

*(appeared in Wachovia Securities' client newsletter)*

## **Handling Risk**

Political uncertainty and market volatility may have you wondering what the future holds for your financial goals. Have they affected your financial risk tolerance as well? In this question of risk versus reward, it's important to establish a comfortable level of investment exposure. But while doing so, it's essential to understand certain principles that help us deal with risk. These include commitment and discipline, awareness and perseverance, all of which not only help put risk in perspective during uncertain times but are also relevant to investors planning for the future.

### **Commitment and Discipline:**

It's an unwavering dedication to making good on a promise to yourself or your family. While realizing market fluctuation, both natural and unnatural, may require adjustments to time horizon, diligence is needed to ensure your retirement plan, college plan or estate plan stay on track to meeting your goals.

### **Awareness:**

It's not only important to know what is happening, but why it's happening as well. Factoring the "why" into your investment decisions will produce choices based on reason rather than fear, helping you take advantage of possible opportunities and avoid costly mistakes.

### **Perseverance:**

History and experience have reminded us repeatedly that while markets tend to move short-term on emotion, their long-term progress is based on fundamentals, like earnings. Our businesses will continue to produce and develop goods and services that the world wants and needs. These are the fundamentals that boost our market over time, and investors whose portfolios are best positioned to take advantage of this market upswing will benefit the most.

Your Wachovia Securities financial associate can provide a complimentary portfolio review to help you determine what changes, if any, need to be made to keep you on track to meeting your financial goals.