How Sequence of Returns Can Affect Your Portfolio*

Age	Investor A		Investor B	
	Annual Return	Year-End Portfolio Value	Annual Return	Year-End Portfolio Value
65	-9.03%	$844,700	13.48%	$1,069,800
66	-11.85%	$679,603	31.15%	$1,338,043
67	-21.97%	$465,294	15.89%	$1,485,658
68	28.36%	$532,252	2.10%	$1,451,856
69	10.74%	$524,416	14.82%	$1,602,022
70	4.83%	$484,745	25.94%	$1,952,586
71	15.61%	$495,413	-36.55%	$1,173,916
72	5.48%	$457,562	5.48%	$1,173,246
73	-36.55%	$225,323	15.61%	$1,291,390
74	25.94%	$218,772	4.83%	$1,288,764
75	14.82%	$186,194	10.74%	$1,362,178
76	2.10%	$125,104	28.36%	$1,683,491
77	15.89%	$79,983	21.97%	$1,988,354
78	31.15%	$39,898	-11.85%	$1,687,734
79	13.48%	-$19,724	-9.03%	$1,470,332

* Shows the portfolio change over 15 years for two hypothetical portfolios of $1,000,000, assuming annual withdrawals of $65,000 per year. The actual annual returns yielded by the S&P 500 during the years 2000 to 2014 are applied to Investor A's portfolio, and the same returns are applied -- but in reverse order -- to Investor B's portfolio. Source for annual return percentages: https://pages.stern.nyu.edu.