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3/29/2023

Looking back at the last 3 years, we truly are in unprecedented times when it comes to markets, investing, and the macro economy. It started with a worldwide pandemic in 2020, a massive government response to quell financial consequences of having to shut down, a rocket bull run from the summer of 2020 to January of 2022, inflation heating to levels not seen since the 70's and early 80's, and a Fed response to fight that inflation by raising rates at a faster clip than at any point previously. Not to mention a war in Europe, clogged supply chains and a myriad of other world events that all seem to happen in uniform. It's no wonder that investor sentiment has shifted so negatively and the volatility in markets across the globe has caused heightened anxiety among retail investors. The landscape has completely changed. And done so in a relatively short amount of time. So, the two big questions we are asking ourselves is what happens next and what do we do in this rapidly changing environment? Completely natural and rational questions to ask but can also ignite emotional responses and increase stress. When we are emotional and stressed, we tend to make poor decisions and not just with money. Instead of trying to predict the future and what the markets are going to do next week/month/year, let's focus on the "why" and what it means to be a long-term investor which can better steer our decision making and can reprogram our mindset. Easier said than done because money is a lightning rod that triggers so many emotional responses. We work hard for it, we depend on it, we use it to fund our goals and dreams in retirement, etc. so it's completely natural and normal when signals go off in our brain to take action to protect our resources during market swings. The problem so many investors tangle with is that investing and money are so intertwined and connected in the mind, they become one. Investing is emotional because money is emotional. How we feel and our emotions during times of market uncertainty can be a good litmus test of where you stand between distinguishing the two and the mindset we adopt of either a trader or investor. If you're a long-term investor who routinely gets anxious- causing you to act rashly during volatile times, that's a pretty good indicator something may be out of whack and you have adopted more of a trader mindset- willing to sell assets for the feeling of safety or quick profit. This can throw you off track and usually causes undue angst. So how can we continually adopt an investor mindset? Here are some practical ideas that can help.

Define your long term

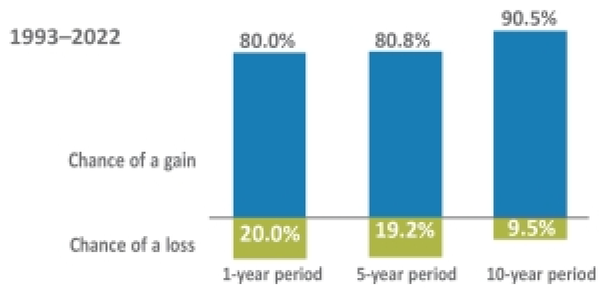
Your own definition of "long term" is most important and will depend on your individual financial goals and when you want to achieve them. A 70-year-old retiree may have a shorter "long term" than a 30-year-old who is saving for retirement. Your individual plan should take into account your personal goals and that the market will not go in one direction forever - either up or down.

Know what you own and why you own it.

Investors own assets they plan on holding onto for the long haul. They view investing as taking ownership in good companies and each classification of companies they own have a specific purpose in their overall plan. When the market goes haywire (both directions), knowing why you made a specific investment can help you evaluate whether those reasons still hold. If you don't understand why a security is in your portfolio, find out. A stock may still be a good long-term opportunity even when its price has dropped because it's an asset and not just a ticker symbol that's constantly flashing green or red.

Understand the power of time and compound interest

Though past performance is no guarantee of future results, the odds of achieving a positive return in the stock market have been much higher over a 5- or 10-year period than for a single year.



When you factor in the power of compounding interest, time in the market is crucial to building wealth and achieving your financial goals over the long term.

Don't forget about cash

Having some cash in the bank or money market fund can be the financial equivalent of taking deep breaths to relax. It can enhance your ability to act thoughtfully instead of impulsively. An appropriate asset allocation can help you have enough resources on hand to prevent having to sell stocks at an inopportune time to meet ordinary expenses. A cash cushion coupled with a disciplined investing strategy can change your perspective on market downturns. Knowing that you're positioned to take advantage of a market swoon by picking up bargains may increase your ability to be patient.

Be willing to learn from mistakes and ask for help

There's an old saying my first boss used to tell me that has always stuck with me- "Everybody's a genius in a bull market." Sound investors are produced by the inevitable rough patches. Even the best aren't right all the time. If an earlier choice now seems rash, sometimes the best strategy is to take a tax loss, learn from the experience, and apply the lesson to future decisions. This can be daunting and confusing for newer investors so don't hesitate to reach out for guidance. It may prevent you from acting against yourself and can alleviate the burden of trying to figure everything out on your own.