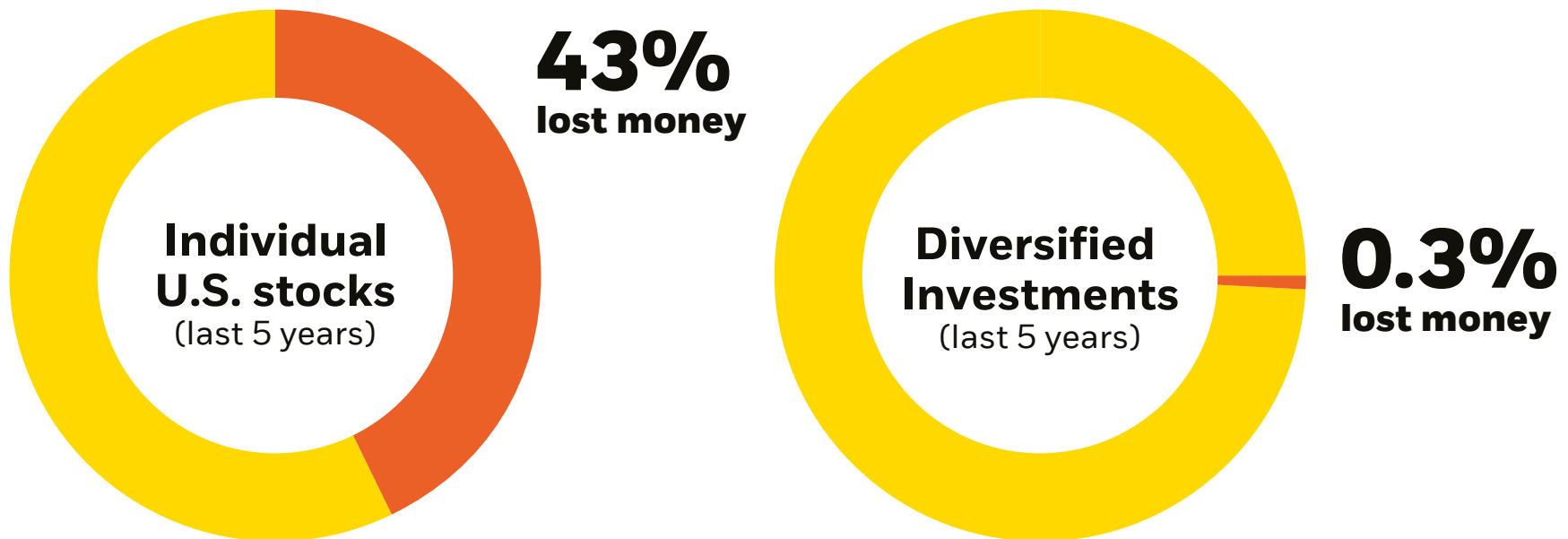


Diversify your way to a better portfolio



When you invest in individual stocks, you are exposed to both market risk and company risk. While market risk (i.e., the risk of the S&P 500 or similar index) has usually been rewarded with return, company risk has been more unpredictable, which is why 43% of individual stocks lost money over the last five years, while only 0.3% of diversified investments lost money over the same time frame. Without a crystal ball, it's impossible to know for sure which stocks will outperform in the future.



Source: Morningstar as of 12/31/24. **Diversified investments** are represented by the Morningstar U.S. Equity Category, oldest share class only. **Individual U.S. stocks** are represented by the Morningstar U.S. Stock Universe, all securities on the NYSE and NASDAQ. Analysis does not include obsolete mutual funds, ETFs or stocks as defined by Morningstar. **Past performance does not guarantee or indicate future results.**

Diversified investments are designed to diversify individual company risk away. Company risk can cause the potential returns for each individual stock to be higher, but it also causes potential losses to be much larger. By purchasing many stocks, diversified investments can help capture the long-term portfolio growth that stocks can provide, but with a lower potential downside risk, allowing for more consistent average returns over longer periods of time.

Stocks	1-year	3-year	5-year	10-year	20-year	30-year
Avg. return	11.8%	-10.0%	-0.7%	1.6%	3.4%	7.9%
Highest return	4,292.6%	950.7%	181.5%	100.4%	38.9%	30.1%
Lowest return	-99.9%	-99.5%	-93.4%	-100.0%	-100.0%	-47.8%
Total number	4,937	4,464	3,657	2,836	1,951	1,104
Amount negative	2,428 (49.2%)	2,670 (59.8%)	1,560 (42.7%)	912 (32.2%)	440 (22.6%)	109 (9.9%)

Diversified investments	1-year	3-year	5-year	10-year	20-year	30-year
Avg. return	17.6%	4.9%	11.0%	10.2%	9.1%	10.1%
Highest return	149.2%	26.5%	28.9%	21.0%	15.1%	14.1%
Lowest return	-30.6%	-32.5%	-12.6%	-2.4%	1.0%	3.1%
Total number	2,550	2,310	2,111	1,682	1,016	321
Amount negative	17 (0.7%)	243 (10.5%)	7 (0.3%)	3 (0.2%)	0 (0.0%)	0 (0.0%)

Source: Morningstar as of 12/31/24. **Diversified investments** are represented by the Morningstar U.S. Equity category, oldest share class only. **Individual U.S. stocks** are represented by the Morningstar U.S. Stock Universe, all securities on the NYSE and NASDAQ. Analysis does not include obsolete mutual funds, ETFs, or stocks as defined by Morningstar. Returns shown are average annualized returns. **Past performance does not guarantee or indicate future results.**

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