

# Investing in Ben Bernanke's World:

## Financial Advisor Gives Four Tips to Manage Investments in Light of Federal Reserve Moves

WATERBURY, Conn., June 16, 2008 -- Over the past several months the Federal Reserve has taken steps to try to stabilize financial markets, bolster the national economy and stave off a recession. With virtual meltdowns in subprime mortgages and the credit crunch many Americans, including Federal Reserve Chairman Ben Bernanke, believe we are headed for tougher financial times.

According to Jim Coleman, an independent financial advisor, while headlines fuel debate over whether the Fed has made the right decision, there's a more immediate concern for investors. Coleman says that rather than matching one extreme move with another, investors should follow time-tested strategies to guide them through what is an extraordinary period in market history. Coleman offers four tips to make sure investors are reacting rationally to the Fed's economic policies.

### Seek Real Information

"As precedent-setting as the Fed's moves may be, headlines are written to sell newspapers," says Coleman. "In times of market volatility, it's important to dig a little deeper and to put market events in context." While it can be a time-consuming exercise, Coleman believes it is time well spent and can often uncover surprises or little-reported facts.

### Take a Global View

There aren't many people who wouldn't agree that the U.S. economy may be faltering, but there are investment opportunities elsewhere in the world. For instance, while the Economist Intelligence Unit's 2008: Country by Country forecasting guide predicts that U.S. economic growth will slow to 1.5% due to continued financial-market turmoil and increasing housing market woes, analysts expect robust double-digit growth in many emerging market countries. "The bottom line is that the downturn in the U.S. underscores why it is so important that investors have not just a diversified portfolio, but one that is also globally diversified," says Coleman.

### Control What You Can

Market volatility, interest rate fluctuations, and inflation are factors over which investors have no control. But according to Coleman investors can control the manner in which they save, how much they save, spending habits and when they decide to retire. "While the fact that many Baby Boomers are delaying their retirement may fuel economic worries, for some, putting retirement off for a year or two could be a prudent move, just as carpooling helps combat high gas prices," explains Coleman. "The point is, especially in periods of market volatility and unprecedented federal responses it's important to ensure you make decisions based on reason, not emotion."

### When in Doubt, Ask for Help

Coleman says that now might be a good time to touch base with a trusted financial advisor. And if the investor has not worked with an advisor, now might be a good time to reach out. Additional financial expertise and historical perspective could be the needed medicine to put investors' minds at ease. It is highly probable that what worked well over the last two decades or while you were accumulating your portfolio may not work as well going forward, especially during the distribution/income phase of your portfolio.