



Examples from history show that no one knows how long a market downturn will last. Historical Returns for the S&P 500 provide some insights. The five most severe downturns since 1970 were harrowing at the time but turned out to be non-events for long-term investors unless they panicked and sold during the downturn.

Here are the various duration and magnitude of the declines and the recoveries.

Month of Peak	Month of Trough	# of Months	Magnitude of Decline	Recovered Loss By	Months to Recovery
Dec. 1972	Nov. 1974	23	-39%	June 1976	19
July 1987	Nov. 1987	5	-26%	Apr. 1989	17
June 2000	Feb. 2003	32	-41%	Sep. 2006	43
Sep. 2007	March 2009	19	-48%	March 2012	36
Feb 2020	March 2020	2	-19%	July 2020	4