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What should you do now?

Wow! These are truly crazy times in the market. Lots will be written about how and why this has all happened but I want to spend some time on what you can do to take best advantage of the current situation. These are the times when smart investors look to protect and reposition for the future.

Good news if you started last year!

For those of you who are already putting money towards 403(b)'s, ROTH IRA's or regular IRA's by using Annuity products – today's markets are good news, especially if you have just had or are about to have your yearly anniversary.

First, you haven't experienced the nearly 40% drop in value that the rest of the market has experienced. Second, and more importantly, you are going to reset what we measure to today's levels. What are the chances that next years values will be higher than today? I don't know. But, given the current levels of the market, they are better than they were a year ago.

What if I make a change and the market falls further? By using Equity Indexed Annuity products we ensure that we won't ever experience any additional declines in market value. So, we're protected.

When do I get in?

OK, that's all great if you are already involved in annuities but what if you are trying to decide when to get involved with the market or, even more important, looking to change strategies from Mutual Funds to Annuities? Several people have told me, "I would really love to do what you're recommending but I need to recover some of the money I've lost first!" My answer is always the same. Now **IS** the time to change strategies. If you concern is that you won't be able to grow as much in an Annuity product then you should know that several annuity products have strategies that will allow you to grow your money with no cap on growth. You can capture over 70% of the market growth, no downside risk with **NO** cap on growth.

What money should be moved now?

CD's and Cash

- This one is a no brainer in my opinion. You haven't experienced the downside of the past year but continue to be exposed to taxes on all of your gains. Now you have the opportunity to move your money to a strategy that protects you from taxes and has far more upside opportunity than CD's do going forward.

Mutual Funds

- If you've lost value in this market NOW is the time to reposition, protect your current value from any further downside risk and prepare to take advantage of any upside opportunities the market may give.
- Often people worry about the taxes that may be due when changing strategies. If that is your concern then this is definitely the best time to consider changing strategies as your potential tax exposure from gains are now far less than they would have been. Take advantage of favorable capital gains tax rates (currently 15%) in order to move to a better, more protected strategy.
- Remember also, when you have a gain in a 12 month period with an Annuity product we capture that gain to your account and keep it forever. No more high account values that disappear with a down market. The question you should constantly ask yourself, "Was it really a gain if I don't have it any more?"

Conclusion

Now is the time to prepare for future success with your finances. There is nothing you can do about what has already happened in the market, but you can prepare for the future.

If you have funds that you are concerned about, money that has been struggling in the past year or money that has been protected but not really doing anything and is constantly exposed to taxation then you need to call. Now is the time to reposition, protect and prepare to grow for the future. Please give a call and let's get you in position to be successful as soon as possible!

Sincerely,

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