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Dark days, or the single biggest opportunity in recent investment history!

There's been a great deal written recently on what's happening in the markets and why we shouldn't worry about the future and await the bounce back. We're not going to go over that here, as there are far bigger things to focus upon. Namely, the vast opportunities the inevitable recovery will provide for shrewd and prepared investors.

To say that the current war in Ukraine, Covid-19 and Brexit have come together to form the perfect financial storm, is somewhat of an understatement. Add to that the spectre of a possible worldwide recession and we're in new and unchartered financial territory.

The downturn in the financial markets is across all territories and all markets. We've seen the global correction of stock prices and even witnessed the decline of Government Gilts, which traditionally afford higher rates of protection. In fact, these usually solid investment channels, have witnessed $23 trillion being wiped off their value since they reached their peak last year.

Even the historically more cautious Global Corporate Bond Index has joined the downturn, with a reduction in value of 12% so far this year. Almost matching the MSCI World Index, which has also dropped by 13%.

It's not all doom and gloom – it's a potentially MASSIVE opportunity with the right advice

It's easy to get wrapped up in the visceral concerns that most investors currently have. However it's worth taking a step back and remembering that the markets have seen all this before; and that they have always bounced back.

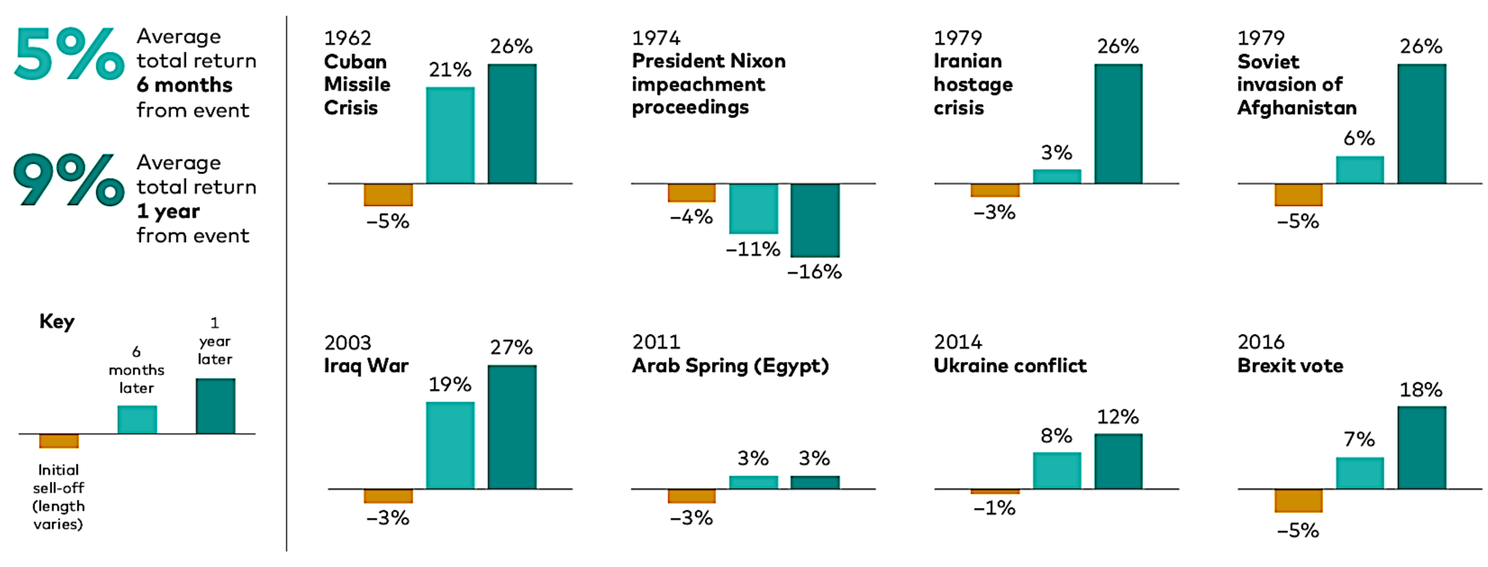
Let's remind ourselves that, as harrowing as the current situation is, there will be a return to the growth the markets historically deliver. This return to growth brings massive opportunities with it, so it's crucial that we get prepared to take advantage of the bounce-back.

