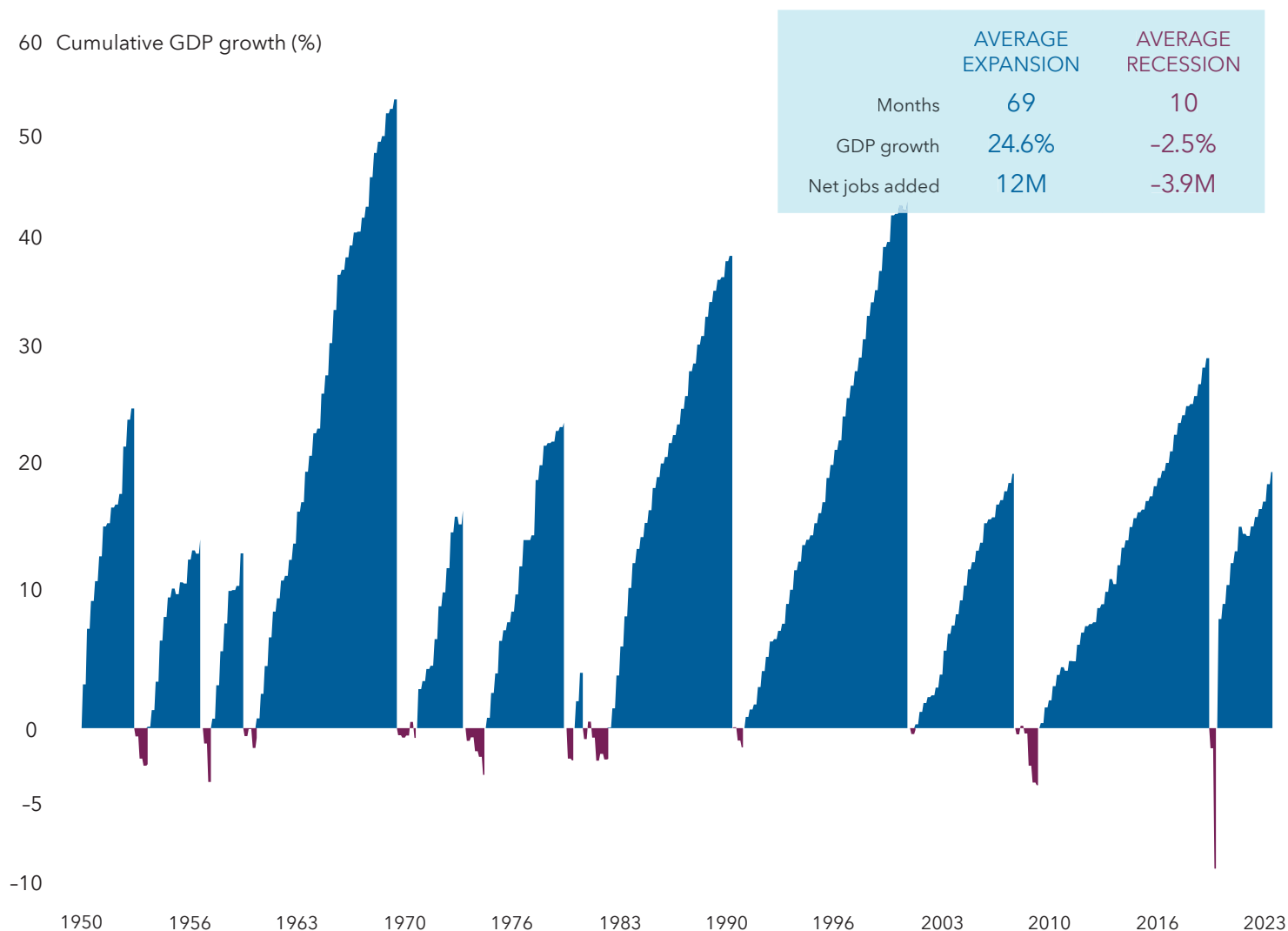


## How long do recessions and bear markets last?

### Recessions have been relatively small blips in economic history

- Over the last 73 years, the U.S. has been in an official recession less than 12.9% of all months.
- Moreover, the net longer term economic impact of most recessions has been relatively small.

