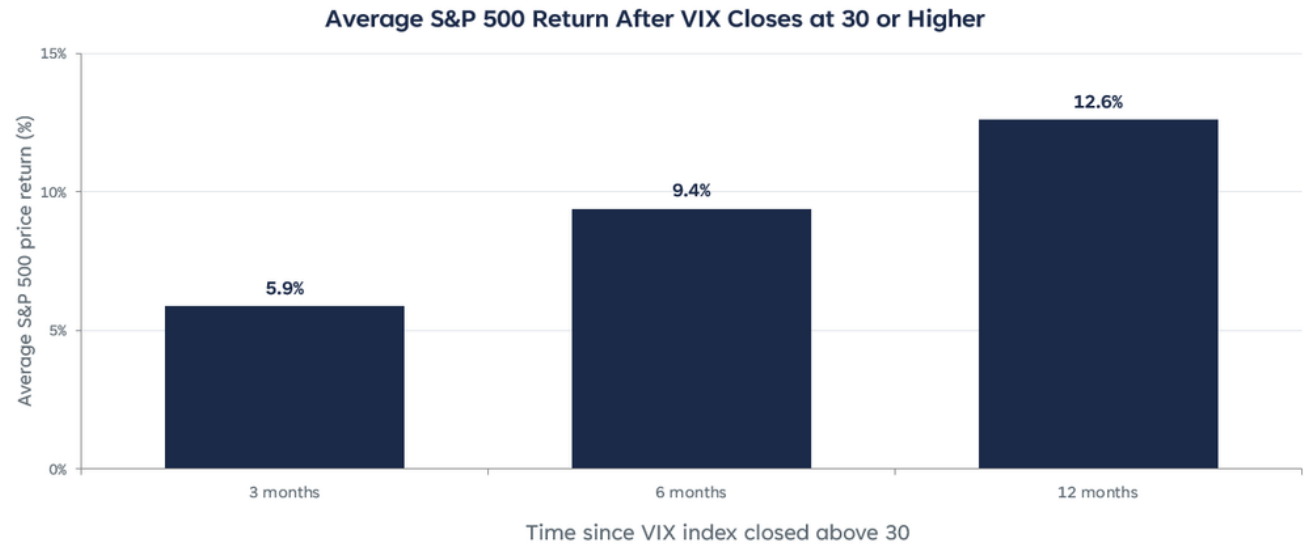
CHART OF THE WEEK | 11.24.2026

Chart of the Week No. 8

The VIX, a measure of market volatility, rose above 30 this week. Historically, a VIX reading above 30 has been a good time to buy stocks.

Spikes in volatility have often been good entry points for S&P 500



Source: Bloomberg; average S&P 500 price return 3, 6 and 12 months after each VIX close at or above 30, 8/15/2007–3/27/2026 (53 events; 12M covers 52). Events cluster in time, so observations overlap. Past performance is not indicative of future results.

- **Spikes in the VIX are historically attractive entry points.** Since 2006, there have been 53 observations of the VIX spiking above 30. About 70% (36 observations) were positive over the next 3, 6 and 12-month horizons. The seven observations of VIX spikes over 30 in 2020 averaged +36.6% after 12 months.
- **Losses clustered in two regimes.** All 13 observations with negative 12-month outcomes occurred during the Great Financial Crisis of 2007–08 (5) or the rate-hike cycle during Dec 2021–May 2022 (8). The worst 12-month return was -41.5% (March 2008), while the 2022 losses were far shallower (worst was -11.9%).
- **Significant declines are caused by shifts in fundamentals.** The Great Financial Crisis and 2022 both saw major shifts in fundamentals. At present, we don't see a similar shift in fundamentals but will continue to monitor the data for signs of deterioration.

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