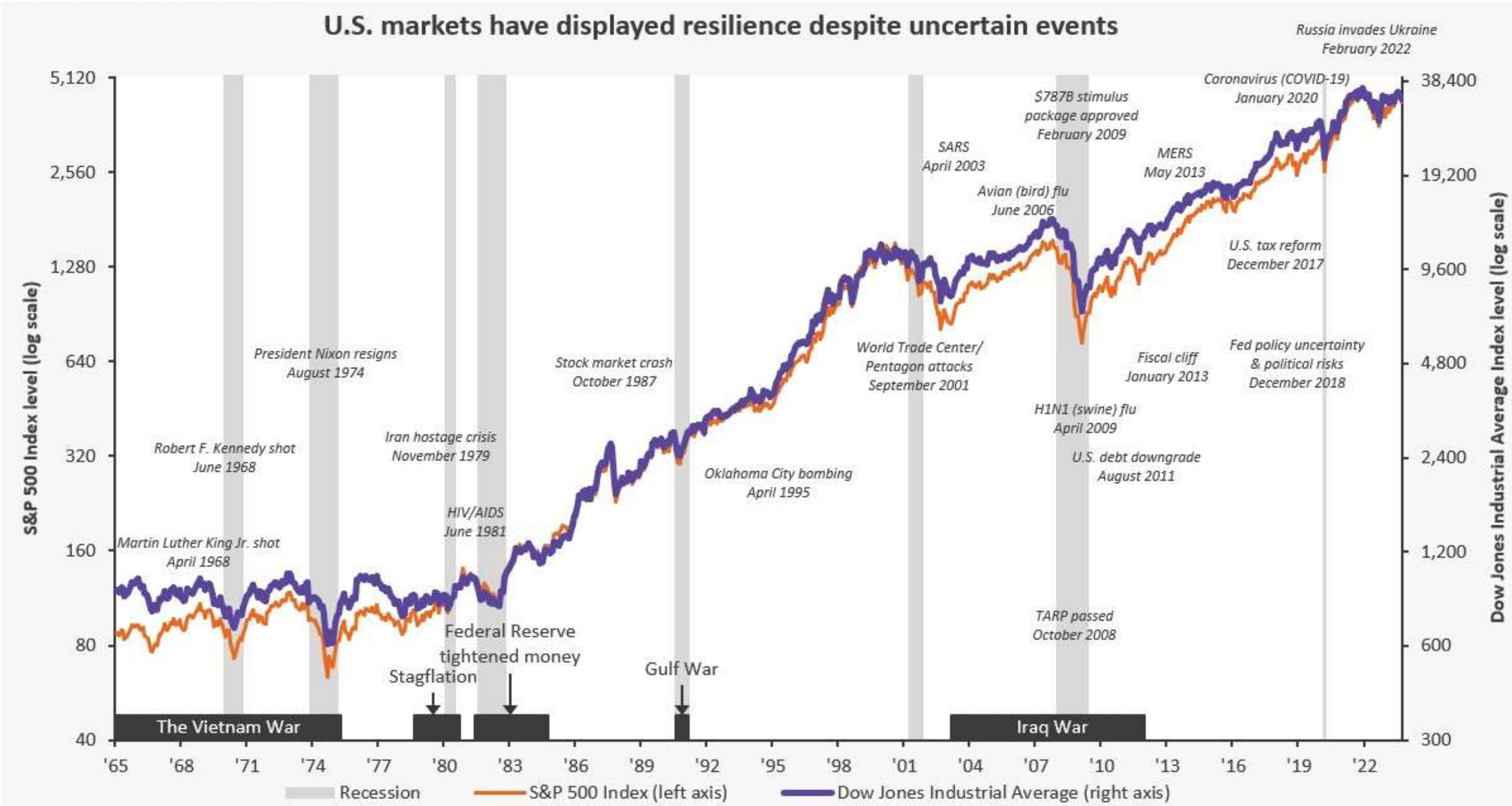
Market resilience

WELLS FARGO
Investment Institute



Sources: Wells Fargo Investment Institute and Bloomberg. Monthly data from January 1, 1965 to September 30, 2023. Shaded areas represent recessions. TARP = Troubled Asset Relief Program. Fed = Federal Reserve. SARS = Severe Acute Respiratory Syndrome. MERS = Middle East Respiratory Syndrome. For illustrative purposes only. A price index is not a total return index and does not include the reinvestment of dividends. The **S&P 500 Index** is a market capitalization-weighted index composed of 500 stocks generally considered representative of the U.S. stock market. The **Dow Jones Industrial Average** is a price-weighted average of 30 blue-chip stocks that are generally the leaders in their industry. Index returns do not represent investment performance or the results of actual trading. Index returns represent general market results and do not reflect deduction for fees, expenses or taxes applicable to an actual investment. An index is unmanaged and not available for direct investment. **Past performance is no guarantee of future results.** There is no certainty that U.S. markets will continue to show resilience despite crisis events. Investing in stocks involves risk and their returns and risk levels can vary depending on prevailing market and economic conditions. There is no guarantee equity markets will perform similarly during other periods of uncertainty. All investing involves risk including the possible loss of principal.

Key takeaways

- Volatility has been a normal part of market behavior and can present opportunities for long-term investors.
- Geopolitical crises, terrorist attacks, economic recessions, epidemics, or consequential central-bank policies can trigger short-lived yet painful market disruptions.