**Faced with a Sudden Real Threat, Will Investors Learn from Lessons of the Past?**

*DALBAR Study Sheds Light on How Investors have Behaved in Past Market Crises*

(Marlborough, MA, March 31, 2020) DALBAR, Inc.’s QAIB report (*Quantitative Analysis of Investor Behavior*) has been the nation’s leading study on investor behavior for the past 26 years. *This year’s report, published on March 31th*, comes in the midst of unprecedented market turmoil and sheds light on how investors have behaved during market crises of the past to glean insight for what lies ahead.

The annual report has recently shown that investors have been bracing for the end of the bull market since 2016 by decreasing equity exposure each year. With this slightly more conservative posture, it remains to be seen how investors will react to a real market threat. However, the QAIB study suggests that the behavioral effects of the market crisis will outlast the crisis itself.

Take 2008 for example, after the market shed almost 30% in the fourth quarter, it was fully recovered by the end of 2010. The recovery was not immediate; but as usual, investors who stayed the course were far better off.

“Every market crisis is unique and presents different emotional and behavioral challenges to our investment decisions. This crisis certainly strikes at the hearts of Americans on a deeper level than any crisis in recent memory, but that doesn’t mean what we’ve learned from the past is inapplicable,” said Cory Clark, Chief Marketing Officer at DALBAR, Inc. “If there was one thing that the Average Investor can take away from our study, I hope it would be this: you are unlikely to correctly time your reentry point. So while getting out of dodge may seem to mitigate losses in the short run, it has often intensified losses over the long run.”

The full report of the 26th Edition of DALBAR’s Quantitative Analysis of Investor Behavior (QAIB) is available from DALBAR by visiting the QAIB Store at [www.QAIB.com](http://www.QAIB.com), calling 617-723-6400 or emailing QAIB@dalbar.com.

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