

Here and Now: How navigating current markets and taking stock of your current situation can help you plan for your future in retirement.

Presentation by Capital Group

Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so they may lose value.

Key Topics

Current landscape

- Investing in an election year
- Navigating through market declines

Retirement plan financial check up

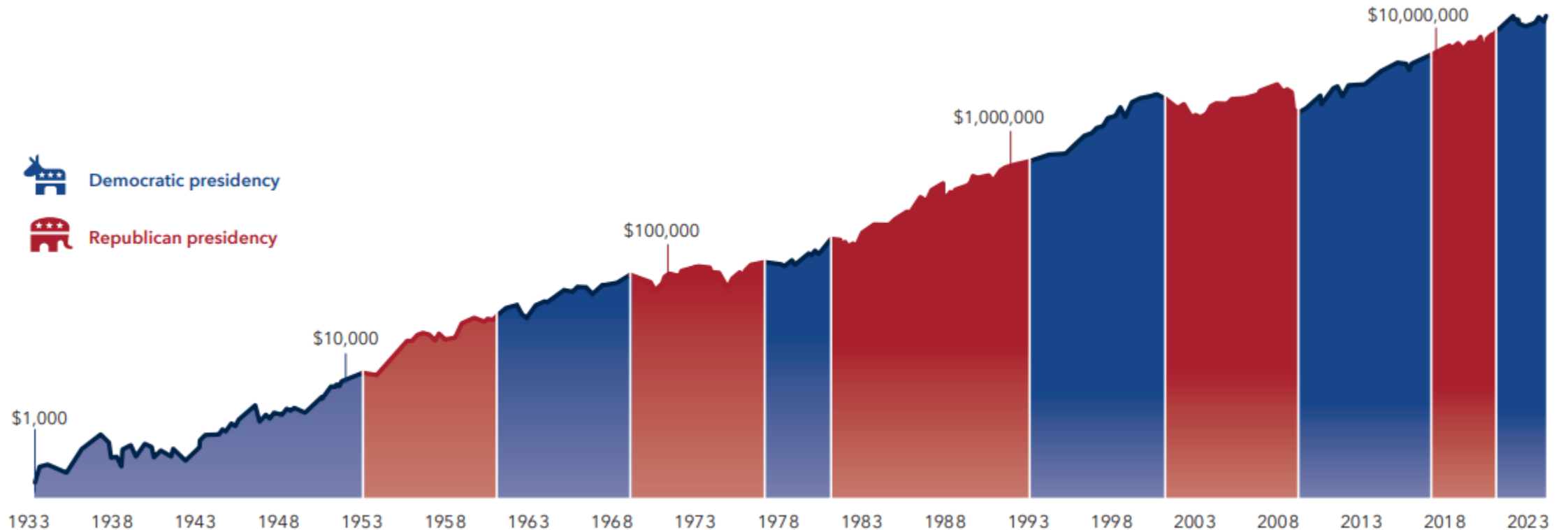
- You are here
- Understand your plan
- Invest for the future

Current landscape

Current landscape

Investing in an election year-Which political party has been better for investors?

