



Three Strategies to Navigate Market Volatility



by Martin Schamis
Vice President & Head of Wealth Planning

MARKET VOLATILITY

The middle of a period of market fluctuation is rarely the best time to adopt new investing strategies.



The middle of a period of market fluctuation is rarely the best time to adopt new investing strategies.

However, it is the best time to review your financial plan—and act on your existing strategies to uncover any existing opportunities or benefits.

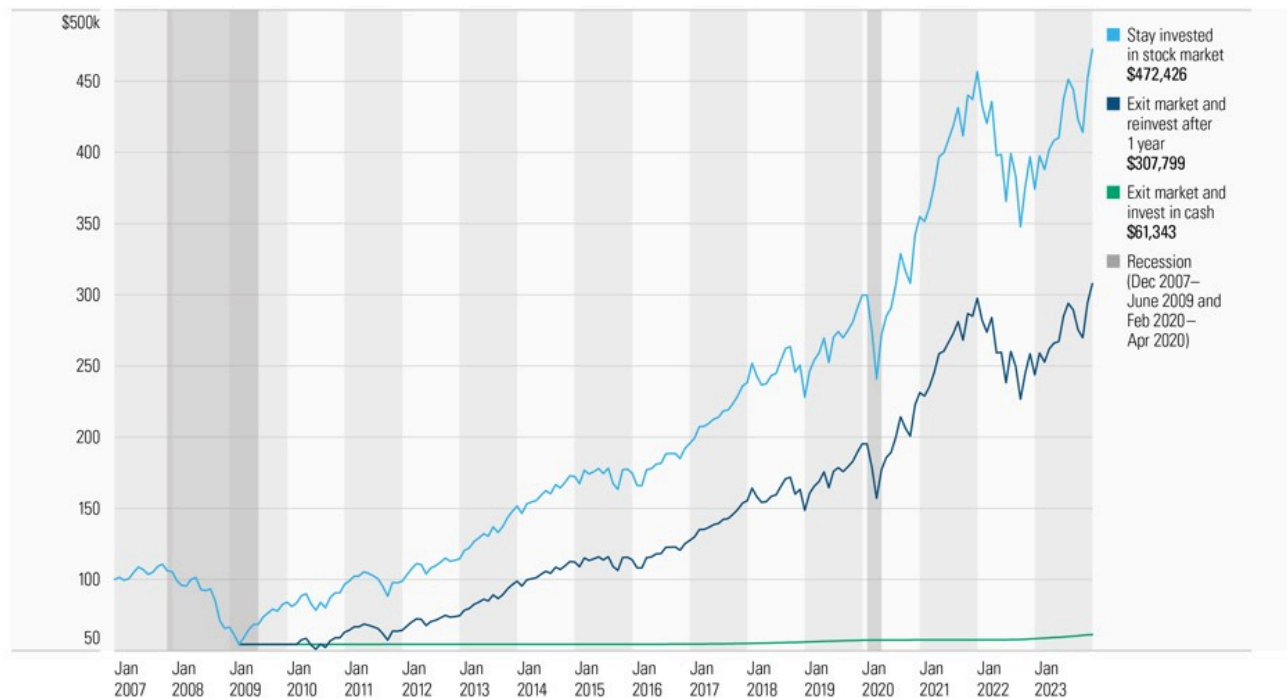
Here Are Three Actions to Take During a Volatile Market:

1. Consider Your Long-term Goals

Rule number one: don't panic! Extreme loss aversion (or "panic selling") is a common behavior after a significant market decline. However, it's important to take a step back and weigh your current financial situation against your long-term goals. Although no one can predict the future for certain based on past performance, the chart below shows that investors who remained committed to their long-term financial goals and stayed invested in the face of short-term market turbulence in the past often had better outcomes.

The Importance of Staying Invested

Ending Wealth Values After a Market Decline



Past performance is no guarantee of future results. This presentation is for informational and illustrative purposes only and is not financial advice or indicative of any investment. An investment cannot be made directly in an index. iGrad, LLC is not a financial advisor. If you want financial or other professional advice, then you should consult with a qualified professional. Source: Morningstar. The reproduction of this chart without prior consent from iGrad, LLC is prohibited. All Rights Reserved. About the data: Recession data is from the National Bureau of Economic Research. The market is represented by the Ibbotson® Large Company Stock Index. Cash is represented by the 30-day U.S. Treasury bill. An investment cannot be made directly in an index. The data assumes reinvestment of income and does not account for taxes or transaction costs.



Read more on [staying disciplined during market downturns](#) or about the psychology of investment behaviors in our [special report series here](#).

2. Rebalance Your Portfolio

Rebalancing a portfolio helps reduce its overall volatility. Look at both how long it's been since you last rebalanced it, as well as how far it may have drifted from your target allocation. For example, let's say your existing strategy is to rebalance your portfolio if your allocation is more than 5% away from your target percentage. A major market event could trigger that rebalancing act and effectively have you selling the over-performing assets in your portfolio and repurchasing what's lost in value at the time when it's down.

3. Review Your Current Level of Cash or Short-Term Reserves

If you've been nervous about the markets, it's easy to allow your cash reserves to remain uninvested. Following a major market event, it may be worth re-evaluating whether you have too much of your portfolio sitting on the sidelines in cash or equivalents. Consider putting that cash to work, perhaps in a single lump sum investment or continuing a disciplined dollar cost- averaging strategy.

Regardless of what's happening in the markets, your best strategy is to follow the strategy put forth in your financial plan. If you don't have an active financial plan—one that's been updated at least within the past 24 months—now is the perfect time to contact your [Financial Advisor](#) to create or update your plan. You'll be focusing on what you can control, with a clear path forward, while the market stabilizes.

Working With Janney

Depending on your financial needs and personal preferences, as well as the fees and costs associated with those services, you may opt to engage in a brokerage relationship, an advisory relationship, or a combination of both. Each time you open an account, we will make recommendations on which type of relationship is in your best interest based on the information you provide when you complete or update your client profile.

If you engage in a brokerage relationship, you will buy and sell securities on a transaction basis and pay a commission for these services. Our recommendations for the purchase and sale of securities will be based on what is in your best interest and reflect reasonably available alternatives at that time.

If you engage in an advisory relationship, you will pay an asset-based fee, which encompasses, among other things, a defined investment strategy, ongoing monitoring, and performance reporting. Your Financial Advisor will serve in a fiduciary capacity for your advisory relationships.

For more information about Janney, please see Janney's Relationship Summary (Form CRS) on www.janney.com/crs which details all material facts about the scope and terms of our relationship with you and any potential conflicts of interest.

By establishing a relationship with us, we can build a tailored financial plan and make recommendations about solutions that are aligned with your best interest and unique needs, goals, and preferences.

Contact us today to discuss how we can put a plan in place designed to help you reach your financial goals.

This is being provided solely for informational and illustrative purposes. It is not an offer to sell or a solicitation of an offer to buy any securities. The information provided here is taken from sources that we believe to be reliable but is not guaranteed as to accuracy or completeness. Opinions expressed are subject to change without notice and do not consider the particular investment objectives, financial situation, or needs of individual investors. Past performance is not indicative of future results, and future returns are not guaranteed. There are risks associated with investing, such as a loss of original capital or a decrease in the value of your investment. Employees of Janney Montgomery Scott, LLC or its affiliates may, at times, release written or oral commentary, technical analysis, or trading strategies that differ from the opinions expressed here.