Start saving early is a lesson for investors to remember

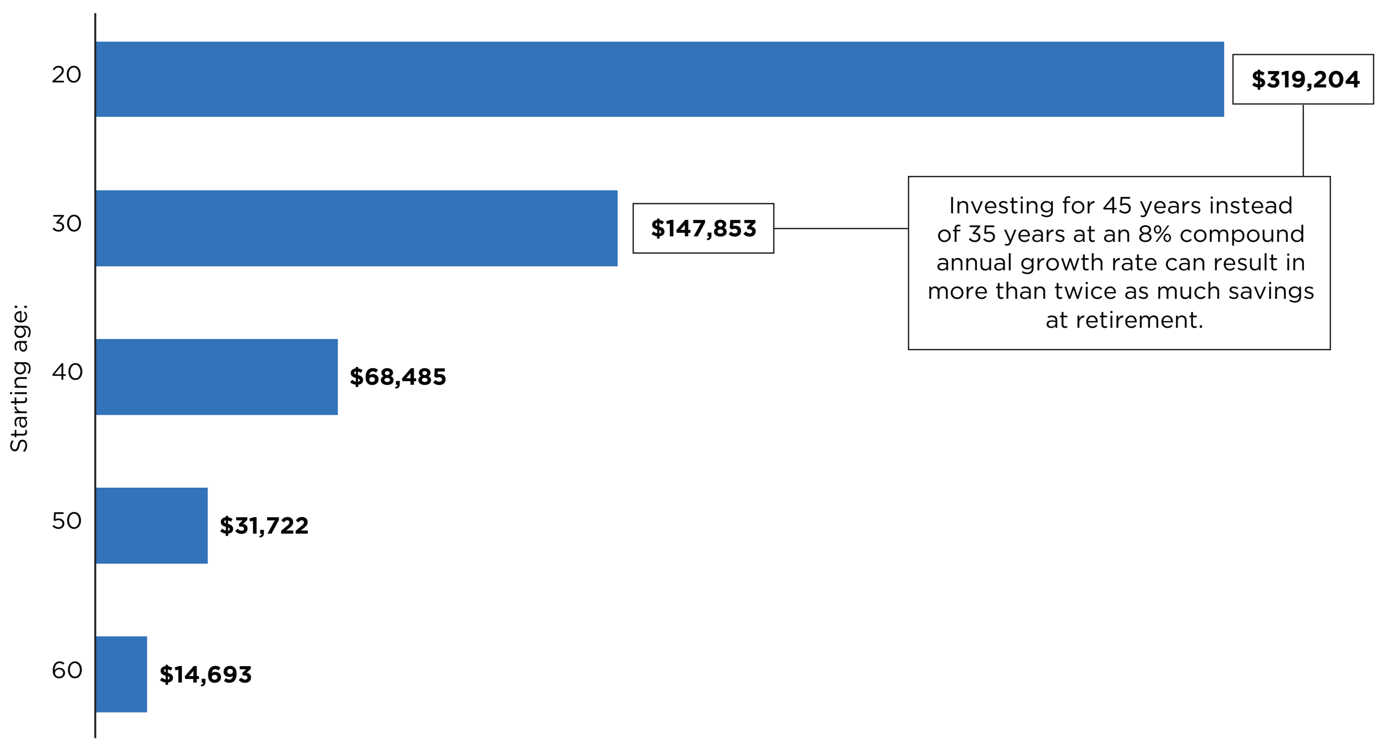
Over the past two years, stock market volatility has taught investors a crucial lesson in the importance of long-term investing. Attempting to time the highs and lows of market cycles can be risky because it's challenging for an individual investor to predict when these major turning points will occur. While equity markets can be volatile in the short run, these up-and-down swings tend to even out over time as stocks generally rise over the long term. So, an investor who remains invested in the market is much more likely to achieve long-term success than one who tries to select the perfect time to invest.

The past two years also highlight another fundamental lesson worth remembering: long-term investors must differentiate between controllable and uncontrollable factors for financial success to avoid acting on emotion. For example, maintaining a diversified portfolio while strategically and tactically allocating savings based on guidance from a trusted financial professional can put investors on a path to their goals suitable for their risk tolerance and time horizon.

Lastly, starting a savings program early can profoundly impact the value of a portfolio upon reaching a goal such as retirement. The timing of when to start saving and investing is something an investor can control. The chart also highlights the difference that delaying and saving later can have in making progress toward financial goals. The power of compounding works best when investors put time on their side and start saving as early as possible.

If there's a lesson that investors near retirement age would give their younger selves, it would be to start saving early. That's one of the notable insights from a recent survey from the Nationwide Retirement Institute of retired and non-retired investors between the ages of 60-65. Investors should understand that time in the market and investing as early as possible can set them up to achieve their long-term financial goals.

Value of $10,000 at age 65 when starting a different ages (Assumes 8% compound annual growth rate)



Source of chart data: Nationwide IMG Investment Research

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