A picture's worth a thousand words

Now matter how bad things are right now, just remember that there have been times when things got that rocky that some of the world's exchanges actually stopped trading altogether. On June 27th 2015, following the default on the government debt, Greece suspended all trading. The Egyptian Stock Exchange shut for over a month following the Arab Spring of 2011 and when the Japanese Emperor abdicated the throne in 2019, the Tokyo Stock Exchange closed for ten days. Even the New York Stock Exchange shut for six days following the attacks on the World Trade Centre. The one very notable thing they all had in common though, was their recovery!

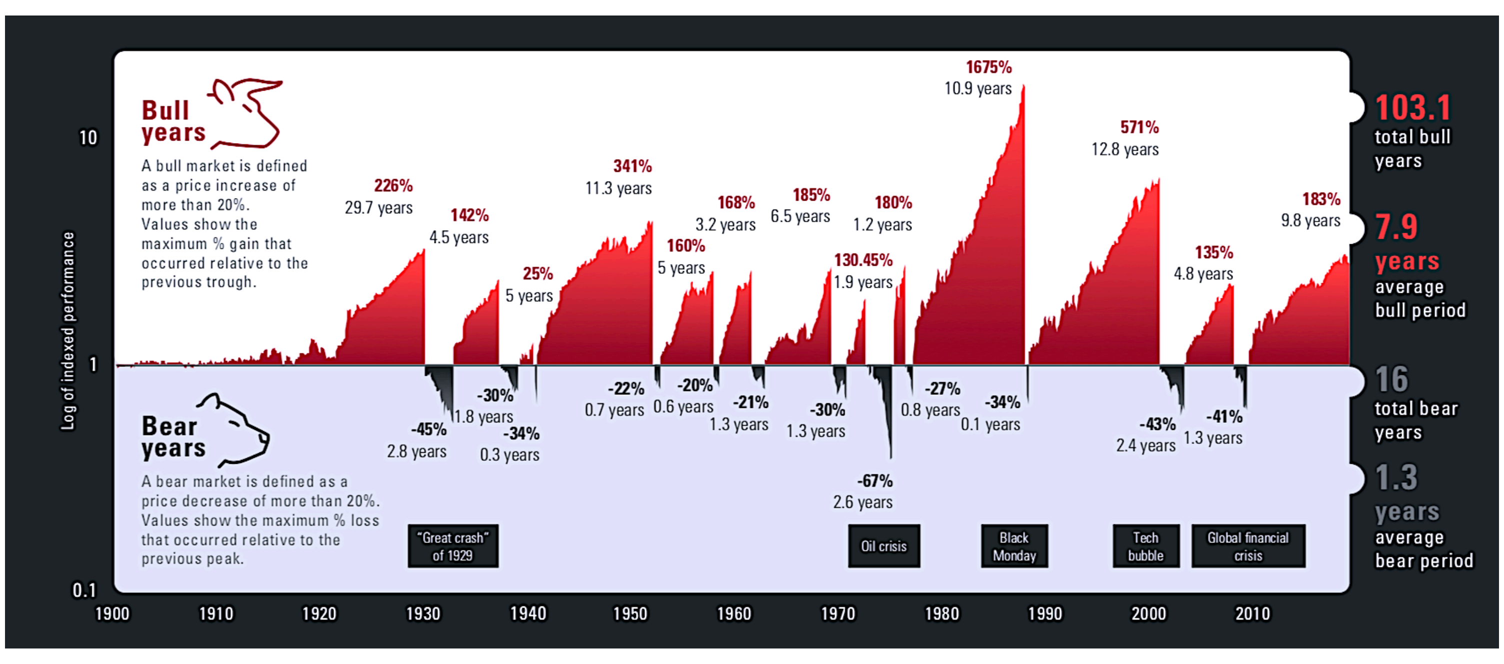
Churchill once said "The farther backward you can look, the farther forward you can see"; and this is especially true of the global markets. Look back at any period in time from the devastating crash on Wall Street, or through the countless wars and recessions and you will see an overall pattern of resetting and a return to growth.

Geopolitical downturns have always been short lived



(For source see • Notes:)

Bear & Bull Markets overtime in the UK



(For source see • • Notes:)

History shows us that the markets have, and will, face catastrophic conditions. It also proves time and again, that they adapt return and to growth.

It's in this adaptation period that fortunes can be lost or made.

A common mistake investor's make is to exit the markets in times of volatility, as they switch to cash or commodities in an attempt to avoid further losses. There are two vitally important points to consider if you are considering this strategy. Firstly, you haven't actually lost a single penny until the point at which you exit and sell your diminished positions in the market. Secondly, you are running a massive risk of not being there for the bounce-back returns.

