

# MARKET TIMING DOES NOT WORK

JULY 2022 CLIENT QUESTION OF THE MONTH  
(revised November 2022)

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**In our July Client Question of the Month, we thought it would be helpful to assemble our favorite charts on market timing. As a wealth management firm, market timing is one of our most frequently discussed topics.**

Market timing is an investment strategy that is implemented by selling a large portion of equity holdings when the market is high (keep in mind this could result in substantial capital gains for taxable investors), patiently waiting on the sideline as the market declines, reinvesting at the market low, and then riding the market back up to new highs. Rinse and repeat. Although this might sound easy, the reality is that successful market timing is nearly impossible to execute consistently. Market tops and bottoms are never obvious in real time, only in hindsight. To execute a market timing strategy an investor must get two decisions precisely correct: when to sell out of the market and when to buy back in. Most investors come up short with the second decision, buying back in. We will note that if an investor discovered the magic formula to market timing, they would essentially be able to make an unlimited amount of money. There is no magic formula.

Market timing decisions are often emotional decisions driven by fear or panic rather than fact-based analysis. Given the damaging impact that market timing decisions have on performance, the average investor should look for ways to mitigate this behavior. A financial advisor can help make rational and data driven decisions rather than ones based on emotion. In our experience, the most effective course of action is to combine comprehensive financial planning with a globally diversified portfolio constructed by a thorough investment process. *However, it is important to remember that no investment strategy assures success or protects against loss.*

At Winthrop Wealth, we follow a total net worth approach to wealth management that combines both comprehensive financial planning and investment management. While financial planning and investment management can function successfully on their own, in our opinion the combination produces a whole greater than the sum of its parts. The financial plan defines cash flow needs, seeks to optimize account structures, considers tax mitigation strategies, and helps to determine the appropriate asset allocation based on the client's willingness and ability to take risk. Based on the output of the financial plan, our investment management process designs a well-diversified portfolio constructed with a methodology based on prudent risk management, asset allocation, and security selection. We seek to ensure that our client's short-term cash flow needs are met while stress testing both their financial plan and investment portfolio to help them pursue their longer-term goals and objectives despite challenging markets. Without a comprehensive financial plan and investment process, it is very easy to shoot yourself in the foot by making an emotionally based market timing mistake. *Asset allocation and diversification do not ensure a profit or protect against loss. All investing involves risk which you should be prepared to bear.*

Successful investing requires skill and discipline, not reliance on gimmicks like market timing. We hope that the following slides cement that market timing is a loser's game and should not be relied upon as a serious investment strategy.



WINTHROP  
WEALTH

**DON'T TRY TO BUY  
AT THE BOTTOM AND  
SELL AT THE TOP.  
IT CAN'T BE DONE –  
EXCEPT BY LIARS.**

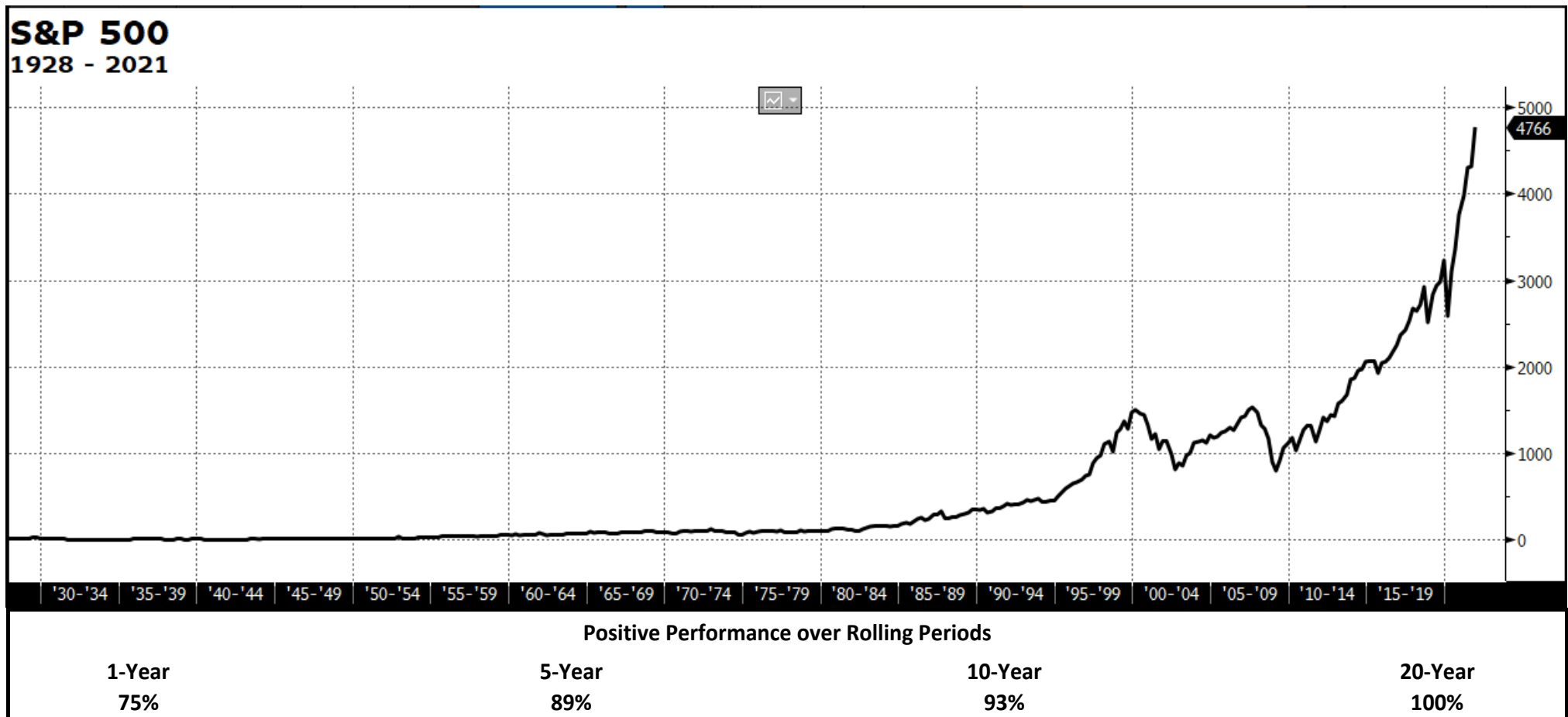
**-BERNARD BARUCH**

## The stock market goes up over time

From 1928 to 2021, the stock market produced a total annualized return of +9.7%. A \$10,000 investment in 1928 would have increased to over \$62,000,000 at the end of 2021.

