

Pulse of the Market: 30 Years in the Markets

July 28th, 2026

Jeremie Patrick, CFP®, CRPC®

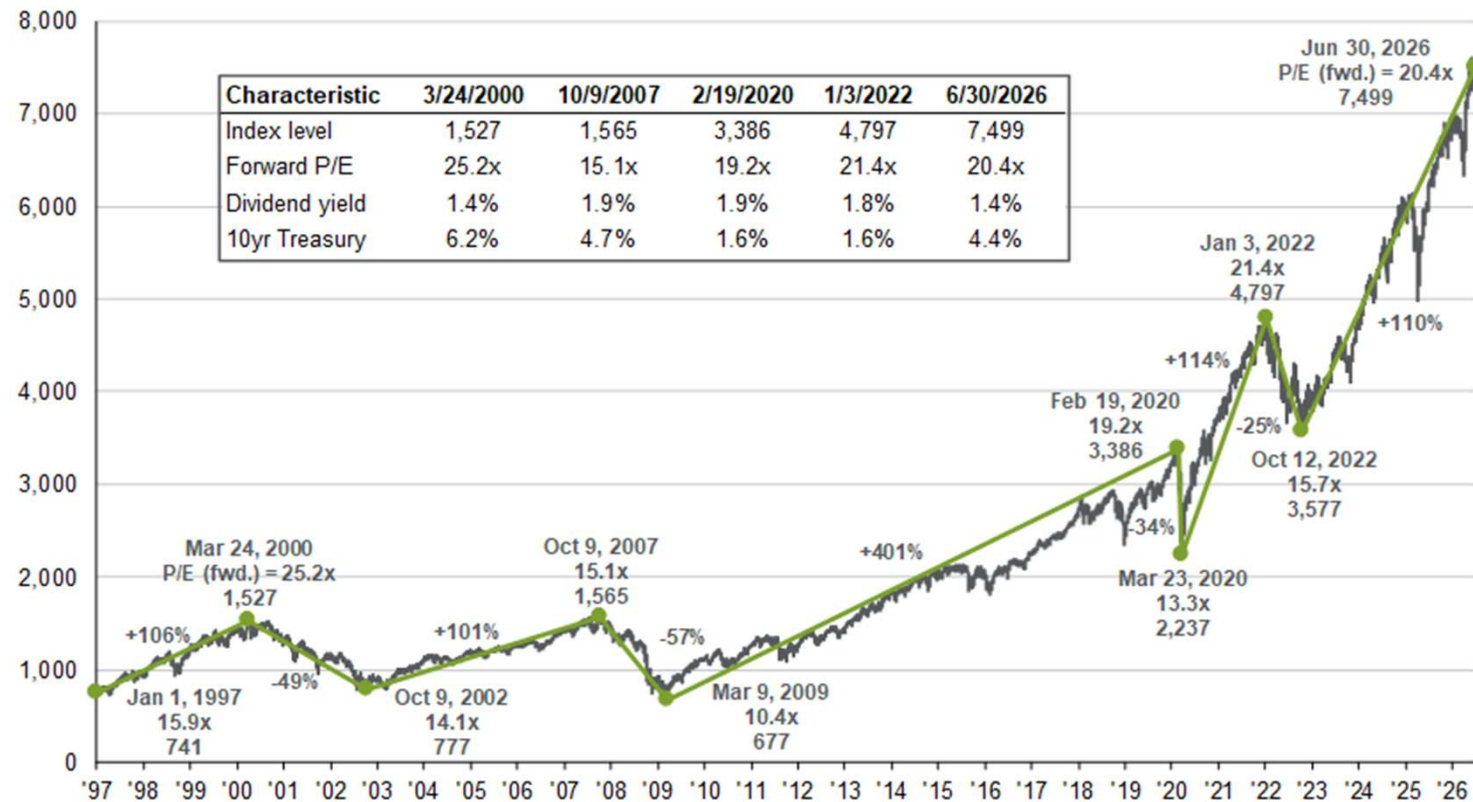


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Looking Back

S&P 500 Price Index



Source: FactSet, Federal Reserve, Refinitiv Datastream, Standard & Poor's, J.P. Morgan Asset Management.

Dividend yield is calculated as consensus analyst estimates of dividends in the next 12 months, provided by FactSet, divided by the most recent S&P 500 index price. Forward P/E ratio is the most recent S&P 500 index price divided by consensus estimates for earnings in the next 12 months, provided by IBES since January 1997 and FactSet since January 2022. Returns are cumulative and do not include the reinvestment of dividends. Past performance is no guarantee of future results.

Guide to the Markets – U.S. Data are as of June 30, 2026.



3 Decades of “Different”

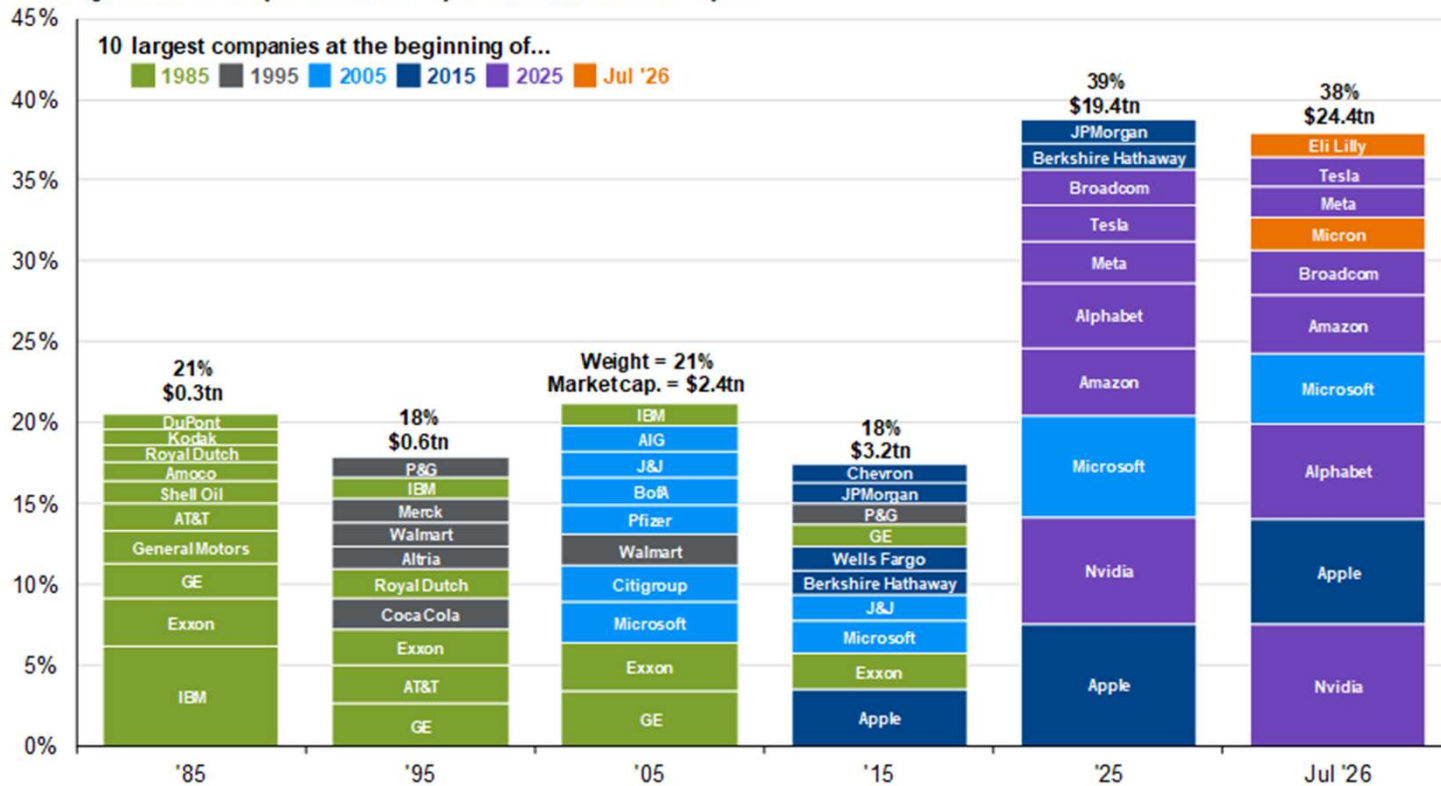
- 1996-2005
 - Y2K, .Com Bubble and burst, 9/11, Rise of the Internet
- 2006-2015
 - Great Financial Crisis, Flash Crash, Quantitative Easing, Brexit
- 2016-2025
 - Tariff Wars 1.0 & 2.0, COVID, AI
- The next decade -2026-2035
 - Self-driving vehicles? Commercial Space travel? Home Robots?
 - AI employees?



