



On Course | October 26, 2021 | Volume 21, #10

Welcome. We at Compass Planning continue to appreciate your support. Thank you.

Autumn is historically a rough time for the stock market, which also makes it a good time to review the reasons we follow a passive asset management process. That is, **we don't try to time the market!**

In you missed our series on retirement, you can still access the issues. For Retirement, Part 1 - Retirement Savings, click [here](#). For Retirement, Part 2 - Social Security, click [here](#). For Retirement, Part 3 - The Retirement Paycheck, click [here](#).

If you would like assistance in creating a passive asset management process, we are here to help you stay *On Course!*



Jennifer Lane, CFP

Passive investing and regular rebalancing works.

I started Compass Planning 25 years ago this month. During those years, we have helped clients shepherd their investments through the dot.com era, Y2K, 9/11, the housing bubble and Great Recession, divisive presidential elections, and, now, the COVID pandemic. From those experiences, it is abundantly clear that guessing what the markets will do over the short term does not work. Passive investing and regular rebalancing does work.

John Bogle, founder of mutual fund giant Vanguard, said it very well. *The idea that a bell rings to signal when investors should get into or out of the market is simply not credible. After nearly 50 years in this business, I do not know of anybody who has done it successfully and consistently.*

In our world, your investment portfolio's job is to help you meet your financial goals. For most people that means:

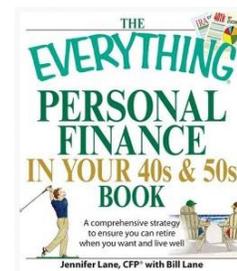
- Reviewing your financial plan yearly
- Defining the financial goals and expenses as best you can based on current circumstances
- Building a savings or withdrawal plan to meet those goals



Investing terms can be confusing.

The words *equities*, *shares*, and *stocks* are all used interchangeably. As for fixed income issues, *bonds* can be issued by government or commercial interests. *Paper* usually refers to commercial bonds. *Notes* are short-term Treasury issues. *CDs* are also considered fixed income and are issued by banks.

Get more tips in Jennifer's book



Buy Now

- Matching that cash flow plan with a mix of stocks and bonds to balance the risk and expected return that makes the plan work

Taking this long-term view helps get the focus away from the day-to-day markets, month-to-month markets, or even the year-to-year market fluctuations and back on the long-term financial plan where it belongs.

So, what do you do when the market has you worried?

1. Don't trade on fear.
2. Review your plan. Does it accurately reflect your situation or does it need an update or a change? Remember that the plan is the guide. If you don't trust the plan, you may be tempted to change your investments in response to outside information. The plan considers the effect of many factors on your finances: market risk, inflation, job loss, failing health. If your goals or situation change, then the plan changes. At that point, a change in the investments may be warranted.
3. Ask us. We're here to help keep perspective. If you're uncertain of how a particular economic situation, tax law, Fed decision -- really anything -- affects you, then please let us know. Together we can help you steer your financial course.

Jennifer and Sarah were both named
2021 Boston Five Star Wealth
Managers.



Helpful Websites

[Asset Allocation](#)

[Let's Make a Plan](#)

[Morningstar Portfolio Manager](#)

Jennifer In The Media

Below are links to Jennifer's frequent contributions to financial planning articles.

- NBC10 consumer investigative reporter Leslie Gaydos interviewed Jennifer for savings tips. For a great video, ***How to Save \$1,000 in 5 Months***, click [here](#). For the written article, click [here](#).
- Jennifer contributed to a timely article, ***How to seek forbearance on your mortgage***, for The Boston Globe. [Read article.](#)
- If you're interested in dividend funds, Jennifer contributed to The New York Times article, ***Dividend Funds Can Add Income, and Risk, to Your Portfolio***. [Read article.](#)
- Jennifer contributed to a BankRate article, ***Should I combine my mortgage and student loans?*** [Read article.](#)
- Need help with your 401(k) during the pandemic? Jennifer contributed to a Boston Globe article, ***Five tips for managing a 401(k) during the pandemic's turbulence***. [Read article.](#)
- Jennifer contributed to the Bottom Line Inc article ***Prepare your Finances for a Possible Recession***. [Read article.](#)
- Jennifer contributed to The Wall Street Journal article ***If Saving During a Pandemic Is Hard, Here's How to Stay Motivated***. [Read article.](#)
- The New York Times featured Jennifer in an article titled, ***Balanced Funds Don't Inspire Fear or Greed. That's Why They Are So Useful***. [Read article.](#)
- With a contrarian view, Jennifer contributed to an article, ***People are enraged by the idea that you should have twice your salary saved by the time you're 35!*** published recently by Business Insider. [Read article.](#)
- Moving in together? Check this article from Business Insider, ***Five questions you and your partner should answer before taking the biggest step in your relationship***. [Read article.](#)
- Insider asked Jennifer to contribute to an article on old fashioned ways to manage your money, ***Six money-saving tips your grandma used that are way more effective than any budgeting app***. [Read article.](#)
- Jennifer contributed to an article on Business Insider, ***This is the best way to do your taxes online - according to experts***. [Read article.](#)
- CNN Money's Money Moves featured Jennifer in an article on how to strike the right balance between retiring early and saving enough. [Read article.](#)
- Jennifer contributed to a CNN Money article ***When is the Right Time to See a Financial Advisor?*** [Read article.](#)

Compass Planning News

- Compass Planning is a sponsor of YW Boston's 2021 two-part [Elevating Lives Series](#).
- Compass Planning continues to meet with clients as well as those interested in learning more about the firm via phone and web-based video conferencing. Email info@compassplanning.com to learn more.
- Compass Planning has become a supporter of [The Center for Financial Planning](#) at the sustainer level. The CFP Board created the center to achieve a more diverse and sustainable financial planning profession so that every American has access to competent and ethical financial planning advice.
- AdvisoryHQ named [Compass Planning](#) as one of the ten best Boston financial advisors. ([Disclosures](#))

Compass Planning Associates helps families, individuals, and small-business clients achieve financial security, knowledge, and control over their money. Our fee-only, client-centered approach provides education and guidance for achieving financial goals and dreams.

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