We would also like to highlight that this period includes several of the most challenging market environments in history, including, the Great Depression, World War II, 1970's Stagflation, Crash of 1987, Dot-Com Bubble, Global Financial Crisis, and the Covid Pandemic. The total period includes thirteen bear markets, fifteen recessions, and dozens of corrections and pullbacks.

With the stock market, the longer you stayed invested the greater likelihood you had of generating a positive return. Historically, a 20-year investment in the S&P 500 has never lost money despite some very challenging and volatile periods. *Please remember that past performance is no guarantee of future results.*

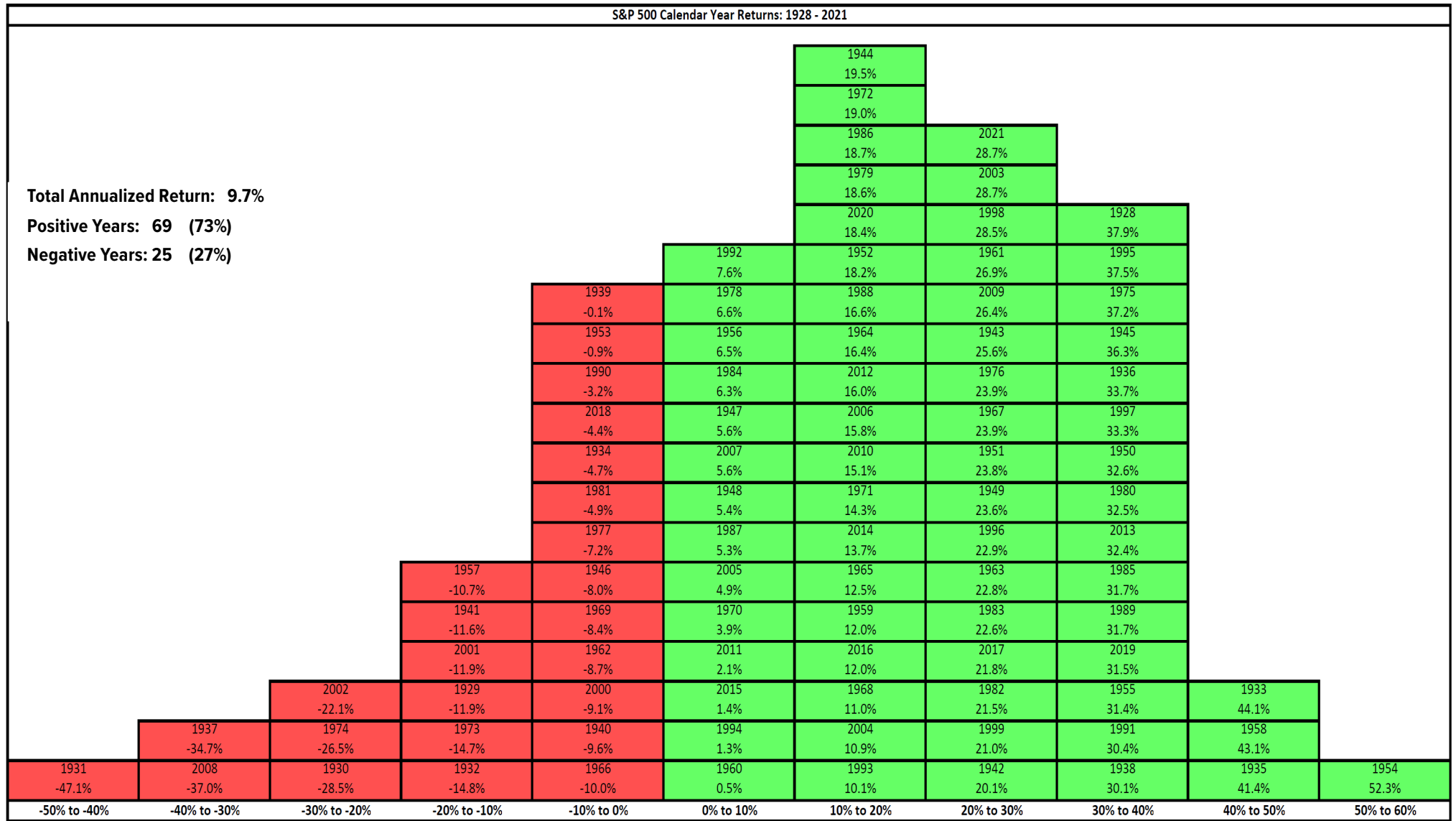


Source: Bloomberg. Past performance does not guarantee future results and it is not possible to invest directly into an index.

## The stock market goes up over time, but returns are not linear

Since 1928, the stock market produced positive results in 69 calendar years vs. 25 years with negative returns.

The market went higher in 73% of years with an average return of +21.0% and declined in 27% of years with an average drop of -14.0%.

