March 16, 2020 – Western University Market Update

Market Volatility: COVID-19, your Western Pension Plan and next steps

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We have been saturated with media coverage of COVID-19 and its ripple effects – with many recent headlines focusing on how consumers, supply chains and ultimately stock markets are impacted. So, you’re not alone if you have been thinking about the status of your own investment portfolio or have asked yourself questions such as:

- How sharp will this downturn be?
- How long will this downturn last?
- Will this market correction be more severe than what we’ve experienced in the past?

The good thing is that your next best action doesn’t rely on getting the answers to any of these questions.

Regardless of what’s happening in the markets, before making any investment decisions, the first step is to **think about when you’ll actually need to use your savings.**

Historically, investment markets have recovered from declines, although the amount of time it has taken to recover has been shown to vary. Looking back throughout history, staying the course and remaining invested (so that you don’t miss out when the market recovers) has proven to be an effective approach.

Take a moment to decide when you’ll need money. This will help you understand how to invest it. If you need the money soon, then consider investments with lower volatility such as money market or fixed-income investments. Also take into account your risk profile and unique life situation.

It is important to remember that changes in the investment markets are normal and part of investing. Being patient during volatile financial times is easier said than done. Here are healthy steps to take:

1. **Understand when you will need to use your savings and stick to your plan.**

Don’t panic and make an emotional decision. Saving for retirement is a long-term project that asks for a long-term perspective.
2. **A balanced investment portfolio spreads out your risk.**

A well-diversified investment portfolio of stock, bond and/or cash investments, is ideal for spreading out investment risk. The right balance is a mix that will see you through all market conditions. Sun Life’s **Asset allocation tool** will help you review your investment risk profile. Sign in to [mysunlife.ca](https://mysunlife.ca). Select **my financial centre > Resource Centre > my money tools > Asset allocation tool > Continue.**

3. **Seek further guidance.**

Sun Life is also here to support you. They are available from 8 a.m. to 8 p.m. on business days at 1-866-733-8613. To help meet the current high demand, they are also available Saturday, March 21st and Saturday, March 28th 9 a.m. to 5 p.m.

If you have additional planning needs, consider working with a personal advisor. To find a qualified advisor visit [FP Canada – Find a Professional Planner.](https://www.fpcanada.ca/)