

STEPS TO TAKE TO CALM YOUR NERVES

1 Perform your Self-Affirmations

Your portfolio was built, and is regularly reviewed and updated to address and adapt to periods of volatility. Realize that, as one of our dear clients, you are already prepared for a recession or market decline because your long-term strategy was designed with this in mind. Proactively do nothing different. Keep calm and carry on!

DO YOU FEEL BETTER?

N

Y

2 Double your "Cash Zero"

We encourage all clients to keep 6-12 months of spending cash to create a cushion for any unexpected expenses or life events. This is your "Cash Zero". The average Bear Market lasts 1.3 years. If you are concerned about the impact of another market correction, double your "Cash Zero". This should carry you through the majority an average Bear Market without having to tap your long-term investments and possibly realize a loss.

DO YOU FEEL BETTER?

N

Y

3 Isolate Capital Expenditures now

If you know you will have a large expense in excess of your typical spending in the next 1-2 years (family trip, new car, basement renovation, education costs, etc.), let's "spend the money now" by earmarking needed funds and setting them aside. These expenditures are truly short-term in nature and have no business being invested in the equity markets. Isolating this cash often gives us the psychological edge of a longer-term perspective.

DO YOU FEEL BETTER?

N

Y

4 Align your philosophy and reality

Ensure your investment philosophy is in sync with your investment reality. If the sticker shock of a drop in the total value of your portfolio makes you crazy, then we should challenge your overall strategy and investment allocation. It is simple to dial down the risk profile of a portfolio by increasing Fixed Income, but Equities are necessary to provide long-term growth potential. Your portfolio balance on any given day should not derail your plans.

DO YOU FEEL BETTER?

N

Y

5 Mistaking molehills for mountains

The last time you were on a plane, did you insist the pilot make an emergency landing during a patch of turbulence? The last time you were sitting in gridlock traffic on your way to work and saw a commuter train whiz past you, did you get out of your car, sell it on the spot, and walk to the next train stop? When fear governs our decisions, mistakes are made. Don't let your emotions affect your future financial independence.

DO YOU FEEL BETTER?

Y

WOOHOO!! YOU'RE DONE!