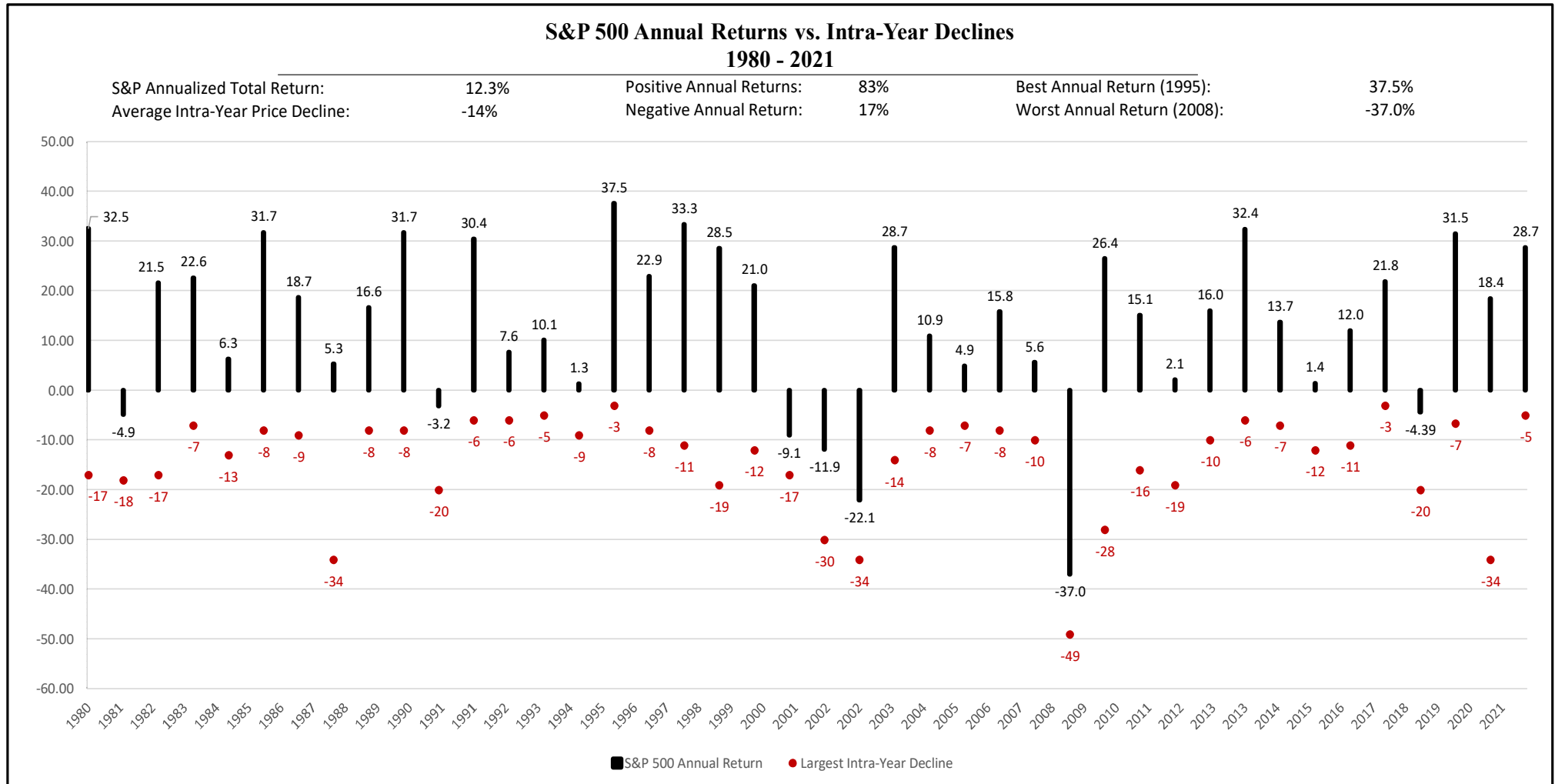


## Market declines are common

The following chart displays the S&P 500's annual return vs. the largest intra-year decline from 1980 through 2021.

Over this period, the S&P 500 has generated a total annualized return of +12.3%. Annual returns ranged from -37.0% to +37.5%.

There were plenty of market drops along the way as the average intra-year price decline was -14%. This simply means that at some point each year the S&P 500 dropped by an average of -14%.



## There are always “reasons to sell”

An old investment adage is that the stock market climbs a “wall of worry.” This simply means that the market has risen over time despite a constant barrage of potential risks that could cause a correction or decline.

The market always has risks to overcome and there is never an “all-clear” signal.

The 24-hour news cycle and advent of social media might make it seem as though risks are more prevalent today, but they have always existed. Historically, you might not have found out about economic data or company specific news until you read about it in the newspaper the next day. Now, everything happens in real-time with a never-ending flow of pundits and articles ready to pontificate about what happened and how it may impact the markets.

We caution our clients to not overreact to one data-point, piece of news, or what a so-called market authority might be predicting.

Reasons to Sell Stocks											
Top Market Risk and S&P 500 Annual Return											
Year	Market Risk	Return	Year	Market Risk	Return	Year	Market Risk	Return	Year	Market Risk	Return
1971	Wage Price Freeze	14.3%	1988	Election Year	16.6%	2005	Hurricane Katrina	4.9%			
1972	Largest U.S. Trade Deficit Ever	19.0%	1989	October “Mini Crash”	31.7%	2006	Real Estate Peaks	15.8%			
1973	Energy Crisis	-14.7%	1990	Persian Gulf Crisis	-3.2%	2007	Subprime Lending	5.6%			
1974	Stagflation	-26.5%	1991	Berlin Wall Falls	30.4%	2008	Great Recession Begins	-37.0%			
1975	Clouded Economic Prospects	37.2%	1992	Global Recession	7.6%	2009	Double Digit Unemployment Numbers	26.4%			
1976	Economic Recovery Slows	23.9%	1993	Health Care Reform	10.1%	2010	European Sovereign Debt Crisis	15.1%			
1977	Market Slumps	-7.2%	1994	Fed Raises Interest Rates Six Times	1.3%	2011	U.S. Credit Downgrade	2.1%			
1978	Interest Rates Rise	6.6%	1995	Dow Tops 5,000	37.5%	2012	Afghanistan War	16.0%			
1979	Oil Prices Skyrocket	18.6%	1996	Dow Tops 6,400	22.9%	2013	Fed Taper Tantrum	32.4%			
1980	Interest Rates at All-Time High	32.5%	1997	Hong Kong Reverts to China	33.3%	2014	Oil Prices Plunge 50%	13.7%			
1981	Steep Recession Begins	-4.9%	1998	Long Term Capital Mgmt Collapse	28.5%	2015	China Economic Slowdown	1.4%			
1982	Worst Recession in 40 Years	21.5%	1999	Y2K	21.0%	2016	Global Economic Slowdown	12.0%			
1983	Market Hits New Highs	22.6%	2000	Tech Bubble Burst	-9.1%	2017	High Valuation	21.8%			
1984	Record Federal Deficits	6.3%	2001	9/11 Terrorist Attacks	-11.9%	2018	US/China Trade War - Fed Policy Mistake	-4.4%			
1985	Economic Growth Slows	31.7%	2002	Recession	-22.1%	2019	US/China Trade War	31.5%			
1986	Dow Nears 2,000	18.7%	2003	War in Iraq	28.7%	2020	Covid Pandemic	18.4%			
1987	Record-Setting Market Decline	5.3%	2004	Rising Interest Rates	10.9%	2021	Covid Pandemic - Stimulus Withdrawal	28.7%			
S&P 500 (1971 - 2021):			Total Return: 22,411%.			Growth of \$10,000: \$2,250,000.			Total Annualized Return: +11.2%.		

