

# Face to Face Series: For Advisors, By Advisors



(BPT) - By Cetera Financial Group

In the midst of the COVID-19 pandemic, social distancing has become the norm. While everyone is doing their part to minimize the transmission of the novel coronavirus and sticking close to home, many are also revisiting their finances, either to navigate the market volatility or to conduct an annual spring cleaning of their finances.

Cetera asked its network of over 8,000 financial professionals what steps investors can take now to manage through the shifting economic reality.

## Revisit your investment portfolio

The markets have been in turmoil given the far-reaching implications of COVID-19, and investors are rightfully concerned about the economy and the prospects for a host of industries. While volatility on the current scale is unprecedented in our professional lifetimes, it is something that financial advisors have considered and prepared for to some degree. This may be the time to step back and consider if your portfolio is still structured for your long-term goals, or if adjustments should be made.

According to Pete Bush, CEO at Horizon Financial Group, “Volatility is no stranger to seasoned financial professionals who have coached and guided clients through previous market downturns like this one. They can help you analyze the impact that it’s having on your portfolio, help you make adjustments while staying the course, and prepare you for taking advantage of opportunities as things settle in and the market eventually rebounds. They will also help you understand how much risk you’re taking with your money and provide you with both timely and timeless perspectives, so you have confidence in your current and future cash flow. I tell my clients that it requires discipline to stay focused on long-term goals when current events tug on us to focus only on today and this week. But investing should not be viewed as a short-term gamble; rather, think long-term and make smart calculated moves guided by licensed professionals.”

## Increase savings or pay off debt

With restaurants, retailers and entertainment venues closing to help contain the coronavirus, and with kids home from school and day care, some Americans may find that this enforced period of social distancing has resulted in more cash on hand. Plus, there may be an additional influx with the federal stimulus package. For those who can, it may be time to consider how to put funds to work, whether in building savings or in paying off debt, and a financial advisor can help determine a course of action.

“If you find yourself in the enviable position of having extra cash available during this downturn, talk to your financial advisor to see how you can make it work for you. It’s an excellent time for dollar-cost strategy and systematic investing,” said Fanci Worthington, VP and branch manager at Cetera Investors. “If you’ve been trying to get out from credit card or student debt, you may be able to use this time to make some headway. If you want to bolster savings, an advisor can help identify some vehicles that can still provide the safety you’re looking for.”

“Cetera Financial Group” refers to the network of independent retail firms encompassing, among others, Cetera Advisors LLC, Cetera Advisor Networks LLC, Cetera Investment Services LLC (marketed as Cetera Financial Institutions or Cetera Investors), Cetera Financial Specialists LLC, and First Allied Securities, Inc. All firms are members FINRA/SIPC. Cetera Financial Group is located at 200 N. Pacific Coast Highway, Suite 1200, El Segundo, CA 90245-5670.

### **Get tax filing information in order**

On March 20, the U.S. Secretary of the Treasury announced the tax filing deadline for Americans has been extended to July 15, 2020. Patty Ahren, director of advisor relations at Cetera, recommends seeking guidance from a professional tax preparer if you have specific questions or concerns. Further clarification and relief guidance can also be found on websites such as [irs.gov](https://www.irs.gov) and your local government's department of revenue site.

In speaking with the certified public accountants and tax professionals at Cetera, Patty says, "The consensus is that with the situation changing rapidly, consider your options prior to filing. Experts advise having your paperwork and filing information in order so when it comes time to file, you're prepared. Prior to filing, individuals and business owners should be certain to research state-specific relief guidance."

### **Evaluate making a big purchase**

The Federal Reserve made an emergency cut to interest rates on March 15, slashing the federal funds rate to nearly zero. This move may indirectly push mortgage rates lower, but there are some key considerations to evaluate before making a big purchase like a new home. Ryan Marshall, certified financial planner and partner at ELA Financial Group, recommends, "Evaluate how the recent market drop has impacted your assets before investing for a short-term goal, like buying a house. If you're no longer confident with your finances, delaying while things settle will prevent a lot of undue stress."

Marshall adds, "While you might hear the advice that 'now is a good time to buy,' it's more important to invest on a consistent basis than to try to get a deal." In addition to a mortgage loan officer who may be incentivized to reach lending goals, talk to a financial planner for holistic guidance, and also, be certain you have sufficient emergency savings set aside. The same thought processes may apply to other big purchases you may be considering, like a new car.

### **Reach out to professionals for perspective and guidance**

Many consumers are rightfully worried about their finances, but hesitant to seek help from a financial professional. Matt Logan, certified financial planner of Matt Logan Inc., notes, "We've recently experienced the worst market drop since 1987. We understand these are stressful times, but remain calm and stick to your long-term plan." For those who haven't developed a long-term plan, this may be the time to establish one.

"While it's hard to know where to go and where to start, begin by asking your personal network for a referral to a financial professional," suggests Logan. "Then, research their website to ensure they offer the services you're seeking and schedule an appointment. A good financial advisor will help you develop a plan and strategy so you can work towards achieving your financial goals and they'll be able to guide you through these rough times."

Learn more about financial spring cleaning and other COVID-19 guidance so you can emerge from the current situation with confidence, by visiting [www.cetera.com](https://www.cetera.com).