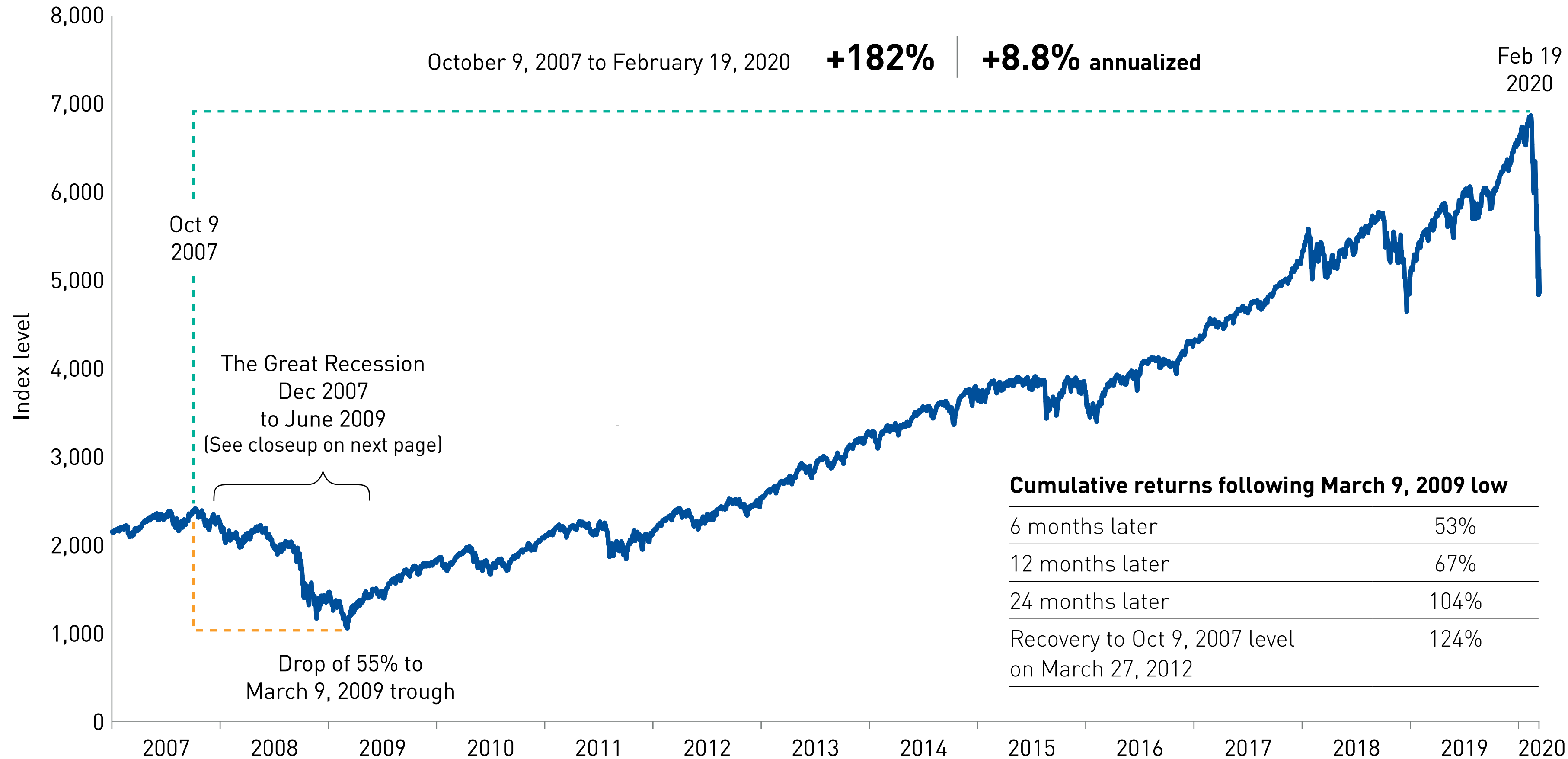
PUTTING RECESSION IN PERSPECTIVE

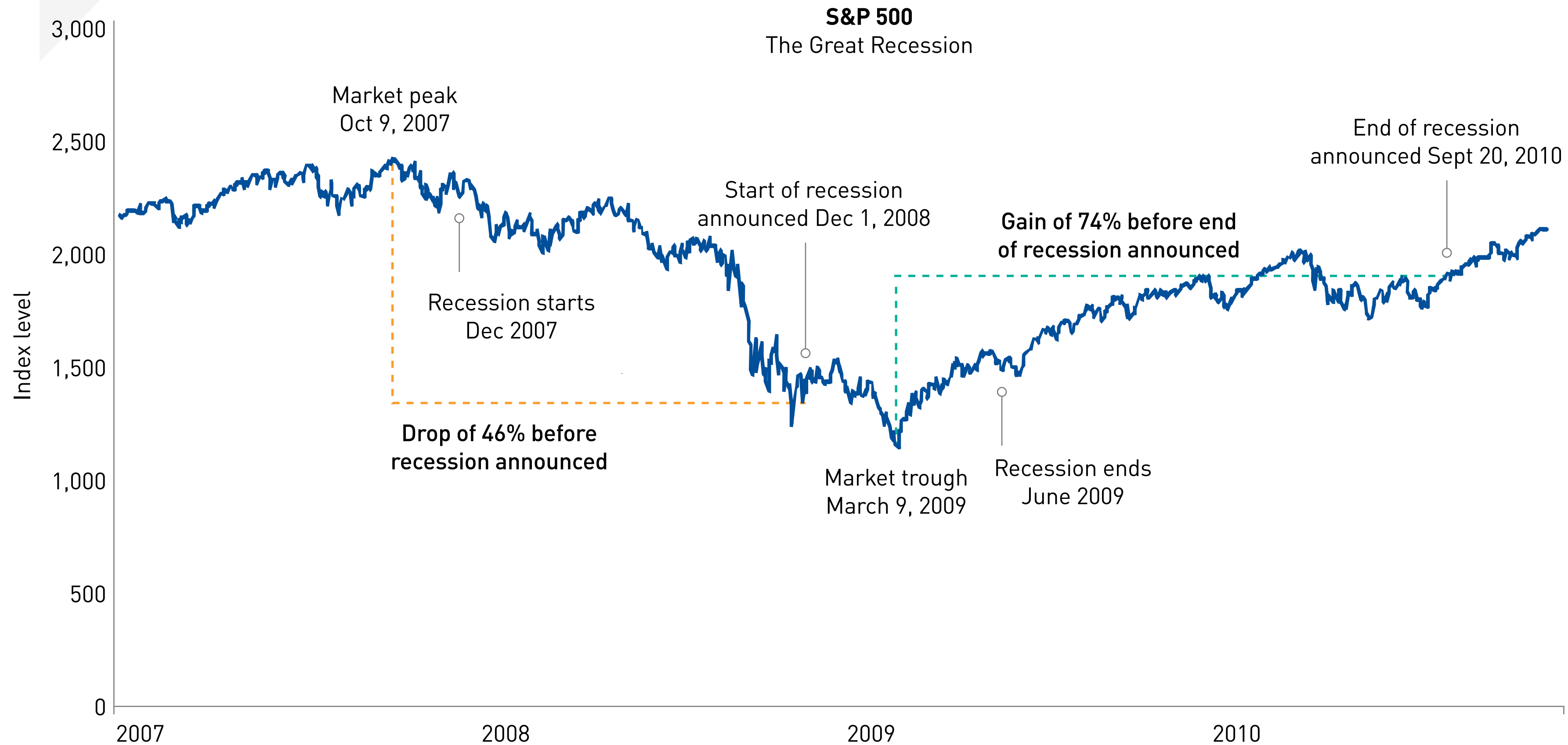
S&P 500 PEAK TO PEAK



Cumulative returns following March 9, 2009 low	
6 months later	53%
12 months later	67%
24 months later	104%
Recovery to Oct 9, 2007 level on March 27, 2012	124%

Chart is for illustrative purposes only. S&P 500 in US$, including dividends, from January 3, 2007 to March 16, 2020. Index returns do not include fees; you cannot invest in an index. Index data source: Bloomberg. Recession data source: National Bureau of Economic Research, accessed March 16, 2020.

HOW THE MARKET ANTICIPATES A RECESSION



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KEY POINTS

- A "full market cycle" is defined as the period between two peaks, when those peaks are separated by a decline of 20% or more (a bear market). The second peak, which follows a recovery of 20% or more (a bull market), must be higher than the first peak.
- Even investors who lost half their money in the market drop of 2008/09 achieved a cumulative gain of 182% (8.8% annualized), *if* they stayed invested for the full market cycle that ended on February 19, 2020.
- Recessions are typically well underway long before they're formally announced. The start of the Great Recession was announced 11 months after it was said to have started, and the end was announced *15 months after* it was said to have ended.
- Market drops tend to come before the start of a recession is identified, and more importantly, the recovery tends to come before the *end* is identified. By the time the end of the Great Recession was announced, the market had already returned 74% from its March low.

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