

Cycle of Market Emotions

While the ups and downs of equity markets are largely unpredictable, their effects on investor behaviour can be observed. Many of us experience a rollercoaster of emotions when investing, which can translate into poor buy and sell decisions.



Source: Darst, David M. (Morgan Stanley and Companies, Inc.). The Art of Asset Allocation, 2003.

The Pitfalls of Market Timing

Trying to time the ups and downs of the market is a bit like rolling the dice. Being out of the market can be costly. Consider the impact of missing the best 10, 20 and 30 days on the value of \$10,000 invested in Canadian equities over the past 10 years.

Nov. 2002 – Nov. 2012



Source: Morningstar Direct. S&P/TSX Composite Total Return Index, November 30, 2002 to November 30, 2012.

Rate of returns are for illustrative purposes only and are not intended to forecast future returns on any investment.

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