Fixed Income Diversification – 20 Years of the Best and Worst

Everyone wants to be in the best-performing asset class every year. The thing is, few people are savvy enough to consistently choose the best. This chart shows annual returns for seven broad-based fixed income asset classes, and cash ranked from best to worst. As you can see, the bond market asset classes do not generally move in lockstep with the stock market — or with each other. That's why, in any market and over time, it makes good sense to have a well-diversified portfolio.

MFS®

BEST — ANNUAL RETURN — WORST

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	ANNUALIZED RETURN
Emerging Market 10.73%	High Yield 10.76%	Global 9.48%	Gov't 10.43%	High Yield 58.76%	High Yield 14.94%	Municipal 12.32%	Emerging Market 18.54%	High Yield 7.44%	Municipal 8.72%	Municipal 3.76%	High Yield 17.13%	Emerging Market 9.32%	Cash 1.86%	Corporate 14.54%	Corporate 9.89%	High Yield 5.26%	Cash 1.50%	High Yield 13.44%	Bank Loans 8.70%	High Yield 6.44%
Bank Loans 5.00%	Emerging Market 9.88%	Gov't 8.47%	Global 4.79%	Bank Loans 52.23%	Emerging Market 12.04%	Emerging Market 8.46%	High Yield 15.78%	Bank Loans 5.02%	Corporate 7.46%	Emerging Market 1.23%	Bank Loans 10.88%	High Yield 7.50%	Gov't 1.43%	Emerging Market 14.42%	Global 9.20%	Bank Loans 3.54%	Bank Loans -0.68%	Bank Loans 13.20%	High Yield 8.19%	Emerging Market 5.36%
Cash 3.00%	Global 6.64%	Emerging Market 6.28%	Cash 1.80%	Emerging Market 28.18%	Bank Loans 9.65%	Corporate 8.15%	Bank Loans 10.50%	Cash 0.05%	Emerging Market 5.53%	Gov't 1.18%	Emerging Market 10.19%	Global 7.39%	Municipal 1.41%	High Yield 14.32%	High Yield 7.05%	Municipal 0.96%	Municipal -6.57%	Emerging Market 10.45%	Emerging Market 5.73%	Bank Loans 4.83%
High Yield 2.76%	Bank Loans 6.60%	Cash 4.74%	Municipal 1.52%	Corporate 18.68%	Corporate 9.00%	Gov't 6.08%	Corporate 9.82%	Gov't -1.25%	Gov't 2.52%	Cash 0.03%	Corporate 6.11%	Corporate 6.42%	Bank Loans -0.62%	Bank Loans 10.65%	Emerging Market 5.88%	Cash 0.05%	Gov't -7.73%	Corporate 8.52%	Cash 5.45%	Corporate 3.97%
Municipal 2.74%	Cash 4.76%	Corporate 4.56%	Corporate -4.94%	Municipal 9.85%	Global 5.54%	Global 5.64%	Municipal 5.70%	Corporate -1.53%	High Yield 2.46%	Corporate -0.68%	Global 2.09%	Municipal 5.83%	Global -1.20%	Municipal 7.70%	Gov't 5.73%	Corporate -1.04%	High Yield -11.18%	Municipal 5.78%	Gov't 2.44%	Municipal 3.70%
Gov't 1.68%	Municipal 4.71%	Municipal 4.29%	Emerging Market -10.91%	Global 6.93%	Gov't 4.98%	High Yield 4.96%	Global 4.32%	Municipal -2.17%	Bank Loans 0.99%	Bank Loans -2.75%	Gov't 1.05%	Bank Loans 3.31%	High Yield -2.08%	Global 6.84%	Municipal 5.62%	Emerging Market -1.51%	Corporate -15.76%	Global 5.72%	Corporate 2.13%	Gov't 2.49%
Corporate 1.68%	Corporate 4.30%	High Yield 2.26%	High Yield -25.88%	Cash 0.16%	Municipal 4.05%	Bank Loans 0.63%	Gov't 1.73%	Global -2.60%	Global 0.59%	Global -3.15%	Cash 0.27%	Gov't 1.14%	Corporate -2.51%	Gov't 5.20%	Bank Loans 2.84%	Gov't -1.69%	Global -16.25%	Cash 5.26%	Municipal -0.33%	Global 1.86%
Global -4.49%	Gov't 3.84%	Bank Loans 1.73%	Bank Loans -28.18%	Gov't -0.32%	Cash 0.13%	Cash 0.08%	Cash 0.07%	Emerging Market -6.58%	Cash 0.03%	High Yield -4.43%	Municipal -0.12%	Cash 0.84%	Emerging Market -4.61%	Cash 2.25%	Cash 0.58%	Global -4.71%	Emerging Market -16.45%	Gov't 4.30%	Global -1.69%	Cash 1.63%
S&P 500 4.91%	S&P 500 15.79%	S&P 500 5.49%	S&P 500 -37.00%	S&P 500 26.46%	S&P 500 15.06%	S&P 500 2.11%	S&P 500 16.00%	S&P 500 32.39%	S&P 500 13.69%	S&P 500 1.38%	S&P 500 11.96%	S&P 500 21.83%	S&P 500 -4.38%	S&P 500 31.49%	S&P 500 18.40%	S&P 500 28.71%	S&P 500 -18.11%	S&P 500 26.29%	S&P 500 25.02%	S&P 500 10.35%