Top 10 Companies by Decade

Top 10 companies in the S&P 500

Index weight on the first day of the indicated year and month for current year



Source: Bloomberg, FactSet, Standard & Poor's, J.P. Morgan Asset Management.

Companies are organized from highest weight at the bottom to lowest weight at the top. Market weights are provided by Bloomberg through 2025 and FactSet thereafter.

Past performance is no guarantee of future results.

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Summary of the 3 Decades

“It’s been different, get used to it.”

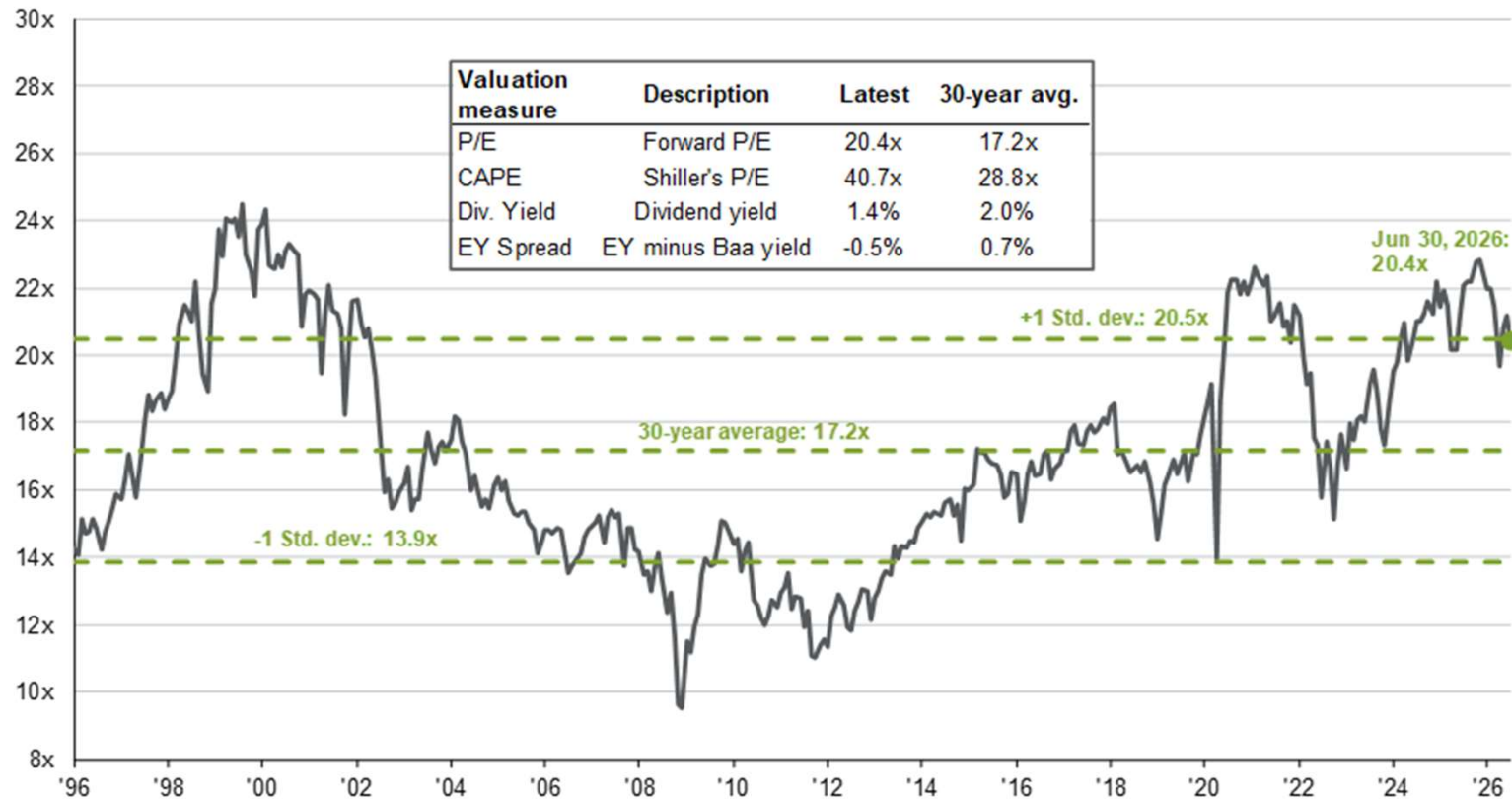


Current Market Metrics



Market Valuation

S&P 500 index: Forward P/E ratio



Source: Bloomberg, FactSet, Moody's, Refinitiv Datastream, Robert Shiller, Standard & Poor's, J.P. Morgan Asset Management.

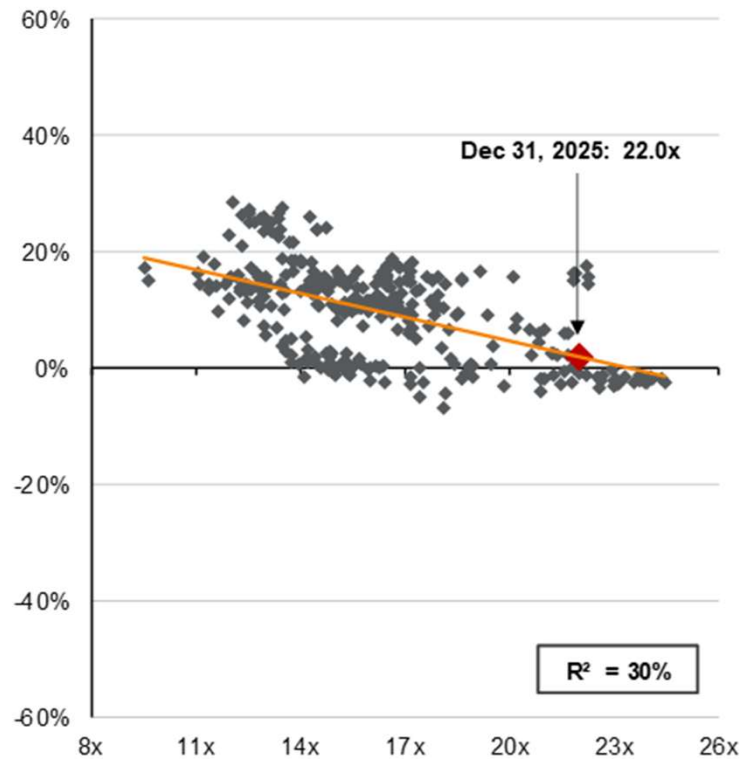
Forward P/E ratio is the most recent S&P 500 index price divided by consensus analyst estimates for earnings in the next 12 months, provided by IBES since March 1994 and FactSet since January 2022. Shiller's P/E uses trailing 10-years of inflation-adjusted earnings as reported by companies. Dividend yield is calculated as consensus estimates of dividends in the next 12 months, provided by FactSet, divided by the most recent S&P 500 index price. EY minus Baa yield is the forward earnings yield (the inverse of the forward P/E ratio) minus the Bloomberg U.S. corporate Baa yield since December 2008 and interpolated using the Moody's Baa seasoned corporate bond yield for values beforehand.

