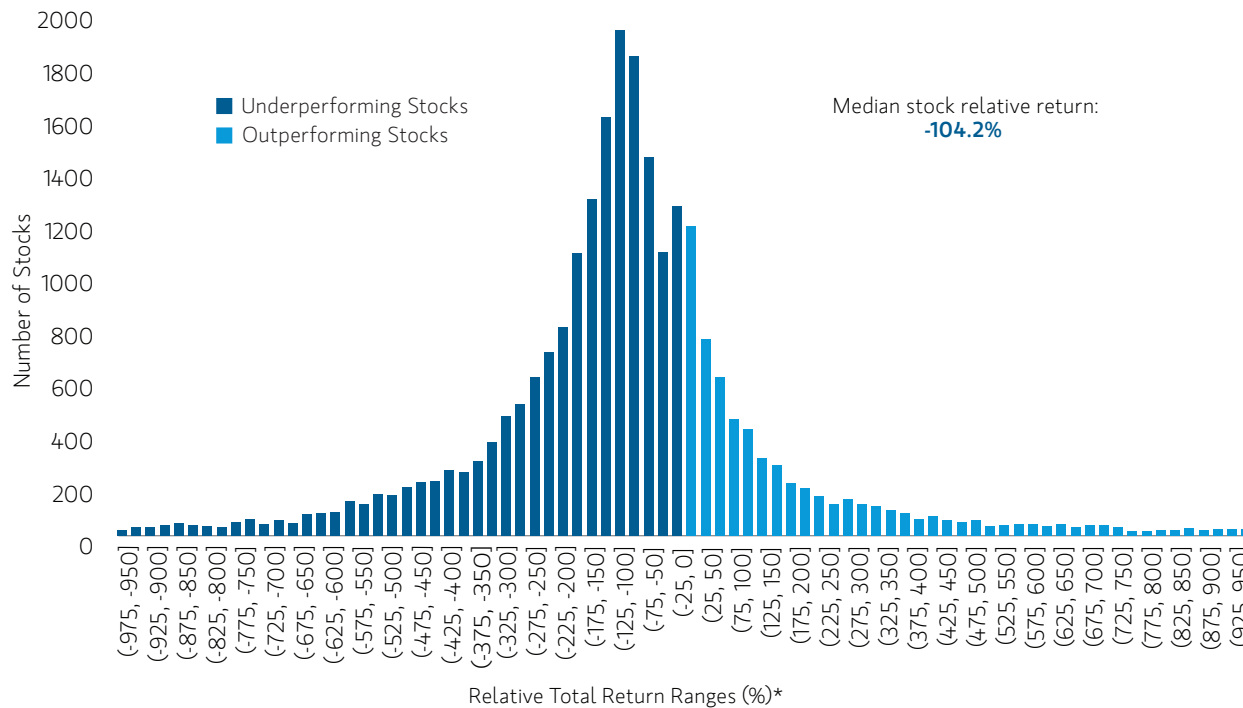


# Concentrated Stock Positions: Know The Risks

Many investors underestimate the risks and overstate the potential return advantages of holding a concentrated stock position. Individual stocks have historically posted higher volatility and lower median performance than the stock market as a whole. Over time, a substantial percentage of listed stocks have experienced catastrophic loss, from which few fully recover.

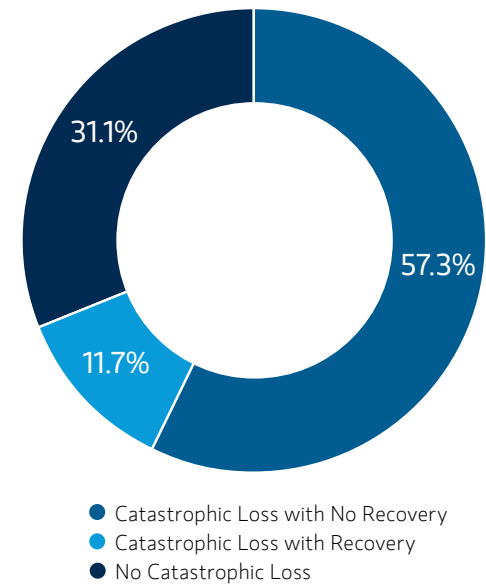
## 72% of Stocks Have Underperformed the Market Over Their Lifetimes

US Stock Total Return Relative to the S&P 500<sup>1</sup>



## 69% of US Stocks Have Seen Catastrophic Loss

Percentage of U.S. Stocks Experiencing Catastrophic Loss During Lifetime<sup>2</sup>

