TD Asset Management

Investor Knowledge + 5 Minutes
= Confident Investing

KNOWL EDGE

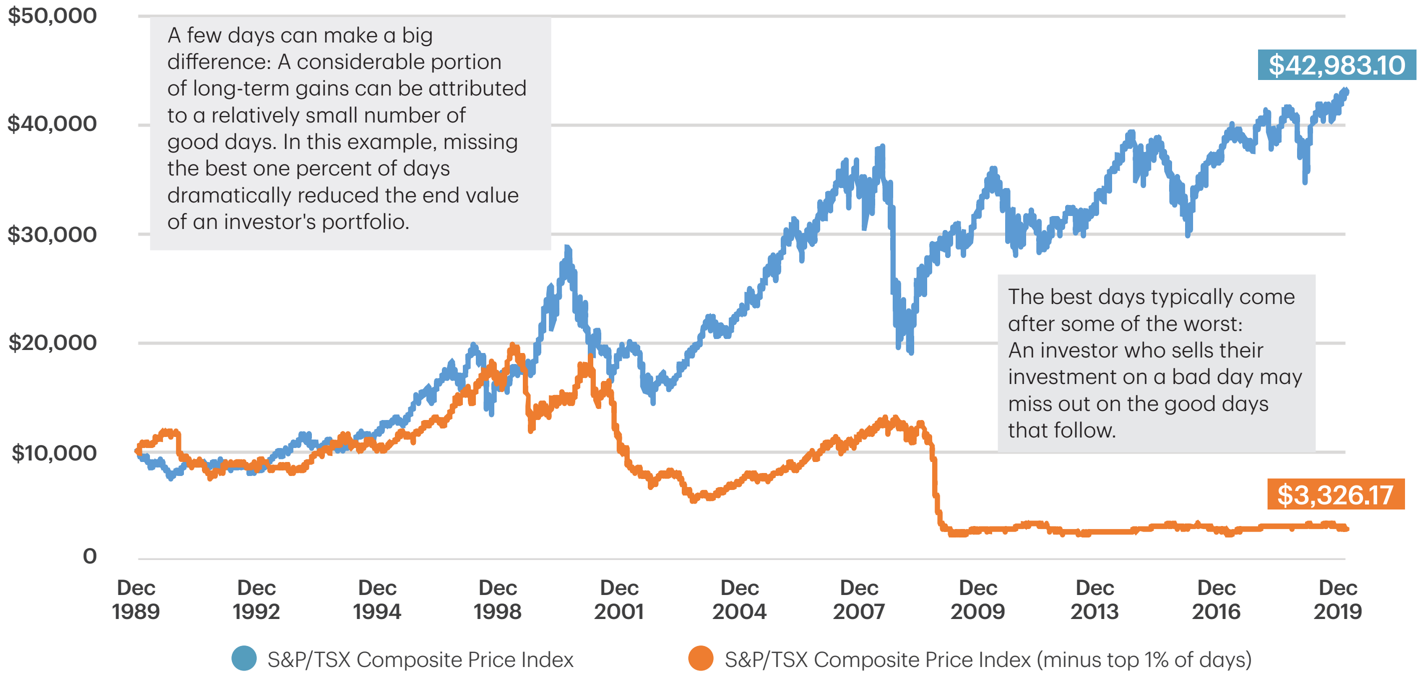
The Power of Staying Invested

Moving in and out of the stock market—trying to predict the highs and lows—may cause you to miss out on potential long-term growth.

Let's take a look at the impact of missing the best one percent of days over 30 years while investing $10,000 in the S&P/TSX Composite Index.

What if you missed the top 1% of the best days over the last 30 years?

