

# 'Be patient, don't panic' amid market mayhem, expert says

We ask financial planning expert Noel D'Souza what to do as world markets tumble.

By LISA WRIGHT Business Reporter  
Tues., Feb. 6, 2018

Global stock markets have taken a big tumble, with the Dow Jones industrial average suffering its biggest point drop in history Monday. And it's still choppy Tuesday — which will likely be one of the most-watched days on markets in years.

All the negative news is understandably unsettling for investors of all ages and income levels. How do you deal with the chaos?

**Noel D'Souza, financial planner at Money Coaches Canada**, has some tips on what you should do to weather the stock market storm.

## **What strategy should you, as an investor, take now given the sell-off?**

If you have a financial plan and/or an investment plan, refer back to them. If you are properly invested, chances are you should do nothing and stick to the plan. If you don't have a financial plan, it's probably a good time to get one because you are motivated to get your finances sorted out and not feel the worry you are now feeling.

## **What should investors be worried about in terms of their portfolios — or should they be worried at all?**

It depends on when you need to turn your investments into cash to spend on important life goals or priorities. If it's not for many years (5 or more), they shouldn't worry. But if you need cash from your portfolio in the short-term, you should ensure that the cash you need is secure in something safe and sound, such as a GIC or high-interest savings account. It doesn't have to be an all-or-nothing proposition; it's perfectly reasonable to have a portion of one's investible assets in cash (earning some interest) and a portion in investments that have greater potential for long-term growth.

Those who are especially anxious should work with a certified financial planner professional to determine how much risk they need to take to reach their

financial goals and develop an investment plan. If they are really risk averse, they may instead choose to just save more and invest in lower risk investments.

### **What should you absolutely not do with your portfolio after the big hit on the stock market?**

An investor should not be making rash decisions based on emotion — especially fear. Stop. Take several steps back. Make a long-term plan that takes into account your needs, values, and goals, then follow it.

The bottom line is: Be patient and don't panic.