Market Timing vs. *Time* in the Market

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Too often, our emotions get in the way of making sound investment decisions.

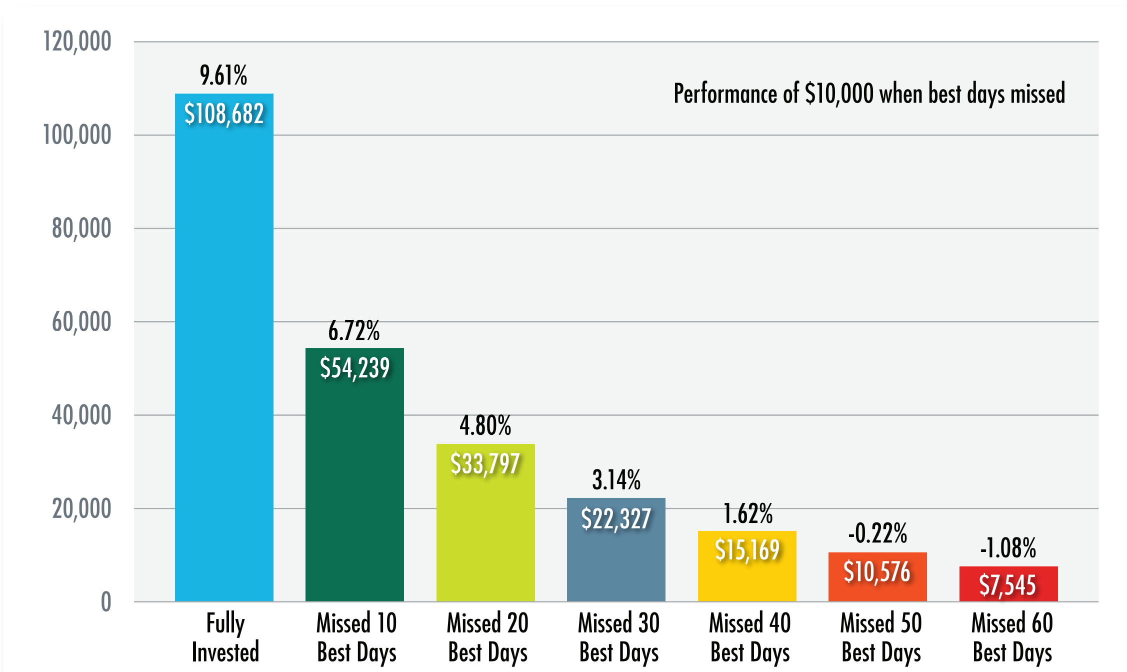
After a downturn in the stock market, it is very understandable to feel discomfort. But if you then move out of stocks as a result of these emotions, it is really difficult to get back in at the right time, and you risk missing the relatively big market gains that often occur *after* downturns.

Can you avoid the market downturns to begin with? Market movements are very difficult to reliably predict. As the former mutual fund manager Peter Lynch said:

> *"Far more money has been lost by investors preparing for corrections, or trying to anticipate corrections, than has been lost in the corrections themselves."*

Take a look at the below chart. Missing just a few days over the past two and a half decades resulted in a huge reduction in performance.

Over time, it is the time you are invested in the market that matters!



Source: Morningstar Direct.
Measures performance of S&P 500 stock index from Jan. 1, 1992 through Dec. 31, 2017.
For illustrative purposes only. Past performance is no guarantee of future results. It is not possible to invest in an actual index.

To learn more about how emotions can *derail* your investments, contact your ICMA-RC representative and visit **www.icmarc.org/invest**.

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