

## Keep Calm and Carry On

We have received many calls lately on the state of the stock markets and what investors should do with their pension monies. The poster below holds many lessons.



This poster was first produced by the British government in 1939 during the beginning of World War II. It was intended to raise the morale of the British public in the event of an invasion. The simple five word message is the very model of British restraint and stiff upper lip. It is a command to not be fearful and continue acting as you have always acted. People should think of their pension in a similar fashion. "Keep Calm and Carry On" continue acting as you have always.

While the events of the recent sell off are painful in the short term we must remember that market over the long run of ten to twenty years has historically always be positive. Investing in your pension is a long term goal. If investors give in to their emotions and fears they can end up executing one of the most common investing mistakes which is to trying to time the market.

We do not have a crystal ball and cannot accurately predict the market's movements. It is a fickle creature which looks far ahead into the future and is a cumulative gauge of all investors' emotions, not just our views. This move has caught us by surprise and investors should brace themselves for continued large and fast moving fluctuations both up and down. Our advice has always been to examine you risk profile regularly and act long term. If it has been more than two years since you reviewed your risk profile we suggest you take our quiz again. You can find it on our web site at:

[http://bfm.bm/info/products/business/retirement/strategy\\_quiz.html](http://bfm.bm/info/products/business/retirement/strategy_quiz.html)

The global economy faces many challenges including a slowing U.S. economy, emerging market inflation and most worryingly the fiscal and debt crisis brewing in Europe. These are issues which will not be resolved overnight but neither was the great depression, the oil crisis in the 70's, the technology bubble in 2001 or the credit crisis of 2008. But remember stock markets have recovered from all of those events and it will recover from this over the long term.

We encourage investors to make sure they are in the right risk profile and "Keep Calm and Carry On"!