MARKET SEGMENT	REPRESENTED BY	STANDARD DEVIATION
Cash	FTSE 3-month T-bill Index[1]	0.55
Government bonds	Bloomberg US Intermediate Government Bond Index[2]	3.00
Municipal bonds	Bloomberg 10-year Municipal Bond Index[3]	4.83
Global bonds	Bloomberg Global Aggregate Index (Undhedged)[4]	6.06
Corporate bonds	Bloomberg US Corporate Investment Grade Index[5]	6.50
Bank Loans	Morningstar LSTA Leveraged Loan 100 Index[6]	7.05
Emerging Market Debt	JP Morgan EMBI Global[7]	8.74
High Yield bonds	Bloomberg US High-Yield Corporate Bond 2% Issuer Capped Index[8]	9.04
S&P 500 - Total Return	S&P 500 Index[9]	15.00

INDEX DEFINITIONS

1 FTSE 3-month T-bill Index, which is derived from secondary market Treasury bill rates published by the Federal Reserve Bank. **2 Bloomberg U.S. Intermediate Government Bond Index,** which measures the investment-grade debt obligations of the US Treasury and US government agencies, as well as US corporate and foreign debentures and secured notes. **3 Bloomberg 10-year Municipal Bond Index,** which measures the long-term municipal bond market. **4 Bloomberg Global Aggregate Index (Unhedged),** which provides a broad-based measure of the global investment-grade fixed income markets. **5 Bloomberg US Corporate Investment Grade Index**, which measures the US intermediate-term, investment-grade bond market. **6 Morningstar LSTA Leveraged Loan 100 Index,** which measures the performance of the US leveraged loan market. **7 JP Morgan EMBI Global,** which measures the performance of US dollar denominated emerging market bonds. **8 Bloomberg US High-Yield Corporate Bond 2% Issuer Capped Index,** which measures the high-yield bond market. **9 S&P 500 Index,** which measures the broad US stock market.

Source: Morningstar Direct, FactSet SPAR. Returns are gross and in USD. The annualized return and standard deviation (annualized and calculated using monthly returns) are for the 20-year period ending 12/31/24.

The historical performance of each index cited is provided to illustrate market trends; it does not represent the performance of a particular MFS® investment product. It is not possible to invest directly in an index. Index performance does not take into account fees and expenses. Past performance is no guarantee of future results. The investments you choose should correspond to your financial needs, goals, and risk tolerance. For assistance in determining your financial situation, consult an investment professional. For more information on any MFS product, including performance, please visit mfs.com.

Common stocks generally provide an opportunity for more capital appreciation than fixed-income investments but are also subject to greater market fluctuations. Investments in debt instruments may decline in value as the result of declines in the credit quality of the issuer, borrower, counterparty, or other entity responsible for payment, underlying collateral, or changes in economic, political, issuer-specific, or other conditions. Certain types of debt instruments can be more sensitive to these factors and therefore more volatile. In addition, debt instruments entail interest rate risk (as interest rates rise, prices usually fall), therefore the Fund's share price may decline during rising rates. Funds that consist of debt instruments with longer durations are generally more sensitive to a rise in interest rates than those with shorter durations. At times, and particularly during periods of market turmoil, all or a large portion of segments of the market may not have an active trading market. As a result, it may be difficult to value these investments and it may not be possible to sell a particular investment or type of investment at any particular time or at an acceptable price. The price of an instrument trading at a negative interest rate responds to interest rate changes like other debt instruments; however, an instrument purchased at a negative interest rate is expected to produce a negative return if held to maturity.

