LEARNING FROM
THE LESSONS
OF TIME
THE DATES MAY CHANGE, BUT THE HEADLINES STAY THE SAME…

Today’s headlines may FEEL like something totally new…

…yet looking at four decades of TIME covers, it’s clear that “we’ve been here before.”
RECESSION AND MARKET FEARS
"Bankers now face their most strenuous survival test since the Great Depression"¹

Black Monday’s 22.6% one-day drop in the Dow terrified investors.³

“Banks and insurance firms are tottering beneath huge portfolios of bad real estate mortgages”⁴

³ Source: FactSet, based on the performance of the Dow Jones Industrial Average on October 19, 1987. The DJIA is a widely followed measurement of the stock market. The average is comprised of 30 stocks that represent leading companies in major industries. These stocks, widely held by both individual and institutional investors, are considered to be all blue-chip companies.

Global financial turmoil (and a declining Dow) fuel concerns about the economy.
FINANCIAL SECURITY
1977: Revolt of the Old

1982: Unemployment

1984: The Battle Over Forced Retirement

1988: What Ever Happened to the Great American Job?

1992: The Case for Killing Social Security

1993: Will You Ever Be Able to Retire?

1995: Surviving the Lean Economy


2002: Retire
“All sorts of people who never thought they would be on the jobless lines… are looking for jobs and not finding them”

“It is doubly troublesome that the ranks of the jobless are growing at a time when many of the cushions softening the pain of unemployment have been deflated”

“Americans are more worried about their financial future than at any other time since the turbulent 70’s”

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ETHICS
Concerns looming over the ethics demonstrated in business, in Washington and on Wall Street...
“Nothing we can do can change the past, but everything we do changes the future.”

-Ashleigh Brilliant
FOR EVERY BEAR, THERE’S A BULL…

Cumulative total returns of the S&P 500 (%) following the 1973—1974 bear market

Source: GPW and Dow Jones & Company, Inc. Past performance is no guarantee of future results. This chart is for illustrative purposes only and is not indicative of performance of any specific investment. Please note that an investor cannot invest directly in an index. Unmanaged index returns do not reflect any fees, expenses or sales charges. This chart illustrates the historical performance of the Standard & Poor’s 500 Index (S&P 500) before and after a bear market bottom (October 3, 1974). Cumulative total returns include reinvestment of dividends and capital gains.
For every bear, there’s a bull…

Cumulative total returns of the S&P 500 (%) following the 1987 market crash

- Peak-to-trough (market high to market low)
- 1-year after end
- 5-years after end
- 10-years after end

Source: GPW and Dow Jones & Company, Inc. Past performance is no guarantee of future results. This chart is for illustrative purposes only and is not indicative of performance of any specific investment. This chart illustrates the historical performance of the Standard & Poor's 500 Index (S&P 500) before and after a bear market bottom (December 14, 1987). Cumulative total returns include reinvestment of dividends and capital gains. An investor cannot invest directly in an index. Unmanaged index returns do not reflect any fees, expenses or sales charges.
For every bear, there’s a bull…

Cumulative total returns of the S&P 500 (%) following the 2000–2002 bear market

- Peak-to-trough (market high to market low)
- 1-year after end
- 5-years after end
- 10-years after end

Source: GPW and Dow Jones & Company, Inc. Past performance is no guarantee of future results. This chart is for illustrative purposes only and is not indicative of performance of any specific investment. This chart illustrates the historical performance of the Standard & Poor's 500 Index (S&P 500) before and after a bear market bottom (October 9, 2002). Cumulative total returns include reinvestment of dividends and capital gains. An investor cannot invest directly in an index. Unmanaged index returns do not reflect any fees, expenses or sales charges.
For every bear, there’s a bull…

Cumulative total returns of the S&P 500 (%) following the 2007—2009 bear market

- Peak-to-trough (market high to market low)
- 1-year after end
- 5-years after end

