

# Ten Facts Clients Need to Know to Achieve Investment Success



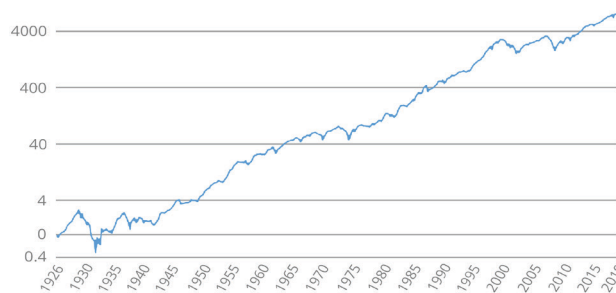
First Ascent Asset Management

Understanding these 10 facts will help you on your journey to a secure financial future.

1. **Over Time, the Stock Market Goes Up.** The stock market's long-term trend is distinctively upward. This is not a coincidence. Company earnings grow over time.

## Growth of the US Stock Market

1926-2019

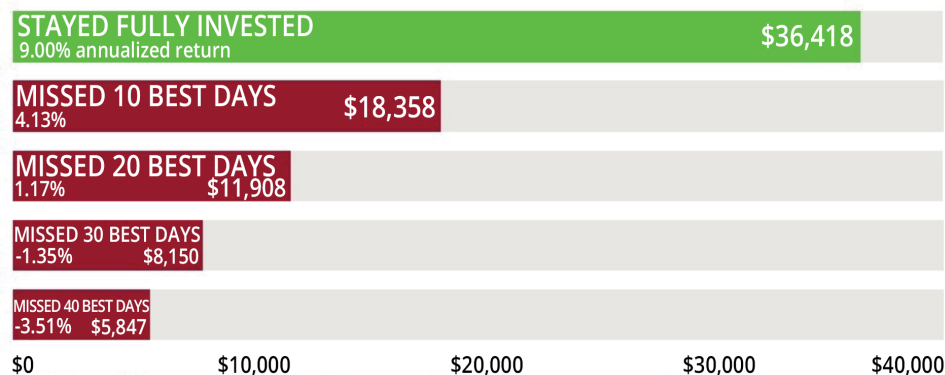


US Stock Market as represented by the Ibbotson SBBI US Large Stock index. Growth is shown on a logarithmic scale to more clearly highlight growth through history. Data Source: Morningstar.

2. **The Ride Up Is Not a Smooth One.** On its journey upward the stock market often produces anxiety producing declines. These are normal and temporary.
3. **You Can't Avoid the Bumps.** Accept and prepare for difficult periods as the price of long-term success. Successful investors know you can't time the markets.
4. **Stock Market Performance Is Determined by a Few Good Days.** The difference between a significant positive return and a loss may be determined by fewer than 1% of the trading days.

## \$10,000 Invested in the S&P 500

12/31/04 - 12/31/19

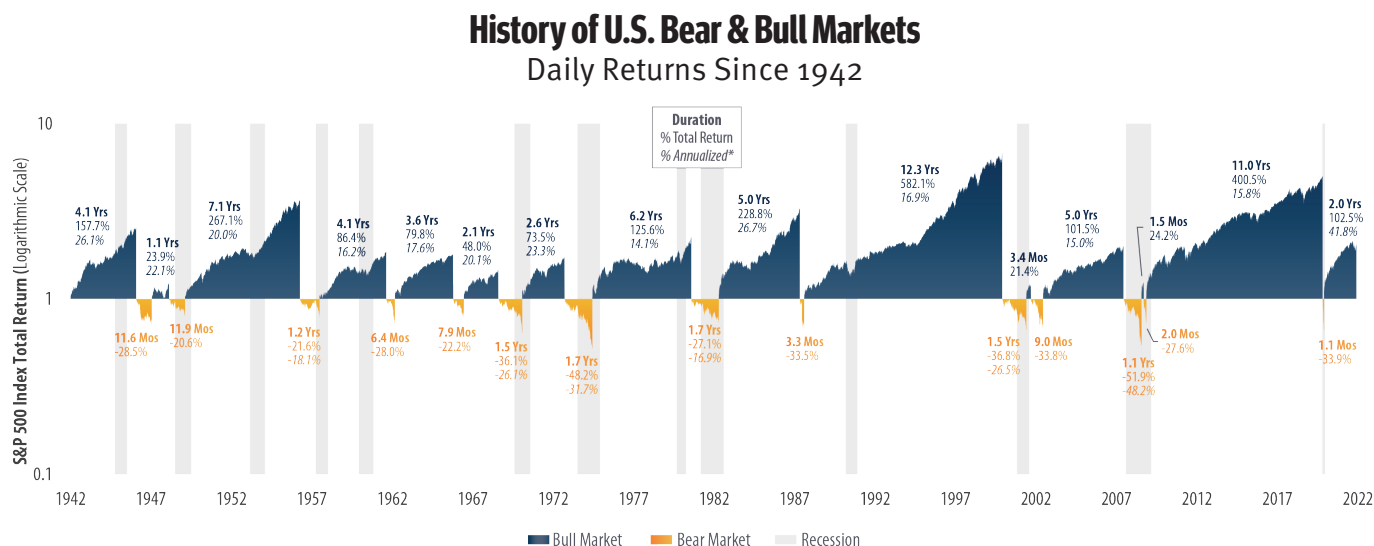


Data is historical. Past performance is not a guarantee of future results. The best time to invest assumes shares are bought when market prices are low.

TEN FACTS CLIENTS NEED TO KNOW TO ACHIEVE INVESTMENT SUCCESS

**5. Stock Market Performance Is Determined by a Handful of Stocks.** Over long periods a significant percent of the market's return is determined by a relatively small number of stocks. Being broadly diversified increases the chances you will be holding the top performers.

**6. You Must Be Present to Win.** Bull markets last far longer than Bear markets and the losses in Bear markets are much smaller than the gains in Bull markets. Don't miss out. Stay invested.



Source: First Trust Advisors L.P., Bloomberg. Daily returns from 4/29/1942 - 3/31/2022. \*No annualized return shown if duration is less than one year. **Past performance is no guarantee of future results.** These results are based on daily returns—returns using different periods would produce different results. The S&P 500 Index is an unmanaged index of 500 companies used to measure large-cap U.S. stock market performance. Investors cannot invest directly in an index. Index returns do not reflect any fees, expenses, or sales charges. This chart is for illustrative purposes only and not indicative of any actual investment. These returns were the result of certain market factors and events which may not be repeated in the future.

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**7. Diversification Helps.** Diversification smooths out portfolio returns, increases willingness to stay invested, and improves the likelihood of achieving long-term investment objectives.

**8. Active Management Is Difficult.** Most active managers don't add value, so selection of active managers should be well researched. Often combining active and passive managers is best.

**9. Keep Fees and Expenses Low.** Investment costs add up and compound over time. You lose the amount you pay and all the growth that money would have generated for years into the future.

**10. Nothing Works All the Time.** Investing is a probabilistic exercise. Take actions to improve your odds over the long-term and don't get frustrated in the short-term. Be patient.