Lucky Luke and the myth of perfect timing

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Key Takeaways

- Perfect timing matters less than staying invested: Even an investor with flawless market timing can fall behind someone who invests consistently over time.
- Waiting feels cautious, but it increases the risk of missing out: Trying to time the market often means sitting in cash too long and missing growth, with more downside than upside.
- Consistency removes the need to be right: Regular investing works not because it's clever, but because it keeps you participating when markets move on without you.

Have you ever told your youngest family member to clean up the plates after breakfast or to go outside instead of being glued to their phone all day? Chances are high you got a long sigh and a muttered "why always me?" in return.

Advice has a funny way of becoming more irritating the more often it is repeated. In investing, few pieces of advice fall into that category as neatly as this one: invest regularly and stop trying to time the market.

Dollar cost averaging is one of those ideas everyone understands in theory, and almost nobody feels particularly excited about. It sounds dull and mechanical.

And yet, inconvenient as it may be, this is one of those cases where the advice actually holds up. So instead of another lecture, let's try a simple thought experiment with three investors and see what really happens when you wait for the perfect moment, or don't.

A simple thought experiment

Let's imagine three investors. Each of them can save $100 every month. Each of them faces the same decision: invest right away, or hold on to it in the hope of investing at a better time later.

The only rule is that they must invest at least once within a ten-year period.1

The first investor, let's call him Lucky (Luke), has perfect foresight. He continuously invests at the lowest level of the S&P 500 during each ten-year period. Every time he invests, he picks the best possible moment.

The second investor, Murphy, is his unfortunate opposite. In his attempt to find the perfect moment, he always gets it wrong. Murphy invests at the highest level of the market and locks in the worst possible timing.

The third investor is Joe. Joe does not wait. He invests the $100 as soon as it hits his bank account, month after month, without trying to outsmart the market.

We will look at how Lucky, Murphy, and Joe would have fared over the past forty years.

A (not so) surprising result

Equity markets have been kind over the past forty years. Even Murphy, who consistently picked the worst possible moments to invest, managed to turn a total of US $48,000 into US $398,606.

Lucky did better. With perfect foresight, he always invested at the lowest level of the S&P 500 in each ten-year period and ended up with US $606,096. Not bad for someone who never got the timing wrong.

The real surprise is Joe. By investing $100 every month without waiting for better prices or clearer signals, Joe accumulated US $675,540. More than Lucky. And considerably more than Murphy.

But isn’t Lucky supposed to win?

Lucky always bought at the best possible prices. Joe never tried to do that at all. And yet, Joe ends up with the highest total wealth.