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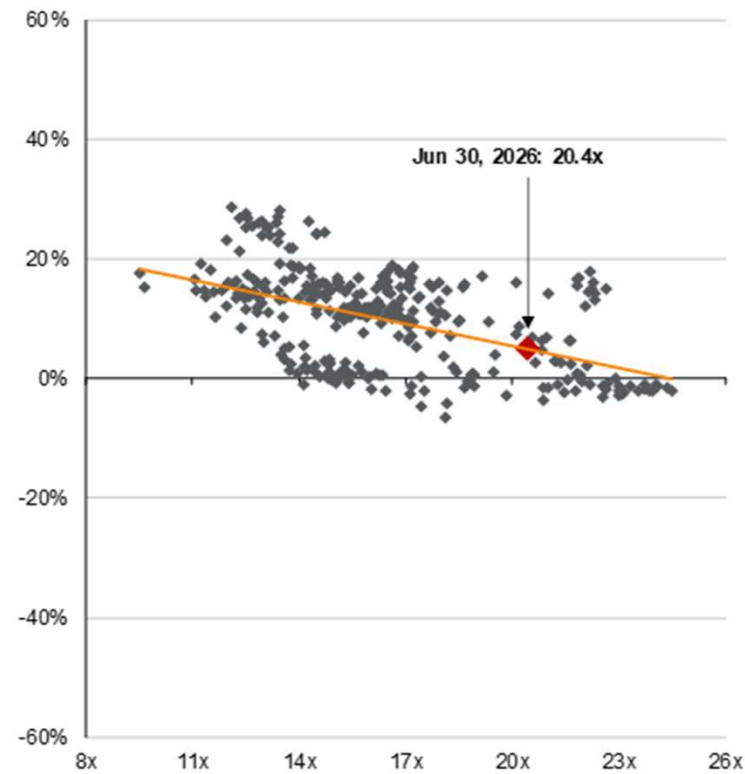
P/E Ratios and Equity Returns

Forward P/E and subsequent 5-year annualized returns
S&P 500 Total Return Index



Source: FactSet, Refinitiv Datastream, Standard & Poor's, J.P. Morgan Asset Management.
Returns are 12-month and 60-month annualized total returns, measured monthly, beginning 12/31/1993. R^2 represents the percent of variation in total return that can be explained by forward P/E ratios. The forward P/E ratio is the most recent S&P 500 index price divided by consensus analyst estimates for earnings in the next 12 months, provided by IBES since December 1993 and FactSet since January 2022. Past performance is no guarantee of future results.
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Forward P/E and subsequent 5-year annualized returns
S&P 500 Total Return Index



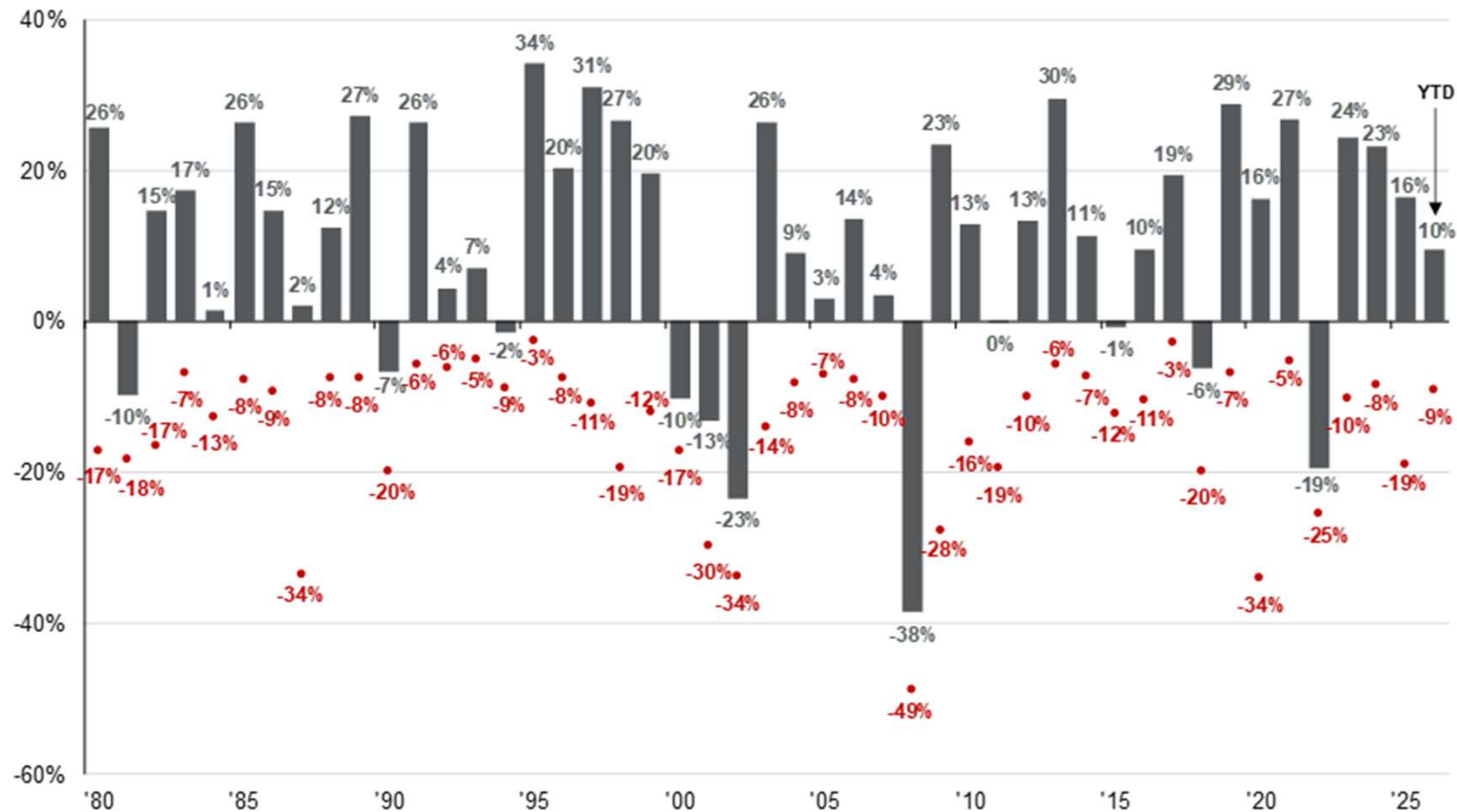
Source: FactSet, Refinitiv Datastream, Standard & Poor's, J.P. Morgan Asset Management.
Returns are 12-month and 60-month annualized total returns, measured monthly, beginning 12/31/1993. The forward P/E ratio is the most recent S&P 500 index price divided by consensus analyst estimates for earnings in the next 12 months, provided by IBES since December 1993 and FactSet since January 2022. Past performance is no guarantee of future results.
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Expect Volatility

S&P 500 intra-year declines vs. calendar year returns

Despite average intra-year drops of 14.2%, annual returns were positive in 35 of 46 years



Source: FactSet, Standard & Poor's, J.P. Morgan Asset Management.

Returns are based on price index only and do not include dividends. Intra-year drops refers to the largest peak-to-trough decline during the year. Returns shown are calendar year returns from 1980 to 2025, over which the average annual return was 10.7%. Past performance is no guarantee of future results.

