Investment Markets – A Balanced Opinion

March 2020

In light of recent world events and the current concerns regarding Coronavirus and Oil Price fluctuations we want to take this opportunity to reassure our clients regarding the investments they hold with us.

Whilst the above events have had a negative effect on world stockmarkets, other assets such as Fixed Interest, Corporate and Government Bonds continue to hold up very well. Our company approach to investments for our clients has been very successful and consistent for a long period of time and is based on several key factors.

- We always advise clients to hold an element of their capital in cash/deposit accounts for immediate access and emergency funding.
- Our time horizon on investing is medium to long term and we always advise our clients to share this view.
- The investment portfolios that we recommend are all diversified into various asset classes (not exclusively in Stocks and Shares) which both currently and historically has ultimately reduced the overall risk.

We remain optimistic and confident in the medium to long term outlook for UK and World Equity markets and other investment sectors. Whilst it is quite possible you will have experienced volatility in your own portfolio because of the 3 principles noted above we feel that the downside risk will have been reduced.

It is essential that the recent Stockmarket upheaval does not detract from sound financial decision making especially in respect of Pension and ISA planning leading up to the tax year end and decisions to proceed should not be deferred. The associated tax advantages are extremely important and could be lost and we would recommend, where we feel appropriate, that new monies would be phased into the market over a period of time which should balance risk and volatility and also ensure that your funds are invested to maximise future growth potential.

Should you have any queries or if you wish to discuss matters further, please do not hesitate to contact your adviser.