Fundamental Investing
Strategies for the long term

MFS®

"OUR FAVORITE HOLDING PERIOD IS FOREVER."

– Warren Buffett

We believe it is important to remember one of the fundamental concepts of investing: "staying the course." Here's a powerful reminder of the importance of remaining invested through difficult market environments.

It's near impossible for anyone to successfully time the market with any degree of accuracy for any length of time.

Data source: Morningstar.

The six-month CD rate is derived from secondary-market six-month CD rates published by the Federal Reserve Bank.

©2015 Morningstar, Inc. All rights reserved. The Morningstar information contained herein: (1) is proprietary to Morningstar; (2) may not be copied; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

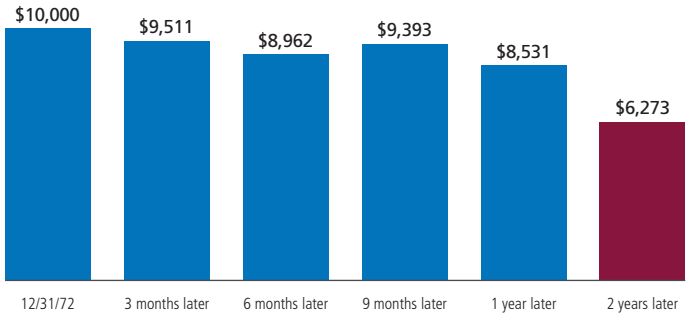
The data is not intended to represent the performance of any MFS product.

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

The **Standard & Poor's 500 Stock Index** measures the broad U.S. stock market. Index performance does not include any investment-related fees or expenses. It is not possible to invest directly in an index.

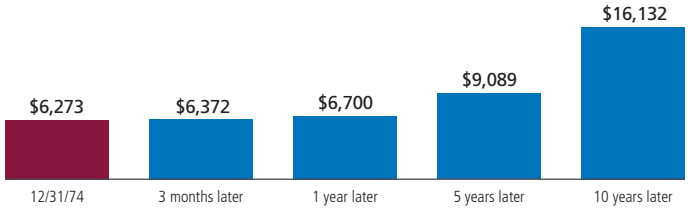
Stock returns during the '72 to '74 bear market

A $10,000 hypothetical investment in the S&P 500 on December 31, 1972



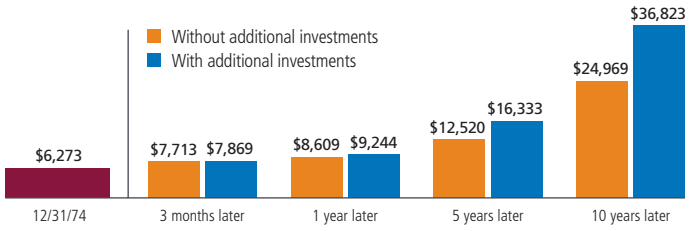
Shown is a hypothetical during a time when the market experienced a prolonged downturn (1973 – 1974). If you had pulled out of the market after those tough two years instead of staying the course, you would have missed out on the upturn when it finally came. Of course, past performance is no guarantee of future results, but this is one history lesson that could be very valuable in today's investing environment.

Long-term results if an investor moved to cash



Let's assume that when your original investment dropped to $6,273, you removed it from the market and reinvested it in a 6-month CD at the average 9.90% for this period. (CDs are FDIC insured and have principal and interest guarantees but offer no opportunity for growth of capital or income.)

Long-term results if an investor stayed with stocks



But what if you had kept your $6,273 invested in the S&P 500 instead of investing in a CD? Or even had gone a step further and set up a systematic investment plan adding $50 per month, starting on 1/1/1975, for the next 10 years? The use of a systematic investment plan does not guarantee a profit or protect against a loss in declining markets. You should consider your financial ability to continue to invest through periods of low prices.

An action plan

Be sure to talk with your financial advisor to find out what's right for you. Consider your investment time horizon, risk tolerance, and your financial ability to continue to invest through periods of low prices. Remember that the use of a systematic investing program does not guarantee a profit or protect against a loss in declining markets.

See the reverse side for other important information.

The views expressed are those of the author(s) and are subject to change at any time. These views are for informational purposes only and should not be relied upon as a recommendation to purchase any security or as a solicitation or investment advice from the Advisor.

Unless otherwise indicated, logos and product and service names are trademarks of MFS® and its affiliates and may be registered in certain countries.

Issued in the United States by MFS Institutional Advisors, Inc. ("MFSI") and MFS Investment Management. Issued in Canada by MFS Investment Management Canada Limited. No securities commission or similar regulatory authority in Canada has reviewed this communication. Issued in the United Kingdom by MFS International (U.K.) Limited ("MIL UK"), a private limited company registered in England and Wales with the company number 03062718, and authorized and regulated in the conduct of investment business by the U.K. Financial Conduct Authority. MIL UK, an indirect subsidiary of MFS, has its registered office at One Carter Lane, London, EC4V 5ER UK and provides products and investment services to institutional investors globally. Issued in Hong Kong by MFS International (Hong Kong) Limited ("MIL HK"), a private limited company licensed and regulated by the Hong Kong Securities and Futures Commission (the "SFC"). MIL HK is a wholly-owned, indirect subsidiary of Massachusetts Financial Services Company, a U.S.-based investment advisor and fund sponsor registered with the U.S. Securities and Exchange Commission. MIL HK is approved to engage in dealing in securities and asset management-regulated activities and may provide certain investment services to "professional investors" as defined in the Securities and Futures Ordinance ("SFO"). Issued in Singapore by MFS International Singapore Pte. Ltd., a private limited company registered in Singapore with the company number 201228809M, and further licensed and regulated by the Monetary Authority of Singapore. Issued in Latin America by MFS International Ltd. For investors in Australia: MFSI and MIL UK are exempt from the requirement to hold an Australian financial services license under the Corporations Act 2001 in respect of the financial services they provide. In Australia and New Zealand: MFSI is regulated by the U.S. Securities and Exchange Commission under U.S. laws, and MIL UK is regulated by the U.K. Financial Conduct Authority under U.K. laws, which differ from Australian and New Zealand laws.

MFSE-TIMING-FLY-2/15
15800.9