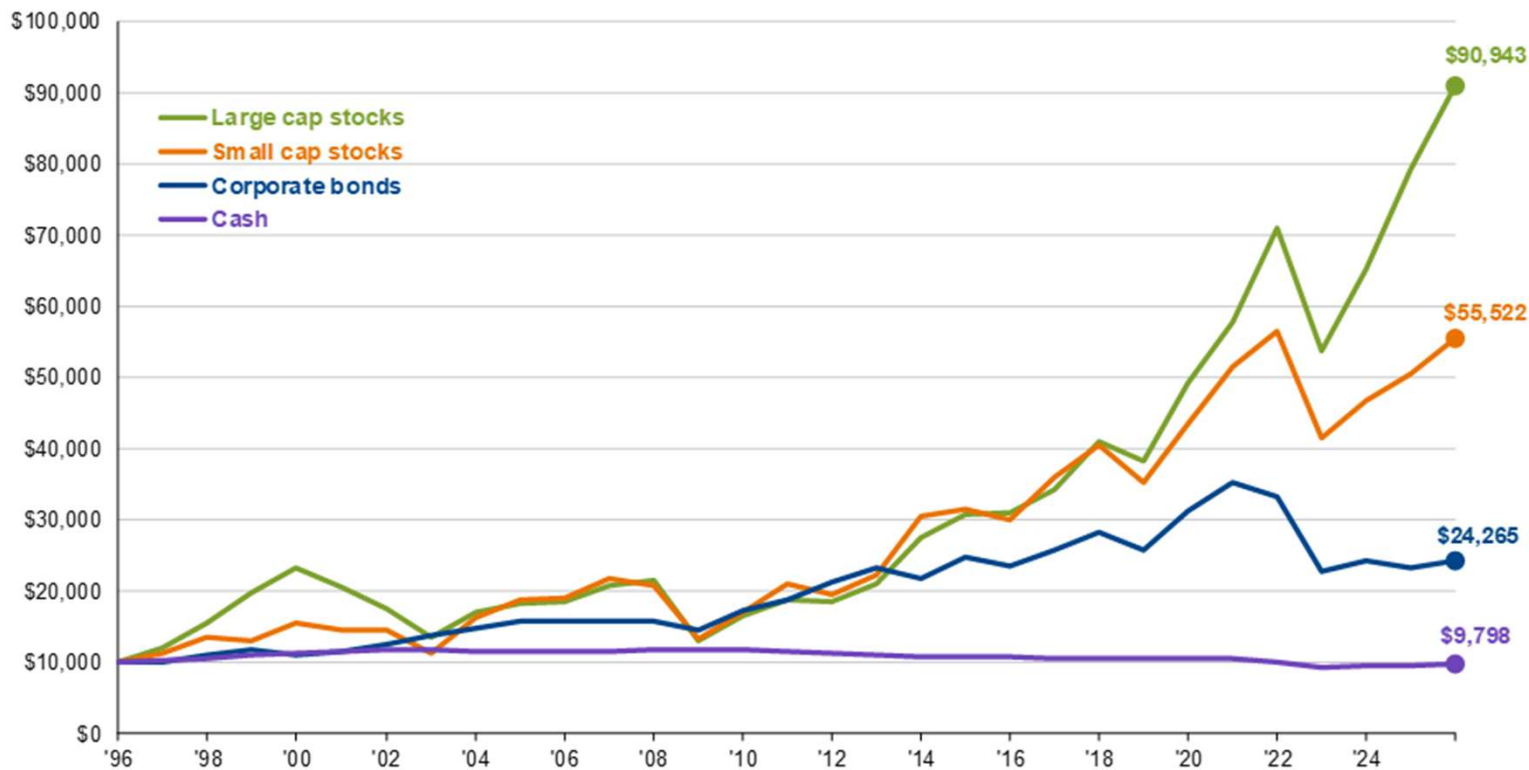
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Stocks vs. Inflation

Change in purchasing power by investment in major asset class

Growth of \$10,000, adjusted for inflation, 1996 - 2025, annual returns



Source: Bloomberg, Bureau of Labor Statistics, Ibbotson, J.P. Morgan Asset Management.

Large cap stocks: S&P 500 TR Index; Small cap stocks: Russell 2000 TR Index; Corporate bonds: Bloomberg Long U.S. Corporate Index; Cash: Bloomberg U.S. Treasury Bills Index. All returns are inflation-adjusted total returns, using annual average headline CPI inflation.

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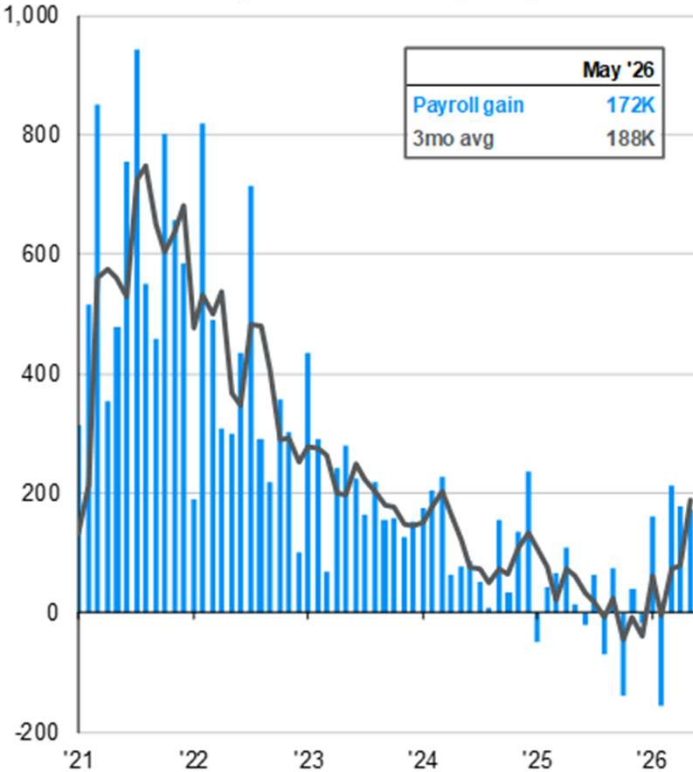
The Economy



Labor Market Health

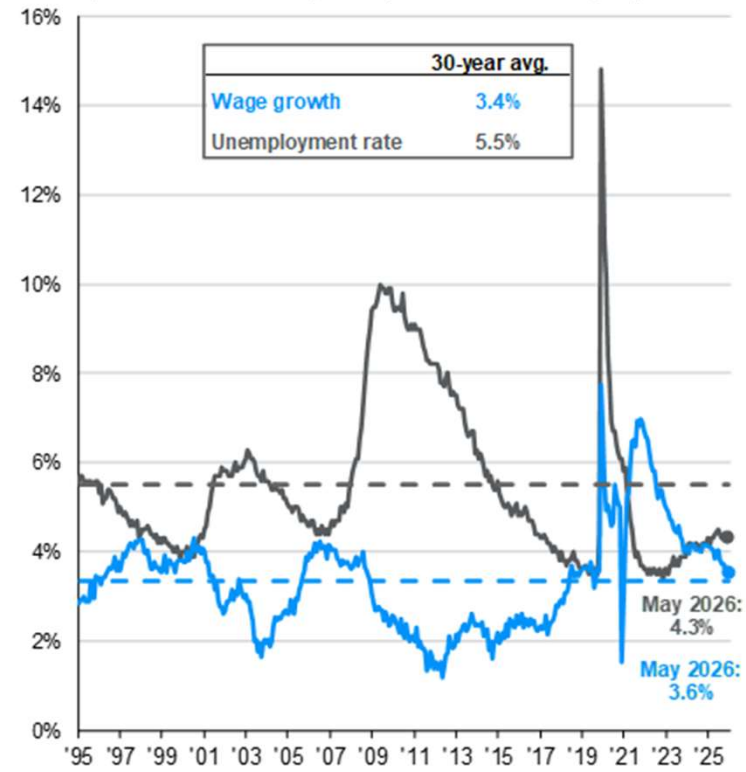
Nonfarm payroll gains

Month-over-month change and 3-month moving average, thousands, SA



Civilian unemployment rate and annual wage growth

Private production and non-supervisory workers, seasonally adjusted, %



Source: BLS, FactSet, J.P. Morgan Asset Management.

Private production and non-supervisory jobs represent just over 80% of total private nonfarm jobs.