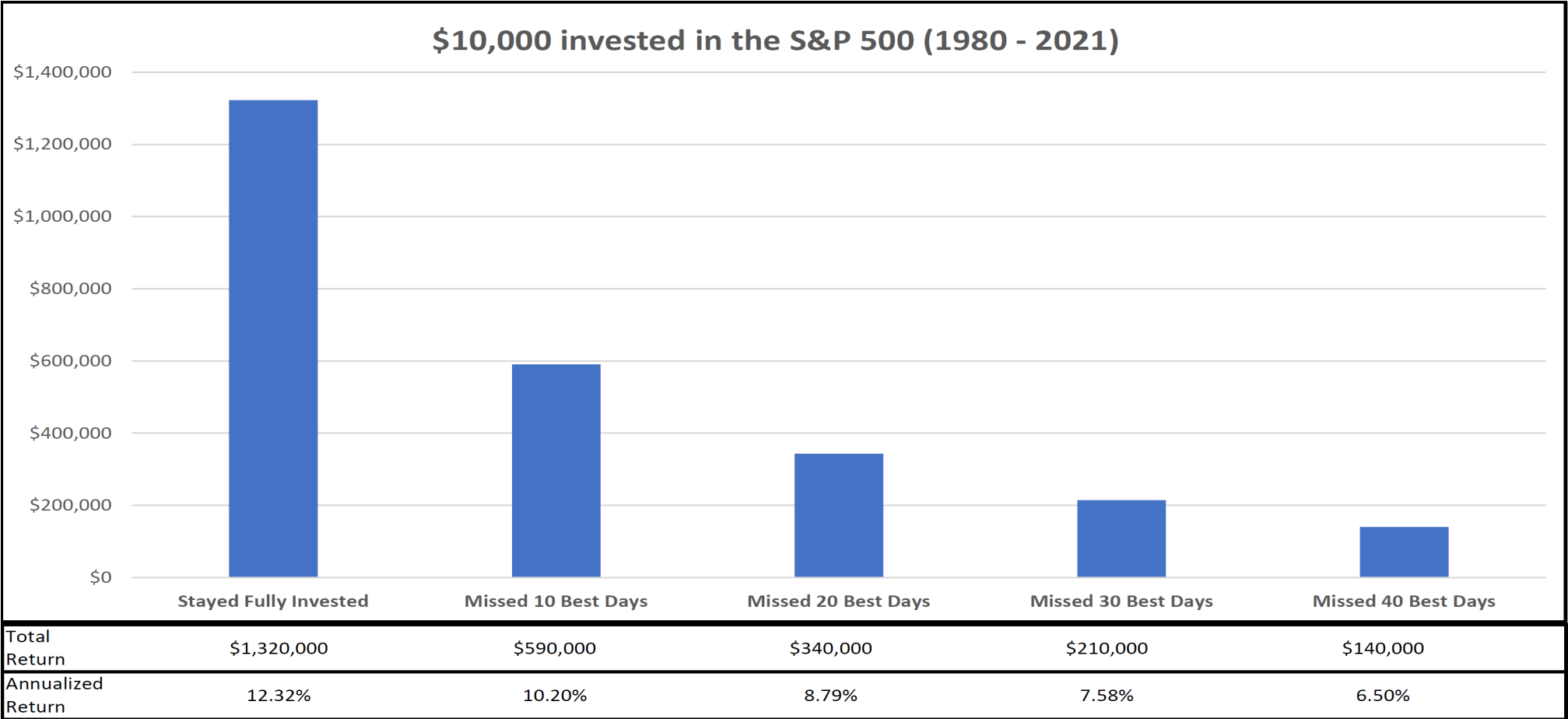
Missing the best days crushes investor returns

Investors who wait on the sidelines for the “optimal” time to buy often miss significant rallies.

A \$10,000 investment in 1980 would have increased to about \$1,320,000 at the end of 2021. Note, this period includes over 10,500 trading days and assumes the individual stayed fully invested. If an investor missed only the 10 best days in the market, their total return would have been less than half. If an investor missed the 40 best days, their return would have been about one tenth.

To make things more difficult for market timers, the best days often occur during periods of severe market stress. Nine of the ten best days in the market over the last forty-two years occurred during either the Global Financial Crisis (2008-2009) or the Covid Pandemic (2020). Nervous or frustrated investors who threw in the towel would have missed the subsequent market rebound and devastated their portfolios.

During periods of market stress, it is impossible to know when the market bounce will occur, but we do know that missing the bounce has historically had a severe negative impact on total return.



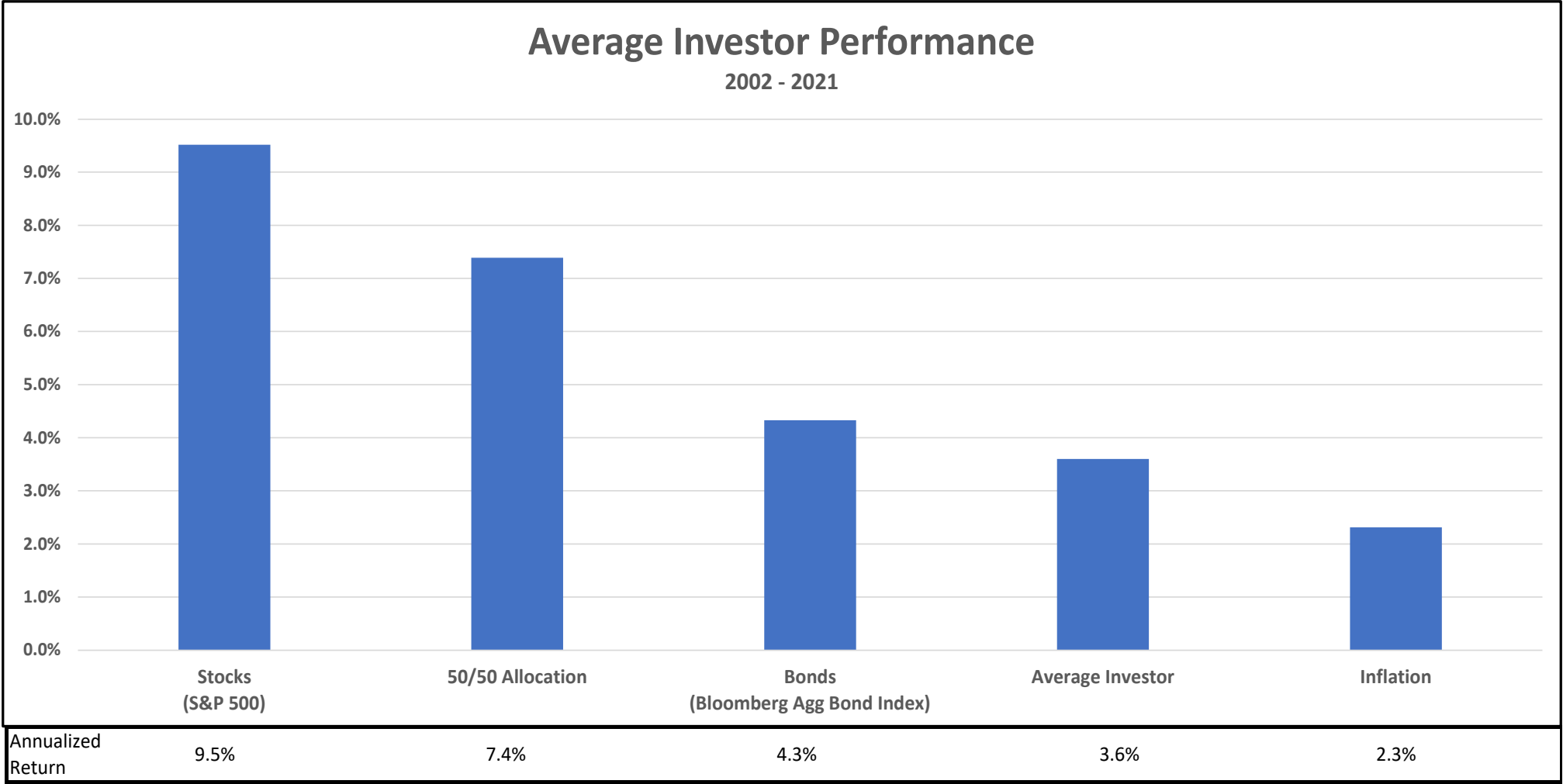
Source: Bloomberg. Past performance does not guarantee future results and it is not possible to invest directly into an index.