Source: GPW and Dow Jones & Company, Inc. Past performance is no guarantee of future results. This chart is for illustrative purposes only and is not indicative of performance of any specific investment. This chart illustrates the historical performance of the Standard & Poor’s 500 Index (S&P 500) before and after a bear market bottom (March 9, 2009). Cumulative total returns include reinvestment of dividends and capital gains. An investor cannot invest directly in an index. Unmanaged index returns do not reflect any fees, expenses or sales charges.
STAYING IN THE MARKET: A TALE OF FOUR INVESTORS

A $10,000 investment at the peak of the ‘87 market…and what happened based on four reactions to the October ‘87 crash through the next twenty years (year-end 2007)

Source: Thomson InvestmentView. Past performance is no guarantee of future results. This chart is for illustrative purposes only and is not indicative of performance of any specific investment. Please note the above illustration does not take into account any fees, expenses or taxes. An investor cannot invest directly in an index. Unmanaged index returns do not reflect any fees, expenses or sales charges. The chart above illustrates a hypothetical investment of $10,000 in the Standard & Poor’s 500 Index (S&P500) on September 30, 1987, near the market high, and then the subsequent financial impact of various investment strategies on the same portfolio implemented on October 31, 1987, after the market crash on October 19, 1987 through December 31, 2007. The hypothetical “Remained invested and continued to invest” assumes a monthly investment of $200.00. A CD is a debt instrument issued by a bank that usually pays an interest rate set by competitive forces in the marketplace. CDs are FDIC-insured up to $250,000, offer a fixed rate of return, but may be subject to fluctuating rates and early withdrawal penalties.
## Market Returns (%)
S&P 500 Index from January 4, 1999 – December 31, 2018

Price-only performance

<table>
<thead>
<tr>
<th>Period</th>
<th>Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fully invested</td>
<td>3.73</td>
</tr>
<tr>
<td>Missed the top 10 days</td>
<td>0.08</td>
</tr>
<tr>
<td>Missed the top 20 days</td>
<td>-2.30</td>
</tr>
<tr>
<td>Missed the top 30 days</td>
<td>-4.36</td>
</tr>
<tr>
<td>Missed the top 40 days</td>
<td>-6.25</td>
</tr>
<tr>
<td>Missed the top 50 days</td>
<td>-7.95</td>
</tr>
<tr>
<td>Missed the top 100 days</td>
<td>-14.79</td>
</tr>
</tbody>
</table>

Sources: Morningstar Direct as of 12/31/18. All investments involve risks, including loss of principal. The chart provided is for illustrative purposes only and represents an unmanaged index in which investors cannot directly invest.

Past performance is no guarantee of future results.
PRINCIPLES THAT HAVE STOOD THE TEST OF TIME

• Recognize that the issues that worry investors today aren’t necessarily new
• Stay focused on the big picture
• Don’t let emotions drive your decisions
• Understand your tolerance for risk
• Stay invested**
• Be diversified*
• Work closely with a trusted financial advisor

*Diversification does not ensure a profit or protect against a market loss.

**Staying invested for any period of time does not protect an investor from experiencing a loss of their principal or guarantee they will recuperate any decline of the principal amount they invested.
“The more things change, the more they remain the same.”

-Jean-Baptiste Alphonse Karr
IMPORTANT INFORMATION

Time magazine cover images* used in this presentation include:

- “Revolt of the Old: The Battle Over Forced Retirement,” October 10, 1977
- “Unemployment: The Biggest Worry,” February 8, 1982
- “America’s Banks – Awash in Troubles,” December 3, 1984
- “High Tech Wall Street: Is it Good For America?” November 10, 1986
- “The Crash,” November 2, 1987
- “High Anxiety,” October 15, 1990
- “The Economy: Is There Light at the End of the Tunnel?” September 28, 1992
- “Whatever Happened to the Great American Job?” November 22, 1993
- “Is the Boom Over?” September 14, 1998
- “Looking Beyond the Bear” March 24, 2001
- “Will You Ever Be Able To Retire?” July 29, 2002
- “Surviving the Lean Economy,” May 26, 2008
- “Why Main Street Hates Wall Street,” November 9, 2009
- “Jobs: Where They Are and How to Find Them,” March 29, 2010
- “Make America Solvent Again,” April 25, 2016

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