

Morgan Stanley

The David Miller Group at Morgan Stanley
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Imagine a hypothetical investment. Call it the Acme Fund.

Over time this fund has been positive 75 percent of the time. In years when it's up, the average gain has been 21 percent. In years when it's down, the average loss has been 10 percent.

There's no reliable pattern to when those gains or losses occur. They show up at irregular times, often when investors least expect them.

Given that information, would you invest in the Acme fund?

Most people would. Occasional losses in exchange for strong long-term results feels like a reasonable tradeoff.

The Harder Part

The real challenge isn't deciding to invest. It's what happens after you're invested.

When losses show up, would you be tempted to guess when they might get worse? Would you try to step aside during down periods, or would you remain invested and accept that volatility is part of the experience?

History suggests that over long periods of time, accepting this tradeoff has paid off. Investors who were able to tolerate the losses were compensated for it.

This isn't just a thought experiment. According to Capital Group, since 1928 the stock market has been positive in roughly 73 percent of calendar years, with average gains of about 21 percent and average losses of about 10 percent in negative years.[\[1\]](#)

The Real Tradeoff

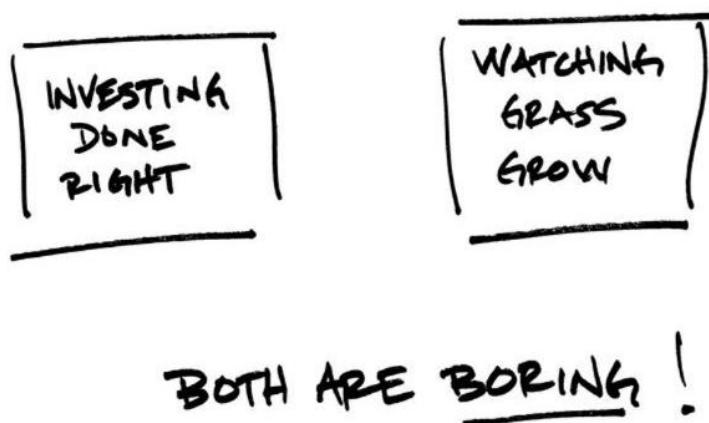
Investing has always involved tradeoffs. One of the most important ones is choosing discipline over the urge to constantly adjust or react.

That urge often feels responsible in the moment. It feels like taking control. But over time, frequent reactions can become one of the most expensive mistakes investors make.

The challenge isn't understanding how markets work. It's staying committed during uncomfortable periods to a strategy that made sense in the first place.

That's the real tradeoff.

¹¹ https://www.capitalgroup.com/individual/insights/articles/should-investors-be-nervous-about-stock-market.html?utm_



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Forbes America's Best-in-State Wealth Advisors 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025

Forbes America's Next Generation Wealth Advisors 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025

Five Star Wealth Manager 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025

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2018, 2019, 2020, 2021, 2022, 2023 Forbes Best-In-State Wealth Advisors

Source: Forbes.com (Awarded 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025). Data compiled by SHOOK Research LLC based 12-month time period concluding in June of year prior to the issuance of the award. [Awards Disclosures](#)

2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025 Forbes America's Top Next-Gen Wealth Advisors & Top Next-Gen Wealth Advisors Best-in-State (formerly referred to as Forbes America's Top Next-Gen Wealth Advisors, Forbes Top 1,000 Next-Gen Wealth Advisors, Forbes Top 500 Next Generation Wealth Advisors)

Source: Forbes.com (Awarded 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025). Data compiled by SHOOK Research LLC based on 12-month period concluding in Mar of the year the award was issued. [Awards Disclosures](#)

2015-2023 Five Star Wealth Manager Award

Source: [fivestarprofessional.com](#) (Awarded 2015-2025) These awards were determined through an evaluation process conducted by Five Star Professional, based on objective criteria, during the following periods:

2015 Award - 11/30/14 - 05/18/15

2016 Award - 11/30/15 - 05/18/16

2017 Award - 09/26/16 - 04/28/17

2018 Award - 10/24/17 - 05/21/18

2019 Award - 10/22/18 - 05/03/19

2020 Award - 10/27/19 - 04/24/20

2021 Award - 11/30/20 - 06/25/21

2022 Award - 12/31/21 - 06/10/22

2023 Award - 11/14/22 - 05/31/23

2024 Award - 10/10/23 - 04/30/24

2025 Award – 10/09/24 – 05/01/25

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