SIA WEALTH

SIA WEALTH INSIGHTS

What If Missing the Market's Best Days Was Actually the Goal?

Challenging Conventional Wisdom Through True Tactical™ Investing

September 2026

The familiar "Don't Miss the Best 10 Days" warning tells only one side of the risk story. The other side begins with where those days actually occur.

The Warning Every Investor Has Heard

For decades, investors have been shown some version of the same calculation: remove the market's ten strongest trading days from a long-term return series and the ending value falls dramatically. The lesson appears obvious. Because no one can reliably know when those days will occur, investors should remain fully invested at all times.

The calculation may be mathematically accurate, but the conclusion leaves out essential context. It isolates the market's best days from the conditions around them. It does not ask whether those days occurred in healthy, steadily rising markets or during periods of severe volatility and substantial decline.

As the following charts of the S&P 500 will reveal; once that context is restored, the question changes.

What if missing some of the market's best days was not the risk, but a consequence of managing the conditions surrounding the worst?

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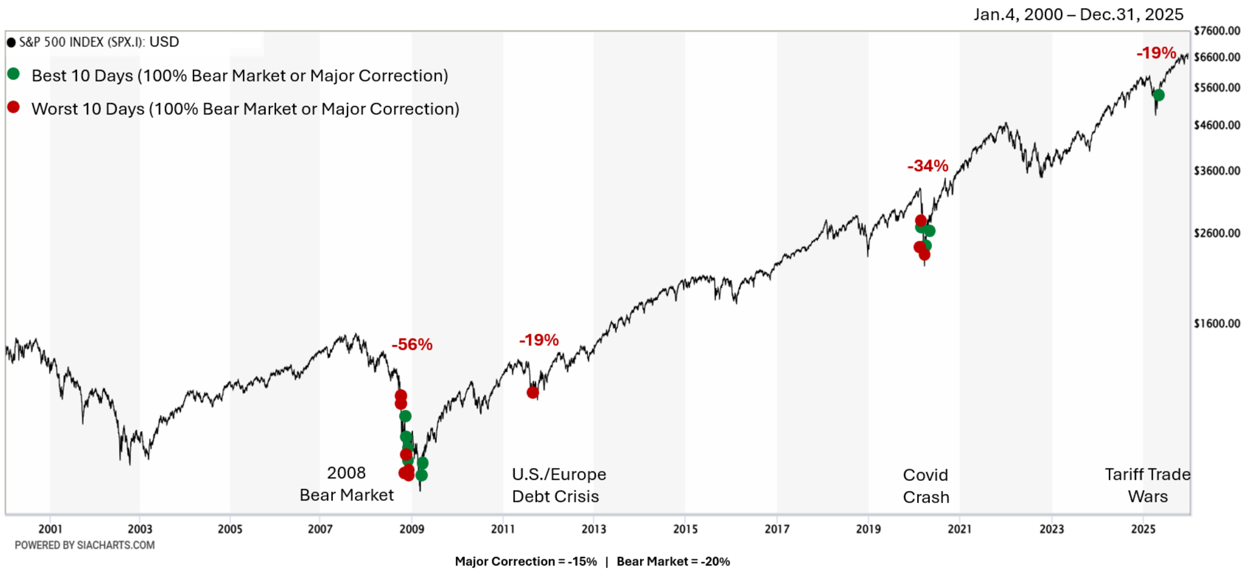
Missing the Best/Worst 10 Days … When do they occur?



The Best and Worst Days Are Not Independent Events

Markets do not experience volatility evenly. Large price swings tend to cluster. During periods of uncertainty, fear and rapidly changing expectations, sharp declines are often followed by powerful rebounds, which may then be followed by further weakness. Some of the strongest single-day advances in market history have occurred not during calm bull markets, but in the middle of major declines.

This is the missing context in the "Don't Miss the Best 10 Days" argument. Capturing many of the market's best days has historically required investors to remain exposed during the same periods that produced many of its worst days, as well as the broader drawdowns surrounding them.

The investor is not choosing between capturing the best days and missing them in isolation. The investor is choosing how much exposure to maintain while both extremes are occurring.

