

## 7 Ways to Help Your Clients Cope With Market Volatility

As Warren Buffet said, “Investing is not a game where the guy with the 160 IQ beats the guy with a 130 IQ. Rationality is essential.” And, that’s very true today. The markets are volatile, but it’s the rational investor who will reap the rewards of this volatile time. As professionals, we know that. But, our clients may still be concerned so we have to take steps to ensure they stay on track.

Here are seven key ways to help your clients cope with market volatility. By following these, you can stay close to your clients and ensure they don’t lose sight of their long-term goals.

1. **Be proactive.** Don’t wait for your clients to call you. Set up meetings with them. Send them short articles and notes letting them know that you are on top of the situation. Show them you care. Your proactive approach will result in better client retention and more referrals.
2. **Don’t panic.** It’s very tempting for clients to “throw in the towel” and sell their investments. In reality, that is likely the exact moment they should be buying more. When everybody is selling, clients should be buying. Intellectually, we know that, but emotionally, it’s difficult. But, as professionals, we get paid to override our emotions and counsel our clients to do what we believe is in their best interests.
3. **Review the plan.** Now is a great time to review your clients’ plans and make sure they are still comfortable with the level of risk they are incurring. If not, adjust accordingly.
4. **Encourage regular investing.** The stock market is the only place where people buy less when it “goes on sale.” The markets will, of course, come back. And, the best way to take advantage of that is to encourage your clients to make regular investments so they can automatically buy when the market dips. It’s a game of shares, and this is a great time to accumulate them.
5. **Control expectations.** We cannot control what the market does, but we can control our expectations of it. Make sure you reiterate to your clients that they should expect the markets to grow at *reasonable rates over a period of years*, and that there will be some down times in between.
6. **Promote diversification.** Even in this volatile time, numerous sectors have done quite well. Diversification pays and now is a great time to re-tell that story.
7. **This too shall pass.** Encourage your clients to look at the big picture. We live at a time of the greatest economic prosperity in history. Constant innovation, political stability, and new technologies will continue to enhance the standard of living throughout the world. This will keep the economy moving, profits increasing, and that will eventually be reflected in higher stock prices.

Finally, your clients want some reassurance. Let them know how confident you are in the investments they’ve made. Pat them on the back for staying on-track and having the foresight and courage to ride through the bumps.