Growth of a hypothetical \$1,000 investment in S&P 500 Index

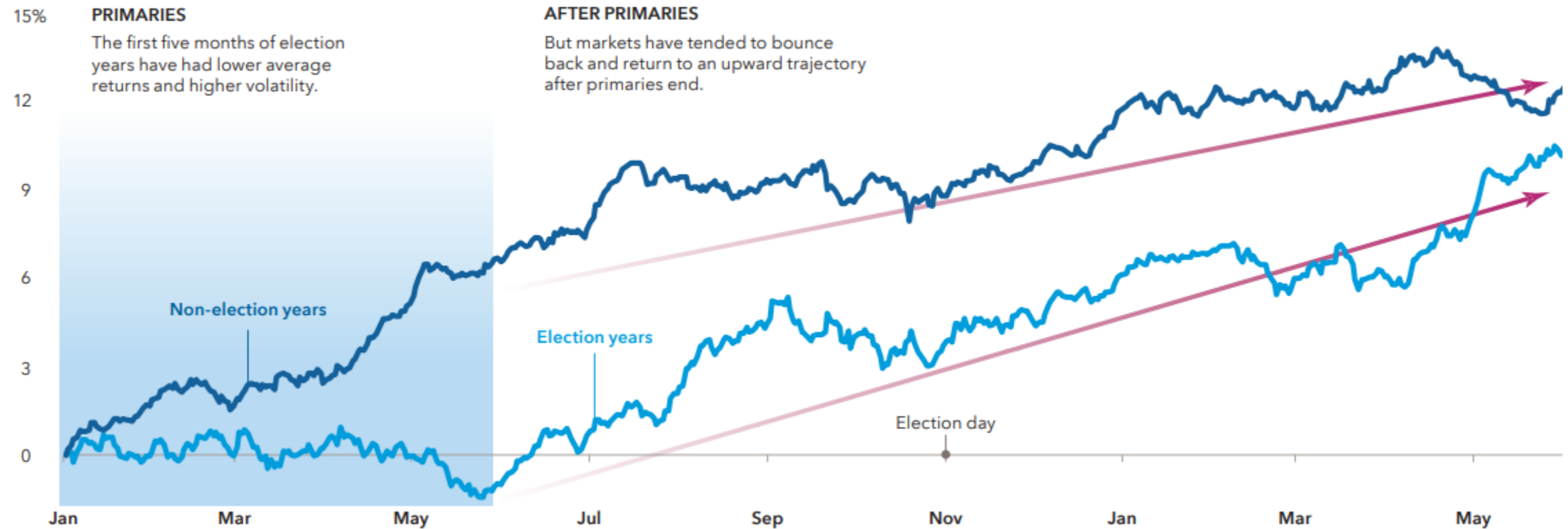


SOURCES: Capital Group, RIMES, Standard & Poor's. Chart shows the growth of a hypothetical \$1K investment made on March 4, 1933 (the date of Franklin D. Roosevelt's first inauguration) through December 31, 2023. Dates of party control are based on inauguration dates. Values are based on total returns in USD. Shown on a logarithmic scale. Past results are not predictive of results in future periods.

Current landscape

Investing in an election year-What typically happens to the stock market?

S&P 500 Index average cumulative returns since 1932



SOURCES: Capital Group, RIMES, Standard & Poor's. Includes all daily price returns from January 1, 1932 through December 31, 2023. Non-election years exclude all years with either a presidential or midterm elections. Past results are not predictive of results in future periods.

Current landscape

Market downturns happen frequently but don't last forever

S&P 500 Index (1954 - 2023)

Size of decline	-5% or more	-10% or more	-15% or more	-20% or more
Average frequency*	About twice per year	About once every 18 months	About once every three years	About once every six years
Average length†	46 days	135 days	256 days	402 days
Last occurrence	July 2023	July 2023	August 2022	January 2022

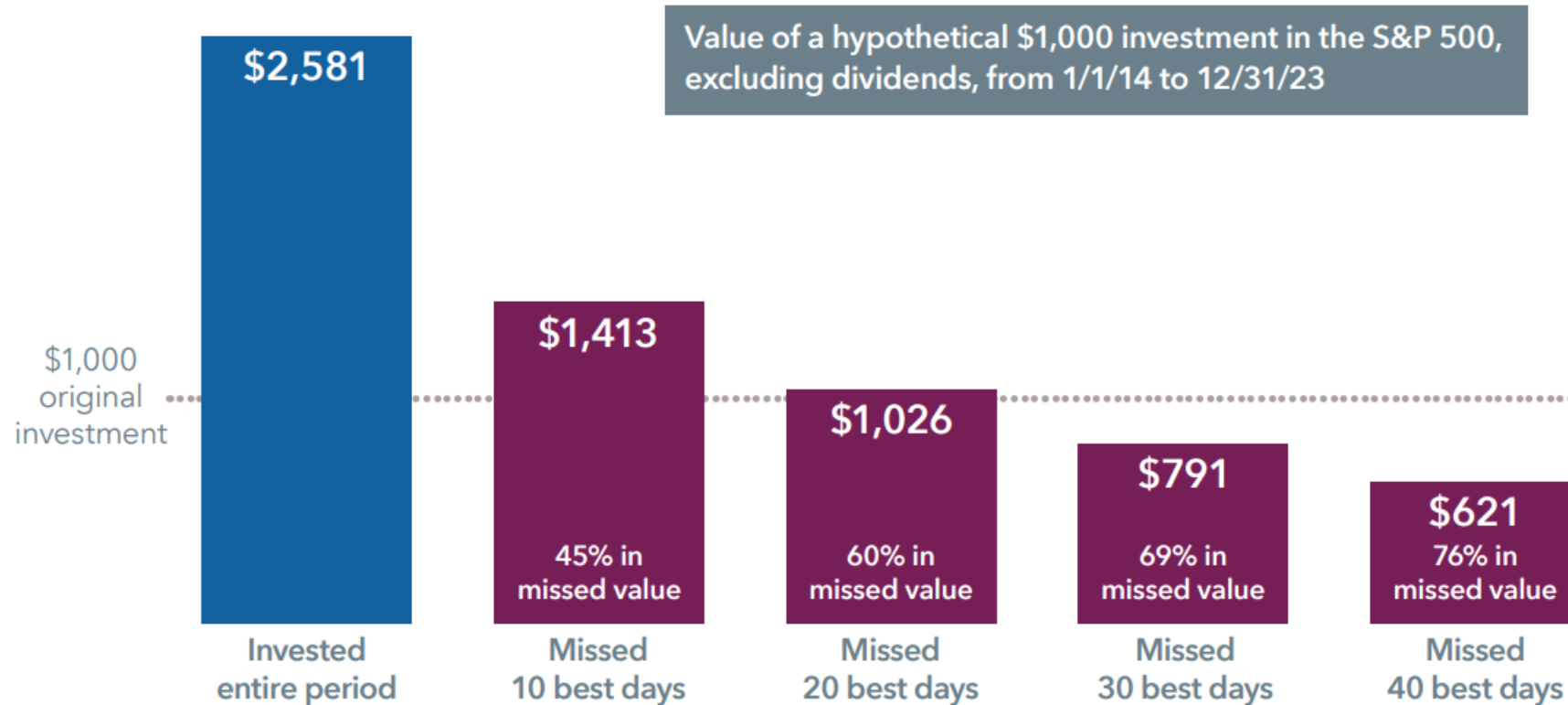
* Assumes 50% recovery of lost value.

