Cowan

COVID-19 - Staying The Course During Market Volatility

These are unprecedented times for all of us. Investors are feeling uneasy about the changes and declines in the market and in their investment returns. However, you should note that changes in the investment market are a normal part of investing.

It's important to note that, while this particular event is not something any of us have seen in our lifetimes, there have been many major events in history that have had a dramatic impact on the markets. Looking back, markets have recovered and these events are now mere blips on the financial market radars. Generally, those who stay invested and contribute regularly are rewarded in the long run.

During changes and declines in different investment markets, it's important to continue thinking about when you'll actually need your savings or investments.

If you're a long-term investor, staying the course can help you achieve the positive long-term investment returns you're looking for. If you withdraw your money from a fund before the market has a chance to bounce back, you could miss out on valuable investment returns.

If you're a short-term investor who will need the money soon, you should consider a guaranteed or fixed-income investment(s) depending on your risk profile.

If your investment portfolio is based on your risk tolerance, and is properly diversified across different asset classes, sectors, investment styles and geographic regions—short term events may have little, if any, effect on your long-term retirement and savings goals.

When things are going well, we tend to forget that there will inevitably be times when the markets aren't as strong. Being patient during volatile financial times is easier said than done. Here are a few quick tips for staying calm during volatile investment markets:

- **Stick to your plan**
  Don't panic and make an emotional decision. Saving for retirement is a long-term project that asks for a long-term perspective.

- **A balanced investment portfolio spreads out your risk**
  A well-diversified investment portfolio of stock, bond and/or cash investments, is ideal for spreading out investment risk. Managing risk is an important part of your investment plan.

- **Review your investments regularly**

If you have questions or need more information, contact your financial coaches at Cowan Insurance Group:

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