ACTION PLANNER SERIES

Remaining calm and focused in volatile times

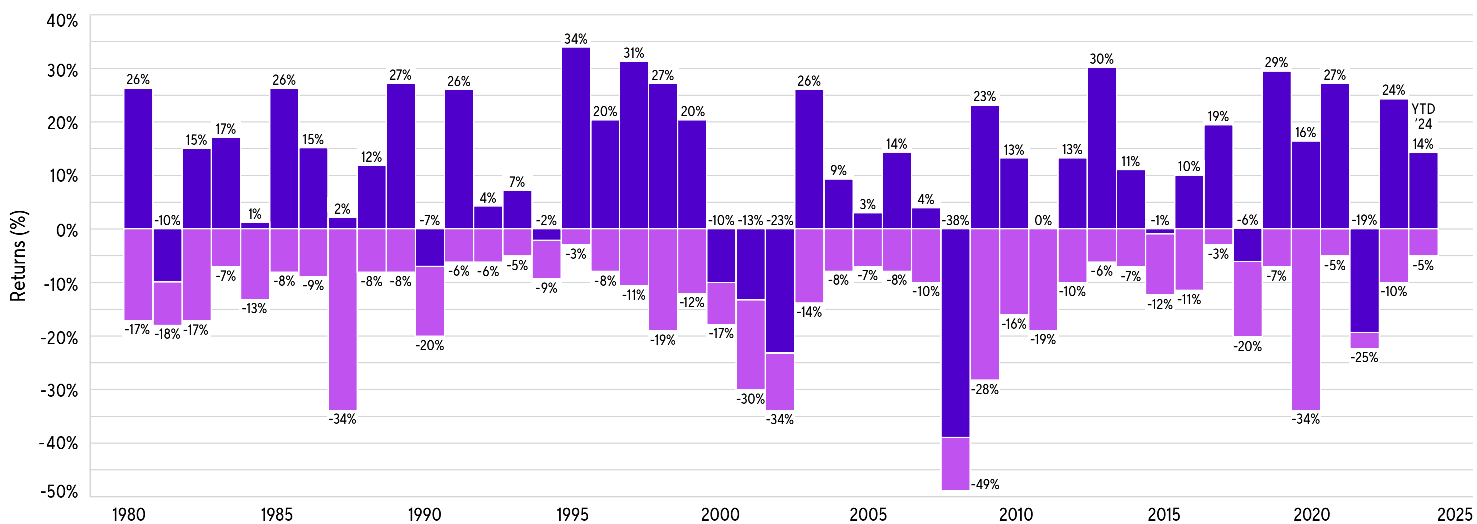
Managing emotions

During periods of market volatility, it can be important to remain calm and focus on your long-term goals. It can also be a good time to talk with your financial professional about a balanced and diversified portfolio. Here are some other key principles to keep in mind:

1. Keep market volatility in perspective

Market volatility is unavoidable and there will always be uncertainty in the markets, but consider focusing on the long-term. Understanding financial market tendencies is essential, and history often provides us with helpful lessons. Bull markets—periods when markets are doing well—have historically run longer than bear markets, when markets are down. Consequently, those who have stayed invested have typically benefited from subsequent, often rapid rebounds. Another way to evaluate market volatility is to consider drawdowns, or the amount the market declines from its high to its low price within the year. Since 1980, U.S. equities have averaged an intra-year drawdown of about 14%. So short-term volatility—even if unnerving—is to be expected.

S&P 500 returns: Despite average intra-year declines of 14.2%, annual returns were positive in 33 of 44 years



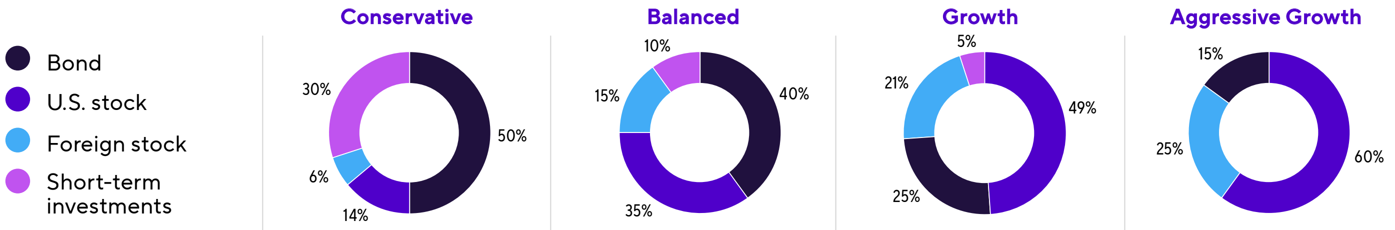
Source: FactSet, Standard & Poor's, J.P. Morgan Asset Management. *Guide to the Markets—U.S.* Data are as of 6/30/24.

Returns are based on price index only and do not include dividends. Intra-year declines refer to the largest market drops from a peak to a trough during the year. For illustrative purposes only. Returns shown are calendar year returns from 1980 through 2023, over which time period the average annual return was 10.3%. Past performance is not indicative of future results.

corebridge financial

2. Choose an asset mix you're comfortable with

A key to long-term investing and weathering the storm in volatile markets is diversifying your portfolio.* Consider your risk tolerance—that is, your ability to withstand market volatility—and your long-term goals and objectives. Then, position your portfolio accordingly with the help of your financial professional. Your financial professional can help guide you.