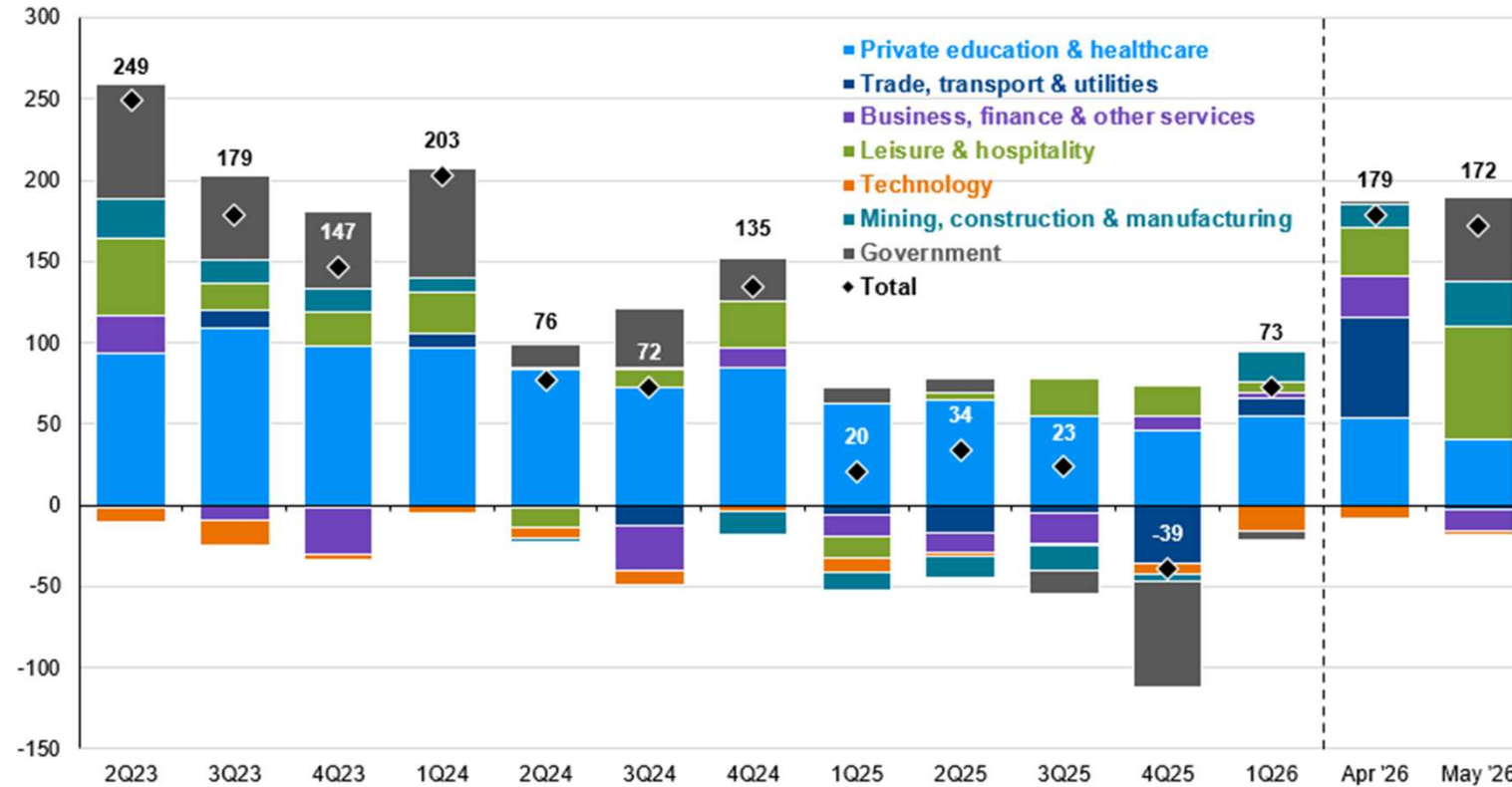
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Job Growth

Job creation by sector

Average monthly change by quarter, thousands of jobs, seasonally adjusted



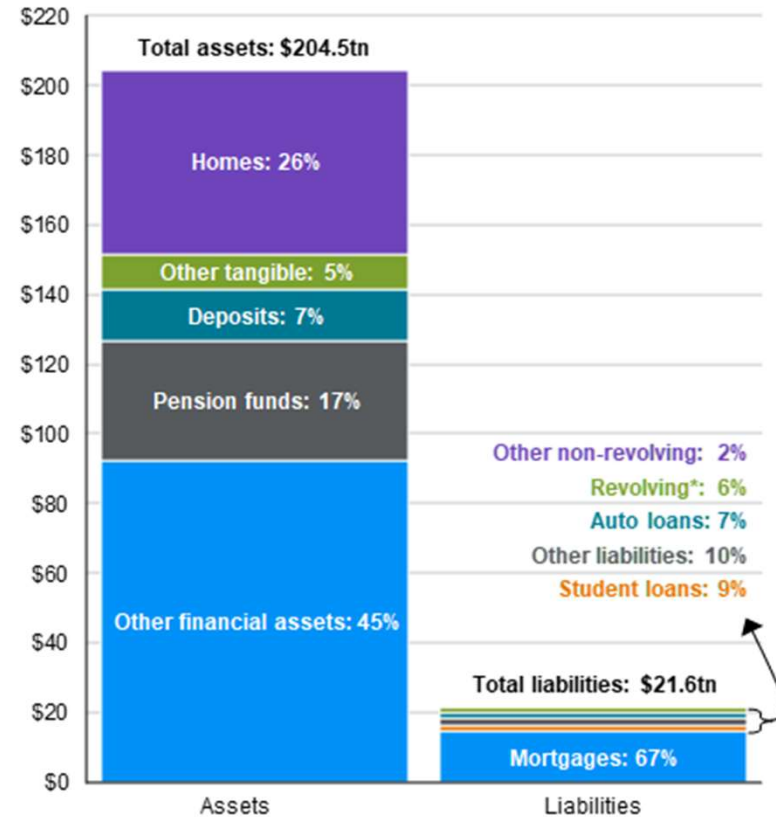
Source: U.S. Bureau of Labor Statistics, J.P. Morgan Asset Management.
 Bars show the average monthly payroll change within each quarter by sector.
 Guide to the Markets – U.S. Data are as of June 30, 2026.



Consumer Health

Consumer balance sheet

1Q26, USD trillions, not seasonally adjusted



Source: FactSet, FRB, J.P. Morgan Asset Management; (Top and bottom right) BEA.

Data include households and nonprofit organizations. *Revolving includes credit cards. Values may not sum to 100% due to rounding. **Periods for which official data are unavailable are J.P. Morgan Asset Management estimates. Household debt service ratio data from 1Q80 to 4Q04 are J.P. Morgan Asset Management estimates. Due to the moratorium on delinquent student loan payments being reported to credit bureaus, missed federal student loan payments were not reported until 4Q24.

Guide to the Markets – U.S. Data are as of June 30, 2026.

