

# Investing in Times of Uncertainty

**There is no doubt that the pandemic, the invasion of Ukraine and the cost-of-living crisis have resulted in market volatility. 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 39 years or so. Despite a variety of market shocks and rebounds, the index still has a long-term growth trend.

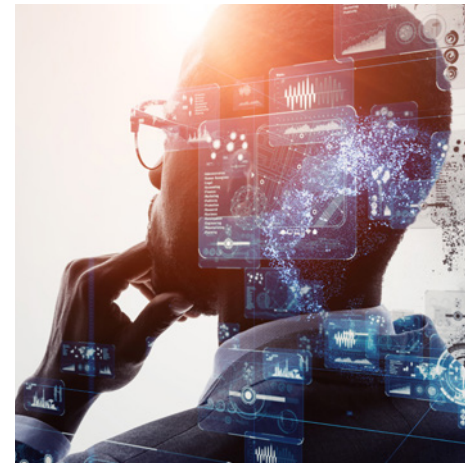


Chart: FTSE 100 since inception to January 2024, source Yahoo and Trading Economics

**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.**

# 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.

## 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.

## 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.

## 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.

***Financial advice is obviously key, so please don't hesitate to get in contact with any questions or concerns you may have. All details are correct at the time of writing (25 January 2024).***

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