The chart below demonstrates how missing just a few days can have a huge impact on the returns investors could have enjoyed in the global equities market. The example shows that investors who stayed in the markets with a £10,000 investment over the last 25 years, would have enjoyed returns almost three times greater than investors who sold up and moved out.

Whilst no one has a crystal ball, it's evident that being in the market at the time of bounce-back has a dramatic effect on an investor's portfolio.

History tells us that the bounce-back is coming, as is an expected return to growth. Investors just need to ensure that they are in the markets. Ensuring that they are in the right place and at the right level and that they don't miss out on the best days of the return to growth.

(For source see • • • Notes:)

So what can you do at this precise moment?

- **Get ready!** There is one simple action that you should currently be undertaking. That's to examine your current portfolio positions and get ready to make the correct adjustments to them when the markets come back.

  When the markets do return, there will be winners and losers along with large profits and losses to be navigated. To do nothing is to throw the dice and cross your fingers. To prepare properly is a strategy that will ensure that you don't just drift back into normality, but you come back stronger.

- **Reassess!** You may wish to change your risk profile or investment strategies. To place yourself in the best position to take advantage of the opportunities that will be available during in the resurgence. As the world changes and adopts, then the territories or market sectors you are currently invested in may also need adjusting. It's vital that you have a firm understanding of what has happened to your portfolio and whether it's truly recovery-ready.

- **Think and plan!** If your current financial advisors are not sitting down and going through all of this with you right now, then you should question why they aren't actively preparing you for the opportunities ahead.

  It could be that your financial advisers don't truly specialise in the complex and highly focused field of investment strategy. If that were the case, then bringing in additional experts would absolutely be the right and prudent thing to do.

At Blackstone we are independent investment specialists. It's what we do and it's what we have done for decades. **We manage in excess of £100 million of investments** for our clients, with an enviable track record of success.

If you would like us to take a look at your current position, in order to go through the opportunities you should be preparing for, or you have any questions regarding the points raised in this article, then don't hesitate to contact us today.

Many experts are predicting that this is going to be one of the biggest comebacks in the history of the global markets. There will be huge opportunities to take advantage of and massive pitfalls to avoid.

Please make sure that you don't miss the bounce-back and that you're not just a spectator when that happens. Get in touch with Blackstone today and let's start planning for the inevitable return to growth.

It takes time to prepare properly and the investment bounce-back clock is now ticking.

Contact us today and let's get your plans in place.

• Notes:

Returns are based on the Dow Jones Industrial Average to 1963 and the Standard & Poor's 500 Index thereafter. All returns are price returns and expressed in US dollar terms and do not include investment costs. Not shown, but included in the averages, are returns after the following events: the Suez Crisis (1956), construction of the Berlin Wall (1961), assassination of President Kennedy (1963), authorisation of military operations in Vietnam (1964), Israeli-Arab Six-Day War (1967), Israeli-Arab War/oil embargo (1973), shah of Iran's exile (1979), US invasion of Grenada (1983), US bombing of Libya (1986), First Gulf War (1990), President Clinton impeachment proceedings (1998), Kosovo bombings (1999), September 11 attacks (2001), multi-force intervention in Libya (2011), US. anti-ISIS intervention in Syria (2014), and President Trump impeachment proceedings (2019 and 2021). Sources: Vanguard calculations, as at 31 December 2021, using data from Refinitiv.

The value of investments, and the income from them, may fall or rise and investors may get back less than they invested. Past performance is not a reliable indicator of future results.

Important information

••Notes:

Calculations are based on FTSE All Share (GBP Total Return). A bear market is defined as a price decrease of more than 20%. A bull market is defined as a price increase of more than 20%. The plotted areas depict the losses/gains ranging from the minimum following a 20% loss to the respective maximum following a 20% appreciation in the underlying index. Time period: 31 January 1900 to 31 December 2018. Calculations based on monthly data. Logarithmic scale on y axis. Source: Global Financial Data.

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Past performance is not a guide to the future. The value of units may fall as well as rise.

Source: Quilter Investors as at 31 December 2019. Based on an initial investment of £10,000 into the MSCI World Index over the period 31 December 1999 to 31 December 2019. Gross return in pounds sterling. The information provided is for illustrative purposes only and doesn't represent the past performance of any particular investment. It is not possible to invest directly into the MSCI World Index.