

Imagine that each year for the past twenty years, you had \$10,000 to invest. You happened to choose the sample mutual fund that we studied in our presentation. How much would you have if you picked the worst day of each year – the market high for the year? What if you had picked the best day of the year – the market low for the year? Below on the left are the results if you had picked the worst day. On the right are the results if you had picked the best day. You would think the difference over 20 years would be very large, right?

| Worst-day Investments (Market Highs) | | |
|--------------------------------------|-----------------------|------------------------------|
| Date of Market High | Cumulative Investment | Account Value at End of Year |
| 03-04-2005 | \$10,000 | \$9,877 |
| 12-27-2006 | 20,000 | 20,842 |
| 10-09-2007 | 30,000 | 30,975 |
| 05-02-2008 | 40,000 | 26,654 |
| 12-30-2009 | 50,000 | 43,314 |
| 12-29-2010 | 60,000 | 57,510 |
| 04-29-2011 | 70,000 | 65,420 |
| 10-05-2012 | 80,000 | 84,914 |
| 12-31-2013 | 90,000 | 122,144 |
| 12-26-2014 | 100,000 | 146,386 |
| 05-21-2015 | 110,000 | 153,418 |
| 12-20-2016 | 120,000 | 185,440 |
| 12-28-2017 | 130,000 | 231,724 |
| 10-13-2018 | 140,000 | 224,929 |
| 12-27-2019 | 150,000 | 289,864 |
| 12-31-2020 | 160,000 | 341,639 |
| 12-29-2021 | 170,000 | 436,389 |
| 01-04-2022 | 180,000 | 376,991 |
| 12-28-2023 | 190,000 | 494,220 |
| 12-04-2024 | \$200,000 | \$626,978 |
| Average annual total return: 10.54% | | |

| Best-day Investments (Market Lows) | | |
|-------------------------------------|-----------------------|------------------------------|
| Date of Market Low | Cumulative Investment | Account Value at End of Year |
| 04-20-2005 | \$10,000 | \$10,515 |
| 01-20-2006 | 20,000 | 22,948 |
| 03-05-2007 | 30,000 | 34,527 |
| 11-20-2008 | 40,000 | 33,622 |
| 03-09-2009 | 50,000 | 57,896 |
| 07-02-2010 | 60,000 | 75,813 |
| 10-03-2011 | 70,000 | 85,315 |
| 06-04-2012 | 80,000 | 109,471 |
| 01-08-2013 | 90,000 | 157,550 |
| 02-03-2014 | 100,000 | 187,952 |
| 12-18-2015 | 110,000 | 195,642 |
| 02-11-2016 | 120,000 | 236,382 |
| 01-19-2017 | 130,000 | 294,461 |
| 12-24-2018 | 140,000 | 285,464 |
| 01-03-2019 | 150,000 | 367,945 |
| 03-23-2020 | 160,000 | 436,944 |
| 01-29-2021 | 170,000 | 557,979 |
| 09-30-2022 | 180,000 | 482,381 |
| 03-13-2023 | 190,000 | 632,375 |
| 01-17-2024 | \$200,000 | \$802,378 |
| Average annual total return: 12.25% | | |

Wrong! There is a difference but it is not as large as you would expect. The moral of the story is that you need to get started now. Don't wait for the best time to invest. The best time to invest is right now! (Pssst. You are in it for the long term, right? And you do remember that there are no guarantees, right? And as the numbers above show, your investment is going to be volatile, right? So when everyone is screaming that it's the end of the world and your investment falls in value, you are not going to sell, right? Okay, just wanted to make sure.)