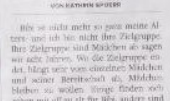


# Wap-bap, ba-da-di-da-da

**G**leichzeitig ist Bibi in München, wenn bekannt ist, dass sie, wie ich, normalerweise immer wieder irgendwohin geht, um sich zu bewegen. Ich habe mich schon ein paar Mal bewegt, aber ich bin noch nicht so fit wie sie. Ich bin noch nicht so fit wie sie. Ich bin noch nicht so fit wie sie.

**Abwärts der Aufmerksamkeit der Erwachsenen trägt Bibi H seit Jahren die Jugendkultur. Jetzt sorgt sie mit einem Song für Aufsehen. Ein Besuch**

Die 17-jährige Bibi H ist ein Phänomen. Sie ist nicht nur eine der beliebtesten Sängerinnen der deutschen Rap-Szene, sondern auch eine der erfolgreichsten. Ihre Musik ist eine Mischung aus Hip-Hop und Pop, und sie hat sich in kürzester Zeit zu einer der bekanntesten Künstlerinnen der Szene entwickelt.



Bibi H (2020) (Quelle: Instagram)

**KUNSTWERK**

**Adriane's Balletina von Kasper entführt**

Die Balletina von Kasper entführt die Zuschauer mit ihrer einzigartigen Mischung aus klassischer Ballett- und moderner Tanzsprache. Die Choreografie ist eine Meisterleistung, die die Grenzen zwischen den beiden Genres verwischt.

Die Balletina von Kasper entführt die Zuschauer mit ihrer einzigartigen Mischung aus klassischer Ballett- und moderner Tanzsprache. Die Choreografie ist eine Meisterleistung, die die Grenzen zwischen den beiden Genres verwischt.

Die Balletina von Kasper entführt die Zuschauer mit ihrer einzigartigen Mischung aus klassischer Ballett- und moderner Tanzsprache. Die Choreografie ist eine Meisterleistung, die die Grenzen zwischen den beiden Genres verwischt.

Die Balletina von Kasper entführt die Zuschauer mit ihrer einzigartigen Mischung aus klassischer Ballett- und moderner Tanzsprache. Die Choreografie ist eine Meisterleistung, die die Grenzen zwischen den beiden Genres verwischt.

Die Balletina von Kasper entführt die Zuschauer mit ihrer einzigartigen Mischung aus klassischer Ballett- und moderner Tanzsprache. Die Choreografie ist eine Meisterleistung, die die Grenzen zwischen den beiden Genres verwischt.

Die Balletina von Kasper entführt die Zuschauer mit ihrer einzigartigen Mischung aus klassischer Ballett- und moderner Tanzsprache. Die Choreografie ist eine Meisterleistung, die die Grenzen zwischen den beiden Genres verwischt.

Die Balletina von Kasper entführt die Zuschauer mit ihrer einzigartigen Mischung aus klassischer Ballett- und moderner Tanzsprache. Die Choreografie ist eine Meisterleistung, die die Grenzen zwischen den beiden Genres verwischt.

Die Balletina von Kasper entführt die Zuschauer mit ihrer einzigartigen Mischung aus klassischer Ballett- und moderner Tanzsprache. Die Choreografie ist eine Meisterleistung, die die Grenzen zwischen den beiden Genres verwischt.

Die Balletina von Kasper entführt die Zuschauer mit ihrer einzigartigen Mischung aus klassischer Ballett- und moderner Tanzsprache. Die Choreografie ist eine Meisterleistung, die die Grenzen zwischen den beiden Genres verwischt.

Die 17-jährige Bibi H ist ein Phänomen. Sie ist nicht nur eine der beliebtesten Sängerinnen der deutschen Rap-Szene, sondern auch eine der erfolgreichsten. Ihre Musik ist eine Mischung aus Hip-Hop und Pop, und sie hat sich in kürzester Zeit zu einer der bekanntesten Künstlerinnen der Szene entwickelt.

Die 17-jährige Bibi H ist ein Phänomen. Sie ist nicht nur eine der beliebtesten Sängerinnen der deutschen Rap-Szene, sondern auch eine der erfolgreichsten. Ihre Musik ist eine Mischung aus Hip-Hop und Pop, und sie hat sich in kürzester Zeit zu einer der bekanntesten Künstlerinnen der Szene entwickelt.

Die 17-jährige Bibi H ist ein Phänomen. Sie ist nicht nur eine der beliebtesten Sängerinnen der deutschen Rap-Szene, sondern auch eine der erfolgreichsten. Ihre Musik ist eine Mischung aus Hip-Hop und Pop, und sie hat sich in kürzester Zeit zu einer der bekanntesten Künstlerinnen der Szene entwickelt.

Die 17-jährige Bibi H ist ein Phänomen. Sie ist nicht nur eine der beliebtesten Sängerinnen der deutschen Rap-Szene, sondern auch eine der erfolgreichsten. Ihre Musik ist eine Mischung aus Hip-Hop und Pop, und sie hat sich in kürzester Zeit zu einer der bekanntesten Künstlerinnen der Szene entwickelt.

Die 17-jährige Bibi H ist ein Phänomen. Sie ist nicht nur eine der beliebtesten Sängerinnen der deutschen Rap-Szene, sondern auch eine der erfolgreichsten. Ihre Musik ist eine Mischung aus Hip-Hop und Pop, und sie hat sich in kürzester Zeit zu einer der bekanntesten Künstlerinnen der Szene entwickelt.

Die 17-jährige Bibi H ist ein Phänomen. Sie ist nicht nur eine der beliebtesten Sängerinnen der deutschen Rap-Szene, sondern auch eine der erfolgreichsten. Ihre Musik ist eine Mischung aus Hip-Hop und Pop, und sie hat sich in kürzester Zeit zu einer der bekanntesten Künstlerinnen der Szene entwickelt.

Die 17-jährige Bibi H ist ein Phänomen. Sie ist nicht nur eine der beliebtesten Sängerinnen der deutschen Rap-Szene, sondern auch eine der erfolgreichsten. Ihre Musik ist eine Mischung aus Hip-Hop und Pop, und sie hat sich in kürzester Zeit zu einer der bekanntesten Künstlerinnen der Szene entwickelt.

Die 17-jährige Bibi H ist ein Phänomen. Sie ist nicht nur eine der beliebtesten Sängerinnen der deutschen Rap-Szene, sondern auch eine der erfolgreichsten. Ihre Musik ist eine Mischung aus Hip-Hop und Pop, und sie hat sich in kürzester Zeit zu einer der bekanntesten Künstlerinnen der Szene entwickelt.

Die 17-jährige Bibi H ist ein Phänomen. Sie ist nicht nur eine der beliebtesten Sängerinnen der deutschen Rap-Szene, sondern auch eine der erfolgreichsten. Ihre Musik ist eine Mischung aus Hip-Hop und Pop, und sie hat sich in kürzester Zeit zu einer der bekanntesten Künstlerinnen der Szene entwickelt.

Die 17-jährige Bibi H ist ein Phänomen. Sie ist nicht nur eine der beliebtesten Sängerinnen der deutschen Rap-Szene, sondern auch eine der erfolgreichsten. Ihre Musik ist eine Mischung aus Hip-Hop und Pop, und sie hat sich in kürzester Zeit zu einer der bekanntesten Künstlerinnen der Szene entwickelt.

Die 17-jährige Bibi H ist ein Phänomen. Sie ist nicht nur eine der beliebtesten Sängerinnen der deutschen Rap-Szene, sondern auch eine der erfolgreichsten. Ihre Musik ist eine Mischung aus Hip-Hop und Pop, und sie hat sich in kürzester Zeit zu einer der bekanntesten Künstlerinnen der Szene entwickelt.

Die 17-jährige Bibi H ist ein Phänomen. Sie ist nicht nur eine der beliebtesten Sängerinnen der deutschen Rap-Szene, sondern auch eine der erfolgreichsten. Ihre Musik ist eine Mischung aus Hip-Hop und Pop, und sie hat sich in kürzester Zeit zu einer der bekanntesten Künstlerinnen der Szene entwickelt.

Die 17-jährige Bibi H ist ein Phänomen. Sie ist nicht nur eine der beliebtesten Sängerinnen der deutschen Rap-Szene, sondern auch eine der erfolgreichsten. Ihre Musik ist eine Mischung aus Hip-Hop und Pop, und sie hat sich in kürzester Zeit zu einer der bekanntesten Künstlerinnen der Szene entwickelt.

Die 17-jährige Bibi H ist ein Phänomen. Sie ist nicht nur eine der beliebtesten Sängerinnen der deutschen Rap-Szene, sondern auch eine der erfolgreichsten. Ihre Musik ist eine Mischung aus Hip-Hop und Pop, und sie hat sich in kürzester Zeit zu einer der bekanntesten Künstlerinnen der Szene entwickelt.

Die 17-jährige Bibi H ist ein Phänomen. Sie ist nicht nur eine der beliebtesten Sängerinnen der deutschen Rap-Szene, sondern auch eine der erfolgreichsten. Ihre Musik ist eine Mischung aus Hip-Hop und Pop, und sie hat sich in kürzester Zeit zu einer der bekanntesten Künstlerinnen der Szene entwickelt.

Die 17-jährige Bibi H ist ein Phänomen. Sie ist nicht nur eine der beliebtesten Sängerinnen der deutschen Rap-Szene, sondern auch eine der erfolgreichsten. Ihre Musik ist eine Mischung aus Hip-Hop und Pop, und sie hat sich in kürzester Zeit zu einer der bekanntesten Künstlerinnen der Szene entwickelt.

Die 17-jährige Bibi H ist ein Phänomen. Sie ist nicht nur eine der beliebtesten Sängerinnen der deutschen Rap-Szene, sondern auch eine der erfolgreichsten. Ihre Musik ist eine Mischung aus Hip-Hop und Pop, und sie hat sich in kürzester Zeit zu einer der bekanntesten Künstlerinnen der Szene entwickelt.

Die 17-jährige Bibi H ist ein Phänomen. Sie ist nicht nur eine der beliebtesten Sängerinnen der deutschen Rap-Szene, sondern auch eine der erfolgreichsten. Ihre Musik ist eine Mischung aus Hip-Hop und Pop, und sie hat sich in kürzester Zeit zu einer der bekanntesten Künstlerinnen der Szene entwickelt.

Die 17-jährige Bibi H ist ein Phänomen. Sie ist nicht nur eine der beliebtesten Sängerinnen der deutschen Rap-Szene, sondern auch eine der erfolgreichsten. Ihre Musik ist eine Mischung aus Hip-Hop und Pop, und sie hat sich in kürzester Zeit zu einer der bekanntesten Künstlerinnen der Szene entwickelt.

Die 17-jährige Bibi H ist ein Phänomen. Sie ist nicht nur eine der beliebtesten Sängerinnen der deutschen Rap-Szene, sondern auch eine der erfolgreichsten. Ihre Musik ist eine Mischung aus Hip-Hop und Pop, und sie hat sich in kürzester Zeit zu einer der bekanntesten Künstlerinnen der Szene entwickelt.

# Market Insights Beyond the Headlines

MFS Fund Distributors, Member SIPC, Inc. may have sponsored this seminar by paying for all or a portion of the associated costs. Such sponsorship may create a conflict of interest to the extent that the broker-dealer's financial professional considers the sponsorship when rendering advice to customers.

The views expressed in this presentation are those of the speaker and are subject to change at any time. These views should not be relied upon as investment advice, as securities recommendations, or as an indication of trading intent on behalf of any other MFS investment product. No forecasts can be guaranteed.

Diversification does not guarantee a profit or protect against a loss. Keep in mind that all investments, including mutual funds, carry a certain amount of risk including the possible loss of the principal amount invested.

# The Headlines... Cutting Through the Noise

Headlines can be alarmist and rarely tell the whole story

## The Financial Post

World - Business - Finance - Lifestyle - Travel - Sport - Weather

Issue: 240104

THE WORLD'S BEST SELLING NATIONAL NEWSPAPER

Est. - 1955

First Edition

Monday, 3th June

### FED POLICY INFLATION/JOBS

- The Fed's surprisingly aggressive policy caused a very rare event
- How last year's housing trends could end the Fed hiking cycle... for good
- Jobs: moving in the right direction, however, initial claims are lagging