† Measures market high to market low.

Sources: Capital Group, RIMES, Standard & Poor's. As of 12/31/23. Past results are not predictive of results in future periods.

Current landscape

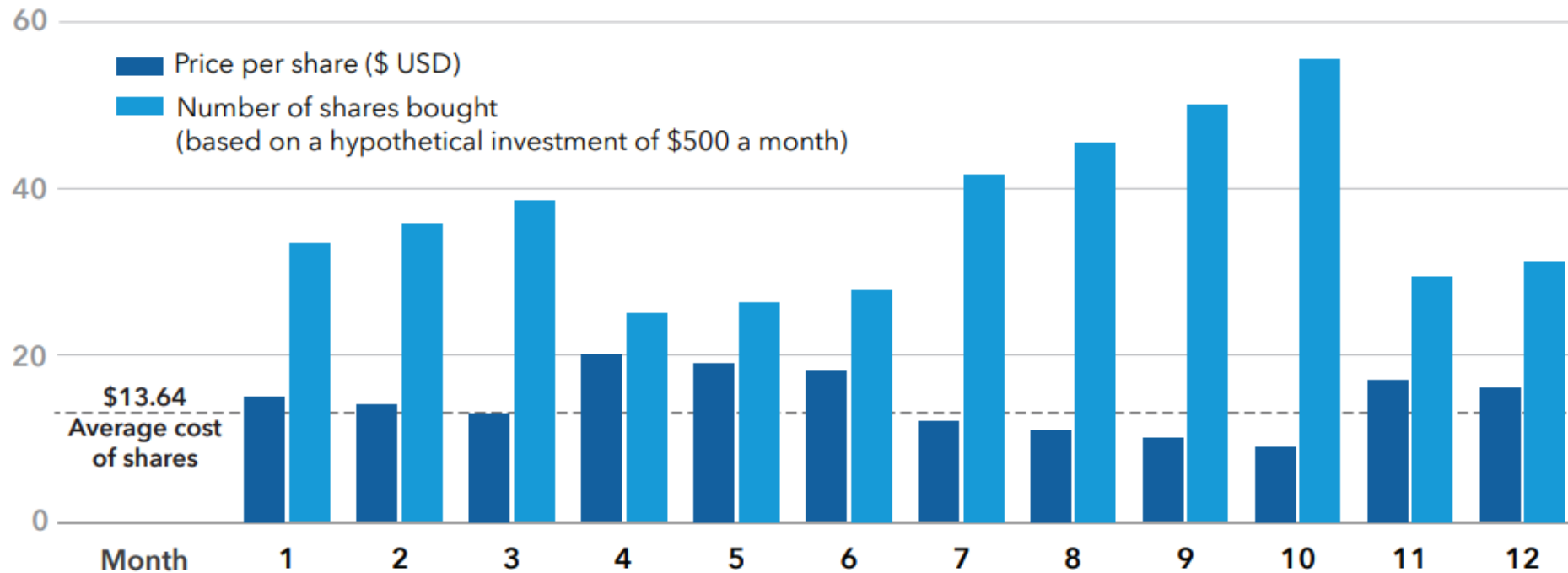
Market downturns happen frequently but don't last forever



Sources: RIMES, Standard & Poor's. As of 12/31/23. Values in USD.
Past results are not predictive of results in future periods.

Current landscape

When stock prices fall, you can get more shares for the same amount of money and lower your average cost per share



Source: Capital Group. Over the 12-month period, the total amount invested was \$6,000, and the total number of shares purchased was 439.94. The average price at which the shares traded was \$15, and the average cost of the shares was \$13.64 ($\$6,000/439.94$). Hypothetical results are for illustrative purposes only and in no way represent the actual results of a specific investment. Regular investing does not ensure a profit or protect against loss. Investors should consider their willingness to keep investing when share prices are declining.

Current landscape

Asset classes go in and out of favor. Calendar-year total returns of select asset classes (%)

