

# Market Declines: A History of Recoveries

2020

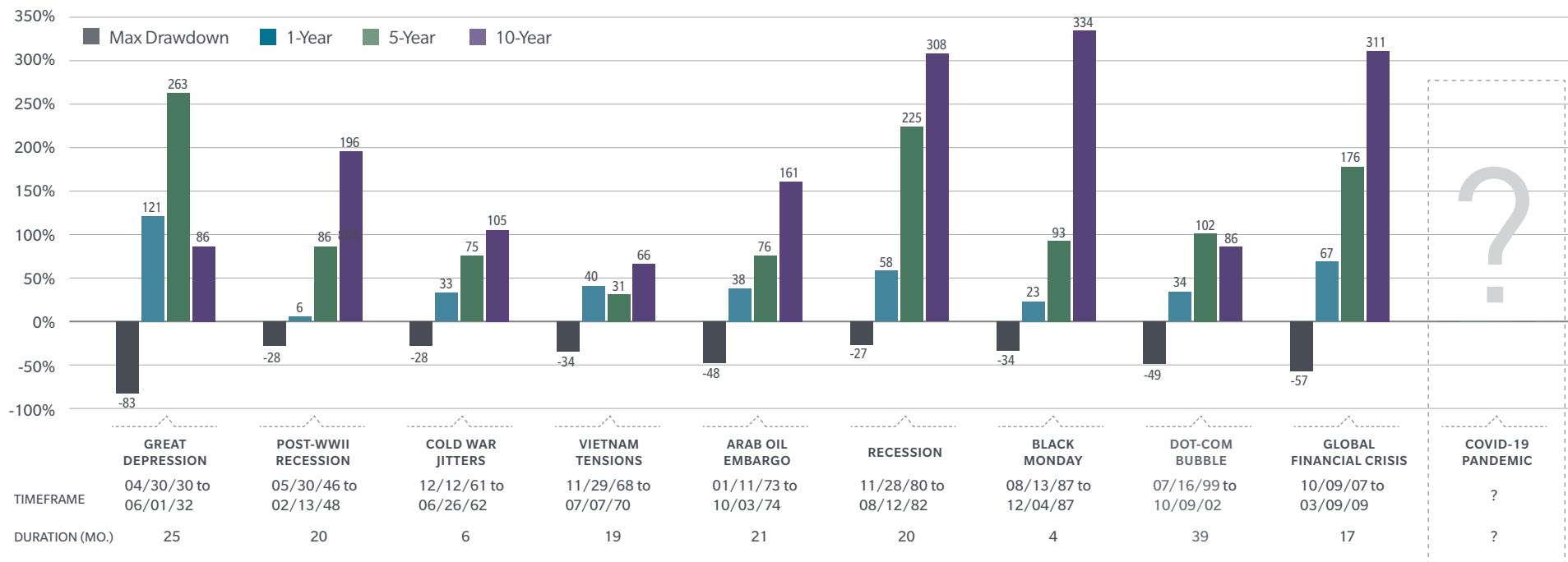
As of 3/31/20

## Gaining confidence based on history

Sharp, sudden market declines are disconcerting, prompting many investors to reduce their stock holdings, or pull out of the market. As history has shown, financial markets have rebounded from market shocks, posting strong long-term gains. All too often, investors that have sold out during a crisis have locked in losses and possibly missed the rebound. Riding out market declines and benefiting from potential rebounds may be a better plan.

### Historically, markets have posted strong long-term gains following declines

S&P 500 Index cumulative returns for 1-, 5- and 10-years periods following end of bear market



As history has shown, recoveries have followed declines, and investors that have stayed invested for the long term may have benefited from the recovery.

Source: FactSet. Daily data from January 3, 1928 through March 31, 2020.

Max drawdown is the largest drawdown (peak-to-trough) within each calendar year. This data is not intended to represent the performance of any MFS portfolio.

The **S&P 500 Index** measures the broad US stock market. Index performance does not include any investment-related fees or expenses. It is not possible to invest directly in an index.

**The investments you choose should correspond to your financial needs, goals, and risk tolerance. For assistance in determining your financial situation, please consult an investment professional. Past performance is no guarantee of future results**

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