

CHART OF THE MONTH

JULY 2025

S&P 500 Corrections >5% since March 2009 Low					
Correction Period	# Days	S&P High	S&P Low	% Decline	"Stocks Fall On..."
2025: Feb 19 - Apr 7	47	6147	4835	-21.3%	Tariffs, Trade Wars and Global Recession Fears
2024: Jul 16 - Aug 5	20	5670	5119	-9.7%	Recession Fears, Fed Behind Curve, Nikkei Crash
2024: Mar 28 - Apr 19	22	5265	4954	-5.9%	Stubborn Inflation, Fed Pushing Back Rate Cuts, Iran/Israel Conflict
2022: Jan 4 - Oct 13	282	4819	3492	-27.5%	Inflation, Rising Rates/Fed Tightening, Russia/Ukraine War, Recession Fears
2021: Nov 22 - Dec 3	11	4744	4495	-5.2%	Covid Omicron Variant, Fed Taper Fears
2021: Sep 2 - Oct 4	32	4546	4279	-5.9%	China Contagion Fears, Fed Taper Fears, Covid Delta Variant
2021: Feb 16 - Mar 4	16	3950	3723	-5.7%	Inflation Fears, Rising Rates
2020: Sep 2 - Sep 24	22	3588	3209	-10.6%	Coronavirus, No New Stimulus Deal, Election Fears
2020: Feb 19 - Mar 23	33	3394	2192	-35.4%	Coronavirus, Global Depression Fears
2019: Jul 26 - Aug 5	10	3028	2822	-6.8%	Trade War, Tariffs, Yuan Devaluation, Recession Fears
2019: May 1 - Jun 3	33	2954	2729	-7.6%	Trade War, Tariffs, Inverted Yield Curve, Global Slowdown/Recession Fears
2018: Sep 21 - Dec 26	96	2941	2347	-20.2%	Rising Rates, China Slowdown, Trade War/Tariffs, Housing Slowdown
2018: Jan 26 - Feb 9	14	2873	2533	-11.8%	Inflation Fears, Rising Rates
2016: Aug 15 - Nov 4	81	2194	2084	-5.0%	Election Fears/Concerns/Jitters
2015/16: May 20 - Feb 11	267	2135	1810	-15.2%	Greece Default, China Stock Crash, EM Currencies, Falling Oil, North Korea
2014/15: Dec 29 - Feb 2	35	2094	1981	-5.4%	Falling Oil, Strong Dollar, Weak Earnings
2014: Dec 5 - Dec 16	11	2079	1973	-5.1%	Falling Oil, Strong Dollar
2014: Sep 19 - Oct 15	26	2019	1821	-9.8%	Ebola, Global Growth Fears, Falling Oil
2014: Jan 15 - Feb 5	21	1851	1738	-6.1%	Fed Taper, European Deflation Fears, EM Currency Turmoil
2013: May 22 - Jun 24	33	1687	1560	-7.5%	Fed Taper Fears
2012: Sep 14 - Nov 16	63	1475	1343	-8.9%	Fiscal Cliff Concerns, Obama's Re-Election
2012: Apr 2 - Jun 4	63	1422	1267	-10.9%	Europe's Debt Crisis
2011: May 2 - Oct 4	155	1371	1075	-21.6%	Europe's Debt Crisis, Double-Dip Recession Fears, US Debt Downgrade
2011: Feb 18 - Mar 16	26	1344	1249	-7.1%	Libyan Civil War, Japan Earthquake/Nuclear Disaster
2010: Apr 26 - Jul 1	66	1220	1011	-17.1%	Europe's Debt Crisis, Flash Crash, Growth Concerns
2010: Jan 19 - Feb 5	17	1150	1045	-9.2%	China's Lending Curbs, Obama Bank Regulation Plan
2009: Oct 21 - Nov 2	12	1101	1029	-6.5%	Worries About The Recovery
2009: Sep 23 - Oct 2	9	1080	1020	-5.6%	Worries About The Recovery
2009: Jun 11 - Jul 7	26	956	869	-9.1%	World Bank Neg Growth Forecast, Fears Market Is Ahead Of Recovery
2009: May 8 - 15	7	930	879	-5.5%	Worries That Market Has Gotten Ahead Of Itself
Data Source: YCharts CREATIVE PLANNING Past Performance is no guarantee of future results.					

The economy and the stock market have had their share of pluses and minuses this year with an overall net positive for both thus far. To wit, Gross Domestic Product (GDP) — the nation’s output of goods and services — declined 0.5% in the first quarter but is projected to have climbed 2.4% in the second quarter while the stock market, as measured by the S&P 500, fell more than 20% from the peak in February to the low in April and then gained 32% over the past 16 weeks in one of the biggest short-term rallies in history.

Moreover, the S&P 500 has now gained approximately 1,200% (including dividends) since the March 2009 low — despite 30 corrections of greater than 5%, 10 drawdowns of at least 10%, and 5 over 20% (see table above). Note: A 100% increase is 2x and 200% is 3x so a 1,200% increase equals 13x! Put another way, \$100,000 invested at the low in 2009 would be worth \$1.3 million today.

Predicting the economy and timing the market have proven once again to be futile endeavors. While “staying the course” can be difficult at times, investors who didn’t cash out have enjoyed positive returns whereas those who sold at or near the lows have been left “licking their wounds.” As the saying goes, stock market success is not about timing the market but instead time *in* the market.

Chinese artificial intelligence upstart DeepSeek released a new large-language model in January, sending the share price of Nvidia (NVDA) down 17%, erasing \$600 billion of market value, the greatest one-day loss in the history of the U.S. stock market. Other companies in the AI supply chain suffered substantial declines as well. Lo and behold, NVDA has soared 47% since that fateful day, becoming the largest market cap in the world at \$4.2 trillion.

President Trump’s positions on tariffs have caused the market to spiral down and up since his Liberation Day announcement in April. Trade deals with the UK, China, Vietnam, Indonesia, the Philippines, Japan, and the 27 countries that are members of the European Union (EU) have calmed the anxieties of investors going into this week’s “deadline” on August 1. Similarly, the One Big Beautiful Bill Act (OBBBA) was signed into law on July 4 with mostly favorable reviews from businesses, particularly the extension of the lower tax rates and the 100% bonus depreciation allowing companies to expense the entire cost of a new asset in year one.

The events in the week ahead — including the Fed meeting and decision on Wednesday, the Personal Consumption Expenditures (PCE) index on Thursday, the Jobs Report and tariff deadline on Friday, and earnings reports from Apple (AAPL), Amazon (AMZN), Meta Platforms (META), and Microsoft (MSFT), among others — are likely to move stocks. For what it’s worth, August and September have been the worst performing months over the past 35 years, yet the DJIA and S&P 500 have only recorded fractional losses on average (see table below). Meanwhile, earnings forecasts for the second half of the year have been rising to record highs in recent weeks.