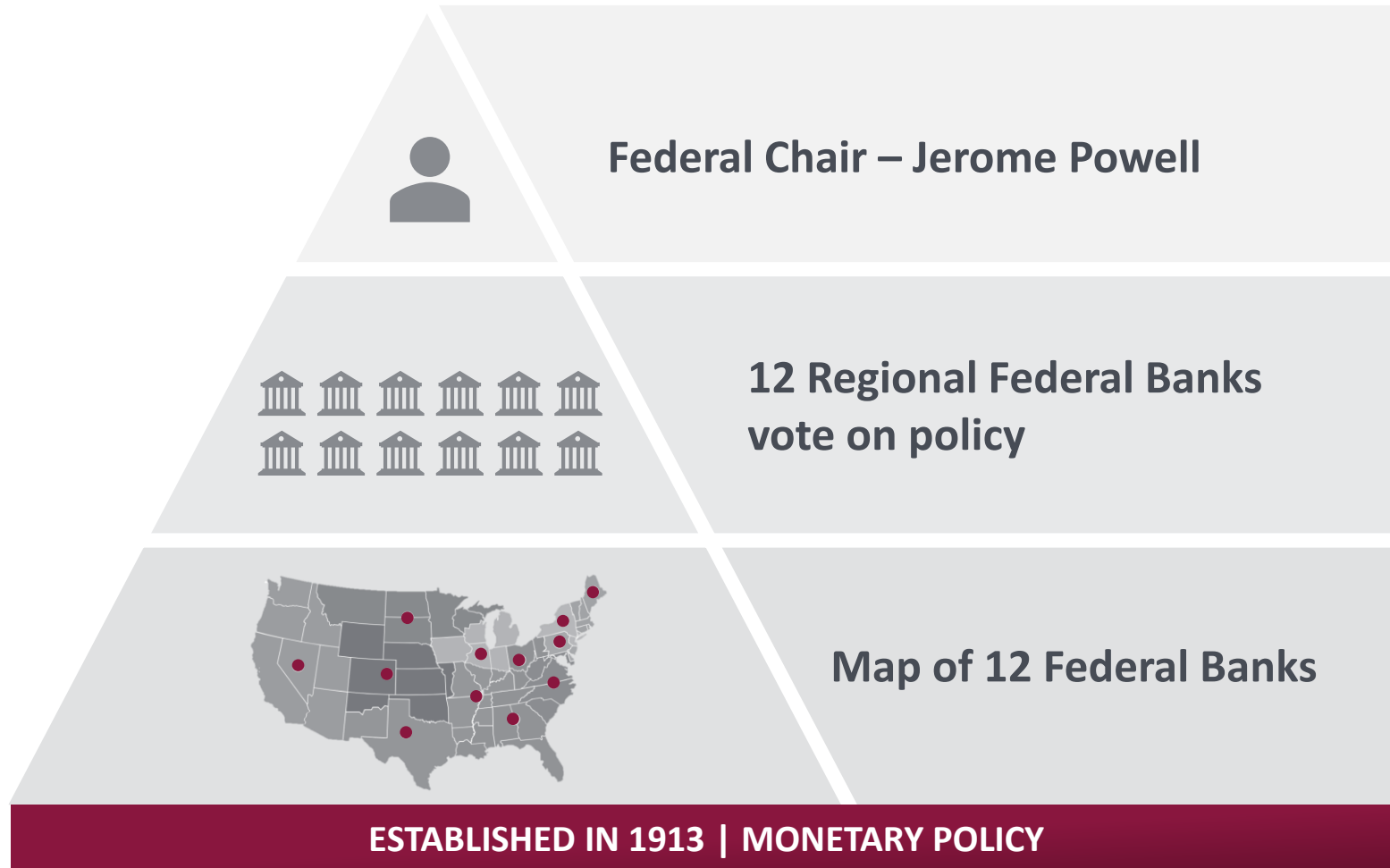
### RECESSION

- A fork in the road: competing views on which path the economy will take from here

### POLITICS

- How much does it matter to be in political "power"

# What is the Federal Reserve?



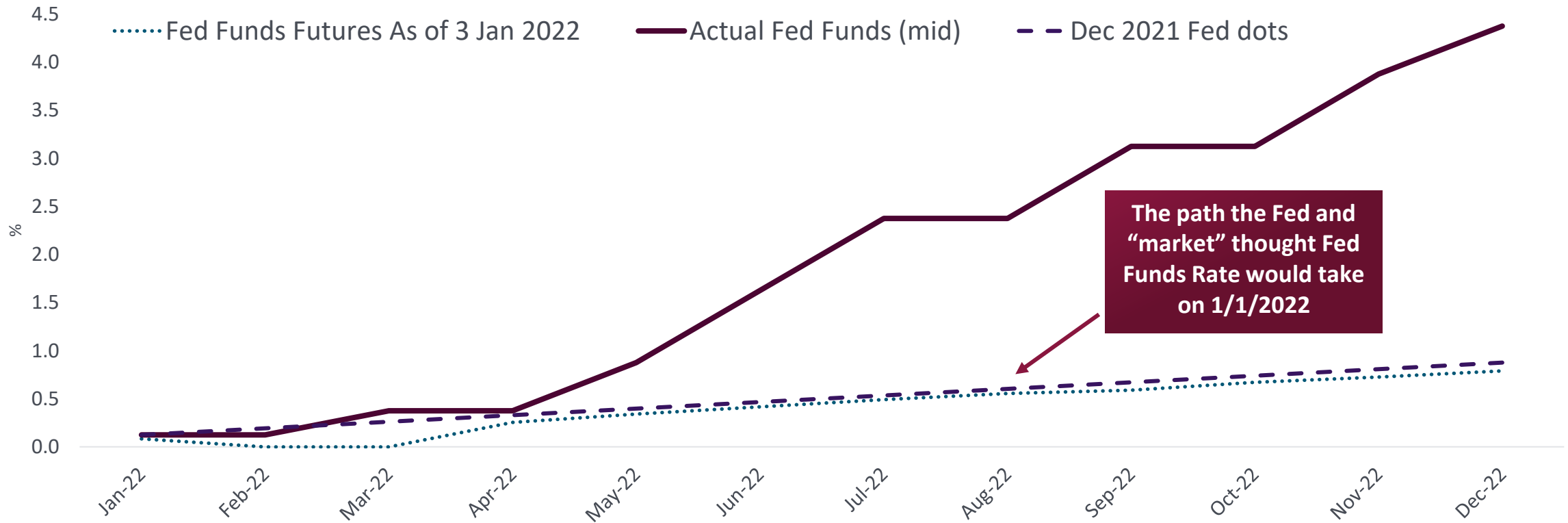
## Role of the Fed

Control Money supply / full employment  
Currently focused on dual mandate –  
inflation target & jobs

# Recent Hiking Campaign – Who Knew?

*Even the Fed did not see this coming*

### The Massive Fed Policy Shock



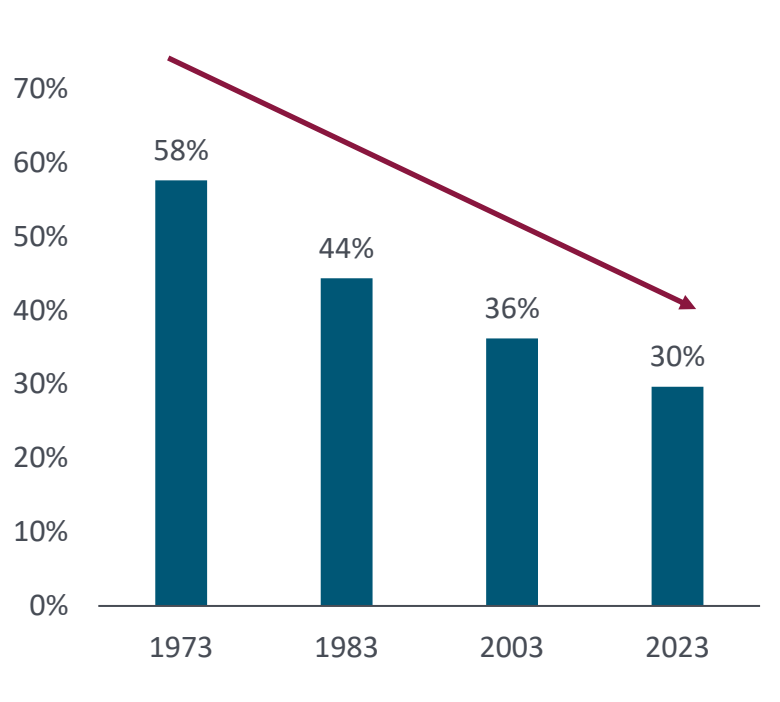
Sources: LHS: Bloomberg, Fed, based on Fed fund futures as of 3 Jan 2022.

# Recession – So Then Why Haven't We Seen the Recession?

*The US economy and consumer is less sensitive to higher interest rates than prior periods*

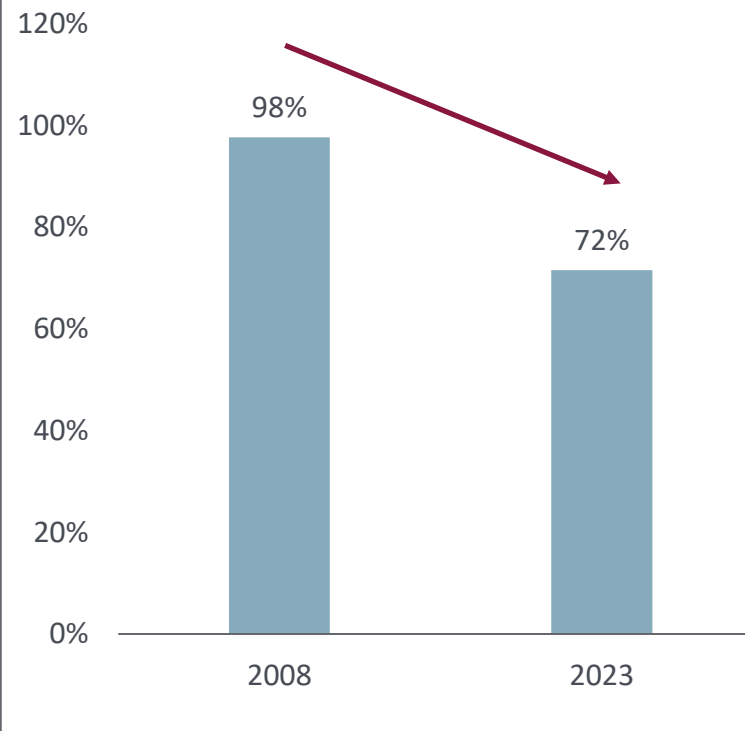
## Economy

**Rate Sensitive Sectors of the Economy Have decreased<sup>1</sup>**

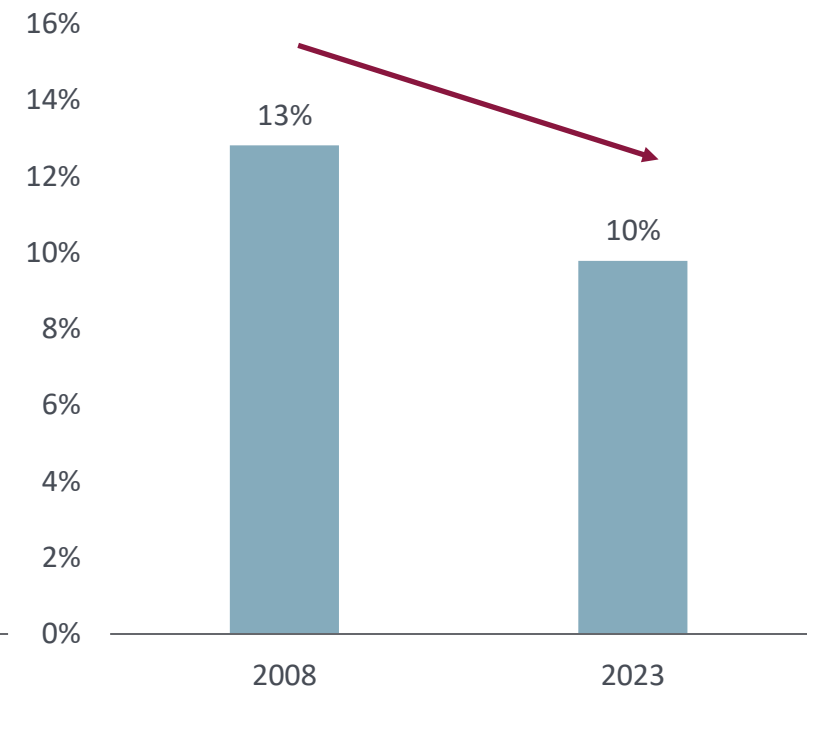


## Consumer

**Household Debt to GDP**

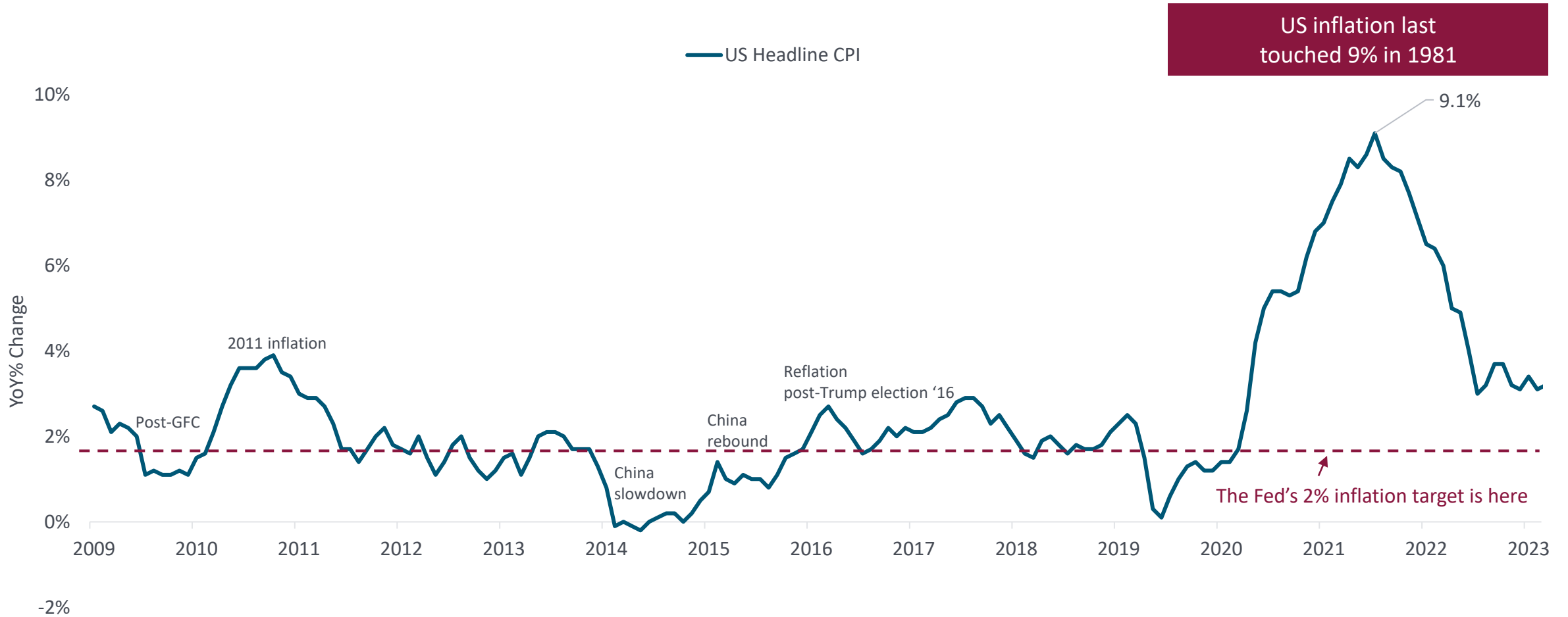


**Interest Payments as % of Income**



Source: Left chart: Bloomberg, Bureau of Economic Analysis, NBER, Goldman Sachs Global Investment Research. Monthly Data for September in the years 1973,1983,2003, and 2023(latest available). Rate Sensitive demand is the sum of Private nonresidential investment on structures, PCE on durable goods, and private. 1 Chart measures the ratio of rate sensitive GDP to rate insensitive GDP. Middle/right charts: Bloomberg, Federal Reserve. Quarterly data for September in the years 2008 and 2023(latest available). Grey bars represent NBER defined recessions. Income defined as disposable income (income minus personal taxes). Interest payments defined as household debt service payments.

