Prudential
Bring Your Challenges®

Does a Roller-Coaster Market Make You Nervous?

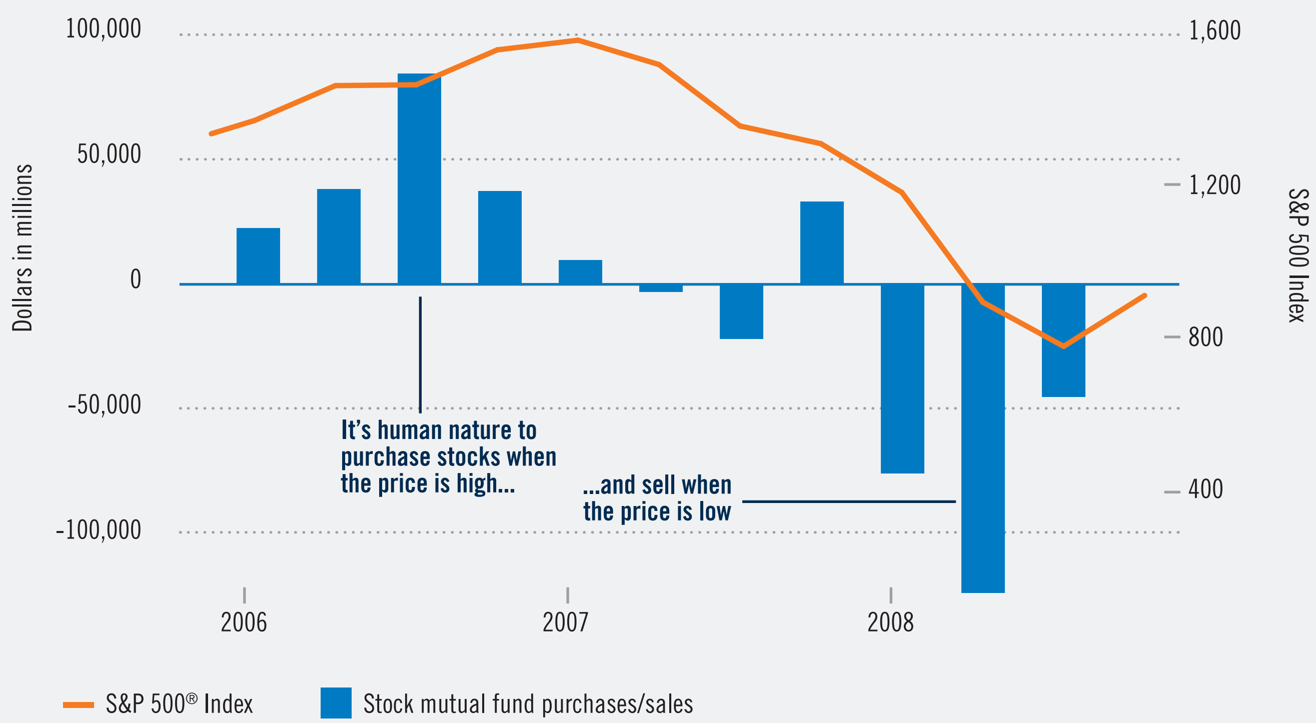
Many investors jump off when the stock market fluctuates. But that shouldn't always be the case. If swings in oil prices or political upheavals have you biting your nails, you may want to consider sitting back and enjoying the ride. Changing course could mean missing out when the market rebounds.

Emotional Investing Can Derail You

Think of retirement investing as a marathon, not a sprint. It's important to focus on your long-term goals, not short-term market swings. Everyone wants to buy low and sell high, but most investors do the opposite—they get excited and rush in when the market's rising and everyone else is buying. Then, they panic and rush to get out when everyone is selling.

Don't let your emotions take you for a ride.

Investors tend to buy at the highest prices (and see their investments lose value when the market falls) and sell at the lowest prices (and miss an opportunity to profit when stocks rebound).



Past performance is not a guarantee of future results. Sources: Strategic Insight and Yahoo Finance, as of Dec. 31, 2017. The S&P 500 Index is an unmanaged, weighted index of 500 U.S. stocks, providing a broad indicator of price movement. Investors cannot invest directly in the index. Index performance is not representative of the performance of a specific security.

Behavioral scientists say people fear losses more than they anticipate gains—and then they act accordingly (and irrationally). Before you act, consider what's driving your decision—facts or fear?

