

Outlook

Dealing with market fluctuations without giving in to our emotions

Periods of market volatility are not necessarily something to be afraid of but they remind us of the value of basic investment advice and the importance of staying true to our strategy.

After breaking records last January, stock markets stumbled in February¹. This does not mean that a market correction is imminent but shows that we should expect a pull back sooner or later. Although the economic conditions remaining favourable, financial results being on target and inflation staying still low, growing optimism and low volatility in recent years have left the market more vulnerable to a correction.

Here are a few tips for dealing with market volatility.

Go back to the plan

Before starting to fret about the situation, investors should go back to their plan and ask themselves:

- Is my portfolio still aligned with my goals?
- Are my expectations reasonable?

If so, there's nothing much to do. If not, corrective actions can be taken.



Remain invested

Oftentimes, it's in the days following a correction that the markets perform best. Not being invested during these corrections can have a significant impact on the long-term return on your investments. Don't miss out on all the possibilities during the best days!

When markets are volatile, stay the course with your long-term investment strategy. You'll be in a better position to earn positive returns and come out on top. Historically, markets go through ups and downs but generally maintain an upward trend.

¹ At the beginning of February, the S&P 500 had not fallen by more than 3% in 310 days and of 5% in 402 days; a record period.



Keep emotions in check!

It's normal to feel nervous when you see markets fluctuate. That said, emotions can get you to make poor decisions. Learning how to keep your emotions in check will help you to reach your goals.

Your advisor is there to support you, so don't hesitate to reach out.

desjardinslifeinsurance.com

IMPORTANT INFORMATION ABOUT THE OUTLOOK SECTION

The information in this printed material is subject to change without notice. It is published by Desjardins Insurance for information purposes only and should not be considered personal investment advice. It is not intended to provide legal, accounting, investment or tax advice, and should not be relied upon as such. All the information and statistical data in this printed material come from sources we believe to be reliable, but we do not guarantee their accuracy or completeness. As such, they should not be relied upon and in providing them, we do not assume any responsibility or liability. Past performance is not necessarily indicative of future performance. Investment returns may fluctuate. Foreign currency denominated securities are subject to fluctuations in exchange rates that could have an adverse effect on the value, price or returns of the investment.

Desjardins Insurance refers to Desjardins
Financial Security Life Assurance Company.



This document is printed on Rolland Enviro paper.

100%

 **Desjardins**
Insurance
Life • Health • Retirement

04197E (2018-07)