



# Investing In Times Of Uncertainty

The last year has seen some turbulence on the markets prompted by ongoing Brexit uncertainty and now the COVID-19 pandemic. Economic and geopolitical events always prompt investors to question whether now is a good time to invest or to remain invested.

It is important to remember that some market volatility is inevitable; markets will always move up and down. As an investor, putting any short-term market volatility into historical context is useful.

This chart of the FTSE 100 since inception, details a series of significant events over the last 35 years or so. Despite a variety of market shocks and rebounds, the index still has a long-term growth trend.



Chart: FTSE 100 since inception to April 5 2020, source Yahoo and Trading Economics

**The value of investments can go down as well as up and you may not get back the full amount you invested.  
The past is not a guide to future performance and past performance may not necessarily be repeated.**

### *Finding the right balance*

However concerning market fluctuations may be, it's important to remember that we have jointly worked hard to formulate a financial plan which is in line with your personal requirements.

*Financial advice is obviously key, so please don't hesitate to get in contact with any questions or concerns you may have.*

### *Adopting the longer-term view*

Investment requires a disciplined approach and a degree of holding your nerve if markets fall. Experienced long-term investors know that the worst investment strategy you can adopt is to jump in and out of the stock market, panic when prices fall and sell investments at the bottom of the market.

## *The bigger picture*

Many investors are getting used to a variety of political, financial and economic factors and learning to look through the 'noise' to focus on what really matters. Portfolio diversity holds the key to approaching your investments and managing risk.

It is important to think about longer-term timescales instead of focusing too intently on short-term events and market fluctuations.

### *Diversifying your portfolio*

Successfully achieving your long-term investment goals requires balancing risk and reward. By selecting a broad range of assets in line with your attitude to risk, objectives and time horizon, diversification aims to provide the potential to improve returns for your elected level of risk.

### *Communication is key*

As an investor, you have to decide how much risk is right for you. While the process of building a portfolio will incorporate strategies designed to help reduce risk, it cannot be eliminated altogether.

We also need to make sure that we are aware of any changes in your objectives or circumstances. And, of course, you should remember that volatility also creates opportunities for investors.

### *The right strategy*

Financial advice and regular reviews are essential to help position your portfolio in line with your objectives and attitude to risk, and to develop a well-defined investment plan, tailored to your objectives and risk profile.

Information within this document is based on our current understanding and can be subject to change without notice and the accuracy and completeness of the information cannot be guaranteed. It does not provide individual tailored advice and is for information purposes only. Some rules may vary in different parts of the UK. We cannot assume legal liability for any errors or omissions it might contain. Levels and bases of, and reliefs from, taxation are those currently applying or proposed and are subject to change; their value depends on individual circumstances. No part of this document may be reproduced in any manner without prior permission.