

# Automatic Investing: A Strategy to Make the Most of the Market's Ups and Downs

## PUT DOLLAR COST AVERAGING TO WORK FOR YOUR WALLET

Dollar cost averaging is a popular and historically successful investment strategy that entails automatically investing the same amount of money at a certain time interval (typically monthly), rather than trying to time the market by guessing when stocks are at a high or low point. This could reduce price volatility by averaging out the price you pay to reflect the average market values for that period. In theory, over time, you will buy more shares when prices are low and fewer shares when prices are high. The table below demonstrates how dollar cost averaging works.

MONTH	MONTHLY INVESTMENT	PRICE PURCHASED	SHARES
January	\$50	\$ 5	10
February	\$50	\$10	5
March	\$50	\$ 5	10
April	\$50	\$25	2
May	\$50	\$ 5	10
June	\$50	\$10	5
Totals	\$300	\$60	42

WITHOUT dollar cost averaging, your average price per share is \$10.00 (the total purchase price divided by 6 months).

WITH dollar cost averaging, your average price per share would only be \$7.14 (total investment of \$300 divided by 42 – the total number of shares purchased over 6 months).

*Keep in mind, like any investment strategy, dollar cost averaging cannot ensure a profit or protect you against a loss in a declining market.*

## THE MAGIC OF COMPOUNDING INTEREST

The fact is there's no magic behind wealth accumulation – unless you consider the “magic” of compounding interest. Here's how it works: When you're saving, interest is added to your savings at regular intervals. If you don't touch the money, you start to earn interest on your interest, as well as on the original amount (or principal) that you saved. As you save more, the power of compounding is multiplied many times over.

But remember: When it comes to saving and investing, time really is money. The more time your money has to work for you, the more money you may accumulate over time. This makes starting early one of the most important factors in a potentially successful long-term saving and investing plan. The chart on the next page illustrates this principle.

## PNC FUNDS

### EQUITY

- Emerging Markets Equity
- International Equity
- International Growth
- Multi-Factor All Cap
- Multi-Factor Large Cap Growth
- Multi-Factor Large Cap Value
- Multi-Factor Small Cap Core
- Multi-Factor Small Cap Growth
- Multi-Factor Small Cap Value
- Small Cap<sup>1</sup>

### FIXED INCOME

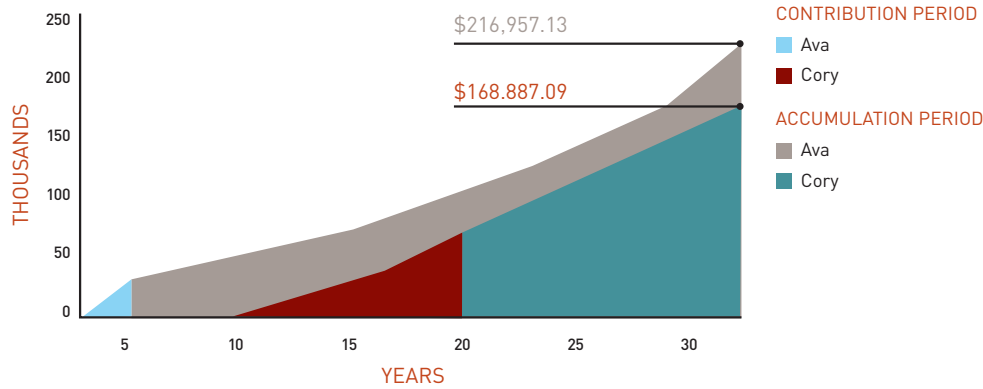
- Intermediate Bond<sup>3</sup>
- Total Return Advantage<sup>3</sup>
- Ultra Short Bond
- Intermediate Tax Exempt Bond
- Tax Exempt Limited Maturity Bond

### MULTI-ASSET

- Balanced Allocation

### MONEY MARKET<sup>2</sup>

- Government Money Market
- Treasury Money Market
- Treasury Plus Money Market



At the end of the thirty-year period, Ava has accumulated assets of \$216,957.13, while Cory invested twice as much, for twice as long and accumulated only \$168,887.09. This example reinforces the concept that time is on your side.

*This hypothetical example assumes an 8% rate of return and reinvestment of all dividends, and it is not indicative of an investment in the PNC Funds. Please keep in mind that mutual fund investing involves risk.*

## When You Sign Up for the Planned Investment Program, You:

- REAP THE POTENTIAL BENEFITS OF DOLLAR COST AVERAGING
- ENSURE MONTHLY CONTRIBUTIONS TO YOUR INVESTMENT PORTFOLIO
- SAVE MONEY YOU MIGHT OTHERWISE HAVE SPENT ON ITEMS YOU DON'T REALLY NEED

**TO ENROLL IN OUR PLANNED INVESTMENT PROGRAM, PLEASE CALL SHAREHOLDER SERVICES AT 800-622-FUND (3863).**

### ENROLL IN PNC FUNDS' PLANNED INVESTMENT PROGRAM

The best way to establish a comfortable investment pace that's right for you is to set up an automatic investment program. With PNC Funds' Planned Investment Program (PIP), you authorize our transfer agent to transfer a set dollar amount from your bank checking or savings account into your PNC Funds account. You determine the frequency of the transfers. Typically investors set up monthly transfers, but you may prefer to make bi-monthly or quarterly investments instead. Do what's comfortable for you.

The amount of each periodic transfer depends on what you can afford to invest. Our minimum is \$50 per investment, but remember, the more you contribute and the more frequent your investments, the more potential your account has to grow over time. Simply arrange to have a set amount of money transferred from your checking or savings account into the PNC mutual fund of your choice each month. Keep in mind, since periodic investment plans involve making continuous investments regardless of fluctuating share prices, you should consider your financial ability to continue making purchases through periods of low prices.

**1** Effective May 17, 2018, PNC Small Cap Fund reopened to new investors.

**2** You could lose money by investing in the Fund. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time. The dividend yield paid by each Fund will vary with changes in short-term interest rates.

**3** On August 28, 2018, the Board of Trustees of PNC Funds approved the reorganization (the "Reorganization") of PNC Intermediate Bond Fund ("Bond Fund") into PNC Total Return Advantage Fund ("Advantage Fund"). If the Reorganization is completed as proposed, each shareholder of the Bond Fund would become a shareholder in the Advantage Fund. If shareholders approve the Reorganization and other closing conditions are met, the Reorganization is anticipated to close in the fourth quarter of 2018. Prior to the Reorganization, Bond Fund shareholders may continue to purchase, redeem and exchange their shares subject to the limitations described in the Bond Fund's prospectus, as supplemented.

**You should consider the investment objectives, risks, charges, and expenses of PNC Funds carefully before investing. A prospectus with this and other information about the Funds may be obtained at 800-622-FUND (3863) or pncfunds.com. Please read it carefully before investing.**

**NOT FDIC INSURED - NO BANK GUARANTEE - MAY LOSE VALUE**

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