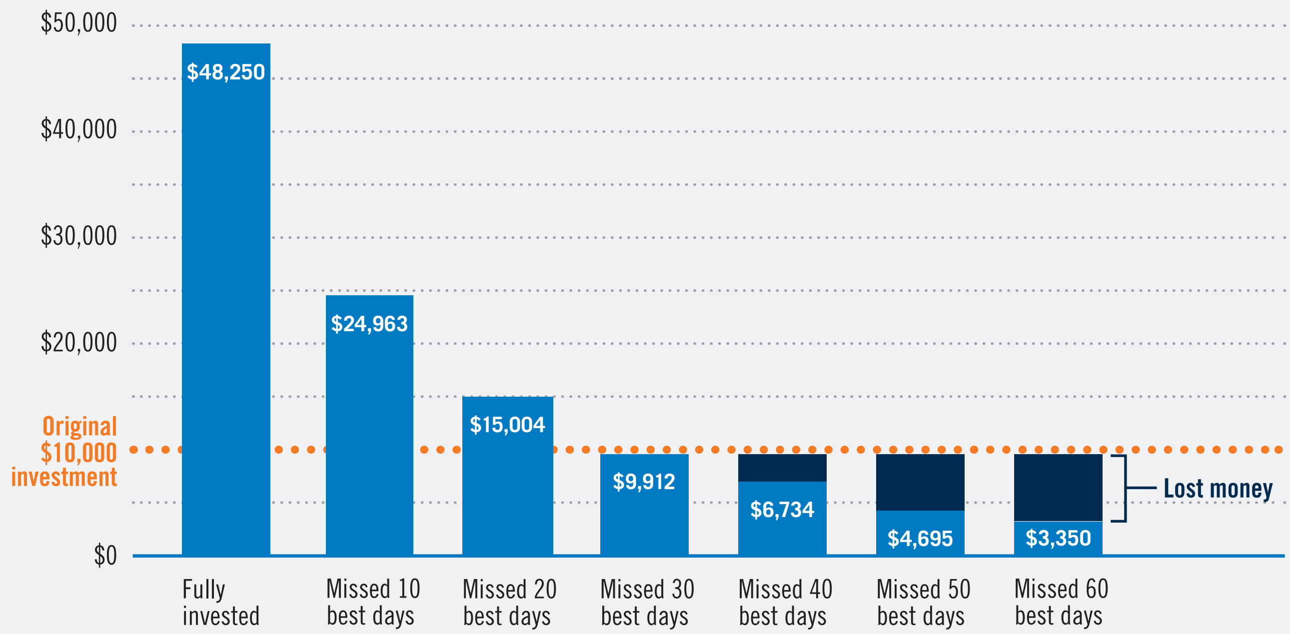
Market Timing Can Cost You

Timing is everything, but successful market timing is nearly impossible—even for professional investors. **If you sell when prices are down, you "lock in" losses**—and lose the chance to gain when prices come back. **"Herd" investing can drive you over a cliff.** If you follow the pack wherever it's headed, you'll only end up behind. By the time you hear about today's market performance on Wall Street, it's yesterday's news.

To Stay or Not to Stay: A Miss Can Be Worse Than a Mile

Here's what would have happened to a hypothetical investor who put $10,000 into the stock market at the end of 1995. If the investor had stayed in the market for 20 years, his or her stake would have grown by more than $48,000

Opportunities Knocking, 1995–2015*



*Assumptions: $10,000 invested in S&P 500® index from Dec. 31, 1995 through Dec. 31, 2015, with dividends reinvested and excluding returns from "best performing days" where noted. Chart is for illustration only; you cannot invest directly in an index.

An Efficient Way to Invest

For novice investors, **dollar-cost averaging**—an investment strategy where you buy a fixed amount of an investment on a regular schedule regardless of price—makes sense. By putting the same amount aside on a regular basis, no matter what the market is doing, you could be in a much better position than if you try to time the market. Good news! By putting regular contributions into a retirement plan such as a 401(k), you're already doing this.

Spread Your Wings (and Your Risk)

A well-diversified portfolio will help balance out the potential ups and downs of the stock market. One way to achieve this is through asset allocation—spreading your money across different investment types. Asset allocation won't guarantee a profit or protect against loss, but it can help smooth your road to a more secure retirement.

Purchase date	Amount	Share price	Shares purchased
April 24	$50	$11.00	4.55
May 1	$50	$9.50	5.26
May 8	$50	$8.50	5.88
May 15	$50	$10.00	5.00
May 22	$50	$11.00	4.55
May 29	$50	$12.00	4.17
	Total invested: $300	**Average price per share: $10.33**	**Total shares: 29.41**

Dollar-cost averaging and other periodic investment plans do not assure a profit and do not protect against loss in declining markets. Such plans involve continuous investment in securities regardless of fluctuating price levels of such securities. Investors should consider their financial ability to continue purchases through periods of low price levels.

Questions?

Talk to a **Prudential retirement counselor**, available to you at no extra cost.
Call **877-PRU-2100** (877-778-2100) weekdays, from 8 a.m. to 6 p.m. ET, and say “counselor” at the prompt.

Review your account at **www.prudential.com/online/retirement**.

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