TANDEM WEALTH MANAGEMENT
MOVING FORWARD TOGETHER

March 2020

A critical part of my financial planning process is preparing for the unknown. We have been preparing for a bear market, but even so, its arrival is uncomfortable and unwelcome. The cause of this decline is rooted in the fear of the unknown and history shows us that markets do not like uncertainty. We can't predict the social and economic impact of the COVID-19 outbreak.

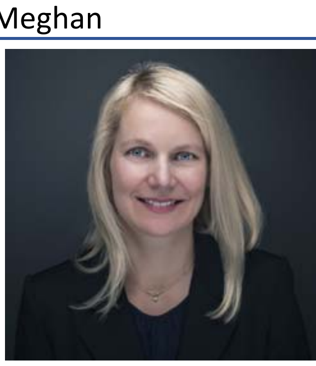
We have no control over the uncertainty, but we can control how we respond to it.

The best course of action is to implement our **Bear Market Plan:**

- **Utilize Emergency Savings:** Consider using your savings and pausing monthly or lump-sum distributions from your investment accounts. If you are already retired, we have reviewed the importance of emergency savings during a bear market. Please note that the government has not suspended Required Minimum Distributions (RMD). If a suspension becomes possible, we will reach out to those affected. If you are not retired, consider increasing your emergency savings to weather the uncertainty.
- **Look for the Opportunities:** During a bear market, you can consider buying more shares on sale by fully funding your retirement accounts. There is also an opportunity to convert your IRA in a down market and allow it to recover tax-free in your Roth IRA. Conversion is an option for those that can pay the associated tax bill with outside savings.
- **Manage your Media Exposure:** Reduce your exposure to the news. With the coronavirus, being informed is essential, but you do not need to keep the TV on all day. You can remain aware of the news by reading it online. The 24/7 news cycle has to find something to fill the time and tends to repeat negative stories, which increases our anxiety.
- **Monitor your investments less often:** Re-evaluate the frequency of your online access, especially if you are looking at your investment accounts daily. Looking at your investments too frequently can increase your anxiety. There is research that shows the same return can have a more significant effect on the individual that see it daily versus monthly. Continue to review your statements quarterly.
- **Remember you are a diversified, Long-term Investor:** You are a long-term investor even in retirement. The diversification that we have built into your portfolio is designed to help in the long-term. I believe the losses in the market are short-term.
- **Rely On Me:** Remember, we have a partnership, so please call me if you feel are uncomfortable.

Please know I care very much about the well-being of you and your family. Please feel free to reach out to me with any questions or concerns.

Kind regards,
Meghan



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