# How Unusual was Pandemic-era Inflation?

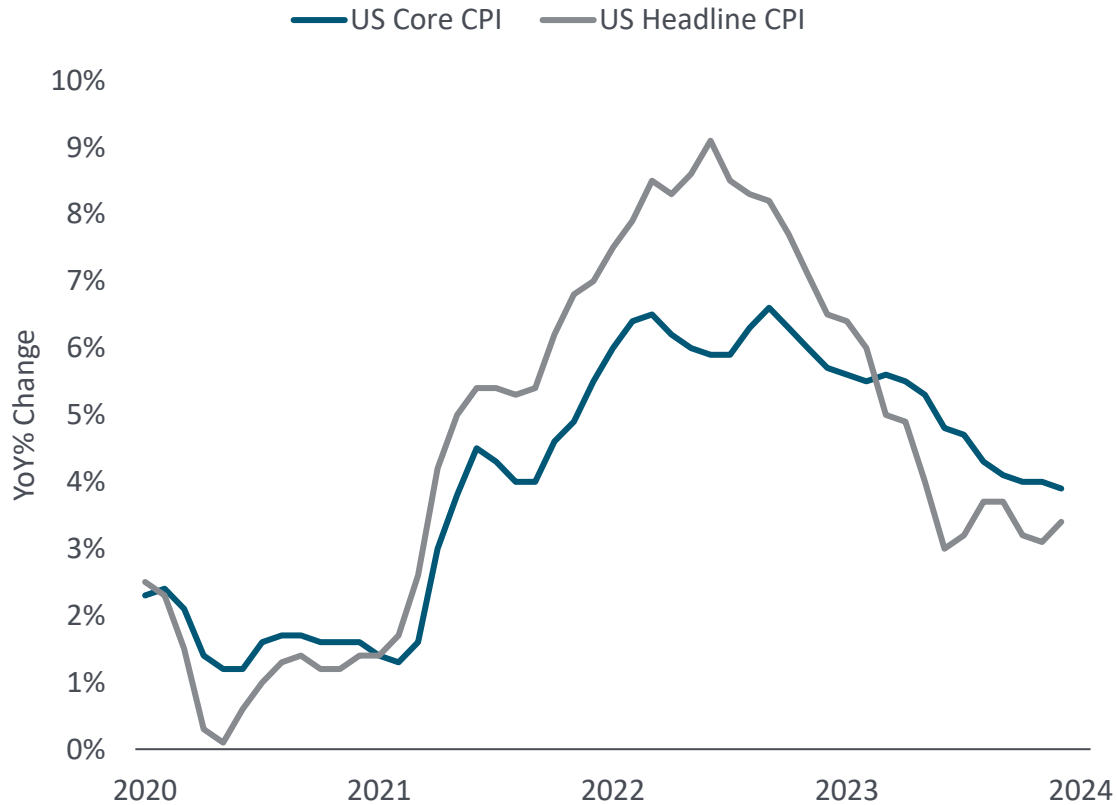


Source: Bloomberg as of 30 April 2024.

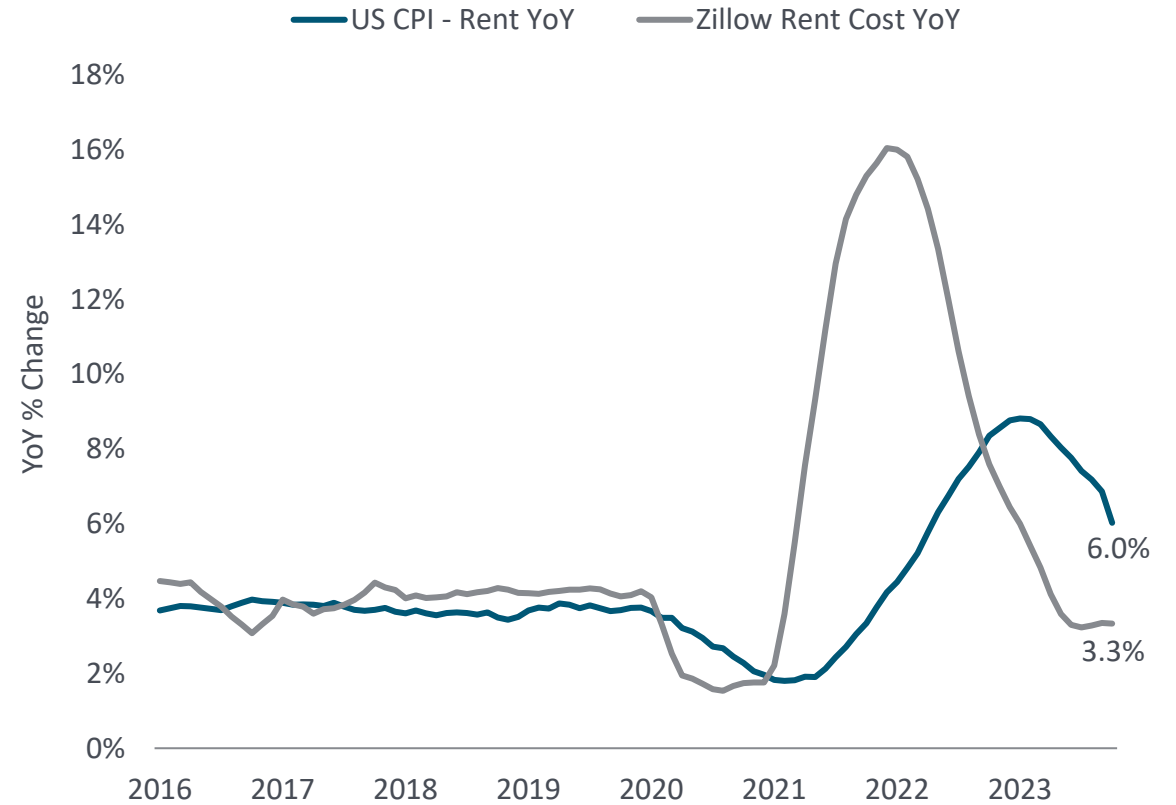
# Inflation – Housing Weakness Now Flowing Through to CPI

*Housing disinflation could help Core CPI “catch down” to Headline CPI*

**US CPI: Core Service Inflation Also Adjusting**



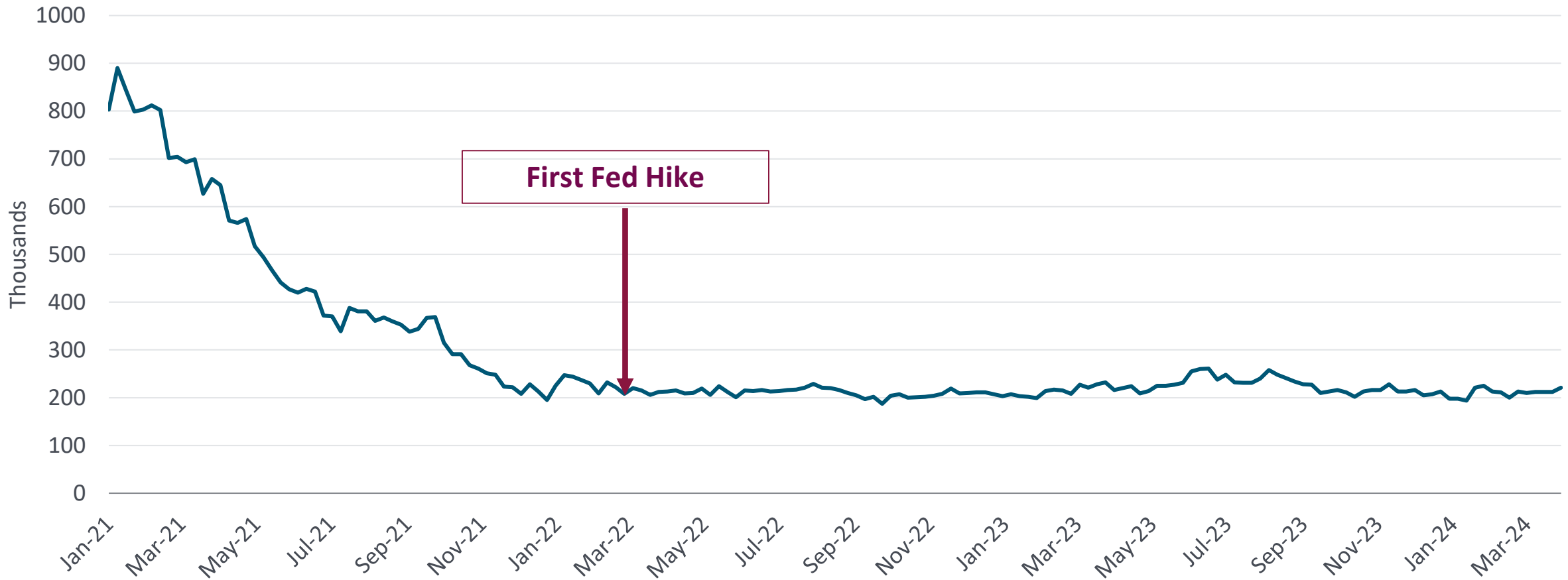
**CPI Housing Inflation Lagging Real Time Pricing**



Source: LHS: Bloomberg, Bureau of Labor Statistics. Monthly data from 31 January 2020 to 31 December 2023. RHS: Bloomberg, BLS, Zillow. Monthly data from 31 March 2016 to 31 December 2023. US Headline CPI = Consumer Price Index. US Core CPI = Consumer Price Index (excluding food and energy).

# Labor Market Weakening... But Not Through Job Losses

Initial Jobless Claims (proxy for layoffs)

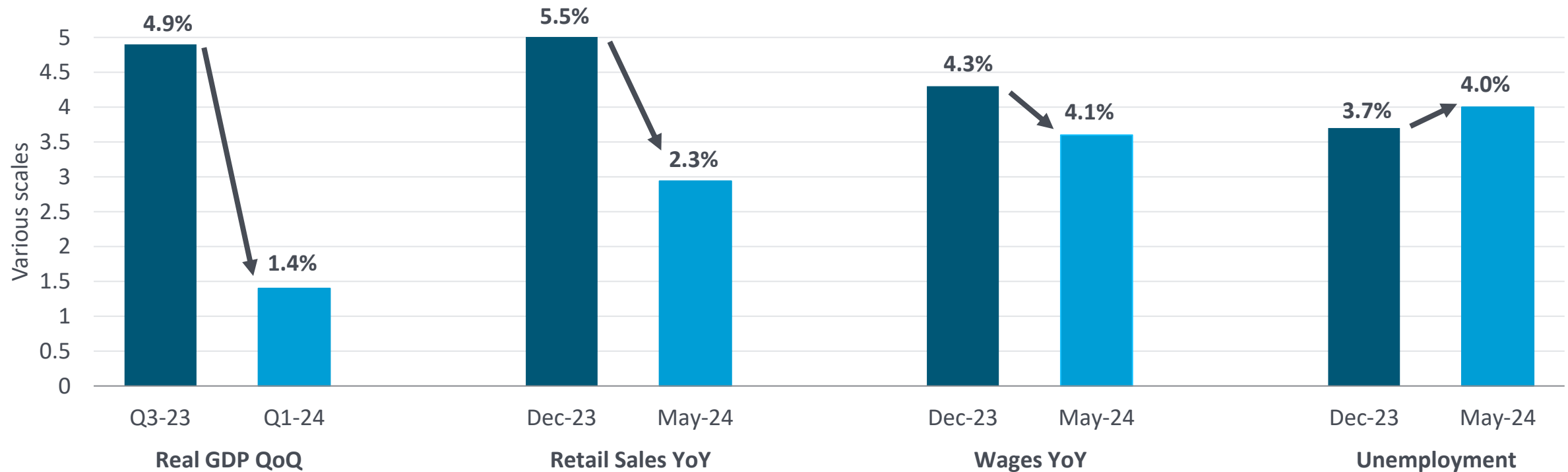


Source: Bloomberg as of 3/29/2024



# The Case for a Soft Landing is Strengthening...

*Inflation easing, growth decelerating, and labor market weakening (slowly)*

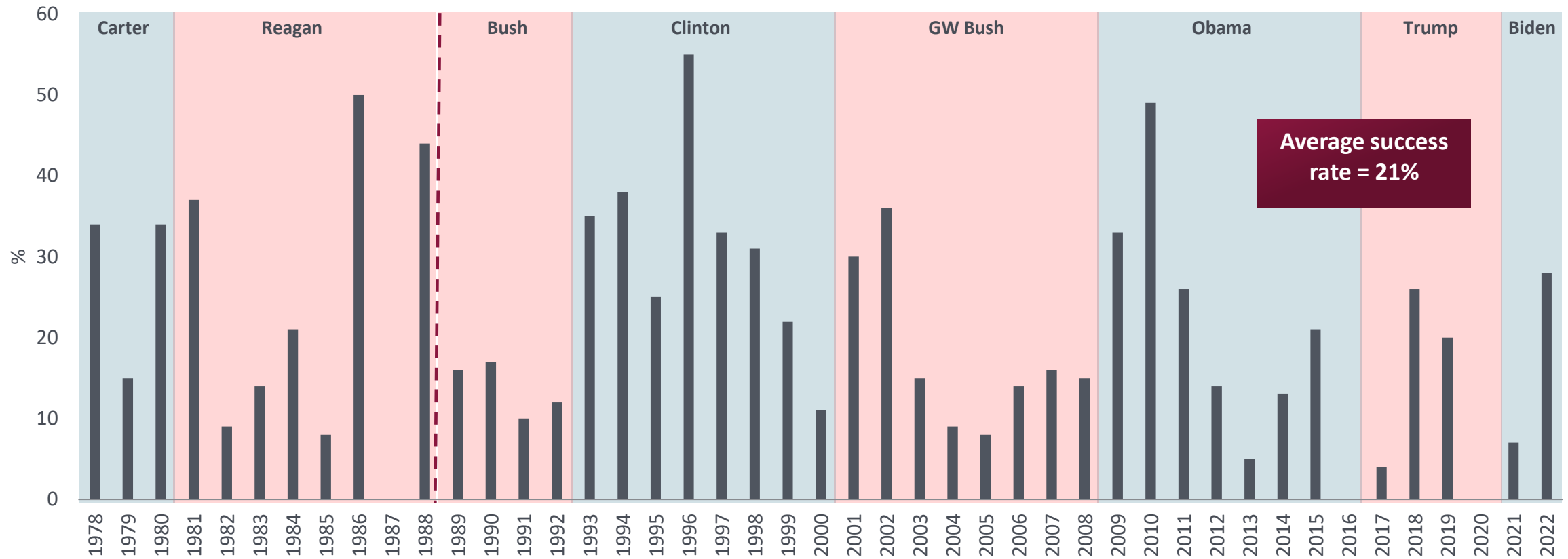


Sources: Bloomberg, Bureau of Economic Analysis, Bureau of Labor Statistics. Data as of 29 March 2024 for GDP and 31 May 2024 for the other statistics. Retail sales = adjusted retail and food services sales. Wages = average hourly earnings.

