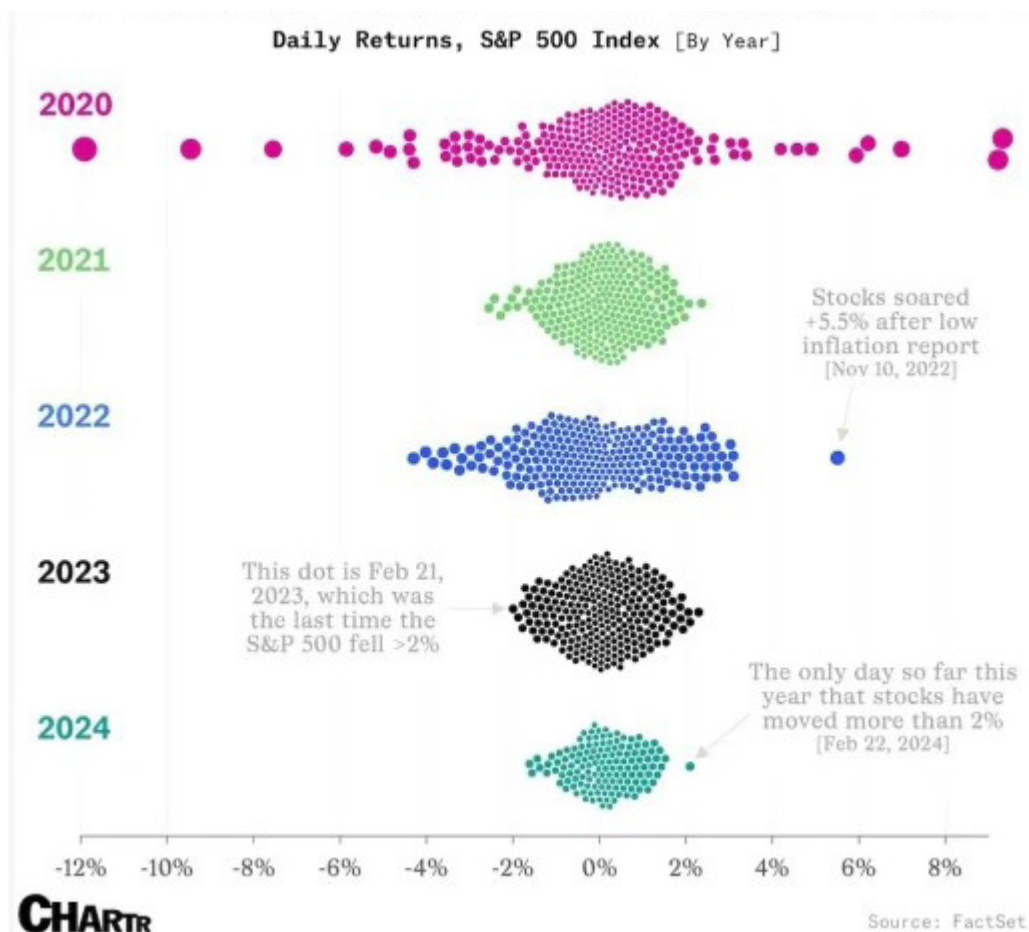


VOLATILE MARKETS

WHAT YOU NEED TO KNOW

Market volatility has awoken from a relatively long slumber in recent weeks. While there are always numerous potential causes for such movements, the current catalyst was broad tariff implementation, leading to concerns about future global economic growth. Here, we will put some of these market gyrations into perspective.

Extremely volatile markets, like those that we experienced during the early parts of April, are rare events. This chart shows that throughout 2021, 2023, and 2024, there were zero market movements in excess of 4%.



Source: Chartr and FactSet (January 1, 2025)