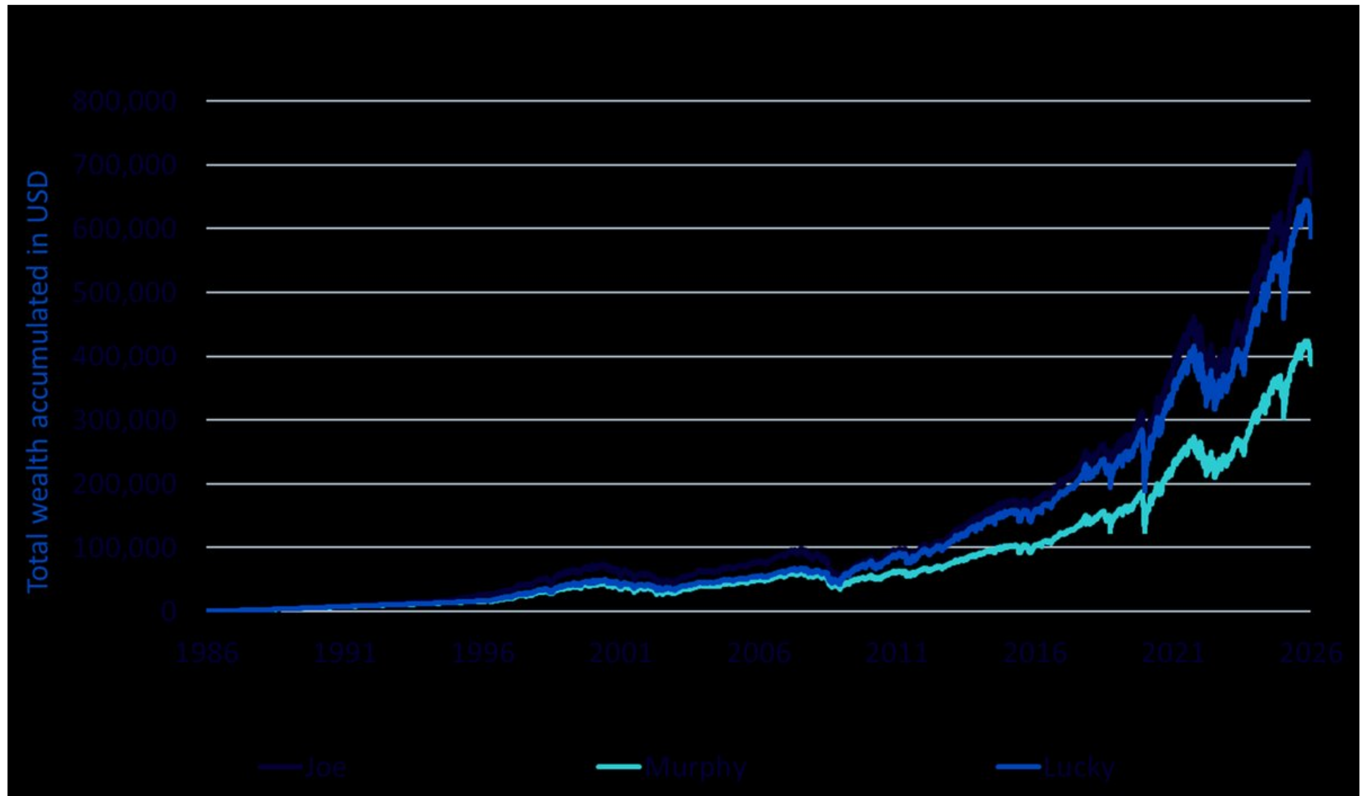
The problem is that Lucky only invests what he has accumulated up to the moment he finds his ‘perfect’ opportunity. Once he has invested, he stops and waits again. If prices rise in the years that follow, which they often do, Lucky simply sits on the sidelines.

Murphy suffers from the opposite problem. He waits just as long as Lucky, but gets the timing wrong. In doing so, he manages to combine long periods of inactivity with poor entry points.

Joe does neither. He never waits for a signal and never anchors himself to a past price. He invests continuously, accepting prices as they come. Over time, this means he participates in far more market growth than either Lucky or Murphy.

This difference may feel small at first, but it becomes clear when looking at how wealth accumulates over time (Figure 1). The market does not reward perfect timing as much as it rewards consistent participation.

Figure 1: Total accumulated wealth of Lucky, Murphy and Joe



Source: WisdomTree, Bloomberg, from March 1986 to March 2026. **Historical performance is not an indication of future performance, and any investments may go down in value.**