# Politics – Winning the Election Doesn’t Guarantee Anything

*While elections are important, who wins doesn’t guarantee party-line agendas*

**% of President’s State of the Union Legislative Requests that were Completely Successful**



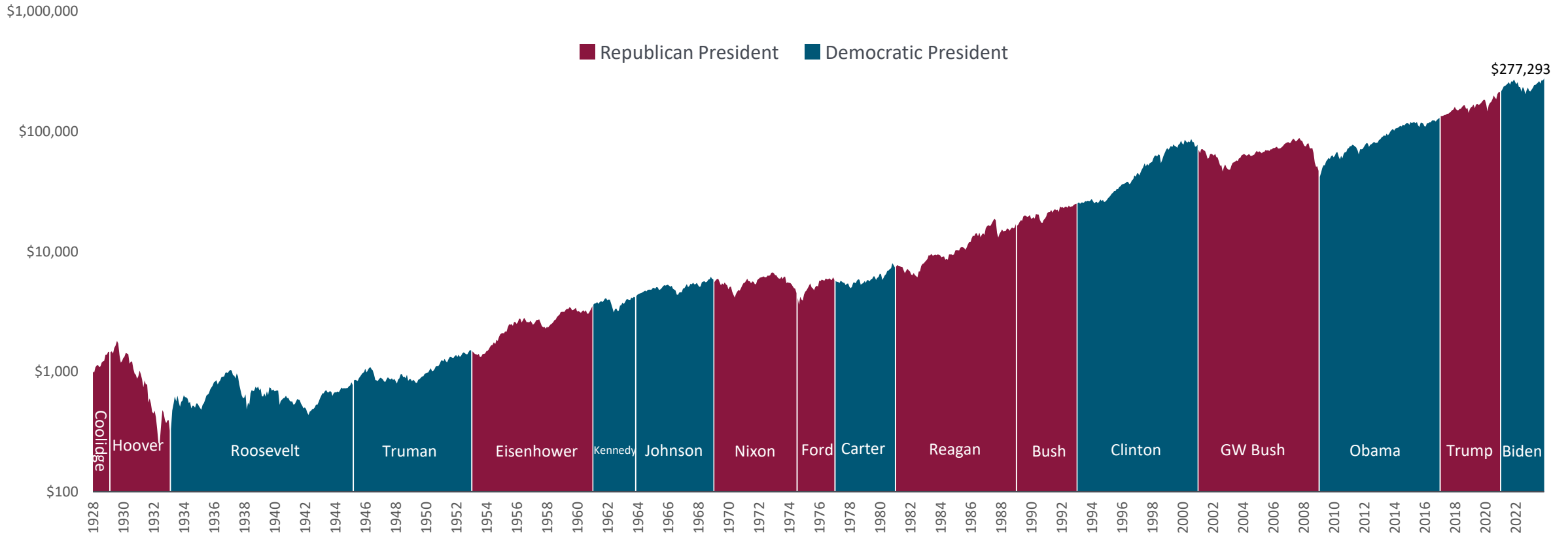
**Average success rate = 21%**

Sources: FiceThirtyEight article from 07 February 2023 with additional data from Donna Hoffman and Alison Howard (political science professors at University of Northern Iowa and Dominican University of California, respectively). Data from their published book “Addressing the State of the Union: The Evolution and Impact of the President’s Big Speech”..

# Politics – The Stock Market and Presidential Elections

*A long-term view may help keep things in perspective*

**Growth of \$1,000 investment of the S&P 500 from 1928 through 2023**



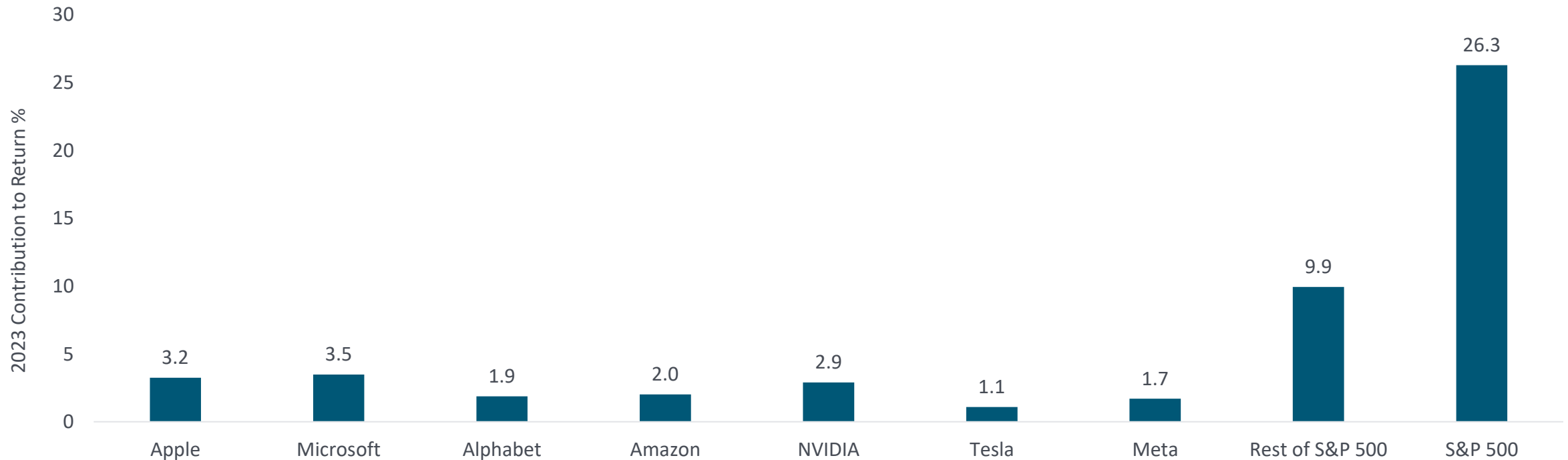
Source: SPAR, FactSet Research Systems Inc. Data from 31 January 1928 through 31 December 2023. Index charts are for illustrative purposes only and not intended to represent future performance of any MFS® product. The **S&P 500 (Price) Index** measures the broad US stock market. Index performance does not include any investment-related fees or expenses. It is not possible to invest directly in an index. This data is not intended to represent the performance of any MFS® portfolio. For more information on any MFS product, including performance, visit [mfs.com](https://mfs.com). For illustrative purposes only. **Past performance is no guarantee of future results.**

# Investing in US Equities

# US Stock Market in 2023 Driven by a Handful of Stocks

7 stocks contributing 62% of the S&P 500's performance

Contribution to S&P 500 Total Return



Source: FactSet Portfolio Analysis. Contributions to S&P 500 and NASDAQ calculated from 31 December 2022 to 29 December 2023. Returns are gross and in USD. Each security's contribution to S&P 500 is calculated using beginning weights. The information included above as well as individual companies and/or securities mentioned should not be construed as investment advice, a recommendation to buy or sell or an indication of trading intent on behalf of any MFS product. The S&P 500 Index measures the broad US stock market. It is not possible to invest in an index.

# Stock Market Concentration Ebbs and Flows

*While the market is concentrated in 7 stocks now, history shows that doesn't last*

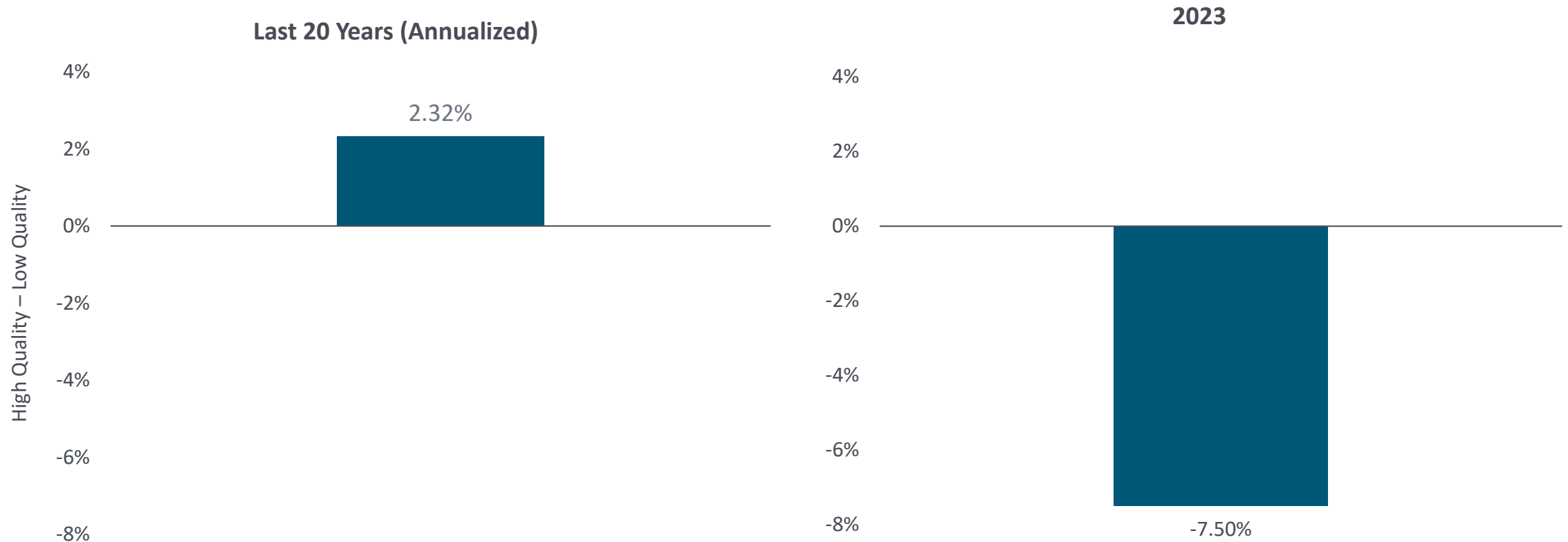
Market Cap of 10 Largest Stocks as a Percent of S&P 500 Total Market Cap



Source Factset Portfolio Analysis. Monthly data as of 31 January 1991 to 29 December 2023. Companies are rolled to the issuer level and ranked each month by their index weight and the top 7 largest are summed each month. Companies rotate monthly.

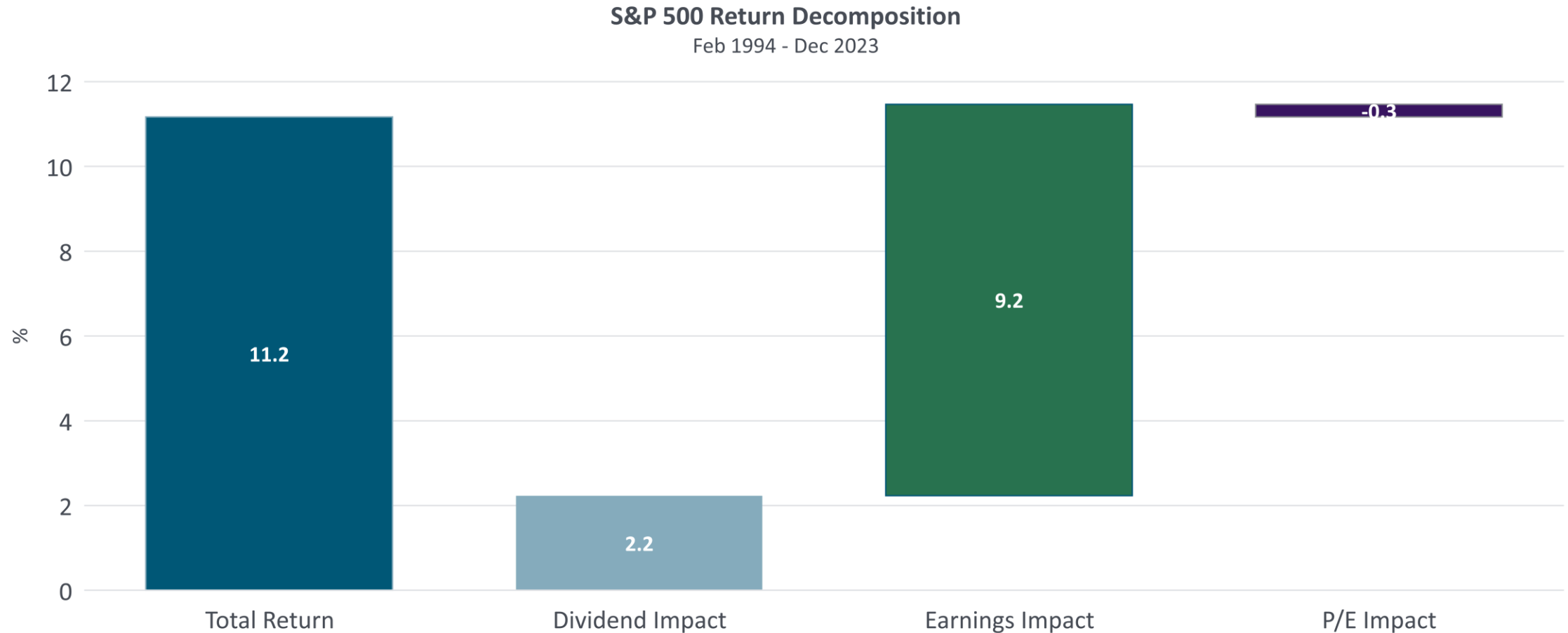
# High Quality Stocks Lag in Sharp Rallies, but Outperform Over Long Term

*Comparing the total returns of high quality vs. low quality US stocks*



Source: Style Analytics as of 31 December 2023. The universe consists of approximately 500 of the largest equity stocks in the United States, based on equal-weighting each stock at each month-end. Returns are monthly returns. The quality factor is equally weighted between Return on Equity, Net Profit Margin, Return on Invested Capital, Return on Assets, Gross Profit Margin, Gross Profits to Assets, and Operating Profit Margin. High Quality defined as Quintile 1 (Quality 80%-100%) and consists of the top quintile /~100 names by the quality composite. Low Quality defined as Quintile 5 (Quality 0-20%) and consists of the bottom quintile/~100 names.

