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STOCK MARKET VOLATILITY

Highest volatility since the Financial Crisis

S&P 500 by year (12/31/00 - 9/30/20)

On pace for 56

-/-2% days
(24 negative
days as of 9/30)

52

60

52

680 days
without a 2%
trading day
(10/2/036/14/06)

17

20

10

9

7

10

9

7

Source Marningstar as of 9/30/20. Stock market represented by the S&P 500 Index. Past performance does not guarantee or indicate future results. Index performance is for illustrative purposes only. You cannot invest directly in the index.

Number of single day stock market returns of +/-2% or more

October 14, 2020

In many ways, 2020 is a wild ride.

Disneyland is closed. Wal-Mart is open. We can fly on crowded planes or attend a college football game, but my kids can't go to school.

It's an odd time.

Also, you probably haven't heard yet, but we have a presidential election coming up in 20 days! 😉

Here's my professional warning: <u>don't make any rash</u> <u>financial decisions this year.</u>

This includes any decision that is not consistent with your personal financial plan, like:

- 1) selling investments because you are afraid
- 2) keeping money uninvested to "wait and see"
- 3) pausing your investment/savings plan

Just do whatever your personal financial plan dictates. Be consistent. You and I can't predict the outcome of the election, nor can we predict the how the financial markets will be affected in the short-run after the election... and frankly, the short-term market movement isn't what matters.

S&P 500 Performance Under Republican and Democrat Presidents



You should not make major investment decisions based on who is in the White House. As you can see above, the S&P 500 consistently grows in value over the long-term, no matter who is in office.

The first chart up top shows that 2020 is on pace to have the highest stock market volatility since 2008. However, volatility is not bad and is not your enemy. High volatility just reinforces your need to have a solid strategy in place.

If you want to talk about your own financial situation and how to get a better strategy in place for you, click the blue button below and schedule a time. We'd be happy to talk with you.

P.S. Thank you again for your support in buying my new book <u>"Stress Free Money"</u> (available on Amazon). It's only been out for 14 days and we made 6 best-seller lists in the top spot! Sincerely,

WEALTH ADVISOR FOR ENTREPRENEURS

Certified Financial Fiduciary[®]
Click <u>HERE</u> to read our google reviews.

Schedule a Call

