

Fidelity Viewpoints®

market sense

The latest headlines, the current market conditions, and what it all means for you.

Unlike 1999, total returns today are consistent with earnings growth

The S&P 500®'s earnings growth in the last five years is roughly equivalent to its total return over the same time period. This is in stark contrast to the dot.com bubble when earnings growth for the index from 1995-1999 trailed its total return by a wide margin.

| Years | EPS Growth % | Total Return % |
|------------------|--------------|----------------|
| 1995 | 16% | 38% |
| 1996 | 11% | 23% |
| 1997 | 7% | 33% |
| 1998 | 0% | 29% |
| 1999 | 20% | 21% |
| 1995-1999 | 67% | 220% |

| Years | EPS Growth % | Total Return % |
|------------------|--------------|----------------|
| 2021 | 40% | 29% |
| 2022 | 5% | -18% |
| 2023 | 0% | 26% |
| 2024 | 14% | 25% |
| 2025 | 15% | 18% |
| 2021-2025 | 79% | 85% |

S&P 500 Index from 1995-2025 Past performance is no guarantee of future results.

Midterm elections and the S&P 500® Index

Midterm elections tend to bring downside volatility to the stock market. However, the S&P 500® has not declined in the 12 months following a midterm election since 1938.

Quarterly average S&P 500® price returns by presidential cycle (1961-2024)



Past performance is no guarantee of future results. Provides current themes and views of the Capital Markets Specialist Group within Fidelity Institutional, as of 3/31/26. Individual views may differ. Views are not intended to be substitutes for strategic asset allocation and reflect market views based on current economic conditions. Diversification does not ensure a profit or guarantee against a loss. The statements and opinions are subject to change at anytime, based on market and other conditions. Source: S&P 500 data from FactSet, as of 3/31/26

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