# Earnings and Dividends Have Driven Returns Over The Long Term



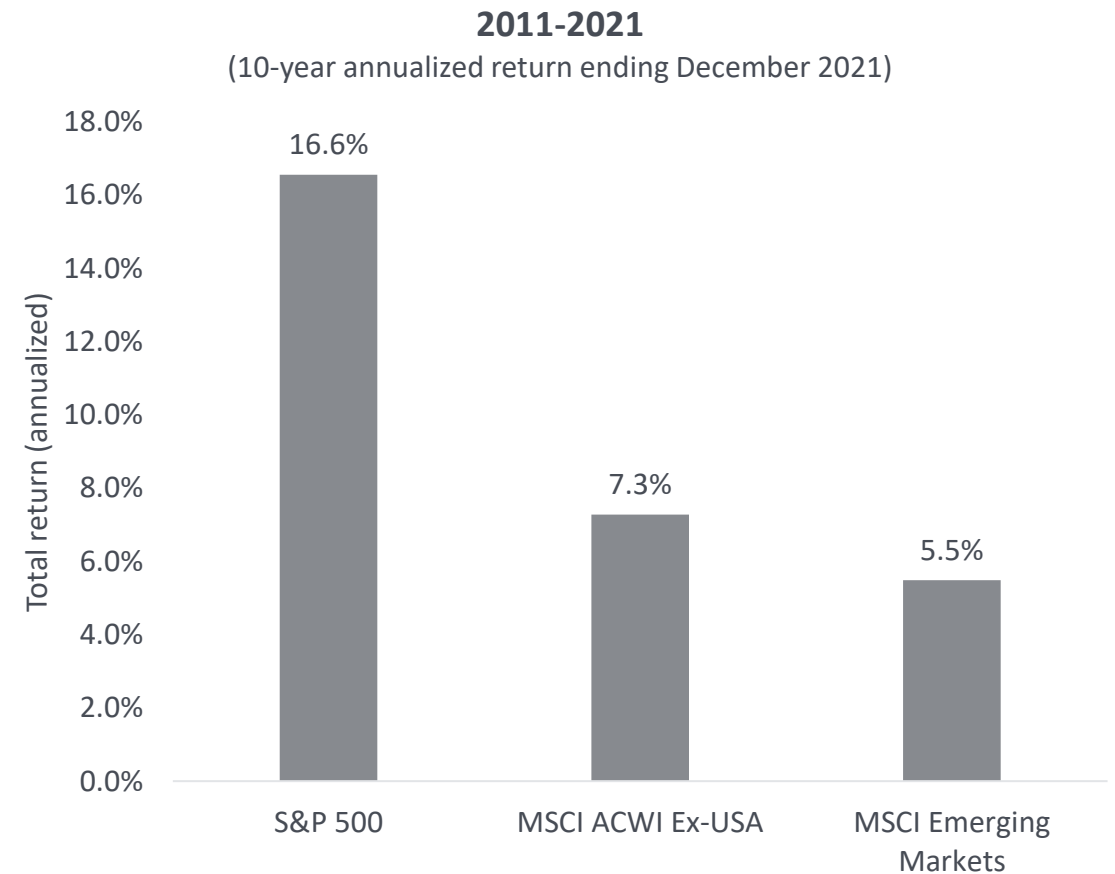
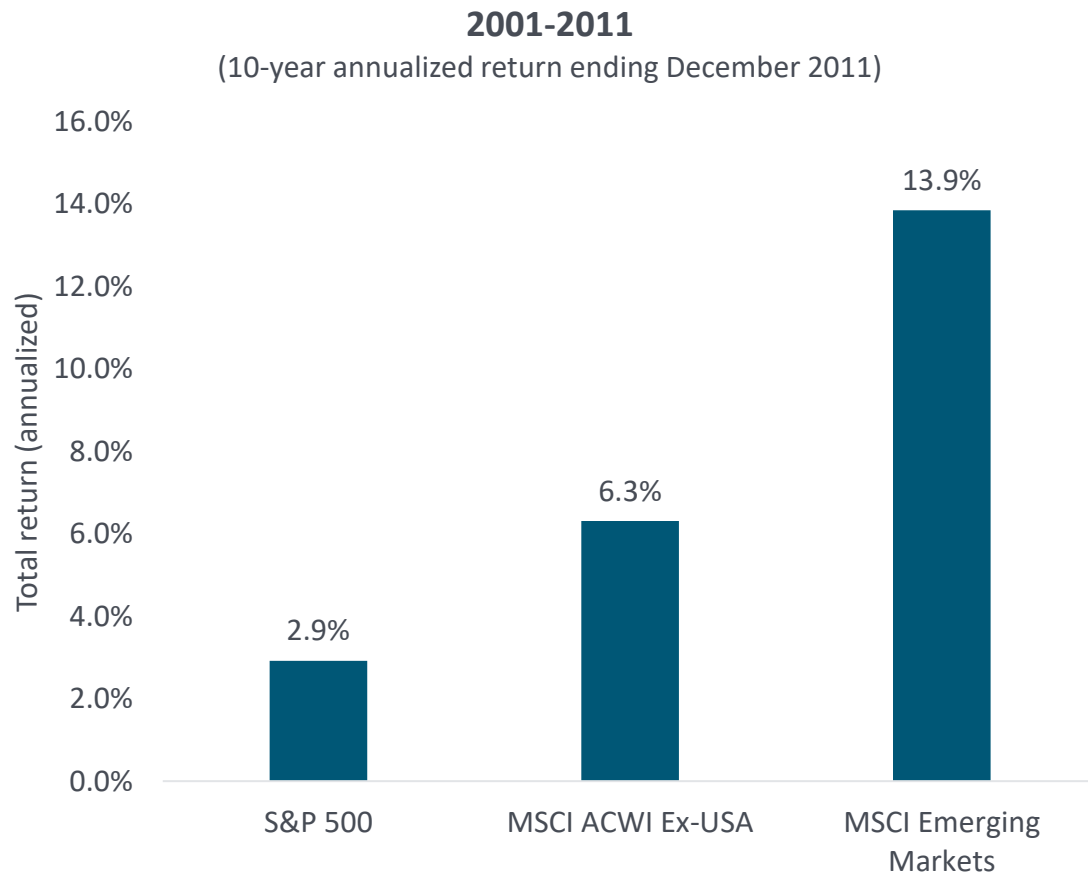
Source: FactSet. The impacts and return are calculated from 1 February 1994 to 29 December 2023 (using monthly data). Data in USD and on a last-twelve-months basis, using data reported by companies. P/E and EPS impact calculated as the natural log of the division between the current value and the value as of 31 January 1994. Dividend impact is calculated as the difference between total return impact and price return impact – total return impact and price return impact are calculated the same way as the P/E and EPS impacts. EPS = earnings per share, P/E = price to earnings. **The S&P 500 Index** measures the broad US stock market. **For illustrative purposes only. It is not possible to invest in an index.**



# Investing in International Equities

# Inferring Past Performance to Future Results Can Prove Costly

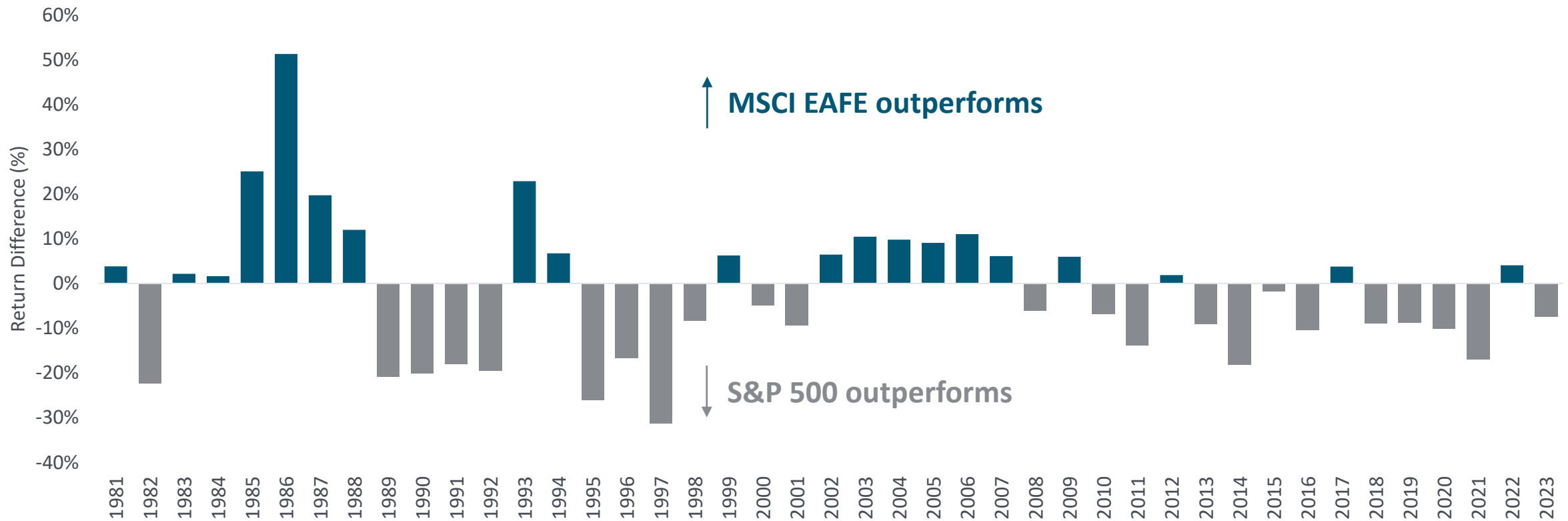
*What a difference a decade can make...*



Source: FactSet. 10-year annualized returns ending 31 December 2011 and 31 December 2021, as indicated in the charts. Total returns are net of foreign withholding taxes and in US dollars for the MSCI ACWI Ex-USA Index and MSCI Emerging Markets Index. Total return for the S&P 500 Index are gross. It is not possible to invest directly into an index. The S&P 500 Index measures the broad US stock market. MSCI ACWI ex-USA Index measures the non-US stock market. MSCI Emerging Markets Index measures large and mid-cap emerging market stocks.

# Market Leadership Has Alternated Between U.S. and International Equities

**MSCI EAFE vs. S&P 500**  
(1981-2023)



Source: FactSet. Annual data as of 31 December 1981 to 29 December 2023. Total returns (gross) are in U.S. dollars for the MSCI EAFE Index and S&P 500 Index. Data series shows the return difference between MSCI EAFE and S&P 500. Past performance is no guarantee of future results. It is not possible to invest in an index. S&P 500 Index measures the broad US stock market. MSCI EAFE index is a stock market index that is designed to measure the equity market performance of developed markets outside of the U.S. & Canada. Diversification does not guarantee a profit or protect against a loss.

# Which One is More “expensive”?

While overall price is what you pay, the price per ounce for a product or price per earnings for a stock is how you differentiate which is better value

## Yogurt Price per ounce

A.



B.



