Every Year Looks Volatile Compared To 2017

Analysis of S&P 500 Index Monthly/Annual Total Returns

Year	# of Down Months	Range of Down Months	Annual Total Return
2017	0	N/A	21.83%
2016	3	-0.13% to -4.96%	11.96%
2015	6	-1.58% to -6.03%	1.38%
2014	4	-0.25% to -3.46%	13.69%
2013	2	-1.34% to -2.90%	32.39%
2012	3	-0.63% to -6.01%	16.00%
2011	6	-0.22% to -7.03%	2.11%
2010	4	-3.60% to -7.99%	15.06%
2009	3	-1.86% to -10.65%	26.46%
2008	8	-0.43% to -16.79%	-37.00%

Source: S&P Dow Jones Indices and Bloomberg. Past performance is no guarantee of future results.

View from the Observation Deck

1. In 2017, the S&P 500 Index (the "index") did not register a single down month on a total return basis, which includes reinvested dividends. That is not typically the case.
2. In nine of the past 10 calendar years, which includes the 2008-2009 financial crisis, the index endured no less than two negative total return months and as many as eight (see table).
3. In the first three months of 2018, the index posted the following total returns: 5.73% (January); -3.69% (February); and -2.54% (March), according to Bloomberg.
4. It's total return stood at 0.05% in April as of the 25th. The Stock Trader's Almanac states that April has historically been the third-best month for the S&P 500 Index, according to MarketWatch. The index posted gains in April in nine of the past 10 calendar years, according to S&P Dow Jones Indices.
5. While volatility has returned to the stock market, it is actually below average on an historical basis. It just seems high when compared to 2017.
6. Brian Wesbury, Chief Economist at First Trust Advisors L.P., has a 2018 year-end price target of 3,100 on the S&P 500 Index. As of the close on 4/25/18, the index stood at 2,639.40. If Wesbury's forecast proves accurate, the index would need to rise by 17.45% to reach 3,100. That level of return looks similar to the gains posted in 2010 and 2012 (see table), which endured some steep monthly declines (see table).

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