

# Don't "park" your money too long



**Larry J. Gallant**  
FINANCIAL VIEW  
ADVERTORIAL

Over the past two years, many investors have deviated from their original investing strategy and have moved away from investing in the stock markets with a significant number deciding to temporarily "park" their RRSP contributions into short term investments. Stung by recent portfolio decreases, they have been waiting out the economic storm that was arguably the hardest felt recession since the 1929 Great Depression, uncertain if and when they will once again dip their toe into the financial markets.

This strategy can result in a number of problems. First, most short-term investments pay interest and in today's rate environment with interest rates at near record lows, these investments are barely keeping pace with inflation.

Second, most investors are poor market timers because they are emotionally attached to their investment decisions. Often, they will wait too long to sell investments in a down market and wind up selling near the market bottom, solidifying their losses. Consequently, the same is true once the markets rebound. Investors tend to wait too long before jumping back in to the markets, missing a major percentage as the markets rebound.

Third, there is a real possibility that waiting too long to invest will result in lost opportunities to purchase high quality investments at low market prices. Many stocks have seen their values drop significantly during the recession primarily because investors pulled out of the market in 2008 and 2009. Logic says that you try to buy low and sell high whenever possible.

So what should you do? Many people feel uncomfortable about making these investment decisions because they don't have a financial plan. After all, without a plan how can you determine how much risk you are willing to assume? That's where a dedicated financial advisor can help. With the assistance of a professional financial advisor you can create a long-term strategy to help ensure your money lasts for as long as you need it, now and throughout your retirement.

**Make sure your portfolio is well-positioned to take advantage of the market recovery and get back on track to attain your long-term goals.**

By creating and maintaining a balanced and diversified portfolio of stocks, bonds and mutual funds your financial advisor can help you steer your portfolio to long-term prosperity. This is most important for your RRSP money because the longer you delay, the less potential you have to take advantage of tax-sheltered growth.

For more information on these strategies or to arrange a free, no obligation review of your portfolio, please contact me at [larry.gallant@queensbury.com](mailto:larry.gallant@queensbury.com) or by calling 905-892-2100. Make sure your portfolio is well-positioned to take advantage of the market recovery and get back on track to attain your long-term goals.

*Larry J. Gallant is a Financial Advisor with Queensbury Securities Inc., a member of the Canadian Investment Protection Fund and the Investment Industry Regulatory Organization of Canada.*