6 OZ LOWFAT YOGURT	
Unit Price	You Pay
\$0.12	\$0.72
Per oz	

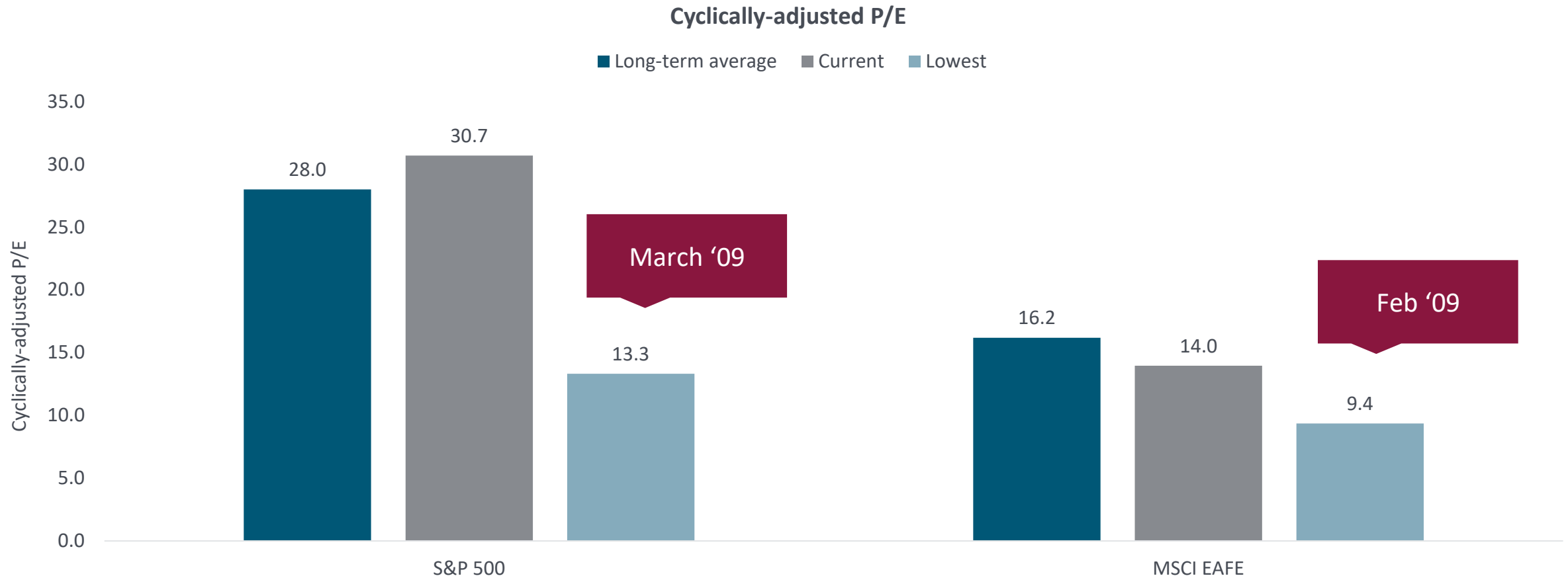
32 OZ LOWFAT YOGURT	
Unit Price	You Pay
\$0.05	\$1.62
Per oz	

## Stock Price per earnings (P/E)

	Company A	Company B
Price of their stock share	\$200	\$300
Earnings per share (EPS)	\$10	\$20
Price/earnings	20x	15x
<b>Which is actually a better value?</b>		✓

Source: MFS Research. These hypothetical examples are for illustrative purposes only. The data is not intended to represent the performance of any MFS product. The price-earnings ratio, also known as P/E ratio, P/E, or PER, is the ratio of a company's share price to the company's earnings per share. The ratio is used for valuing companies and to find out whether they are overvalued or undervalued.

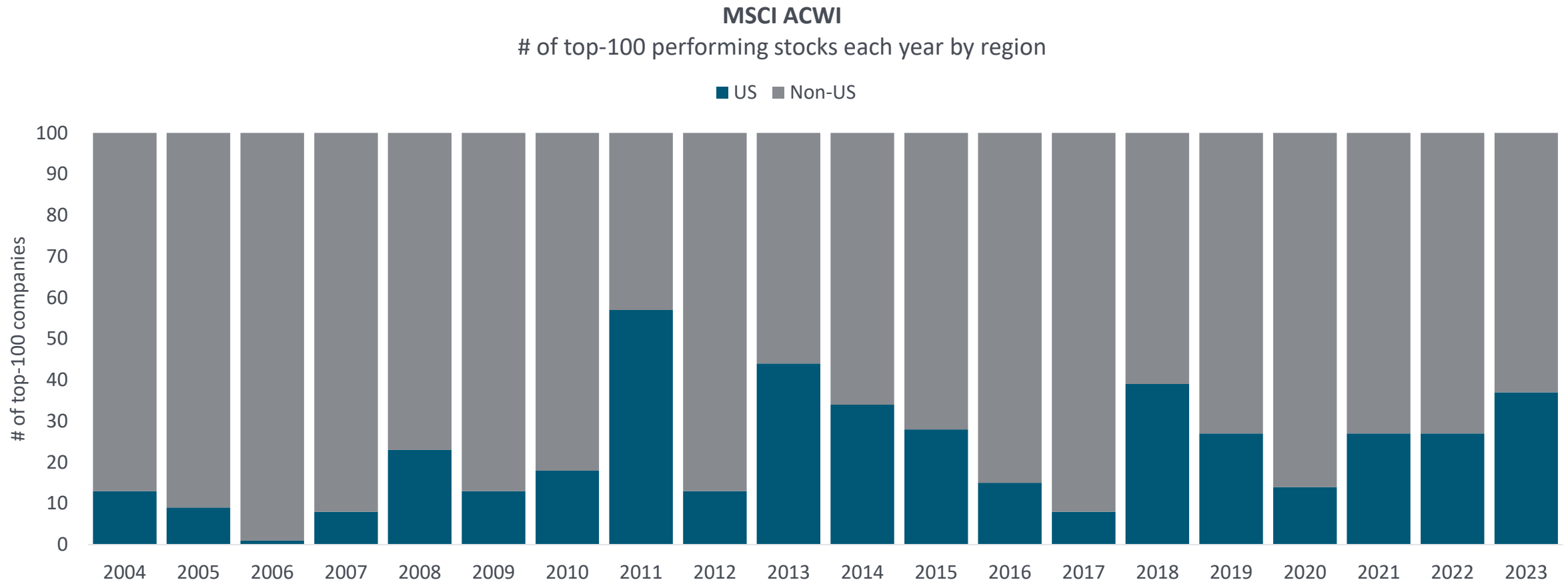
# Non-US Markets Have Value



Source: Strategas Research. Monthly data for the S&P 500 Index and MSCI EAFE Index is from 31 December 1997 through 29 December 2023. Cyclically-Adjusted P/E is calculated as the current price divided by the average earnings over the trailing 10-year period. Long-term average for both indices is for the entire measured timeframe. S&P 500 Index measures the broad US stock market. MSCI EAFE index is a stock market index that is designed to measure the equity market performance of developed markets outside of the U.S. & Canada. It is not possible to invest directly into an index.

# Top 100 Performing Companies Globally

*Most of the top 100 performing companies have historically been non-US companies*

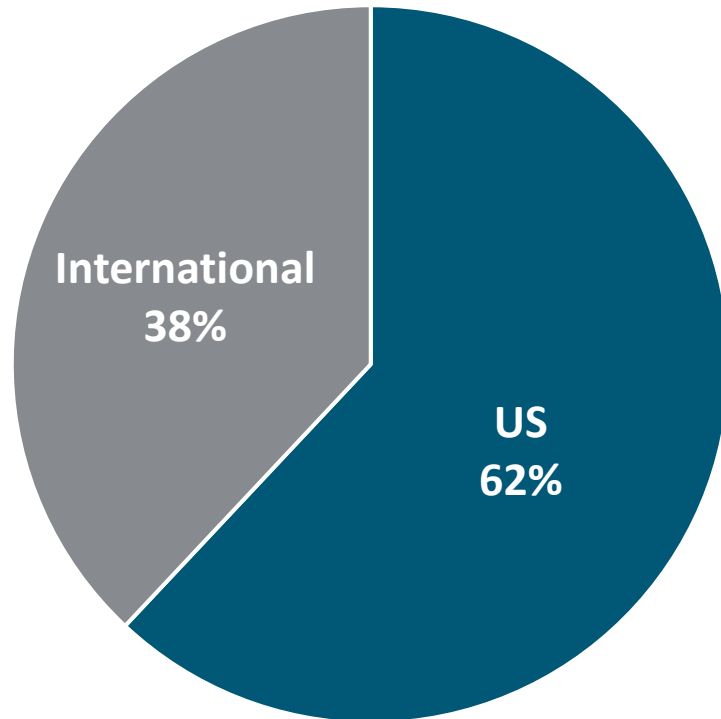


Source: FactSet, Portfolio Analysis. Annual data as of 31 December 2003 to 29 December 2023. MSCI All-Country World Index (Index). Total returns (gross) are in US dollars. MSCI World Index measures large and mid-cap developed market stocks. It is not possible to invest directly into an index.

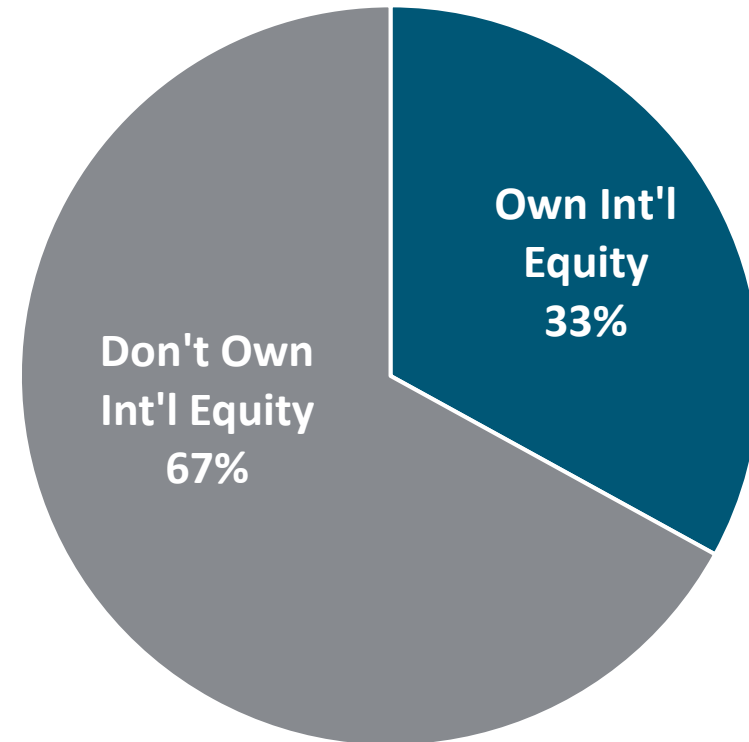
# What's wrong with this picture?

*US Investors are significantly underweight international stocks*

## World Equity Market



## US Households



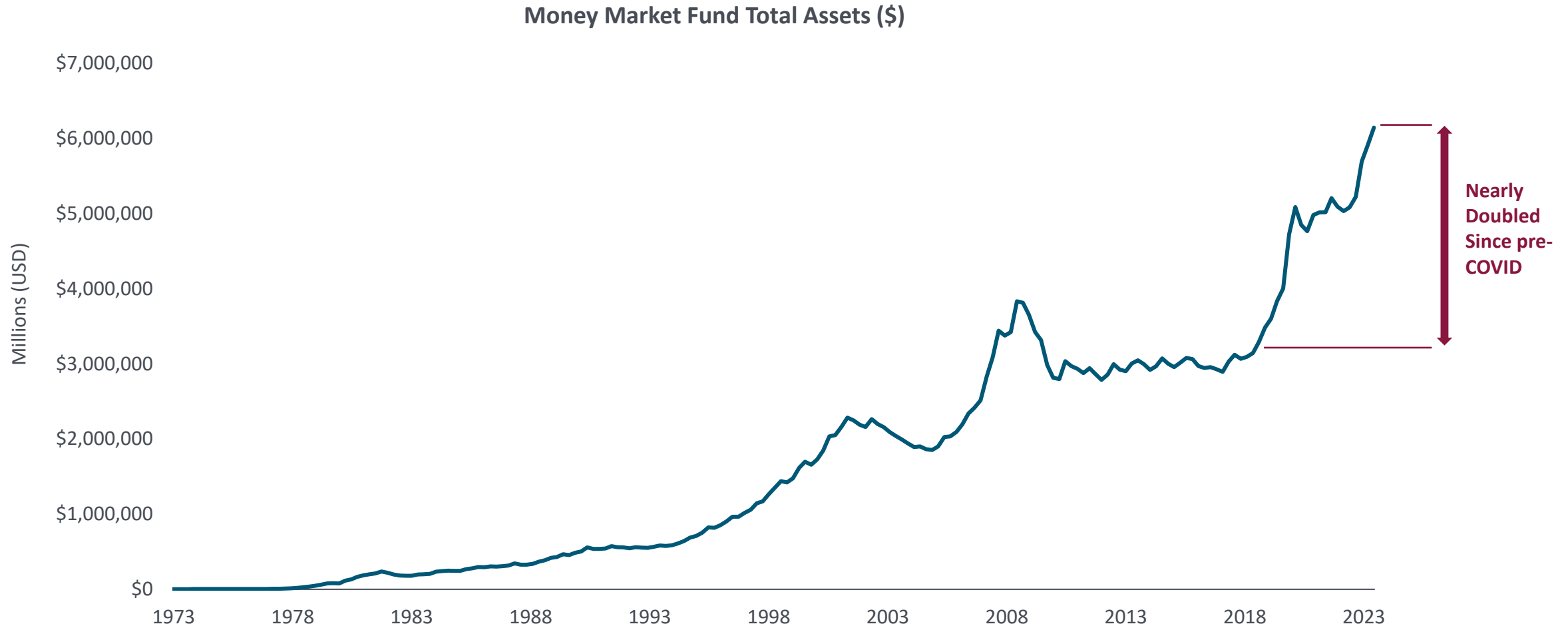
Source: (Left) Factset showing MSCI ACWI Index. (Right) ICI "Characteristics of Mutual Fund Investors, 2022".

