PACIFIC CAPITAL

February 26, 2025

Dear [FIRST NAME GOES HERE],

The stock market suddenly drops 10%, 20%, 40%.

What do you do?

A: *Stop adding new deposits to your investment accounts.*

B: *Sell your investments and wait in cash until the dust clears.*

C: *Start interviewing new financial advisors.*

Trick question…

The correct answer is **D: Stick to your long-term plan, maybe consider investing more while the markets are getting beat up!**

One of the **HARDEST** parts of investing is *managing your emotions* when markets are bumpy and everyone is predicting doom and gloom.

Here's the thing…

Checking your portfolio every day is one of the worst things you can do.

Why?

Because the more often you look…

The more opportunities you give yourself to panic for **NO apparent reason**.

Some facts about the stock market (S&P 500):

Day to day, the stock market is up about **50%** of the time and down **50%**—a coin toss.

On a yearly basis, it's up roughly **70-75%** of the time.

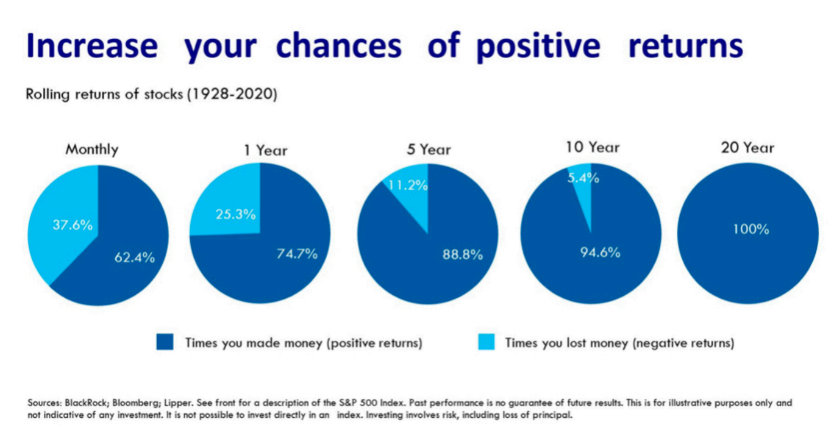
On a 10-year basis, it's up about **94%** of the time.

And on a 15-year basis?

It's 100% up.

That's right.

There's **not a single 15-year period on record** where the S&P 500 has been down.



But if you're checking your portfolio every 15 minutes…

You're not thinking about 15 years from now.

You're reacting to short-term noise.

Here's another way to think about it…

Let's say you just had a big lunch…

And now you're a pound heavier, after just one (of your three) daily meals..

Is that a sign to panic and think…

"Oh no, I'm going to gain 90 pounds this month!"?

No.

It's just **a temporary fluctuation.**

The same thing happens with the stock market.

Daily ups and downs are just noise.

What matters is the trend over time.

So, how do you stay focused on the big picture?

1. **Stop checking so often.** Think in 5-year blocks, not 5-minute intervals.
2. **Remind yourself of the data.** Over the long term, the market trends up.
3. **Have a plan.** A good investment strategy is built for the ups *and* downs.

All investing success is goal-focused and planning-driven.

Investing is about building wealth for the future…

Not reacting to the present.

So next time the market is in the dumps and you're tempted to check your portfolio for the third time today, ask yourself:

"Am I thinking like a successful long-term investor or a day trader?"

True financial freedom comes from patience, not panic.

To your long-term success,

Chad

**Past returns in the markets are no guarantee for future returns and this email is presenting data but not making a specific investment recommendation for you to make. Consult your fiduciary financial advisor before investing.

P.S. Speaking of building wealth… Check out my episode on **Money Tree Investing**, where I explain exactly how entrepreneurs should think about building wealth (and why most financial "experts" get it completely wrong).

P.P.S. If you're an entrepreneur with $10M or more in liquidity and want to make your money work even harder for you–**set up a call with my team**, and let's explore new ways to make that happen.
