

Why See A Financial Advisor?

Investing for your future is important — but it can be challenging. How can you navigate the complexities of the financial markets and make the right decisions for your situation?

Fortunately, you don't have to go it alone. A financial advisor can help you in these key areas:

- **Developing a personal financial strategy** — Many factors go into creating a long-term financial strategy. What is your risk tolerance? When would you like to retire? What sort of retirement lifestyle have you envisioned? What are your other important goals? A financial advisor will ask these and other questions in getting to know you, your family situation and your hopes for the future. By taking this type of holistic approach, a financial advisor can help you create financial and investment strategies appropriate for your needs.

- **Avoiding mistakes** — A financial advisor can help you avoid costly investment mistakes. One such mistake is attempting to “time” the market. Investors pursue market timing when they try to “buy low” and “sell high.” In theory, of course, this is a great idea — if you could consistently buy investments — stocks, in particular — when their price is down and then sell them when the price has risen significantly, you'd always make some tidy profits. The main drawback to this technique, though, is that it's virtually impossible to follow, especially for individual investors. Nobody, not even professional money managers, can really predict with any accuracy when stock prices have reached high or low points. Consequently, those who try to make these guesses could miss out on opportunities. For example, investors who are determined to buy low might not want to purchase investments when the market is up — but this practice could lead to taking a “time out” from investing just when the market is in the midst of a rally.

But a financial advisor can steer clients toward a more disciplined approach, such as buying quality investments and holding them for the long term, regardless of the ups and downs of the market.

- **Checking progress toward your goals** — If you were to invest without any guidance, you might not be looking at your investments' performance with the proper perspective. For example, some investors simply compare their portfolio returns against a widely used market index, such as the S&P 500. But this comparison may not be that useful. The S&P 500 only measures the stock prices of the leading publicly traded U.S. companies by market capitalization — but your investment portfolio, if properly diversified, will include investments other than U.S. stocks, such as bonds, government securities, international stocks and more. Consequently, the performance of your portfolio won't track that of the S&P 500 or any other single index, either. Your financial advisor can help you employ more meaningful benchmarks, such as whether your portfolio's progress is on track toward helping you meet your financial goals. Also, a financial advisor will review your portfolio and investment strategy regularly to determine what changes, if any, need to be made, either in response to the markets or to events in your life.

Investing for your future can be exciting and rewarding — and you can feel more confident in your decisions when you have someone helping you along the way.

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