# Investing in Bonds



# Investors Flight to Lower Risk, Push “Cash” to Record Levels

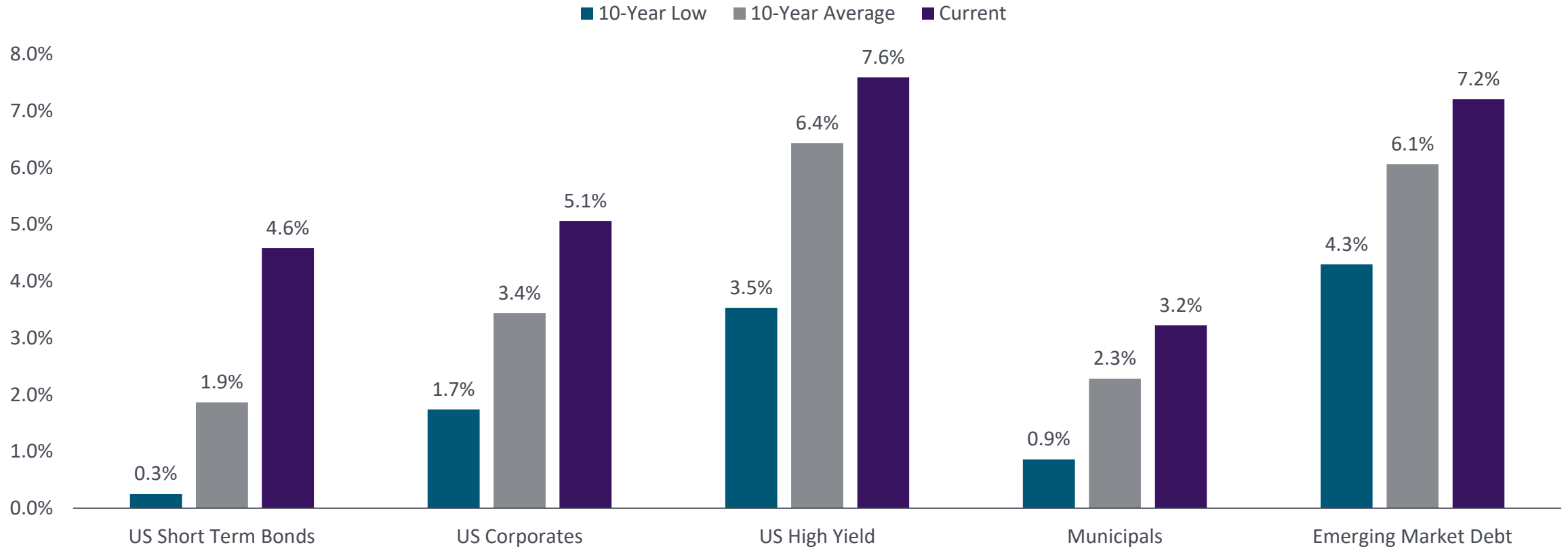
*Money market fund and CD assets are at record levels*



Source: St. Louis Federal Reserve. Quarterly data from 31 December 1973 to 1 July 2023 (latest available).

# Yields Today Are Attractive

Current Yields Are Well Off the 10-year Lows



Source: Factset. Current defined as of 12/31/2023. **Bloomberg US Aggregate Index** measures the US bond market. **Bloomberg US Corporate Bond Index** measures the investment grade, fixed-rate, taxable corporate bond market. **Bloomberg US High Yield Index** tracks the performance of the US high yield corporate bond market. **Bloomberg Municipal Bond Index** measures the average yield of 40 highly traded GO and revenue bonds with an average maturity or 20 years, all with a rating of A or better. **JPMorgan EMBI Global Diversified (Hedged)** provides a broad-based measure of the emerging markets fixed income markets. It is not possible to invest directly into an index.

# Yield to Worst is the Worst!!!

*Yield to worst is an annualized yield measure, but for the average life of the investment*

Portfolio	Maturity	Coupon	Price
Bond A	5 years	6%	90
Bond B	5 years	4%	85

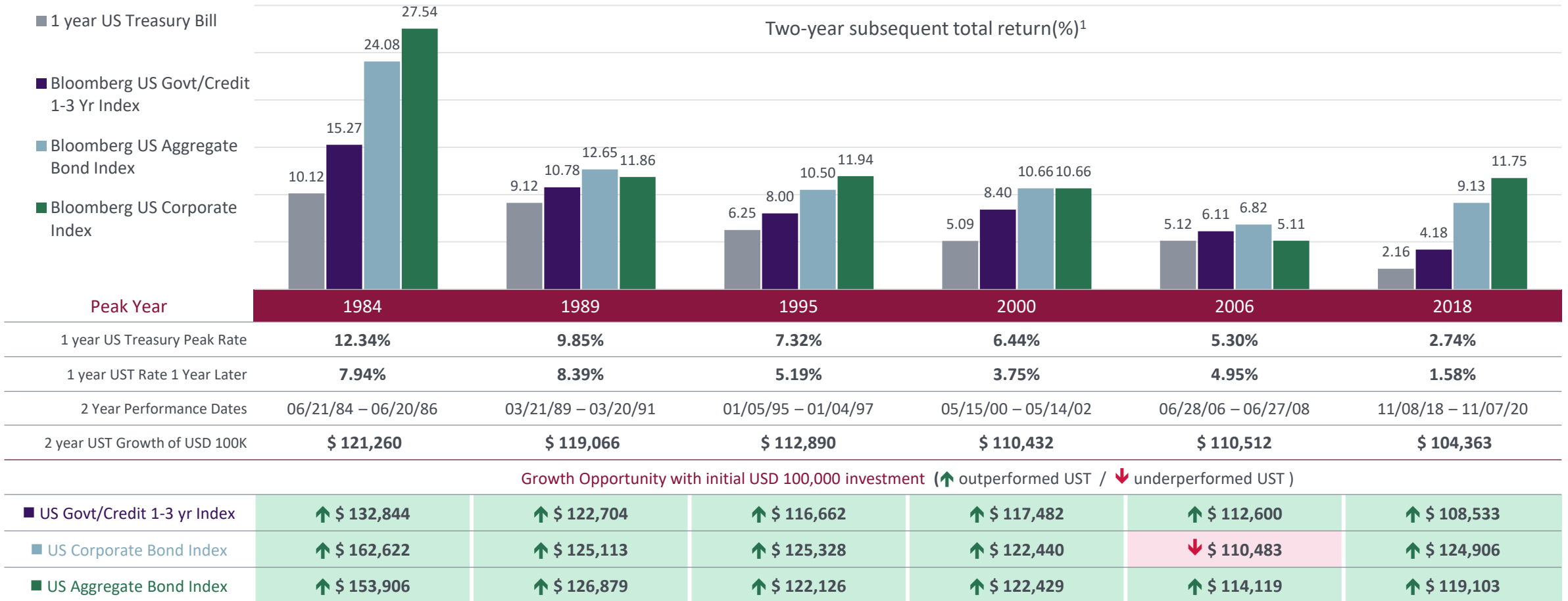
Portfolio	Coupon Return (ann.)	Price Return (ann.)	Total Return (ann.)
Bond A	6%	2%	8%
Bond B	4%	3%	7%

	Yield To Worst	Time period
Portfolio	7.5%	5 years

Hypothetical bond portfolio of 2 equal weighted bonds. Yield to worst measures the worst possible outcome for an investor would experience if they held the bonds to maturity, bought them at the price shown and the bonds did not default. This does not consider any expenses involved in managing the bond portfolio.

# Are you Giving up an Opportunity Sitting in Treasuries?

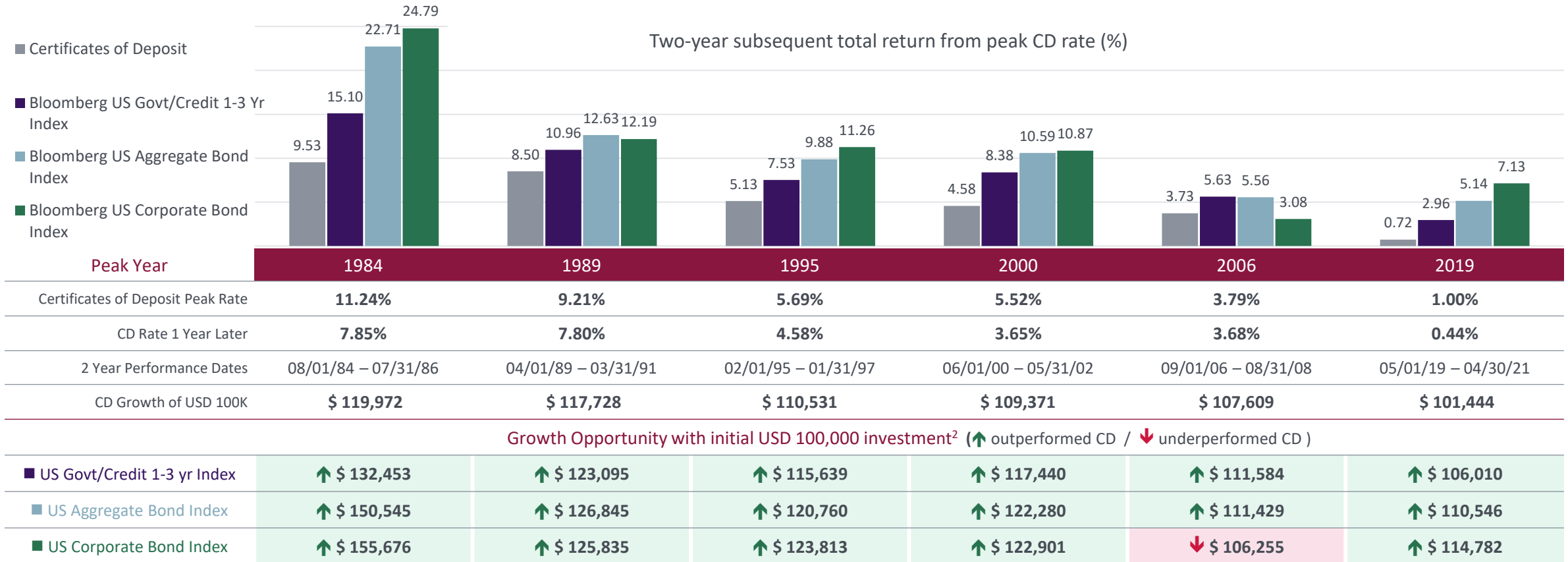
US Treasury rates look attractive, but is it time to start thinking about adding duration and/or credit exposure?



While certain bonds may offer higher current income, they are also associated with greater-than-average risk and the principal value and return will fluctuate with market conditions compared to Treasuries. Source: Morningstar Direct. 1 For 2 year UST return, money was invested at the peak 1 year UST rate and then the principal and interest was reinvested at the 1 year UST rate one year later. Green boxes in table depict time periods where the index outperformed the UST total return. ©2024 Morningstar, Inc. All Rights Reserved. The Morningstar information contained herein; (1) is proprietary to Morningstar; (2) may not be copied; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. **Past performance is no guarantee of future results.** Index Definitions: **Short-term Bonds:** Bloomberg 1-3 Year US Government/Credit Bond Index - measures the performance of the short-term (1 to 3 years) investment-grade corporate and US government bond markets. **Corporate Bonds:** Bloomberg US Corporate Bond Index - measures the investment grade, fixed-rate, taxable corporate bond market. **Intermediate-Term Bonds:** Bloomberg US Aggregate Bond Index - measures the performance of the US investment grade, fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities with at least one year to final maturity. It is not possible to invest directly into an index. Past performance is no guarantee of future results.

# Are you Giving up an Opportunity Sitting in CDs?

Certificates of Deposit (“CD”) rates look attractive, but is it time to start thinking about adding duration and/or credit exposure?



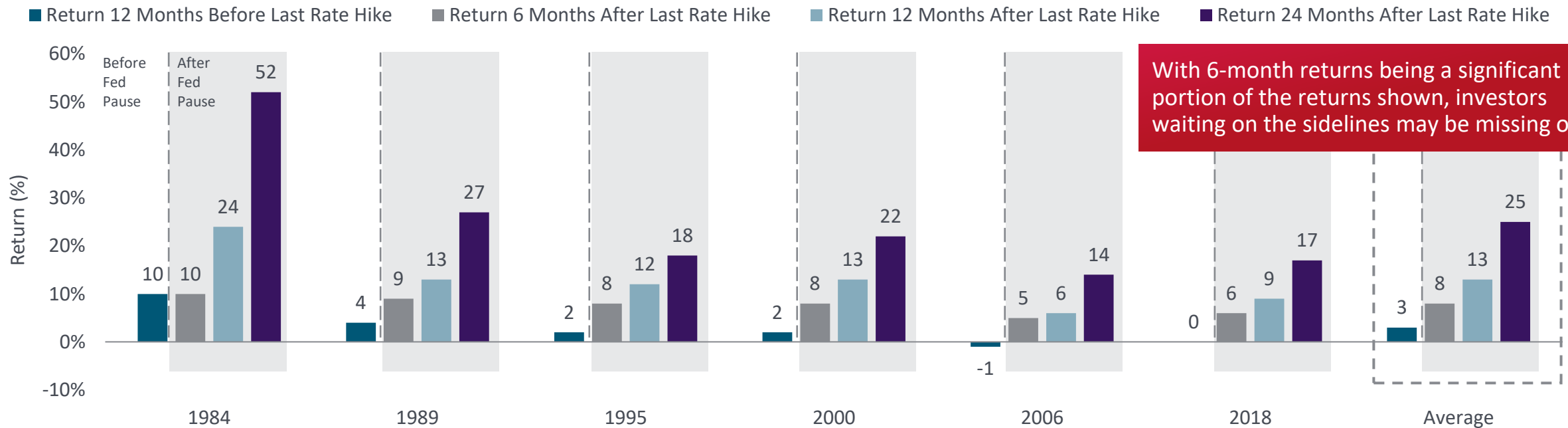
Source: CD rates from Bankrate.com. CD rate dates are month that 1-year national average CD rates peaked. For CD return, money was invested at the peak 1 year CD rate for that time period. All other data from Morningstar Direct.  
<sup>2</sup>Growth Opportunity represents the Morningstar category average total returns, reinvesting all income and capital-gains distributions. Green boxes in table depict time periods where the category outperformed the CD total return and red boxes depict underperformance. ©2024 Morningstar, Inc. All Rights Reserved. The Morningstar information contained herein; (1) is proprietary to Morningstar; (2) may not be copied; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. CDs are FDIC insured and have principal and interest guarantees but offer no opportunity for growth of capital or income. The principal value and return of an investment in mutual funds will fluctuate with changes in market conditions. Bonds generally offer higher income than either CDs or money market funds. Index Definitions: **Short-term Bonds:** Bloomberg 1-3 Year U.S. Government/Credit Bond Index - measures the performance of the short-term (1 to 3 years) investment-grade corporate and U.S. government bond markets. **Municipal Bonds:** Bloomberg Municipal Bond Index - measures the performance of the tax-exempt bond market. **Intermediate Term Bonds:** Bloomberg U.S. Aggregate Bond Index - measures the performance of the U.S. investment grade, fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities with at least one year to final maturity. **Corporate Bonds:** Bloomberg US Corporate Bond Index - measures the investment grade, fixed-rate, taxable corporate bond market. It is not possible to invest directly into an index. CDs are FDIC insured and have principal and interest guarantees but offer no opportunity for growth of capital or income. The principal value and return of an investment will fluctuate with changes in market conditions. Bonds generally offer higher income than CDs but are associated with greater than average risk. Past performance is no guarantee of future results.

