Time in the market, not timing the market
Understand the impact of missing the best 10 days

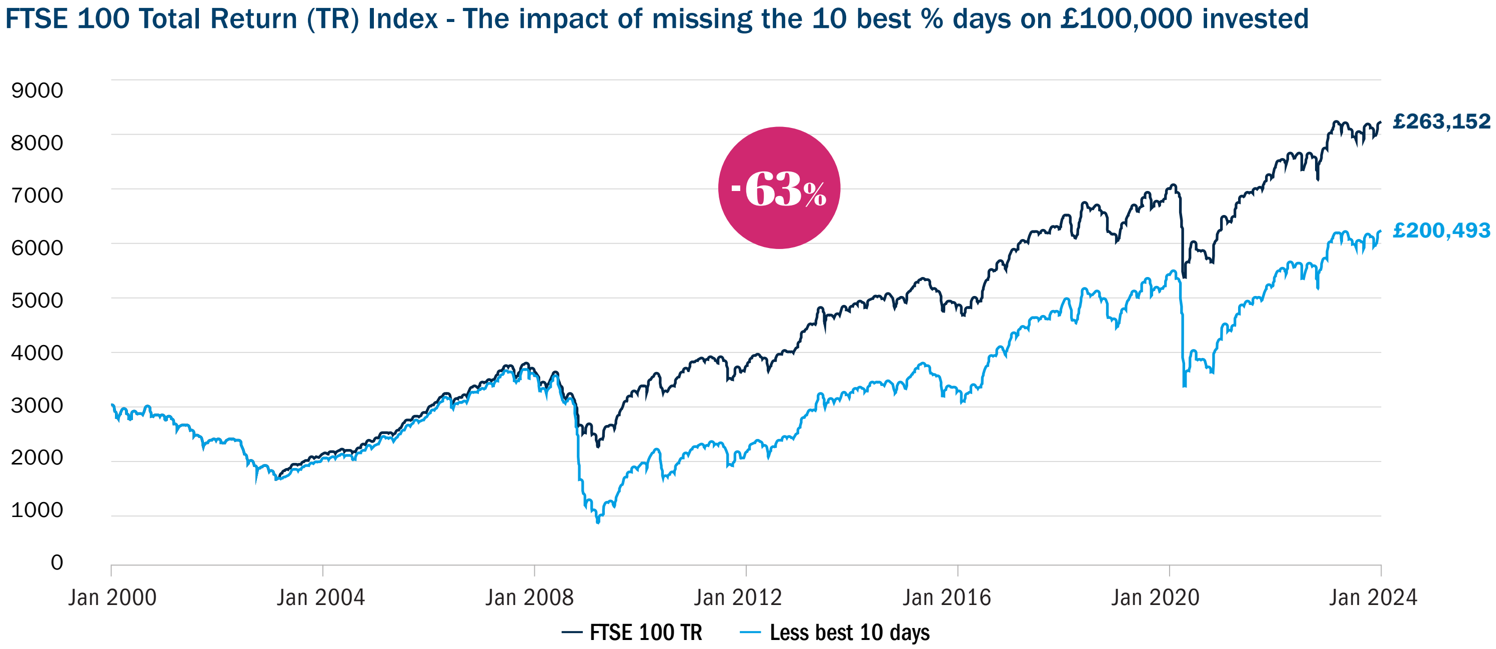
Investment 'nirvana' would be the ability to invest during periods when prices were trending upwards whilst avoiding times when there's a downward correction.

The impact of missing the 10 best days since 2000

In the absence of a crystal ball, it seems an unlikely ambition, to correctly time the market. Factors that affect market performance are notoriously unpredictable. How many predicted the global financial crisis in 2008 or the tech bubble bursting earlier that decade? More recently we've seen markets swing sharply in the short-term due to the impact of the COVID 19 global pandemic.

Trying to beat the market by taking short-term positions to avoid losses is unlikely to be a successful strategy and the flip side is the cost of potentially missing out on the days when markets do rise strongly.

Just look at the difference in the investment outcome had you missed out on the 10 days in which the market grew the most…



Key Points

- The best performing days of the market often occur in close proximity to the worst.
- Timing the market in order to avoid the dips but reinvest in order to benefit from the gains is almost impossible.
- Missing only the best 10 days since January 2000 would cost an investor 63% on their overall return.