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MINISTRY TREASURERS: THIS IS THE FINAL YEAR FOR MANUAL CONTRIBUTIONS! Please set up your ministry account in our Online Payment System by December 1. See "First Time Users Info" on our website for details.

OUR TOPIC TODAY: PFG TIPS TO PROTECT YOUR RETIREMENT SAVINGS FROM MARKET VOLATILITY

I'm sharing a recent email article from Principal Financial Group (PFG) that's relevant to today's market volatility:

The closer you get to a big life and financial goal like retirement, the more that swings in the stock market can cause swings in your emotions. But feelings and money rarely make good bedfellows, especially if you're about to cross that long-planned retirement finish line.

"When markets go down, people look at their investment statements and don't like the numbers," says Heather Winston, assistant director of financial advice and planning at Principal®. "That's normal. But changing your investments because of what you see on a statement versus a longer-term view may not be rational."

When markets seem unsteady, can you keep worries in check and create a near investment retirement strategy? Yes. These investing tips can help:

Investing Tip No. 1: Focus on your retirement goals and achievements, not the news headlines.

Stock markets go up and down every day. News headlines tend to follow. And big changes in financial markets, even when they last just a single day, get lots of attention.

That immediacy may cause you to lose sight of what you've been working toward all along. "It's normal to worry about investment losses, but don't forget about the gains you've made over the years," Winston says. "Keep thinking further ahead, not just about what happened today or this week."

If you haven't already done so, creating clear retirement goals with specific timelines can help. If you do have goals, check in to make sure they haven't changed. "A solid plan can help anchor your emotions and help keep you from making costly snap decisions," Winston says.

Investing Tip No. 2: Control what you can.

Nothing you do will affect the trajectory of the market. But those market movements give you an opportunity to review and adjust your contributions accordingly. You could:

- Boost salary deferral or individual retirement account contributions, automatically if possible. One idea: Funnel a percent or two of any salary increase, or an entire bonus as a lump sum, into retirement savings. If you make a lump-sum contribution when the market is in a valley, you're also technically buying "more" at a reduced price.
- Take advantage of catch-up contributions once you reach age 50.

Investing Tip No. 3: Match your investment risk with your age and risk tolerance.

If you've checked in on your retirement savings during a period of volatility and noticed lots of seesawing in value, it's possible your current mix of investments, called an asset allocation, could use some adjusting. Options include:

- Aligning your investment risk with your retirement age goal. When you're younger and have more time in the market, more risk may make sense. "The safest choice may not always be your best option if you want long-term growth," Winston says. But as you edge closer to retirement, a less risky investment mix may help focus less on big gains and more on stability. Use this short quiz (PDF) to check in on your risk tolerance.
- Switching to a target date fund (TDF) or managed account, which automatically matches your goal retirement age with an investment and rebalancing strategy. (Learn more about TDFs).

Investing Tip No. 4: Check in with a financial professional.

"Listening to the news for investment advice can be like diagnosing yourself using medical articles from the internet—informative, but not always applicable to your situation," Winston says. "If you want to know how market moves could affect you and your plans for retirement, you may need more personalized attention."

A financial professional can help talk you through what's happening in the markets that you don't understand, "even if the conversation validates what you already know," Winston says.

***NOTE: -The email topics are available on our website**

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