

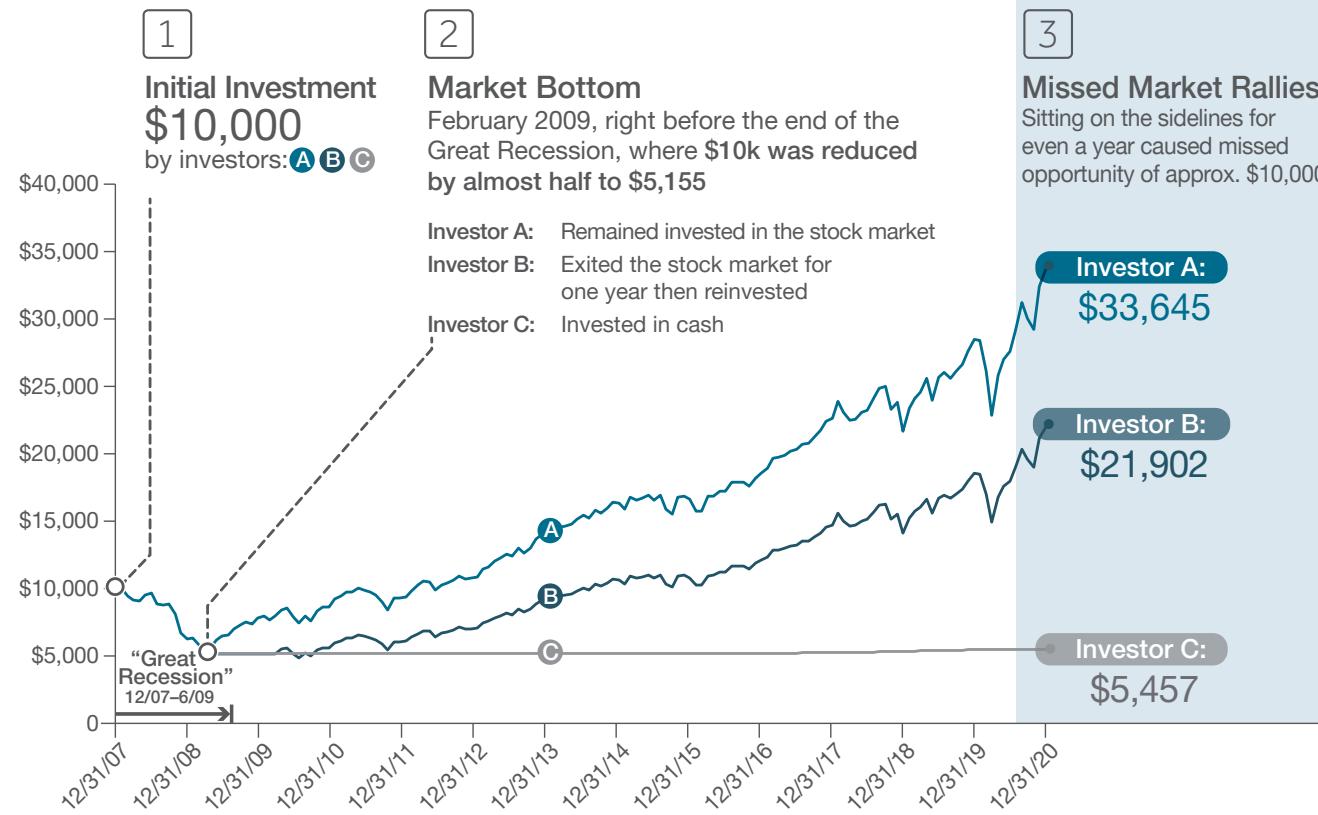
# “Time in” the market vs. “timing” the market

## The benefits of maintaining a long-term investment approach

Between December 2007 – December 2020, a period that included the “Great Recession” and the recovery that followed, three hypothetical investors each invested \$10,000 in the stock market. By February 2009 (the market bottom), the value of each investors’ initial investment dropped by almost half to \$5,155.

### Attempts to Time the Market May Lead to Missed Market Rallies<sup>1</sup>

December 2007 – December 2020



After that point:

- Investor A remained committed to a long-term investment and stayed fully invested in the stock market to realize a final ending value of \$33,645.
- Investor B decided to briefly exit the stock market by investing in cash for a year before reinvesting back into the market—realizing a final ending value of \$21,902.
- Investor C, however, exited the stock market all together by investing solely in cash—which provided a final ending value of \$5,457.

Based on this illustration, not only did Investor A recover the initial value, Investor A realized a higher ending value than both Investor B and Investor C combined.



**For more information**

800-624-6782

[newyorklifeinvestments.com](http://newyorklifeinvestments.com)

1. Source: Morningstar, 12/31/20. This information is for illustrative purposes only and is not indicative of any investment. The stock market is represented by the S&P 500 Index, an unmanaged index of 500 stocks used to measure large-cap U.S. stock market performance. Cash is represented by the 30-day U.S. Treasury bill. The data assumes reinvestment of income and does not account for taxes or transaction costs. Stocks have been more volatile than bonds or cash. Holding a portfolio of securities for the long-term does not ensure a profitable outcome and investing in securities always involves risk of loss. Past performance is no guarantee of future results. An investor cannot invest directly in an index. Index returns do not reflect any fees, expenses, or sales charges. Returns are based on price only and do not include dividends.

The information contained herein is general in nature and is provided solely for educational and informational purposes. New York Life does not provide legal, accounting, or tax advice. You should obtain advice specific to your circumstances from your own legal, accounting, and tax advisors.

"New York Life Investments" is both a service mark, and the common trade name, of certain investment advisors affiliated with New York Life Insurance Company, New York, New York 10010. NYLIFE Distributors LLC is located at 30 Hudson Street, Jersey City, NJ 07302. NYLIFE Distributors LLC is a Member FINRA/SIPC.