

NAVIGATING THE CORONAVIRUS CRASH



 **SAGE
PATH**
FINANCIAL ADVISORS

5 Tips for Navigating the Coronavirus Crash

When stock markets experience sudden downturns, investors can feel anxious and make decisions detrimental to their long-term goals. After all, when you've worked hard for the money, it's painful to see your account balances drop. This is a natural reaction, even with savvy investors who've experienced market volatility before. These extremes are enough to test your nerves.

Now is not the time to panic and change your investment strategy. This is the time to stay level-headed, maintain perspective, and focus on the long-term. We recommend the following five strategies to help you navigate this challenging time.



Tip #1: Remember the potential

Downturns are not rare events and statistics favor staying the course. The data below speaks volumes, showing in the year following the trough (low point) of a bear market, the returns were on average 47%. This is the potential waiting for you at the end of this inverted rainbow.

Peak	Trough	Duration (months)	Bear market magnitude	Recession during bear?	1-Year return after trough
9/3/1929	7/8/1932	34	-86%	Yes	124%
3/10/1937	4/28/1942	61	-60%	Yes	59%
10/9/2007	3/9/2009	17	-59%	Yes	68%
3/24/2000	10/9/2002	31	-49%	Yes	34%
1/11/1973	10/3/1974	21	-48%	Yes	38%
11/29/1968	5/26/1970	18	-36%	Yes	44%
8/25/1987	12/4/1987	4	-34%	No	23%
5/29/1946	6/13/1949	37	-30%	Yes	42%
12/11/1961	6/26/1962	6	-28%	No	33%
11/28/1980	8/12/1982	21	-27%	Yes	58%
2/9/1966	10/7/1966	8	-22%	No	33%
8/2/1956	10/22/1957	14	-22%	Yes	31%
7/16/1990	10/11/1990	3	-20%	Yes	29%
09/20/2018	12/24/2018	3	-20%	No	37%
Average		22	-39%		47%

Source: ISI, Bloomberg, National Bureau of Economic Research, Haver Analytics, FMRCo (Asset Allocation Research Team) as of February 26, 2020. Data based on S&P 500 Index price returns. Duration ends with a complete retracement of losses. Recessions are defined by the National Bureau of Economic Research. Past performance is no guarantee of future results. You cannot invest directly in an index. The S&P 500[®], a market capitalization-weighted index of common stocks, is a registered service mark of the McGraw-Hill Companies, Inc. and has been licensed for use by Fidelity Distributors Corporation.

Investing involves risk. Loss, including loss of principal, may occur. No investment strategy can guarantee positive results. Past performance is not a guarantee of future results.

Tip #2: "Unfriend" the Financial News

When the markets are volatile, the news cycles never end. To be clear, you do want to be knowledgeable about what's happening in your portfolio, but you don't want to overdo it. You don't need hour-by-hour updates on your investments any more than you need hour-by-hour updates on your favorite sports team. Watching more closely doesn't improve the results.

Consider limiting the financial information you receive by social media, TV, and newspapers. Regardless of the medium, they thrive on negativity and these bits of information have a cumulative effect. The more you absorb it, the more you risk anxiety, fear, and even panic. As any good financial advisor will tell you, panic is not a positive focus when it comes to investing.



Wap-bap, ba-da-di-ua-ua

Abszeder Aufmerksamkeit der Erwachsenen prägt Bibi H. seit Jahren die Jugendkultur. Jetzt sorgt sie mit einem Song für Aufsehen: Ein Besuch

Gleich trifft ich Bibi auf eine Freundin, die mich als Bibi H. bezeichnet. Bibi H. ist eine 17-jährige Teenagerin, die mich locker nennt. Ich habe sie in der Schule kennen gelernt, aber ich habe sie nicht gesehen, nachdem sie nach Berlin gezogen ist. Ich habe sie in der Schule kennen gelernt, aber ich habe sie nicht gesehen, nachdem sie nach Berlin gezogen ist. Ich habe sie in der Schule kennen gelernt, aber ich habe sie nicht gesehen, nachdem sie nach Berlin gezogen ist.

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VON KATHIN ROEDER

Bibi ist nicht mehr so ganz meine Alters- und ich bin nicht ihre Zielgruppe. Ihre Zielgruppe sind Mädchen ab neun bis zu 17 Jahren. Wo die Zielgruppe und meine Bereitschaft als Mädchen haben zu wollen. Einige finden sich schon mit 10 als für Bibi, andere sind schon so alt wie Bibi selbst, aber immer noch nicht genug für sie.

KUNSTWERK
Aufblühende Ballerina von Koenigsenthal

Die Ballett der Kirchen, Joffe, hat in New York sein neues Konzept vorgestellt: eine aufblasbare Ballerina. Bis zum 4. Juni 2012 wird es eine Ballerina in einem Platz vor dem Rockefeller Center geben. Die Installation soll auf dem Times Square zu sehen sein.