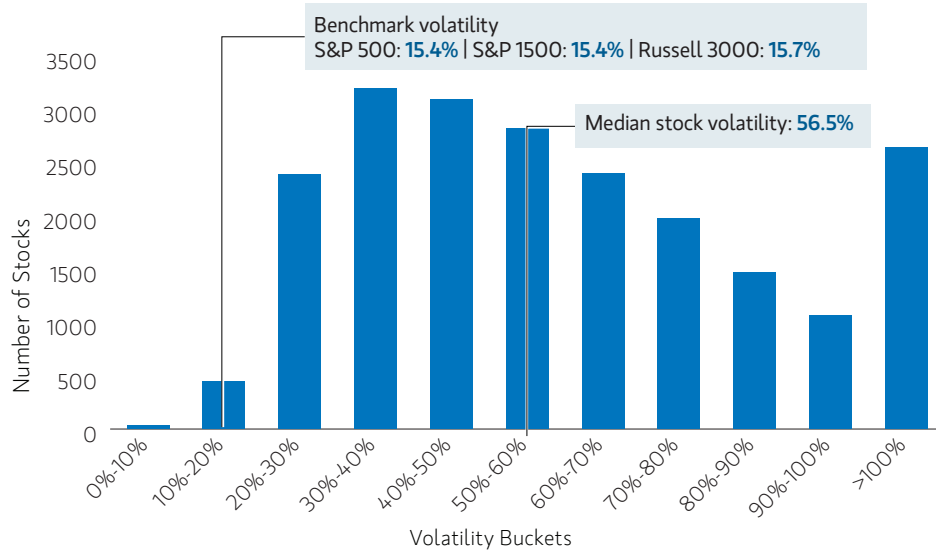


Information is as of 12/31/23. \*Bars represent 25% increments. Overflow returns at the top and bottom of the Relative Total Return Ranges (<-1,000% and >1,000%) have been removed. <sup>1</sup>Derived from a universe of 26,560 actively traded stocks listed on NYSE, NASDAQ, and NYSE American (formerly AMEX) since 12/31/1980; and based on relative total return versus the S&P 500 over the listed trading period of the stock through 12/31/23. Returns are calculated daily, starting on 1/3/1972. Sources: Ned Davis Research, Eaton Vance. <sup>2</sup>All actively traded stocks listed on NYSE, NASDAQ and NYSE American (formerly AMEX) since 12/31/1980; 26,563 total stocks. Catastrophic loss is defined as a maximum price drawdown greater than 70%. Recovery is defined as recovery in price to high prior to maximum drawdown. Sources: Ned Davis Research, Eaton Vance.



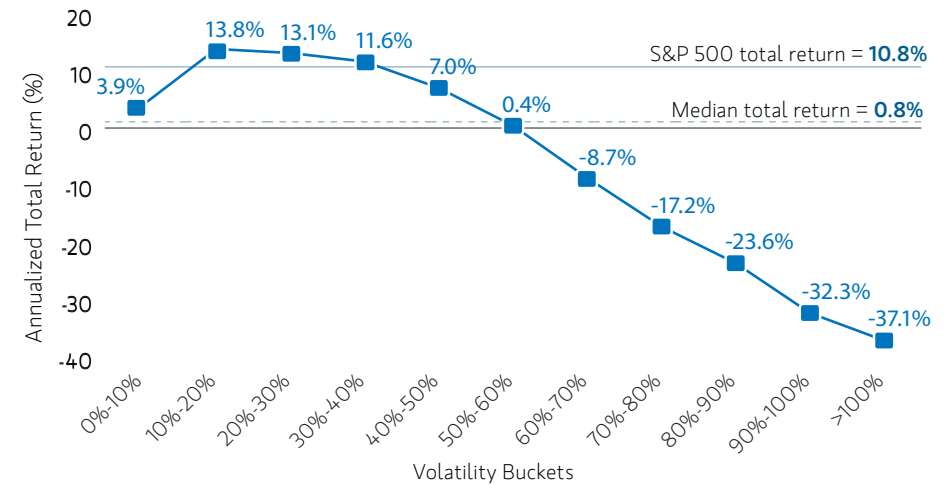
### Stocks Have Historically Been More Volatile Than Benchmarks

Standard deviation (%) for all listed US stocks



### When Volatility Increased, Returns Decreased

Annualized returns for all US stocks



For more information, please contact your financial advisor.

Excluding stocks with less than 24 months of returns, data is derived from a universe of 23,098 actively traded stocks listed on NYSE, NASDAQ, and NYSE American (formerly AMEX) since 12/31/1981; and based on standard deviation during listed trading period of the stock through 12/31/23. Returns are calculated monthly, starting on 1/3/1972 for individual stocks and as of the following inception dates for the index (S&P 1500 inception: 01/31/1995; Russell 3000 inception: 12/31/1978). Sources: Ned Davis Research, Eaton Vance.

**Standard deviation** is a statistic that measures the dispersion of a dataset relative to its mean and is calculated as the square root of the variance. **S&P 500 Index** is a market-capitalization-weighted index of the 500 largest publicly-traded companies in the U.S. **S&P 1500** is an index that includes the same securities as the S&P 400, S&P 500, and S&P 600 Indices. **Russell 3000** is a market-capitalization-weighted equity index maintained by FTSE Russell that provides exposure to the entire U.S. stock market.

#### IMPORTANT INFORMATION

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