

## Bad Arguments Against Dollar Cost Averaging

eResearch Corporation is pleased to provide an article/video from *The Reformed Broker*, featuring Josh Brown.

---

**The Reformed Broker** is a blog about financial markets and the economy.

From Josh Brown's website: My blog is about markets, politics, economics, media, culture and finance. I'll use statistics, satire, anecdotes, pop culture references, sarcasm, fact, fantasy, and any other device that I feel necessary to get my points across.

What I don't do on this site is give financial advice or tell anyone what to invest in. The Reformed Broker is a forecast-free blog. What I will do on this site is provide you with a running commentary of my market-related insights and thoughts as events unfold. I'll point you toward other interesting content around the web. I'll challenge your perceptions, call it like I see it and, occasionally, I'll make you laugh.

A link to the blog's website is provided here: <http://www.thereformedbroker.com/>.

**Joshua Brown** is with Ritholtz Wealth Management, a New York City-based investment advisor, whose clients are high net worth individuals, charitable foundations, retirement plans, and corporations. He helps people invest and manages portfolios for them. He is the author of the book *Backstage Wall Street*, from publisher McGraw-Hill. He is a regular contributor to: CNBC, Investment News, The Daily Beast, TheStreet.com, Forbes, CNNMoney, Fortune, Christian Science Monitor, The Faster Times, Marketplace Radio, The Wall Street Journal, and The Business Insider.

---

eResearch was established in 2000 as Canada's first equity issuer-sponsored research organization. As a primary source for professional investment research, our Subscribers (*subscription is free!!!*) benefit by having written research on a variety of small- and mid-cap, under-covered companies. We also provide unsponsored research reports on middle and larger-sized companies, using a combination of fundamental and technical analysis. We complement our corporate research coverage with a diversified selection of informative, insightful, and thought-provoking research publications from a wide variety of investment professionals. We provide our professional investment research and analysis directly to our extensive subscriber network of discerning investors, and electronically through our website: [www.eResearch.ca](http://www.eResearch.ca).

Bob Weir, CFA: Contributing Analyst

<p><b>Note:</b> All of the comments, views, opinions, suggestions, recommendations, etc., contained in this Article, and which is distributed by eResearch Corporation, are strictly those of the Author and do not necessarily reflect those of eResearch Corporation.</p>
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



---

## Bad Arguments Against Dollar Cost Averaging

By Josh Brown  
January 18, 2019

**BW: You can access the podcast on the link below. The video runs for 9 minutes and 43 seconds.**

There are not any no-brainers in investing, but DCA comes fairly close, especially for young people with access to a deferred tax solution, like a 401(k)...

Michael Batnick's amazing post on dollar cost averaging went absolutely bonkers – because he is showing the effects of dollar cost averaging in an all new way – how many S&P 500 shares you could have bought each month of the last twenty years as the market rose and fell.

Dollar cost averaging is the easiest financial advice for all investors. 401(k) plans were set up with this concept as the default setting.

Critics of dollar cost averaging like to bring up the example of Japan's bubble, which still has not recovered in 30 years. Michael and Josh discuss the ridiculousness of it on the video.

Undeniably, dollar cost averaging is not risk-free, does not have an answer to every question, and cannot protect you from every bad thing on earth – but that is not a good reason to ignore its many benefits.

And, please, let us keep the comments on this one a “Japan-free Zone”!

### VIDEO LINK:

For today's video, Ctrl+Click on the following link: <https://youtu.be/Ykyie6wAzRc>

You can see all the charts from Michael's [post Buy Low Buy High here](#)

Read Michael's update [“Now Show Japan”](#)

[Be sure to subscribe to our channel so you never miss an update](#)

[Follow us on Twitter;](#)   [Follow us on Facebook](#)

Full Disclosure: Nothing on this site should ever be considered to be advice, research or an invitation to buy or sell any securities; please see my [Terms & Conditions page](#) for a full disclaimer.

\*\*\*\*\*

**See ABOUT THE AUTHOR on the following page.**



---

## ABOUT THE AUTHOR



Josh Brown is a New York City-based financial advisor and the CEO of [Ritholtz Wealth Management](#).

We help people align their investments with their financial goals and manage portfolios for them. Our clients range from high net worth households to corporations to retirement plans to charitable foundations. For younger investors and those just getting started, we've created the [Liftoff automated advisor](#) – a simple, low-cost way to access a professionally managed portfolio selected just for you.

He is also the author of the books [Backstage Wall Street](#) and [Clash of the Financial Pundits](#) from publisher McGraw-Hill. In addition, he serves on the advisory board of financial technology firms [Riskalyze](#), Vestwell, Digital Assets Data Corp as well as [CNBC's Financial Advisor Council](#).

In 2015, he was named to the [Investment News "40 Under 40"](#) list of top financial advisors.

## ABOUT THE REFORMED BROKER

The Reformed Broker began in November of 2008 and has become one of the most widely-read sites on the financial web.

This blog is about markets, politics, economics, media, culture and finance.

I'll use statistics, satire, anecdotes, pop culture references, sarcasm, fact, fantasy, and any other device that I feel necessary to get my points across.

What I don't do on this site is give financial advice or tell anyone what to invest in. The Reformed Broker is a forecast-free blog.

What I will do on this site is provide you with a running commentary of my market-related insights and thoughts as events unfold. I'll point you toward other interesting content around the web. I'll challenge your perceptions, call it like I see it and occasionally, I'll make you laugh.

## In the Media

I have been featured in or have written for Fortune, Forbes, the Wall Street Journal, MarketWatch, Dow Jones Newswires, Bloomberg, Reuters, CNNMoney, Bloomberg, CNBC, the New York Post, Crain's New York Business, Investment News, Registered Rep, Financial Planning, Fortune, RIA Biz, Business Insider, American Public Media, NPR, TheStreet.com, the Washington Post, BuzzFeed, Barron's and the New York Times.

I am an on-air contributor to CNBC. My show, [The Halftime Report](#), airs weekdays at 12 PM ET. Our YouTube Channel, [The Compound](#), is blowing up. Check us out!

Follow our latest updates with the [Market Moment skill](#) on Amazon's Alexa!

I am available to comment on most topics for print, web, television and radio. [Get in touch](#). Do you want me to speak or moderate at your next event? [More info here](#).

Follow me on [Facebook](#)!