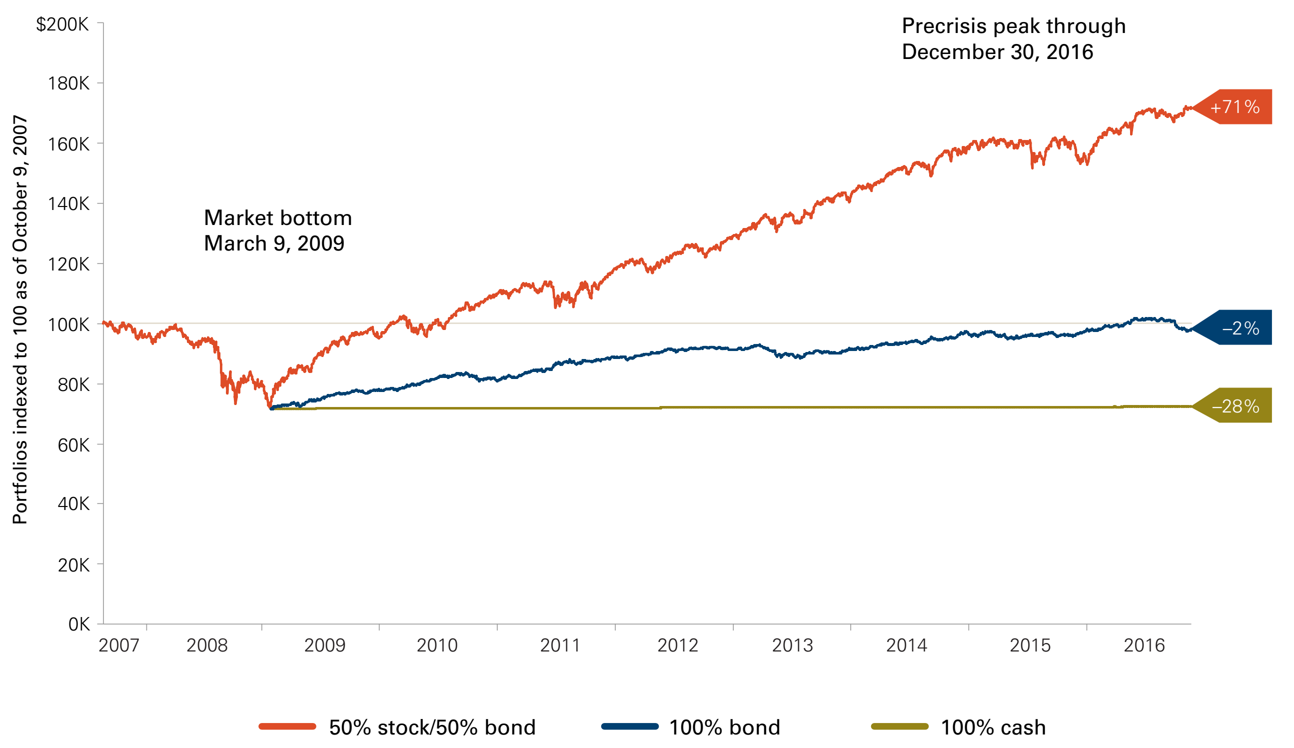
Stick with your plan … even when the market gets scary

Changing your investment mix can backfire. As this illustration shows, the investor who moved a $100,000 portfolio to cash when the stock market bottomed in 2009 ended up with just $72,000 after the recovery, as of December 30, 2016. The investor who moved to an all-bond position had only $98,000. But the investor who stuck to a 50% stock/50% bond plan wound up with $171,000, more than double the all-cash investor.



Source: FactSet.

Notes: The 50% stock/50% bond portfolio is represented by the Standard & Poor's 500 Index and the Bloomberg Barclays U.S. Aggregate Bond Index (rebalanced monthly). The 100% bond portfolio is represented by the Bloomberg Barclays U.S. Aggregate Bond Index. The 100% cash portfolio is represented by 3-month Treasury bills. This is a hypothetical illustration.

The final account balance does not reflect any taxes or penalties that may be due upon distribution. Withdrawals from a traditional IRA before age 59½ are subject to a 10% federal penalty tax unless an exception applies.

Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

All investments are subject to risk, including the possible loss of the money you invest.

The bottom line:

Emotions and investing can be a losing combination. Don't abandon your investment mix just because the market is uncertain.