

RCU Investment Review

Information from Redwood Credit Union and CFS – Your Financial Partners for Life

September 2011 – Consumer Sense

2008-09 Redux? Steps to Survival

The recent debt ceiling crisis and follow-on S&P downgrade of U.S. debt has again pushed investors into “survival mode” when it comes to tending to their investment portfolios. With the recent market downturn, you may have seen your own portfolio decline in value, and are concerned about how to best weather this current storm. Like many investors, you also might be fighting waves of panic as you try to decide whether or not today is the day you liquidate your investment accounts, and stash the remaining cash under your mattress.

In order to be better prepared to manage the ups and downs of this economy, while still achieving your long term financial goals, consider incorporating key investing fundamentals into your overall investment plan. Some fundamental investment principles may include: diversification, and adherence to a long-term financial plan.

Emotional Investing

In times of uncertainty, investors often allow their financial decisions to be based upon emotions, which may not always prove to be the best approach in the long run. By allowing emotions to drive your investment decisions, you run the risk of missing out on the rewards when the financial markets rebound.

Although past performance is no guarantee of future results, those who have stayed invested for the long-term have generally been rewarded for their patience. In fact, many investors perceive market declines as an opportunity to expand their financial portfolios.

Warren Buffet is quoted as saying, “Look at market fluctuations as a friend rather than your enemy; profit from folly rather than participate in it.” During volatile times, investors should re-evaluate, and then stick to their financial plan, putting fears aside as to not cloud their thinking.

Reassess Your Portfolio

The practice of spreading money across a variety of asset classes (stocks, bonds, real estate, cash, etc.) to help reduce risk, or diversifying, lies at the core of successful long-term investing. If you find that your investments are heavily weighted in just one or two asset classes, diversifying your portfolio might help minimize the volatility of your portfolio should turbulent markets continue. A regular review of your investment portfolio holdings can help keep you on track to attain important financial goals without incurring unnecessary risk.

Start with Redwood Credit Union

Now is a great time to meet with one of our CFS* Financial Advisors, found on the reverse of this newsletter, or visit our online investment center at www.redwoodcu.org/investment.

HAVE YOU READ...

The Intelligent Investor: The Definitive Book on Value Investing. A Book of Practical Counsel by Benjamin Graham, Jason Zweig, Warren E. Buffett



Interested in Learning More?

We specialize in helping Members maintain a healthy financial balance and discover smart money strategies. Call us at (707) 576-5040 to set an appointment to review your investment objectives, and to discuss any questions you might have.

We look forward to speaking with you!

Financial Investment Services & Retirement Planning

Let RCU *Investment Services* Become Your Financial Management Partner for Life

Redwood Credit Union's (RCU) Investment Services Division is here to build a brighter financial future with people you know and trust. Backed by RCU's commitment to service and experience in personal finance, our CFS* Financial Advisors provide a valuable extension of the exceptional products and services that you can count on from RCU, including:

- Objective Investment Advice
- Retirement Account Services
- College Planning
- Financial Plans

Investment Services

We are proud to offer a wide range of mid- to long-term investment options and opportunities through CUSO Financial Services, L.P.*, including:

- Mutual Funds
- Stocks
- Bonds
- Annuities
- Life Insurance & Long Term Planning
- Financial Plans

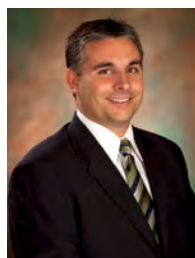
The CFS* Financial Advisors at Redwood Credit Union offer options that complement the more traditional savings products offered at the Credit Union. They can help you select the options that best match your investment goals and risk/reward levels. For added convenience, a Financial Advisor can meet with you at any RCU branch location.

Contact us today to schedule your complimentary appointment: **(707) 576-5040**



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