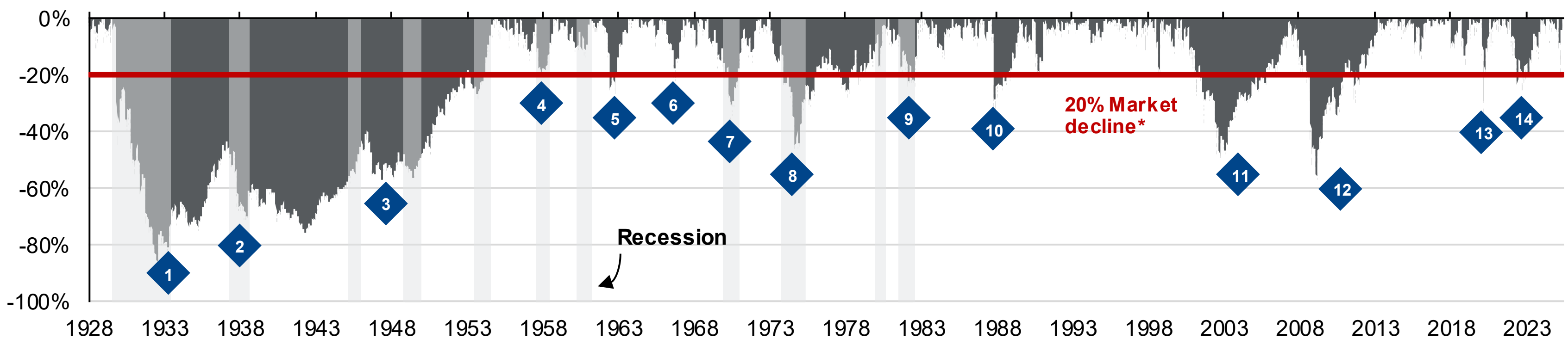
Bear and subsequent bull markets

U.S. recessions and S&P 500 declines from all-time highs



Characteristics of bull and bear markets

	Market correction	Bear market			Macro environment				Bull market		
		Market peak	Bear return	Duration (months)	Recession	Commodity spike	Aggressive Fed	Extreme valuations	Bull begin date	Bull return	Duration (months)
1	Crash of 1929 - Excessive leverage, irrational exuberance	Sep 1929	-86%	32	◆			◆	Mar 1935	129%	23
2	1937 Fed tightening - Premature policy tightening	Mar 1937	-60%	61	◆		◆		Apr 1942	158%	49
3	Post-WWII crash - Post-war demobilization, recession fears	May 1946	-30%	36	◆			◆	Jun 1949	267%	85
4	Eisenhower recession - Worldwide recession	Aug 1956	-22%	14	◆		◆	◆	Oct 1960	39%	13
5	Flash crash of 1962 - Flash crash, Cuban Missile Crisis	Dec 1961	-28%	6				◆	Oct 1962	76%	39
6	1966 financial crisis - Credit crunch	Feb 1966	-22%	7			◆	◆	Oct 1966	48%	25
7	Tech crash of 1970 - Economic overheating, civil unrest	Nov 1968	-36%	17	◆	◆	◆		May 1970	74%	31
8	Stagflation - OPEC oil embargo	Jan 1973	-48%	20	◆	◆			Mar 1978	62%	32
9	Volcker tightening - Whip inflation now	Nov 1980	-27%	20	◆	◆	◆		Aug 1982	229%	60
10	Black Monday - Program trading, overheating markets	Aug 1987	-34%	3				◆	Oct 1990	417%	113
11	Tech bubble - Extreme valuations, .com boom/bust	Mar 2000	-49%	30	◆			◆	Oct 2002	101%	60
12	Global Financial Crisis - Leverage/housing, Lehman collapse	Oct 2007	-57%	17	◆	◆	◆		Mar 2009	401%	131
13	Global slowdown - COVID-19, oil price war	Feb 2020	-34%	1	◆				Mar 2020	114%	21
14	Inflation spike - Fed tightening	Jan 2022	-25%	9		◆	◆	◆	10/12/2022*	110%	44
	Averages	**-**	**-40%**	**20**					-	**163%**	**52**

Source: FactSet, NBER, Robert Shiller, Standard & Poor's, J.P. Morgan Asset Management.
*The bull market beginning 10/12/2022 is ongoing, so return and duration numbers are as of the latest quarter end. A bear market is defined as a 20% or more decline from the previous market high. The related market return is the peak to trough return over the cycle. Periods of "Recession" are defined using NBER business cycle dates. "Commodity spikes" are defined as movement in oil prices of over 100% over an 18-month period. Periods of "Extreme valuations" are those where S&P 500 last 12-months P/E levels were approximately two standard deviations above long-run averages, or time periods where equity market valuations appeared expensive given the broader macroeconomic environment. "Aggressive Fed tightening" is defined as Federal Reserve monetary tightening that was unexpected and/or significant in magnitude. Bear and bull returns are price returns.
Guide to the Markets – U.S. Data are as of June 30, 2026.