

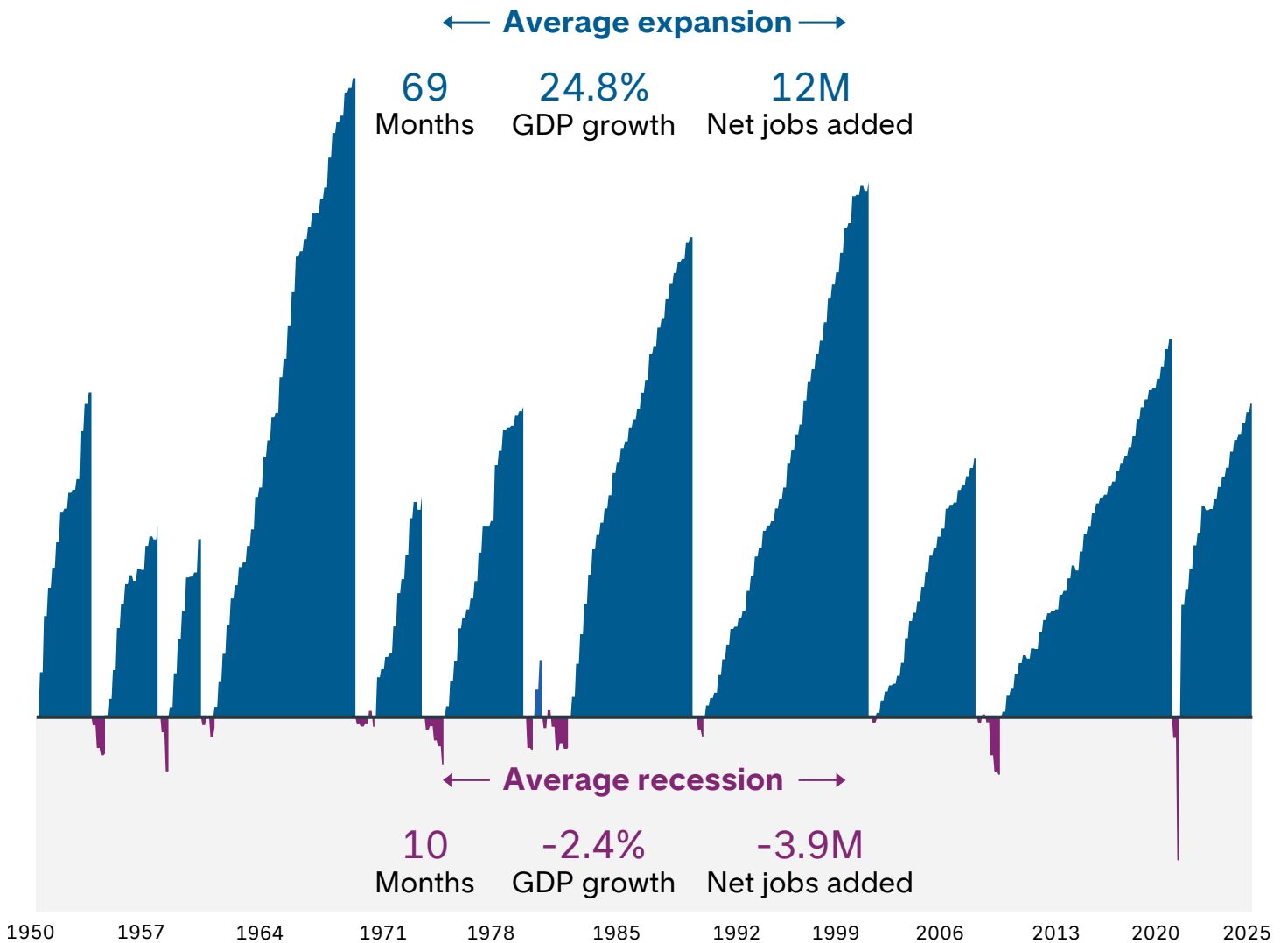
## How long do recessions and bear markets last?

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

- Over the last 75 years, the U.S. has been in an official recession less than 12.4% 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

Cumulative GDP growth (%)



Sources: Capital Group, National Bureau of Economic Research (NBER), LSEG. Chart data is latest available as of 5/18/26 and shown on a logarithmic scale. The expansion that began in 2020 is still considered current as of 5/18/26, and is not included in the average expansion summary statistics. 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.

