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- Business Columnists

# MARKET MATTERS: October means Halloween, but we needn’t fear market uncertainty

Joseph Matthews

It is fall. The temperatures are dropping, leaves are changing colors, and at the end of October, we will be besieged by hordes of scary creatures.

Adults, however, need not be frightened — either by the costumed youngsters or by a more grown-up, real life, scenario: stock market volatility.

We needn't go into panic mode – whether we unexpectedly run out of candy on Halloween night or find fluctuations in the stock market raising uncertainties about our retirement portfolios.

It's easy enough to turn out the porch lights if you run out of candy — the little ones will just bypass your home. However, you can't hide when it comes to your finances, so remember to stay mindful of the basics of investing, keep your composure and avoid jumping into any action you might later regret.

To be certain, this has been an eventful quarter for the stock market, what with the first impacts of the late June Brexit vote beginning to be felt. Despite a recovery in the markets in the wake of the Brexit, there are still lingering concerns about its long term impact on Britain's economy. Investors will continue to watch closely for how any economic implications might affect U.S. and global markets as the details of the country's separation from the European Union unfold.

And while oil prices have sometimes been a factor of stock market direction, that is not always the case. It is important to remember that oil prices alone should not be regarded as a sole indicator of investor sentiment. At the end of the 3rd quarter, oil prices seemed to be inching upward on the heels of negotiations between OPEC members to reduce output.

If oil prices don't send shivers up your spine, there always is the specter of the Chinese economy, although some recent indicators have shown improving growth outlook for the Chinese markets. That may be so — for the time being. But it is very hard to predict what will happen in China in the months to come, and it is a market that bears watching by investors.

And then there is the Federal Reserve. Once again the Federal Reserve has put off an increase in interest rates, a decision which can give the market a serious case of the jitters in the days leading up to its meetings, and which quickly subside once the markets are again reassured.

But that doesn't mean there won't be activity come December, which, it should be noted, is after the Presidential election — an election which may or may not create another ripple of anxiety all by itself.

So how do we, as investors, handle these potentially scary scenarios?

Remember that good investments result from knowledge of the subject area and constant attention — not emotionally charged, reactionary decisions. Good intelligence and continual vigilance is a far better method of insuring the stability and long-term performance of our portfolios than attempting to predict the next up or down swing in the market.

And we certainly won't be able to adjust to the variables in the marketplace if we spend all our time hiding inside with the figurative lights turned off, waiting hesitatingly for the doorbell to ring and the next horde of pint-sized monsters to yell "Trick or Treat."

Buy an extra bag of candy this year, just to be safe. And take an extra look at your portfolio to help ensure your finances stay on to track while you are munching on the leftovers.

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