

How to Shield Your Nest Egg from Stock Market Dips but Make Money When it Rises

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It's a gross understatement to say that the stock market has been rather chaotic recently. A staggering percentage of Americans (studies put the number above 80 percent) have seen their retirement dreams either seriously curtailed or completely squashed. Some have had to come out of retirement to reenter the workforce just to survive, while an equally frightening number will have to work well beyond their originally intended retirement ages.

Immediately following the Presidential elections, all the major indexes shrank sharply, causing a further fracture of many Americans' nest eggs.

Financial advisors and media money experts routinely offer explanations as to why investors shouldn't fret losing some

money every now and then. Instead, you should focus on the so-called "long term," when everything will somehow magically work out. I strongly beg to differ. I believe these Monday morning "quarterbacks" – ahem, alleged money "experts" – are ignoring the real fundamentals of investing, even though the fundamentals *never* change. January will always precede February, just as planting always precedes harvesting.

Anyone with money invested *directly* in the stock market must understand a few things:

1. Whenever the market dips, you lose a portion of *everything* you've accumulated up to that point in time (seed money plus interest).
2. You'll need a new gain that is *much larger* than the loss just to break even and



return to your pre-loss balance. For instance, a portfolio that loses 33 percent must gain 50 percent (not simply the same 33 percent it lost) just to break even. It's therefore incredibly difficult to get back to where you were before a loss – something that many folks sadly discover the hard way, only after it occurs.

3. *No one* can accurately predict the movements of the stock market beyond what everyone already knows: it may go up or down at any given time.

Remember, again, that these are fundamental, indisputable facts.

Now I'm going to surmise that you'd love to invest in the stock market *only* when it's going up and avoid it entirely when it plummets, right? The great news is that over the past 17 years, our clients have been investing their nest eggs precisely that way. They *follow a simple, proven, and in my opinion commonsense investing approach that allows them to make money when the market is up without losing a cent when it drops.* Here's how it works.

For starters, all of your seed money is guaranteed from day one, so you are sure not to lose a penny. Then your portfolio's earnings are tied to the appreciation of a stock market index (e.g., the DOW or S&P 500), up to a certain cap. The most powerful thing is that you actually *lock in* your gains, so you won't lose anything when the market/index dips, but you gain – up to your cap – when it increases. Best of all, this is not an exotic deal reserved for a special group of investors – anyone can employ it.

Isn't this how you should invest the money you can't afford to lose? Your retirement is certain – shouldn't your nest egg be, too? If you're tired of the investing rollercoaster and would like to explore some proven alternatives that other folks are already using to protect and grow their wealth in this new economy, please contact us today at 877.656.9111 or LaserFG.com. Your consultation will be *complimentary* with *zero* obligation; we don't expect you to buy a thing from us.

About the Author

Samuel N. Asare, MBA, CRPC, CMFC, CTP, is the senior strategist at Laser Financial Group, and a noted retirement income planner. He's the celebrated author of several personal finance books, the acclaimed *Proven, Common-Sense Wealth Building* blog, and a regularly featured expert in various media including, radio and TV. Samuel's firm trains financial professionals on a variety of retirement-related subjects, and he regularly speaks to investors about how to retire successfully. Please visit LaserFG.com, or call 877.656.9111 for more practical insights or to schedule a complimentary consultation.



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