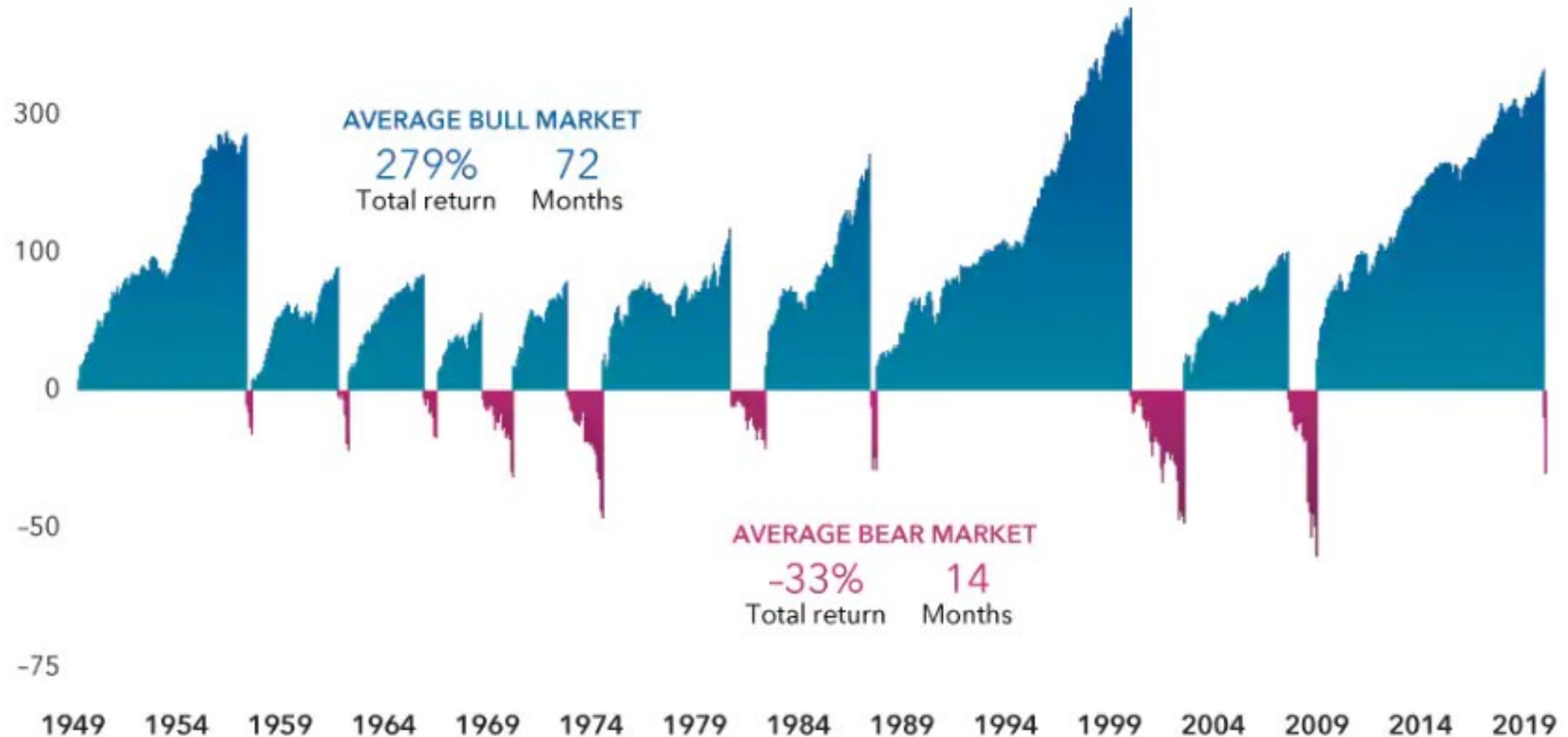
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Bear markets are painful but bull markets have been powerful