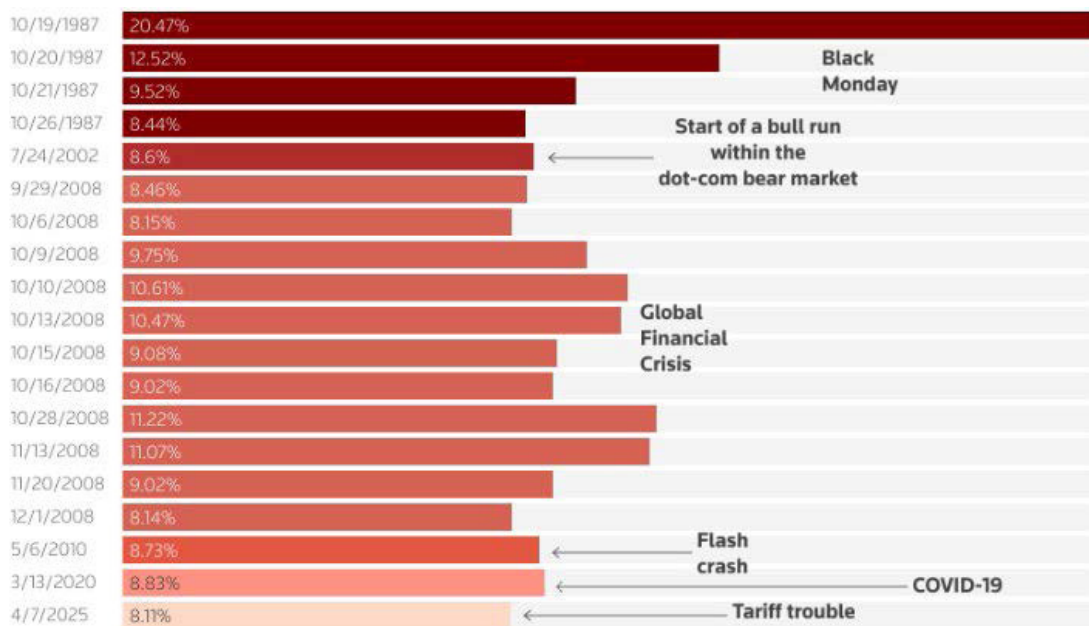
History shows us that patience is important as after the pandemic volatility of 2020, you can see far calmer activity in the following years.

VOLATILE MARKETS

The S&P 500 Index's gain of 9.52% on Thursday, April 9, represents the third largest single-day rise in stock prices in history. The Nasdaq Composite saw its second-best day ever. Of course, these large positive movements came just days after two consecutive declines of more than 4.8% on April 2 and 3. This, in and of itself, is not surprising. Market volatility rarely moves in only a single direction¹.

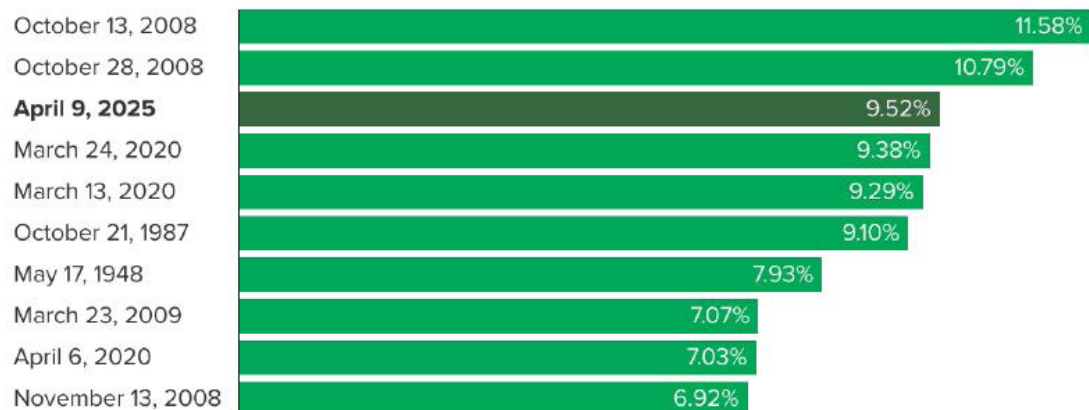
Below, we provide two charts. In the first, you'll see the largest intra-day swings that the S&P 500 has experienced. Many of these occurred on down days. However, there is some overlap with the second chart which only shows the magnitude of single day increases in the benchmark index's value. As you can see, while occurrences are infrequent, they tend to come in bunches.

S&P 500 LARGEST INTRADAY SWINGS



Source: Largest down days. Reuters. Lewis Krauskopf and Saquib Iqbal Ahmed. Tariff-driven Wall Street pain sparks investors to weigh more gloomy scenarios. (April 8, 2025)

