12 retirement investing
tips for ANY market

ConradSiegel™

1 **Don't Panic, You are Investing for the Long-Term –** Don't let short-term emotions dictate how you invest your long-term assets. You should continually reassess your goals and carefully consider adjustments when appropriate. Remember you are not investing for today, but the future.

2 **Understand How Much Risk You are Willing to Take –** Sure, you are more than willing to accept the large returns that an aggressive portfolio may receive, but are you also willing to accept the large loss that an aggressive portfolio is bound to experience from time to time? Risk tolerance is a matter of how much you can lose and still meet your basic goals, while being able to sleep at night. Periodically perform a quick checkup by taking a risk quiz to determine your comfort level.

3 **Stay Diversified –** Asset allocation is the driving force behind what determines investment return. If you have a well-diversified portfolio, history shows you will recover over time, as will the security markets. Well-diversified portfolios contain bonds and stocks (both domestic and international), as well as investments in large, medium, and small-sized companies. How you construct a well-diversified portfolio is based on your risk tolerance.

4 **Rebalance Your Account Periodically –** Set a schedule for rebalancing your portfolio and stick to it. Regular rebalancing keeps the portfolio in line with your risk tolerance and avoids any surprises.

5 **Don't Time the Market –** Timing the market will not improve investment results and is more likely to result in disappointing returns. With a well-diversified portfolio and a buy and hold strategy, you have the best chance of maximizing your returns over the long-term.

6 **Don't Chase Investment Returns –** It's tempting to move your account into funds that performed well last year or last quarter. Human nature is to chase investments that have recently done well; however, last year's winners are no guarantee of this year's winners.

7 **Don't Back out of the Market Completely –** If you still feel the need to become more risk-averse at this stage, it's far better in the long-term to take one step down the risk ladder until you feel more confident with the stability of the markets, than it would be to sell all your equity assets and move to cash where you will probably remain long after the stock market recovery is well under way.

8 **Guard Against Inflation –** People have a tendency to forget that with any inflation, a dollar today won't buy the same amount of goods in the future. Currently, inflation is very low; however, it is no guarantee it will remain low in the future. Be mindful to select investments that will outperform inflation over the long haul.

9 **Think Twice Before Taking a Distribution or Loan –** There can be some considerable adverse tax consequences when taking a plan distribution before age 59½. And though you may be paying back your retirement account through a loan (if permitted through your plan), you are not realizing any investment growth. Explore accessing other funds in a time of need, before jeopardizing your retirement accounts.

10 **Continue to Save for Retirement –** The main factor in how much you will have in your retirement account is the amount you contribute. Continuing to save will soften the impact of market losses. And because of the losses, you may not only need to continue to save, but to increase your contribution, in order to stay on track with your retirement goals. In addition, by continuing to contribute, you will be taking advantage of stock market "sales" by buying additional equities at much lower prices.

11 **Maximize Your Employer Match –** If your plan offers a matching contribution, you should strive to contribute at least the minimum amount to receive these additional contributions for retirement.

12 **Take Advantage of Catch-up Contributions –** If you are age 50 or older, you can contribute additional amounts each year into your retirement plan, providing an opportunity to make up for lost time.

Questions?

Contact us at

1-800-577-3675

(M-F 8am - 6pm, ET).