

# wealth news

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A PUBLICATION OF BAY FEDERAL CREDIT UNION AND CFS\*

## How to Weather the Storm

You would be hard pressed to turn on the television and not be bombarded with reports that paint a bleak picture of the ailing economy and failing financial markets. With the recent market downturn, you've likely seen your own portfolio decline in value, and are concerned about how to best weather this storm. Like many investors, you also might be fighting waves of panic as you try to decide whether or not today is the day you liquidate your investment accounts, and stash the remaining cash under your mattress.

In order to be better prepared to manage the ups and downs of this economy, while still achieving your long term financial goals, consider incorporating key

investing fundamentals into your overall investment plan. Fundamental investment principles include diversification and adherence to a long-term financial plan. Learn these fundamentals and more by scheduling a complimentary review of your portfolio with us today!



## Be Conscious of Emotional Investing

In times of uncertainty, investors often allow their financial decisions to be based upon emotions, which may not always prove to be the best approach in the long run. By allowing emotions to drive your investment decisions, you run the risk of missing out on the rewards when the financial markets rebound. Although past performance is no guarantee of future results, those who have stayed invested for the long-term have generally been rewarded for their patience. In fact, many investors perceive market declines as an opportunity to expand their financial portfolios. Warren Buffet is quoted as saying, "Look at market fluctuations as your friend rather than your enemy; profit from folly rather than participate in it." During these volatile times, investors should re-evaluate, and then stick to their financial plan, putting fears aside as not to cloud their thinking.

## Diversify to Reduce Risk

According to the Securities Exchange Commission (SEC), the practice of spreading money among different investments to help reduce risk is known as diversification. If your investments are heavily weighted in just one or two asset classes, then diversifying your portfolio might help minimize the volatility of your portfolio should turbulent markets continue. A regular review of your investment portfolio holdings can help keep you on track to attain important financial goals without incurring unnecessary risk.

\*Source: <http://sec.gov/investor/pubs/assetallocation.htm>

## WEALTH NEWS BOOK CLUB

*The Intelligent Investor: The Definitive Book on Value Investing* by Benjamin Graham, Jason Zweig, and Warren E. Buffet.



This book is for true investors, not speculators or day traders. This policy is inherently for the longer term and requires a commitment of effort. Where the speculator follows market trends, the investor uses discipline, research, and his or her analytical ability to make unpopular but sound investments.

## Interested in Learning More?

Now is a great time to meet with an investment professional at Bay Federal Credit Union for a financial review. Together, we can analyze your portfolio to ensure that it is properly diversified.

We specialize in helping you maintain a healthy financial balance and discover smart money strategies. Call us today to set an appointment to review your investment objectives, and to discuss any questions you might have. We look forward to speaking with you.

Call us at 831.479.6000, or toll-free 888.4BAYFED, option 7.

\*Investment Products and Services offered through CUSO Financial Services, L.P. (CFS), are not NCUA/NCUSIF insured, are not credit union guaranteed, and may lose value. Financial Advisors are employed by Bay Federal Credit Union and registered through CFS. Bay Federal Credit Union is in partnership with CFS.

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**Gina Bayer, CFS\* Investment Advisor**

**831.477.8596**

Gina Bayer has been an Investment Advisor at Bay Federal for eight years, and she is also the manager of the Investment Services Team. Gina, who lives with her husband and three daughters in Aptos, says, "What I love most about being an Investment Advisor is being able to help empower people to make sound financial decisions that can have a positive impact on their financial future."



**Paul Clark, CFP® and CFS\* Investment Advisor**

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Paul Clark has been an Investment Advisor at Bay Federal for the past five years and says what he most enjoys about working there is, "Helping people understand their investments and plan for their future." He resides in Watsonville with his wife and three children.



**Linda Gorin, Investment Department Assistant**

**831.477.8595**

Linda Gorin has been assisting the Investment Advisors at Bay Federal for the past six years. A resident of Felton with two adorable grandkids, Linda thrives on helping Bay Federal Investment Services clients because she says, "They make my day!"

It's a great time to schedule a complimentary review of your portfolio or begin planning for your retirement.

**Call us today!**