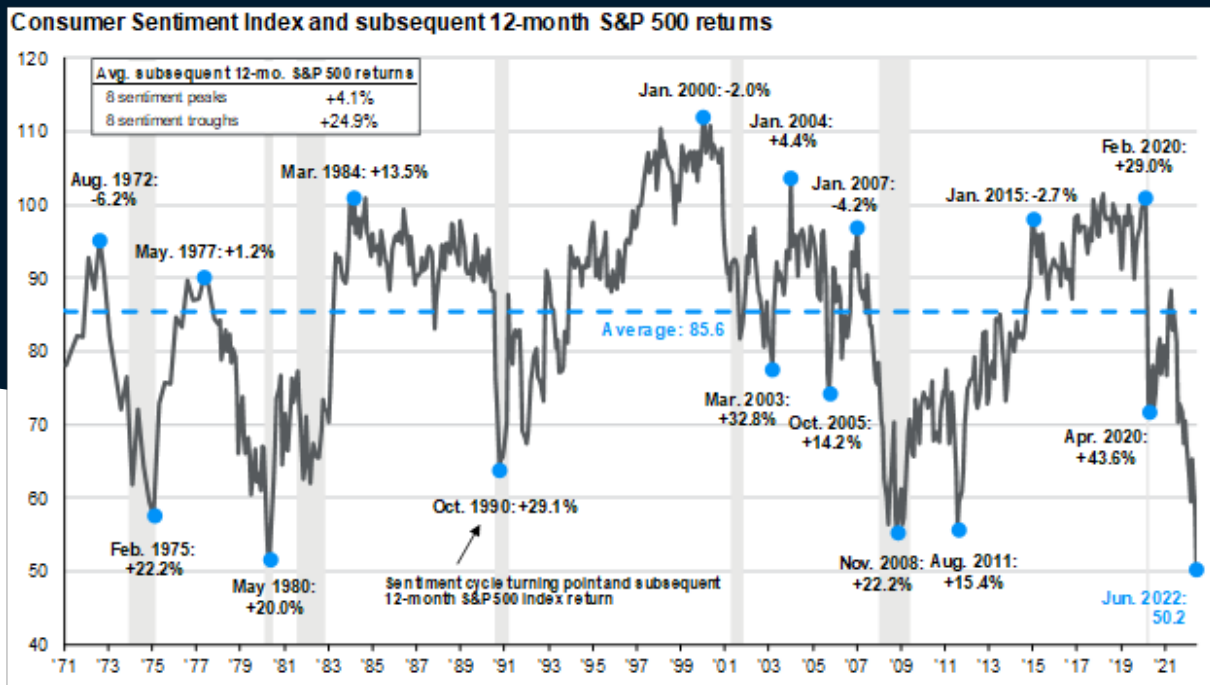


Consumer Sentiment

June 14, 2022



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

Peak is defined as the highest index value before a series of lower lows, while a trough is defined as the lowest index value before a series of higher highs.

Subsequent 12-month S&P 500 returns are price returns only, which excludes dividends. Past performance is not a reliable indicator of current and future results.

Guide to the Markets – U.S. Data are as of June 13, 2022.

The recent University of Michigan consumer sentiment survey released showed one of its lowest readings in the last 50 years. The sentiment survey measures consumers' assessment of current economic conditions. The reason for the downbeat assessment is well known at this point, a combination of higher inflation, market volatility and rising interest rates.

It may be tempting to think that low consumer sentiment would lead to poor stock market returns, but the historical record argues just the opposite. The chart above identifies 8 sentiment troughs and the subsequent 12-month S&P 500 return has averaged 24.9%.