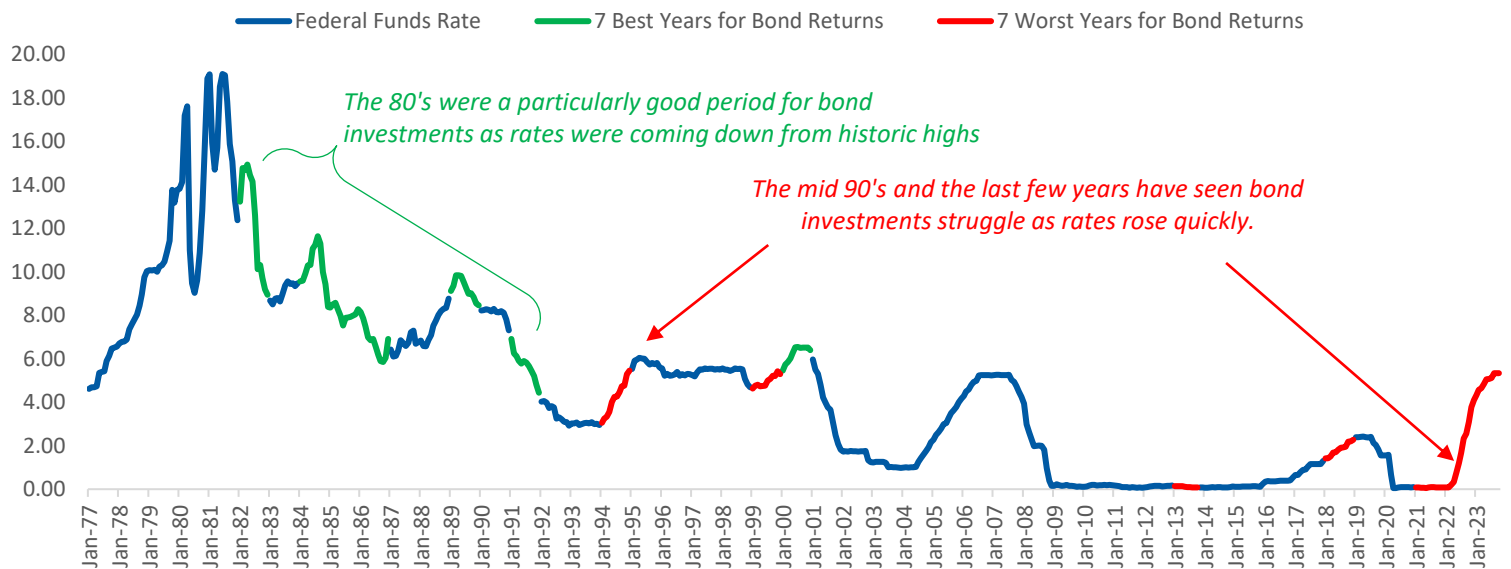


# The Balog Group at Morgan Stanley

## Charts of the Week – 10/30/2023

### Bonds Typically Perform Better In Environments When Rates Drop or Stay Steady

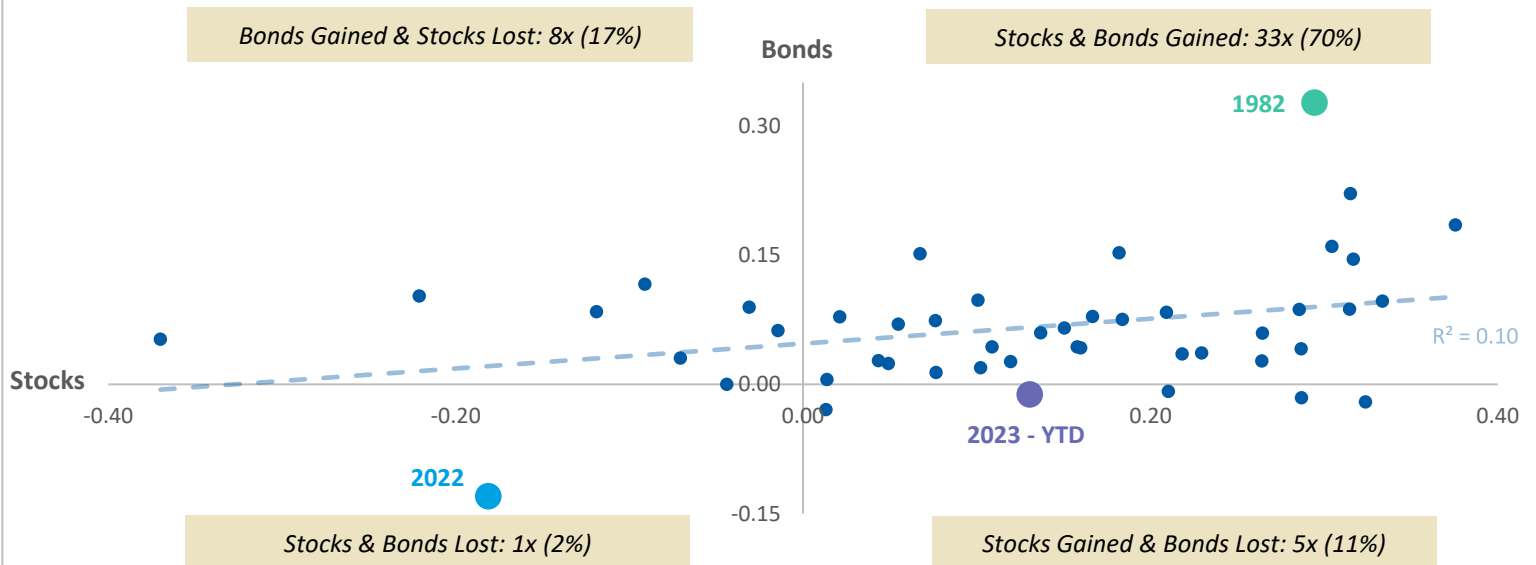
Below shows the Federal Funds Rate of the last 5 decades along with the best and worst time periods for bonds



