



*Regular saving makes you  
love — and long for —  
bear markets.*

*- Nick Murray*

## The Power of Regular Saving – Hypothetical Scenario

- Over 24 months the market earns 0%.
- In the first 12 months the market goes down 30%
- In the next 12 months it recovers to even
- An investor puts in \$1000 a month via a regular saving plan

Month	Investment	Net Asset Value	Shares Purchased	Total Shares Owned	Ending Investment Value
1	\$1,000	\$20.00	50.00	50.00	\$1,000.00
2	\$1,000	\$19.50	51.28	101.28	\$1,975.00
3	\$1,000	\$19.00	52.63	153.91	\$2,924.36
4	\$1,000	\$18.50	54.05	207.97	\$3,847.40
5	\$1,000	\$18.00	55.56	263.52	\$4,743.42
6	\$1,000	\$17.50	57.14	320.67	\$5,611.66
7	\$1,000	\$17.00	58.82	379.49	\$6,451.32
8	\$1,000	\$16.50	60.61	440.10	\$7,261.58
9	\$1,000	\$16.00	62.50	502.60	\$8,041.53
10	\$1,000	\$15.50	64.52	567.11	\$8,790.23
11	\$1,000	\$15.00	66.67	633.78	\$9,506.68
12	\$1,000	\$14.50	68.97	702.74	\$10,189.79
13	\$1,000	\$14.00	71.43	774.17	\$10,838.42
14	\$1,000	\$14.50	68.97	843.14	\$12,225.50
15	\$1,000	\$15.00	66.67	909.80	\$13,647.07
16	\$1,000	\$15.50	64.52	974.32	\$15,101.97
17	\$1,000	\$16.00	62.50	1036.82	\$16,589.13
18	\$1,000	\$16.50	60.61	1097.43	\$18,107.54
19	\$1,000	\$17.00	58.82	1156.25	\$19,656.26
20	\$1,000	\$17.50	57.14	1213.39	\$21,234.38
21	\$1,000	\$18.00	55.56	1268.95	\$22,841.08
22	\$1,000	\$18.50	54.05	1323.00	\$24,475.55
23	\$1,000	\$19.00	52.63	1375.63	\$26,137.06
24	\$1,000	\$19.50	51.28	1426.92	\$27,824.87
<b>Ending Value</b>		\$20.00		1426.92	\$28,538.33

<b>Total Investment</b>	\$24,000
<b>Shares Owned</b>	1426.92
<b>Net Asset Value Per Share</b>	\$20.00
<b>Ending Investment Value</b>	\$28,538.33
<b>Share Return</b>	0.00%
<b>Investor Return (IRR Annualised)</b>	17.59%



During such scary periods, you should never forget two things:

- First, widespread fear is your friend as an investor, because it serves up bargain purchases.
- Second, personal fear is your enemy. It will also be unwarranted. Investors who avoid high and unnecessary costs and simply sit for an extended period with a collection of large, conservatively-financed American businesses will almost certainly do well.

- Warren Buffett, 2016 Letter to Shareholders