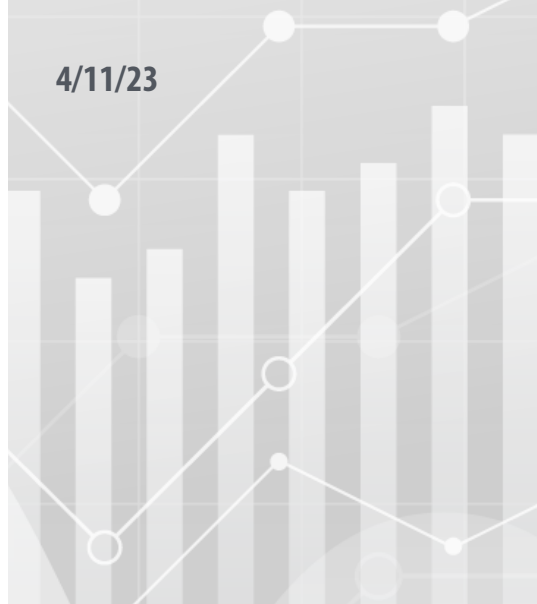


Cash Flow and Carey



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This chart is for illustrative purposes only and not indicative of any actual investment. The illustration excludes the effects of taxes and brokerage commissions and other expenses incurred when investing. Investors cannot invest directly in an index. The S&P 500 Index is an unmanaged index of 500 companies used to measure large-cap U.S. stock market performance, while the 11 major S&P 500 Sector Indices are capitalization-weighted and comprised of S&P 500 companies representing a specific sector.

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Sell In May And Go Away?

Performance of S&P 500 Index & 11 Major Sectors (May-October)

Year (May-Oct.)	S&P 500 Total Return	# of Sectors Up	Top Sector Total Return
2022	-5.50%	3	Energy 23.04%
2021	10.91%	11	Energy 20.00%
2020	13.29%	10	Consumer Discretionary 23.09%
2019	4.16%	10	Utilities 11.24%
2018	3.39%	7	Consumer Staples 11.27%
2017	9.10%	9	Information Technology 18.91%
2016	4.06%	7	Information Technology 15.83%
2015	0.77%	7	Consumer Discretionary 8.37%
2014	8.22%	10	Health Care 16.69%
2013	11.14%	8	Industrials 18.63%
2012	2.16%	9	Telecom. Services 11.96%
2011	-7.11%	2	Utilities 7.34%
2010	0.74%	8	Telecom. Services 17.15%
2009	20.03%	11	Financials 30.85%
2008	-29.28%	0	Consumer Staples -11.43%
2007	5.49%	8	Energy 21.06%
2006	6.11%	11	Real Estate 20.68%
2005	5.27%	9	Energy 15.45%
2004	2.96%	9	Real Estate 21.11%
2003	15.61%	11	Information Technology 30.01%

Source: Bloomberg. **Past Performance is no guarantee of future results.**

View from the Observation Deck

The old axiom in the stock market about selling your stocks at the close of April and then buying back in at the start of November once made some sense from a seasonality standpoint. When the U.S. was more of an industrialized economy it was common for plants and factories to close for a month or longer in the summer to retool and allow employees to vacation. The theory was that companies would conduct less commerce in that six-month span, which would likely translate into lower earnings. Today, due in large part to globalization, the world is far more interconnected and competitive, and there is less room for downtime, in our opinion.

- From 2003 through 2022, there were just three instances (2008, 2011 & 2022) in which the S&P 500 Index posted a negative total return from May through October, and the 2008 occurrence was during the financial crisis.
- The average total return for the S&P 500 Index for the May-October periods in the table was 4.08%, which is nothing to run from, in our opinion.
- Seventeen of the twenty top-performing sectors in the table posted total returns in excess of 10.00% (May-October). For comparative purposes, from 1926-2022 (97 years), the S&P 500 Index posted an average annual total return of 10.12%, according to Ibbotson & Associates/Morningstar.

Takeaway

The stock market has been navigating a number of significant headwinds for many months, including rising interest rates, the recent banking turmoil, stubbornly high inflation, and rapidly changing bond yields. At any given time, it is easy to conjure up reasons to shun the equity markets. The data in the table, however, is a reminder to investors that doing so can potentially come at a steep cost. The average total return for the S&P 500 Index for the May-October periods in the table was 4.08%.