What More Than 25 Years of Market History Shows

SIA Wealth's updated internal analysis examined daily movements in the S&P 500 Index from January 4, 2000, through December 31, 2025. The Best 50 and Worst 50 trading days were then mapped against market declines of approximately -15% to -50%.*

The result is difficult to ignore:

49 of the Best 50 Days and 48 of the Worst 50 Days occurred during those major market declines.*

Put differently, 98% of the market's Best 50 Days and 96% of its Worst 50 Days occurred during the same broad periods of stress.* The strongest days were not detached from risk. They were overwhelmingly concentrated inside it.

These historical findings do not establish how future markets will behave, nor do they suggest that every rebound during a decline should be avoided. They do show why evaluating the best days without the worst days, or without the declines in which both occurred, presents an incomplete picture.

The Objective Is Adaptation, Not Prediction

None of this suggests that investors can consistently predict tomorrow's return, identify every market top or sell before every major decline. That is not the objective of True Tactical™ investing.

Prediction attempts to answer, "What will the market do next?" Adaptation asks a more practical question: "What level of portfolio risk is supported by the evidence available today?"

SIA Wealth's Equity Action Call™ is designed to evaluate the broad equity environment using relative strength and market-risk evidence. It classifies conditions into Favoured, Neutral and Unfavoured zones. As conditions deteriorate, a True Tactical™ mandate may reduce equity exposure. As evidence improves, it may increase exposure again.

The process will not identify every turning point perfectly. Signals may be early or late, and defensive positioning can lag a sudden recovery. Its purpose is to provide a disciplined framework for changing portfolio exposure as risk changes, rather than waiting for certainty that is only visible in hindsight.

Perhaps the Purpose Is to Miss Both

A strategy that becomes more defensive during a major decline will sometimes miss a strong rebound day. When that day is viewed alone, the missed gain can appear to be a failure.

But the day should not be viewed alone.

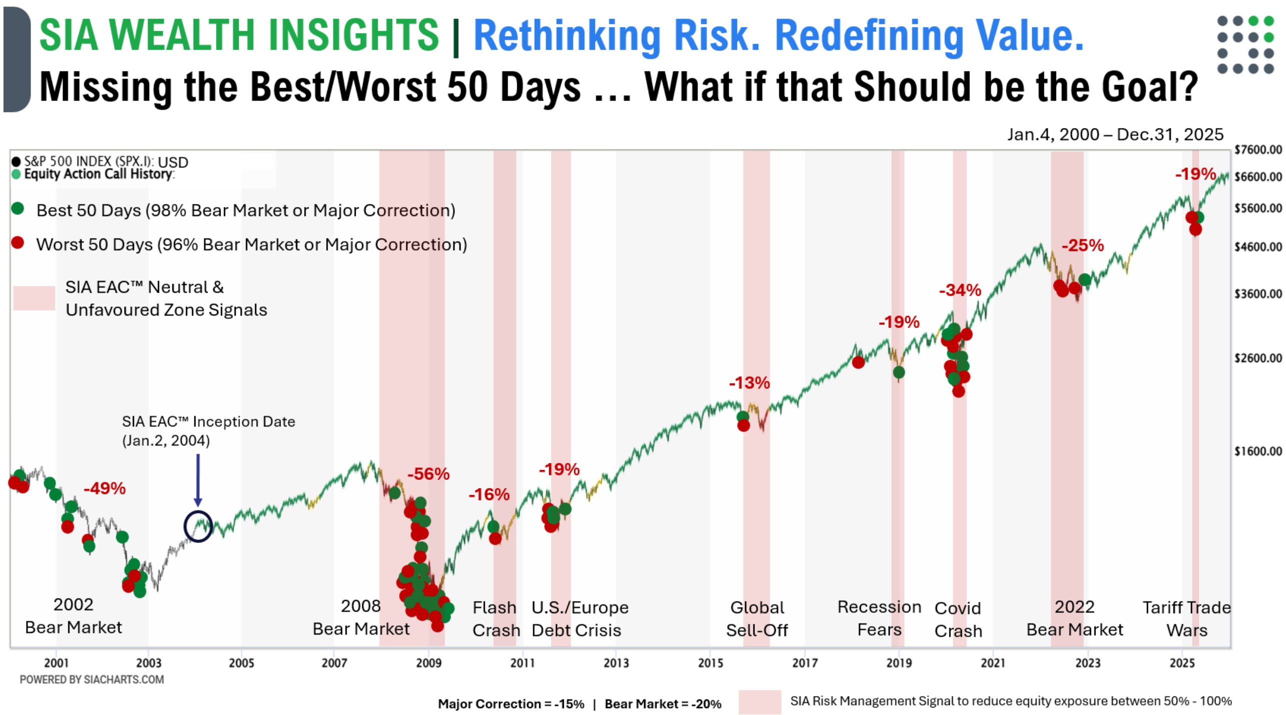
If the same defensive posture also reduces participation in the worst days and the larger decline surrounding them, missing a portion of the rebound may be a deliberate trade-off. The objective is not to capture every upward move. It is to participate when the evidence is constructive and seek to reduce exposure when risk becomes elevated.

