

# BUILDING BLOCKS FOR RETIREMENT

## Investment Strategy

### Long-Term Investing 101

Investing for retirement can be intimidating for many people. Keeping these basic principles in mind can help you pursue your long-term goals.



#### Have Realistic Expectations

Be realistic about how well your investments will perform. If you are too optimistic, you could underestimate how much you should be contributing to your retirement account to reach your savings target. Instead of counting on big stock gains, it's generally smarter in the long run to diversify\* your investments. And always contribute an adequate amount, regardless of how the investment markets are performing.

#### Avoid Hot Trends

Hot investing trends can catch the attention of inexperienced investors. However, trends tend to fizzle out as quickly as they started, leaving inexperienced investors with losses. Rather than chasing trends, choose investments that are an appropriate match for your risk tolerance, the amount of time you have to invest, and your investing objectives.

#### Learn to Live With Volatility

The stock market rises on some days and falls on others -- sometimes by a lot. When the market tumbles, you might be tempted to sell your stock funds or portfolios and buy less risky investments. However, periods of poor market performance are to be expected when you're investing to reach long-term goals. While downturns are discouraging, the stock market historically has recovered from every downturn.\*\* Over time, periodic setbacks may be followed by periods of strong growth. Unless you'll need your money soon, it may be better to look beyond short-term volatility and stick with your investment strategy.



### Staying Invested Through Up and Down Years

Investors earned a 6% average annual return from stocks as measured by the S&P 500 stock index over 20 years despite significant market volatility during this time period.

#### S&P 500: January 1, 2000-December 31, 2020

Highest Average Annual Total Return	32.39% (2013)
Lowest Average Annual Total Return	-36.99% (2008)
20-Year Average Annual Return	7.47%
<i>Source: DST Retirement Solutions, LLC, an SS&amp;C company</i>	

**Source/Disclaimer:**

*\*Diversification does not ensure a profit or protect against loss in a declining market.*

*\*\*Past performance does not guarantee future results.*

This material is provided solely for informational purposes and does not constitute investment, tax, legal or accounting advice on the matters addressed. Neither Pentegra Services, Inc., its subsidiaries, nor any of their respective employees intend that this material should be relied on as investment advice, which should be sought from a professional advisor. Performance information shown reflects past performance and does not indicate or guarantee future investment results. Current and future results may be lower or higher than those shown. ©2021 Pentegra Retirement Services



701 Westchester Ave, Suite 320E, White Plains, New York, 10604