



# THE TALE OF TWO BROTHERS – SEQUENCE OF RETURNS RISK

Do You Want Your Retirement Based on the Luck of the Draw?

## Brother James

Beginning  
Principal  
\$750,000

## Brother John

Beginning  
Principal  
\$750,000

	Historical Returns*	Market Adj. in \$\$\$	Income Distributed	Fees 1.50% Fees in \$\$\$	Balance Net of Fees	Years	Inverted Historical Returns*	Market Adj. in \$\$\$	Income Distributed	Fees 1.50% Fees in \$\$\$	Balance Net of Fees
1	-10.14%	-\$76,050	-\$75,000	-\$11,250	\$587,000	2000	24.22%	\$181,650	-\$75,000	-\$11,250	\$845,400
2	-13.04%	-\$76,636	-\$75,000	-\$8,816	\$427,248	2001	-19.44%	-\$164,346	-\$75,000	-\$12,681	\$593,373
3	-23.37%	-\$99,848	-\$75,000	-\$6,409	\$245,992	2002	26.89%	\$159,558	-\$75,000	-\$8,901	\$669,031
4	26.38%	\$64,893	-\$75,000	-\$3,690	\$232,194	2003	16.26%	\$108,784	-\$75,000	-\$10,035	\$692,780
5	8.99%	\$20,874	-\$75,000	-\$3,483	\$174,586	2004	28.88%	\$200,075	-\$75,000	-\$10,392	\$807,463
6	3.00%	\$5,238	-\$75,000	-\$2,619	\$102,205	2005	-6.24%	-\$50,386	-\$75,000	-\$12,112	\$669,965
7	13.62%	\$13,920	-\$75,000	-\$1,533	\$39,592	2006	19.42%	\$130,107	-\$75,000	-\$10,049	\$715,023
8	3.53%	\$1,398	-\$40,989	\$0	\$0	2007	9.54%	\$68,213	-\$75,000	-\$10,725	\$697,511
9	-38.49%	\$0	\$0	\$0	\$0	2008	-0.73%	-\$5,092	-\$75,000	-\$10,463	\$606,956
10	23.45%	\$0	\$0	\$0	\$0	2009	11.39%	\$69,132	-\$75,000	-\$9,104	\$591,984
11	12.78%	\$0	\$0	\$0	\$0	2010	29.61%	\$175,287	-\$75,000	-\$8,880	\$683,391
12	1.11%	\$0	\$0	\$0	\$0	2011	13.41%	\$91,643	-\$75,000	-\$10,251	\$689,783
13	13.41%	\$0	\$0	\$0	\$0	2012	1.11%	\$7,657	-\$75,000	-\$10,347	\$612,093
14	29.61%	\$0	\$0	\$0	\$0	2013	12.78%	\$78,225	-\$75,000	-\$9,181	\$606,137
15	11.39%	\$0	\$0	\$0	\$0	2014	23.45%	\$142,139	-\$75,000	-\$9,092	\$664,184
16	-0.73%	\$0	\$0	\$0	\$0	2015	-38.49%	-\$255,644	-\$75,000	-\$9,963	\$323,577
17	9.54%	\$0	\$0	\$0	\$0	2016	3.53%	\$11,422	-\$75,000	-\$4,854	\$255,145
18	19.42%	\$0	\$0	\$0	\$0	2017	13.62%	\$34,751	-\$75,000	-\$3,827	\$211,069
19	-6.24%	\$0	\$0	\$0	\$0	2018	3.00%	\$6,332	-\$75,000	-\$3,166	\$139,235
20	28.88%	\$0	\$0	\$0	\$0	2019	8.99%	\$12,517	-\$75,000	-\$2,089	\$74,664
21	16.26%	\$0	\$0	\$0	\$0	2020	26.38%	\$19,696	-\$75,000	-\$1,120	\$18,240
22	26.89%	\$0	\$0	\$0	\$0	2021	-23.37%	-\$4,263	-\$13,977	\$0	\$0
23	-19.44%	\$0	\$0	\$0	\$0	2022	-13.04%	\$0	\$0	\$0	\$0
24	24.22%	\$0	\$0	\$0	\$0	2023	-10.14%	\$0	\$0	\$0	\$0
		-\$146,212	\$565,989	-\$37,799	\$0			\$1,017,459	\$1,588,977	-\$178,481	\$0

Avg. Return:  
6.71%

Avg. Return:  
6.71%

**\$565k vs \$1.5k! What Luck Will You Have?**

**Jame's Bad Luck Cost Him 1 Million Dollars.**

\*Source: <https://www.macrotrends.net/2526/sp-500-historical-annual-returns>