Dear Fellow Investor:

According to a recent, 20-year study, the average mutual fund investor has underperformed the S&P 500 by almost 50%. The 20-year annualized return of the S&P 500 is 9.85% while the most investors experienced a return of a little over half that amount.

Why do you suppose that is? Two Nobel Prize economists (Daniel Kahneman and Richard Thaler) believe the answer can be boiled down to two emotions:

1. Most investors are very risk tolerant with losing trades and refuse to take a small loss and instead, try to get back to even through adding more risk (i.e., doubling-down)
2. Most investors are risk-averse with winning trades and rationalize that taking a small profit is safer than holding on for a much larger gain.

One of the keys to long-term success in the market is to reverse the above narrative. We want to become risk-averse to losing and risk-tolerant to winning. Achieving this is almost impossible when emotions play a role in investing. Removing emotion is impossible for most people unless (and this is important) you can follow an algorithmic system that forces you to avoid emotional biases.

Turner Capital utilizes proven, non-emotional rules and algorithms to make investment decisions for our clients. We are bullish in bull markets and know exactly when to move to inverse ETFs in bear markets. This is how we meet our goal of growing client capital in BOTH bull AND bear markets.

Mike Turner, President
Turner Capital Investments, LLC

Questions Your Asset Manager Hates to Hear...

- Do you change investment strategies if the market changes direction? Why not?
- If the market falls 50% and my portfolio falls 50% and if the market comes back at the rate of 10% per year, it will take me 7.2 years to get back to even. Are you going to let this happen to me?
- If you change investment strategies when the market changes direction, how are you determining when the market changes? Is it subjective or quantitative?

CALL TOLL FREE – (855) 678-8200

WHEN YOU REALIZE YOUR APPROACH OR YOUR MANAGER’S APPROACH IS NOT WORKING, YOU WILL WANT TO TALK TO US. GIVE MIKE TURNER A CALL AND LET’S DISCUSS HOW WE CAN GET YOUR MONEY MOVING IN THE RIGHT DIRECTION.