LPL Financial

4707 Executive Drive
San Diego, CA 92121

1055 LPL Way
Fort Mill, SC 29715

201 Washington Street, Suite 300
Boston, MA 02108

November 20, 2026

Dear Valued Investor,

Market volatility has picked up recently, understandably creating some uneasiness for investors. Technology stocks tied to artificial intelligence (AI) have been at the center of the sell-off, as investors increasingly scrutinize the massive capital investment and increasingly question the returns those investments may ultimately generate. These are worthwhile questions to ask, but they do not mean the long-term AI investment story is broken. Add geopolitical and cybersecurity risks to the picture and a jittery market is understandable.

There are encouraging developments. Market leadership has begun to broaden beyond the largest technology companies, with other areas such as consumer staples and healthcare stocks helping to cushion the blow. Six S&P sectors have advanced since the broad index peaked on October 6. The technology sector — now in a bear market decline of 20% — is trading below the price-to-earnings ratio (P/E) of the S&P 500; a rare occurrence that reflects a healthy level of caution.

Riding out these periods of market volatility is never easy, but market corrections are normal, even during good years. Historically, the average maximum drawdown for the S&P 500, during years when the index ultimately finishes higher, is 11%. As of November 19, the S&P 500's largest decline this year has been approximately 9%. In other words, the volatility investors have experienced, while uncomfortable, is hardly unusual — even for a positive year. In our view, there's more fear than greed out there now, which may offer attractive buying opportunities. We are seeing signs of indiscriminate selling that may point to a downdraft that may be nearing its nadir.

Periods like this are a good reminder that the path to successful long-term investing does not follow a straight line. Corrections shake confidence, noisy headlines that don't affect market fundamentals amplify uncertainty, and short-term market swings can tempt investors to abandon well-designed plans at the wrong time.

Our message is straightforward and familiar: stay the course. Maintain an appropriate amount of diversification you can hold through ups and downs, keep portfolios aligned with long-term goals, and resist allowing short-term volatility to dictate long-term investment decisions. Enduring volatility is a fair price for investors to pay for the opportunity to pursue attractive long-term returns.

As always, please reach out to your financial advisor with questions.

Sincerely,



Jeffrey Buchbinder, CFA
Chief Equity Strategist
LPL Research

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## Important Information

This material is for general information only and is not intended to provide specific advice or recommendations for any individual. There is no assurance that the views or strategies discussed are suitable for all investors or will yield positive outcomes. Investing involves risks including possible loss of principal. Any economic forecasts set forth may not develop as predicted and are subject to change.

References to markets, asset classes, and sectors are generally regarding the corresponding market index. Indexes are unmanaged statistical composites and cannot be invested into directly. Index performance is not indicative of the performance of any investment and do not reflect fees, expenses, or sales charges. All performance referenced is historical and is no guarantee of future results.

All data is provided as of November 20, 2026.

The P/E ratio (price-to-earnings ratio) is a measure of the price paid for a share relative to the annual net income or profit earned by the firm per share. It is a financial ratio used for valuation: a higher P/E ratio means that investors are paying more for each unit of net income, so the stock is more expensive compared to one with lower P/E ratio.

Earnings per share (EPS) is the portion of a company's profit allocated to each outstanding share of common stock. EPS serves as an indicator of a company's profitability. Earnings per share is generally considered to be the single most important variable in determining a share's price. It is also a major component used to calculate the price-to-earnings valuation ratio.

All index data from FactSet.

The Standard & Poor's 500 Index (S&P 500) is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

Bonds are subject to market and interest rate risk if sold prior to maturity. Bond values will decline as interest rates rise and bonds are subject to availability and change in price.

There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification does not protect against market risk.

Past performance does not guarantee future results.

Asset allocation does not ensure a profit or protect against a loss.

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RES-0007124-0526 | For Public Use | Tracking #1212930 | #1212934 (Exp. 11/2027)