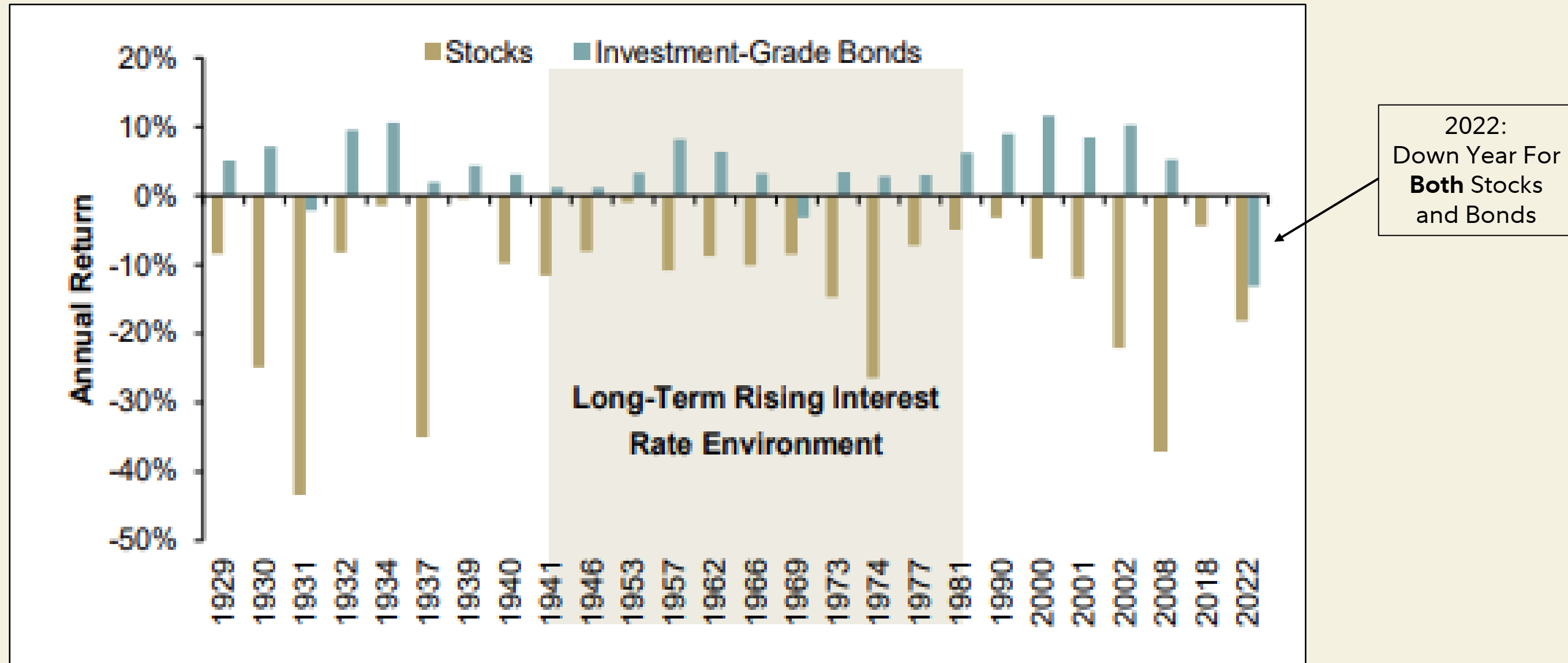


Fidelity Viewpoints®

market sense

The latest headlines, the current market conditions, and what it all means for you.