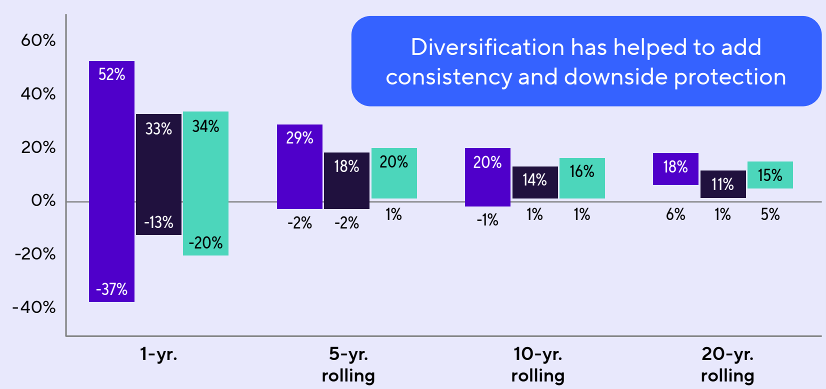
Returns % by asset mix	Conservative	Balanced	Growth	Aggressive Growth
Annualized for period 1926-2023	5.66	7.64	8.65	9.34
Best calendar year	22.06	29.02	39.47	46.97
Worst calendar year	-9.88	-23.13	-31.46	-37.55
Best 5 years*	15.48	18.65	19.98	21.41
Worst 5 years*	0.66	-2.78	-6.30	-9.23

*Consecutive calendar years

Source: Morningstar Direct, 2024 (1926-2023). Past performance is no guarantee of future results. Returns include the reinvestment of dividends and other earnings. This chart is for illustrative purposes only. It is not possible to invest directly in an Index. Historical returns for the various asset classes are based on performance numbers provided by Morningstar Direct. Domestic stocks are represented by the Ibbotson Associates US Large Stock Extended Return Index, bonds are represented by the Ibbotson Associates US Intermediate Term Government Index, and short-term assets are based on the Ibbotson Associates US 30 Day Treasury Bill Index. Foreign equities are represented by the MSCI EAFE Index for the period from April 1986 to the last calendar year. Foreign equities prior to April 1986 are represented by the Ibbotson Associates US Large Stock Extended Return Index. Investment allocations are rebalanced back to their target weights on a monthly basis.

3. Avoid trying to time the market—stay focused on your long-term goals

In times of market volatility, some investors attempt to move in and out of the market. This usually results in poor returns and missed opportunities. By accepting the inevitable reality of the market's ups and downs, it is much easier to execute your long-term investment plan. History has shown the nearly impossible task of timing the market consistently. Short-term market behavior is extremely unpredictable and trying to time the market has proven harmful to one's financial well-being. You can see how one-year stock returns have varied widely since 1950 (+52% to -37%), while a blend of stocks and bonds has helped to lessen the impact of volatility—especially over longer time periods, such as 5-, 10- and 20-year periods.* In essence, do not permit short-term volatility to prompt departure from long-term investing. Past performance is no guarantee of comparable future results.



	Annual avg. total return	Growth of $100,000 over 20 years
Stocks	11.4%	$868,652
Bonds	5.3%	$279,266
60/40 portfolio	9.3%	$591,915

Source: Bloomberg, FactSet, Federal Reserve, Robert Shiller, Strategas/Ibbotson, J.P. Morgan Asset Management. *Guide to the Markets—U.S.* Data are as of 6/30/24.

Returns shown are based on calendar year returns from 1950 to 2023. Stocks represent the S&P 500 and Bonds represent Strategas/Ibbotson for periods prior to 1976 and Bloomberg Aggregate thereafter. Growth of $100,000 is based on annual average total returns from 1950 to 2023.

*Keep in mind, diversification does not ensure a profit or protect against market loss.

4. Consider investing regularly to help create balance

It may not seem intuitive, but investing regularly, even in market downturns, can help reduce your overall prices at which investments are purchased. Declining markets can present buying opportunities. By investing systematically, investors can buy more shares when prices are low; fewer when prices are high. This approach also has intrinsic benefits by encouraging discipline and it may help to ease the anxiety of daily market fluctuations. Of course, systematic investing does not ensure a profit or protect against market loss.

> "Individuals should mostly try to not get too wrapped up in volatility, because they can get whipsawed … For the most part, the individual should ride through these things, buy and hold. If they do react, usually what's happening is that their emotions work against them. They're looking backward. They get scared and they're driven away from rational behavior, which is just to settle down."
>
> —Roger G. Ibbotson, Chairman & CIO Zebra Capital Management, LLC.
> and Professor at Yale University, Yale Insights, "Why does market volatility matter?"

5. Talk with your financial professional

Focusing on the big picture can be difficult during volatile markets. The good news is that you don't have to go it alone. The best action step you can take may be to talk to or meet with your financial professional. He or she can help answer questions you may have about market volatility and help you make decisions about the best options for your individual circumstances and your financial future.

corebridgefinancial.com

corebridge financial