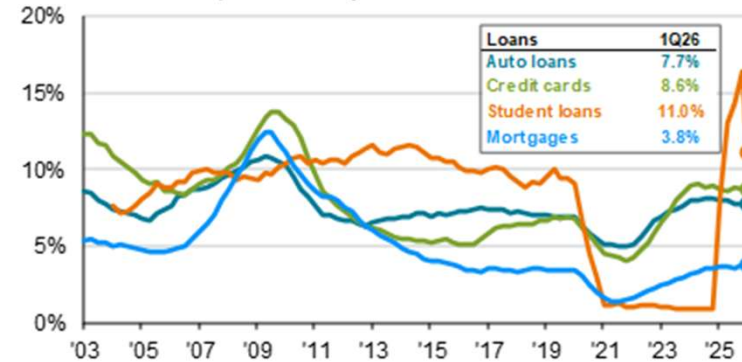
Household debt service ratio

Debt payments as % of disposable personal income, SA



Flows into early delinquencies

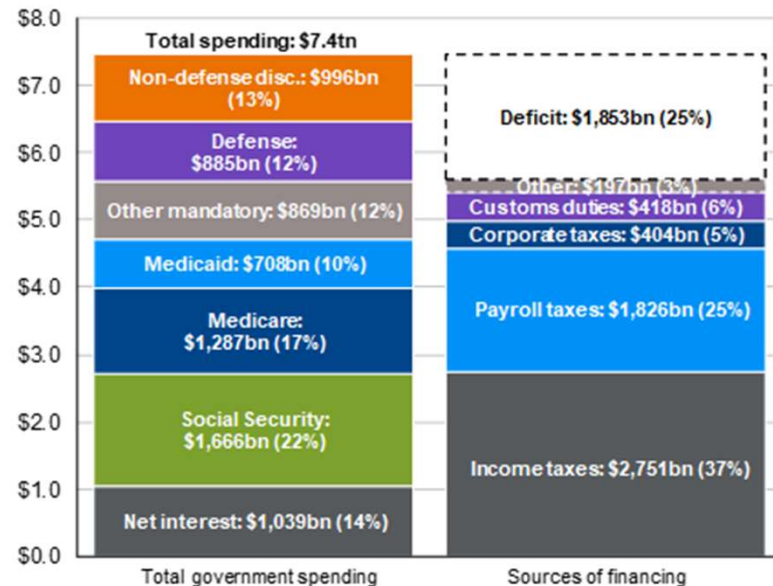
% of balance delinquent 30+ days



Federal Financial Health

The 2026 federal budget

USD trillions



CBO's Baseline economic assumptions

	2026	'27-'28	'29-'30	'31-'36
Real GDP growth	2.3%	1.9%	1.8%	1.8%
10-year Treasury	4.1%	4.3%	4.3%	4.4%
Headline inflation (CPI)	3.0%	2.5%	2.3%	2.3%
Unemployment	4.6%	4.5%	4.4%	4.2%

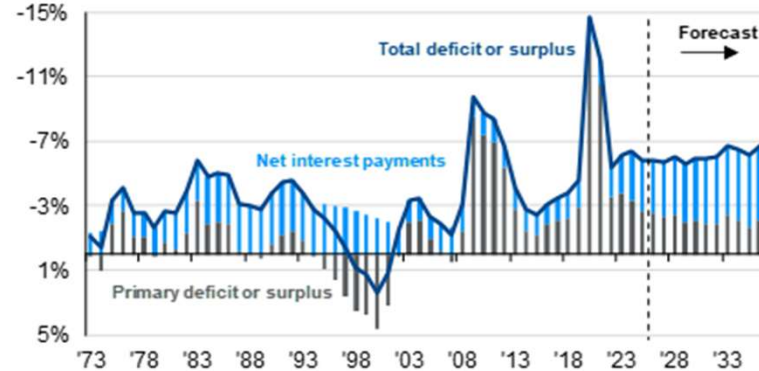
Source: BEA, CBO, Treasury Department, J.P. Morgan Asset Management.

(Left) Numbers may not sum to 100% due to rounding; (Top and bottom right) Estimates are from the Congressional Budget Office (CBO) February 2026 An Update to the Budget Outlook: 2026 to 2036. "Other" spending includes, but is not limited to, health insurance subsidies, income security and federal civilian and military retirement. Years shown are fiscal years. Forecasts are not a reliable indicator of future performance. Forecasts, projections and other forward-looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecasts, projections or other forward-looking statements, actual events, results or performance may differ materially from those reflected or contemplated.

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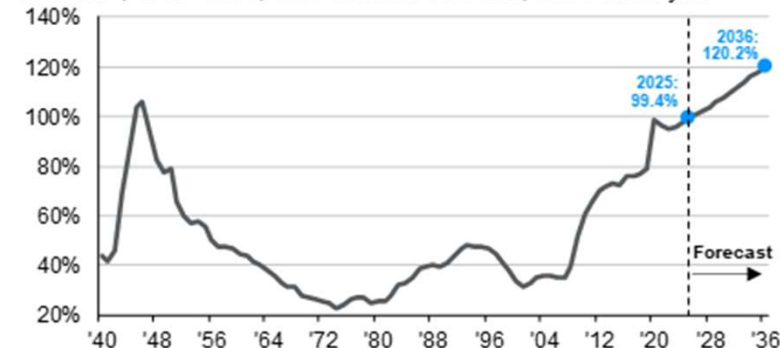
Federal deficit and net interest payments

% of GDP, 1973 - 2036, CBO Baseline Forecast



Federal net debt (accumulated deficits)

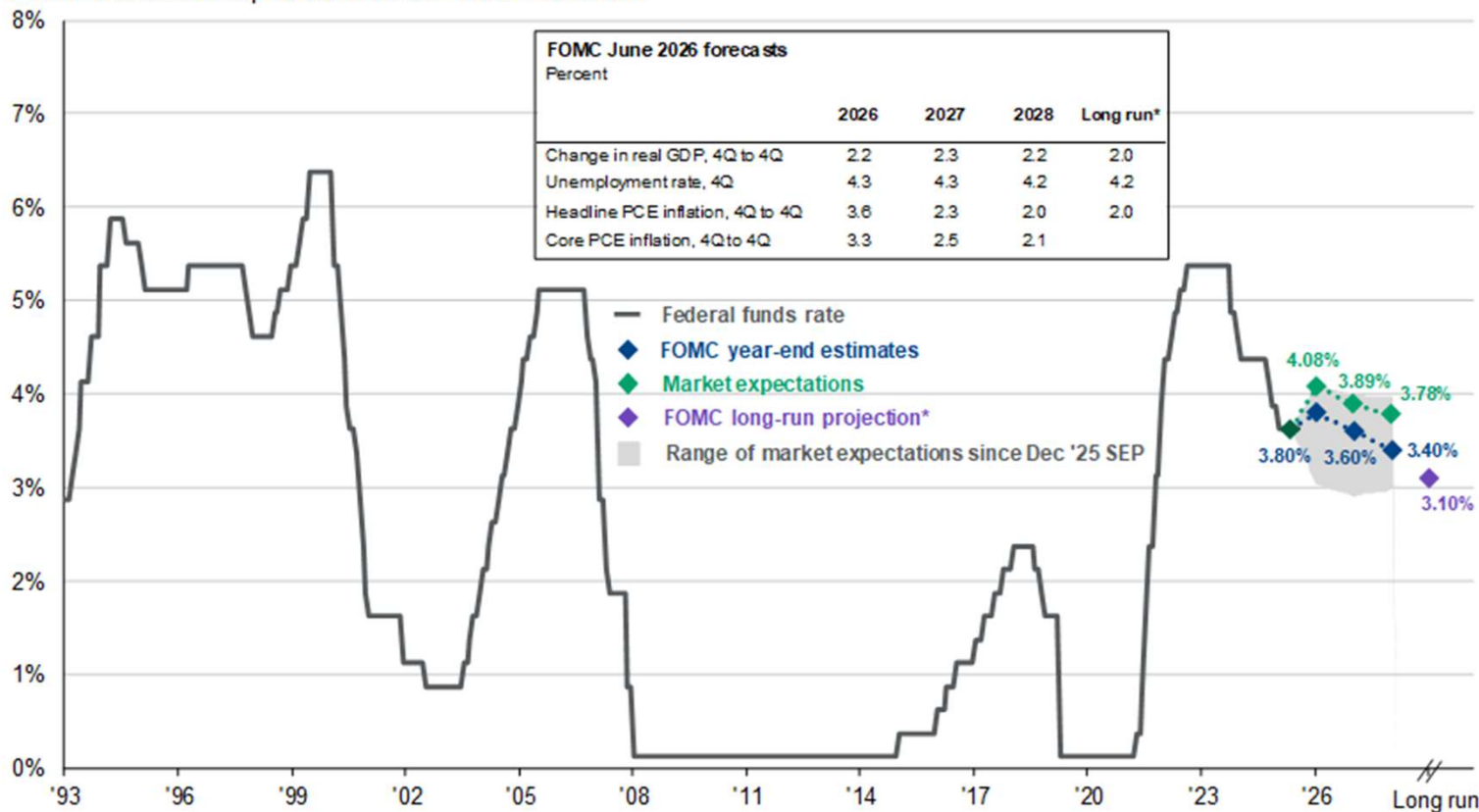
% of GDP, 1940 - 2036, CBO Baseline Forecast, end of fiscal year



Interest Rate Outlook

Federal funds rate expectations

FOMC and market expectations for the federal funds rate



Source: Bloomberg, FactSet, Federal Reserve, J.P. Morgan Asset Management.