**The average investor underperforms due to market timing**

The following chart is from a Dalbar study titled “Quantitative Analysis of Investor Behavior” that displays the annualized returns of various asset classes and the average investor for the twenty-year period of 2001 through 2020.

The average asset allocation investor’s return is based on an analysis of the net aggregate mutual fund sales, redemptions, and exchanges each month. The study shows that the average investor’s return over this period was less than half of stocks and far worse than a bond allocation.

Dalbar cites market timing as a main factor for poor investor performance.



Source: Bloomberg and Dalbar Inc. Past performance does not guarantee future results and it is not possible to invest directly into an index.

## Remember the benefit of diversification

Diversification and time are an investor's two best friends. Diversified portfolios can lead to more consistent and less volatile results than a single asset class. We know that markets can be extremely volatile in the short-term, but difficult periods have historically not lasted forever. *There is no guarantee that a diversified portfolio will enhance overall returns or outperform a nondiversified portfolio.*

To highlight the benefits of diversification, we examined the total return performance of nine separate asset classes and a diversified asset allocation from 2007 to 2021 (see below for the asset class index key and weights of the diversified allocation). Notice that from year-to-year many asset classes rotate from top to bottom performers. We will also highlight that the asset allocation has stayed consistently in the middle.

Asset Class Returns															2007 - 2021		
2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Annualized Return	Annualized Volatility	Sharpe Ratio
Emerging Markets 39.4%	Fixed Income 5.2%	Emerging Markets 78.5%	Small Cap 26.8%	Fixed Income 7.8%	Emerging Markets 18.2%	Small Cap 38.8%	Large Cap 13.7%	Large Cap 1.4%	Small Cap 21.3%	Emerging Markets 37.3%	Cash 1.8%	Large Cap 31.5%	Small Cap 19.9%	Large Cap 28.7%	Large Cap 10.6%	Emerging Markets 21.4%	Fixed Income 1.00
Commodities 16.2%	Cash 1.8%	High Yield 58.2%	Mid Cap 26.6%	High Yield 5.0%	Mid Cap 17.8%	Mid Cap 33.5%	Mid Cap 9.7%	Fixed Income 0.5%	Mid Cap 20.7%	Developed International 25.0%	Fixed Income 0%	Mid Cap 26.2%	Large Cap 18.4%	Commodities +27.1%	Mid Cap 10.4%	Small Cap 20.3%	Asset Allocation 0.66
Developed International 11.2%	Asset Allocation -23.3%	Mid Cap 37.3%	Emerging Markets 18.9%	Large Cap 2.1%	Developed International 17.3%	Large Cap 32.4%	Asset Allocation 7.1%	Cash 0%	High Yield 17.1%	Large Cap 21.8%	High Yield -2.1%	Small Cap 25.5%	Emerging Markets 18.3%	Mid Cap 24.7%	Small Cap 8.7%	Mid Cap 18.4%	Large Cap 0.64
Mid Cap 8.0%	High Yield -26.2%	Developed International 31.8%	Commodities 16.8%	Asset Allocation 1.3%	Small Cap 16.4%	Developed International 22.8%	Fixed Income 6.0%	Asset Allocation -0.8%	Large Cap 12.0%	Mid Cap 16.2%	Large Cap -4.4%	Developed International 22.0%	Mid Cap 13.6%	Small Cap 14.8%	Asset Allocation 7.6%	Developed International 17.4%	High Yield 0.64
Asset Allocation 7.3%	Small Cap -33.8%	Small Cap 27.1%	High Yield 15.1%	Cash 0.1%	Large Cap 16.0%	Asset Allocation 17.4%	Small Cap 4.9%	Developed International -0.8%	Commodities 11.8%	Asset Allocation 14.8%	Asset Allocation -4.6%	Asset Allocation 20.7%	Asset Allocation 12.5%	Asset Allocation 14.3%	High Yield 7.1%	Commodities 16.5%	Mid Cap 0.52
Fixed Income 7.0%	Commodities -35.6%	Large Cap 26.4%	Large Cap 15.1%	Mid Cap -1.7%	High Yield 15.8%	High Yield 7.4%	High Yield 2.5%	Mid Cap -2.2%	Emerging Markets 11.2%	Small Cap 14.6%	Small Cap -11.0%	Emerging Markets 18.4%	Developed International 7.8%	Developed International 11.3%	Emerging Markets 4.4%	Large Cap 5.3%	Small Cap 0.39
Large Cap 5.6%	Mid Cap -36.2%	Asset Allocation 23.4%	Asset Allocation 12.5%	Small Cap -4.2%	Asset Allocation 11.9%	Cash 0%	Cash 0%	Small Cap -4.4%	Asset Allocation 8.8%	High Yield 7.5%	Mid Cap -11.1%	High Yield 14.3%	Fixed Income 7.5%	High Yield 5.3%	Fixed Income 4.1%	Asset Allocation 10.2%	Emerging Markets 0.17
Cash 4.8%	Large Cap -37.0%	Commodities 18.9%	Developed International 7.8%	Developed International -12.1%	Fixed Income 4.2%	Fixed Income -2.0%	Emerging Markets -2.2%	High Yield -4.5%	Fixed Income 2.6%	Fixed Income 3.5%	Commodities -11.2%	Fixed Income 8.7%	High Yield 7.1%	Cash 0.0%	Developed International 3.6%	High Yield 9.7%	Developed International 0.16
High Yield 1.9%	Developed International -43.4%	Fixed Income 5.9%	Fixed Income 6.5%	Commodities -13.3%	Cash 0.1%	Emerging Markets -2.6%	Developed International -4.9%	Emerging Markets -14.9%	Developed International 1.0%	Commodities 1.7%	Developed International -13.8%	Commodities 7.7%	Cash 0.5%	Fixed Income -1.5%	Cash 0.8%	Fixed Income 3.2%	Cash 0
Small Cap -1.6%	Emerging Markets -53.3%	Cash 0.1%	Cash 0.1%	Emerging Markets -18.4%	Commodities -1.1%	Commodities -9.5%	Commodities -17%	Commodities -24.7%	Cash 0.3%	Cash 0.8%	Emerging Markets -14.6%	Cash 2.2%	Commodities -3.1%	Emerging Markets -2.5%	Commodities -2.6%	Cash 0.4%	Commodities -0.21
Asset Class Key																	
Large Cap:	S&P 500			Developed International:			MSCI EAFE			Fixed Income:			Bloomberg Barclays US Agg				
Mid Cap:	S&P 400			Emerging Markets:			MSCI Emerging Markets			Treasury Bills:			Bloomberg Barclays 1-3M Treasury Bills				
Small Cap:	Russell 2000			High Yield			Bloomberg Barclays US Corporate High Yield			Commodities:			Bloomberg Commodity Total Return Index				
Asset Allocation Weights																	
Large Cap:	40%			Developed International:			9%			Fixed Income:			30%				
Mid Cap:	4%			Emerging Markets:			3%			Treasury Bills:			3%				
Small Cap:	4%			High Yield			5%			Commodities:			2%				