This reframes the conventional warning. The better question may not be whether an investor can afford to miss the market's best days. It may be whether remaining fully exposed to capture those days requires accepting more downside risk than the investor intended.

The Equity Action Call™ in Practice

When the Best and Worst 50 Days are overlaid with the historical zones of the SIA Equity Action Call™, the relationship becomes visible. Many of the market's most extreme days occurred during periods when the Equity Action Call™ had moved into its Neutral or Unfavoured zones, indicating that market risk had risen and a more defensive allocation could be considered.

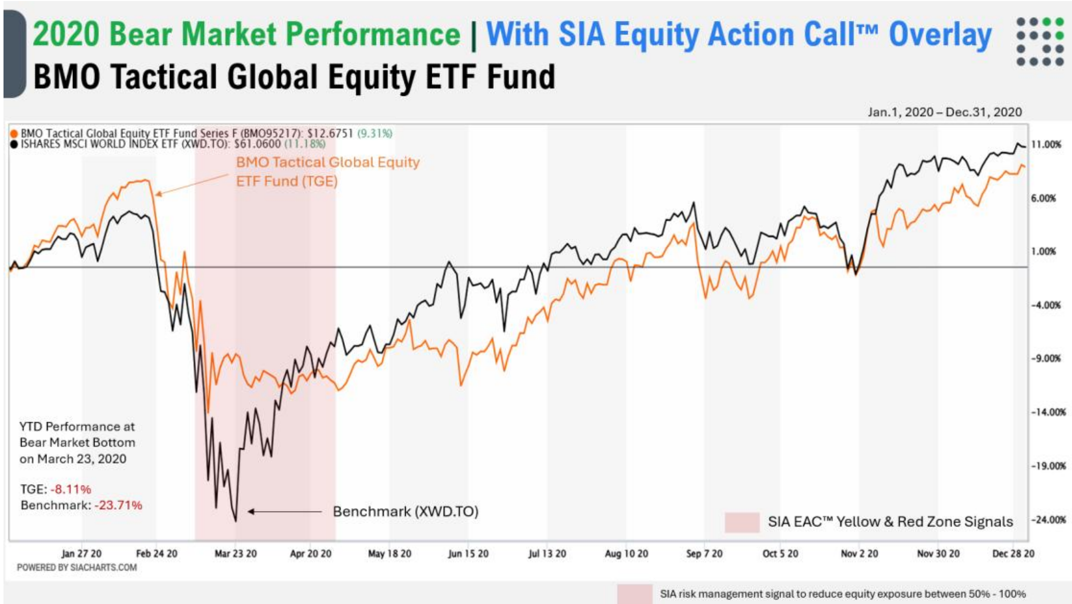
The value of the framework is not that it calls each individual extreme day. It does not. Its value is that it seeks to recognize the broader risk environment in which those extreme days tend to cluster.



A Real-World Example: TGE in 2020

The COVID-19 crash was not simply an equity-market decline. Oil prices briefly turned negative, liquidity in parts of the bond market deteriorated sharply, and equities fell at extraordinary speed. At the depth of the bear market, TGE was positioned 100% in cash.

It is easy, with hindsight, to view the subsequent recovery as inevitable. It was not. At the time, investors were confronting the possibility of another 2008-style financial crisis, and there was no guarantee that the unprecedented policy response would succeed. TGE's cash position protected capital not only from the decline that occurred, but from the substantially greater downside that remained possible had those interventions failed.

