



Greetings!,

What a month!

Between the devaluation of the Chinese Yuan and pressure on commodities, I'm sure you've noticed a bit more volatility in the market this month. You may even be wondering if it's time to make changes in your portfolio because of that volatility.

The answer is: not necessarily. That's because, while volatility and risk are often confused, they are not the same thing.

What is volatility? Quite simply, volatility is the up and down movement of a market or of an individual holding. The amount of volatility is determined by the extent and frequency with which the market fluctuates. Lots of fluctuation and lots of ups and downs = very volatile market.

Risk, on the other hand, is the uncertainty of a return and the potential for loss. Risk is potentially reduced by having a well-diversified portfolio.

Markets are, and have always been, volatile. As any chart will show you, the market has experienced many rises and dips over time - some more dramatic than others. In spite of that volatility, however, the market has still consistently gained value over the long run.

As Josh Brown famously said, "Volatility is not the enemy of the long-term investor. That investor's response to volatility is."

In the long run, having a solid strategy in place and sticking to it has proven to be much more successful than reacting to market fluctuations. Remember, a dip in the market does not create losses if you don't sell. Many an investor, including Warren Buffett, has experienced dramatic paper losses, but held their positions and waited for the market to bounce back.

Still, everyone deals with potential loss differently so when there is volatility and the market is down, you may be tempted to make some changes. What's important is that your portfolio and asset allocation is aligned with your own personal goals and level of risk tolerance.

I'm here to help, and to discuss volatility and what it can mean for your own financial game plan. The end of summer is also a good time for us to discuss your risk tolerance and make sure your portfolio is balanced diversified enough to get you comfortable through any market turbulence that lies ahead.

I'm also very excited about the new podcast series I'm doing with Charlie Birney from Launch Podcast. We're calling it Launch Financial and we just finished the 3rd Episode. [Click to hear great tips](#) about how to ramp up saving - and let me know what you'd like to hear about in future podcasts!

Best,



Brad Sherman
Sherman Wealth Management

p.s. Please take a look below at my blog post, [What Should You Do in a Market Sell-off? Rule #1: Don't Panic](#). And please click to connect with me on [Twitter](#), [Facebook](#), and [LinkedIn](#) so you never miss an important post.

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Featured Posts

What Should You Do in a Market Sell-Off? Rule #1: Don't Panic

Whenever there's a crisis, it's good to have an emergency plan, and when there's a financial crisis, it's good to have a financial emergency plan. When you've thought through a plan, it's less likely that panic - or other "behavioral mistakes" - will lead you to react in ways you may be regretting for a long time.



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In his book "Rich Habits: The Daily Success Habits Of Wealthy Individuals," author Thomas Corley outlines what he learned when he surveyed both wealthy and struggling Americans about their habits and attitudes.

Here are a few "rich habits" he identified that are worth integrating into your professional, financial, and even personal life, to help you on the road to achieving your own goals.



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When it Comes to Saving are you Standing in Your Own Way?

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WSJ Voices: Brad Sherman, on Marketing to Millennials

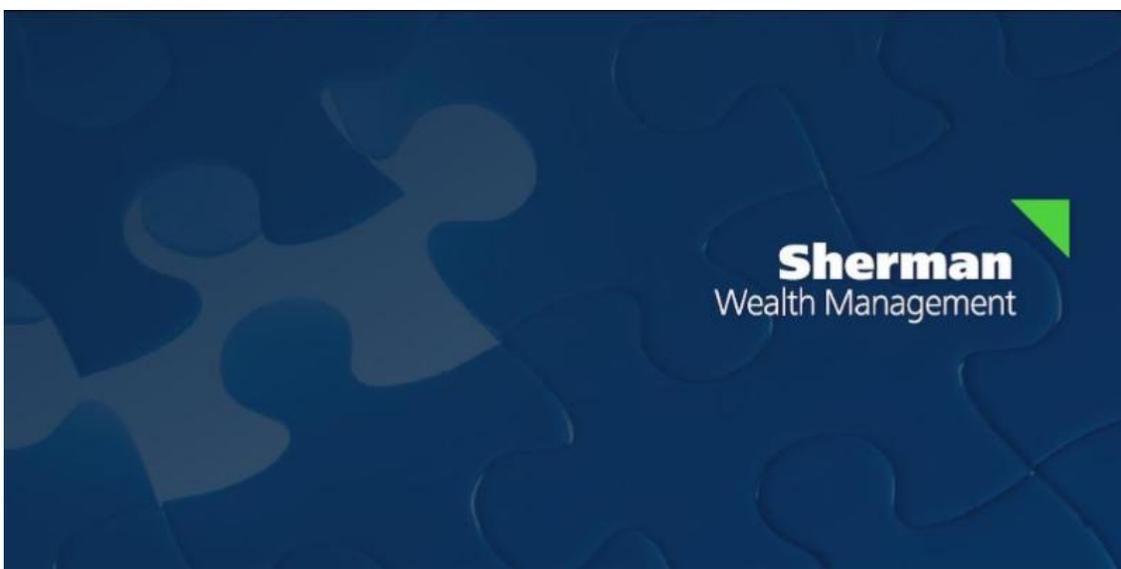
Brad Sherman featured in the Wall Street Journal:

Many members of the millennial generation may not have much in the way of financial assets right now but they are your future client pool. Taking the time now to build relationships with this demographic will benefit you in the long run and it's simple to do. Like any client, no matter his or her generation, millennials want their financial adviser to treat them as individuals...



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Contact us today to learn more about financial planning. We can help you with every phase of your financial future, whether it's a career change, planning for your children's future, saving for retirement, sudden wealth, or simply making smart investments to build a strong financial portfolio. [**Click here**](#) to contact us.



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