

# Calming Advice in Times Like This

by Gary Ball, Puget Sound Chapter

March 20, 2020

Well, here we go again. The market has been down 20% and may go lower. What should we do? First, don't panic. I have been here many times before. But it seems like it is always for different reasons. For years, I have always told our members and my friends not to have money in the stock market that may be needed soon. As we manage our portfolios, we always need to keep our asset allocation in mind. We need to keep cash and laddered CDs or bonds set aside for emergencies and living expenses. Times like this are why I have always said that.

I have always believed that you don't lose money until you sell. After selling, you lock in your loss. Now is not the time to sell. In fact, if you are a long-term investor like I am this may be a good time to start buying. We don't know if this is a market bottom, but stocks are certainly a better buy today than they were at the end of January.

As a long-term investor, I have always looked for times when the stock market goes on sale. Now is one of those times. Again, I don't know if we are approaching a market bottom, but I am sure we will look back at this time in the future when the prices are much higher and wished we had bought. How many of us wished we had invested more during the financial crisis at the end of 2008 and early 2009?

Again, don't worry. The market has always come back. It will this time.

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