



Start 'em Early
Joe Matthews

4/1/2025

You’re looking at a picture of our four beloved grandchildren. Our grandson Vincent is holding his sister Luciana with his cousins Stella to his right and Harper to his left. What you may not have noticed is the Fairfield University garb they’re wearing. Because our ties to Fairfield go back 3 generations and 6 decades, we figured starting early could increase the odds of their generation staying connected.

Starting early also is critical to increasing the probability of an investor fully funding their retirement goals (click this link to see supporting chart). Teaching your children to save early and often – with a significant bias to growth of their capital - can give them the opportunity to benefit from compound interest - or what Einstein called the eighth wonder of the world.*

As investors, we tend to focus on what has happened recently – a phenomena ironically called recency bias by behavioral economists. This year’s market price action has rattled many investors as they’ve seen gains evaporate or losses created very quickly. As a matter of fact, the recent 10% correction in the SP500 was the 6th fastest drawdown of that magnitude (22 days) in the last 75 years.^[1] More profoundly, the total drawdown from the February high of 6147 (a/o 4/8/25) is in excess of 1,100 points or nearly 19%! Parents and grandparents, please don’t let that discourage you from teaching your young family members about the power of compounding as well as the Axiom of “time not timing is your greatest ally as an investor.” As investors with time horizons of several decades, they can benefit from the experience you have in both good and bad markets and what you have learned from the mistakes you have made.

You probably won’t see all the good you have created by helping them do well with their investments. After all, who knows if there’s a few more Fairfield Stags in my family’s future?

Joseph J. Matthews; *Senior Vice President, Financial Advisor*

*[Einstein's 8th Wonder of the World - CLEARWEALTH Asset Management](#)

[1] Source: <https://www.morganstanley.com/im/publication/insights/articles/jimcaron-transcript-20250331.pdf>

Need To Save Early

NOTICE: Morgan Stanley is not acting as a municipal advisor and the opinions or views contained herein are not intended to be, and do not constitute, advice within the meaning of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. If you have received this communication in error, please destroy all electronic and paper copies and notify the sender immediately. Mistransmission is not intended to waive confidentiality or privilege. Morgan Stanley reserves the right, to the extent permitted under applicable law, to monitor electronic communications. This message is subject to terms available at the following <https://www.morganstanley.com/disclaimers>. If you cannot access these links, please notify us by reply message and we will send the contents to you. By communicating with Morgan Stanley you acknowledge that you have read, understand and consent, (where applicable), to the foregoing and the Morgan Stanley General Disclaimers.

The views expressed herein are those of the author and do not necessarily reflect the views of Morgan Stanley Wealth Management or its affiliates. All opinions are subject to change without notice. Neither the information provided nor any opinion expressed constitutes a solicitation for the purchase or sale of any security. Past performance is no guarantee of future results.

This communication contains links to third party websites that are not affiliated with Morgan Stanley. These links are provided only as a convenience. The inclusion of any link is not and does not imply an affiliation, sponsorship, endorsement, approval, investigation, verification or monitoring by Morgan Stanley of any information contained in any third party website. In no event shall Morgan Stanley be responsible for the information contained on that site or your use of or inability to use such site. Furthermore, no information contained in the site constitutes a recommendation by Morgan Stanley to buy, sell, or hold any security, financial product, particular account or instrument discussed therein. You should also be aware that the terms and conditions of such site and the site's privacy policy may be different from those applicable to your use of any Morgan Stanley website.

Information contained herein has been obtained from sources considered to be reliable, but we do not guarantee their accuracy or completeness.

Morgan Stanley Smith Barney LLC. Member SIPC.

Equity securities may fluctuate in response to news on companies, industries, market conditions and the general economic environment. Companies cannot assure or guarantee a certain rate of return or dividend yield; they can increase, decrease or totally eliminate their dividends without notice.

Asset Allocation does not assure a profit or protect against loss in declining financial markets.

Please see our [Privacy Pledge](#) for details about how Morgan Stanley handles personal information.

If you would like to update your email preferences or unsubscribe from marketing emails from Morgan Stanley Wealth Management, you may do so [here](#). Please note, you will still receive service emails from Morgan Stanley Wealth Management.

Not all products and services may be available to persons living outside of the United States.

Morgan Stanley Wealth Management
2000 Westchester Avenue, Purchase, NY 10577-2530 USA

©2024 Morgan Stanley Smith Barney LLC. Member SIPC.

CRC 4372936 04/2025