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[High-end Investors Voice Concern Over Volatile Stock Market](#)

[Examiner Media](#) | Feb 06, 2014 |

By Kevin Peters



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A nationwide poll of high net worth investors shows that many in the tri-state metro area are confident about the future of the region and their personal finances, but also leery of stock market volatility.

Recent market fluctuations appear to validate the concerns shown by those surveyed, and also should highlight other issues of interest.

The just released poll reveals that 84 percent of respondents believe their financial status will be “better” or “the same” by the end of this year, with 83 percent confident about the status of the metro area economies. Slightly fewer numbers are confident of the state, global and national economies.

But all of that confidence and optimism comes within the context of concerns over possible disruptions. The specter of increased foreign conflict tops the list, and respondents also showed concern over the federal budget deficit and the trade deficit.

Nearly three-quarters said they were concerned about stock market volatility.

That last concern is emerging as the most imminent with market fluctuations occurring on a near-daily basis. For instance, the New York Stock Exchange composite index fell nearly 100 points on Jan. 23, followed by a 235-point drop on Jan. 24 and another loss of 53 points on Jan. 27.

By Jan. 28, the sell-off leveled and the market regained some of what it lost in the previous week. The Dow Jones experienced similar drops in the third week of January but then gained back more than 90 points on Jan. 28. But that is the point: the market is volatile but the direction it takes on any given day appears to be linked to whichever market analyst has the most followers.

Volatility in the market is not necessarily a bad thing. Short sales, profit taking and other investment strategies all can be applied to a dynamic portfolio with positive results. But the key is having the type of portfolio where investments can be properly managed in a volatile market atmosphere.

Obviously, those investors who have been successful in managing their assets over long periods have a good understanding of where their money should be, when and for how long. Thus the trends of the most successful investors could provide a good blueprint for other investors.

Among the investment sectors in which respondents showed confidence are technology, energy, biotechnology, pharmaceuticals and, especially in the tri-state area, healthcare. Sectors that were out of favor with tri-state investors included aerospace, insurance and tourism.

All told, the area's high-end investors seem to have done us all a good turn, showing where we can have confidence and where we should use caution. The concern shown over stock market volatility already is proving to be accurate; there is every reason to believe other areas of concern and support will bear out as well.

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