Market expectations are based off of USD Overnight Index Swaps. *Long-run projections are the rates of growth, unemployment and inflation to which a policymaker expects the economy to converge over the next five to six years in absence of further shocks and under appropriate monetary policy. Forecasts, projections and other forward-looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecasts, projections or other forward-looking statements, actual events, results or performance may differ materially from those reflected or contemplated.

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The Next 3 Decades



Where is the Trend?

2011 - 2025		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	YTD
Ann.	Vol.																
Large Cap	Small Cap	REITs	REITs	Small Cap	REITs	REITs	Small Cap	EM Equity	Cash	Large Cap	Small Cap	REITs	Com dty.	Large Cap	Large Cap	EM Equity	EM Equity
14.1%	20.3%	8.3%	19.7%	38.8%	28.0%	2.8%	21.3%	37.8%	1.8%	31.5%	20.0%	41.3%	16.1%	26.3%	25.0%	34.4%	24.0%
Small Cap	EM Equity	Fixed Income	High Yield	Large Cap	Large Cap	Large Cap	High Yield	DM Equity	Fixed Income	REITs	EM Equity	Large Cap	Cash	DM Equity	Small Cap	DM Equity	Small Cap
9.5%	17.5%	7.8%	19.6%	32.4%	13.7%	1.4%	14.3%	25.6%	0.0%	28.7%	18.7%	28.7%	1.5%	18.9%	11.5%	31.9%	22.6%
REITs	REITs	High Yield	EM Equity	DM Equity	Fixed Income	Fixed Income	Large Cap	Large Cap	REITs	Small Cap	Large Cap	Com dty.	High Yield	Small Cap	Asset Alloc.	Large Cap	REITs
7.8%	16.4%	3.1%	18.6%	23.3%	6.0%	0.5%	12.0%	21.8%	-4.0%	25.5%	18.4%	27.1%	-12.7%	16.8%	10.0%	17.9%	14.9%
Asset Alloc.	DM Equity	Large Cap	DM Equity	Asset Alloc.	Asset Alloc.	Cash	Com dty.	Small Cap	High Yield	DM Equity	Asset Alloc.	Small Cap	Fixed Income	Asset Alloc.	High Yield	Asset Alloc.	Com dty.
7.3%	15.7%	2.1%	17.9%	14.9%	5.2%	0.0%	11.8%	14.6%	-4.1%	22.7%	10.6%	14.8%	-13.0%	14.1%	9.2%	15.8%	14.4%
DM Equity	Com dty.	Cash	Small Cap	High Yield	Small Cap	DM Equity	EM Equity	Asset Alloc.	Large Cap	Asset Alloc.	DM Equity	Asset Alloc.	Asset Alloc.	High Yield	EM Equity	Com dty.	Large Cap
7.1%	15.4%	0.1%	16.3%	7.3%	4.9%	-0.4%	11.6%	14.6%	-4.4%	19.5%	8.3%	13.5%	-13.9%	14.0%	8.1%	15.8%	10.2%
High Yield	Large Cap	Asset Alloc.	Large Cap	REITs	Cash	Asset Alloc.	REITs	High Yield	Asset Alloc.	EM Equity	Fixed Income	DM Equity	DM Equity	REITs	Com dty.	Small Cap	DM Equity
5.7%	14.7%	-0.7%	16.0%	2.9%	0.0%	-2.0%	8.6%	10.4%	-5.8%	18.9%	7.5%	11.8%	-14.0%	11.4%	5.4%	12.8%	9.8%
EM Equity	Asset Alloc.	Small Cap	Asset Alloc.	Cash	High Yield	High Yield	Asset Alloc.	REITs	Small Cap	High Yield	High Yield	High Yield	Large Cap	EM Equity	Cash	High Yield	Asset Alloc.
4.2%	10.1%	-4.2%	12.2%	0.0%	0.0%	-2.7%	8.3%	8.7%	-11.0%	12.6%	7.0%	1.0%	-18.1%	10.3%	5.3%	12.1%	9.3%
Fixed Income	High Yield	DM Equity	Fixed Income	Fixed Income	EM Equity	Small Cap	Fixed Income	Fixed Income	Com dty.	Fixed Income	Cash	Cash	EM Equity	Fixed Income	REITs	Fixed Income	High Yield
2.4%	9.1%	-11.7%	4.2%	-2.0%	-1.8%	-4.4%	2.6%	3.5%	-11.2%	8.7%	0.5%	0.0%	-19.7%	5.5%	4.9%	7.3%	2.1%
Cash	Fixed Income	Com dty.	Cash	EM Equity	DM Equity	EM Equity	DM Equity	Com dty.	DM Equity	Com dty.	Com dty.	Fixed Income	Small Cap	Cash	DM Equity	Cash	Cash
1.5%	4.6%	-13.3%	0.1%	-2.3%	-4.5%	-14.6%	1.5%	1.7%	-13.4%	7.7%	-3.1%	-1.5%	-20.4%	5.1%	4.3%	4.3%	1.8%
Com dty.	Cash	EM Equity	Com dty.	Com dty.	Com dty.	Com dty.	Cash	Cash	EM Equity	Cash	REITs	EM Equity	REITs	Com dty.	Fixed Income	REITs	Fixed Income
-1.1%	0.9%	-18.2%	-1.1%	-9.5%	-17.0%	-24.7%	0.3%	0.8%	-14.2%	2.2%	-5.1%	-2.2%	-24.9%	-7.9%	1.3%	2.3%	0.6%

