MORNINGSTAR Wealth

Investment Insight

The Quiet Luxury of Long-Term Investing

Morningstar Investment Management LLC
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Danny Noonan
Senior Investment Writer

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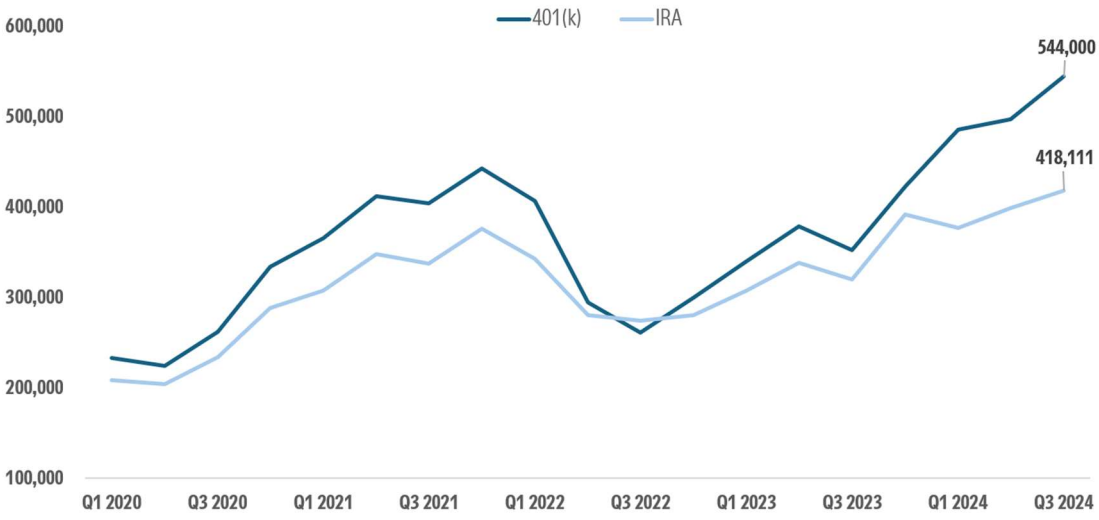
One of the underrated luxuries of being a *true* long-term investor is peace of mind.

Investing with a multi-decade horizon offers the ability to tune out the noise of the day. Tariffs, interest rates, war, politics—they still matter, of course. But they tend to matter less when investment decisions aren't driven by what's trending today.

Data from Fidelity illustrates this well.

Through the third quarter of 2024, the number of 401(k) millionaires on its platform jumped to **544,000**, a 9.5% increase from the previous quarter. Separately, the number of IRA millionaires climbed nearly 5% to more than **418,000.**

Exhibit 1: Fidelity Retirement Accounts With $1 Million+ Balances



Source: Fidelity Investments. Q3 2024 Retirement Account Analysis.

That's nearly a million retirement savers with seven-figure balances—on just one custody platform.

And none of them hit that threshold by doing anything flashy: no day trading, no speculative options ahead of NVIDIA earnings, no swinging for the fences.

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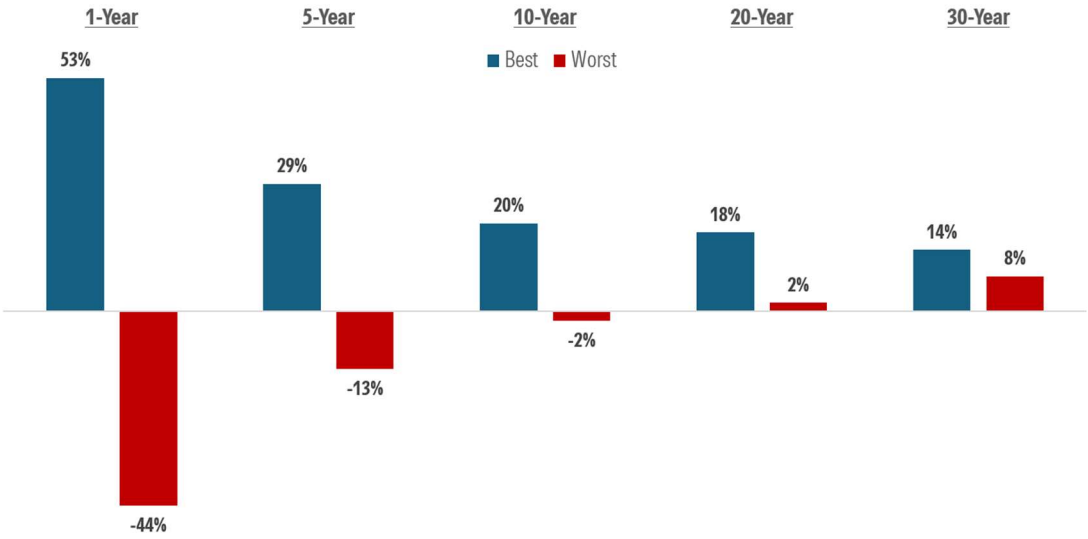
The common thread? A much simpler approach: steady contributions and decades of discipline. Nothing happened overnight. The average retirement account millionaire is 59.

Assuming they started saving in their 20s, that's 30-plus years of compounding working in their favor.

Yes, rising markets play a key role in lifting balances over time. But that's the nature of markets: over time, the wind is at investors' back.

Since 1928, the worst single year for stocks saw a -44% decline. **The worst 30-year period? Annualized gains of 8%.**

Exhibit 2: Rolling Best and Worst Annualized Returns (1928-2024)



Source: Creative Planning. Data via NYU.edu as of December 2024. Stocks represented by S&P 500 Index. Past performance no guarantee of future results. Investments can't be made directly into an index.

For most 401(k) investors, daily headlines become almost irrelevant—everything runs on autopilot. Wealth builds methodically: every paycheck, every pay period.

In the process, time becomes a powerful ally.

It's no coincidence that the retirement account structure—automatic contributions, long time horizons, limited access to funds without penalty—is such an effective setup for building long-term wealth.

For investors operating outside these plans, those same principles are worth emulating.

An approach that seeks to remove emotion, follows a consistent process, and attempts to let time work in your favor—these are the same ideas we try emphasizing at Morningstar Wealth.

It's not flashy. It's quiet. But as the data shows, *quiet* often serves investors well.

Our team is ready to discuss how our portfolios might fit into your practice and help address your clients' goals. Call 800 886-1749 to schedule a meeting or contact your regional sales representative.

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For More Information

Phone: +1 800 866-1749
Email: wealth.us@morningstar.com
Online: www.mp.morningstar.com

MORNINGSTAR Wealth

22 West Washington Street
Chicago, IL 60602 USA

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