Source: Federal Reserve & Factset

### It's Not Often That Both Stocks and Bonds Both Lose In The Same Calendar Year

Below shows the distribution of stock and bond returns over the last 45+ years. Data is per calendar year (1977-2023\*)



\*2023 data is YTD 01/01/2023 - 09/30/2023

Source: Factset

**Sources:**

1. Federal Reserve
2. Factset

Disclosures

Morgan Stanley Wealth Management is the trade name of Morgan Stanley Smith Barney LLC, a registered broker-dealer in the United States.

This material has been prepared for informational purposes only. The views expressed herein are those of the author and do not necessarily reflect the views of Morgan Stanley Wealth Management or its affiliates. All opinions are subject to change without notice. Neither the information provided nor any opinion expressed constitutes a solicitation for the purchase or sale of any security.

Please note that the URL(s) or hyperlink(s) in this material is not to a Morgan Stanley Smith Barney LLC website. It was created, operated and maintained by a different entity. Morgan Stanley Smith Barney LLC is not implying an affiliation, sponsorship, endorsement with/of the third party or that any monitoring is being done by Morgan Stanley of any information contained within the linked site; nor do we guarantee its accuracy or completeness. Morgan Stanley is not responsible for the information contained on the third party web site or the use of or inability to use such site.

Information contained herein has been obtained from sources considered to be reliable, but we do not guarantee their accuracy or completeness.

Past performance is no guarantee of future results.

The appropriateness of a particular investment or strategy will depend on an investor's individual circumstances and objectives. Principal value and return of an investment will fluctuate with changes in market conditions.

Asset allocation and diversification do not guarantee a profit or protect against a loss in a declining financial market.

The Standard & Poor's (S&P) 500 Index tracks the performance of 500 widely held, large-capitalization US stocks. An investment cannot be made directly in a market index.

Bonds are subject to interest rate risk. When interest rates rise, bond prices fall; generally the longer a bond's maturity, the more sensitive it is to this risk. Bonds may also be subject to call risk, which is the risk that the issuer will redeem the debt at its option, fully or partially, before the scheduled maturity date. The market value of debt instruments may fluctuate, and proceeds from sales prior to maturity may be more or less than the amount originally invested or the maturity value due to changes in market conditions or changes in the credit quality of the issuer. Bonds are subject to the credit risk of the issuer. This is the risk that the issuer might be unable to make interest and/or principal payments on a timely basis. Bonds are also subject to reinvestment risk, which is the risk that principal and/or interest payments from a given investment may be reinvested at a lower interest rate.

Investment, insurance and annuity products offered through Morgan Stanley Smith Barney LLC are: NOT FDIC INSURED | MAY LOSE VALUE | NOT BANK GUARANTEED | NOT A BANK DEPOSIT | NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY

Anouchka Balog Securities Agent: AL, AR, AZ, CA, CO, CT, FL, GA, HI, ID, IL, IN, LA, MA, MD, ME, MI, MO, MT, NC, NE, NJ, NM, NV, NY, OH, OR, PA, SC, TN, TX, UT, VA, WA, WI;

Investment Advisor Representative; General Securities Representative; Managed Futures  
NMLS#: 1282780  
CA Insurance License #: 0A87150

28202 Cabot Road, Suite 500  
Laguna Niguel, CA 92677  
Direct: 949 365 5306

Morgan Stanley Smith Barney LLC. Member SIPC.

CRC# 6057155 10/2023



Anouchka Balog, CFP®  
Financial Advisor



Rita Kikawa  
Portfolio Associate



Christopher Mullery, CRPC®  
Business Development Director



Steven Anderson, CFA® CFP®  
Portfolio Management Assoc.



Barbara Collette  
Senior Registered Assoc.

Visit our website at: <https://advisor.morganstanley.com/the-balog-group>  
Connect with Anouchka on LinkedIn: <https://www.linkedin.com/in/anouchka-m-balog>