## An Investor's Worst Nightmare Investing Before a Major Fall

No investor wants to invest at the wrong time. What if the market goes down? The chart below points out that in spite of the nightmarish luck of investing $\$ 10,000$ at the very worst times - right before plunging into the significant losses of the last seven bear markets - an investment portfolio, comprised of $\$ 70,000$ in total deposits, still climbed to a staggering 2017 year-end value of $\$ 2,825,758$.

| Investment <br> Date $^{1}$ | Amount <br> Invested | Market <br> Decline | Value <br> Fell to | Portfolio Value <br> $12 / 31 / 2017$ | Annual Rate <br> of Return |
| :---: | :---: | :--- | :---: | :---: | :---: |
| Nov1968 | $\$ 10,000$ | $-29 \%$ | $\$ 7,084$ <br> Jun-70 | $\$ 1,094,388$ | $10.04 \%$ |
| Dec 1972 | 10,000 | $-43 \%$ | 5,729 <br> Sep-74 | $\$ 866,632$ | $10.42 \%$ |
| Jul 1981 | 10,000 | $-15 \%$ | 8,487 <br> Jul-82 | $\$ 526,239$ | $11.49 \%$ |
| Aug 1987 | 10,000 | $-30 \%$ | 7,042 <br> Nov-87 | $\$ 159860$ | $9.56 \%$ |
| May 1990 | 10,000 | $-15 \%$ | 8,531 <br> Oct-90 | $\$ 132,363$ | $9.81 \%$ |
| Aug 2000 | 10,000 | $-45 \%$ | 5,527 <br> Sep-02 <br> Oct 2007 | 10,000 | $-51 \%$ |
| Feb-09 | $\$ 24769$ | $5.37 \%$ |  |  |  |
| Next Time | 10,000 | $-?$ |  |  | $\$ 21,507$ |
|  |  |  |  |  | $7.81 \%$ |
| Totals | $\$ 70,000$ |  |  | $\$ 2,825,758$ | $10.29 \%$ |

1 last day of the month data source: Thomson Reuters Investment View
2 performance of the S\&P 500 Composite Total Return
This chart shows that in spite of the worst market timing possible, stock investing rewards even the most wary of investors.

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[^0]:    This report has been compiled by Active Fund Strategies (AFS), using data provided by Thomson Reuters InvestmentView. While it was painstakingly researched, AFS offers no warranty of its accuracy. The report's conclusion represents a good faith judgment of the issue and the findings of the research. It is intended for the educational purposes of licensed investment professionals. If you are viewing this report as an investor, AFS cautions you to seek the advice of an investment professional for proper interpretation of the report, and asks you to note that, with all investments, past performance is no guarantee of future performance and that investment risk is real, to include a possible loss of original capital. Feb-2018

