

# Every Year Looks Volatile Compared To 2017

## Analysis of S&P 500 Index Monthly/Annual Total Returns

Year	# of Down Months	Range of Down Months	Total Return
2020	5	-0.04% to -12.35%	18.40%
2019	2	-1.58% to -6.35%	31.49%
2018	4	-2.54% to -9.03%	-4.38%
2017	0	N/A	21.83%
2016	3	-0.13% to -4.96%	11.96%
2015	6	-1.58% to -6.03%	1.38%
2014	4	-0.25% to -3.46%	13.69%
2013	2	-1.34% to -2.90%	32.39%
2012	3	-0.63% to -6.01%	16.00%
2011	6	-0.22% to -7.03%	2.11%
2010	4	-3.60% to -7.99%	15.06%
2009	3	-1.86% to -10.65%	26.46%
2008	8	-0.43% to -16.79%	-37.00%

Source: S&P Dow Jones Indices and Bloomberg. **Past performance is no guarantee of future results.**

### View from the Observation Deck

1. In 2017, the S&P 500 Index ("index") did not register a single down month on a total return basis, which includes reinvested dividends. That is not typically the case.
2. In 12 of the past 13 calendar years, which includes the 2008-2009 financial crisis, the index endured no less than two negative total return months and as many as eight (see table).
3. In 2019, the index posted two negative total returns: -6.35% (May) and -1.58% (August), according to Bloomberg. Despite the steep decline in May, the index finished 2019 with a total return of 31.49%, more than three times the historical norm for a calendar year (see point 6).
4. In 2020, there were five down months and the -12.35% total return posted in March marked the largest monthly decline for any year in the table following 2008. Despite the five down months, the index posted a total return of 18.40%.
5. From 2008 through 2020, the S&P 500 Index endured a loss in 50 of the 156 months on a total return basis, or approximately 32.1% of the time. Over that same period, the index posted an average annualized total return of 9.77%, according to Bloomberg.
6. For comparative purposes, from 1926 through 2019, the S&P 500 Index posted a loss in 25 of the 94 calendar years on a total return basis, or approximately 26.6% of the time, according to data from Ibbotson Associates/Morningstar. Over that same period, the index posted an average annual total return of 10.20%.
7. Stock prices don't rise in a straight line. Investors are going to encounter some turbulent times along the way. Remember, the S&P 500 Index has never failed to fully recoup any losses sustained from corrections or bear markets over time.
8. A Bloomberg survey of 17 equity strategists found that their average 2021 year-end price target for the S&P 500 Index was 4,035 as of 12/12/20, according to its own release. The highest and lowest estimates were 4,400 and 3,800, respectively. Brian Wesbury, Chief Economist at First Trust Advisors L.P., has a year-end price target of 4,200. The S&P 500 Index closed at 3,809.84 on 1/13/21. It stood 0.39% below its all-time closing high of 3,824.68 on 1/8/21, according to Bloomberg.

*This chart is for illustrative purposes only and not indicative of any actual investment. The illustration excludes the effects of taxes and brokerage commissions and other expenses incurred when investing. Investors cannot invest directly in an index. There can be no assurance that any past trends will continue or that projections cited will occur. The S&P 500 Index is an unmanaged index of 500 stocks used to measure large-cap U.S. stock market performance.*

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