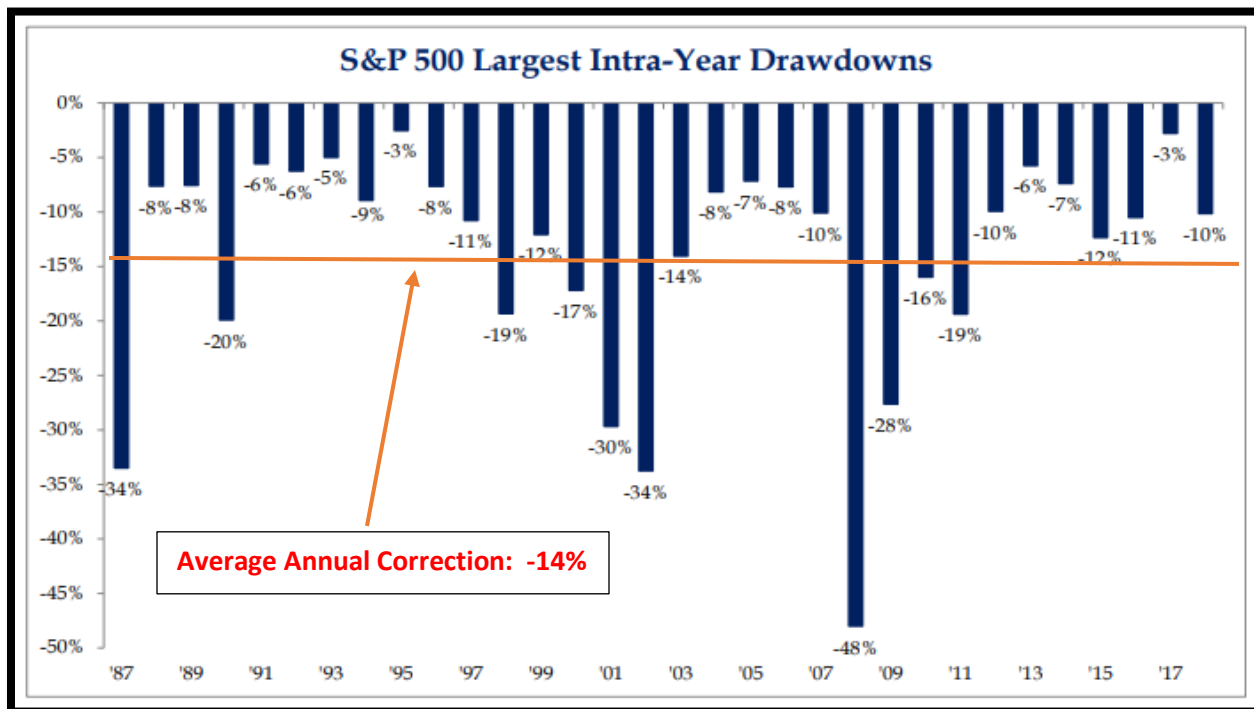


S&P 500 - 30 Years of Annual Corrections



Key Observations:

- The market has dips and corrections every single year
- Some years it's only 3% and some years it's much larger
- The average market correction each year is 14%
- The timing of these corrections is unpredictable and so they are unavoidable

In spite of all of these corrections, year after year, the S&P 500 generated a total return of 2,187% over this time period (January 1, 1987 to October 31, 2018) for an average annual rate of return of 10.3%.

During Each of These Corrections Investors Had 3 Options

1. Panic and sell stocks, effectively locking-in losses, missing the inevitable rebound, and generating *very poor* returns over time.
2. Ignore the correction, hold on to their stocks and earn an average of 10.3% per year over time.
3. Take advantage of these opportunities, buy more stocks when prices are low (e.g. Warren Buffett) and generate above average returns over time.

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