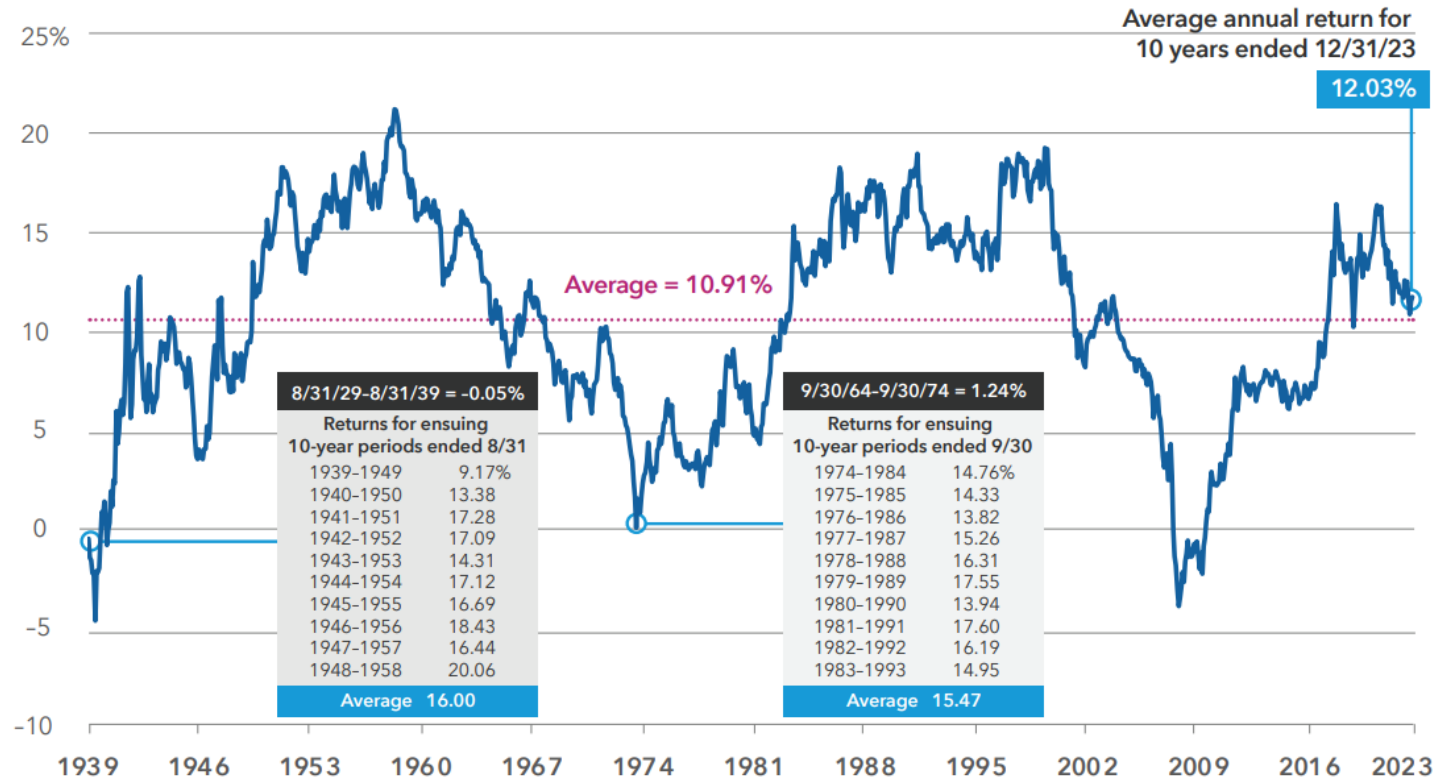
	Best-performing assets									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	U.S. large-cap stocks 13.69	U.S. large-cap stocks 1.38	U.S. large-cap stocks 11.96	Emerging markets stocks 37.28	Cash 1.82	U.S. large-cap stocks 31.49	U.S. large-cap stocks 18.40	U.S. large-cap stocks 28.71	Cash 1.52	U.S. large-cap stocks 26.29
	U.S. bonds 5.97	U.S. bonds 0.55	Global small-cap stocks 11.59	International stocks 27.19	U.S. bonds 0.01	Global small-cap stocks 24.65	Emerging markets stocks 18.31	Global small-cap stocks 16.09	U.S. bonds -13.01	Global small-cap stocks 16.84
	Global small-cap stocks 1.78	Cash 0.03	Emerging markets stocks 11.19	Global small-cap stocks 23.81	International bonds -1.20	International stocks 21.51	Global small-cap stocks 16.33	International stocks 7.82	International stocks -16.00	International stocks 15.62
	International bonds 0.59	Global small-cap stocks -1.04	International stocks 4.50	U.S. large-cap stocks 21.83	U.S. large-cap stocks -4.38	Emerging markets stocks 18.42	International stocks 10.65	Cash 0.04	International bonds -16.25	Emerging markets stocks 9.83
	Cash 0.02	International bonds -3.15	U.S. bonds 2.65	International bonds 7.39	International stocks -14.20	U.S. bonds 8.72	International bonds 9.20	U.S. bonds -1.54	U.S. large-cap stocks -18.11	International bonds 5.72
	Emerging markets stocks -2.19	International stocks -5.66	International bonds 2.09	U.S. bonds 3.54	Global small-cap stocks -14.39	International bonds 6.84	U.S. bonds 7.51	Emerging markets stocks -2.54	Global small-cap stocks -18.67	U.S. bonds 5.53
	International stocks -3.87	Emerging markets stocks -14.92	Cash 0.26	Cash 0.82	Emerging markets stocks -14.57	Cash 2.21	Cash 0.54	International bonds -4.71	Emerging markets stocks -20.09	Cash 5.14
	Worst-performing assets									

Sources: Refinitiv Datastream, RIMES. U.S. large-cap stocks – S&P 500 Index; Global small-cap stocks – MSCI All Country World Small Cap Index; International stocks – MSCI All Country World ex USA Index; Emerging markets stocks – MSCI Emerging Markets Index; U.S. bonds – Bloomberg U.S. Aggregate Index; International bonds – Bloomberg Global Aggregate Index; Cash – Bloomberg U.S. Treasury Bills Index: 1-3 Months.

Past results are not predictive of results in future periods.

Current landscape

S&P 500 rolling 10-year average annual total returns



Sources: Capital Group, Morningstar, RIMES, Standard & Poor's. As of 12/31/23. Based on rolling monthly 10-year periods.

