

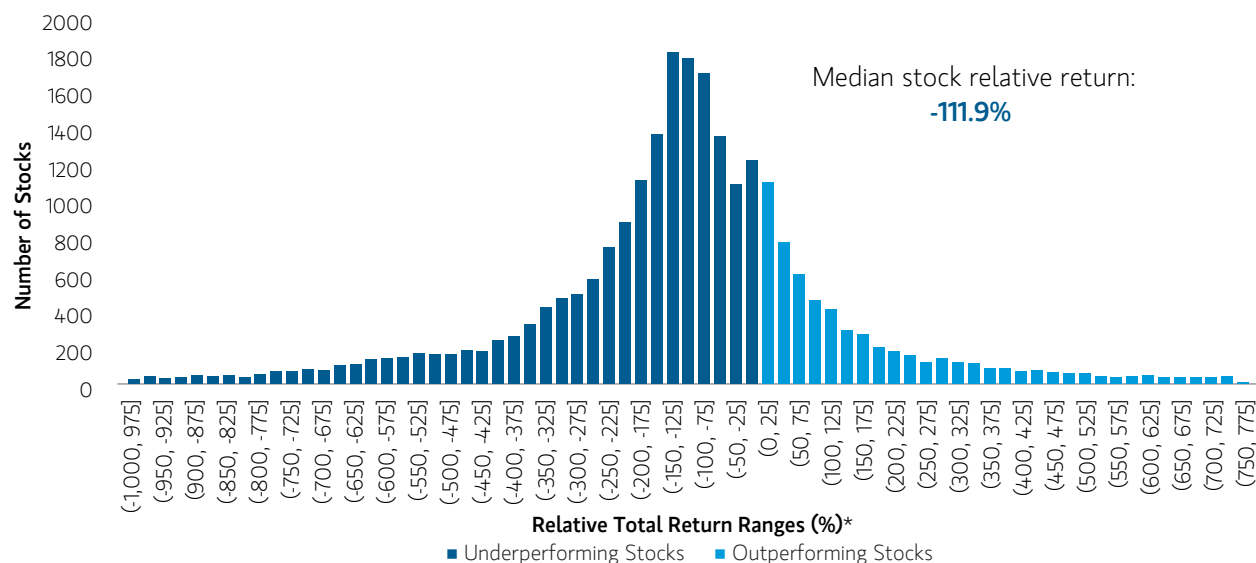
Concentrated Stock Positions: Know The Risks

INVESTMENT IDEA

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.

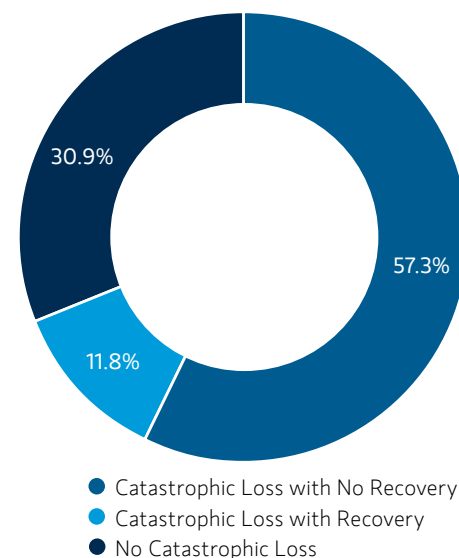
73% of Stocks Have Underperformed the Market Over Their Lifetimes

US Stock Total Return Relative to the S&P 500^{®1}



69% of US Stocks Have Seen Catastrophic Loss

Percentage of U.S. Stocks Experiencing Catastrophic Loss During Life²



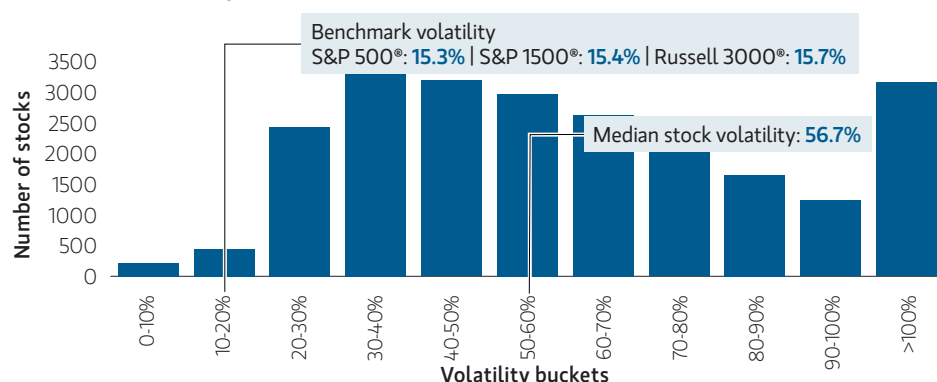
Past performance is no guarantee of future results.

Information is as of 12/31/24. ^{*}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. ¹Derived from a universe of 26,862 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 12/31/24. Returns are calculated daily, starting on 1/3/1972. Sources: Ned Davis Research, Eaton Vance. ²All actively traded stocks listed on NYSE, NASDAQ and NYSE American (formerly AMEX) since 12/31/1980; 26,861 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



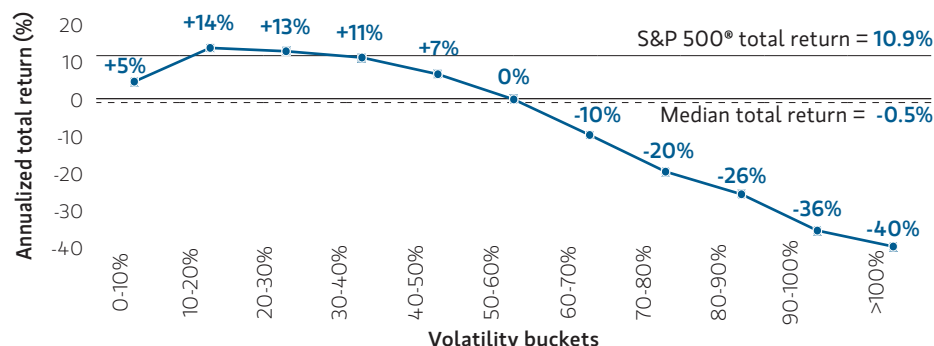
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Excluding stocks with less than 24 months of returns, data is derived from a universe of 23413 actively traded stocks listed on NYSE, NASDAQ, and NYSE American (formerly AMEX) since 12/31/1981; and based on standard deviation during listed trading period of the stock through 12/31/24. 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.

When Volatility Increased, Returns Decreased

Annualized returns for all US stocks



Risk Considerations

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