The downside appears less daunting with a long-term perspective

700 **Cumulative price return for each bull and bear market (%)**

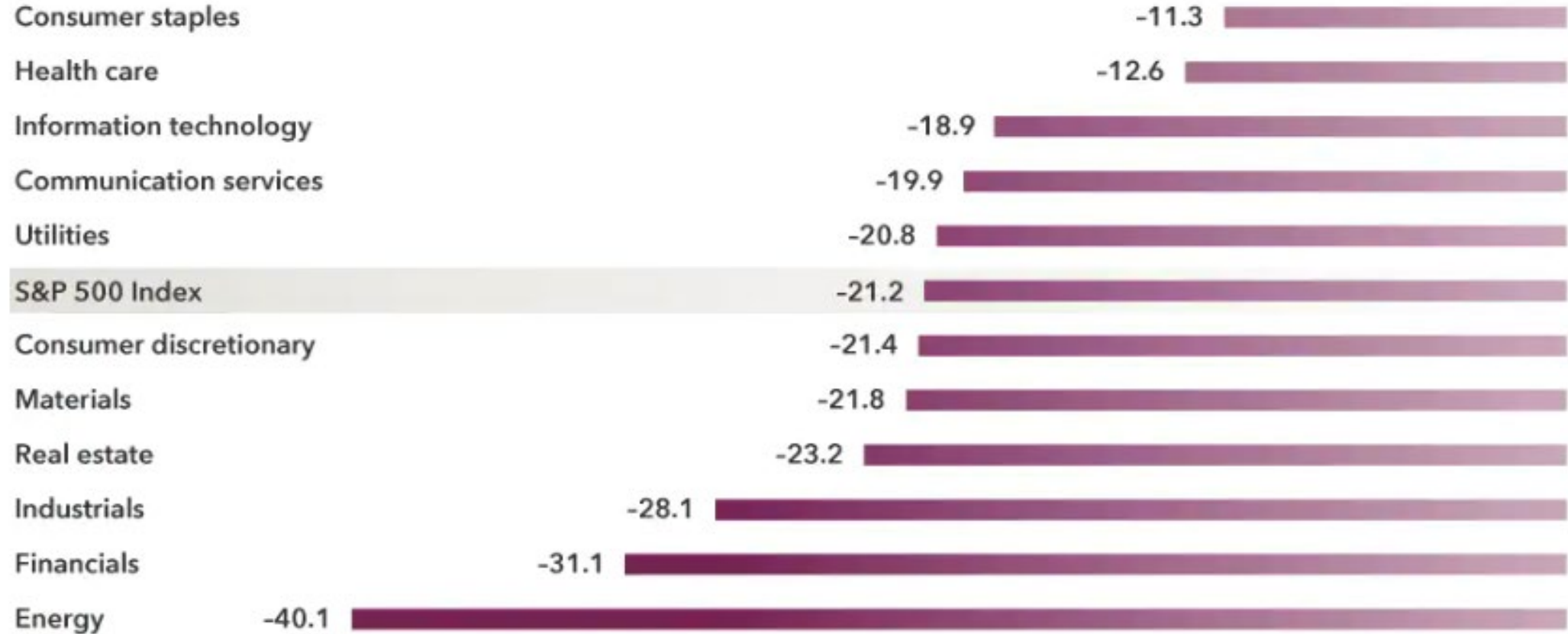


Sources: Capital Group, RIMES, Standard & Poor's. As of 3/31/20. Bear markets are peak-to-trough price declines of 20% or more in the S&P 500. Bull markets are all other periods. Returns shown on a logarithmic scale.

Tech and traditionally defensive sectors have held up better

S&P 500 sector returns, February 19 to April 7, 2020

S&P 500 total returns since market peak (%)



Sources: RIMES, Standard & Poor's. Returns are from 2/19/20-4/7/20 and in USD.

CL1

1mo



Crude Oil WTI (USD/Bbl) 19.67 -0.1100 (-0.56%)



1985 1990 1995 2000 2005 2010 2015 2020

1D 1W 1M 3M 6M 1Y 5Y 10Y 25Y All

% num dif