Past results are not predictive of results in future periods.

Retirement plan financial check up

You are here

Envision where you want to go



Travel



Buy a vacation home



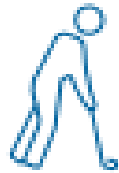
Spend time with family



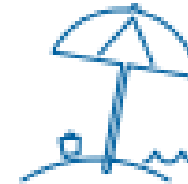
Downsize to a condo



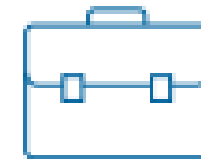
Move closer to family



Take up new hobbies



Live abroad

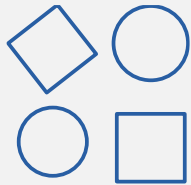


Continue working

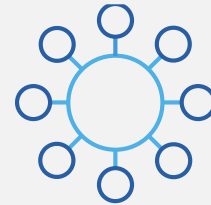
Factors that could impact your retirement



Taxes



Retirement age



Health care



Inflation

You are here

How can you get there?

How long?

The earlier you start investing, the more potential your money will have to grow. Even small additions to your retirement savings can make a big difference over time.

How much?

We offer tools and resources to help you decide how much to save and to track your progress.

How well?

If your plan has many investment options, consider those that best fit your time horizon, risk tolerance and goals.

Understand your plan

Maximize your plan benefit



Don't leave money on the table

To help you meet your retirement goals, some companies match a percentage of what you contribute to the plan. If your company matches, consider this free money to add to your retirement. All you have to do is contribute to the plan. To boost your savings even more, try to contribute enough to get the full company match.



Consider increasing your retirement savings rate

If, for example, you routinely increase your contribution rate by one or two percentage points every time you receive a raise, you can save more money over time – but without feeling deprived.



Diversify your investments

By spreading your investments among various funds, asset classes and industries, your overall returns may fluctuate less, as different asset classes tend to experience gains and losses at different points in the market cycle.



Consider a simpler way to choose your investments

If your plan offers target date funds, you can easily create a diversified portfolio by selecting one that is roughly aligned with the year in which you expect to retire and begin taking withdrawals. The investment mix will automatically adjust over time to help you stay on track with your goals.

Question:

What would you rather have?

\$1 million dollars today

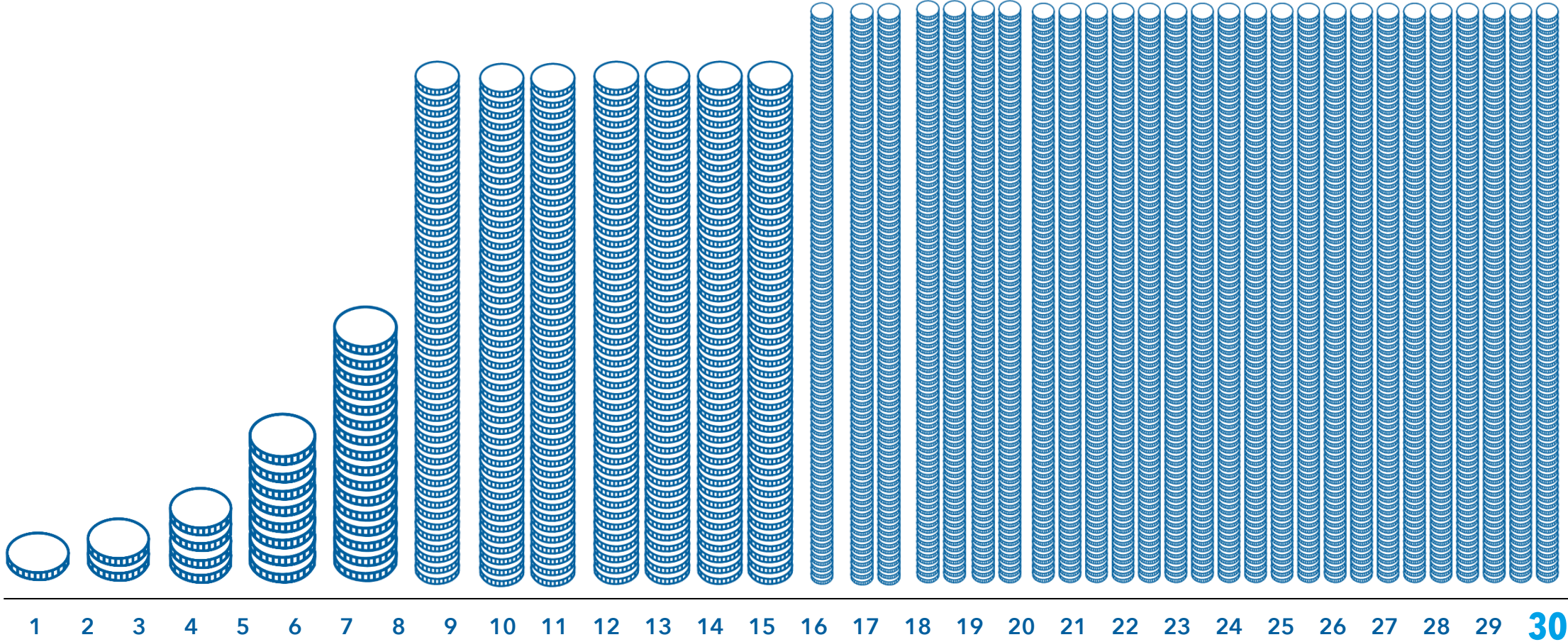
or

A penny doubled every day for a month

How about \$2 million? \$3 million?

