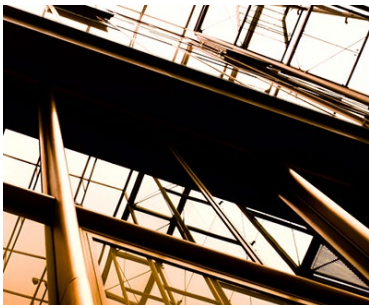
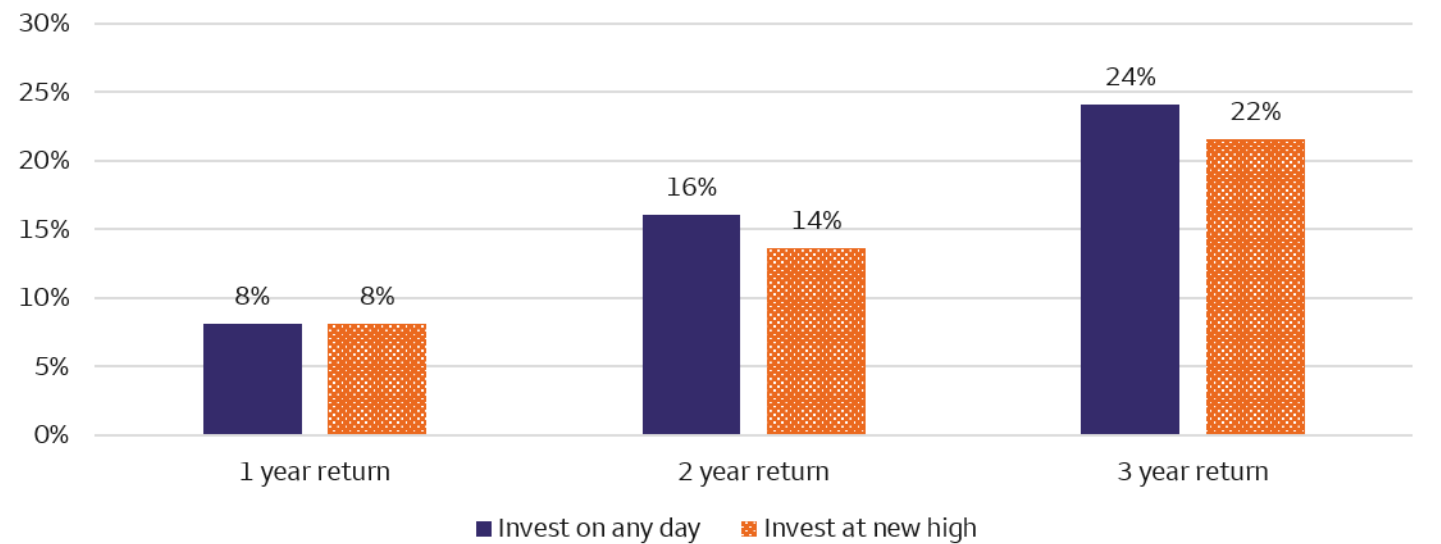


Chart of the Week



Weekly analysis of key themes in markets September 9, 2026

Should investors fear record highs?



Sources: Bloomberg and Wells Fargo Investment Institute. Data from January 1, 1928 – August 24, 2026. Measured by the S&P 500 Index. An index is unmanaged and not available for direct investment. **Past performance is no guarantee of future results.**

History suggests record highs are not reasons to wait

With most major U.S. equity indexes near record levels and the S&P 500 Index sitting just below its all-time high, investors often question whether new highs signal an unfavorable entry point. However, historical evidence suggests that investing at record highs has produced outcomes remarkably similar to investing on any other trading day.

New market highs are not unusual events. Since 1928, the S&P 500 Index has recorded record highs 6% of trading days. The chart shows that average one-year price returns for the S&P 500 Index after a new high match those of investing on any day at roughly 8%. Looking further out, price returns remained competitive, with three-year returns averaging 22% after a new high versus 24% when investing on any trading day.

What it may mean for investors

In our view, investors should not rush into stocks simply because markets are near record highs. History suggests that all-time highs, on their own, have not been reliable signals to delay investing. Markets often reach successive highs during extended bull markets as economic growth and corporate earnings expand. In our view, for long-term investors, record highs should be viewed as a normal part of the wealth-building journey rather than a cause for concern.

Alex Sagal, Global Equity AnalystExcerpted from Investment Strategy Report (August 31)

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Risk Considerations

Each asset class has its own risk and return characteristics. The level of risk associated with a particular investment or asset class generally correlates with the level of return the investment or asset class might achieve. **Stock markets**, especially foreign markets, are volatile. Stock values may fluctuate in response to general economic and market conditions, the prospects of individual companies, and industry sectors.

Definitions

S&P 500 Index is a market capitalization-weighted index composed of 500 widely held common stocks that is generally considered representative of the US stock market.

An index is unmanaged and not available for direct investment.

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