

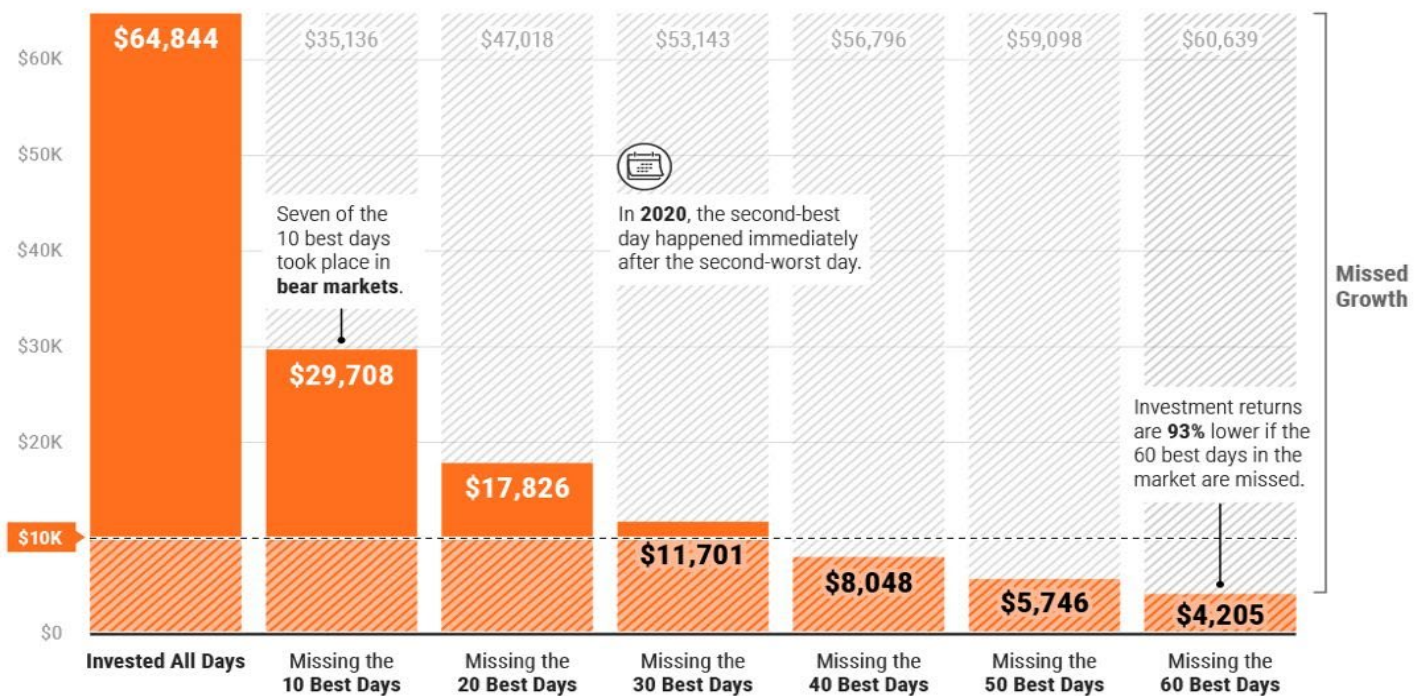
The Cost of Timing the Market

This week's data insight exemplifies the need for patience when investing in financial markets, and the rewards one can earn from long-term investing and more importantly staying invested. The chart looks at the returns gained and lost from investing \$10,000 in the S&P 500, starting in January 2003 and up to December 2022. What is pivotal here is if one stayed invested in the S&P from start to finish, that \$10,000 in 2003 would have been worth \$64,844 in 2022, a return of 548% over the 19-year period. However, the chart also highlights how missing the best days in the market within that time frame can severely impact the overall return, and even lead to a loss. This chart exemplifies the need to stay invested no matter what the financial headwinds are, and most importantly having patience and trusting in one's financial plan.

THE COST OF Timing the Market

Bad timing can take a bite out of returns. Below, we show the risk of trying to time the market. By simply missing out on the 10 best days, an investor could lose the majority of their overall return.

Value of \$10,000 Invested in the S&P 500 Jan 2003–Dec 2022



When Were the 10 Best Days in the Market? % Return



Source: JP Morgan. S&P 500 Index total returns from January 1, 2003 to December 30, 2022.

