

Let's Talk About...

How Short-Term Volatility Can Impact Your Investing Strategy

Market volatility is a normal part of investing, but don't let short-term ups and downs distract you from your long-term financial goals. By understanding how volatility can affect your investments and knowing how to respond, if at all, you can develop a smart investing strategy.

How Short-Term Volatility Can Affect Your Investments

So, what exactly is market volatility? Market volatility occurs when the stock market experiences big price swings and a lot of trading activity. This can cause your account balance to go up and down in the short term.

A variety of factors can contribute to market fluctuations. Economic news, global events, interest rates, inflation, and changes in government policies can all impact the value of your investments. For example, inflation can make investors worry about how it will affect corporate profits. Higher interest rates can lead to lower stock and bond prices. For more on this topic, see "[Let's Talk About...How High Interest Rates Can Impact You](#)".

The key thing to remember is that market volatility is temporary and part of the natural cycle. During turbulent times, it's important to stay committed to your investment strategy and avoid making impulsive decisions.

Seek Professional Guidance: Think about consulting with a [qualified financial advisor](#) to help you stay on track and ensure your investment strategy is still aligned with your long-term goals. If you need help building a long-term investment strategy, you can get complimentary one-on-one retirement planning help from a Fidelity Workplace Planning Consultant. Call [\(800\) 603-4015](#) to get started or [make an appointment here](#).

Diversify Your Portfolio: Know the saying "don't put all your eggs in one basket"? The same applies to your investments. Spreading your investments across different asset classes, sectors, and geographic regions can help reduce the risk associated with any single investment or investment type. The Halliburton Retirement and Savings Plan makes it easy to diversify your portfolio through the Retirement Portfolios and the Single Focus Strategies.

- The **Retirement Portfolios** offer a wide range of investments in professionally made funds based on your expected retirement date, taking the guesswork out of investing.
- The **Single Focus Strategies** let you build your own portfolio by selecting your own mix of stocks, bonds, and other investments.

For more on this topic, see ["Let's Talk About...What Type of Investor You Are"](#).

Review and Rebalance: Check in on your investments at least once a quarter to make sure they still match your risk tolerance and goals. Rebalance your portfolio back to your target mix of investments by selling investments that have performed well and buying those that have underperformed. You can also get help from a qualified financial advisor to rebalance your portfolio.

To make things easier, the Halliburton Retirement and Savings Plan offers **automatic rebalancing** to help you maintain your target investment mix if your portfolio gets unbalanced and certain investments are outperforming others.

- If you are entirely invested in the Plan's **Retirement Portfolios**, rebalancing is done automatically by a professional investment manager.
- If you created your own investment mix from the Plan's **Single Focus Strategies**, you can set up your account to rebalance automatically. Navigate to the Change Investments page on NetBenefits, and click **Exchange Multiple Investments**. Once you choose your desired asset allocation, select whether you would like to sign up for a Rebalance Notification, which will notify you if your asset allocation varies from your target mix, or Automatic Rebalance, which will reset your desired allocation on a quarterly, semiannual, or annual basis. Be sure to review your targets periodically to ensure they remain appropriate if your circumstances change.

Stay Informed: While you can't predict the exact impact of external events (elections, policy announcements, regulations, or world events) on your investments, having a solid strategy in place can help you stay on track to meet your long-term goals.

Sources:

[How Presidential Elections Affect the Stock Market \(U.S. Bank\)](#)

[What Is Market Volatility—And How Should You Manage It? \(Forbes\)](#)

[How to Handle Market Volatility \(U.S. Bank\)](#)

[Tips for Long-Term Investors in Volatile Markets \(Investopedia\)](#)

[6 tips to Navigate Volatile Markets \(Fidelity\)](#)

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