

Strategies for a Turbulent Market

The recent Coronavirus (COVID-19) outbreak has disrupted the markets and created worry among investors. Here's what you should know.

It isn't the first time we've seen dramatic market drops and rebounds, and it won't be the last. When bad news happens, uncertainty and fear often run rampant. Investors fleeing stocks may cause sharp drops in the markets. Then, after a correction period, stocks begin to look attractive again which entices buyers and stimulates the market. The rotations between fear and opportunity can frustrate and bewilder investors.

In turbulent markets, the only real certainty is uncertainty. Having time to ride out the volatility in the markets has historically been a sound strategy.

BPAS services retirement plans in conjunction with Investment Advisors and Corporate Trustees. These firms offer regular insight on investment-related matters to help you to make appropriate decisions. We recommend you speak with your plan's Investment Advisor or Trustee before making any snap decisions or changes to your retirement account. Your Human Resources team can direct you to the Advisor or Trustee for your plan.

While no one can predict the markets with certainty, market volatility is normal. Here are things you can do to weather the storm.

Get Advice

When considering changes to your retirement account, it's best to speak with your financial advisor to see if changes would be consistent with your overall investment plan. Typically, financial experts advise investors to stay the course during periods of volatility because markets often stabilize over time. However, if market swings are causing you stress or you're approaching retirement, your financial advisor can guide you on what changes, if any, would be best for you.

Diversify

No one is able to consistently predict how the markets will behave over any given time. Exposure to different asset classes has been effective at reducing investment risk and may provide smoother overall returns. Discuss diversifying your portfolio with your financial advisor to help reduce your investment risk.

The BPAS Participant Education Center offers a risk questionnaire and sample portfolios to help you create a diversified strategy.

Look Ahead

Saving for retirement is a long-term journey. Volatility in the markets instills fear which could cause you to make hasty investment decisions. You should periodically review your account and asset allocation strategy, and talk with your advisor to determine when to make any changes. Keeping a long-term perspective helps investors stay the course and make sound decisions.

Learn More

At BPAS, we work with many investment partners who keep a close eye on the markets and offer tips and tricks for weathering stormy market periods. Visit the BPAS Participant Education Center (pec.bpas.com) for links to fund family market commentaries and other information designed to help you understand and respond to market fluctuations. Here are a few links to learn more:

[American Funds](#) | [BlackRock](#) | [Dimensional Fund Advisors \(DFA\)](#)
[Federated](#) | [T. Rowe Price](#) | [Vanguard](#)

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