# Returns Following Fed Hikes

As history has shown, the end of Fed hiking cycles bring the potential for significant returns for fixed income investors with money in the market

## Historically, Fixed Income has Generated Strong Returns After the Fed Pauses

Bloomberg US Aggregate Index cumulative returns for 12 months following end the Fed pause (1984-2023)<sup>1</sup>



With 6-month returns being a significant portion of the returns shown, investors waiting on the sidelines may be missing out.

Average annual total returns % as of 12/31/23	10 YEAR	5 YEAR	3 YEAR	1 YEAR
<b>Bloomberg U.S. Aggregate Bond Index</b>	1.81	1.10	-3.31	5.53

<sup>1</sup> Source: FactSet. Cumulative returns are calculated on the month end after the Fed pause. Dates are 8/31/84, 2/28/89, 2/28/95, 5/31/00, 6/30/06 and 12/31/18. Fixed Income Returns are represented by the Bloomberg US Aggregate Bond Index which measures the US bond market. It is not possible to invest directly into an index. Past performance is no guarantee of future results.

# Summary

# MFS®: Navigating Markets and Finding Opportunities for 100 Years

An active investment approach focused on the long-term horizon







# When All is Said & Done, Diversification Has Paid Off (2014–2023)

You can't predict the winners and losers. Diversification, however, can potentially add value and help manage risk.

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2014-2023 AVERAGE	2004-2023 AVERAGE
REITs \$127,147 27.1%	Large Cap Growth \$119,457 5.7%	Small/Mid Cap \$122,250 17.6%	Large Cap Growth \$166,555 30.2%	Cash \$103,062 1.9%	Large Cap Growth \$223,725 36.4%	Large Cap Growth \$309,843 38.5%	REITs \$251,166 39.9%	Commodities \$97,118 16.1%	Large Cap Growth \$399,723 42.7%	Large Cap Growth \$399,723 14.9%	Large Cap Growth \$849,217 11.3%
Large Cap Value \$113,452 13.5%	REITs \$130,059 2.3%	Large Cap Value \$128,030 17.3%	International \$119,117 25.0%	Bonds \$113,256 0.0%	REITs \$190,739 28.1%	Small/Mid Cap \$197,031 20.0%	Large Cap Growth \$395,349 27.6%	Cash \$107,636 1.5%	International \$152,035 18.2%	Large Cap Value \$223,991 8.4%	Small/Mid Cap \$568,801 9.1%
Large Cap Growth \$113,050 13.0%	Bonds \$106,548 0.5%	Commodities \$69,886 11.8%	Small/Mid Cap \$142,801 16.8%	Global Bonds \$105,518 -1.2%	Small/ Mid Cap \$164,202 27.8%	Diversified \$156,768 10.6%	Commodities \$83,655 27.1%	Large Cap Value \$200,956 -7.5%	Small/Mid Cap \$223,200 17.4%	Small/Mid Cap \$223,200 8.4%	Large Cap Value \$465,296 8.0%
Small/Mid Cap \$107,070 7.1%	Cash \$100,062 0.0%	REITs \$142,132 9.3%	Large Cap Value \$145,525 13.7%	Large Cap Growth \$164,034 -1.5%	Large Cap Value \$168,925 26.5%	Global Bonds \$123,102 9.2%	Large Cap Value \$217,338 25.2%	Bonds \$113,374 -13.0%	Diversified \$179,441 12.8%	REITs \$209,713 117.7%	REITs \$443,125 7.7%
Bonds \$105,966 6.0%	International \$94,324 -0.8%	Diversified \$110,693 8.7%	Diversified \$125,311 13.2%	REITs \$148,935 -4.1%	International \$125,297 22.0%	International \$135,090 7.8%	Small/ Mid Cap \$232,856 18.2%	Diversified \$159,061 -13.6%	REITs \$209,713 11.5%	Diversified \$179,441 6.0%	Diversified \$351,298 6.5%
Diversified \$105,323 5.3%	Small/Mid Cap \$103,963 -2.9%	Large Cap Growth \$127,910 7.1%	REITs \$153,303 9.3%	Diversified \$117,818 -6.0%	Diversified \$141,772 20.3%	Bonds \$132,371 7.5%	Diversified \$184,129 17.5%	International \$128,584 -14.5%	Large Cap Value \$223,991 11.5%	International \$152,035 4.3%	International \$296,608 5.6%
Global Bonds \$100,586 0.6%	Global Bonds \$97,414 -3.2%	Bonds \$109,369 2.6%	Global Bonds \$106,799 7.4%	Large Cap Value \$133,494 -8.3%	Bonds \$123,128 8.7%	Large Cap Value \$173,648 2.8%	International \$150,306 11.3%	Global Bonds \$98,247 -16.2%	Global Bonds \$103,862 5.7%	Bonds \$119,642 1.8%	Bonds \$186,630 3.2%
Cash \$100,033 0.0%	Diversified \$101,818 -3.3%	Global Bonds \$99,446 2.1%	Bonds \$113,243 3.5%	Small/Mid Cap \$128,518 -10.0%	Commodities \$67,936 7.7%	Cash \$105,995 0.6%	Cash \$106,044 0.0%	Small/Mid Cap \$190,082 -18.4%	Bonds \$119,642 5.5%	Cash \$113,296 1.3%	Global Bonds \$160,659 2.4%
International \$95,098 -4.9%	Large Cap Value \$109,110 -3.8%	International \$95,267 1.0%	Commodities \$71,077 1.7%	Commodities 63,084 -11.2%	Global Bonds \$112,735 6.8%	Commodities \$65,814 -3.1%	Bonds \$130,330 -1.5%	REITs \$188,112 -25.1%	Cash \$113,296 5.3%	Global Bonds \$103,862 0.4%	Cash \$113,606 1.4%
Commodities \$82,992 -17.0%	Commodities \$68,528 -24.7%	Cash \$100,333 0.3%	Cash \$101,177 0.8%	International \$102,690 -13.8%	Cash \$105,383 2.3%	REITs \$179,561 -5.9%	Global Bonds \$117,308 -4.7%	Large Cap Growth \$280,157 -29.1%	Commodities \$89,443 -7.9%	Commodities \$89,443 -1.1%	Commodities \$97,496 -0.1%

ANNUAL RETURN  
Best  
Worst

About the chart (chart key and risks on next slide): The historical performance of each index cited is provided to illustrate market trends; it does not represent the performance of a particular investment product. Index performance does not reflect the deduction of any investment-related fees and expenses. It is not possible to invest directly in an index. The investments you choose should correspond to your financial needs, goals, and risk tolerance. For assistance in determining your financial situation, consult an investment professional. For more information on any MFS product, including performance, please visit [mfs.com](https://www.mfs.com).

**Past performance is no guarantee of future results.**

The Diversified Portfolio: Equal allocations among the market segments are represented by the various market indices defined herein (excludes cash).

Note that the portfolio's assets were rebalanced at the end of every quarter to maintain equal allocations throughout the period. **Diversification does not guarantee a profit or protect against a loss.**

# Chart Key

-  Cash<sup>1</sup>
-  Bonds<sup>2</sup>
-  Global bonds<sup>3</sup>
-  Diversified portfolio
-  Large-cap value stocks<sup>4</sup>
-  Commodities<sup>5</sup>
-  International stocks<sup>6</sup>
-  Large-cap growth stocks<sup>7</sup>
-  Small-/Mid-cap stocks<sup>8</sup>
-  REITs<sup>9</sup>

International: Investing in foreign and/or emerging market securities involves interest rate, currency exchange rate, economic, and political risks. These risks are magnified in emerging or developing markets as compared with domestic markets. Small/Mid Cap stocks: Investing in small and/or mid-sized companies involves more risk than that customarily associated with investing in more-established companies. Bonds: Bonds, if held to maturity, provide a fixed rate of return and a fixed principal value. Bond funds will fluctuate and, when redeemed, may be worth more or less than their original cost.

- <sup>1</sup> The **FTSE 3-Month Treasury Bill Index** is derived from secondary market US Treasury bill rates published by the US Federal Reserve.
- <sup>2</sup> The **Bloomberg Barclays U.S. Aggregate Bond Index** measures the US bond market.
- <sup>3</sup> The **Bloomberg Barclays Global Aggregate Bond Index** provides a broad-based measure of the global investment-grade fixed income markets.
- <sup>4</sup> The **Russell 1000<sup>®</sup> Value Index** measures large-cap US value stocks.

- <sup>5</sup> The **Bloomberg Commodity Index** is composed of futures contracts on physical commodities.
- <sup>6</sup> The **MSCI EAFE Index** measures the non-US stock market.
- <sup>7</sup> The **Russell 1000<sup>®</sup> Growth Index** measures large-cap US growth stocks.
- <sup>8</sup> The **Russell 2500<sup>™</sup> Index** measures small- and mid-cap US stocks.
- <sup>9</sup> The **FTSE NAREIT All REITs Total Return Index** tracks the performance of commercial real estate across the US economy.

Commodity: Commodity-related investments can be more volatile than investments in equity securities or debt instruments and can be affected by changes in overall market movements, commodity index volatility, changes in interest rates, currency fluctuations, or factors affecting a particular industry or commodity, and demand/supply imbalances in the market for the commodity. Events that affect the financial services sector may have a significant adverse effect on the portfolio. Real Estate: Real estate-related investments can be volatile because of general, regional, and local economic conditions, fluctuations in interest rates and property tax rates; shifts in zoning laws, environmental regulation and other governmental actions; increased operation expenses; lack of availability of mortgage funds; losses due to natural disasters; changes in property values and rental rates; overbuilding; losses due to casualty or condemnation, cash flows; the management skill and creditworthiness of the REIT manager, and other factors.

# Your Investment Portfolio

*A playbook for building toward your financial goals*



**Set a playbook in advance**

**Combine both offense and defense**

**Different markets mean different plays**

**Short-term noise shouldn't impact long-term strategy**

# The Value of Advice

*Professional guidance can be a powerful tool*



## The financial professional can

- Help you define and develop long term goals and objectives
- Help you determine your overall comfort level with risk
- Allocate, diversify and rebalance your assets accordingly
- Create the best possible financial strategy for pursuing your long-term financial goals

FTSE International Limited ("FTSE") © FTSE 2024. "FTSE®" is a trade mark of the London Stock Exchange Group companies and is used by FTSE International Limited under license. All rights in the FTSE indices and/or FTSE ratings vest in FTSE and/or its licensors. Neither FTSE nor its licensors accept any liability for any errors or omissions in the FTSE indices and/or FTSE ratings or underlying data and no party may rely on any FTSE indices, ratings and/or data underlying data contained in this communication. No further distribution of FTSE Data is permitted without FTSE's express written consent. FTSE does not promote, sponsor or endorse of this communication.

Bloomberg Index Services Limited. BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively "Bloomberg"). BARCLAYS® is a trademark and service mark of Barclays Bank Plc (collectively with its affiliates, "Barclays"), used under license. Bloomberg or Bloomberg's licensors, including Barclays, own all proprietary rights in the Bloomberg Barclays Indices. Neither Bloomberg nor Barclays approves or endorses this material, or guarantees the accuracy or completeness of any information herein, or makes any warranty, express or implied, as to the results to be obtained therefrom and, to the maximum extent allowed by law, neither shall have any liability or responsibility for injury or damages arising in connection therewith.

MSCI. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indices or any securities or financial products. This report is not approved, reviewed or produced by MSCI.

Frank Russell Company ("Russell") is the source and owner of the Russell Index data contained or reflected in this material and all trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Frank Russell Company. Neither Russell nor its licensors accept any liability for any errors or omissions in the Russell Indexes and/or Russell ratings or underlying data and no party may rely on any Russell Indexes and/or Russell ratings and/or underlying data contained in this communication. No further distribution of Russell Data is permitted without Russell's express written consent. Russell does not promote, sponsor or endorse the content of this communication.

FTSE International Limited ("FTSE") © FTSE 2024. "FTSE®" is a trade mark of the London Stock Exchange Group companies and is used by FTSE International Limited under licence. "FT-SE®", "FOOTSIE®", and "FTSE4GOOD®" are trade marks of the London Stock Exchange Group companies. "Nareit®" is a trade mark of the National Association of Real Estate Investment Trusts ("Nareit") and "EPRA" is a trade mark of the European Public Real Estate Association ("EPRA") and all are used by FTSE International Limited ("FTSE") under licence. The FTSE EPRA Nareit Index is calculated by FTSE. Neither FTSE, Euronext N.V., Nareit nor EPRA sponsor, endorse or promote this product and are not in any way connected to it and do not accept any liability. All intellectual property rights in the index values and constituent list vests in FTSE, Euronext N.V., Nareit and EPRA. Neither FTSE nor its licensors accept any liability for any errors or omissions in the FTSE indices and/or FTSE ratings or underlying data. No further distribution of FTSE Data is permitted without FTSE's express written consent.

Standard & Poor's Financial Services LLC ("S&P") and Dow Jones is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones") and have been licensed for use by S&P Dow Jones Indices LLC and sublicensed for certain purposes by Massachusetts Financial Services Company ("MFS"). The S&P 500® is a product of S&P Dow Jones Indices LLC, and has been licensed for use by MFS. MFS's product(s) is not sponsored, endorsed, sold or promoted by S&P Dow Jones Indices LLC, Dow Jones, S&P, or their respective affiliates, and neither S&P Dow Jones Indices LLC, Dow Jones, S&P, their respective affiliates make any representation regarding the advisability of investing in such product(s).

The views expressed in this presentation are those of the speaker and are subject to change at any time.

These views should not be relied upon as investment advice, as securities recommendations, or as an indication of trading intent on behalf of any other MFS investment product. MFS does not provide legal, tax, or accounting advice. Clients of MFS should obtain their own independent tax and legal advice based on their particular circumstances. This has been provided for informational purposes only and reflects the current opinion of the author which is subject to change without notice, as are statements of financial market trends, which are based on current market conditions.

There are risks associated with investing including possible loss of principal invested.

Thank You