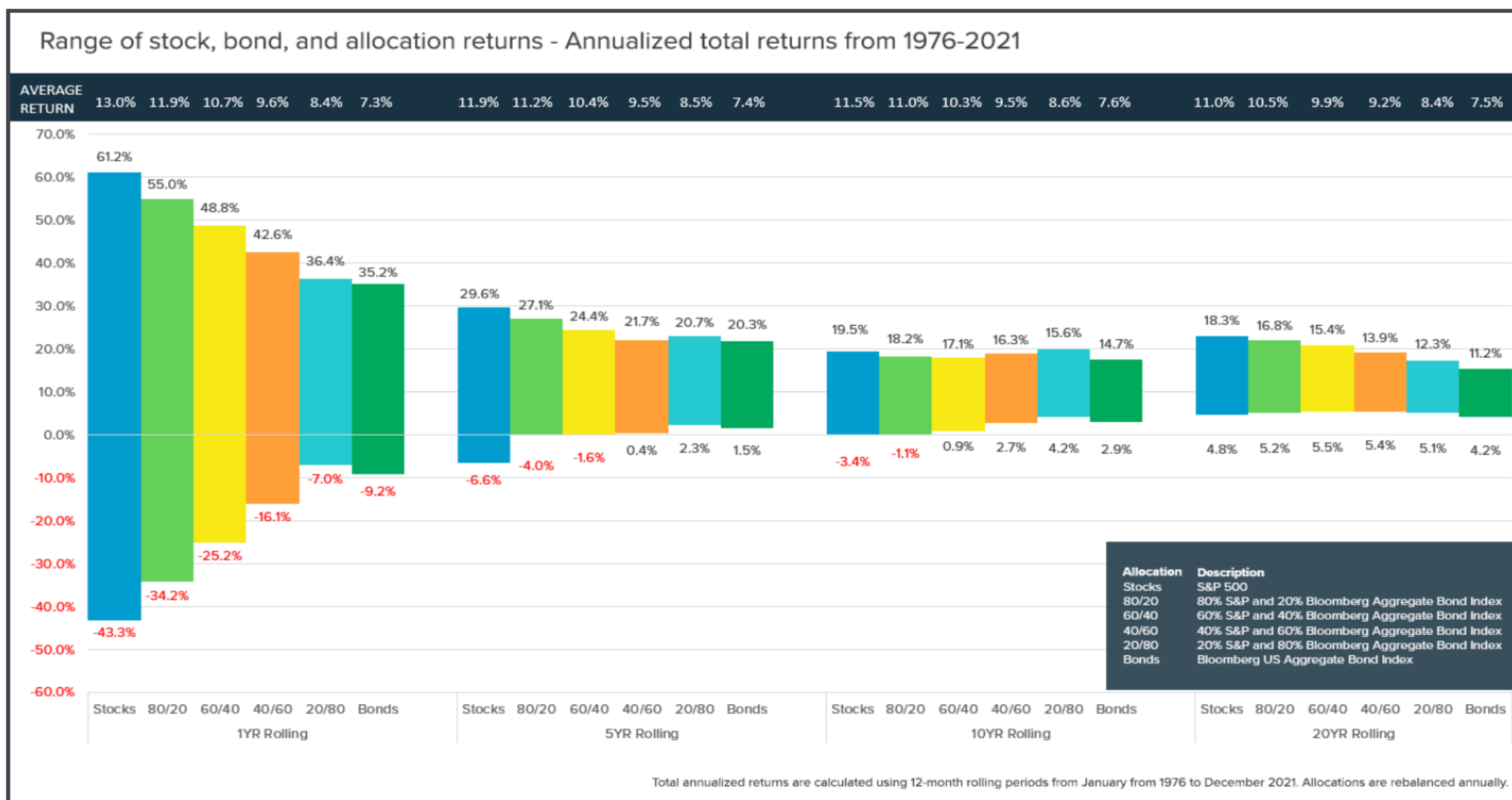
Source: Bloomberg. Past performance does not guarantee future results and it is not possible to invest directly into an index.