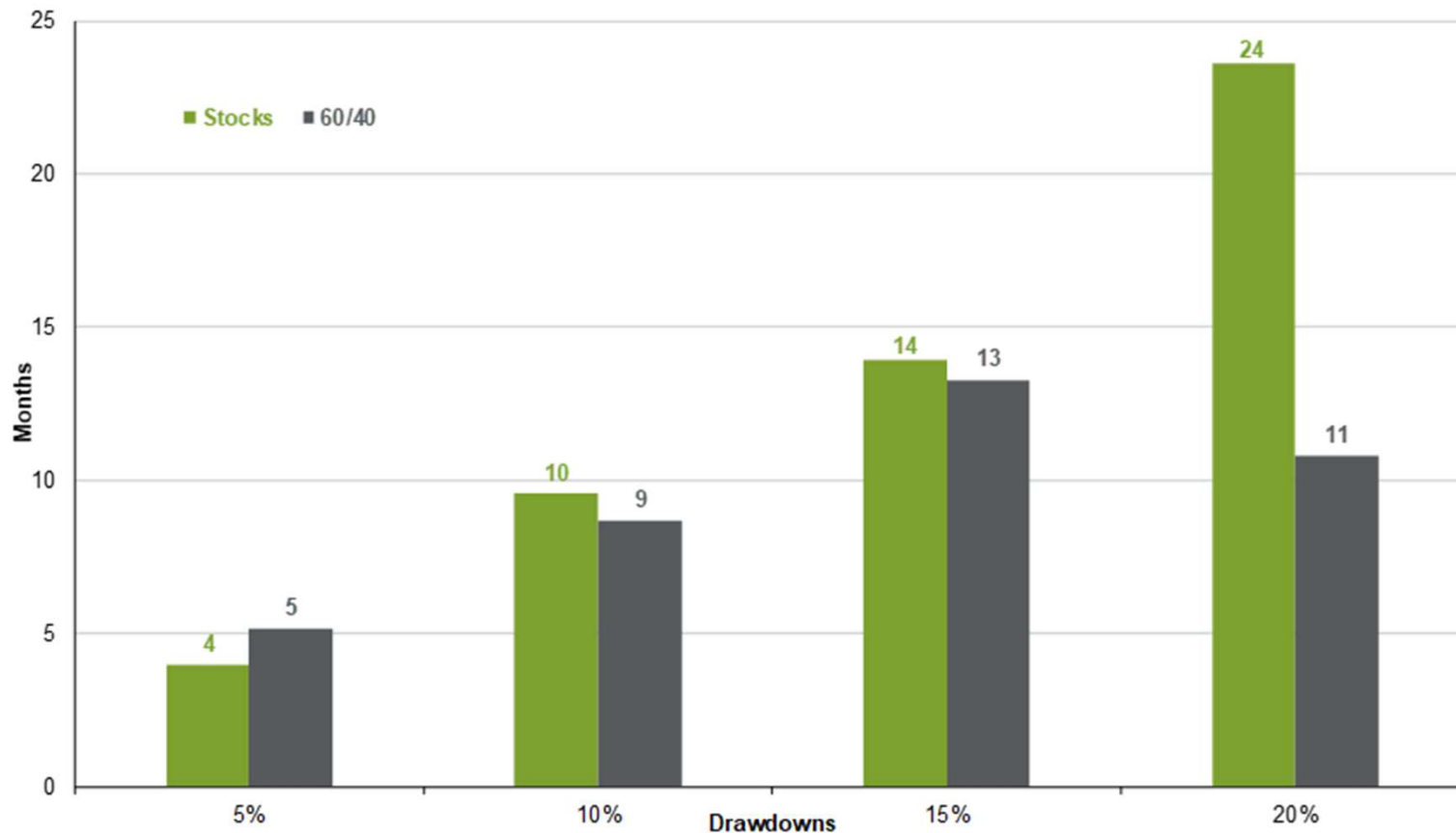
Source: Bloomberg, FactSet, MSCI, NAREIT, Russell, Standard & Poor's, J.P. Morgan Asset Management.
 Large Cap: S&P 500; Small Cap: Russell 2000; EM Equity: MSCI EME; DM Equity: MSCI EAFE; Com dty.: Bloomberg Commodity Index; High Yield: Bloomberg Global HY Index; Fixed Income: Bloomberg U.S. Aggregate; REITs: NAREIT Equity REIT Index; Cash: Bloomberg 1-3m Treasury. The "Asset Allocation" portfolio is for illustrative purposes only and assumes annual rebalancing with the following weights: 25% in the S&P 500, 10% in the Russell 2000, 15% in the MSCI EAFE, 5% in the MSCI EME, 25% in the Bloomberg U.S. Aggregate, 5% in the Bloomberg 1-3m Treasury, 5% in the Bloomberg Global High Yield Index, 5% in the Bloomberg Commodity Index and 5% in the NAREIT Equity REIT Index. Annualized (Ann.) return and volatility (Vol.) represent the period from 12/31/2010 to 12/31/2025. Please see the disclosure page at the end of index definitions. All data represent total return for stated period. Past performance is no guarantee of future results.
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The Value of a Long-Term Investment Perspective

Average time to recover from drawdowns by portfolio type

1988 - 2025



Source: Bloomberg, FactSet, Standard & Poor's, J.P. Morgan Asset Management.

Stocks: S&P 500 Total Return Index; 60/40: A blended portfolio of 60% S&P 500 Total Return Index and 40% Bloomberg U.S. Aggregate Bond Index, rebalanced daily.

Time in months is calculated based on trading days between drawdown and the subsequent recovery.

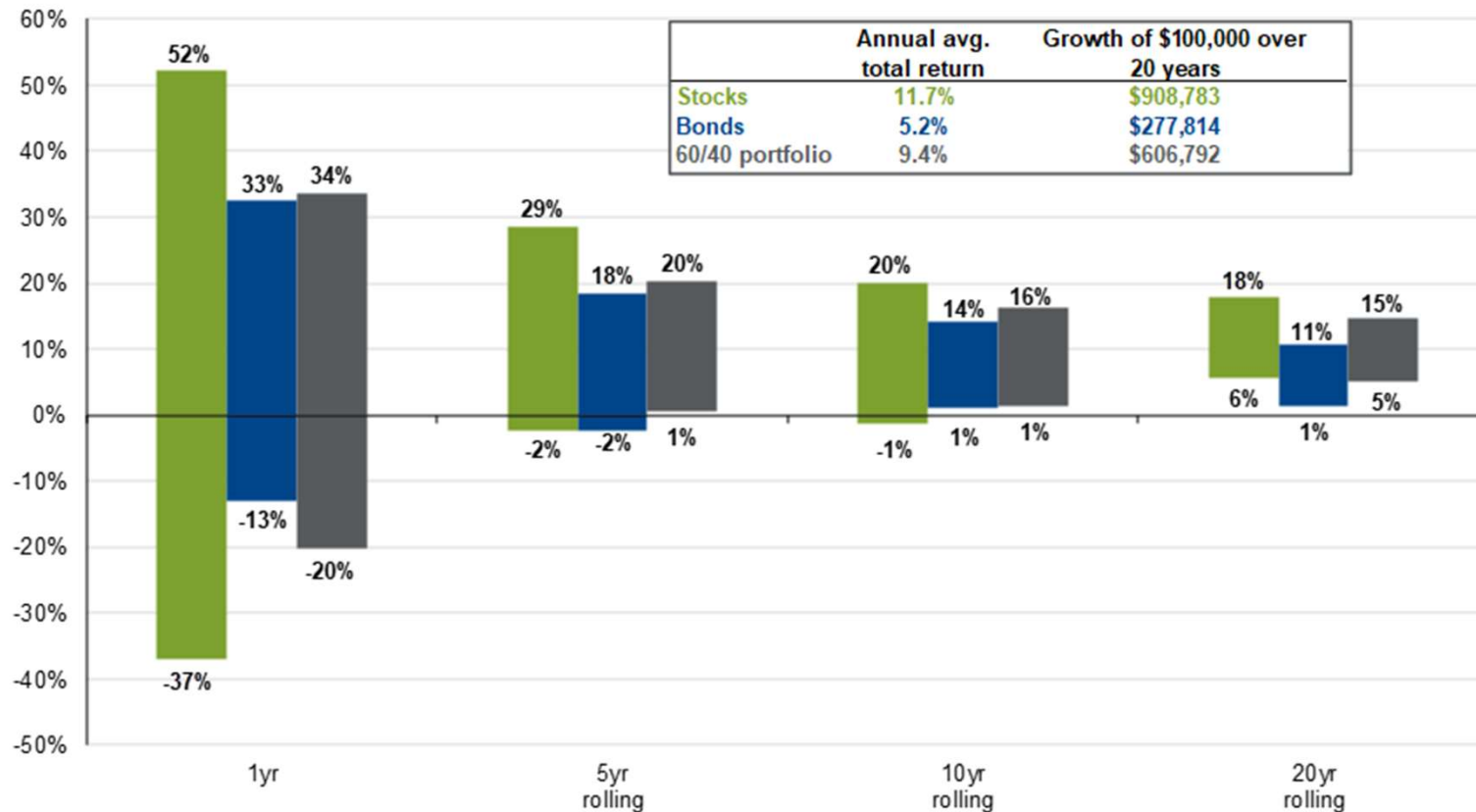
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Think in terms of Decades

Range of stock, bond and blended total returns

Annual total returns, 1950 - 2025



Source: Bloomberg, FactSet, Federal Reserve, Standard & Poor's, Strategas/Ibbotson, J.P. Morgan Asset Management.

Returns shown are based on calendar year returns from 1950 to 2025. Stocks: S&P 500; Bonds: Strategas/Ibbotson for periods prior to 1976 and the Bloomberg U.S. Aggregate thereafter. Growth of \$100,000 is based on annual average total returns from 1950 to 2025.

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Concluding Thoughts

- The past three decades have been highlighted by change mainly in technology.
- It looks like the next three decades will bring about their own technological changes.
- Long-Term investing principles do not change.
 - Invest in profitable companies, invest continuously, consider buying during downturns, and let your gains compound.



Thank You!

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