Time in the Market

Money

Why missing a handful of days matters so much, and what that implies.

Long-run returns are concentrated in a small number of days, most of which occur close to periods of sharp falls. Being absent for them materially reduces the total.

BEST DAYS	RELIABLE TIMING
cluster near worst	**not demonstrated**

- Missing the ten best days over decades can cut returns substantially.
- The best days frequently occur within weeks of the worst.
- Predicting either reliably has never been demonstrated.
- Regular investing removes the timing decision.
- Longer horizons have historically reduced the range of outcomes.
- Costs and taxes of trading compound against you.

LOOK FOR IT

An investor who sells during a crash and waits for calm typically re-enters after the recovery.

General education, not financial advice. Past patterns are not a guarantee of future ones.