

No fortune in fortune telling

Imagine if you met with a financial advisor who hovered over a crystal ball and told you he could see the future. You'd probably walk out immediately (or at least check for the hidden camera). But if you rely on market timing to make your money, you might as well be visiting a fortune teller. No one can predict the future.

Market timing, to some degree, involves doing just that. It's an investment strategy that attempts to identify the best times to be in the market – and when to get out – in an effort to reap the greatest rewards. But to successfully time the market, you'd have to be able to anticipate trends and factors that contribute to investment performance, not simply react to current market conditions. Investment professionals are much more qualified to make such decisions. But even they can't guarantee success and they'll be the first to tell you that market timing is a risky proposition.

Missing out on a good time. The real risk of market timing is missing out on the market's best performing cycles. For example, an investor, believing that the market will go down, takes his money out of stocks. While his money is out of stocks though, the market may have its best-performing days. By incorrectly trying to time the market, this unfortunate investor missed out on those profitable days.

Missing only the five best days over a 30-year period could have a significant impact on your overall returns; missing more than that could have an even greater negative effect.

The following chart shows the impact of missing the best days of the market versus staying the course and remaining fully invested, using a \$10,000 investment in the S&P 500 over 30 years



Like trying to pick the Super Bowl winner before the season starts, attempting to time the ups and downs of the stock market is comparable to a roll of the dice. Even the savviest of investors can't be 100 percent sure of the outcome. Time in the market – not timing it – may be a wiser strategy.

The Penalty for Missing the Market

Trying to time the market can be an inexact – and costly – exercise.* This chart illustrates a return on a lump sum investment of \$10,000 invested in the S&P 500 Index from January 22, 1985 to January 21, 2015.

Past performance is no guarantee of future results. Performance shown is historical index performance and not illustrative of any specific funds' Performance. This is a hypothetical example used for illustrative purposes only. The return figures are based on a hypothetical \$10,000 investment in the S&P 500 Index from January 22, 1985.

- January 21, 2015. The lump sum investment in common stocks would have reflected the same stocks/weightings as represented in the S&P 500 Index. The example does not represent or project the actual performance of any security, or other investment product. The hypothetical figures do not reflect the impact of any commissions, fees or taxes applicable to an actual investment. The S&P 500® Index is an unmanaged, market capitalization-weighted index of 500 widely held U.S. stocks recognized by investors to be representative of the stock market in general. It is provided to represent the investment environment existing for the time period shown. The returns shown do not reflect the actual cost of investing in the instruments that comprise it. You cannot invest in an index. Standard & Poor's and S&P 500 are trademarks of the McGraw-Hill Companies, Inc.

Period of Investment	Average Annual Total Return	Growth of \$10,000
Fully invested	8.51	\$115,804
Missing the 5 best days	6.95%	\$75,000
Missing the 10 best days	5.09%	\$55,881
Missing the 15 best days	5.01%	\$43,336
Missing the 20 best days	4.19%	\$34,212

*Source: Commodity Systems, Inc. (CSI) via Yahoo Finance

Use your time more wisely

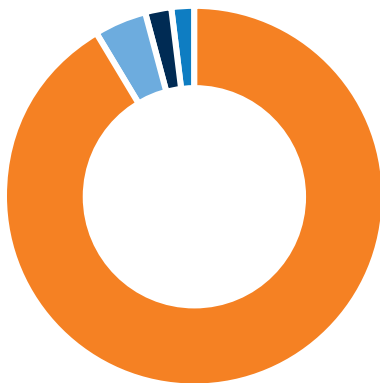
As the chart shows, a wiser strategy is to buy and hold your investments over a long period of time. By doing so, you'll be able to participate in any top-performing days. Plus... by using a buy and hold strategy, you'll have the power of compounding working for you. This means that the money you have invested has more time to work for you.

A routine checkup

Now that you know that buy and hold can be a good strategy, you may be wondering "What else can I do?" Well, just as your body needs a regular physical examination, your portfolio also needs a routine checkup. Annually, review your portfolio to make sure your asset allocation is still on track to help meet your financial goals. As your needs change, you may want to rebalance your portfolio and ensure that you have the right mix of higher and lower risk investments. Asset allocation, not market timing, most significantly determines your portfolio performance.¹

Using diversification/asset allocation as part of your investment strategy neither assures nor guarantees better performance and cannot protect against loss in declining markets.

Portfolio performance is determined by:²



- ☒ Asset Allocation – 91.5%
- ☒ Individual Investment Selection – 4.6%
- ☒ Other – 2.1%
- ☒ Market Timing – 1.8%

Time – not timing – is on your side

While market timing, on the surface, may appear to be a quick way to reap great rewards, it's a strategy best left to investment professionals who have a comprehensive understanding of the markets. As an individual investor, time –not timing – is a better approach. That means staying invested for the long haul... and throwing away that crystal ball!

1. A landmark study, "Determinants of Portfolio Performance," by Brinson, Hood and Beebower, presented in Financial Analysts Journal (May – June, 1992), and its update in 1996, showed that asset allocation decisions, far more than any other factor, affected the long-term performance of an investment portfolio.

2. "Determinants of Portfolio Performance II: An Update." Brinson, Singer and Beebower, 1996.

You should consider the investment objectives, risks, charges and expenses of the variable product and its underlying fund options; or mutual funds offered through a retirement plan, carefully before investing. The prospectuses/prospectus summaries/information booklets contain this and other information, which can be obtained by contacting your local representative. Please read the information carefully before investing.

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