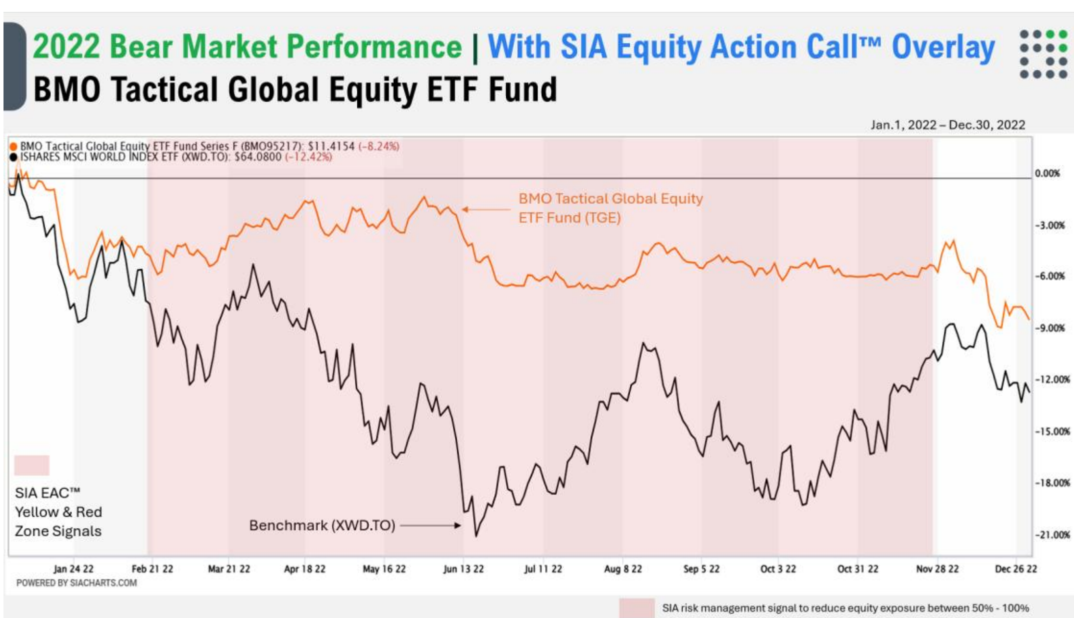


A Real-World Example: TGE in 2022

The 2022 global equity decline illustrates how this approach can look within an investment mandate. From January 1 through December 30, 2022, BMO Tactical Global Equity ETF Fund Series F, managed using SIA Wealth's True Tactical™ discipline, returned -8.24%, compared with -12.42% for XWD.TO, the iShares MSCI World Index ETF used as the comparator in the presentation.*

During the year, the SIA Equity Action Call™ moved through more defensive zones as market risk intensified. TGE's ability to adjust its positioning resulted in a different return path than static global equity exposure.

This is a historical example, not a promise that TGE will outperform in future declines. The fund and comparator may differ in mandate, composition, fees and implementation. The comparison does, however, demonstrate how a mandate designed to respond to changing market conditions may produce a meaningfully different investor experience during a difficult market.



Where True Tactical™ May Fit

For many investors, incorporating a tactical approach does not require replacing the strategic core of the portfolio. The more practical application may be a dedicated True Tactical™ sleeve alongside long-term strategic holdings.

An allocation of approximately 20% may be meaningful enough to influence overall portfolio behaviour while allowing most assets to remain aligned with the investor’s long-term investment plan. The appropriate allocation will depend on the investor’s objectives, risk tolerance, time horizon, liquidity requirements and existing holdings. It should not be treated as a universal recommendation.

TGE is one established implementation option for advisors considering a global equity allocation that can adapt as the market environment changes. Its suitability and role should be assessed within the context of the investor’s complete portfolio.

A More Complete Risk Conversation

The traditional “Don’t Miss the Best 10 Days” argument focuses attention on the opportunity cost of being out of the market at precisely the wrong time. That is a legitimate risk. It is not the only risk.

Remaining fully exposed during the market’s most volatile and damaging periods also carries a cost. Once the best days, worst days and surrounding drawdowns are considered together, missing some of the strongest days no longer looks inherently like a mistake. It may be the consequence of a deliberate effort to reduce exposure to the conditions producing both extremes.

True Tactical™ investing does not promise perfect foresight or freedom from loss. It offers something more practical: a disciplined process for adapting as the evidence changes.

Perhaps the goal was never to capture every best day. Perhaps the goal was to manage the risk required to reach the next one.

Explore True Tactical™

Learn more about SIA Wealth’s True Tactical™ approach: https://www.siawealth.com/true-tactical/

Explore TGE: https://www.siawealth.com/investments/#tge

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