One cent doubled each day for a month

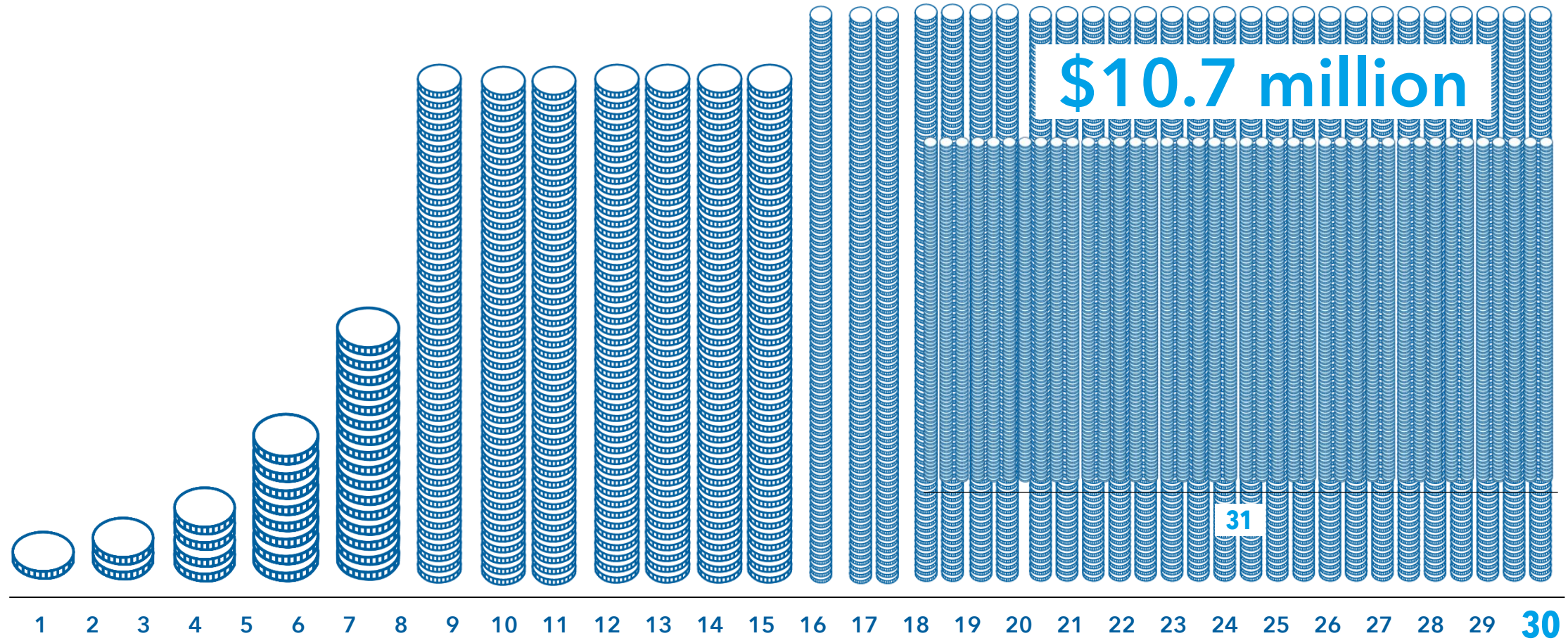
\$5.368 million



For illustrative purposes only.

Source: Capital Group.

31 Days



For illustrative purposes only.

Invest for the future

Small increases in contributions can help to get you there

Anthony and Sofia work at the same company and are the same age. They each begin earning an annual salary of \$50,000 and contribute 6% of their pay to their retirement plan. Sofia increases her contribution by 1% each year until she reaches her 12% goal while Anthony sticks with his 6% contribution. Sofia's small increases would boost her monthly retirement income by more than 75% in the hypothetical example shown.

No increases

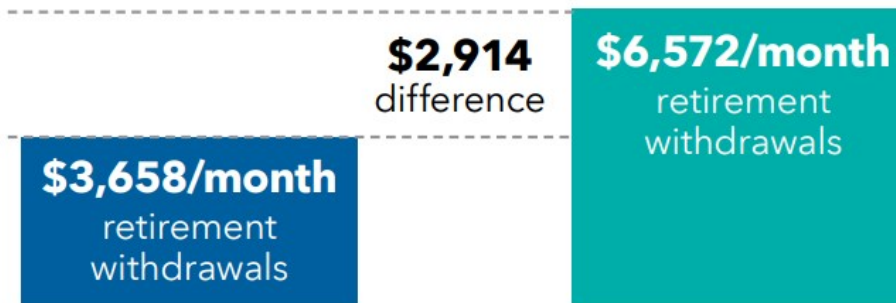


Anthony saves 6% of his pay until retirement.

