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AND ALREADY ARRIVED

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10 STEPS  
to MARKET  
CONFIDENCE

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Buffalo

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(PR) Man

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Kathy Stockburger,  
Kathy Stockburger Consulting

## 10 steps to market confidence >

### Executive Summary:

*Want to know how to invest? Turn off the TV and pay attention to some good, professional advice.*

By Pete Krull

I don't have to tell you that being an investor of late has been a challenge. Simply glancing at your monthly statement is all the reminder you need.

I've put together a list of 10 principles I believe are important in bull and bear markets, cornerstones for successful, long-term investment success.

These principles will not stop you from losing money during the inevitable market downturns. They will not protect you when you haven't set aside a rainy day fund. And, they won't eliminate the need for a quality, trustworthy financial advisor.

They will help you weather the storm better and move through these periods of uncertainty with a greater degree of confidence.

1. **Have a strategy.** There are many things you can do in life without a plan; investing is not one of them. Write your strategy and plans down and refer to them. Adjust.

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2. **Dollar cost average.** Take your time and slowly integrate your strategy. Experts say 6-12 months is a reasonable amount of time to make your purchases. (Such a plan involves continuous investment in securities regardless of fluctuation in price levels of such securities. An investor should consider his ability to continue purchasing through periods of low price levels. Such a plan does not assure a profit and does not protect against loss.)
3. **Diversify.** Make sure you are diversified, not only in stocks, bonds, alternatives and cash, but also within their sub-groups.
4. **Review your relationship with your financial advisor.** Don't assume that because you've been working with an advisor for decades that the advisor is the right person for you now. Review periodically: Is the commitment being fulfilled? How often are you in touch? Has the advisor been proactive of late?
5. **Turn off CNBC** or any of the multitude of news channels out there now. There is virtually nothing that the talking heads can say that will have any impact on your long-term performance.
6. **Avoid debt.** There are times when smart use of leverage is useful, your conventional mortgage for instance. However, overuse of credit cards, exotic mortgages and margin accounts can add up to bad news. Maintain minimal debt.
7. **Add new monies.** Buy low, sell high. It is times like this where investors are made and speculators are driven out of the market. Adding while the market is low will pay off as things stabilize and move up.
8. **Maintain optimism.** With recent developments it's easy to fall into "the world is ending" trap. The economy will recover. Manifest a brighter future.
9. **Ask for advice.** Do not think that you can go it alone. There is nothing wrong with asking for a second opinion or handing over the management of your portfolio to a professional.
10. **Go green.** Spend some time researching how you can make your life more environmentally responsible. One of the biggest opportunities for cost-cutting is in energy efficiency: insulate, add a programmable thermostat or take your bike instead of the car.

*(Peter Krull is president of Krull & Company, a socially responsible financial services firm, pkrull@krullandcompany.com. These opinions are for general information and are not intended to provide specific advice or recommendations for any individual.)* 