## Remember the value of time

The following chart displays the historical performance of various stock, bond, and allocation returns over rolling periods. Our time-period runs from January 1976 through December 2021 – this is the longest possible data period we have for both the S&P 500 (stocks) and Bloomberg Barclays Aggregate Bond index (bonds). Rolling periods run from month-to-month over the stated time frame and allow for a larger data set than calendar year periods.

As the rolling time-period increases, the value of the lowest return increases and the range of outcomes (high – low) decreases. Markets can be extremely volatile in the short-term and equity drawdowns can be severe and occur suddenly. Time invested in the market matters more than market timing.



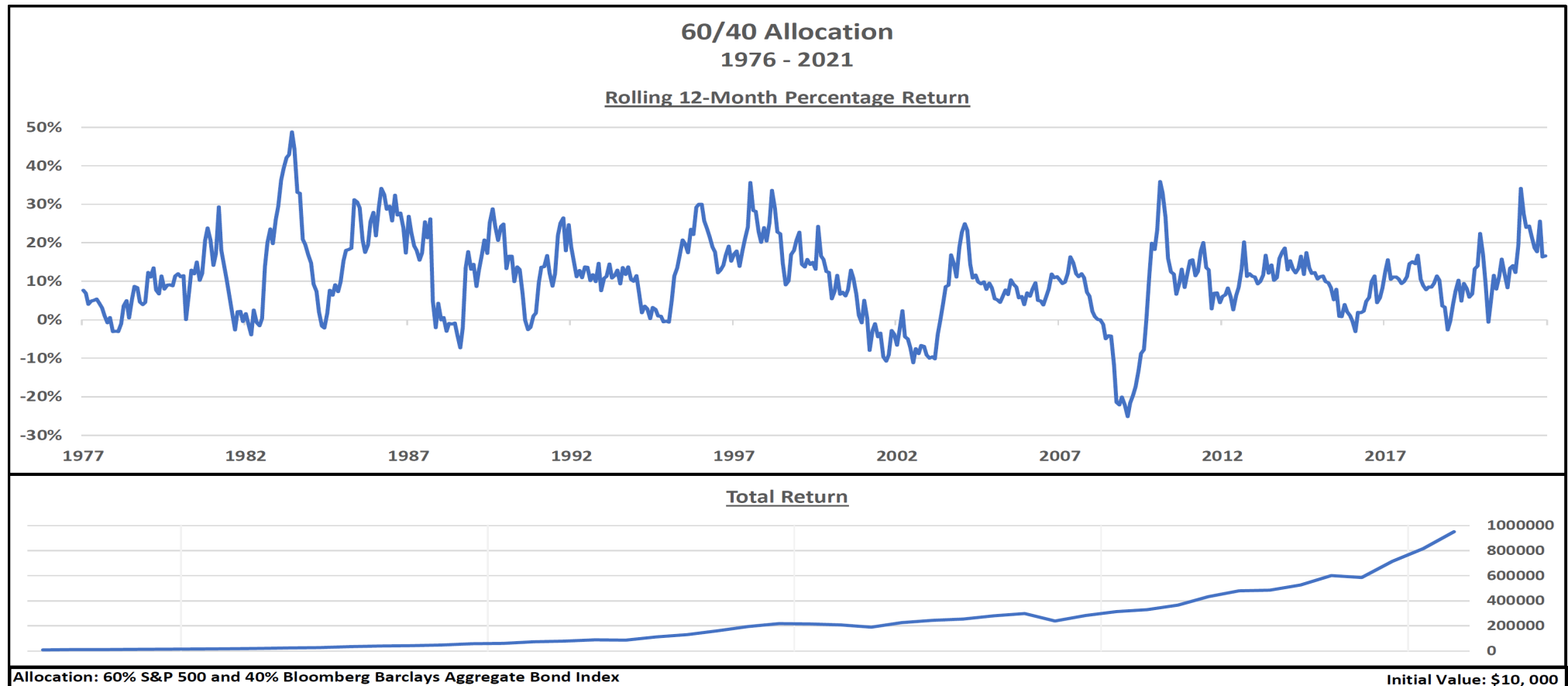
Source: Bloomberg. Past performance does not guarantee future results and it is not possible to invest directly into an index.

## Withdrawing Money

One of the most common and costly mistakes an investor can make is to not plan for a scheduled cash flow need in advance, and then fund it by selling equities AFTER a significant market decline. A major component of our total net worth approach to comprehensive financial planning and investment management is to identify and **account** for upcoming cash flow needs. We often invest at least two to three years of scheduled cash flows in conservative ultra-short fixed income to decrease the likelihood that we will need to sell out of risk assets after a market decline to fund distributions. By actively managing portfolios, we can let the market dictate whether we fund cash flows from the conservative fixed income holdings or the equities. *It is important to consider your risk tolerance and time horizon and let your advisor know of any changes, or liquidity needs.*

The following graphic is helpful to understand our approach to funding distributions. The chart displays both the historical Rolling 12-Month Percentage Return and Total Return of a 60/40 allocation from 1976 through 2021. The Rolling 12-Month Percentage Return portion shows that returns can vary significantly. When equity markets are strong, we frequently fund distributions from the equity side of the portfolio (allowing us to trim stock holdings into strength). When equity markets are weak, we often fund distributions from the conservative fixed income holdings.

The Total Return section demonstrates the value of a long time horizon, which is important to remember during periods of volatility.



Source: Bloomberg. Past performance does not guarantee future results and it is not possible to invest directly into an index.

## Investing New Money

Since the investor's worst nightmare is to invest new money right before a significant market decline, we decided to examine both the short and long-term impacts of this scenario.

The following chart displays the performance of the S&P 500 during the last ten bear markets going back to 1950 (we used the classic bear market definition of a peak-to-trough price decline of greater than -20%). In our two scenarios, the investor puts money to work at a "terrible" time, either 30- or 90-days before the eventual bear market bottom.