S&P 500 LARGEST UP DAYS

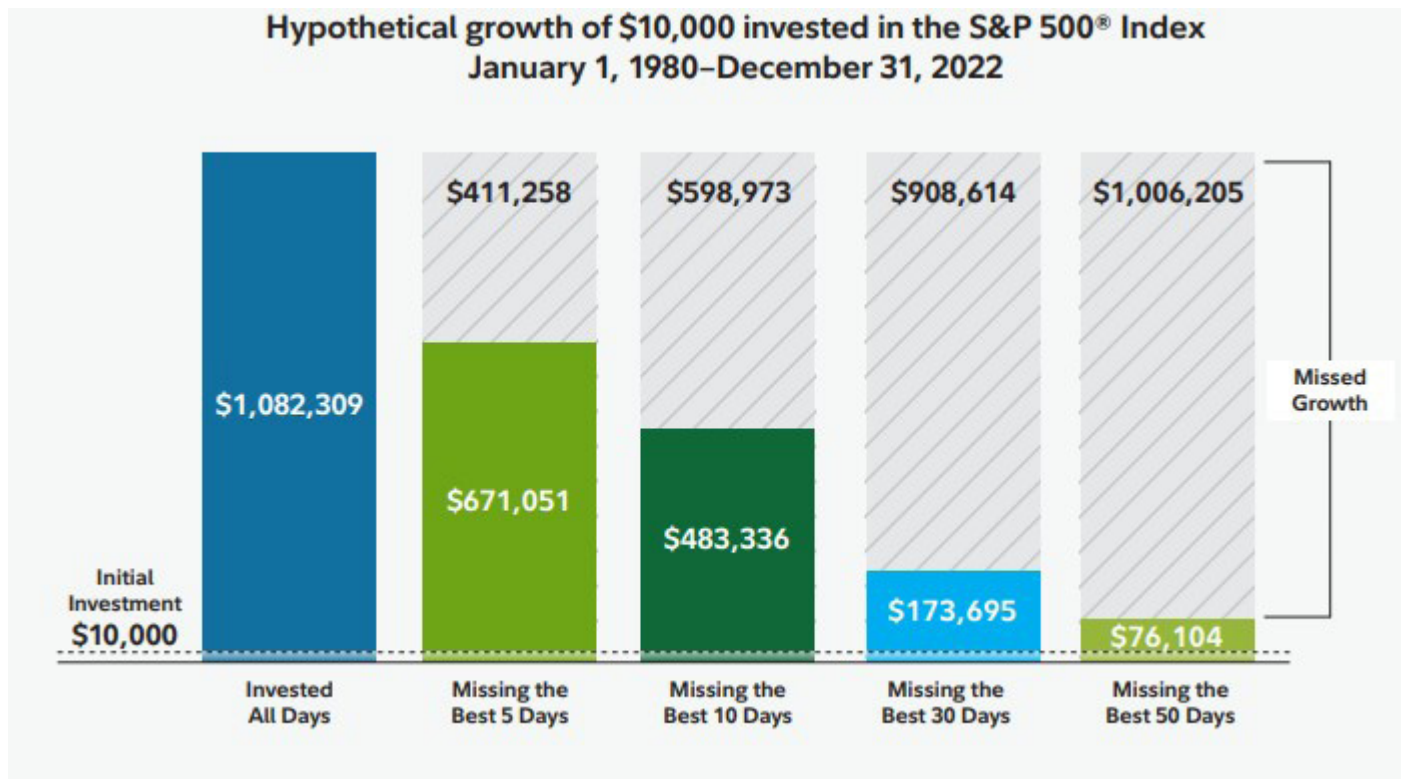


Source: Largest up days. CNBC.com. Yun Li. Stock market posts third biggest gain in post-WWII history on Trump's tariff about-face. (April 9, 2025)

¹Investing.com. S&P 500 (SPX) Historical Data (April 10, 2025)

VOLATILE MARKETS

Typically, after experiencing its largest downward movements, the market will have its steepest ascents, and vice versa. It is because of this that remaining invested in markets and adhering to a plan is so important for achieving long-term financial success. Between 1980 and 2022, if one had invested \$10,000 in the S&P 500, they would have turned that initial sum into nearly \$1.1 million dollars. If they missed only the best 5 days of performance, this return would have almost halved to just over \$670,000. If they missed the best 10 days, this would have been cut again to under \$500,000. And if they missed the best 50 days, their portfolio would have grown to just \$76,100, over \$1 million less than if they stayed invested².



Source: Missing days in the market. Fidelity. (January 1, 2023)

This is why it is imperative to remain unemotional about one's investment plan. There will continue to be periodic outbursts of market volatility in future years and decades, but as long as the companies that comprise the stock market grow their earnings power over time, the long-term path of equity prices will eventually be higher.

²Missing days in the market. Fidelity. (January 1, 2023)