Small increases



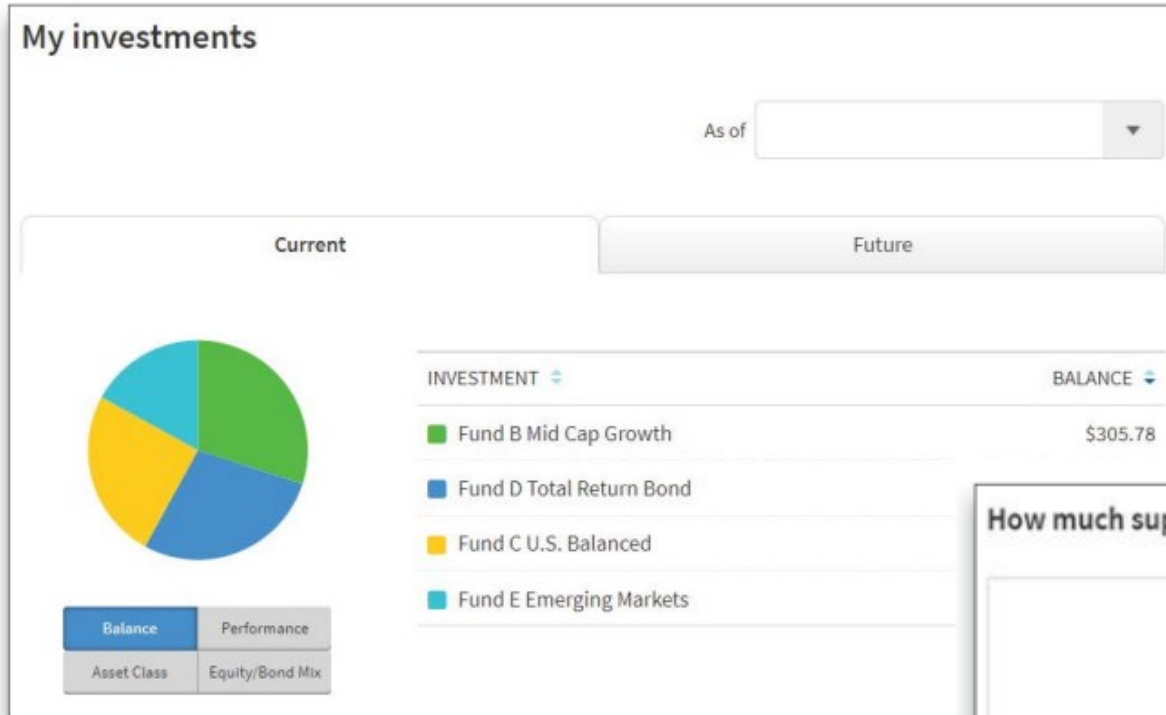
Sofia increases her 6% contribution by 1% each year until it reaches 12%.



Note: These hypothetical examples assume a starting salary of \$50,000, a 2% annual pay increase, a 40-year accumulation period, an 8% average annual return compounded monthly and a 4% annual withdrawal rate after the accumulation period. These are point-in-time views and as such do not take into account any growth or loss during retirement. Without investment growth/loss during retirement, a 4% annual withdrawal rate would deplete retirement savings in 25 years. Examples are for illustrative purposes only and do not reflect the results of any particular investment, which may differ, or taxes that may be owed on tax-deferred contributions, including the 10% penalty for withdrawals taken before age 59½. Regular investing does not ensure a profit or protect against loss in a declining market. Investors should consider their willingness to keep investing when share prices are declining.

Invest for the future

Review your investment strategy



How much support do you want in selecting your investments?



Solutions that can provide guidance to align your investment selections with your retirement objectives.

Help me do it



Already know what investments you want? Use this option to select your individual investments.

Do it myself

Invest for the future



Need help choosing your investments? Consider a target date fund...

A target date fund is a diverse portfolio of stocks and bonds that automatically adjusts over time, so it may be the only retirement investment that you'll need.

What are the benefits of a target date fund?

- It's a convenient option for those who don't want to spend a lot of time and effort choosing and monitoring their own investments.
- Investment professionals adjust fund holdings over time so you don't have to. For example, as a fund approaches its target date, the mix of investments will gradually shift toward more conservative stocks and bonds.
- Some funds continue to be managed professionally beyond their target date.

How do you choose a target date fund?

 If you were born in	 Then consider choosing*
1998 and later	2065 Fund
1993 to 1997	2060 Fund
1988 to 1992	2055 Fund
1983 to 1987	2050 Fund
1978 to 1982	2045 Fund
1973 to 1977	2040 Fund
1968 to 1972	2035 Fund
1963 to 1967	2030 Fund
1958 to 1962	2025 Fund
1953 to 1957	2020 Fund
1948 to 1952	2015 Fund
1947 and earlier	2010 Fund

