

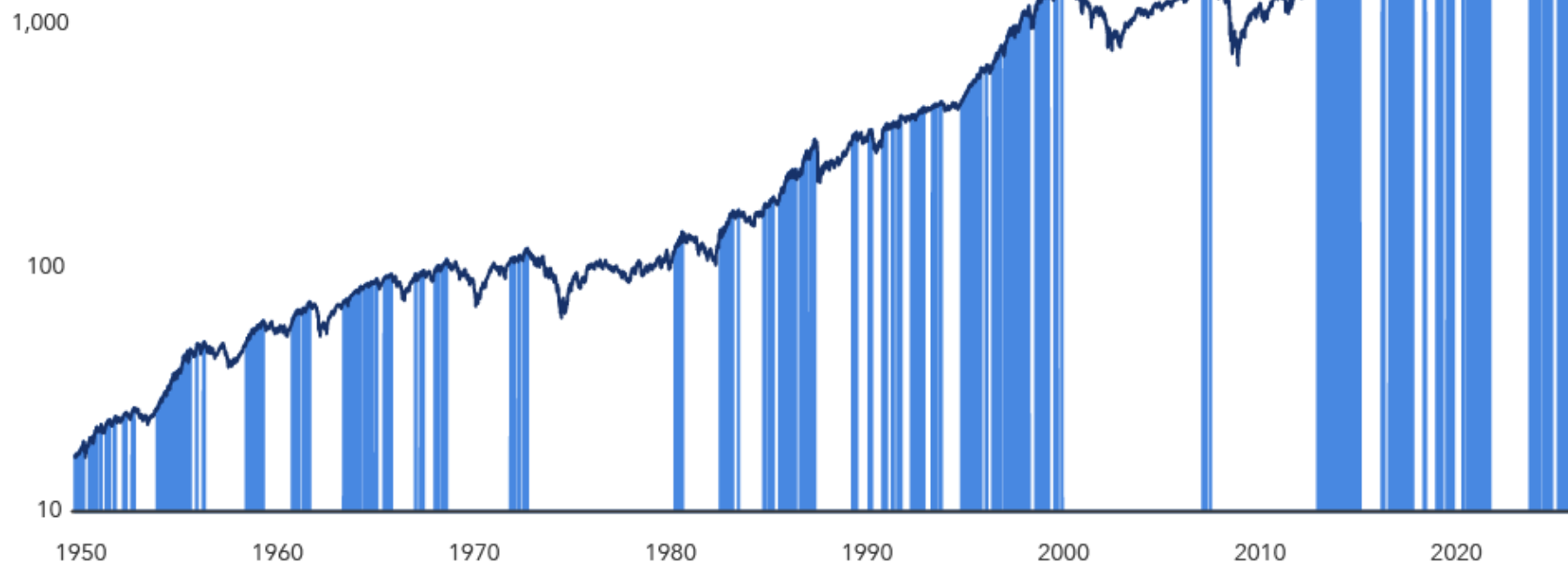
All-time highs can be bullish for stock markets

Bull markets have been much longer than bear, leading to new highs within each cycle

S&P 500 Index
— All-time high

10,000 Since 1950, the S&P 500 Index has reached
1,530 new all-time highs

After reaching new highs, the S&P 500 was higher one year
later **72%** of the time, with an average return of **16%**



Sources: Capital Group, RIMES, S&P Global. Includes all daily periods between January 1, 1950, and July 31, 2026. Returns are price returns which exclude the reinvestment of dividends and capital distributions. Chart shown on a logarithmic scale.

Investments are not FDIC insured, nor are they deposits of or guaranteed by a bank or any other entity, so they may lose value.

Key takeaways

When stocks reach record highs, investors may conclude they've missed the boat. Yet history suggests new peaks are a feature of long-term investing. Specifically, markets have trended higher and peaked multiple times in prior cycles.

Of course, market declines are also inevitable, and stocks can fall at any time. But history shows that fresh highs have often been a good entry point for long-term investors. Since 1950, every time the S&P 500 Index reached an all-time high, stocks were higher one year later 72% of the time and delivered a 16.2% average return.

Thus, investors who treat record highs as a reason to stay on the sidelines have often found that the market still had room to climb.

Footnote(s)/Important information

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

Past results are not predictive of results in future periods.

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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