Growth of $10,000 – December 31, 1989 to December 31, 2019

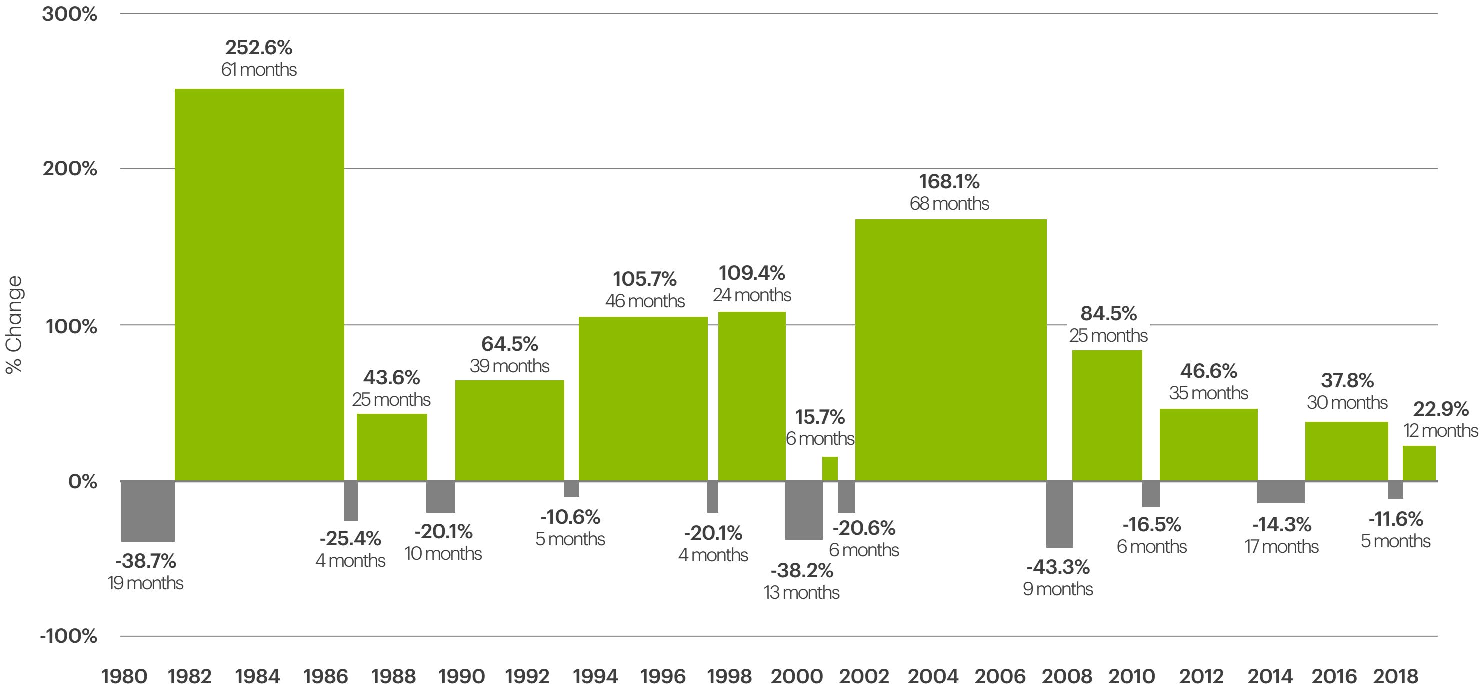


Source: TD Asset Management Inc. and Bloomberg Finance L.P. Data as of December 31, 2019. For illustration purposes only. The index returns are shown for comparative purposes only. Indexes are unmanaged and their returns do not include any sales charges or fees as such costs would lower performance. It is not possible to invest directly in an index. The graph is used only to illustrate the effects of the compound growth rate and does not reflect future values of any fund or returns on investment of any fund.

History has shown that after previous bear markets, Canadian equities recovered and resumed their upward trend. That's why it's important to remain focused on your long-term investment objectives. Investors who sell during bear markets may miss out on significant returns during recovery periods and bull markets.

Historically, investors who remain invested during the bear markets, benefited from the recovery period and the next bull market[1]

S&P/TSX Composite Index: Why staying invested may be favourable



As of December 31, 2019

[1] Generally the terms bull market and bear market describe upward and downward market trends, respectively. In the illustration above, we classify a price movement of 20% or more (up or down), over any given period, as a bull or bear market respectively. We classify a price decline of 10% or more, over any given period, as a market correction.

Source: TD Asset Management Inc. and Bloomberg Finance L.P. Market returns are based on S&P/TSX Composite Total Return Index. The index returns are shown for comparative purposes only. Indexes are unmanaged and their returns do not include any sales charges or fees as such costs would lower performance. It is not possible to invest directly in an index.

For more information, please speak with an **investment professional**.