



ENDOWMENT

WEALTH MANAGEMENT®

Fear, Perspective & Opportunity

There is one thing more contagious and dangerous than the Coronavirus; that is fear.

Not only does fear and anxiety weaken our immune system (we physically become more susceptible to illness), it also **wreaks havoc on our decision making**. We all want to make thoughtful and deliberate decisions, but when we allow fear in, it takes over and may influence us to make decisions that feel right now but end up being detrimental over time.

Understanding the mind can help us maintain proper perspective, which is essential to good decision making. Whenever uncertainty abounds, such as the present, the brain seeks to find some semblance of control – even if it is just an **illusion of control**. And it wants to do something. The irrational hoarding of toilet paper and other staples is evidence that the brain is doing something to feel a sense of control.

This same desire for control can lead investors to want to make changes to their portfolio that is not in line with their plan. We need to acknowledge there are things we can't control and things we can. Right now, **your greatest control is in the investment decisions you make** or choose not to make. Rest assured, we are going to do something about this. We are seeking opportunities among others' fear for your long-term benefit.

The best way to combat fear is with facts and truth. That can help you have a greater perspective on things and encourage wise decisions. Here are a few facts:

1. The market may remain volatile and go down more
2. The economy will likely fall into a recession
3. Coronavirus may get worse before it gets better
4. Many of our daily activities could be suspended
5. This may last longer than we are expecting/hoping

Now that you have the facts, do you really need to turn into the news to tell you this stuff over and over? This is a good time to practice "strategic ignorance". Not all information is beneficial.

Perhaps the greatest question you can ask yourself right now is: **Will this matter in five years?** In five years (and probably sooner), we should have a vaccine and the economy should have recovered. Do you want to look back and see yourself selling great companies at low prices just because of the uncertainty and fear today? Or do we want to learn from 2008/2009 financial crisis and seek opportunity to profit from others' panic? The Coronavirus may not matter in five years, but the decisions you make this year will absolutely matter. I am here to help and guide you along this challenging journey.

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