### Recessions are painful, but expansions have been powerful



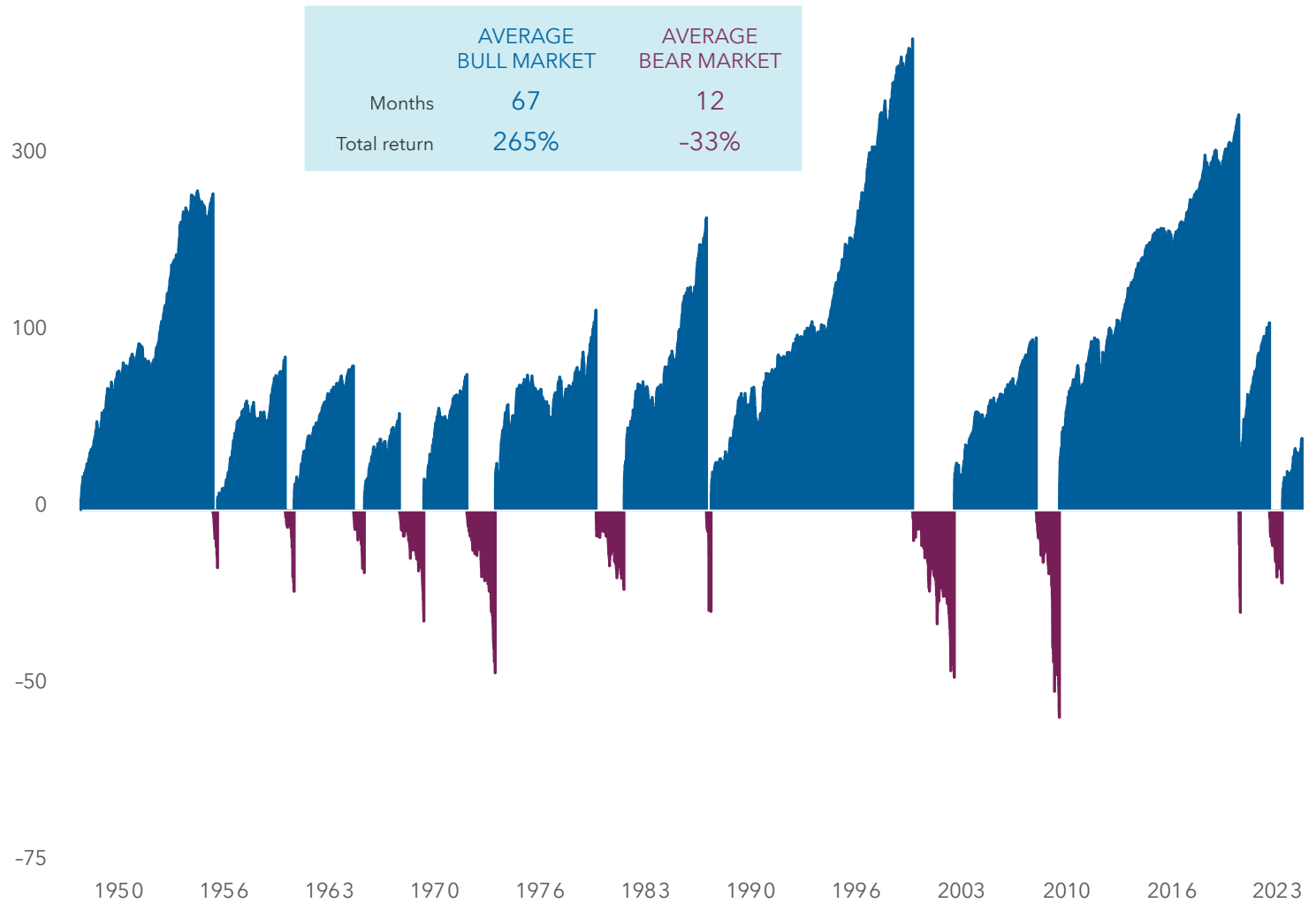
Sources: Capital Group, National Bureau of Economic Research, Refinitiv Datastream. Chart data is latest available as of 12/31/23 and shown on a logarithmic scale. Since NBER announces recession start and end months, rather than exact dates, we have used month-end dates as a proxy for calculations of jobs added. Nearest quarter-end values used for GDP growth rates.

## Don't fear the bear

- Over the last 73 years, bear markets have been relatively short with limited losses when compared to the powerful bull markets that have followed.
- Aggressive market-timing moves during a downturn, such as shifting an entire portfolio into cash, can backfire.

### Bear markets have been relatively short compared to bull markets

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



Sources: Capital Group, RIMES, Standard & Poor's. As of 12/31/23. The bull market that began in 2022 is considered current as of 3/31/24 and is not included in the "average bull market" calculations. 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. Past results are not predictive of results in future periods.

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