

Morgan Stanley

The David Miller Group at Morgan Stanley
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One of the most important investment lessons of 2025 didn't come from performance. It came from how markets and investors reacted to unexpected news.

In early April, the announcement of Liberation Day tariffs caught markets off guard. Almost immediately, the tone of the news turned negative. Forecasts shifted toward slower growth.

Commentators warned about the potential damage to the economy. In just one week, Goldman Sachs raised the probability of a recession from 20% to 45%.^[1]

Markets reacted quickly and emotionally. The S&P 500 lost nearly five trillion dollars in two days.^[2] Within a week, the market was down 14%, and almost 19% from highs achieved in March.^[3] For many investors, the fear felt justified. The headlines were convincing. The drop felt severe.

What Happened Next

But the story didn't end there.

The sell-off turned out to be short-lived. Tariffs were adjusted, confidence returned, and markets recovered. Despite the negative surprise earlier in the year, markets finished 2025 strong.

That recovery came at a cost for some investors. Those who panicked and sold during the April decline missed a subsequent 38% gain.^[4] This is the lesson 2025 reinforced.

The biggest risk in investing isn't the unexpected. Markets will always face surprises, whether they come from policy decisions, economic data, or global events. The real risk is abandoning a sound plan at the wrong time, especially when emotions are running high, and headlines feel urgent.

Successful investing isn't about predicting the next surprise. It's about having a plan designed for uncertainty, and the discipline to stick with it when the unexpected inevitably arrives.

[1] Reuters: <https://www.reuters.com/markets/us/goldman-sachs-raises-odds-us-recession-45-2025-04-07/>

[2] Reuters: <https://www.reuters.com/markets/global-markets-wrapup-1-2025-04-04/>

[3] Yahoo Finance. Closing values for S&P 500 on specific dates in April

[4] Calculated from S&P 500 Index closing price on April 8, 2025, to closing price on Dec 26, 2025.



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Forbes America's Next Generation Wealth Advisors 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025
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2018, 2019, 2020, 2021, 2022, 2023 Forbes Best-In-State Wealth Advisors

Source: Forbes.com (Awarded 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025). Data compiled by SHOOK Research LLC based 12-month time period concluding in June of year prior to the issuance of the award. [Awards Disclosures](#)

2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025 Forbes America's Top Next-Gen Wealth Advisors & Top Next-Gen Wealth Advisors Best-in-State (formerly referred to as Forbes America's Top Next-Gen Wealth Advisors, Forbes Top 1,000 Next-Gen Wealth Advisors, Forbes Top 500 Next Generation Wealth Advisors)

Source: Forbes.com (Awarded 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025). Data compiled by SHOOK Research LLC based on 12-month period concluding in Mar of the year the award was issued. [Awards Disclosures](#)

2015-2023 Five Star Wealth Manager Award

Source: [fivestarprofessional.com](#) (Awarded 2015-2025) These awards were determined through an evaluation process conducted by Five Star Professional, based on objective criteria, during the following periods:

2015 Award - 11/30/14 - 05/18/15
2016 Award - 11/30/15 - 05/18/16
2017 Award - 09/26/16 - 04/28/17
2018 Award - 10/24/17 - 05/21/18
2019 Award - 10/22/18 - 05/03/19
2020 Award - 10/27/19 - 04/24/20
2021 Award - 11/30/20 - 06/25/21
2022 Award - 12/31/21 - 06/10/22
2023 Award - 11/14/22 - 05/31/23
2024 Award - 10/10/23 - 04/30/24
2025 Award - 10/09/24 - 05/01/25

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