

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
2025	23.59%	10	Information Technology 46.38%
2024	14.07%	10	Utilities 21.65%
2023	1.39%	4	Communication Services 10.25%
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%

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 buying them back at the start of November used to make some sense from a seasonality standpoint. Back 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. This downtime allowed businesses to retool and gave employees time to vacation. The “Sell In May” theory was that companies would conduct less commerce in that six-month span, which would likely translate into lower earnings, and temporarily reduced stock prices. In our view, the U.S. economy has become so technologically advanced and globally competitive that companies can no longer afford these extended periods of stagnation.

- From 2006 through 2025, there were just three instances (2008, 2011 & 2022) in which the S&P 500 Index posted a negative total return from May through October.
- The average total return for the S&P 500 Index for the May-October periods in the table was 4.84%.
- Seventeen of the twenty top-performing sectors in the table posted total returns in excess of 10.00% and eight of them returned at least 20.00% (May-October).

Takeaway

We publish today’s table on an annual basis as a reminder to investors that not all market maxims should be taken at face value. In this case, the data presented does not support the notion that investors should “sell in May and go away”. Over the last 20 years, an investor who remained fully invested in the S&P 500 Index from May through October enjoyed an average annual total return of 4.84% during those months alone, a significant figure when compounded. We continue to advocate that investors consider their time horizons and take risk as appropriate.