Investments in lower-rated securities may provide greater returns but may have greater-than-average risk. The guarantees of government-guaranteed securities apply to the underlying securities only and not to the prices and yields of a portfolio. Diversification does not guarantee a profit or protect against a loss.

See other side for important information.

MFS® Fixed Income Funds

	FUND COMMENCEMENT	CLASS I	CLASS R6	CLASS A	MORNINGSTAR CATEGORY
FIXED INCOME					
MFS® Core Bond Fund	6/22/22	MCBFX	MCBMX	MCBEX	Intermediate Core Bond
MFS® Corporate Bond Fund	5/8/74	MBDIX	MFBKX	MFBFX	Corporate Bond
MFS® Emerging Markets Debt Fund	3/17/98	MEDIX	MEDHX	MEDAX	Emerging Markets Bond
MFS® Emerging Markets Debt Local Currency Fund	9/15/11	EMLIX	EMLNX	EMLAX	Emerging-Markets Local-Currency Bond
MFS® Global High Yield Fund	7/1/98	MHOIX	MHOVX	MHOAX	High Yield Bond
MFS® Global Opportunistic Bond Fund	6/2/10	MGBJX	MGBOX	MGBAX	Global Bond USD Hedged
MFS® Government Securities Fund	7/25/84	MGSIX	MFGKX	MFGSX	Intermediate Government
MFS® High Income Fund	2/17/78	MHIIX	MHIKX	MHITX	High Yield Bond
MFS® Income Fund	10/29/87	MFIIX	MFIWX	MFIOX	Intermediate Core-Plus Bond
MFS® Inflation-Adjusted Bond Fund	9/30/03	MIAIX	MIAKX	MIAAX	Inflation-Protected Bond
MFS® Limited Maturity Fund	2/26/92	MQLIX	MQLKX	MQLFX	Short-Term Bond
MFS® Total Return Bond Fund	1/4/99	MRBIX	MRBKX	MRBFX	Intermediate Core-Plus Bond
NATIONAL TAX-ADVANTAGED FIXED INCOME					
MFS® Municipal High Income Fund	2/24/84	MMIIX	MMHKX	MMHYX	High Yield Muni
MFS® Municipal Income Fund	12/29/86	MIMIX	MPMNX	MFIAX	Muni National Long
MFS® Municipal Intermediate Fund	5/18/21	MIUIX	MIURX	MIUAX	Muni National Intermediate
MFS® Municipal Limited Maturity Fund	3/17/92	MTLIX	MTLRX	MTLFX	Muni National Short
STATE-SPECIFIC TAX-ADVANTAGED FIXED INCOME					
MFS® Alabama Municipal Bond Fund	2/1/90	MLALX	MPOLX	MFALX	Muni Single State Long
MFS® Arkansas Municipal Bond Fund	2/3/92	MARLX	MPRAX	MFARX	Muni Single State Long
MFS® California Municipal Bond Fund	6/18/85	MCAVX	MPOAX	MCFTX	Muni California Long
MFS® Georgia Municipal Bond Fund	6/6/88	MGATX	MPGOX	MMGAX	Muni Single State Long
MFS® Maryland Municipal Bond Fund	10/31/84	MMDIX	MPMDX	MFSMX	Muni Single State Long
MFS® Massachusetts Municipal Bond Fund	4/9/85	MTALX	MPMAX	MFSSX	Muni Massachusetts
MFS® Mississippi Municipal Bond Fund	8/6/92	MMSTX	MPMSX	MISSX	Muni Single State Long
MFS® New York Municipal Bond Fund	6/6/88	MNYLX	MPNYX	MSNYX	Muni New York Long
MFS® North Carolina Municipal Bond Fund	10/31/84	MNCLX	MPNCX	MSNCX	Muni Single State Long
MFS® Pennsylvania Municipal Bond Fund	2/1/93	MPALX	MPPAX	MFPAX	Muni Pennsylvania
MFS® South Carolina Municipal Bond Fund	10/31/84	MTSCX	MPOCX	MFSCX	Muni Single State Long
MFS® Virginia Municipal Bond Fund	10/31/84	MIVAX	MPVOX	MSVAX	Muni Single State Long
MFS® West Virginia Municipal Bond Fund	10/31/84	MWVIX	MPWVX	MFWVX	Muni Single State Long

Keep in mind that all investments, including mutual funds, carry a certain amount of risk including the possible loss of the principal amount invested.

Before investing, consider the fund's investment objectives, risks, charges, and expenses. For a prospectus or summary prospectus containing this and other information, contact your investment professional or view online at mfs.com. Please read it carefully.

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