

# Time Beats Volatility

“The single greatest edge an investor can have is long term orientation.”

~Seth Klarman



Quarter 1, 2016

## Playing The Probabilities

S&P 500: 1926-2015

Time Frame	Positive	Negative
Daily	54%	46%
Quarterly	68%	32%
One Year	74%	26%
5 Years	86%	14%
10 Years	94%	6%
20 Years	100%	0%

Source: Returns 2.0

Playing the Probabilities S&P 500: 1926-2015<sup>1</sup>

**1975**

S&P 500 year-end close: 90.19  
Earnings: \$7.71  
Dividend: \$3.73<sup>2</sup>

**1985**

S&P 500 year-end close: 211.28  
Earnings: \$15.68  
Dividend: \$8.20<sup>2</sup>

It is a powerful encouragement to practice the mental (not to say emotional) discipline of matching one's investing time horizon to one's actual life expectancy.<sup>1</sup>

**1995**

S&P 500 year-end close: 615.93  
Earnings: \$37.70  
Dividend: \$14.17<sup>2</sup>

**2005**

S&P 500 year-end close: 1,248.29  
Earnings: \$76.45  
Dividend: \$22.38<sup>2</sup>

**2015 to 11/23**

S&P 500 as of 11/23/15: 2,086.59  
Earnings (full-year estimate): \$118  
Dividend: (full-year estimate): \$43<sup>2</sup>

Thank you for the privilege to serve you, for keeping us in mind when you talk with friends and family and for your past referrals.

Your team at Kehoe Financial

513-481-8555



www.kehoe-financial.com

<sup>1</sup>Nick Murray “The Perfect Healing Power of the Equity Market”, <sup>2</sup>Nick Murray. A Tale of Four Decades

Securities and Investment Advisory Services offered through NFP Advisor Services, LLC (NFPAS). Member FINRA/SIPC. Kehoe Financial Advisors, LLC is not affiliated with NFPAS. This material is for informational purposes only and is not meant as Tax or Legal Advice. Please consult with your tax or legal advisor regarding your personal situation. S&P 500 Index is an unmanaged group of securities considered to be representative of the stock market in general. You cannot directly invest in the index.