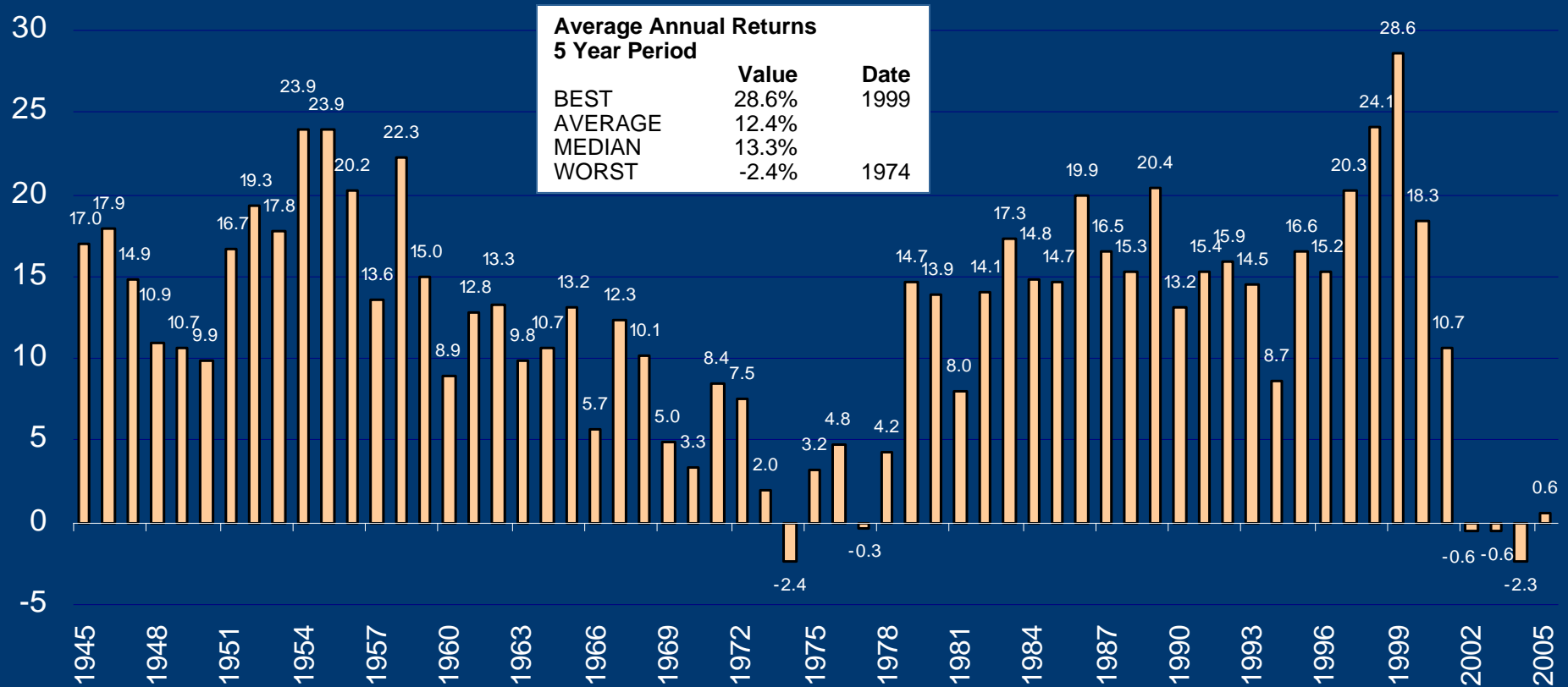


Stay Invested

Patience Is Rewarded

ROLLING 5-YEAR AVERAGE ANNUAL COMPOUND RETURNS (S&P 500) - ONLY FIVE NEGATIVE PERIODS



WWII | Korean War | Cuban Missile Crisis | Vietnam War Oil Embargo | Gold Hits \$850/oz | Black Monday | Berlin Wall Falls | Asian Crisis | Peso Devalued Tech Bubble



Investor Expectations

OBSERVATIONS

- Since 1945, there has been only one 5-year period when investors simply broke even (1972-1977).
- Since 1945, there has been only five 5-year period when investors lost money
- The average 5-year return has been 12.4%

IMPLICATIONS

- Consider the first bar on the chart. If you had put money into the market at the beginning of World War II, your portfolio would have grown 17% annually by the end of 1945.
- Investment strategists and professionals constantly warn investors about important economic variables, such as interest rates, inflation, a depreciating currency, oil prices rising, and even presidential elections. It is often suggested that, before investing, investors wait for certainty to arise around a specific variable. However, there will always be uncertainty in the market.

CONCLUSION

- If a long-term perspective was maintained, performance did not suffer during times of uncertainty or crisis.
- Waiting on the sidelines until there is no uncertainty could mean a missed investment opportunity.