



Market Conditions & Coronavirus: Practical Steps You Can Take

Clearly, the recent volatility in the markets is unnerving. So, the question is what is the best course of action?

Research shows that selling and buying back in later does not work. You must correctly time the market twice, which is very rarely achieved.

Further, human nature works against wealth creation. We sell when we are frightened, and we buy when we feel safe. In other words, we crystallise losses and buy again at higher prices. The world's most successful investor, Warren Buffet, does the exact opposite. He buys when others are fearful. However, if you are investing for the longer term then it is important to keep your eye on that horizon rather than sweat about what is happening now. It will pass. Markets recover. They always have and this time will be no different.

There are some practical steps you can take.

- If you are drawing income from investments or pensions but have surplus cash in the bank or building society then stop or reduce your withdrawals and use your cash. Your investments will recover much more quickly if you do so.
- If you are making regular contributions to a pension or savings plan, carry on or even increase your payment if you can. Every pound now buys more investment than it did last month.
- If you have spare cash, consider investing it now. You could spread the investment over three to six months, if you wish. Be a Warren Buffet!

Increasingly, we at RHL will be working from home but that does not prevent us working for you. Nothing will change other than fewer face to face meetings. We will continue to monitor the funds that make up the portfolios and you will still be able to email and talk with us on our mobile numbers.



To remind you, our contact details are as follows:

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