

MONEY MATTERS



Keeping Your Cool In Troubled Times

(NAPSA)—Does the future hold economic prosperity and more stable financial markets? No one knows for sure. Investors can try to make educated guesses based on historical precedents, however, past performance does not guarantee future results.

Instead, the experts at Diversified Investment Advisors offer a few pointers to help you keep your cool during these troubled times:

Focus on your investment time horizon

Separate short-term and long-term concerns. Do your investing goals match the time frame of any current events? Probably not, if you are investing for a retirement that is still five or more years away. In that case, don't dwell on the market's day-to-day headlines and performance. Instead, review the progress you are making toward your goals. Remember, this might be a good time to rebalance your asset allocation among bond funds and stock funds, if your target asset mix has shifted.

Use market volatility to your advantage

Every market downturn can be a good opportunity for long-term investors. If you are contributing regularly to a retirement plan (dollar-cost averaging), it is during the market's ebbs that you are able to buy more shares with the same amount of money. This will certainly be to your benefit should



A well-thought-out investment strategy can help you weather market fluctuations.

the market rise over the next few years.

Learn from the pros

One thing most people could learn from professional financial advisors is to avoid making major portfolio changes. After selecting the right mix of assets to suit your goals and your investment time horizon, tweak your portfolio if needed, rather than making sweeping changes. For example, if you have a target mix of 60 percent stocks, 30 percent bonds and 10 percent cash, you could adjust each component of that mix up or down by just a few percentage points in response to changing market conditions. For more information on investing and saving for retirement, visit www.divinvest.com.