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Looking back, 2023 was yet another memorable and demanding year for all of us as investors. Global conflicts, volatile markets, digital transformation and interest rate shifts created a market environment peppered with complexity and disruption. As active investors, our job is to put it all in perspective by separating risk and opportunity from noise to deliver long-term value.

We have a long history of doing this through many market environments — from the crash of 1929 to the global financial crisis to the “polycrisis” we find ourselves in today. In fact, MFS® will commemorate its 100th anniversary this year. A century ago, as the world rebounded from the aftermath of World War I and a global flu pandemic, MFS created the first open-end mutual fund in the United States, giving everyday investors access to the markets. One hundred years later, we celebrate not just the birth of a vehicle, but a century committed to active management. Because after all this time, we still believe active investing is the best way to allocate capital. That’s why we’re tenacious about understanding the companies we own on your behalf and managing risk in all environments, even when it means going against the grain.

Our commitment to active feels as important as ever today. In 2024, we see the potential for continued geopolitical instability, elevated sovereign debt levels, higher borrowing costs and shifting global supply chains. Whether it’s shifting market and economic factors like these or global innovation like the rise of the internet in the 1990s or the recent surge of generative AI, what history has shown us is that change is inevitable. And with it comes opportunity for investors. Capturing the opportunity, however, requires two critical things: the ability to distinguish drivers of long-term value and the discipline to let it play out over time. As dedicated active investors, we believe MFS is in an incredible position to navigate the current environment and continue to help clients achieve long-term outcomes.

As we turn the calendar to 2024 and begin not only a new year but also a new century for MFS, we will continue to embrace change and the possibilities it can bring when we seek to deeply understand it and maintain a long-term view.

Thank you for your continued partnership, and best wishes for 2024.

Michael W. Roberge
Chairman and CEO