

Timing the market: what would you do?

VALUE OF \$1,000,000 INVESTED IN THE MARKET BASED ON THE S&P 500 INDEX JANUARY 1, 1973:

3 Months or Later	\$951,200
6 Months or Later	\$896,310
9 Months or Later	\$939,510
12 Months or Later	\$853,450
1 Year, 9 Months Later	\$573,780

At what point do you think most investors would have given up and thrown in the towel?

\$573,780 REMOVED FROM THE MARKET AND REINVESTED IN AN INTEREST BEARING CD AT 5%

6 Months Later	\$588,130
12 Months Later	\$602,470
2 Years Later	\$632,590
5 Years Later	\$732,300
10 Years Later	\$934,620

WHAT IF YOU HAD KEPT \$573,780 INVESTED IN THE MARKET BASED ON THE S&P 500 INDEX INSTEAD OF REINVESTING IT IN A CD?

6 Months Later	\$771,570
12 Months Later	\$792,620
2 Years Later	\$1,034,040
5 Years Later	\$1,247,680
10 Years Later	\$2,444,340

What will you do?

Past performance does not guarantee future results.

Unlike CDs, which are insured by the FDIC and offer a fixed rate of return, the principal value and investment return for equities will fluctuate with changes in market conditions.

The S&P 500 Index is an unmanaged capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. An investor cannot invest directly in an index.

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