

Markets have powered through previous crises

Market downturns are painful, but history shows they're common. Over the long term, stocks have been resilient.

Cumulative total return for the S&P 500 Index (log scale)

10,000



Sources: Capital Group, Standard & Poor's. As of December 31, 2025. Data is indexed to 100 as of January 1, 1987, based on cumulative total returns for the S&P 500 Index. Shown on a logarithmic scale.

Key takeaways

Imagine going back in time to New Year's Day 2020 and learning in advance what the next six years would bring: A pandemic, inflation topping 9%, multiple wars and the highest U.S. tariffs in decades. Would you want to invest in stocks? Probably not.

Yet time after time, financial markets pushed through each shock and reached new highs. So, if on that January morning you ignored all the troubling events and had stayed invested, the S&P 500 Index would have risen more than 128%.

Footnote(s)/Important information

Past results are not predictive of results in future periods.

The market indexes are unmanaged and, therefore, have no expenses. Investors cannot invest directly in an index.

S&P 500 Index is a market capitalization-weighted index based on the results of approximately 500 widely held common stocks.

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