Wird es nicht mehr so ganz meine Alters- und ich bin nicht ihre Zielgruppe. Ihre Zielgruppe sind Mädchen ab neun bis zu 17 Jahren. Wo die Zielgruppe und meine Bereitschaft als Mädchen haben zu wollen. Einige finden sich schon mit 10 als für Bibi, andere sind schon so alt wie Bibi selbst, aber immer noch nicht genug für sie.

Wap-bap, ba-da-di-ua-ua

Das Lied ist ein Mix aus Pop und Hip-Hop. Bibi H. hat es selbst geschrieben und produziert. Es ist ein Lied über die Liebe und die Jugendkultur. Bibi H. hat es selbst geschrieben und produziert. Es ist ein Lied über die Liebe und die Jugendkultur.

Auf dem Weg nach Hause

Auf dem Weg nach Hause, Bibi H. hat sich in der Stoppuhr aufgehalten. Sie hat Interview Nummer sieben. Ich habe Interview Nummer sieben. Bibi H. hat sich in der Stoppuhr aufgehalten. Sie hat Interview Nummer sieben.

Tip #3: Leverage your “financial foursome” in times of stress.

Investing in the stock market involves risk. We all know that going in, but it’s only truly tested when the markets become volatile. It’s normal to feel anxious, concerned, worried, or even fearful. This is precisely why you want to work closely with your “financial foursome,” which includes your CPA, your estate attorney, your mortgage broker, and your financial advisor.

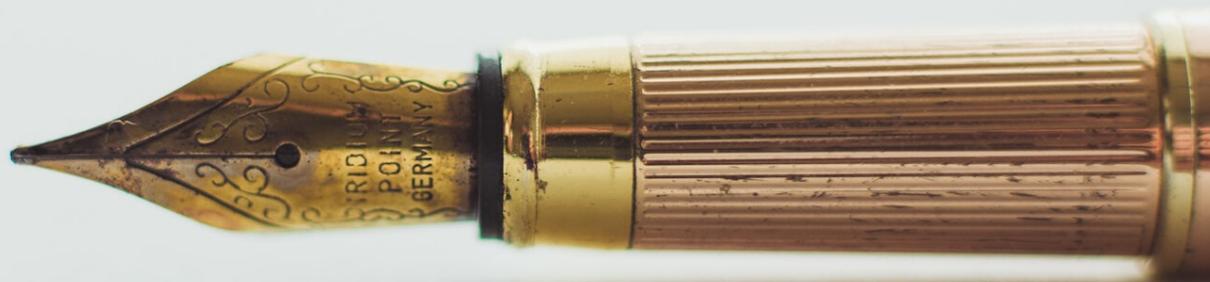
Each of these professionals provides a different perspective, not only for capitalizing on opportunities but also for keeping yourself level-headed. If your “financial foursome” is lacking in some area, leverage your financial advisor for recommendations. They may be able to help you.



Tip #4: Take your investment strategy from “vapor to paper.”

If you want to stay on track with your investments, regardless of what the markets are doing, you should commit them to writing. An Investment Policy Statement (IPS) is a document drafted between you and your financial advisor that outlines general rules for meeting your investment objectives. It includes criteria for monitoring performance, addressing risk, and communication between you and your advisor.

