Understanding + Patience + Advice = Better Outcomes

Most investors are aware that 2016 has begun as a turbulent year in the stock markets. Markets have been on a roller coaster lately, due to a number of factors, including oil and changing economic conditions overseas. Given the recent turbulence, many investors may have doubts about their long-term investment strategy. However, investors would be better served to take the long view. And by **understanding** the market, exercising **patience** through turbulent periods and following the **advice** of qualified financial services professional, investors will achieve **better outcomes** and reach their financial goals.

- **Understanding:** The stock market in America is influenced by a number of factors that can cause fluctuations – both positively and negatively. As investors, it is important to understand those factors that cause the markets to gain or lose value. However, it is also important to understand that these fluctuations are a normal occurrence. Additionally, declines in the market are both common and temporary.

  History shows that stock market declines are a natural part of investing. While these declines are varied in intensity, they have been somewhat regular events. However, what investors should understand is that the market has recovered from every decline. And while the past can't predict the future, declines (and recoveries) should be accepted as a normal part of the investment cycle.

- **Patience:** One of the most important things to keep in mind when investing is that you're in a marathon, not a sprint, and keeping that perspective can help you remain calm during times of turbulence. For example, every Standard & Poor's (S&P) 500 downturn of 15 percent or more since the 1930s has been followed by a recovery. Even including downturns, the S&P 500's mean return over all rolling 10-year periods from 1927 to 2014 was 10.54 percent. Therefore, during downturns and times of turbulence, it's important to keep in mind that stocks have rewarded investors over time. By keeping a long-term view on investing, you can save yourself a lot of stress in the process.

- **Advice:** Financial advisors play a critical role in the investment process, particularly during times of market unrest. While you may have some ideas about what types of investments to own, a financial advisor can offer you the professional expertise and insight that you may not have. If you're a new investor, a financial advisor can help you determine the proper asset allocation to fit your lifestyle. If you currently have an investment portfolio, a financial advisor can evaluate your existing investments and determine if they are still appropriate for meeting your short- or long-term goals. And above all, financial planners are there to help you navigate the ups and downs of the markets.

By utilizing the approach above, **Understanding + Patience + Advice,** you and your financial advisor can develop a strategy that equals **Better Outcomes** – reaching your long term financial goals. And while the turbulent market conditions of early 2016 can be stressful, it is important to keep in mind that, by investing for the long-term and not panicking, investors are generally able to grow their money over time. The markets will improve and continue to grow – they always do.