Historically Bonds Perform Well When Stocks Are Down 1926-2023

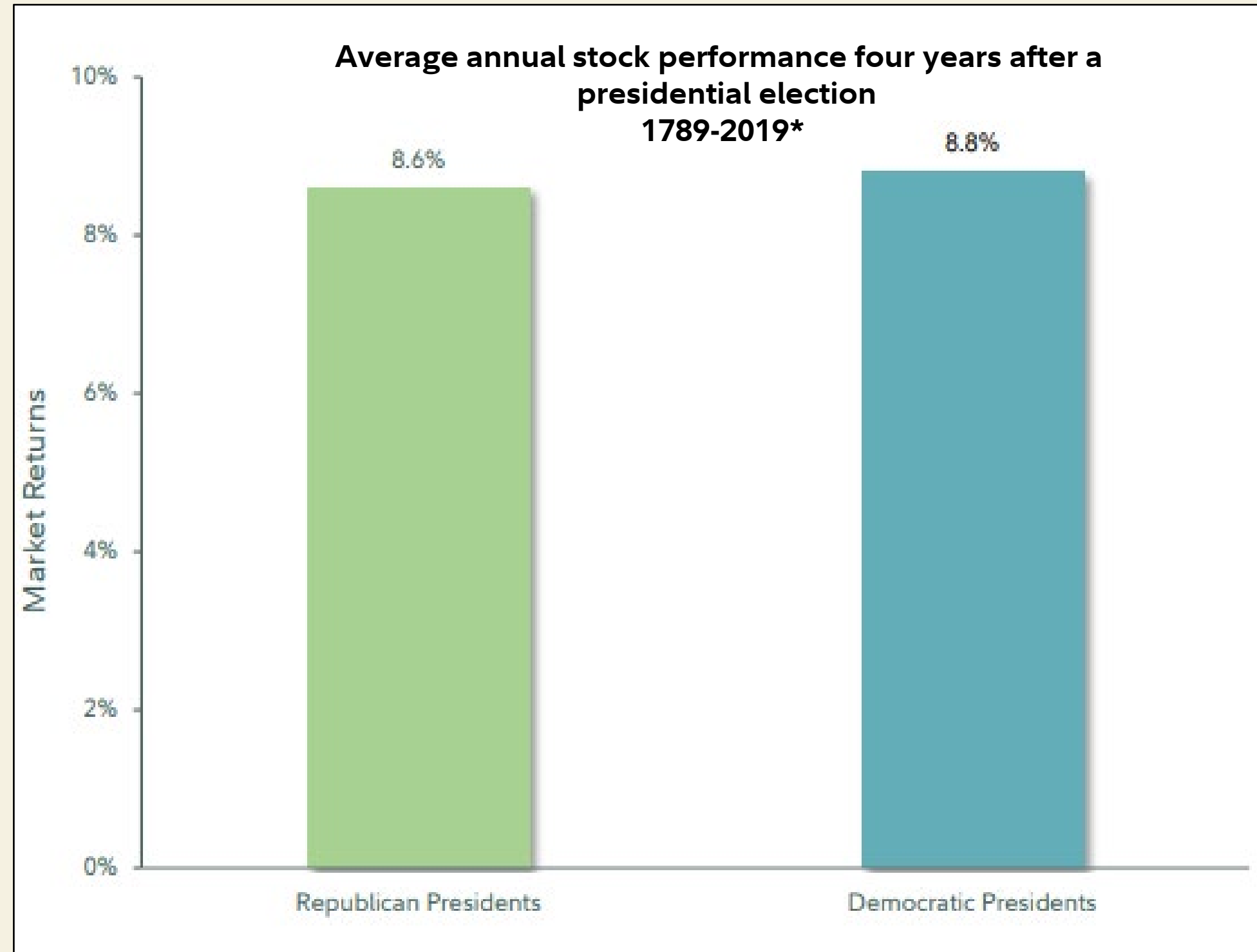


Investment-grade bonds have often provided positive returns and outperformed stocks during periods of stock market declines. Even amid rising interest rates, investment-grade bonds have typically offset stock market pullbacks.

Past performance is no guarantee of future results. Source: Fidelity Investments (AART), Haver Analytics, as of 12/31/23. U.S. Stocks—S&P 500 index. Bonds—Bloomberg U.S. Aggregate Bond Index. Diversification does not ensure a profit or guarantee against a loss. Fidelity Investments proprietary analysis of historical asset class performance is not indicative of future performance.

U.S. Market Gains Over A Presidential Term Have Been Similar Regardless Of Party

- The chart shows the average annual stock returns* from the start to end of each presidential administration from 1789 to 2019.
- Historically, the party affiliation of the president has had little bearing on stock market performance.
- In the long run, it appears that stocks may be more heavily influenced by economic growth and the outlook for corporate profits.



*Market performance is represented by monthly data 1789-2019 (mix of S&P 500®, Dow Jones Industrial Average, and Cowles Commission). Past performance is no guarantee of future results. Source: Fidelity Investments. Indices are unmanaged. It is not possible to invest directly in an index. Market performance is represented by monthly data from 1789- 2019 (mix of S&P 500®, Dow Jones Industrial Average, and Cowles Commission).

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1. CNBC, September 27, 2024: https://www.cnbc.com/2024/09/27/pce-inflation-august-2024.html?_source=iosappshare%7Ccom.apple.UIKit.activity.Mail
2. Bloomberg, September 26, 2024: <https://www.bloomberg.com/news/articles/2024-09-26/stock-market-today-dow-s-p-live-updates?srnd=homepage-americas>
3. Reuters, September 30, 2024: <https://www.reuters.com/markets/asia/china-stocks-set-best-month-nearly-decade-stimulus-cheer-2024-09-30/>
4. CBS, September 26, 2024: <https://www.cbsnews.com/news/east-coast-port-strike-what-to-know/>
5. Bank of America, September 2024: <https://institute.bankofamerica.com/content/dam/economic-insights/consumer-checkpoint-september-2024.pdf>
6. University of Florida, March 20, 2024: <https://news.ufl.edu/2024/03/politics-and-consumer-sentiments/>

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The Bloomberg US Aggregate Bond Index, or the Agg, is a broad base, market capitalization-weighted bond market index representing intermediate term investment grade bonds traded in the United States. Investors frequently use the index as a stand-in for measuring the performance of the US bond market.

The MSCI China Indexes consist of a range of market capitalization weighted and alternative weighted indexes for the Chinese markets, intended for both domestic and international investors, including Qualified Foreign Institutional Investors (QFII) licensees.

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