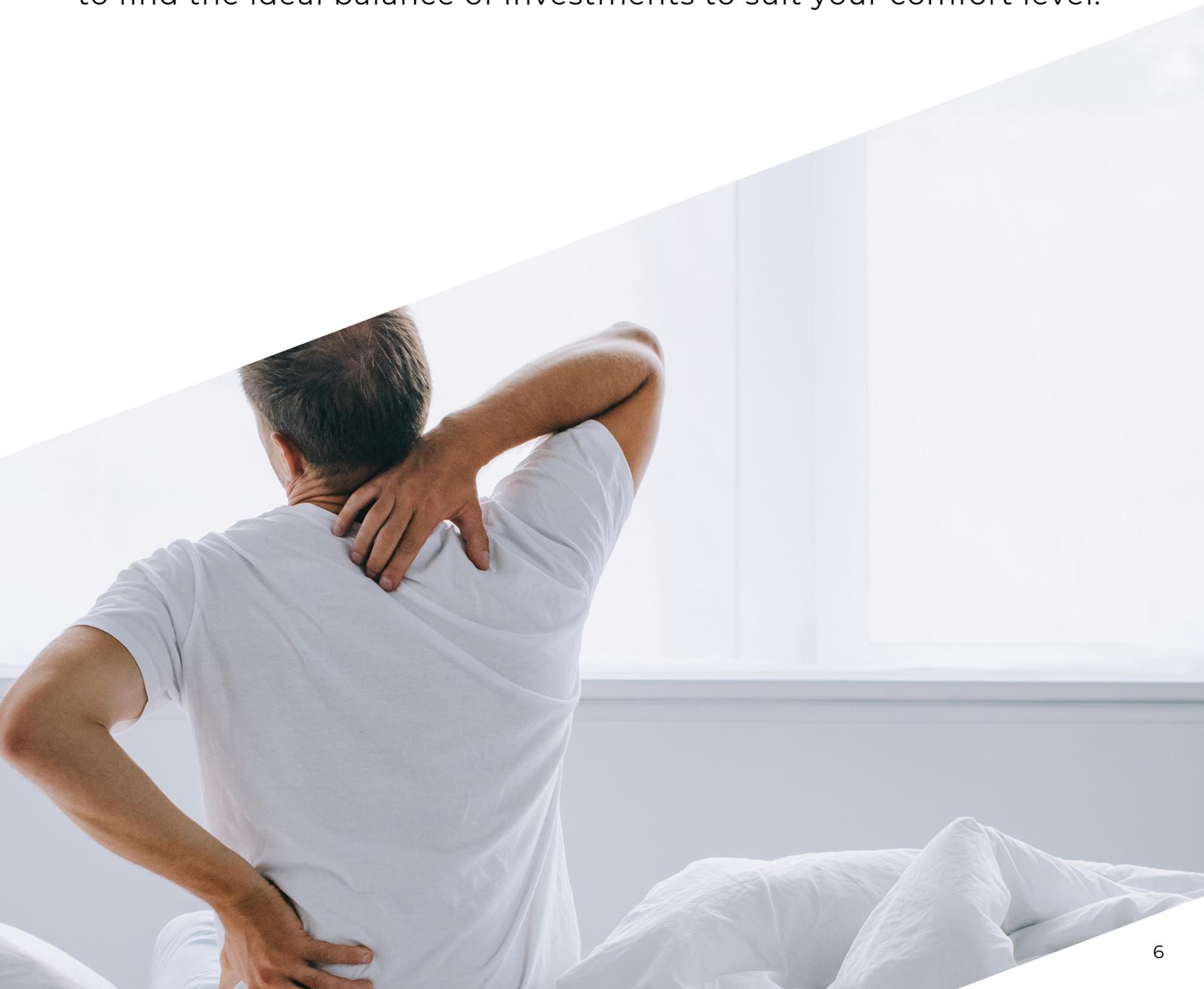
Your IPS should also include a provision explaining when you should rebalance your portfolio. Without written objectives and guidelines, your investments are subject to the whims of your emotions, and how you “feel” you should be investing.



Tip # 5: Re-assess your “financial pain tolerance.”

You probably took a risk tolerance questionnaire with your advisor years ago and maybe long forgot about it. Now is a great time to go through this exercise again. You're older now, your life has changed, and your risk/pain tolerance likely has as well.

Many factors contribute to individual risk tolerance, including age and short- and long-term financial goals. Volatility can present the perfect opportunity to rebalance. Work together with your advisor to find the ideal balance of investments to suit your comfort level.



Final Thoughts

Remember, now is a moment to be cautious, not a moment to panic. If you've worked hard with your financial advisor to create a financial plan, stick with it. Historically, recoveries have rewarded patience. If you're thinking about timing the market, remember that knowing when to get out is only half the battle; you also need to know when to get back in. Staying invested for the long term is far more likely to yield a favorable outcome.

If you're concerned about recent volatility and have not heard from your current advisor, contact us to schedule a complimentary second opinion. We can review your current investment strategy, portfolio, risk tolerance, and Investment Policy Statement and decide if any changes are necessary. We're here to help.



References

- Tools for Navigating the Coronavirus Downturn - <https://vgi.vg/2UfVFfu>
- 5 Investing Do's and Don'ts To Deal With Stock Market Volatility - <https://bit.ly/2WGDroY>
- Before You Get Out of the Stock Market, Read This - <https://bit.ly/2QXzN6L>

ABOUT SAGE PATH FINANCIAL ADVISORS

Working in the financial industry for more than 10+ years, Jason has helped countless people navigate through financial obstacles. From his time at Wells Fargo as Vice President, to his position as the Managing Director with Sage Path Financial Advisors, Jason has developed a passion for establishing lasting relationships with individuals and families. Jason has always been through the thick and thin in terms of being there for his clients. He's attended bar mitzvahs, birthday parties, weddings, graduations; you name it - celebrations of all kinds.

But he's also attended funerals. He's comforted grieving families and supported individuals struggling to find a new job or dealing with divorce. All those things, the happy and the sad are the reason why Jason loves his job. People need someone to put their interests first, and for many people, Jason is that someone. He strongly believes in the value of tailoring a unique strategy to fit the diverse needs and objectives to safeguard the things most important to his clients. Some people say it's all about the money, but it's not. It's about friendship, integrity, and trust. Jason helps people live the life they want and in some special cases, the life they thought they couldn't have.

So, if you're looking for a steady hand, know that he'll be working alongside you every step of the way.

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