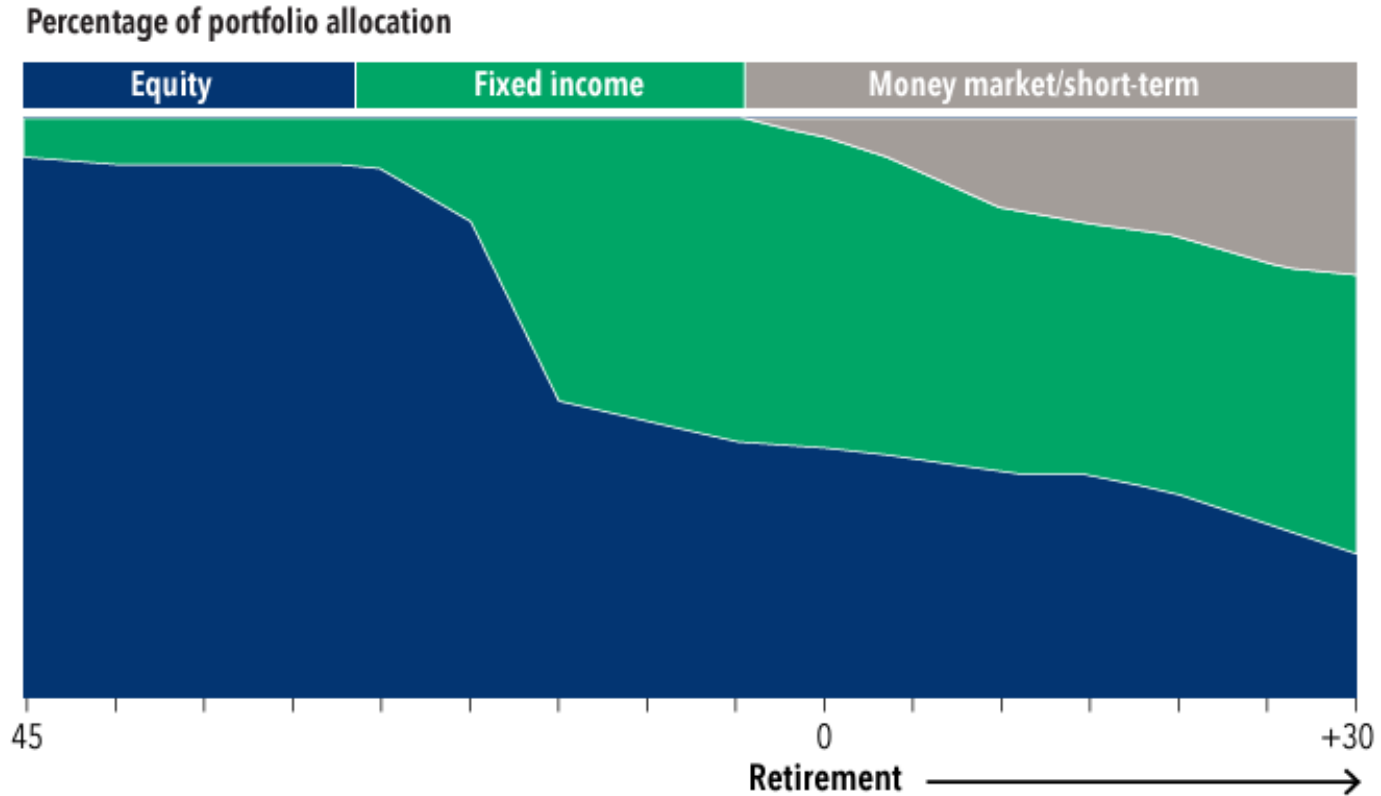
* The target date is the year that corresponds roughly to the year in which an investor is assumed to retire and begin taking withdrawals. A fund's allocation strategy does not guarantee that investors' retirement goals will be met. The chart above assumes you will begin taking retirement withdrawals at age 65. If you plan to begin taking withdrawals at another time, you may want to choose another target date fund that better aligns with your retirement goals.

A target date fund is ...

**... designed to be
the only investment
you need**

An investment mix that changes over time

An example of a target date glide path



Additional information

Important information

Although target date portfolios are managed for investors on a projected retirement date time frame, the allocation strategy does not guarantee that investors' retirement goals will be met.

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Index definitions

Bloomberg Global Aggregate Index represents the global investment-grade fixed income markets.

Bloomberg U.S. Aggregate Index represents the U.S. investment-grade fixed-rate bond market.

The Bloomberg U.S. Treasury Bill Index: 1-3 Months is designed to measure the performance of public obligations of the U.S. Treasury that have a remaining maturity of greater than or equal to 1 month and less than 3 months.

MSCI All Country World ex USA Index is a free float-adjusted market capitalization weighted index that is designed to measure equity market results in the global developed and emerging markets, excluding the United States. The index consists of more than 40 developed and emerging market country indexes. Results reflect dividends gross of withholding taxes through December 31, 2000, and dividends net of withholding taxes thereafter.

MSCI All Country World Small Cap Index is a free float-adjusted market capitalization-weighted index that is designed to measure equity market results of smaller capitalization companies in both developed and emerging markets. Results reflect dividends net of withholding taxes.

MSCI Emerging Markets Index is a free float-adjusted market capitalization weighted index that is designed to measure equity market results in the global emerging markets, consisting of more than 20 emerging market country indexes. Results reflect dividends gross of withholding taxes through December 31, 2000, and dividends net of withholding taxes thereafter.

Standard and Poor's (S&P) 500 Index is a market capitalization-weighted index based on the results of approximately 500 widely held U.S. common stocks.

The indexes are unmanaged, and their results include reinvested dividends and/or distributions but do not reflect the effect of sales charges, commissions, account fees, expenses or U.S. federal income taxes. Investors cannot invest directly in an index.

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