

Are You in Need of an Investing and Life Physical?

By Bill Bender
Mason Road Wealth Advisors

The year 2008 is now behind us. We have a new President and hope that government intervention into many large businesses (banks, A.I.G., the automotive manufacturers) will help to turn the economy and the stock market around.

If you had a significant portion of your assets invested in the stock market in 2008, your financial health is undoubtedly suffering. We observed that in 2008 diversification did not help; all sectors suffered heavy losses. Commodities, which have negative correlation to the S&P 500, were on fire until late summer. Gas, metals and food were at all time highs. For a number of reasons commodity prices then tanked so badly and quickly that the commodity index was one of the weakest performers in 2008.

We also learned not to treat the highly unlikely as impossible. The market was suffering a tolerable loss through August. The next three months were a disaster, with the S&P 500 losing over one-fourth of its value, and the year ending up with the worst results since 1931.

How has this affected your life? Have you talked to and met with your financial advisor to find out how 2008 will affect your retirement future? Have you been advised to rebalance and make sure your portfolio is invested to take advantage of



a recovery that will happen – but no one knows how soon?

One thing is for certain – a recovery always follows a recession. In most cases, the year after we hit bottom sees a 35 to 40 percent quick and sudden recovery in the stock market. If this occurs, and the Dow is at 11,500 sometime in 2010, what will your next move be? That should depend on your age, total net worth, years you intend to work, and your newly discovered ability and willingness to take risk.

Retirement is a big adjustment. In a book entitled *The New Retirementality*, by Mitch Anthony, a demographic poll showed that 41 percent of retirees said retirement was a difficult adjustment compared with only 12 percent of newly married, who saw marriage as a difficult adjustment. Your investment advisor should look at the stage of life you are in and the stage of life you are approaching, and explore the money issues that are relevant at these stages.

Ask yourself this question, “What if there were no finish line?” How would this change the way you live today and plan for tomorrow? These are questions you should be exploring with your advisor.



“ Have you talked to and met with your financial advisor to find out how 2008 will affect your retirement future? ”

Bill Bender is a partner of Mason Road Wealth Advisors (MRWA) representing the well-respected Dimensional Funds. SLMMS has a special partnership with MRWA, which offers SLMMS members a discounted advisory fee and access to these highly sought funds with a lower minimum investment than commonly offered. For more information, call MRWA at (314) 590-0000.

CLASSIFIED ADVERTISING

Part-time physician with Missouri and/or Illinois license to perform history and physical examinations with testing. Retirees welcome. Transportation provided. Call (314) 842-1900.

Tenby Technologies

Physician & Medical Web Sites

www.tenbytech.com

info@tenbytech.com

618-799-9757