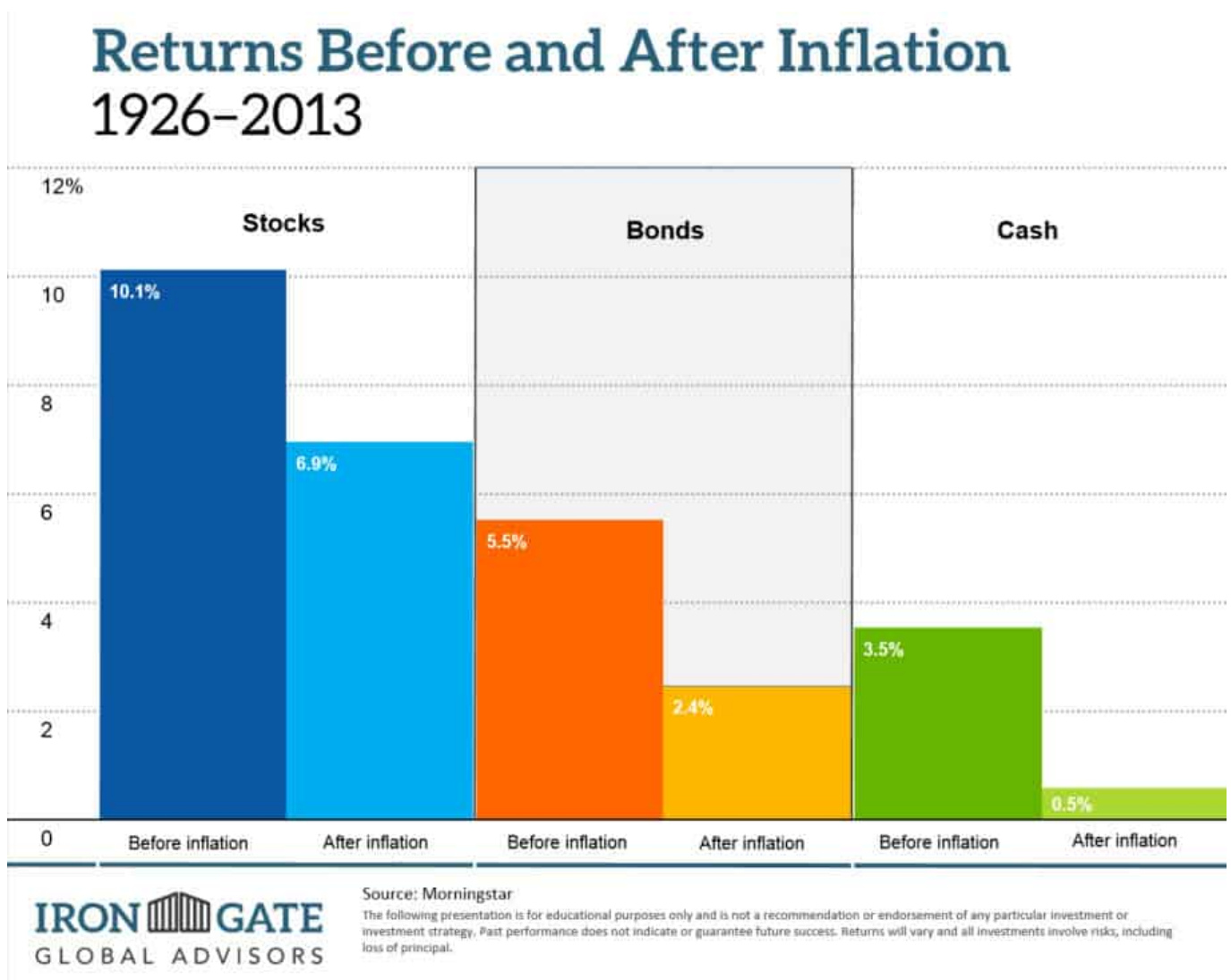


Inflation's Impact on Investing Returns

Whether you know it or not your investment returns are under attack. The attacker known as inflation, is silent and slow but its impact can be substantial over time. Understanding inflation's impact on returns is important as investors work towards accomplishing their financial goals.

The chart below is divided into three different asset class – stocks, bonds and cash. For each asset class there are two listed compound annual returns, before inflation (on the left) and after inflation (on the right). The after inflation returns are commonly referred to as real returns.



So why is this important? It's simple. If you're an investor striving to accomplish your financial goals without understanding their potential "real returns," you may be investing in something that may not even allow you to accomplish your goals. It's our opinion that people may have to invest more of their money in stocks longer than they would like in an attempt to accomplish financial goals.