This study illustrates that time invested in the market matters more than investing at the perfect time. In investing, perfect can be the enemy of good. While it would be nice to make the perfect investment at THE market bottom, if you believe the current environment is at least a good time to invest, then we suggest putting a portion of your capital to work. No one knows when the ultimate market bottom will occur since it can only be identified in hindsight (although this will not stop the pundits from guessing). *No strategy assures success or protects against loss.*

At Winthrop Wealth, we work closely with our clients to execute a transparent plan to invest new money. In our opinion, the best way put new money to work is to agree to an investing schedule with some flexibility that makes the client feel confident in the process. Rather than attempting to wait for the perfect time to buy, our approach allows us to make a series of buys and to save some dry powder as new opportunities arise. This increases the chances that some of our buys may be at good to great prices. In our opinion, our methodical approach is far more effective than trying to find the perfect time to invest everything at once. *There can be no guarantee that strategies promoted will be successful or suitable for all investors.*

S&P 500 Bear Markets (1950 - 2021)				Invest 1-Month Before Market Bottom			Invest 3-Months Before Market Bottom		
Bear Market	Market Peak	Market Bottom	Price Decline	1-Month Total Return	12-Month Total Return	24-Month Total Return	3-Month Total Return	12-Month Total Return	24-Month Total Return
Rising Bond Yields	July 1957	October 1957	-20.7%	-9.8%	17.3%	35.8%	-19.0%	-0.1%	32.0%
Kennedy Slide of 1962	December 1961	June 1962	-28.0%	-12.0%	21.8%	44.6%	-24.8%	-1.5%	20.9%
Fed Tightening	February 1966	October 1966	-22.2%	-3.2%	27.9%	41.5%	-15.7%	8.3%	24.2%
Tech Crash of 1970	November 1968	May 1970	-36.1%	-16.0%	30.2%	38.4%	-21.7%	12.6%	27.2%
Stagflation	January 1973	October 1974	-48.2%	-11.3%	27.8%	60.6%	-24.6%	18.3%	35.8%
Fed Tightening	November 1980	August 1982	-27.1%	-5.9%	58.9%	50.7%	-11.8%	47.4%	48.0%
1987 Crash	August 1987	October 1987	-33.5%	-9.8%	16.3%	45.6%	-28.7%	-13.4%	20.0%
Tech Bubble	March 2000	October 2002	-49.1%	-13.8%	15.4%	28.1%	-15.9%	9.6%	24.3%
Global Financial Crisis	October 2007	March 2009	-56.8%	-21.8%	25.6%	58.5%	-23.3%	26.4%	45.1%
Global Pandemic	February 2020	March 2020	-33.9%	-32.8%	19.1%	34.5%	-30.3%	16.6%	51.4%
<b>Average</b>			<b>-35.6%</b>	<b>-13.7%</b>	<b>26.0%</b>	<b>43.8%</b>	<b>-21.6%</b>	<b>12.4%</b>	<b>32.9%</b>

Source: Bloomberg. Past performance does not guarantee future results and it is not possible to invest directly into an index.

## Disclosures:

Content in this material is for general information only and not intended to provide specific advice or recommendations for any individual.

The economic forecasts set forth in this material may not develop as predicted and there can be no guarantee that strategies promoted will be successful.

Financial planning is a tool intended to review your current financial situation, investment objectives and goals, and suggest potential planning ideas and concepts that may be of benefit. There is no guarantee that financial planning will help you reach your goals.

Likewise, it is important to remember that no investment strategy assures success or protects against loss. Past performance is no guarantee of future results. Asset allocation does not ensure a profit or protect against loss. There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification does not protect against market risk. All investing involves risk which you should be prepared to bear.

Rebalancing a portfolio may cause you to incur tax liabilities and/or transaction costs and does not assure a profit or protect against a loss.

All indexes mentioned are unmanaged indexes which cannot be invested into directly. Unmanaged index returns do not reflect fees, expenses, or sales charges. Index performance is not indicative of the performance of any investment. Past performance is no guarantee of future results.

The Standard & Poor's 500 Index is a capitalization weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

The S&P Midcap 400 Stock Index is an unmanaged index generally representative of the market for the stocks of mid-sized US companies.

The Russell 2000 Index is an unmanaged index generally representative of the 2,000 smallest companies in the Russell 3000 index, which represents approximately 10% of the total market capitalization of the Russell 3000 Index.

The prices of small cap stocks and mid cap stocks are generally more volatile than large cap stocks.

The Bloomberg Barclays U.S. Aggregate Bond Index is an index of the U.S. investment-grade fixed-rate bond market, including both government and corporate bonds.

The Bloomberg Barclays US Treasury Bills 1-3 Month Index is designed to measure the performance of public obligations of the U.S. Treasury that have a remaining maturity of greater than or equal to 1 month and less than 3 months. The Index includes all publicly issued zero coupon U.S. Treasury Bills that have a remaining maturity of less than 3 months and at least 1 month, are rated investment grade, and have \$300 million or more of outstanding face value.

Bonds are subject to market and interest rate risk if sold prior to maturity. Bond values will decline as interest rates rise and bonds are subject to availability and change in price.

## Disclosures:

The Bloomberg Barclays Capital US Corporate High Yield Bond index is an index representative of the universe of fixed-rate, non-investment grade debt.

The Bloomberg Commodity Total Return index is composed of futures contracts and reflects the returns on a fully collateralized investment in the BCOM. This combines the returns of the BCOM with the returns on cash collateral invested in 13 week (3 Month) U.S. Treasury Bills.

The fast price swings in commodities and currencies will result in significant volatility in an investor's holdings.

The MSCI EAFE Index is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada. The MSCI EAFE Index consists of the following developed country indices: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the UK.

The MSCI EM (Emerging Markets) Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the emerging market countries of the Americas, Europe, the Middle East, Africa and Asia. The MSCI EM Index consists of the following emerging market country indices: Brazil, Chile, Colombia, Mexico, Peru, Czech Republic, Egypt, Greece, Hungary, Poland, Qatar, Russia, South Africa, Turkey, United Arab Emirates, China, India, Indonesia, Korea, Malaysia, Philippines, Taiwan, and Thailand.

International investing involves special risks such as currency fluctuation and political instability and may not be suitable for all investors. These risks are often heightened for investments in emerging markets.

DALBAR'S year Quantitative Analysis of Investor Behavior (QAIB) study examines real investor returns from equity, fixed income and money market mutual funds from January 2001 through December 2020. The study was originally conducted by DALBAR, Inc. in 1994 and was the first to investigate how mutual fund investors' behavior affects the returns they actually earn.

Dollar cost averaging plans involve continuous investment in securities regardless of fluctuations in price levels. Investors should consider their ability to continue purchasing through periods of low price levels. Plans do not assure a profit and do not protect against loss in declining markets.

Securities offered through LPL Financial, Member FINRA/SIPC. Investment Advice offered through Winthrop Wealth, a Registered Investment Advisor and separate entity from LPL Financial.