

History shows there are investment opportunities

Nashville Business Journal -
by [Brian Church](#) Guest Column

From the Russian ruble collapse and corporate high-yield debt crisis in 1998 to the catastrophic human and economic events of Sept. 11 and events like the burst of the tech bubble in between, I have experienced a lot in 10 years in the investment business.

But I have never experienced anything like what I saw in 2008, which history will deem an infamous year for the global financial markets. We experienced the worst U.S. stock market since the 43 percent decline in 1931. We saw the S&P 500 fall by more than 37 percent.

I had a friend come into my office a week ago and ask me what they were going to do now that their 401(k) had become a 201(k).

My friend laughed. I didn't.

I am seeing more and more of this as people, once again, were not prepared for the financial hurricane we faced in 2008. Investors certainly could have made sure that their portfolio allocations actually matched their long-term goals and not their short-term wishes.

The million dollar question becomes: Where do we go from here?

History would tell us that there is opportunity at hand. This opportunity, however, is not a license to throw away your long-

term goals.

Here are six steps that will provide you with a sound financial footing moving forward:

- **Do not panic.**

The emotions of fear and greed will side track your goals and future. Time, and not timing the markets, is a century-old precept of investing that still holds true today.

If you have time — five years or more — stay the course. If you feel that you are out of time, you must seek help in creating a new strategy. But by no means should you make an uninformed decision.

- **Seek Professional Advice.**

If you are sick, you go see a doctor. If your portfolio has suffered, find an advisor you can trust who can help you get back on track.

- **Take Inventory.**

Most investors are not as bad off as things appear. Take some time to assess your gains, losses, personal financial situation and how your investments are now positioned.

Things are never as bad or as good as they appear. This is what happens when there is no shortage of information, yet there is a shortage of advice on what to do with the information.

Remember this: you have to have a point of origin before charting a new course.

- **Re-establish goals.**

Have they changed? If not, stay the course. If your goals have changed, it's

time to re-establish your current position and where you want to be in the future.

- **Develop a comprehensive financial plan.**

No one ever plans to fail, but they often fail to plan. Once the inventory and goals have been re-established, it's time to develop a blueprint that will help you build your future.

- **Remember what happened in 2008.**

Make sure you're not just a year older but a year smarter. This is an excellent opportunity to be a steward of the mistakes that you made or were made on your behalf in 2008. List them and learn from them.

After all, how we learn is ultimately how we will live.

And remember, past performance does not guarantee future results. You cannot invest directly in an index.

Brian Church is general manager and a financial advisor at Shoemaker Financial in Franklin. He can be reached at bchurch@shoemakerfinancial.com or 615-383-0262.

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