

## *A Message from Ron Scott.....*

### *You the Investor and the Markets today*

In uncertain markets, even the toughest-talking investors may consider sitting out of the game. But ultimately, waiting on the sidelines can be even riskier than waiting it out.

In volatile markets, many people take a 'wait-and-see-attitude' toward investing. But basing long-term financial decisions on short-term events can put your portfolio in jeopardy. When clients allow their fears and anxiety to impede the planning process, they're setting themselves up to suffer negative consequences down the line.

Some investors continue to invest, but are sticking to cash and bonds while they wait for the markets to recover. Unfortunately, that could mean missing out not only on the opportunity to buy stocks at a discount, but not much on the eventual recovery.

That's why you need a plan or portfolio that is not based on what may happen tomorrow or the next day. Instead, you need to look farther down the road. If your investment portfolio calls for a particular diversified mix of stocks, bonds, cash and other assets appropriate for your long-range needs, you should stick with that allocation and ignore what's happening in the world in the short run. As one financial planner summed it up, *"You don't look at the world and make your financial plans. You make your plans and then look at the world"*.

As another economist recently told the Wall Street Journal *"people are hunkering down and putting there financial house in order."* You need to know that one of the strengths of financial planning is that it provides a solid foundation and the flexibility to weather tough times. A diversified investment portfolio can minimize the impact of the bear markets today and in the future.

In taking part and listing too many head portfolio managers in the last couple of weeks your RRSP, Private Managed Accounts managed by CI Investments are well diversified. One of the main investment strategies in a bear market is to have cash in your investment portfolio. Depending on your exact mixture, your portfolio should contain anywhere from 15% - 30% cash.

We have always talked about long-term, when talking about your investments with Sun Life Financial or CI Investments. The money managers that are on your side have proved to be long-term investment managers in the past and they believe they will succeed in the future.

If you have any questions, I will try to answer them, but for now Stay On Course!

Regards,  
RON SCOTT FINANCIAL CONSULTING INC.



Ron Scott  
President