The real risk of waiting

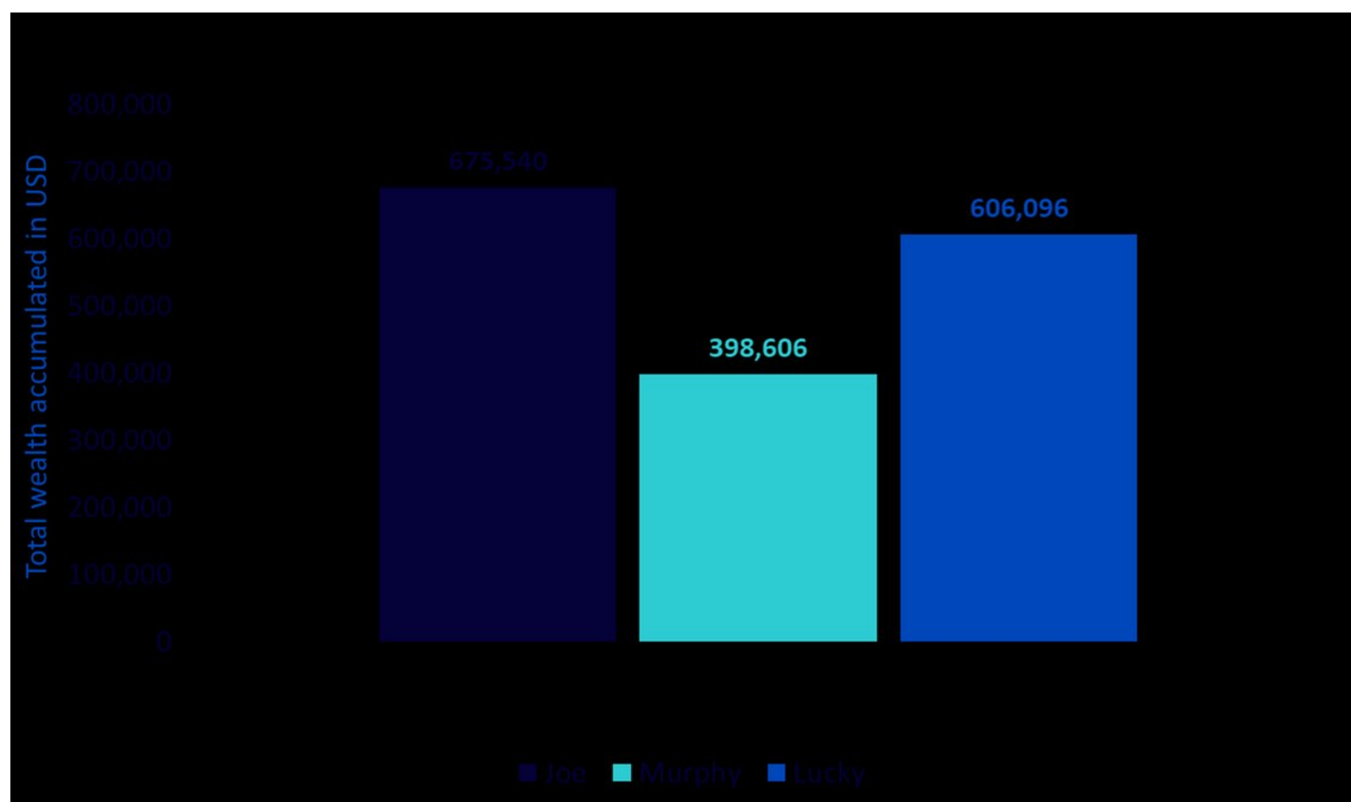
There is another, less obvious takeaway from this comparison.

Lucky may be rare, but Murphy is not. In reality, nobody knows the future with certainty. Which means that more often than we like to admit, attempts at timing the market turns us into Murphy, not Lucky.

Compared to Lucky, Murphy ends up almost $300,000 worse off after 40 years (see Figure 2). He also waits to invest, misses time in the market, and still ends up investing at unfavourable prices. Joe, by contrast, never makes a dramatic mistake. He simply keeps going.

The gap between Joe and Murphy highlights the asymmetry of market timing. The potential upside of getting timing right is limited, while bad timing leads to a steep drop in the final result.

Figure 2: Bad timing leads to a steep drop in the final result



Source: WisdomTree, Bloomberg, from March 1986 to March 2026. **Historical performance is not an indication of future performance, and any investments may go down in value.**

Consistency beats timing

Even though this experiment is deliberately simplified, the takeaway is hard to ignore. Waiting for the perfect moment comes at a cost. That cost is the time spent out of the market, watching opportunities pass by while waiting for better ones.

Dollar cost averaging doesn't feel exciting. There's no big decision to celebrate and no single moment where you can say, "I got it exactly right." Instead of trying to time the market, it removes that pressure altogether.

Joe never needed perfect timing, special insight, or strong conviction. He simply showed up, month after month, and let time do the heavy lifting. Lucky needed foresight. Murphy needed luck. Joe needed discipline.

For most investors, the choice is not between being Lucky or Joe. It is between being Joe or ending up like Murphy. And seen from that perspective, investing regularly is not the boring option. It is the sensible one.

1 The thought experiment is conducted over the period from October 1985 to October 2025, split into four distinct ten-year periods. Each investor receives $100 per month. Lucky invests once per ten-year period, at the lowest level of the S&P 500 observed during that period, and invests only the cash accumulated since

the beginning of that period. Any remaining cash earns the prevailing risk-free USD rate until invested. Murphy follows the same rules, but instead invests at the highest level of the S&P 500 during each ten-year period. Joe invests the $100 each month immediately into the S&P 500 and therefore holds no cash balance at any point.

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