

WHEN THE ONLY CONSTANT IS VOLATILITY – Third Quarter Newsletter

In a world of good news, bad news, this past quarter was not terribly unlike the preceding quarter: the market moved up, then down, then up again, and then back down again.

Many world events have been occurring at the same time, from Ukraine to the arrival of Ebola in the United States to the continued stress in the Middle East.

As you have heard from me many times before, the 24/7 nature of the news cycle and the drive for drama oftentimes creates an artificial sense of urgency. We know from long experience that turning off the noise is often your best bet.

The main issue for the balance of 2014 is volatility. No one can predict exact events, but it is likely that markets will continue to move up and down. Your long-range commitment to asset allocation and diversification is key. Volatility is still a part of life, and that is why asset allocation remains important. We should remember that corporate earnings are still rising, and this should act to help markets overall.

We hope that you and your loved ones enjoy the celebrations of the coming holidays.

Michael D. Kresh, CFP®

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