



There has been a lot of market volatility in recent months.

Precautions are useless *after* a crisis!

You're probably wondering what we mean. It's simple. When's the *worst* time to buy a home-security system? After a break-in. When's the worst time to check your tire pressure? After you've already had a blowout. When's the worst time to put your seatbelt on?

You get the idea.

It's a fundamental fact of life, and it extends to your finances, too. We can't say for sure when the next bear market will come – and the recent volatility is not necessarily an indication that a bear is just around the corner. What we *can* say, however, is that a bear market is inevitable, because the markets take hits just like everything else.

Whether the next bear market comes this year or next or much later, there's only one thing to do about it, and that's to have a plan.

As your financial advisors, one of our most important responsibilities is to help you do *now* what people in the future will wish they had done earlier. That includes preparing for more market volatility. The actions that we put into place earlier this year were geared toward lowering volatility within your portfolio. In doing so, we retained certain investments that are set for generating returns over the long term. For these kinds of investments, the volatility over time is a benefit as it allows us to take advantage of opportunities as they present themselves. A well balanced portfolio can help to both reduce volatility and take advantage of the opportunities volatility at times presents. This can be challenging to remember in the midst of market turbulence, but history proves it to be true over and over again.

Without a doubt, the last few months have been turbulent. It's a reminder that volatility is simply an unfortunate fact of life. And like a thunderstorm on a day you hoped would be sunny, or road construction when you're most in a hurry, volatility never comes at a good time.

Make no mistake, volatility is frustrating – and even a bit scary. After all, when we talk about your investments, your portfolio, we're not talking about some abstract concept. This is *your* money. Your retirement savings. Your hard-earned future.

A few things:

First, we need to remember that volatility is *normal*. Knowing that it's normal doesn't make volatility fun.

But it should make volatility a little less scary.

The second thing to do is remember that *we have a long-term plan in place* – a plan in which volatility is already factored in. We've laid out a specific path to those goals – and the plan *assumes* there will be bumps, setbacks, and even a wrong turn or two along that path. It really is like driving a car, if you think about it. Smart drivers give themselves extra time to reach their destination, so when they hit the inevitable detour or traffic jam, it doesn't ruin their journey.

That's what we've tried to do with your finances. Volatility – even prolonged volatility – is a detour, not a derailment.

The third thing to remember is our team is *constantly* monitoring your portfolio. We're not forecasters, trying to predict which way the markets will go next, because that's a fool's errand. Drivers who do that

often end up going in circles. Instead, we watch your progress in real time, always asking if *what's happening now* necessitates a course correction or not. Day-to-day swings in the markets rarely do, just like a pothole in the street doesn't make you choose a different road. But should the road ever get *too* bumpy – bumpier than your portfolio can handle – we're prepared to make changes and find a smoother route.

Which brings us to the final thing you should do: Enjoy your holidays! Spend time with family. Go caroling. Argue about where to place the holiday decorations this year. Do all the things you'd *rather* be doing this time of year. After all, it's those things that really count.

There is no doubt, the markets are challenging right now. But here's what we can say: Don't stress about it.

That's our job.

We will keep monitoring the markets – and your portfolio – every single day. If we need to make any changes, we will. In the meantime, you concentrate on what really matters. Family. Friends. Spreading Goodwill and Cheer. And remember that if you have any questions or concerns, at any time, that's why we're here – call us.

From all of us here at Hudock Capital Group, we wish you all the best for a wonderful holiday season!

Warmest regards,



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