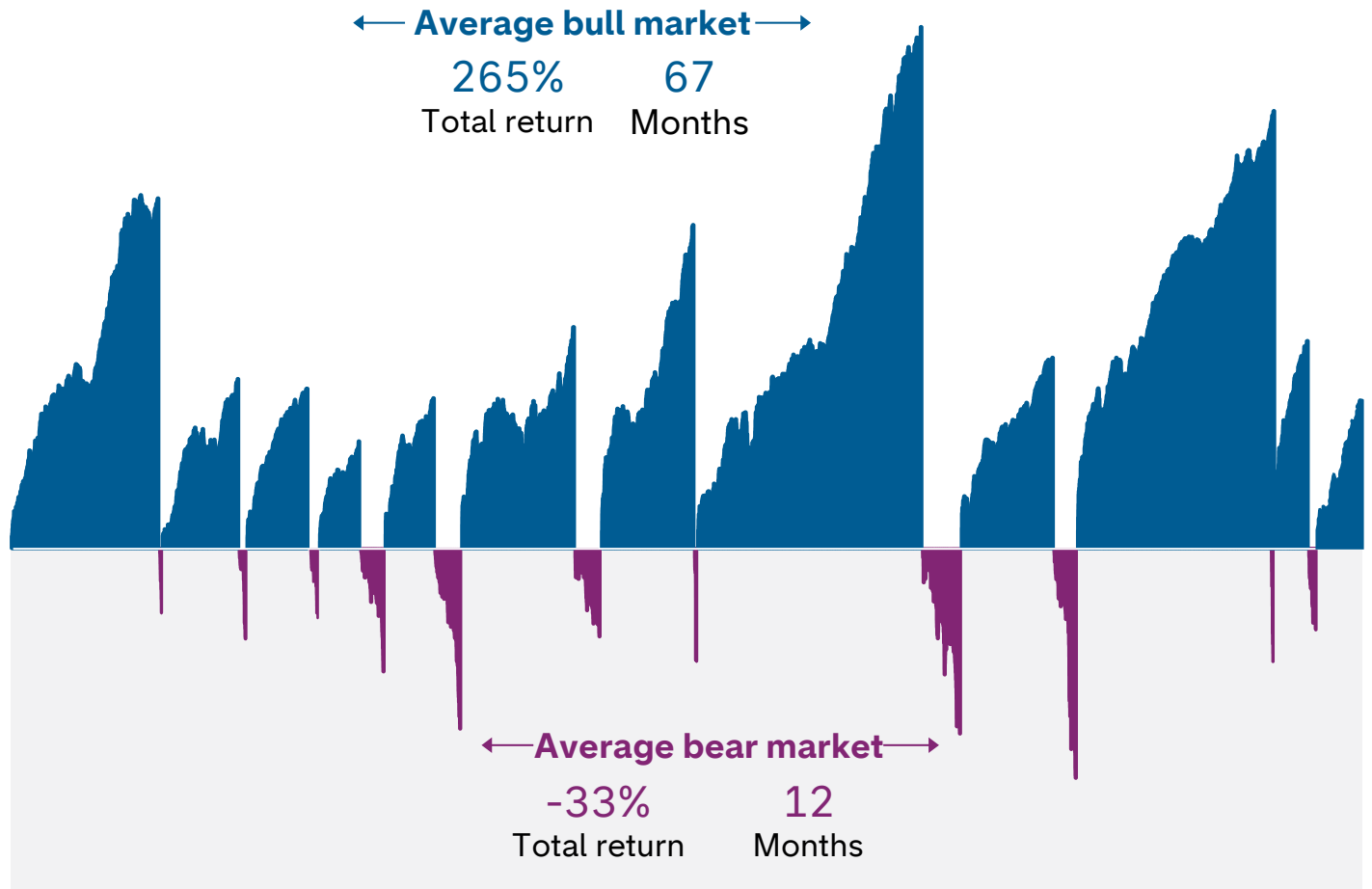
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## Don't fear the bear

- Over the last 75 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

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



1950    1957    1964    1971    1978    1985    1992    1999    2006    2013    2020    2025

Sources: Capital Group, RIMES, Standard & Poor's. As of 12/31/25. The bull market that began in 2022 is considered current as of 12/31/25 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 Index. Bull markets are all other periods. Price returns exclude the impact of reinvested dividends. Returns shown on a logarithmic scale. Past results are not predictive of results in future periods.

S&P 500 Index is a market capitalization-weighted index based on the results of approximately 500 widely held common stocks, and its results include reinvested dividends and/or distributions but do not reflect the effect of sales charges, commissions, account fees, expenses or income taxes. The market index is unmanaged and, therefore, has no expenses. Investors cannot invest directly in an index.

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